

## Australians on record \$21 billion online shopping spree

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The report, showed that Australians spent \$21.3 billion last year – an 18.7 per cent increase compared with 2016. Local retailers accounted for more than 80 per cent of the total spend. Australia Post General Manager for Parcels & Express Services, Ben Franzi, said Australians shopped online to access greater value, choice and convenience, and a clear example of this was the rise of online market places.

"Marketplaces – such as Amazon, eBay and Etsy – are booming, growing 74.8 per cent in the past year alone," Mr Franzi said.

"Australians really appreciate the convenience of being able to access goods from a variety of sellers in the one location.

"In the past year we have seen new marketplace entrants, which is always great to see, in recognising the increased customer traffic that this type of format offers."

Mr Franzi said marketplaces – such as Alibaba's Tmall Global and JD.com - were also helping Australian retailers access the lucrative international market, the total online spend of which has increased 46.7 per cent to \$US1.57 trillion (\$A2.08 trillion) in the past two years.

"Marketplaces make it easier for consumers in our key export markets – China, United States, and India – find Australian products and offer a more convenient way for local businesses to start selling overseas.

"By 2019, total online goods purchases from across the globe is set to reach \$US2.16 trillion (\$A2.86 trillion), so this market represents a huge opportunity for Australian retailers."

Fashion, health supplements and other wellbeing products, and cosmetics are among Australia's most popular online exports. Domestically, fashion continues to be the top selling category, increasing 27.2 per cent in the past year. Health and beauty products are also popular, growing 13.2 per cent, while homewares and appliances recorded 10.9 per cent growth.

The May/June period posted the strongest growth during 2017, with online purchases increasing 32.2 per cent. Mr Franzi attributed the increase to retailers offering end of financial year sales for longer, in some cases more than six weeks. The November/December period remained the busiest time of the year in terms of volumes as people looked to buy Christmas presents online.

Point Cook in Victoria remained Australia's



number one online buying location in 2017, recording 22.6 per cent growth. Toowoomba was the second biggest buying location, growing at 19.5 per cent, while Liverpool was the third biggest, growing 21.1 per cent.

To download a copy of the Inside Australian Online Shopping Report, which is based on Australia Post's delivery data, please visit auspost.com.au/einsights

Source: <u>Australia Post</u>