2025

commerce report

shopper trends transforming commerce and retail marketing

australia : wave 5
new zealand : wave 2

iab. australia

Pureprofile

contents

introduction

Pureprofile is proud to partner once again with the IAB Australia for the fifth wave of the Commerce Report, charting the evolving behaviours, expectations, and priorities of today's retail and commerce consumers.

As the economy shows early signs of recovery, with interest rates easing and some cost-of-living pressures softening, consumer confidence is beginning to stabilise. Against this backdrop, online shopping continues to dominate, bringing with it a more fragmented digital ecosystem and increasingly complex consumer behaviours.

For retailers, this presents both challenge and opportunity. With a broader mix of digital channels influencing discovery and purchase decisions, and with consumer priorities shifting, the need for deep, data-driven understanding has never been greater. From price sensitivity and convenience to sustainability and brand values, today's shopper expectations are high.

So too is the focus on trust. As reforms to Australian privacy laws unfold, transparency becomes central to the online experience. Brands must navigate a delicate balance between data-driven engagement and ethical responsibility.

This report unpacks the latest insights shaping the path forward for retailers, providing a detailed view of what matters most to consumers and how businesses can adapt to meet them.

Martin Filz
CEO
Pureprofile

IAB Australia, in partnership with Pureprofile, is proud to release the fifth wave of the Commerce Report, highlighting evolving commerce and retail marketing trends - now shaped by convenience, reward, sustainability, transparency, and immediacy.

IAB Australia brings together around 180 members to help build sustainable and diverse investment in digital advertising. Our role includes understanding the digital landscape and highlighting its opportunities to the broader market.

As cost-of-living pressures show signs of easing, shoppers continue to prioritise value. Loyalty programs, rewards, cashback offers, and increased purchasing of pre-owned items are key ways consumers are saving money.

Brand discovery is increasingly complex, blending digital and physical channels. While online search is critical, other influential touchpoints include retailer environments, social media, influencers, content creators, and emerging AI-driven tools. Brands must consider how different audiences find them—and how that's evolving.

With new privacy regulations taking effect, it's essential that retailers ensure data collection practices are compliant. First-party data is a key ingredient in the opportunity for partnering with retailers to influence consumers across the full purchase funnel, but it must be underpinned by trust, transparency, and a clear value exchange.

IAB Australia looks forward to working with retailers, media owners, agencies, and advertisers to explore innovation and maximise retail marketing opportunities.

Gai Le Roy
CEO
IAB Australia

key insights for 2025

Cost of living pressures have eased. Consumer confidence is regaining as interest rates have been cut this year. These pressures are still influencing shoppers as they continue to delay purchase or switch brands and retailers to cheaper options, but these behaviors have reduced since last year.

A diverse online retailer landscape is dominated by marketplaces and supermarkets. Global online marketplaces with vast product selections across categories are driving the range of products being purchased online. Weekly online grocery shopping has steadily increased. Online stores of traditional retailers, food delivery, subscriptions and purchasing directly from social media platforms are also thriving outlets to purchase.

Shopper expectations are high with aspects like free shipping, easy returns, and real-time availability considered standard to meet demands. Younger generations have significantly different expectations of their shopping experience particularly for faster delivery, scheduled delivery and subscription options.

Shopper behavior and expectations differ significantly across generations. As Gen Z are expected to become a more dominant spending force in coming years, retailers and marketers need to understand and cater to different shopper behaviours and expectations, as well as having a well-rounded discovery strategy.

There's an increase in purchasing of second-hand goods which has cost saving, environmental and economic benefits. While shoppers see the key benefit of purchasing second-hand is to save money, there are some shoppers who will pay more for higher quality, durability and sustainably sourced and produced products.

Multiple channels and touchpoints are used to discover products. Search remains the top discovery tool, but social media, influencers, content creators and retailer owned assets and content are increasingly pivotal, along with a myriad of other avenues emphasising the need for multi-channel marketing strategies across target audiences who have diverse ways of discovering brands.

A variety of different retail loyalty programs continue to provide value to online shoppers. Free-to-join loyalty programs are widely valued, particularly during economic hardship. Cashback incentives, subscription loyalty models, continuity and collectable programs also provide value to shoppers.

With Australian Privacy Law reforms, transparency in data usage and consumer understanding of the data exchange is critical. Most are willing to share personal information in exchange for tangible benefits like discounts or free delivery but demand clear communication and trustworthy handling of their data.

Trust remains a key ingredient for success in today's market. Trust is a key element in shopper willingness to provide data to retailers. Authenticity and trust are also requirements for influencing consumers in newer emerging channels. Some shoppers are willing to pay a bit extra for a premium, trusted brand.

There are key differences in shopper behavior and expectations across Australia and New Zealand. Amazon does not have the market dominance in New Zealand as it has in Australia, which changes shopper expectations. Shopping for second-goods is also more prevalent in New Zealand.

This report underscores the need for retailers and marketers to embrace consumer expectations for convenience, value, ethical practices, and transparent data use, while leveraging digital channels and loyalty programs to deepen engagement in a competitive environment.

01. background

growth in online retail sales

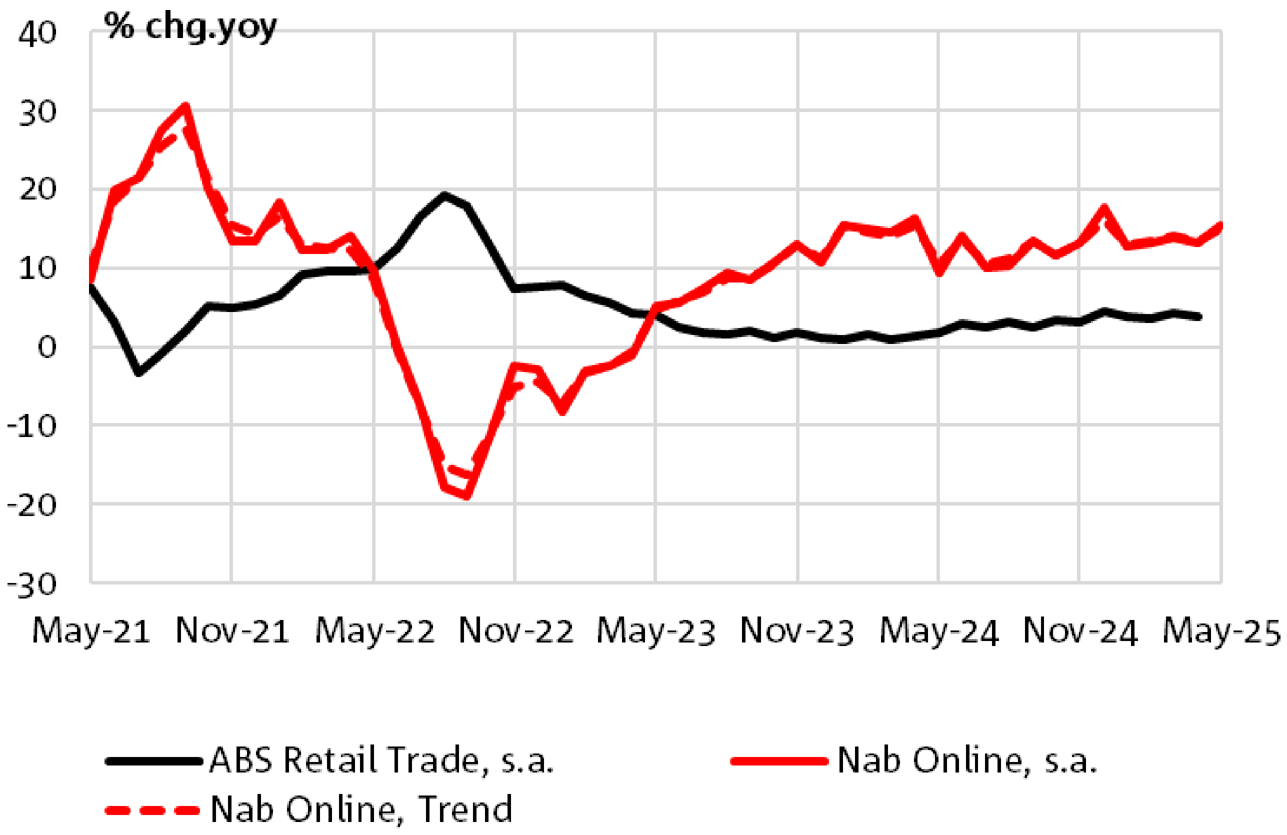
NAB Online Retail Sales Index estimates that in the 12 months to May 2025 Australians spent

$63.27 billion

on online retail, around 14% of the total retail trade estimate.

In the latest month of NAB's Online Retail Sales Index (May 2025), online retail sales grew 15.4% year on year (ABS retail trade growing around 4%).

NAB Australian online retail sales and ABS retail sales



nearly all online australians visit a retail website or app in a month

21.8 million

99% of online australians aged 14+ visited an online retail or commerce website or app on computer, smartphone or tablet in May 2025.

