



Inside Australian Online Shopping update

October 2020



Online shopping remains strong

Six months into the pandemic, and online shopping growth has topped 75.8% year-on-year (YOY).

While September saw weaker growth than August, down 5%, online purchases were still up 7.2% when compared to the 2019 pre-Christmas peak¹ and on par with April 2020.

Nationally, growth for September was up 82% YOY.

Victoria retains its title as the nation's online shopping capital with over a third (36%) of total online purchase volume last month (September), followed by New South Wales at 29%.

September also welcomed over 125,000 new household shoppers, an increase of 1.6% compared to 2019 – the lowest monthly increase since the pandemic began.

Overall between March and September, more than 1 million new households shopped online.

eCommerce growth September 2020

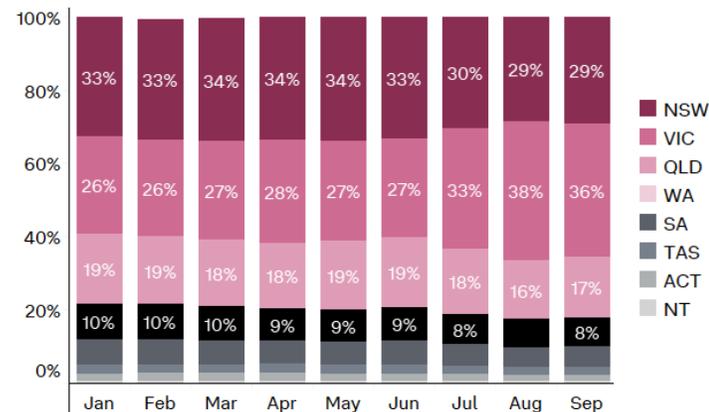


September online purchases, up 82% YOY

Online purchases in September were 7.2% higher than the 2019 pre-Christmas peak

¹Pre-Christmas peak measured as the 30 days to 18 Dec 2019 inclusive.

