

Discover your *edge*

Wednesday, 29 March 2017

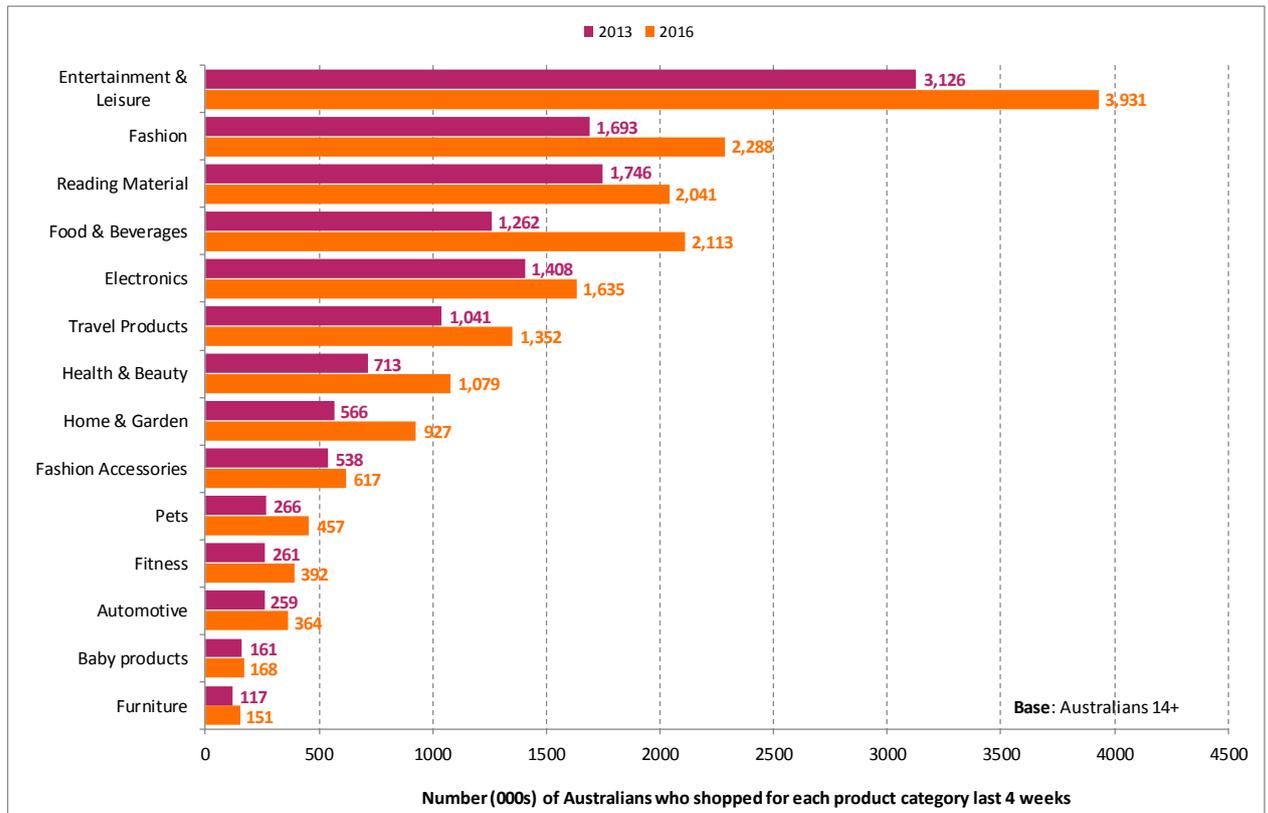
Amazon set to benefit from Australians' love affair with online shopping

As the popularity of online shopping continues to go gangbusters across Australia, and online sales in almost all retail categories track steadily upwards, the conditions couldn't be riper for US e-commerce giant Amazon's imminent Australian launch. Roy Morgan Research shines a spotlight on the country's ongoing love affair with buying things over the internet.

In any given four-week period last year, just over 8.7 million Australians aged 14+ (44.2%) bought one or more products via the internet. This equates to more than 1.7 million additional shoppers per four weeks since 2013, when nearly 7 million Aussies (36.4%) shopped online in an average four weeks.

Entertainment and Leisure items account for the greatest number of internet shoppers, with 3.9 million people buying something from this category in any given four weeks, followed by Fashion (2.3 million), Food and Beverages (2.1 million) and Reading Material (2 million).

Online shopping product categories purchased in average four weeks: 2013 vs 2016



Source: Roy Morgan Single Source (Australia), Jan-Dec 2013 (n=18,576) and Jan-Dec 2016 (n=14,330).