On average online retail visitors spent 7.5 hours on retail or commerce websites and apps in May 2025.

most popular online retail and commerce subcategories in May 2025

australian audience aged 14+

consumer electronics
18.5 million

voucher/rewards
18.2 million

grocery/supermarkets
16.8 million

dept, discount stores
15.6 million

fashion & beauty
15.9 million

fast food and delivery
15.0 million

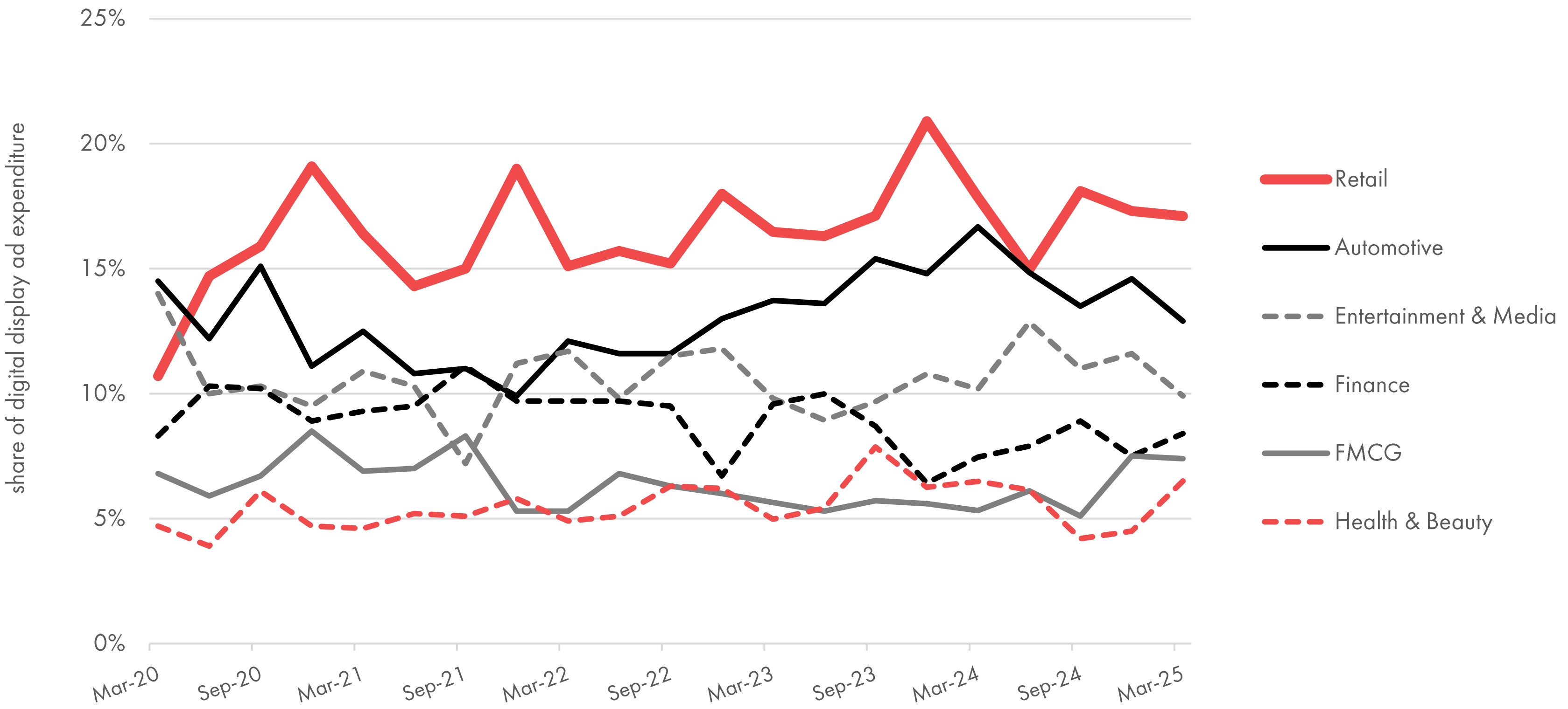
Source: Ipsos iris Online Audience Measurement May 2025, Age 14+, PC/laptop/smartphone/tablet, audience (000s), Retail and commerce category and selected sub-categories

retail is the #1online display advertising expenditure category

17%

of digital display advertising expenditure is from retail advertisers.

australian online display advertiser expenditure, top categories
(share of online display ad expenditure)



methodology

To understand how evolving consumer behaviors and expectations are influencing shopping and commerce trends in Australia and New Zealand, with a focus on shopper motivations, discovery channels, loyalty program engagement, and attitudes toward data sharing.

Respondents are a nationally representative sample of 1000 Australians and 850 New Zealanders aged 18 to 70 who have shopped online at least once in the last 12 months.

Australia: wave 5 annual online survey
New Zealand: wave 2 annual online survey
Previous year reports are available to download from the IAB Australia website.

02. shopping behaviour

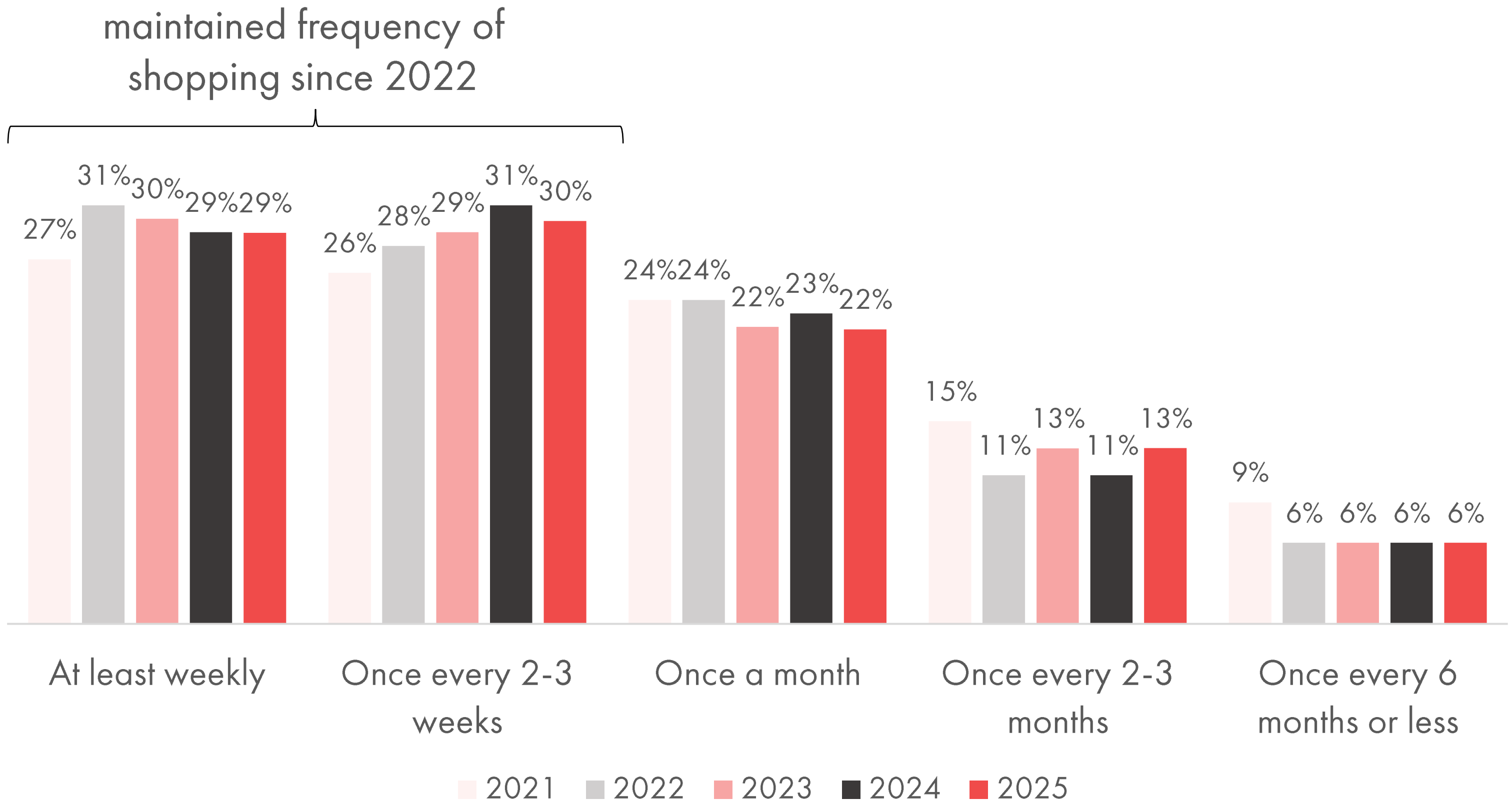
buying frequency of online shoppers

6 in 10 Australian online shoppers (59%) are shopping online every 2 to 3 weeks.

8 in 10 Australian online shoppers are shopping every month.

The surge in online shopping frequency driven by covid has been maintained over the last three years.

australian frequency of online shopping



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often do you shop online?

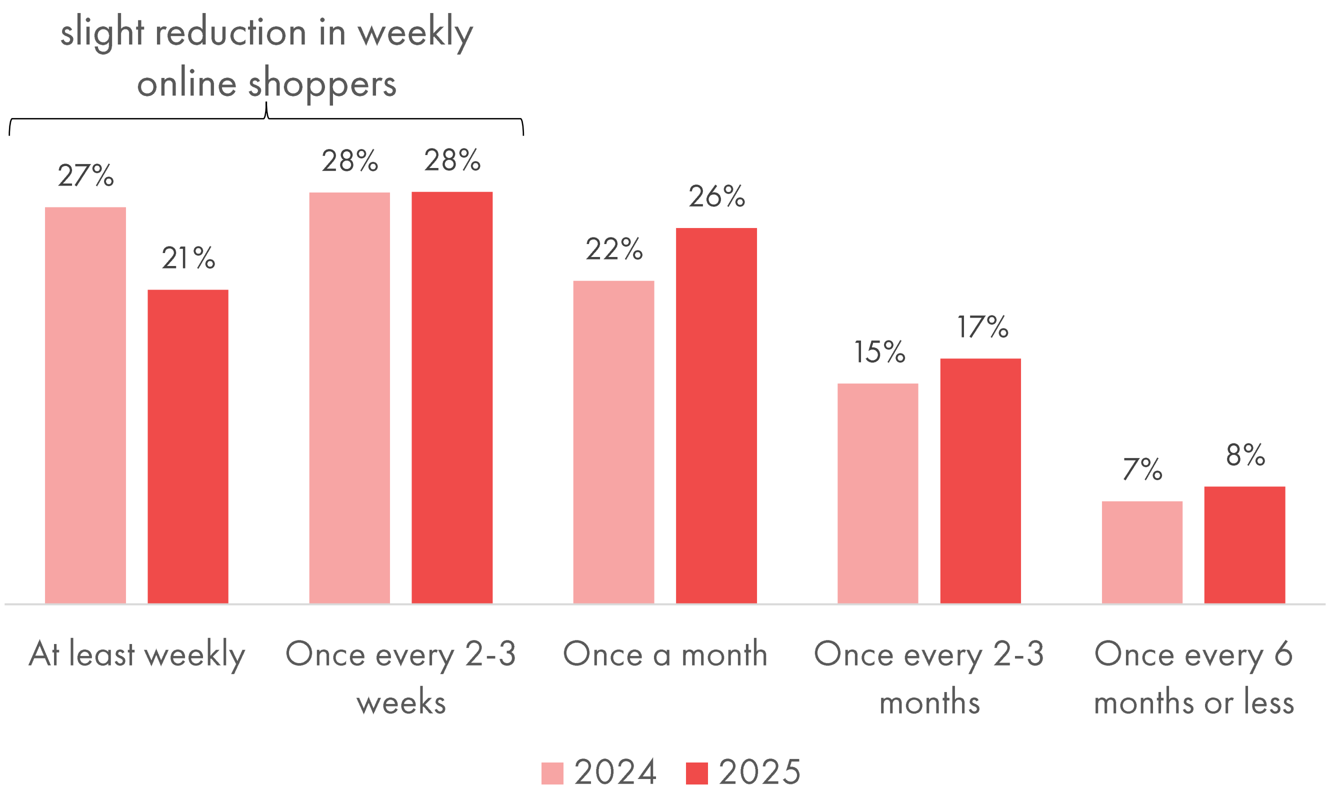
buying frequency of online shoppers

Nearly half of New Zealand online shoppers (49%) are shopping every 2-3 weeks.