State share of online purchases



New households shopping online



Over 1 million new households shopped online between March and September

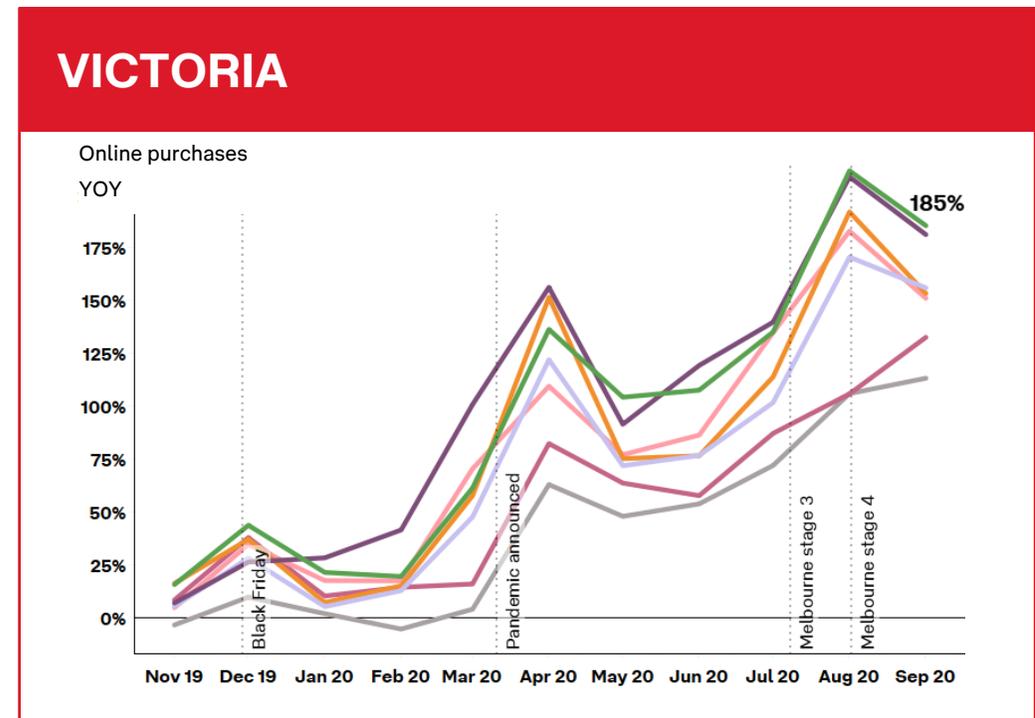
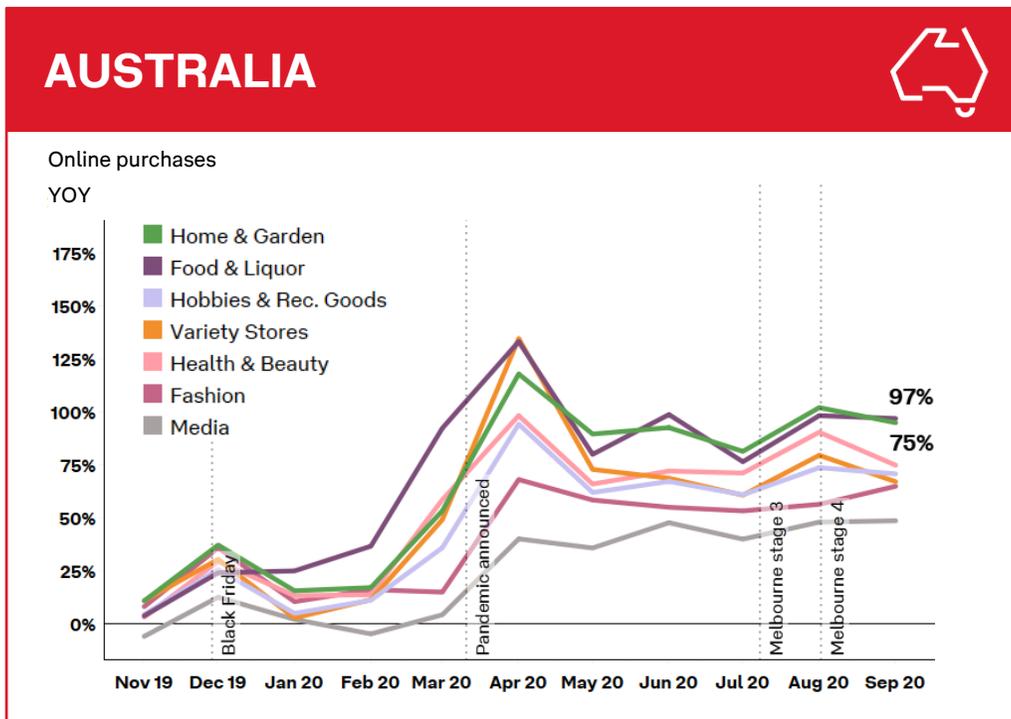
National online growth stabilising

After the initial online buying surge in April, online growth has begun to stabilise nationally.

All categories have performed well since April, with Home & Garden and Food & Liquor recording the strongest growth over this period.

The Australian industry continues to operate at two-speeds given differing levels of restrictions between Victoria and the rest of Australia.

In Victoria, where most stores are closed, online growth remained high in September, with all categories growing above 100% YOY.



Christmas set to shatter records

eCommerce has grown so much during COVID-19, that the Australian market has found a new normal.

The last seven months have seen sustained growth that is comparable to the 2019 pre-Christmas peak.

There is no doubt the industry is hurtling towards the biggest peak in online shopping history.

What will the Cyber sales and Christmas bring?

In 2019 Black Friday & Cyber Monday grew 31.6% YOY.

