



**Reach**  
COUNTRY PROFILES

**Australia** |



## Contents

### WHO

Country Facts	3
Consumer Profile & Behaviour	4
The Impact of COVID-19	4

### WHERE

Australians Place Value	5
Leading Values and Motivations for Purchases During COVID-19	5
Ecommerce Saw Growth in 2020	5
Australian Consumers Spend Their Money	5

### HOW

Australians Shop Online	6
Mobile Commerce	6
Social Commerce	6
Other Trending Ecommerce Platforms	6
Popular Devices for Online Shopping	6
Australians Research Brands Before They Buy	6
Shoppers Find Out About New Brands	6
Top Search Engines Used in Australia	6
Australians Prefer to Pay	7
Popular Payment Methods	7
Banks in Australia	7

### WHY

Merchants Should Tap Into the Australian Market	8
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### WHAT

Merchants Should Know Before Tapping Into the Australian Market	9
Regulations & Trends	9
Barriers & Benefits	9
Fraud Patterns	9
Merchants Can do to Optimize	10
Reach Can Do	10

Sources	11
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## Country Facts



**25,364,307**  
TOTAL POPULATION



**URBAN POPULATION**  
**86.1%**



**RURAL POPULATION**  
**13.9%**



**MEN**  
**49.7%**



**WOMEN**  
**50.2%**



**MEDIAN AGE**  
**37.9**

**CURRENCY**  
**AUD**  
Australian Dollar

**GDP**  
**\$52,158 USD**  
Per Capita

**AVERAGE INCOME**  
**\$33,722 USD**

**AVERAGE HOUSEHOLD**  
**NET-ADJUSTED DISPOSABLE**  
**INCOME**  
**\$32,759 USD**

### ETHNIC ORIGINS

**Extremely multicultural, Australia is home to over 170 different ethnicities.**

The majority of the population is made up of European and Asian ethnic groups with various Indigenous populations making up the remainder.

### LANGUAGES

**The official language is English,** however, over 200 other languages are spoken.

### TYPE OF GOVERNMENT

**Australia is part of the Commonwealth but has its own Federal State government.** Under this government are six states and two territories.

### TYPE OF ECONOMY

Open **high-income economy**, service dominant, abundant natural resources.

### IMPORTANT SHOPPING HOLIDAYS

<b>Jan 26</b>	Australia Day
<b>Jan 1 - 31</b>	Back to School Sales
<b>Feb 14</b>	Valentines Day
<b>Mar 6</b>	Sydney Mardi Gras
<b>Mar 11-20</b>	Melbourne Fashion Week
<b>April 17</b>	Easter
<b>April 20</b>	Click-Frenzy Travel
<b>May 10</b>	Mothers Day
<b>May 18</b>	Click Frenzy Mayhem (Online Sale)
<b>June 1</b>	Start of Ski Season
<b>July 13</b>	Click Frenzy Julove
<b>Sept 5</b>	Fathers Day
<b>Oct 31</b>	Halloween
<b>Nov 5</b>	Melbourne Cup

<b>Nov 11</b>	Singles Day (Double 11 Day)
<b>Nov 12-13</b>	Click Frenzy (Sales Weekend)
<b>Nov 27</b>	Black Friday
<b>Nov 30</b>	Cyber Monday
<b>Dec 13</b>	Green Monday
<b>Dec 15</b>	Free Shipping Day
<b>Dec 26</b>	Boxing Day

\*Dates are based off of 2021 calendar. Specific dates may vary based on year.



## Consumer Profile & Behaviour

Overall, **Australian consumers are highly educated** - with 81% aged 25-64 having a post-secondary education qualification.<sup>1</sup>



Australia has also shown a **declining unemployment rate** that fell to **6.8% overall and 14.3%** in youths as of August 2020.<sup>2</sup>



The overall **purchasing power of the population is high** and has been increasing over the past few decades.<sup>3</sup>



Australian consumers place a huge importance on protecting their own data.<sup>4</sup>



More than 30% have tried new brands, and more than 20% have tried new retailers, stores, and online shopping websites since the start of 2020.<sup>5</sup>



**McKinsey's research shows that more than 50% of Australian consumers have discovered new shopping behaviours.<sup>6</sup>**

### THE IMPACT OF COVID-19

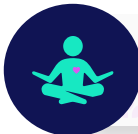
Pre-COVID-19 the average consumer focused on JIT (just in time) products and shopped based on convenience with online shopping. Now there is more of a focus on "planned buying" instead of instant gratification. Drivers of planned buying decision making are focused quality, price and after sale service quality.