75% of New Zealand online shoppers are shopping every month.

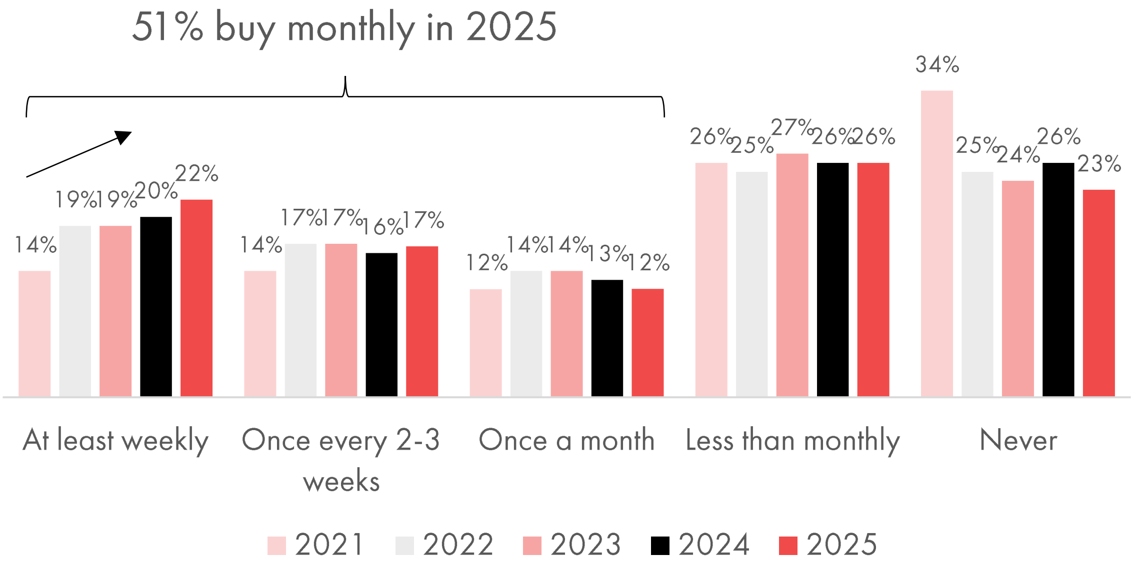
There has been a slightly reduction in weekly online shopping year on year.

new zealand frequency of online shopping



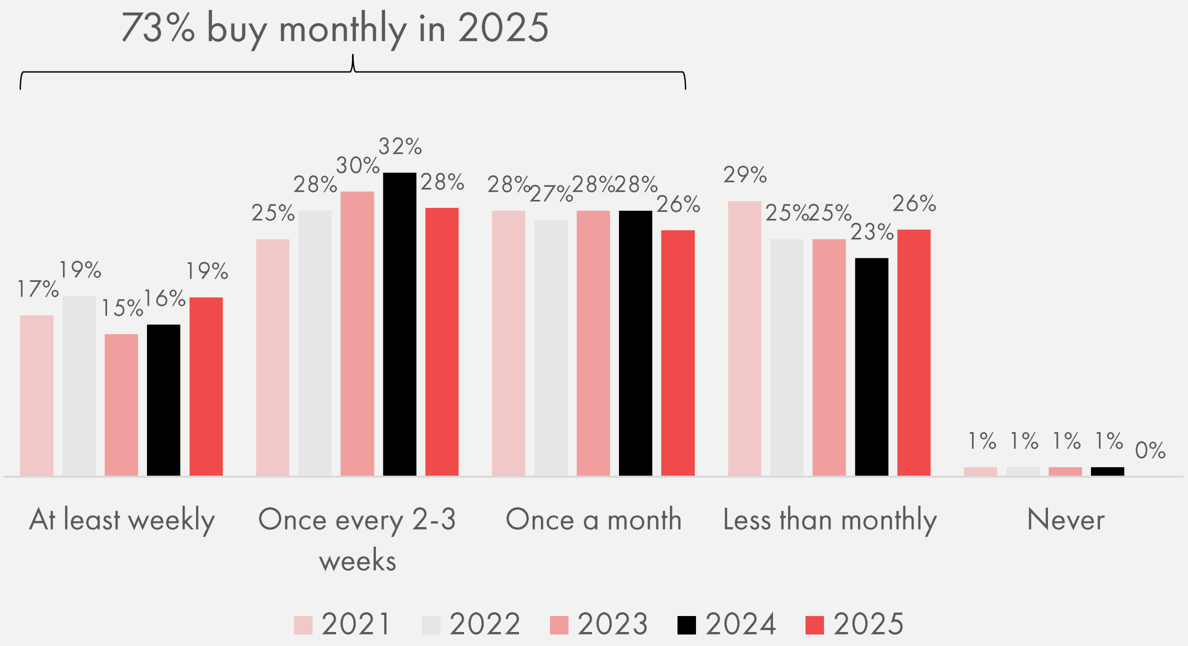
australian frequency of online shopping

buying groceries online



Weekly online shopping for groceries has increased slightly to 22%.

buying other retail products online

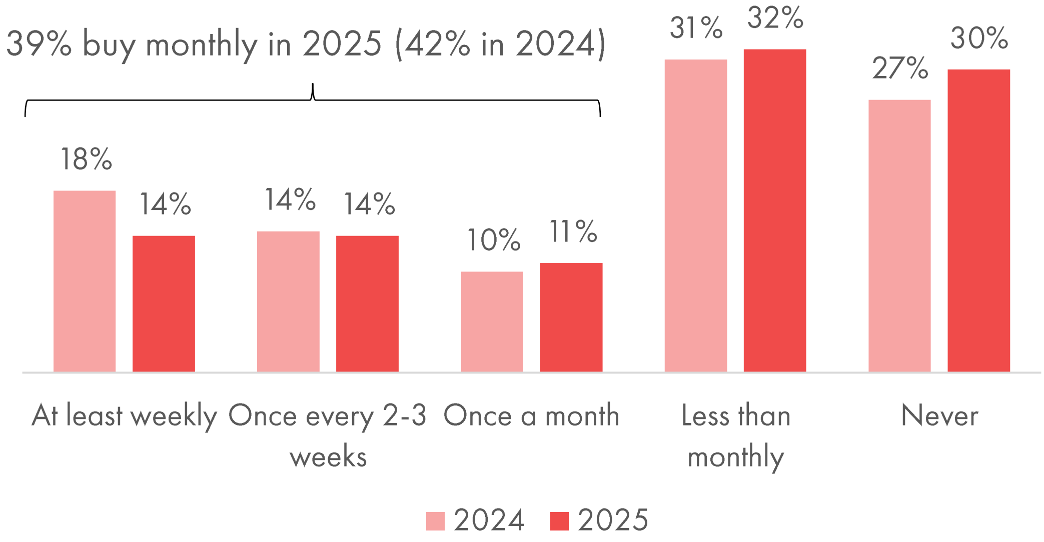


Online shopping for non-grocery products at least every 2-3 weeks is stable.

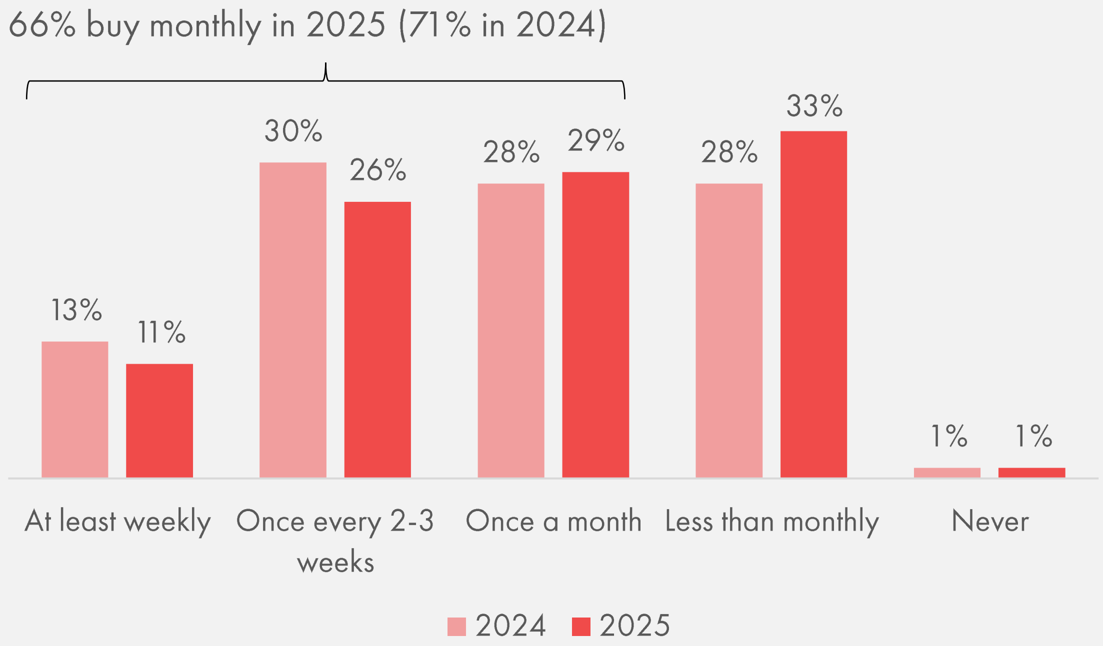
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often do you shop online for the following products? - Buy online retail (non- grocery), Buy groceries online

new zealand frequency of online shopping

buying groceries online



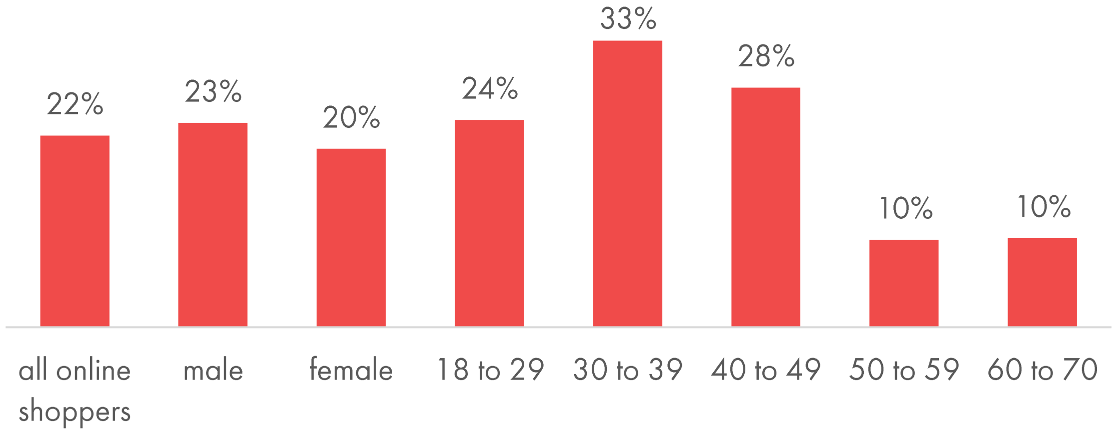
buying other retail products online



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - How often do you shop online for the following products? - Buy online retail (non- grocery), Buy groceries online

