



AUSTRALIA

2015 eCommerce Summary

One Sentence Overview

With the second largest online population in the Asia-Pacific region and a stable economy, eCommerce in Australia continues to grow.

Mobile Usage

By the end of 2015, 35% of eCommerce transactions in the country were completed on mobile devices.

Omni-channel Presence

Omni-channel initiatives are gaining momentum in Australia, with roughly 50% of large retailers offering multiple delivery options.

Major Shopping Days

Along with Christmas and Boxing Day, Click Frenzy (the third Tuesday of November) is a major shopping day unique to Australia.

Global eCommerce Rank: #10

2015 eCommerce Revenue: \$19 billion (↑9%)

Population Density



low

high

Demographics

- **Population:** 24 million
- **Urban population:** 89%
- **GDP:** \$1.6 trillion (#13)
- **Average household income:** \$59,000 (A\$80,000)
- **Average age:** 37.6 years
- **Languages:** English (98%), Other (2%)

Why Are Retailers Here?

With a mature economy and steadily growing eCommerce market, Australia offers a stable and sizable English language online retail market in the Asia-Pacific region. Many online retailers based in North America and Europe choose to base their Asia operations out of Australia due to its geographic proximity to Japan and China.



eCommerce Outlook

Industry Projections

eCommerce sales are expected to rise 21% by 2018, creating a market total of approximately **\$24 billion**.

In 2015, the digital buyer percentage was just over 79% and is projected to surpass 81% by 2018.

Major Holiday

Altogether, end-of-year holiday sales in 2015 were record setting, with Christmas and Boxing Day sales surpassing **\$2.5 billion**. Click Frenzy, an Australian shopping day launched in 2012 to boost digital sales, generated over **\$200 million** last year (November 17th).

Global Impact

Cross-border

Approximately 69% of digital buyers in Australia make cross-border purchases primarily from the U.S. (40% of shoppers), China (32%), and the U.K. (22%) due to lower prices and product availability.

Australia is not a very popular cross-border shopping destination globally, with countries such as China and New Zealand occasionally making purchases.

Payment Methods

Approximately 85% of Australians utilize credit and debit cards when shopping online, with PayPal payments accounting for 13% of purchases and POLi payments (an Australian alternative to PayPal) accounting for 2%.

Notable eCommerce Characteristic

Cross-Border Popularity – One of the top six nations in online retail imports and the leading cross-border spender in Asia-Pacific, Australia has a tax exemption on foreign purchases under A\$1,000 (or \$765). This Low Value Threshold (LVT) exemption allows Australian consumers to import duty-free when they buy from foreign retailers. Furthermore, approximately only half of Australia's retail businesses have an online presence, which forces digital consumers to shop abroad. This cross-border trend is driven by younger adult shoppers, with those in the 18-39 age range making 54% of cross-border purchases.

Sources: ABC News Australia, Adyen, eCommerce Worldwide, eMarketer, Forrester Research, SecurePay, Trading Economics, Worldometer