While older Australians are often more loyal to brands than younger ones, negative shopping experiences cause nearly half of consumers to stop buying an online brand. Social networks also play a huge part in how Australian shop online, with many people finding products and changing brands through their social feeds and comments.<sup>7</sup>



# WHERE

## Australians Place Value



The self care trend is a growing area of interest to Australians. One example of this, from 2020, was a 125% increase in searches for weighted blankets. <sup>8</sup>

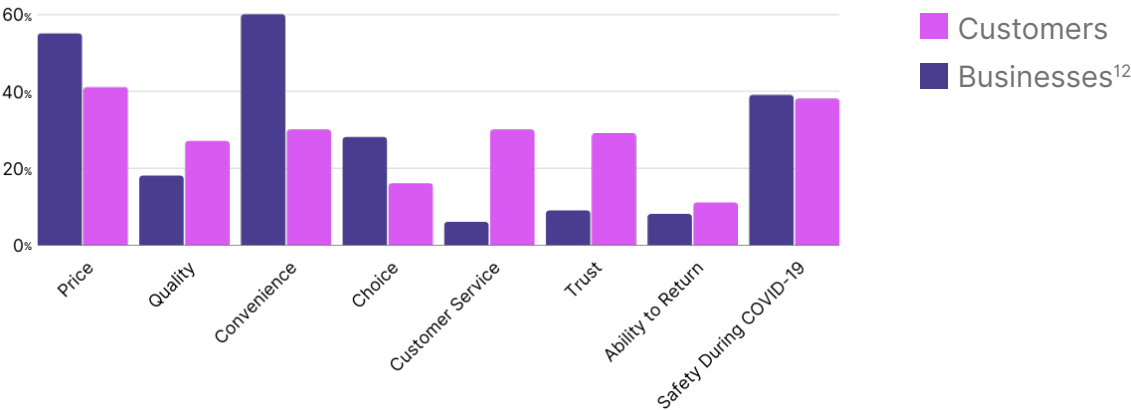


Australian consumers value environmentally friendly products. People are becoming more aware about the effects of global warming, like the wild fires of 2020.<sup>9</sup>

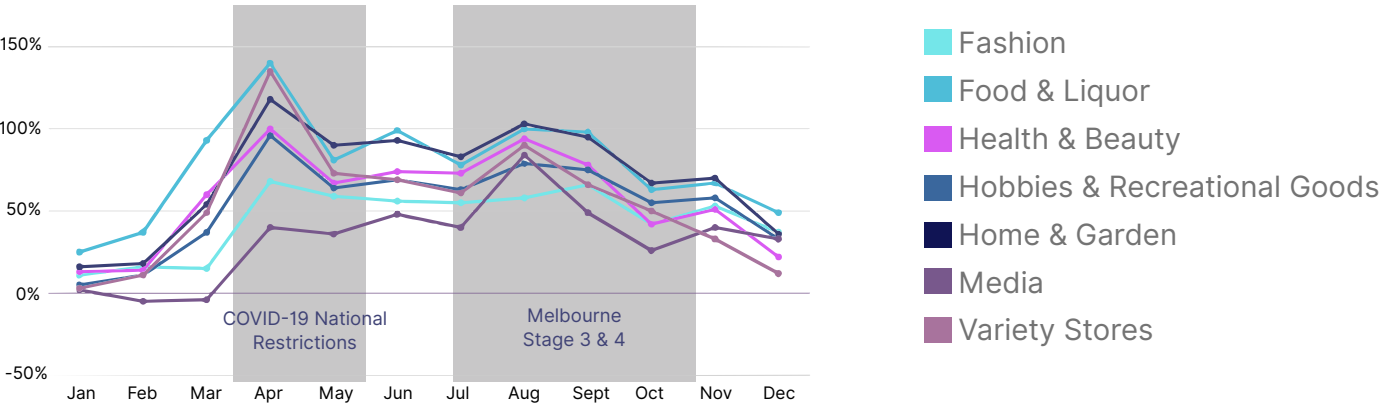


Australians have been looking for ways to create a smaller footprint, one example is the purchasing of second hand goods. This category generated a revenue stream of \$43B in 2019. <sup>10</sup>

### LEADING VALUES AND MOTIVATIONS FOR PURCHASES DURING COVID-19



## Ecommerce Saw Growth in 2020



Graph data courtesy of Australia Post. For an interactive breakdown, [visit their website](#) .