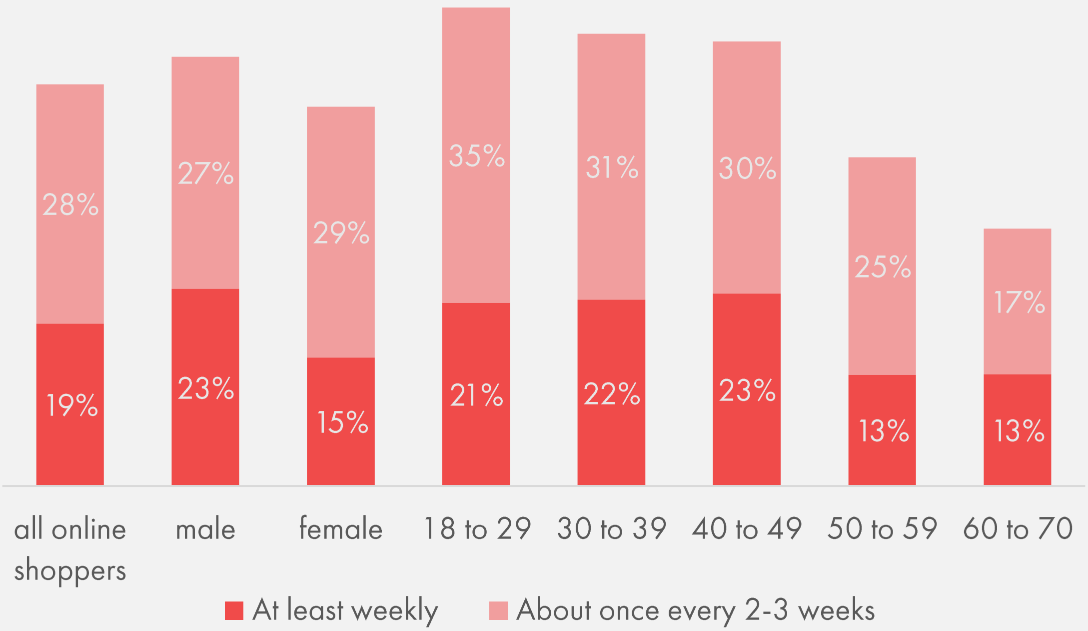
a third of online shoppers aged 30-39 are buying groceries online weekly

buying groceries online weekly



30-49s are the key demographic for regular purchase of groceries online in Australia.

buying other (non-grocery) retail products



Over half of Australian online shoppers aged 18-49 buy retail products (non-grocery) about every 2 to 3 weeks.

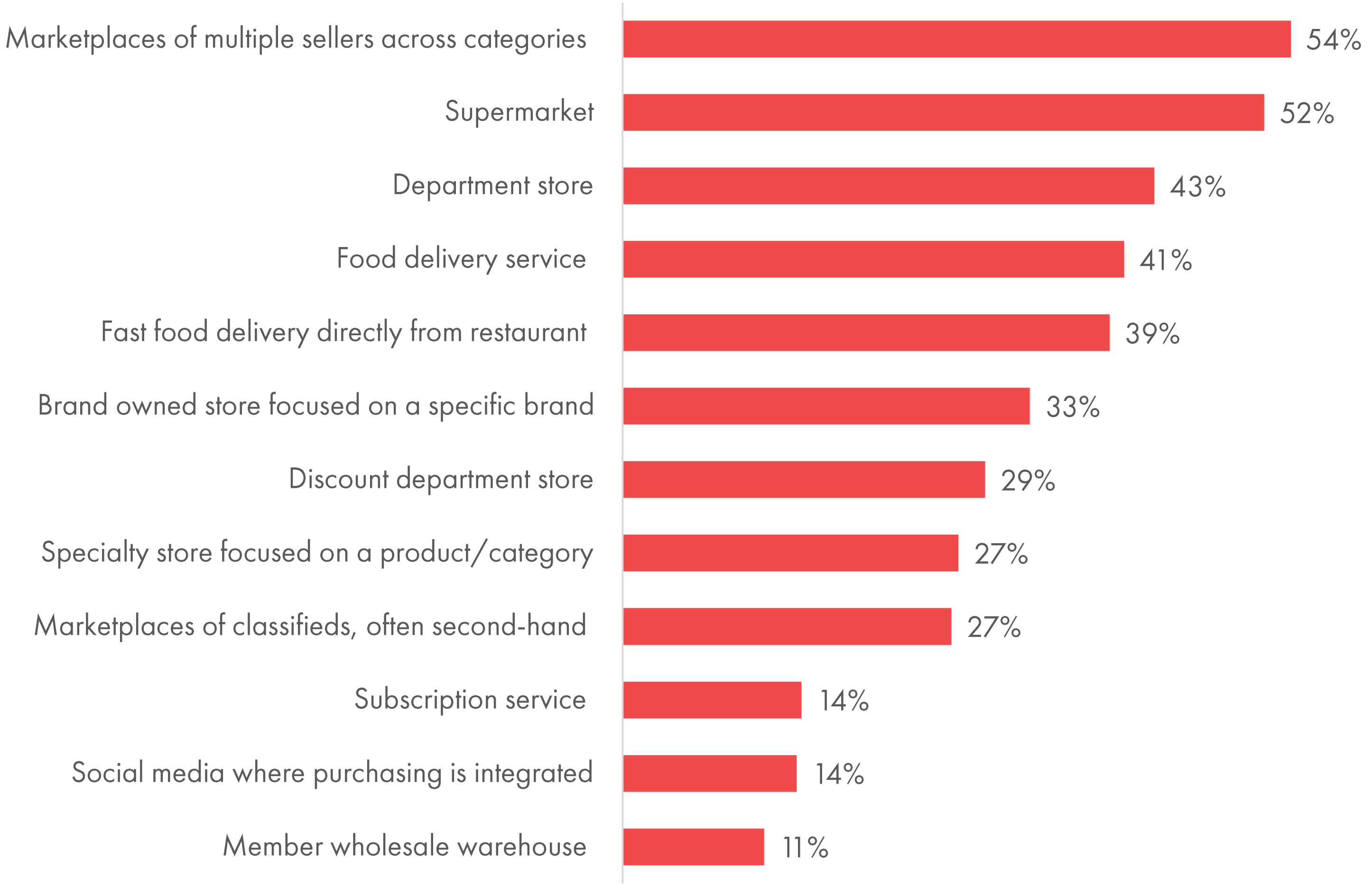
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often do you shop online for the following products? - Buy online retail (non- grocery), Buy groceries online

types of retailers bought online from

Online marketplaces hosting multiple sellers across a range of categories (e.g. Amazon) are the most popular type of retailer Australians have purchased from over the last year, followed by online supermarkets.

There are significant differences in the types of retailers bought online from across demographics, with the except of marketplaces of multiple sellers and discount department stores which are more universally used across demographic groups.

