



Market dynamics and how we're working with businesses

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Key eCommerce highlights

Online shopping represents 8% of traditional retail in Australia



We expect that by 2020, 1 in 10 items will be bought online



Source: Australia Post Inside Australian Online Shopping, <https://auspost.com.au/einsights>

What are people buying online?





VISA

MasterCard

Maestro

AMERICAN EXPRESS

VISA Electron

VISA

MasterCard

MasterCard

VISA

Key consumer trends

New payments

\$1.6bn of spend online is through Buy Now, Pay Later*

18-39 years old (39%)



Shop Now. Pay Later. Interest-free



NO DEPOSIT | NO INTEREST EVER

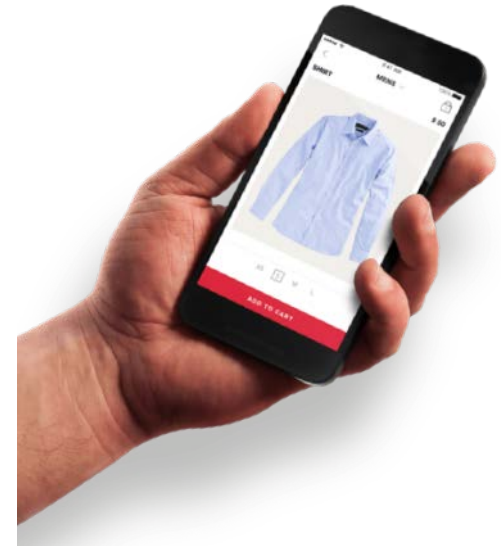
*Excludes services

Marketplaces



74.8% growth in purchases from marketplaces

Devices



1 in 5 online purchases made on a mobile device in 2017

Trends impacting Australian consumers



Personalisation
(marketing and product
i.e MonPurse)



Rise of the sale
(Black Friday, Cyber
Monday, Singles Day)



Marketplaces
(i.e Alibaba, Amazon,
eBay, JD, Lazada)



Cross border trade

Trends impacting Australian receivers



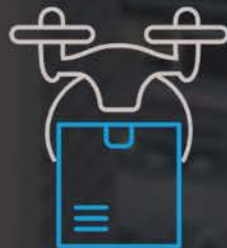
Robotics and automation
in sorting and scanning
technology



Speed and choice
of delivery



Technology in delivery
(i.e autonomous vehicle)

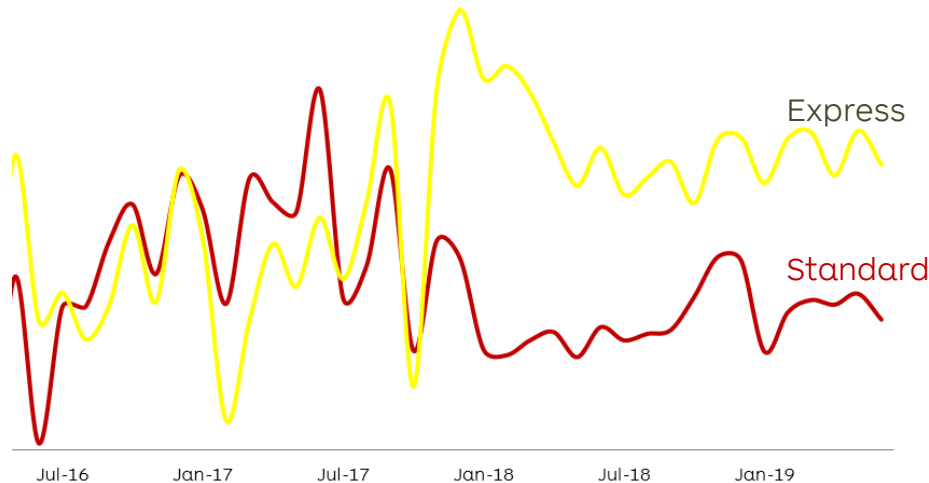


Last mile changing

Key consumer trends

Growth, speed of service, returns

Express is growing faster than standard shipping.