## Australians Spend Their Money





## Australians Shop Online

### MOBILE COMMERCE

Strong smartphone uptake and a love of social media underpin mobile commerce growth.

The Mobile commerce market is now worth **\$12.1 Billion USD a year** and annual sales via this channel are projected to grow at a compound **annual growth rate of 16.5% to 2023**. Over double the rate of overall e-commerce.<sup>13</sup>

### SOCIAL COMMERCE

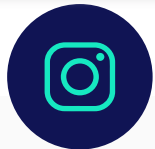
Social commerce represents a huge opportunity for merchants in the Australian market. Roughly 18 million Australians—**71 percent—are active on social media**.<sup>14</sup>



In 2019, Facebook accounted for **83% (up from 81% in 2018)** of Australian consumer social commerce.

**2.32 billion** monthly active users.

Consumers find products through a mixture of targeted ads, organic content on newsfeeds, and through social shares.<sup>15</sup>



In 2019, Instagram accounted for **34% (up from 25% in 2018)** of Australian consumer social commerce.

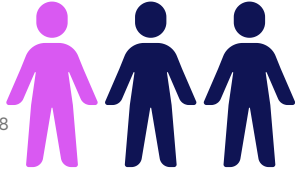
**60% of its 1 billion active users** monthly discover new products on the app.

Highly **targeted micro-influencers** have the potential to skyrocket brands.<sup>16</sup>

## Australians Research Brands Before They Buy

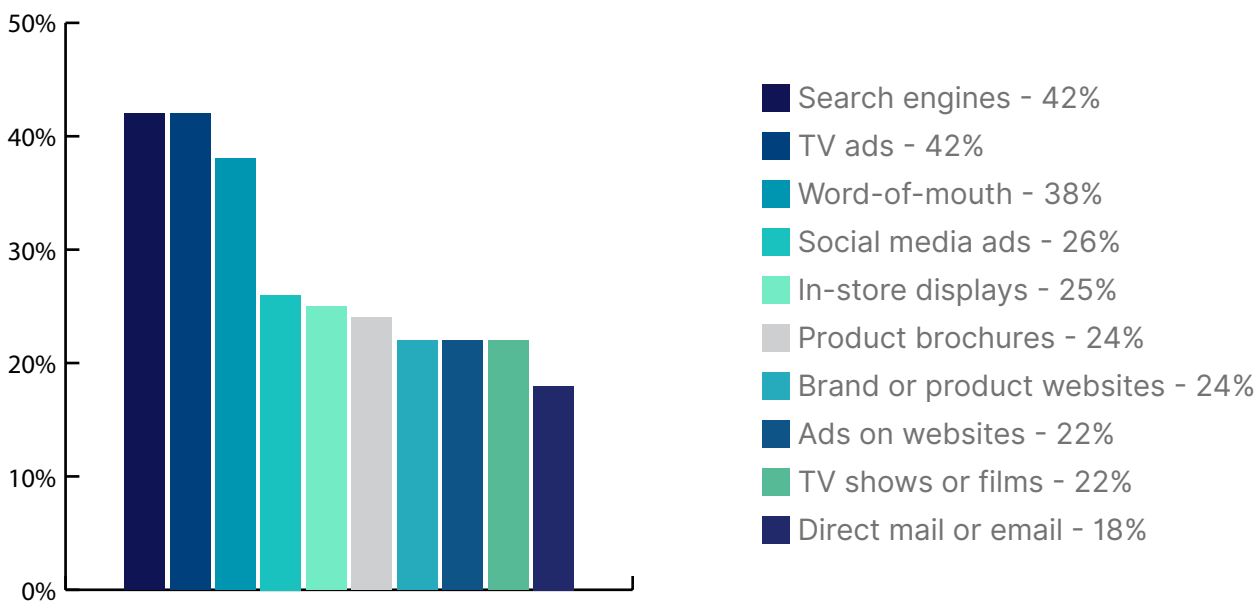


of Australian internet users aged **16-64** still use a conventional search engine.<sup>18</sup>