types of retailers australian shoppers have purchased online in last year

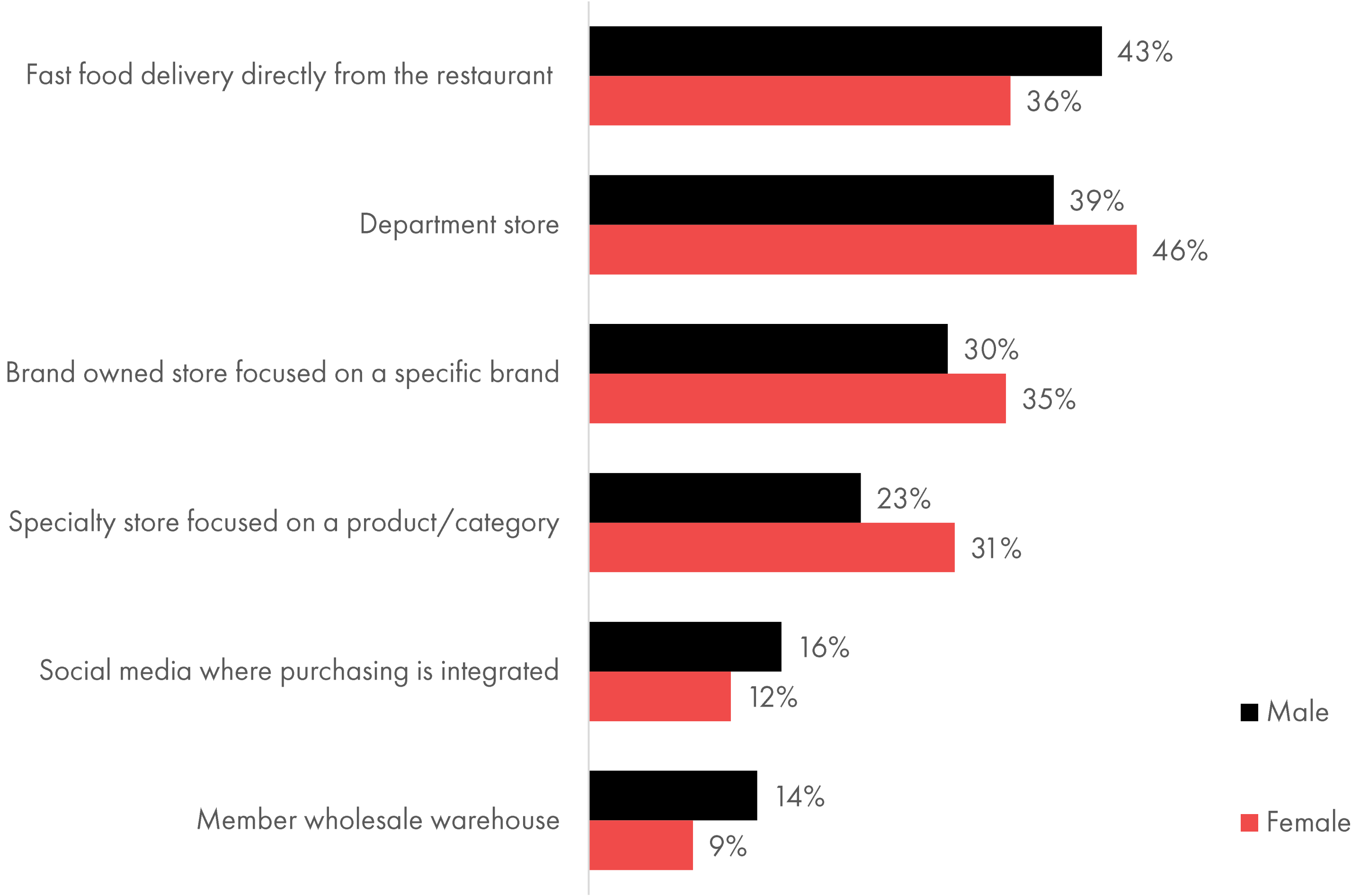


types of retailers bought online from

Female online shoppers are significantly more likely to have purchased online from department stores and specialty stores focused on a product, category or brand.

Male online shoppers are significantly more likely to have purchased fast food delivery directly from the restaurant, on social media where purchasing is integrated and from a member wholesale warehouse (eg Costco).

types of retailers' australian shoppers have purchased online from in the last year where there is significant difference by gender



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Which of the following types of retailers have you purchased from online in the last 12 months?

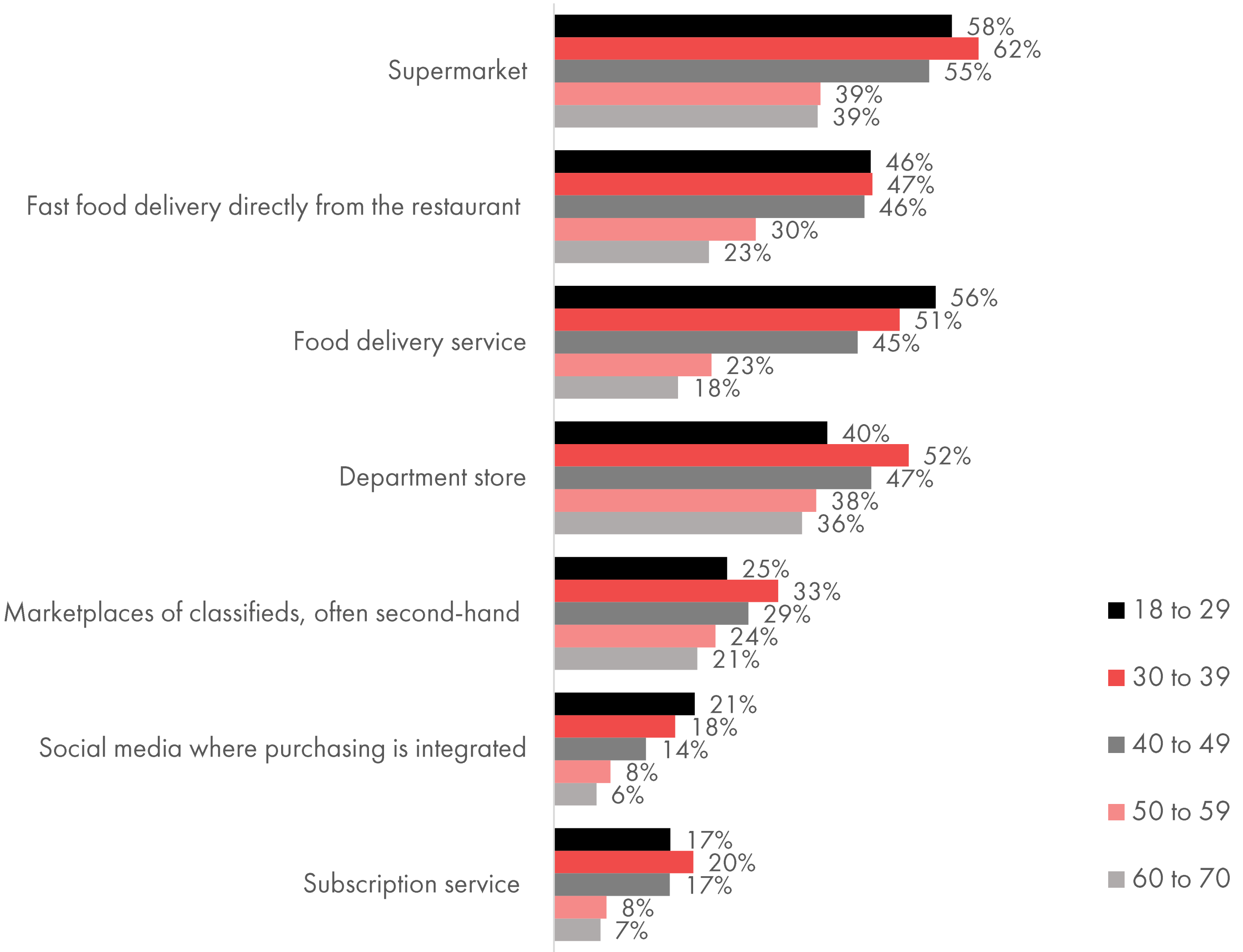
types of retailers bought online from

Online shoppers aged18-39 are significantly more likely than older age groups to have purchased online from supermarkets (60%), fast food delivery directly from the restaurant (47%) and from a food delivery service (e.g. Ubereats, Doordash, 53%).

Online shoppers aged 18-29 are significantly more likely to shop on social media where purchasing is integrated.

Online shoppers aged 30-39 are significantly more likely to shop online at department stores and on online marketplaces of classifieds, often second-hand.

types of retailers' australian shoppers have purchased online from in the last year where there is significant difference by age

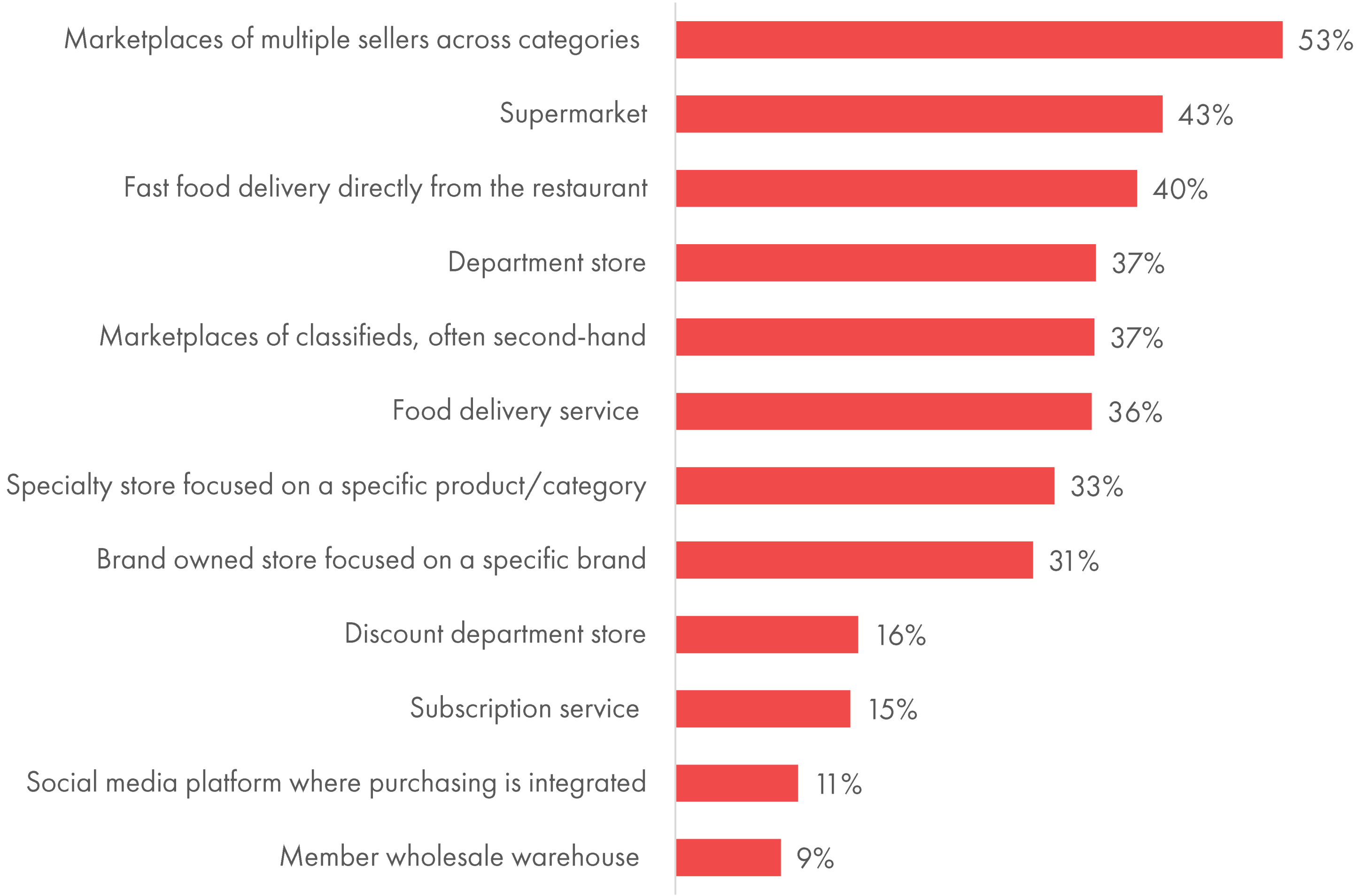


types of retailers bought online from

Online marketplaces hosting multiple sellers across a range of categories (e.g. Amazon) are the most popular type of retailer New Zealand online shoppers have purchased from over the last year, followed by online supermarkets.