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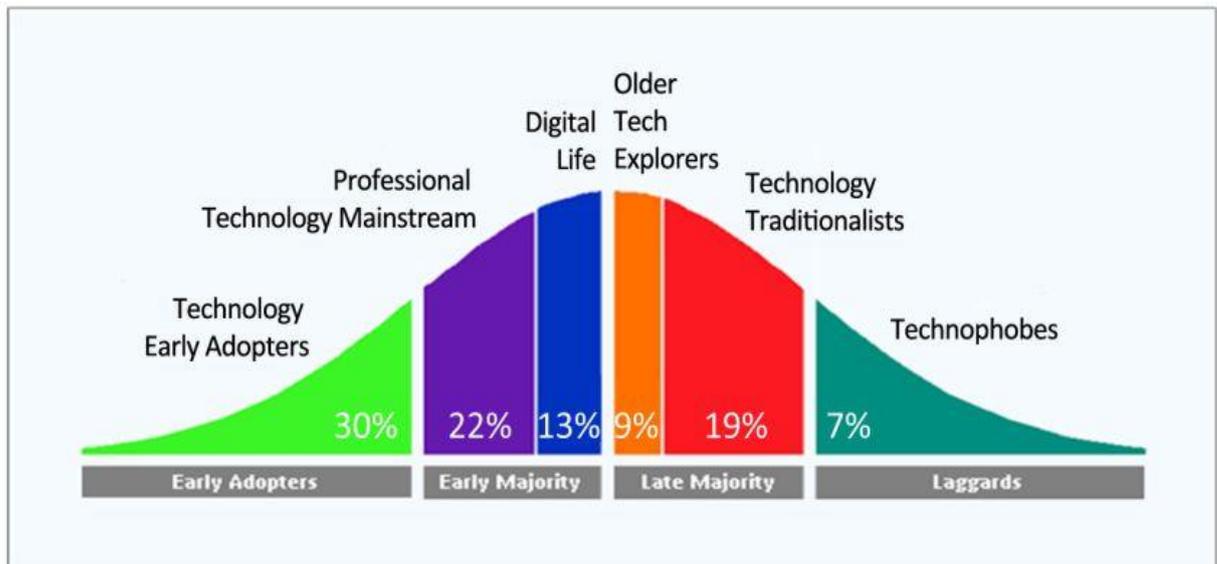
Online shopping has risen for every product category in the chart above except baby products (which have remained stable). Between 2013 and 2016, Food and Beverages saw a proportional growth of 67% (from almost 1.3 million to just over 2.1 million buyers per four weeks), Health and Beauty purchasers increased by 51%, Fashion shoppers surged by 35% and people buying Home and Garden products rose by 64%.

Online shopping still primarily the domain of the tech savvy

But while online shopping is gaining ever-increasing momentum with Australian consumers from all walks of life, those most likely to make purchases this way still tend to be from the more technologically savvy end of the spectrum. Indeed, viewing these consumers through the lens of Roy Morgan's [Technology Adoption Segments](#) reveals that more than half of all online shoppers (51.9%) fall under the umbrella of either Technology Early Adopters or Professional Technology Mainstream, the two most digitally inclined segments of the population.

As their name suggests, Technology Early Adopters are always the first to purchase and use new technologies, and tend to be well educated and high-earning. Whereas they comprise nearly 20% of the overall Australian population, they account for a fraction over 30% of all people who buy something online in an average four weeks.

Proportion of online shoppers by Technology Adoption Segment*



Source: Roy Morgan Single Source (Australia), January-December 2016 (n=14,330). *NB: Overall population breakdown of Technology Adoption Segments are as follows: Technology Early Adopters: 19.8%; Professional Technology Mainstream: 17.3%; Digital Life: 15.7%; Older Tech Explorers: 8.4%; Technology Traditionalists: 23.3%; Technophobes: 15.6%

Similarly, the ambitious, early-adopting Professional Technology Mainstream comprise just over 17% of the population and almost 22% of all online shoppers. Meanwhile, the less switched-on Technology Traditionalists and Technophobes are under-represented among Australia's online shoppers.

Norman Morris, Industry Communications Director, Roy Morgan Research, says:

“The data is unequivocal: Australians can’t get enough of shopping online. In any given four-week period, more and more of us are purchasing products as diverse as clothing, food, reading matter, health and beauty products, furniture, and electronics via the internet. While just over 540,000 Aussies currently make a purchase on Amazon in an average four weeks, this will almost certainly rise once the US e-commerce colossus launches its Australian operations and rolls out its local offerings.

“Presently, Australian shoppers have access to a limited range of product categories on Amazon compared with the vast selection available to US customers, but local distribution centres will allow for much greater variety and shopping potential. Add to this the fact that 21.4% of Aussies say they ‘only buy from Australian online stores’, and Amazon’s antipodean future sure looks promising.

“Then there’s the prospect of the company launching its quick-turnaround grocery delivery service AmazonFresh. As we recently reported, Australian supermarkets have not yet conquered the online space, but AmazonFresh may succeed where others have not.

“Understanding the technology-specific attitudes and behaviours characterising each Technology Adoption Segment is a great way for online retailers to target their best prospects, approach their marketing decisions more strategically and ensure they’re match-ready when Amazon arrives in Australia.”

For comments or more information about Roy Morgan Research’s online shopping data and the Technology Adoption Segments, please contact:

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Related research findings

Learn more about [Australia’s Online Shoppers](#), including People who have bought [Supermarket Shopping Online](#). You may also be interested in our profiles of the [Technology Adoption Segments](#), such as [Technology Early Adopters](#).

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.

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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