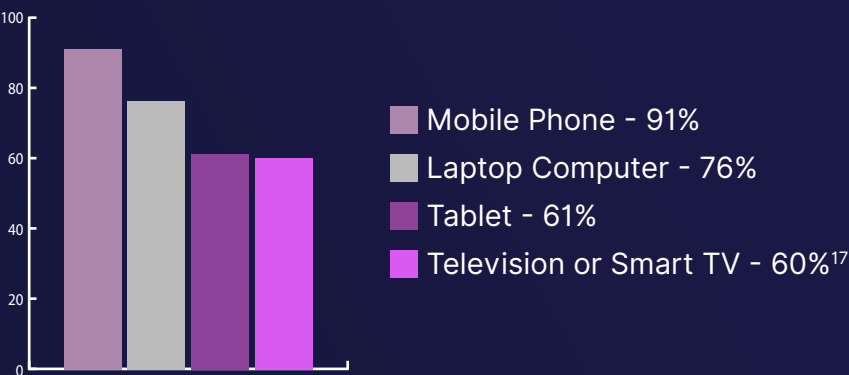
**1 in 3** users turned to social media to gather information about brands they were considering.<sup>19</sup>

## Shoppers Find Out About New Brands



\*How internet users in Australia aged 16-24 claim they are finding out about new brands.<sup>20</sup>

### POPULAR DEVICES FOR ONLINE SHOPPING



### OTHER TRENDING ECOMMERCE PLATFORMS

amazon.com



kogan.com



### TOP SEARCH ENGINES USED IN AUSTRALIA

Google

Bing

yahoo!

search.com



DuckDuckGo<sup>21</sup>



# HOW

## Australians Prefer to Pay



### DEBIT & CREDIT CARDS

Cards are the principal, preferred way to pay and must be offered at checkout. Credit card use outnumbers debit. Debit cards amount to .4% per capita and credit cards amount to .85% per capita.<sup>22</sup>



### MOBILE WALLETS

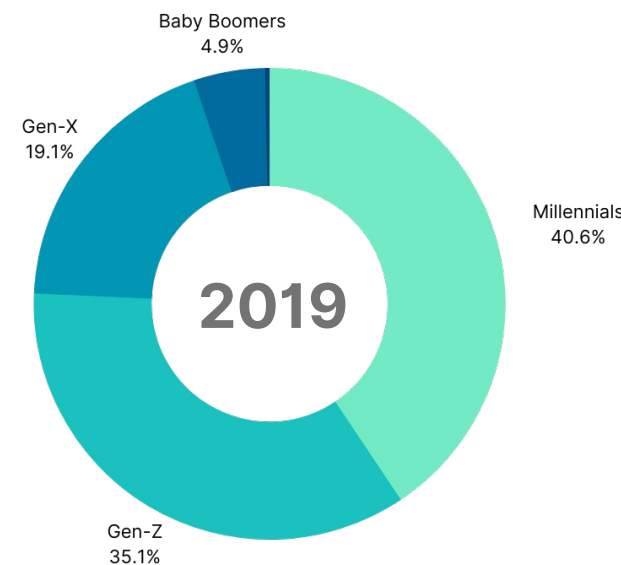
In 2021, 84% of Australia's population had access to mobile internet and in 2019, 91% of the population was using mobile platforms to make purchases. Due to factors like these, mobile wallet use is expected to increase by 2023.<sup>23</sup>



