

Monday, 2 May 2016

Over half Australia's online clothing dollars now stay local—but men still buying more from overseas

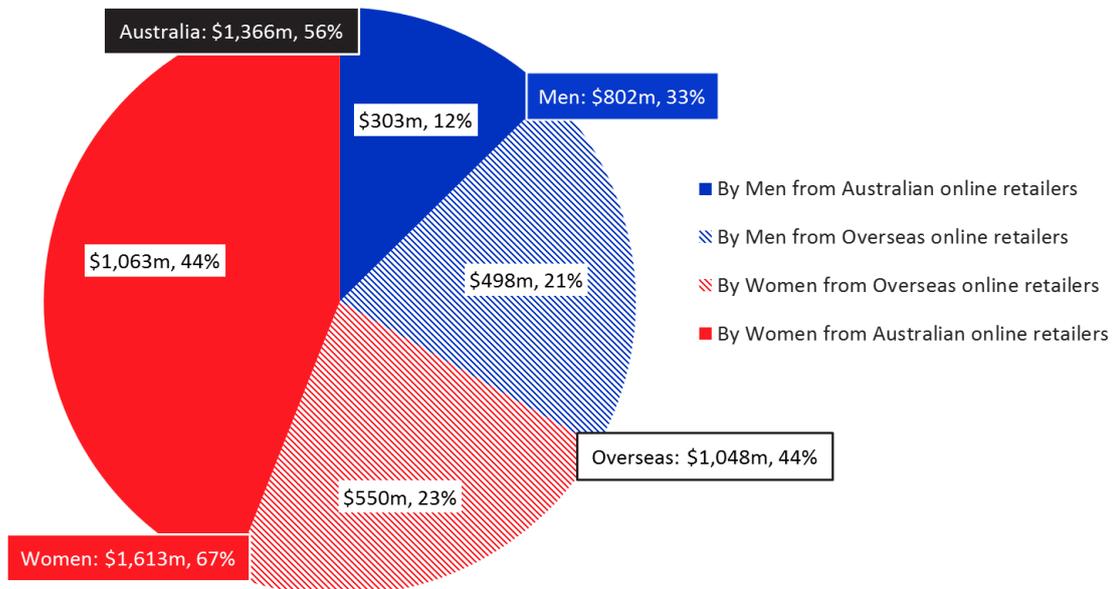
Over half of the \$2.4billion that Australians (14+) spent buying men's and women's clothing online last year went to locally based retailers—but it seems overseas is still the site for menswear, online shopping expenditure data from Roy Morgan Research shows.

Australians (14+) spent an estimated 2,414million in total on men's and women's clothing online in 2015: of that, 1,366million (56%) went to Australian-based sites (whether online-only stores or the web-stores of traditional bricks-and-mortar retailers) and \$1,048million (44%) went overseas.

Local retailers' higher share of the online clothes market comes courtesy of women. As we can see below, women spent over \$1billion on clothes through Australian online stores last year, compared with \$550million on international sites.

Conversely, Australian men favour international sites for clothes shopping—but their total expenditure is only around half of women's, so their inclination toward overseas fashion isn't enough to outweigh the ladies' love of local.

Total Men's and Women's Online Clothing Spend in 2015: \$2,414m



However to understand this more fully, we need to re-cut the two categories of women's and men's clothing across the two sexes, and distinguish where women and men shop online for clothes for their own sex (in most cases for themselves, we can assume), and the other.

