

Department stores

Driven by strong value propositions and extensive product ranges, department stores were a top-performer in 2025.

\$4.3 billion spent at department stores online in 2025

Department stores performed incredibly well in 2025, reporting high growth in spend and basket sizes. Growth was fuelled by value-driven product selections, improved digital experiences and convenient fulfilment options like Click & Collect – winning over the promiscuous shopper in 2025

21% of total department store spend was online³

↑\$102.74 average basket size, +7.3% YoY³

4.0m households shopped online for consumer electronics, representing 40% of all households that shopped online

↑\$4.3b spent online in 2025, +19.5% YoY³

1 in 5 department store deliveries are delivered using express

Shoppers value speed, especially ahead of key gifting periods or when clearly shopping with an occasion in mind

20% of department store purchases were sent via next-day or same-day delivery



TOP TIP UNBOXED

Here's how you can use speed to differentiate

- Offer and promote same-day and next-day delivery options clearly at checkout
- Trial free next-day delivery for orders above a certain spending threshold
- Track conversion uplifts whilst balancing these benefits against potential margin erosion

Online spending by generation

Millennials are the category's largest market, making up 38% of all department store spending online, however Baby Boomers and Builders are rapidly shifting their dollars from in-store to online in this category³

	Online spend	YoY growth
 Gen Z	\$632m	15.8%
 Millennials	\$1.6b	15.0%
 Gen X	\$1.2b	22.5%
 Baby Boomers	\$703m	27.2%
 Builders	\$175m	28.5%

Online spending by region

Majority of online spend for department stores are within Capital city areas (76%)³

Capital cities
\$3.3b

Inner regional
\$654m

Outer regional, rural and remote
\$361m



TOP TIP UNBOXED

Spend is growing, but only 21% of total spend is currently online, highlighting a massive, untapped opportunity. Retailers that invest in friction-free online experiences, first-class returns and integrate in-store and online channels will be best positioned to win.

3. Commbank IQ, 2025 – Refer to p.38 of Australia Post eCommerce Report 2026