New Zealand online shoppers are less likely than Australians to have shopped online at supermarkets and discount department stores but are more likely to have shopped at online marketplaces with classified type listings of often second-hand goods (e.g. Facebook Marketplace).

types of retailers new zealand shoppers have purchased online in last year



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Which of the following types of retailers have you purchased from online in the last 12 months?

products bought online over last year

Clothing, shoes and fashion remain the most popular online purchase by Australians over the past 12 months, driven by female online shoppers.

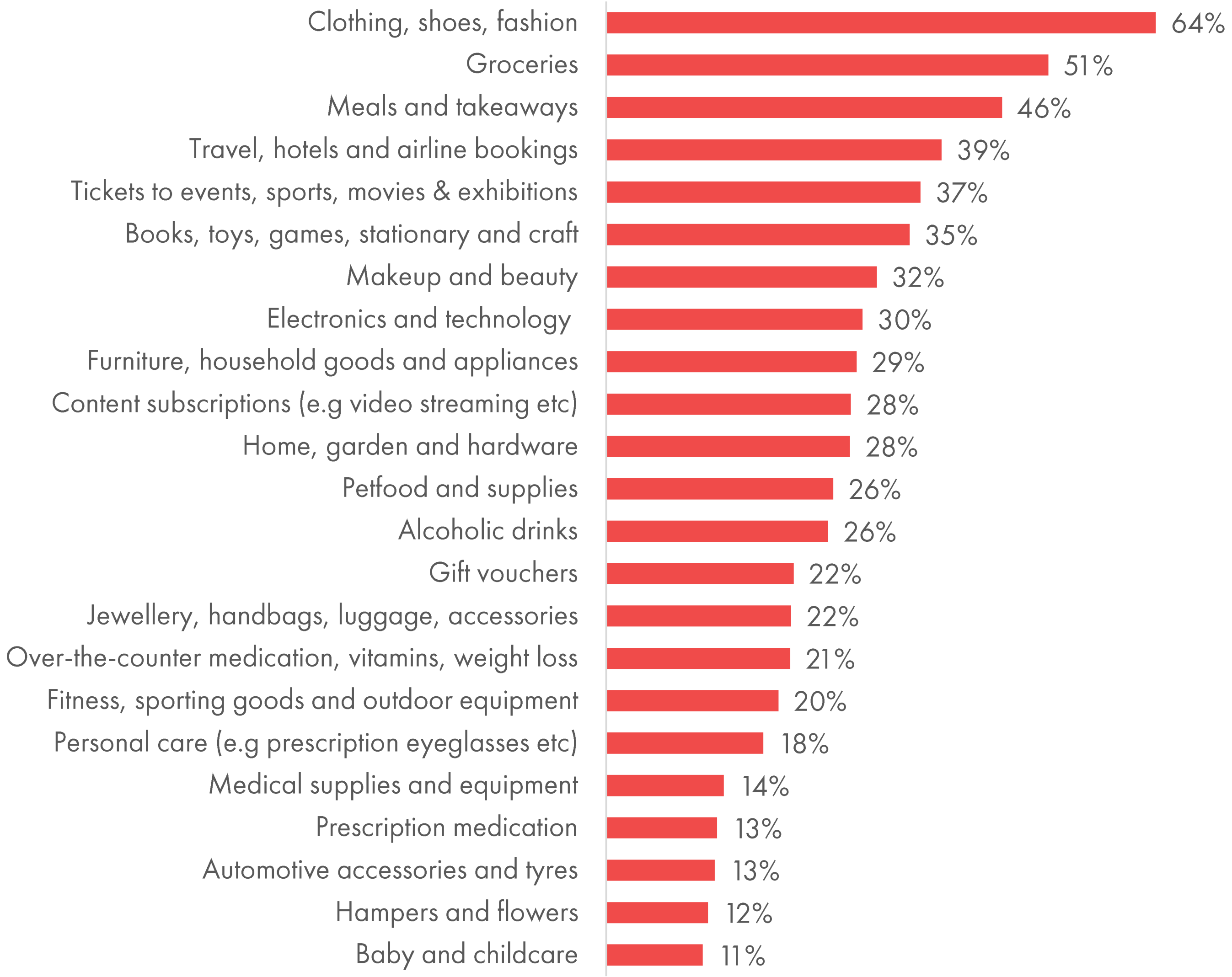
There are significant demographic differences in product purchasing.

Groceries are the most popular product purchased online by males (54%), followed by clothing, shoes, fashion.

Clothing (74%) followed by make up and beauty (50%) are the most popular purchases for females.

Meals and take aways are a more popular purchase for shoppers aged under 50, while travel, hotels and airline bookings are more popular amongst over 50s.

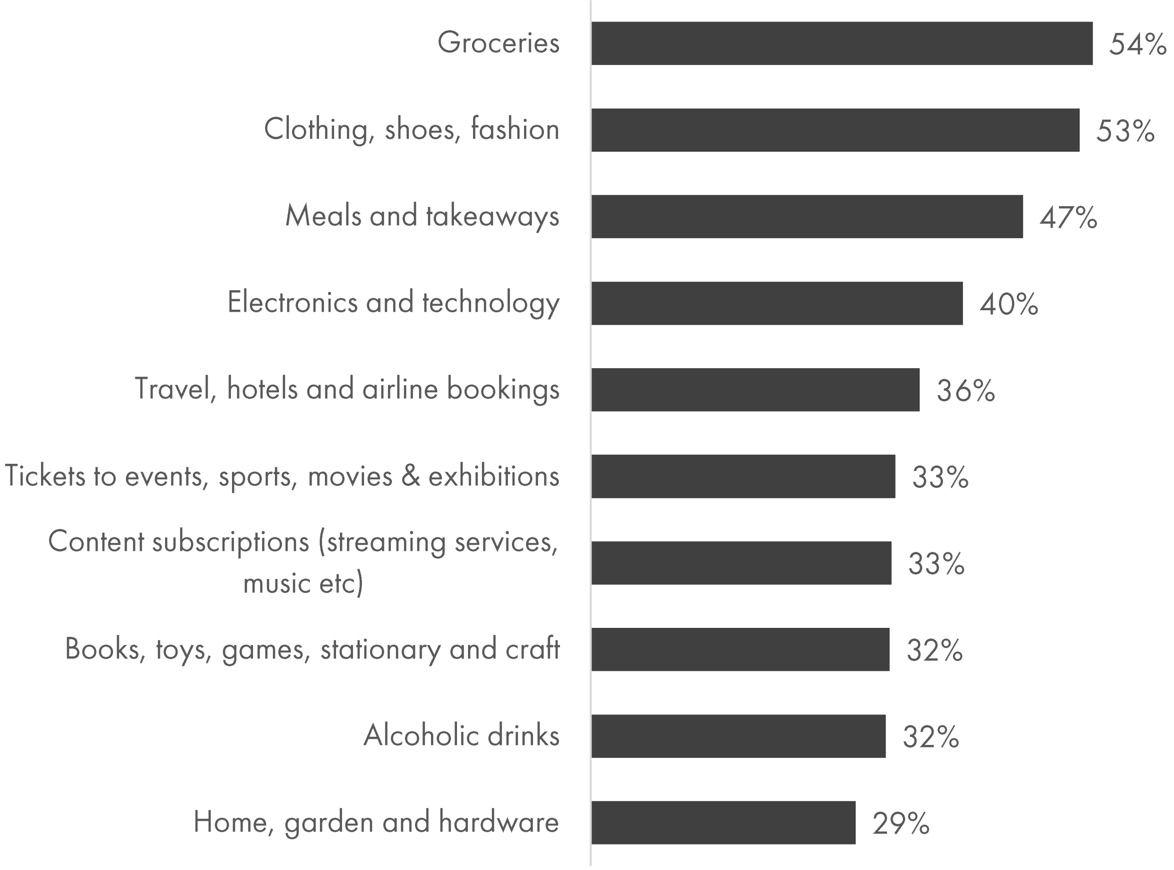
products bought online by australian online shoppers



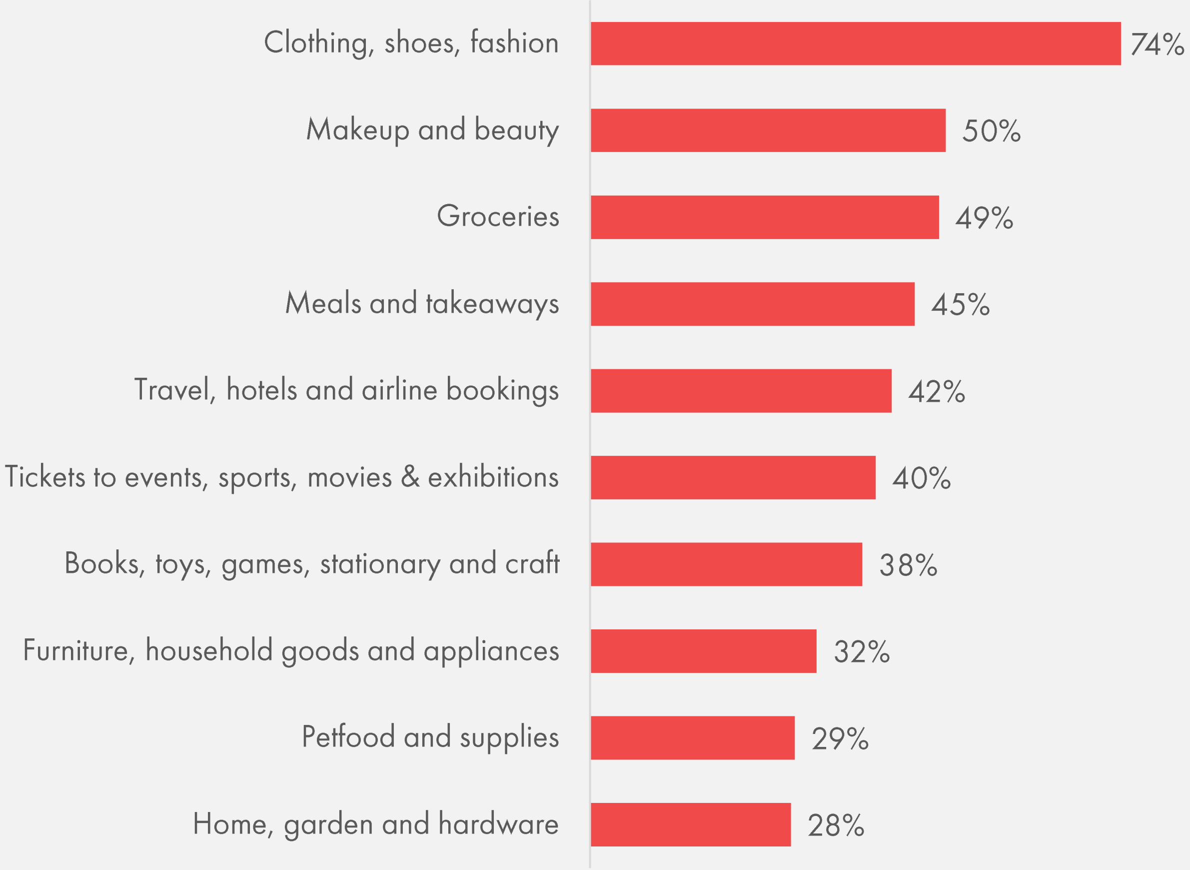
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Which products have you bought online in the past 12 months?