So far in 2020 we have:

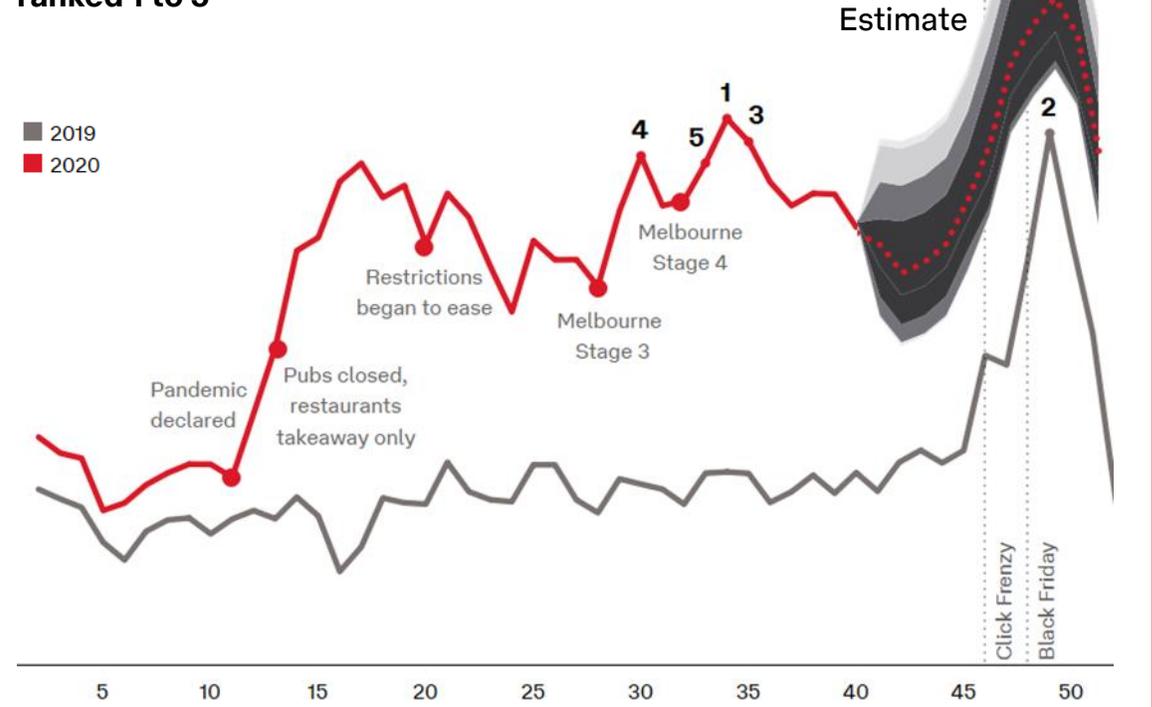
- More households shopping online than ever before; and
- More regular and frequent shoppers. Both new and regular households have shopped over 1.7 times more than in 2019

Both factors set the foundation for a record-breaking sale.

Number of online purchases, 2019-2020



Top online shopping weeks, ranked 1 to 5



Buying Christmas gifts online early¹

7% of shoppers have already purchased their Christmas gifts, while a further 16% intend to buy this month (October).

The majority (58%) said they will do most of their online Christmas shopping either in November or in the first week of December.

The same survey also revealed a quarter of people indicated they will send most gifts directly from the retailer to their intended recipients, saving time.

Therefore, offering a gift-wrapping service at check-out will be important this year and it presents an opportunity to delight and acquire a new customer.

A special message and discount card with the purchase could go a long way towards enticing the recipient to visit the online shop themselves.

Intent to purchase online this Christmas¹



¹Source: Australia Post Consumer Survey, September 2020, (n=852)

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This update has been prepared using 2019 and 2020 deliveries data recorded by the Australia Post Group, unless otherwise stated. Commentary in this update relating to online shopping is based on an extrapolation of this data. Year on year growth numbers are based on actual or extrapolated transaction volumes.

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