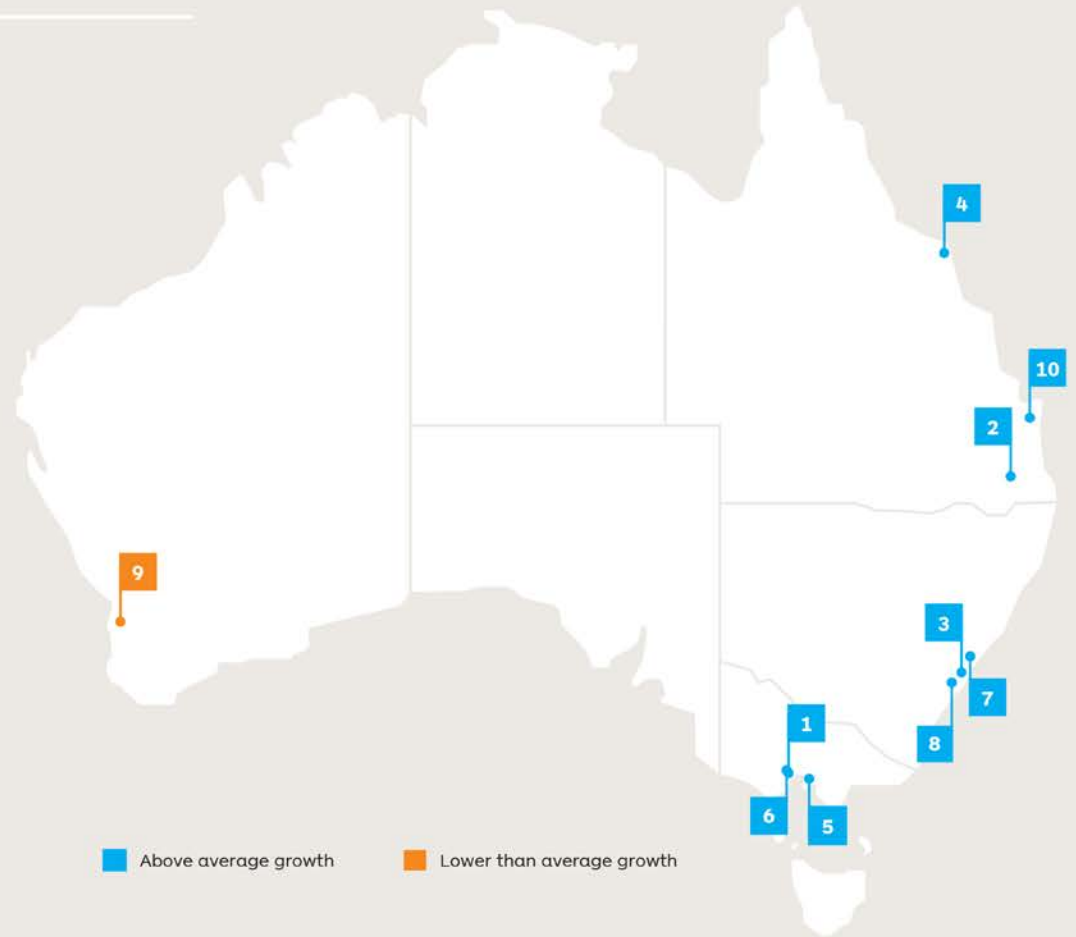
Returns is growing popularity and is seen as a differentiator, particularly in apparel and footwear.

Consumer research shows free returns led to a **13%** increase in basket size and a **26%** increase in overall spend*.

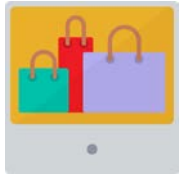
Who's buying?

Top 10 buying locations by volume

Rank	Locality	Growth (%)
1	Point Cook, 3030	22.6
2	Toowoomba, 4350	19.5
3	Liverpool, 2170	21.1
4	Mackay, 4740	25.1
5	Cranbourne, 3977	27.3
6	Hoppers Crossing, 3029	31.7
7	Gosford, 2250	19.8
8	Campbelltown, 2560	25.7
9	Mandurah, 6210	17.2
10	Bundaberg, 4670	22.5



How can the industry support their customers



Dig deeper to understand your customer's business, once the sale occurs



Buying trends are changing, with sales events having a greater impact on inventory management



Get closer to the last mile



Speed is King, how can your business facilitate a faster customer experience?



Ignoring the basics is a common mistake.

Questions

Download the 2018 Inside Australian
Online Shopping report at
auspost.com.au/einsights