gender differences in products purchased online

top products purchased online by Australian males



top products purchased online by Australian females



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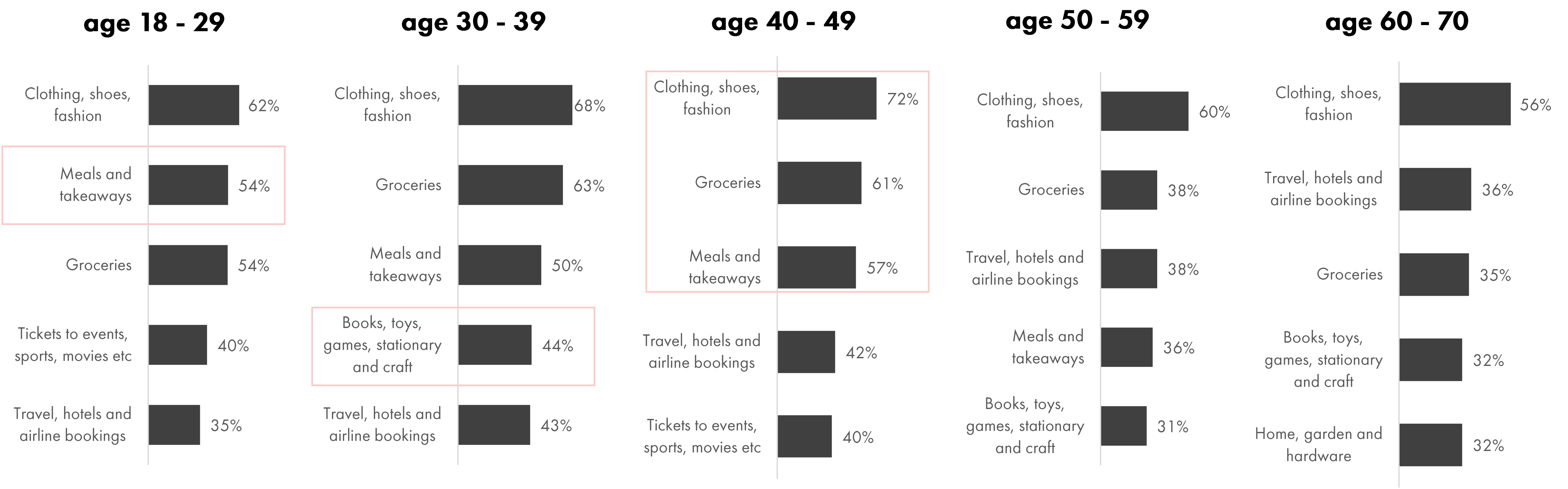
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave;)
Q - Which products have you bought online in the past 12 months?

top 5 products purchased online across age groups

There are significant demographic differences in products purchased by Australian online shoppers in last 12 months.



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Which products have you bought online in the past 12 months?

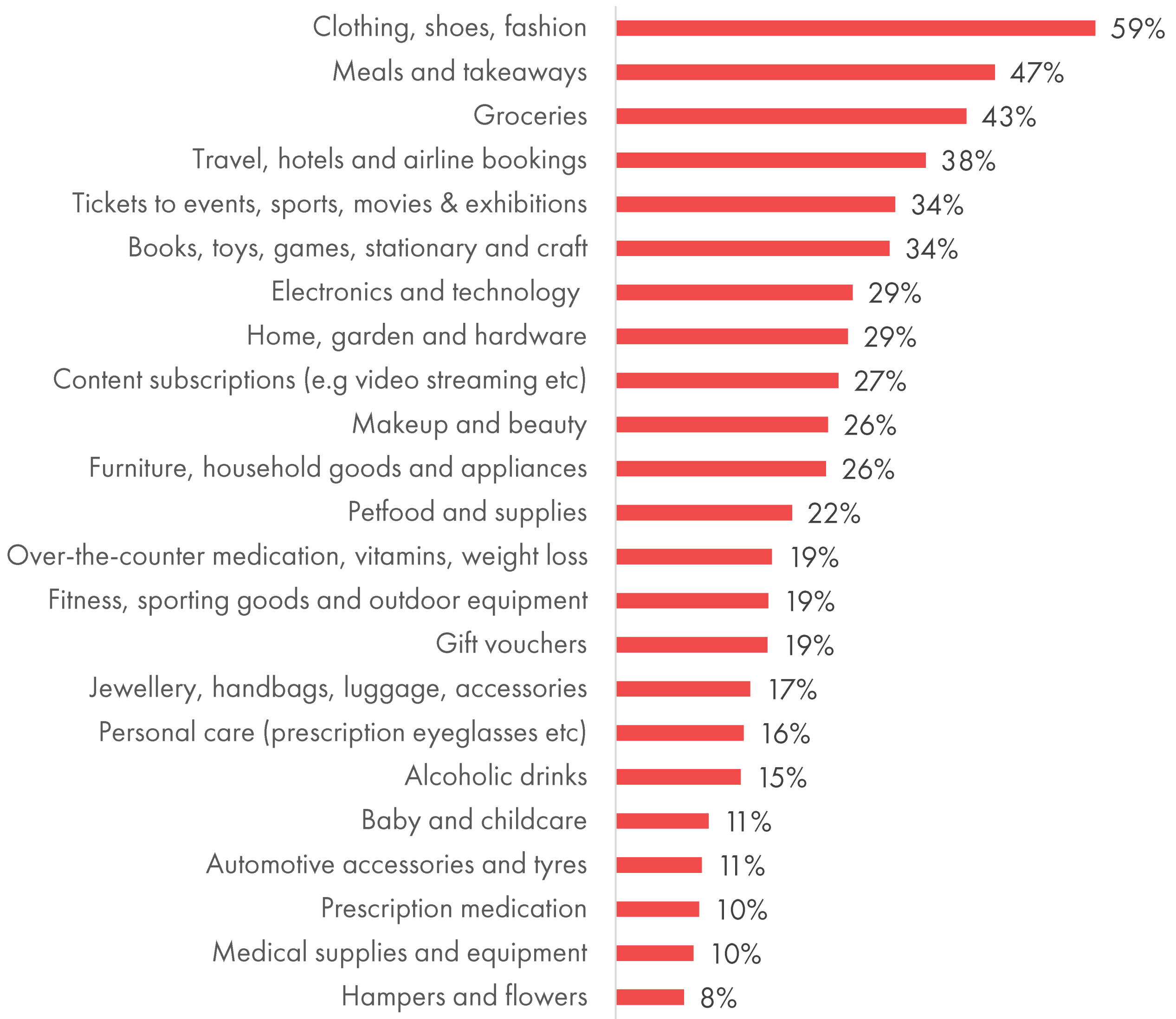
products bought online over last year

Clothing, shoes and fashion are the most popular online purchase in both Australia and New Zealand.

Australians are more likely than New Zealanders to purchase groceries online and so meals and take aways are the second most popular online purchase for New Zealanders.

Australians are also more likely than New Zealanders to have purchased alcohol online.

products bought online by new zealand online shoppers



online retailers and marketplaces purchased from over the last year

Amazon continues to be the most popular online retailer Australians have purchased from in the last 12 months. This is across all age groups, peaking amongst 18-29's (62%).

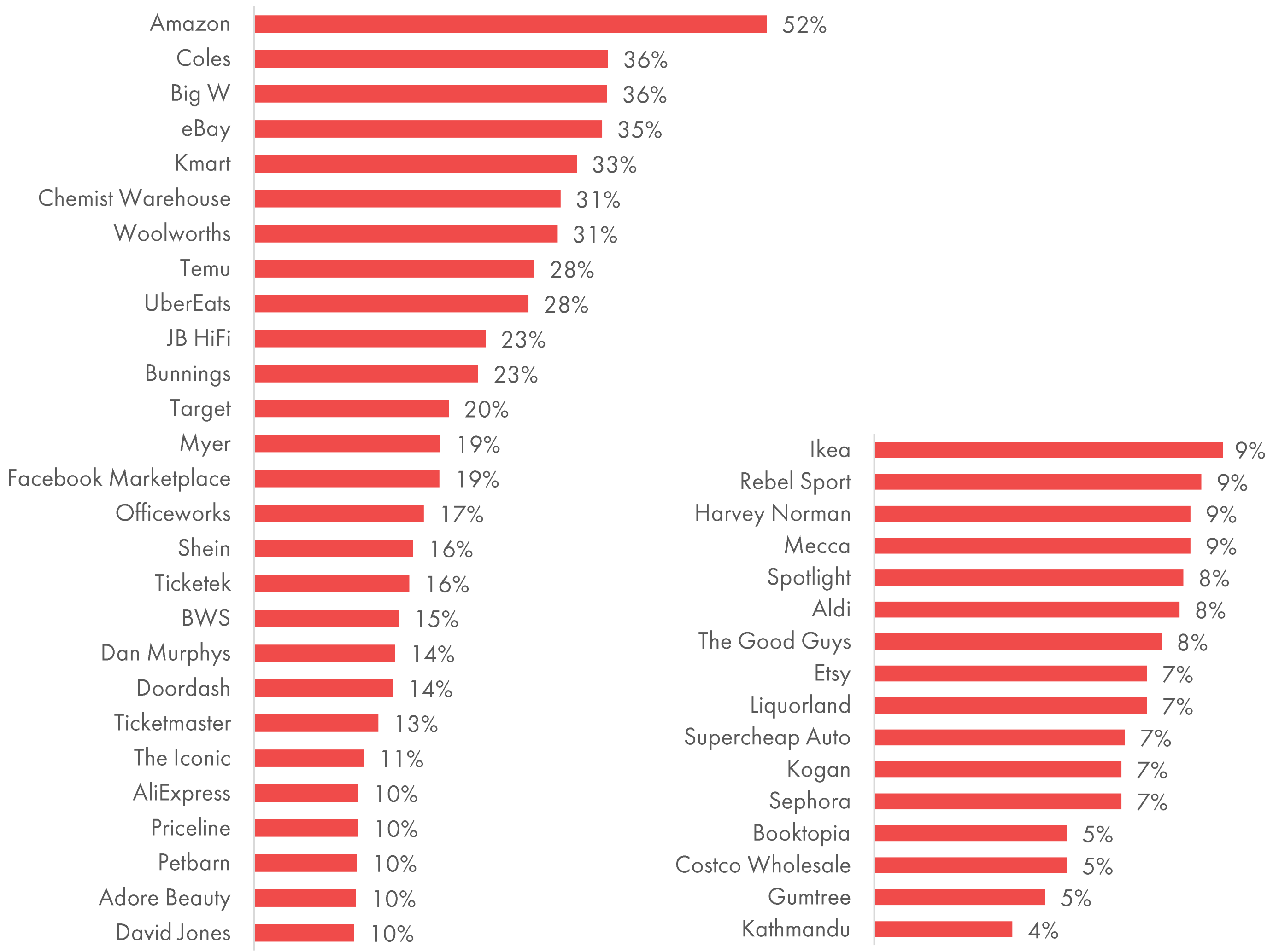
Coles and Woolworths are particularly appealing to 30-39 year old online shoppers. 45% of 30-39's have purchased at Coles online.