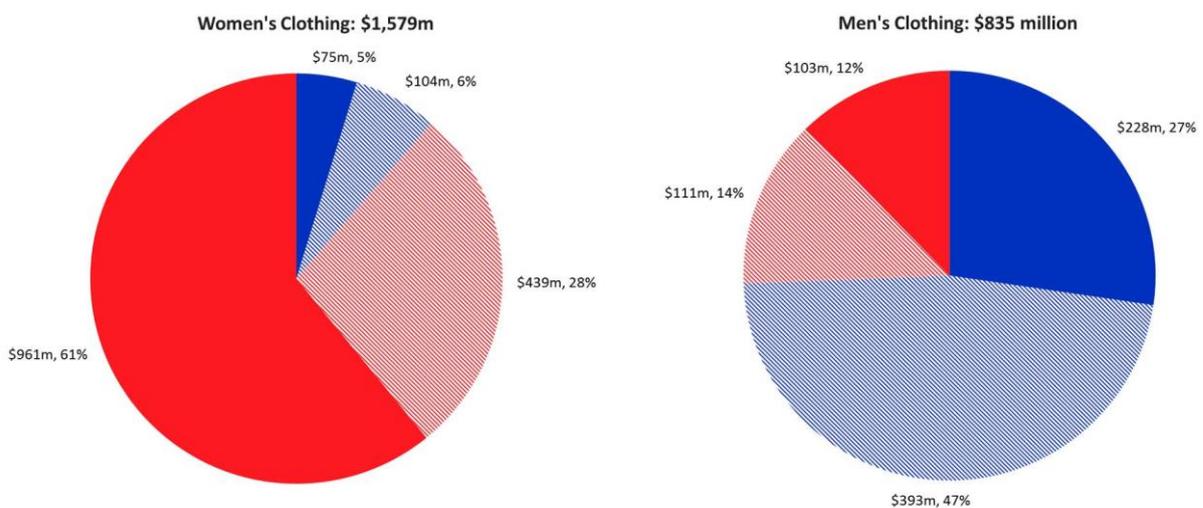
As shown below, Australians spent \$1,579million in 2015 on women's clothes online—and 89% of that (\$1,400million) came from women: \$961million on womenswear via local and \$439million via overseas online retailers.

Discover your edge

The other \$179million came from men buying women’s clothes online, but unlike women they favoured international sites, spending just \$75million locally and \$104million overseas. All up, two-thirds of all the dollars Australians spent on women’s clothes online went to local retailers.

But in menswear, it’s a different story. The online menswear market was worth \$835million last year—and over 60% (\$504million) went overseas. Men spent \$393million buying men’s clothes from overseas sites, compared with \$228million through Australian online stores.

However, unlike for their own clothes, women also favoured international internet stores for menswear: they spent \$111million on men’s clothes from overseas and \$103million through local retailers.



Source: Roy Morgan Single Source January - December 2015, sample n = 15,367 Australians 14+.

Michele Levine, CEO, Roy Morgan Research, says:

“Australians spent over \$2.4 billion on clothes over the internet in 2015, and this doesn’t even include footwear or children’s clothes. While 56% of the market stayed in Australia, just over a billion dollars went to overseas online clothing retailers

“There is clear difference between womenswear and menswear when it comes to how much of our expenditure stays local. Two thirds of Australians’ spend on women’s clothes online (nearly all of which came from women, of course) was through local sites. But for menswear, 61% of our expenditure went overseas—and both men and women shoppers favour international sites for men’s clothes.

“Together, all this suggests that Australian men’s clothing retailers need to catch up to the women’s. It may be that the pricing, quality, range and brands available on local menswear sites are simply not up to scratch in the new international marketplace, especially among fashion-conscious, tech-savvy and cashed-up consumers.

The menswear market may not be as big, but Aussie men are spending around \$620million a year buying men’s clothes online—for almost \$400million of that (plus another \$111million from women buying men’s clothes) to be clicked away to overseas is a big missed opportunity for local retailers.

FOR IMMEDIATE RELEASE

Discover your edge

“With the Aussie dollar expected to pull back over the next couple of years, it would seem the ideal time for established local menswear retailers and start-ups to work to claim back some this half a billion dollars. Online clothing leaders such as The Iconic should also investigate why many of their target customers still seem to head to overseas sites for clothes.”

For comments or more information about Roy Morgan Research’s online shopping or broader retail data, call (+61) (3) 9224 5309 or email askroymorgan@roymorgan.com

Please click on this link to the [Roy Morgan Online Store](#)

Related Research

Browse and download our huge range of [Online Shopper profiles](#).

About Roy Morgan Research

Roy Morgan Research is the largest independent Australian research company, with offices throughout 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
20,000	±0.7	±0.6	±0.4	±0.3
50,000	±0.4	±0.4	±0.3	±0.2

FOR IMMEDIATE RELEASE