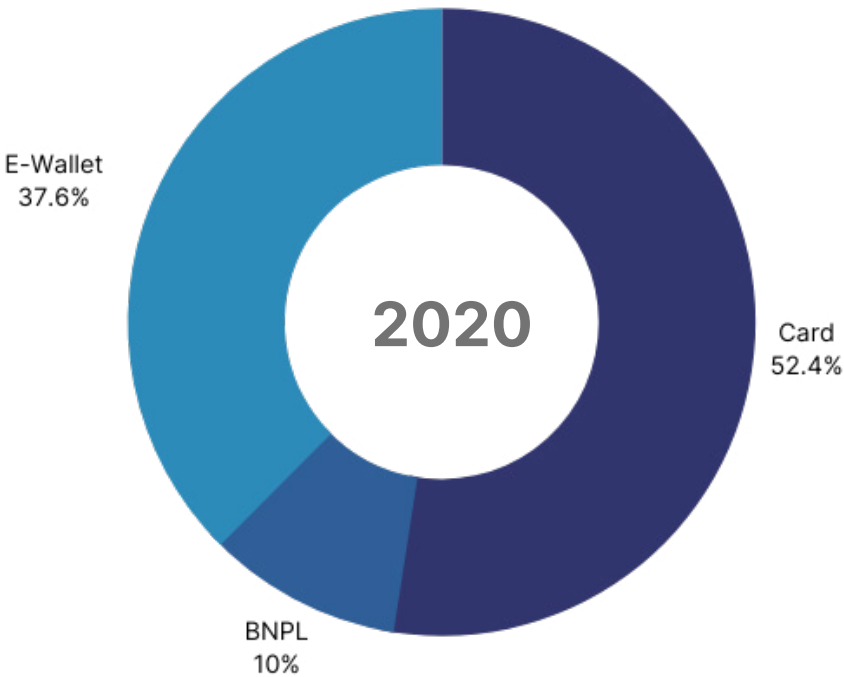
### BUY NOW PAY LATER

The value of BNPL transactions grew by around 55 per cent in 2019/20 and tripled over the previous 2 financial years.<sup>24</sup>

### DISTRIBUTION OF BNPL BY AGE GROUP



### PAYMENT SPLIT



### POPULAR PAYMENT METHODS



### BANKS IN AUSTRALIA

- Commonwealth Bank
- ANZ
- National Australian Bank
- Westpac Bank
- Bank of Queensland
- Macquarie Bank
- Bendigo Bank
- AMP Bank Ltd
- Suncorp Bank
- Bankwest<sup>26</sup>



# WHY

## Merchants Should Tap Into the Australian Market

Cross-border ecommerce is more prevalent in Australia than in the wider Asia-Pacific area and has been used by 61% of online consumers, compared with an average of 50% across the region.



The market's largest segment is **Fashion**, with a projected market volume of **AU\$10 billion** in 2021.<sup>28</sup>



The **average revenue per user (ARPU)** is expected to amount to **AU\$1,991.88**.<sup>29</sup>



**User penetration** will be 75.4% of the Australian population in 2021 and is expected to hit **77.1% by 2025**.<sup>30</sup>



**Mobile commerce** is growing at 16.5% per year and is expected to reach **USD 22.3 million by 2023**.<sup>31</sup>



The **number of ecommerce users** is expected to amount to **20.7 million users by 2025**.<sup>32</sup>



Australia is the **11th largest ecommerce market in the world** in 2020 according to the Interational Trade Administration.<sup>33</sup>





# WHAT

## Merchants Should Know Before Tapping Into the Australian Market



### REGULATIONS & TRENDS

Australia has legislated against some cross-border practises with restrictions on certain products. New consumer data laws are also being implemented to provide open banking and to allow fintech's greater access to consumer data.



### BARRIERS & BENEFITS

Australian government requires that you charge and remit 10% GST to Australia if you sell more than AUD \$75,000 in a year.





# Merchants Can do to Optimize



## USE CONVERSATIONAL TONE IN LISTINGS

57% of Australians now use Voice Search on both search engines and on other sites, and this figure is only likely to increase in the coming years. The popularity of voice search means that your ecommerce listings need to be written in a more conversational tone in order to rank well.<sup>34</sup>



## OPTIMIZE THE CHECKOUT EXPERIENCE

Nearly half of Australian consumers will shop somewhere else if they have a negative shopping experience. This means optimizing the checkout experience across all shopping platforms, but especially it is important on mobile apps or browsers.<sup>35</sup>



## INCLUDE A DIVERSE RANGE OF PAYMENT METHODS

It's not just about credit anymore: Australians look for more payment options. A 2019 survey revealed that nearly three quarters of the population embraced different digital payment options like BNPL by AfterPay and other payment options like PayPal, Google Pay and Apple Pay. By offering many types of payment options you can easily increase consumer satisfaction.<sup>36</sup>



## PROVIDE A VARIETY OF SHIPPING OPTIONS

Shoppers are used to seeing a lot of different shipping options at different price points to give them flexibility in their transit time/prices. Given they are on an island halfway across the world, they understand the logistics constraints of cross border shipping, so giving them affordable and transparent options is key.



# What Reach Can Do



In the excitement about sharing your brand with the world, it is easy to forget the critical part global payment solutions play in the success of your business when entering new markets.

Reach understands global consumers and how changes in their shopping experience affect your business. Our experienced legal, financial, compliance and local-market experts provide in-depth global analytics for your business, as well as duty and tax calculations so that you can expand your business to new markets with certainty and ease.



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