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The state of Australia's \$37.8b online shopping landscape

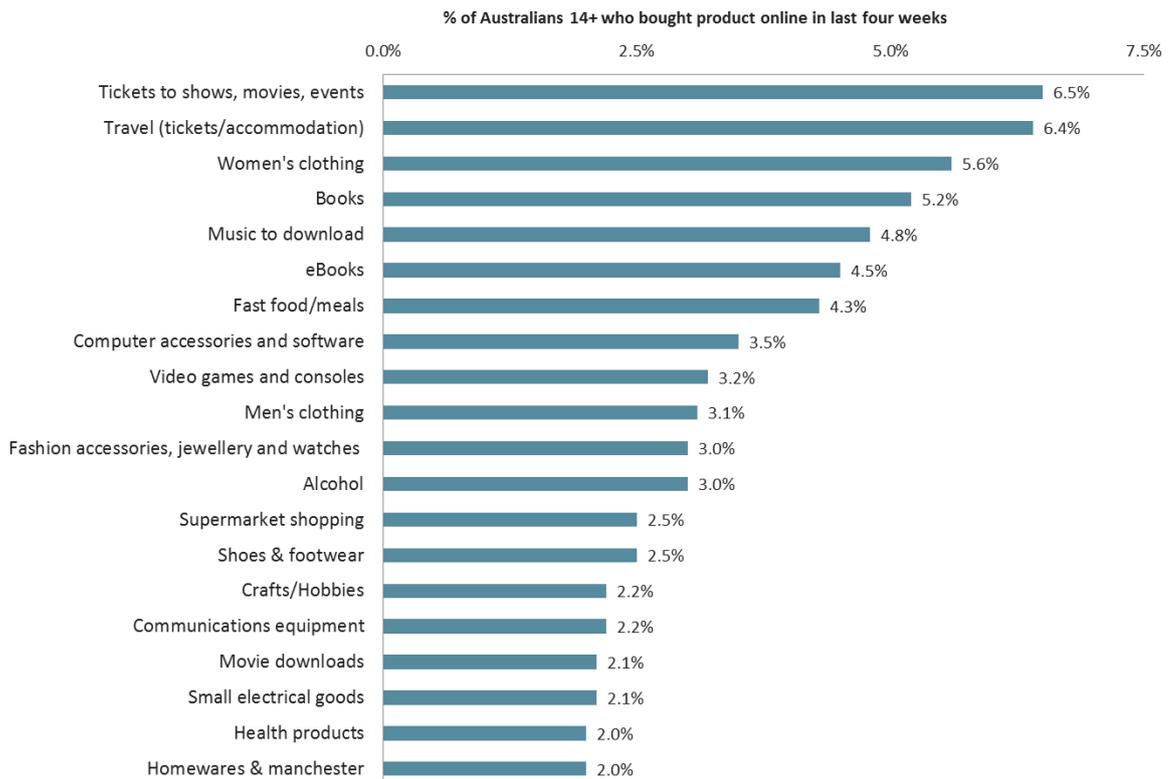
Australians spent an estimated \$37.8 billion over the internet during the last financial year, with around 4 in 10 of us buying at least one product online during an average four-week period, a new State of the Nation Retail Spotlight from Roy Morgan Research shows.

6.5% of Australians (14+) now buy tickets to shows, movies or events online in an average four weeks, making it the most common internet purchase, just ahead of travel (6.4%), women's clothing (5.6%), books (5.2%), music downloads (4.8%), eBooks (4.5%), and fast food/delivered meals (4.3%).

With over 600,000 shoppers a month, other online products in the top 10 include computer accessories or software (3.5%), video games and consoles (3.2%), and men's clothing (3.1% - almost half the number of online shoppers as for women's clothing).

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Top 20 products Australians buy online



Source: Roy Morgan Single Source Australia, July 2014 - June 2015, sample n = 15,867 Australians 14+

Rounding out the top 20 are products that around 1 in 40 to 50 Australians buy online in an average four weeks: fashion accessories, jewellery or watches, alcohol, supermarket shopping, shoes, crafts/hobbies, communications equipment, movie downloads, small electrical goods, health products, and homewares or manchester.

Michele Levine, CEO, Roy Morgan Research, says:

“It’s clear that many of the most common online sales are for non-physical items like tickets, bookings, home delivery, and downloads—that is, products with no shipping or that don’t need to be tried on or tested in a bricks-and-mortar store. For many, the internet is now the default channel for buying a travel or movie ticket, booking a hotel room, or ordering a pizza.

“Other commonly purchased items such as clothes, books and cosmetics are items that we know are identical whether bought online or in a store, so it may come down to price and convenience.

“But other products ranging from small electrical goods, sports equipment and homewares to computers, jewellery and hardware, are also gaining in the online space. It’s important that traditional retailers stop viewing online as a threat, and instead as an opportunity to reach and appeal to customers in different ways. Today’s consumers aren’t thinking in terms of online or offline—to them, it’s all just shopping. Retailers therefore need an omni-channel view of their offerings, competition, pricing, service and advertising.

“Almost two-thirds of Australian internet shoppers agree they only buy from online retailers they know—whether that’s trustworthy online-only outlets or the websites of bricks-and-mortar shops. Almost 1 in 5 say they only buy from Australian online stores.

“Also, the internet isn’t just a sales channel; it’s often the way we do a bit of pre-purchase planning via computer, mobile or tablet instead of visiting stores. 45% of Australians agree they research products or services online before buying in-store, and almost 1 in 3 did product research online within the last four weeks—often by mobile phone.”

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About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices in each state of Australia, as well as in Indonesia, the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan Research has over 70 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

Sample Size	Percentage Estimate			
	40%-60%	25% or 75%	10% or 90%	5% or 95%
5,000	±1.4	±1.2	±0.8	±0.6
7,500	±1.1	±1.0	±0.7	±0.5
10,000	±1.0	±0.9	±0.6	±0.4

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20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

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