UberEats is the #2 most popular online retailer for 18-29s (40% of 18-29 online shoppers have purchased from UberEats).

Big W and Kmart are also appealing to 30-49s. 43% of 30-49's have shopped online at BigW.

eBay is most appealing to older age groups, 45% of 60-70 aged online shoppers have shopped at eBay.

online retailers and marketplaces australians have purchased from in the last year



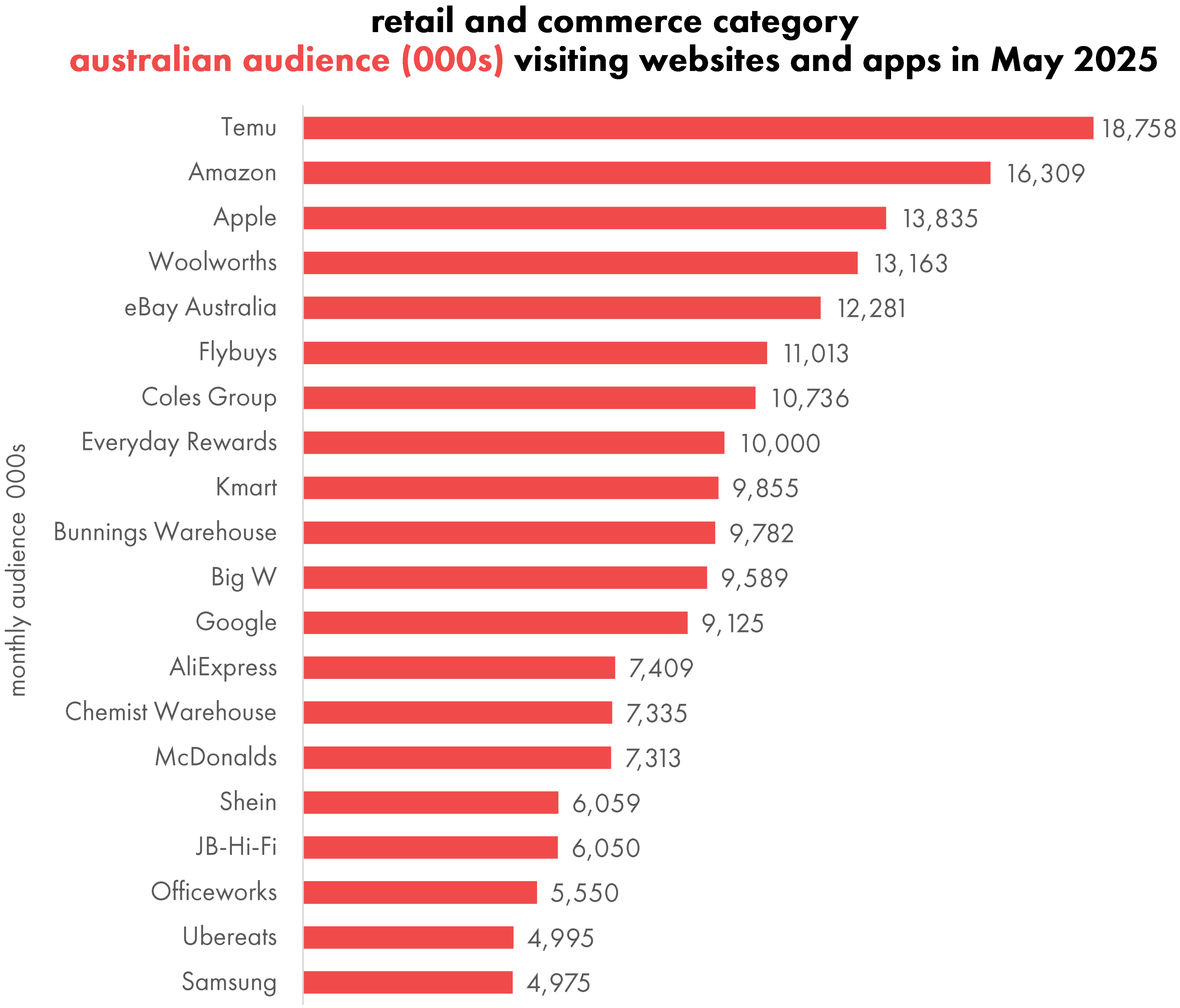
retail category top 20 online brands, monthly audience aged 14+

21.8 million

Australians aged 14+ used a retail or commerce website or app in May 2025.

Temu's marketing has successfully generated the largest website and app audience in the online retail and commerce category with 18.8 million Australians in May 2025 (growing 66% year on year).

Audience includes Australian visitors browsing retail and commerce websites and apps (and app stores for Apple and Google) measured by the IAB endorsed Ipsos iris passive online measurement.



Source: Ipsos iris Online Audience Measurement May 2025, Age 14+, PC/laptop/smartphone/tablet, retail and commerce category top 20 brand groups, audience 000s

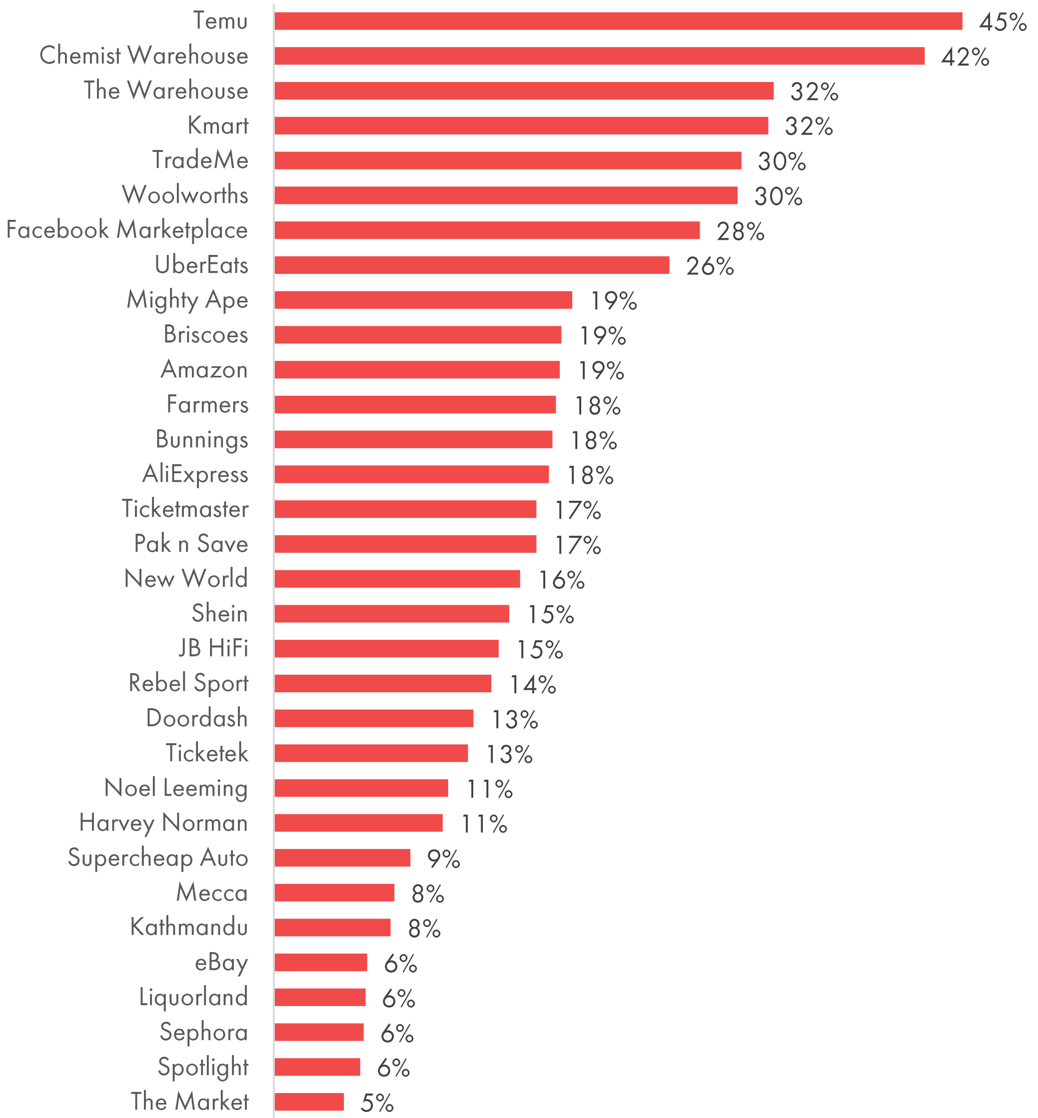
online retailers and marketplaces purchased from over the last year

Temu has far greater purchasing reach in the New Zealand market than in Australia where Amazon dominates purchasing.

Females are more likely to have purchased from Temu (50%) but is universally purchased from across age groups.

Chemist Warehouse is the #1 online retailer for shoppers aged 18-29 (51%), followed by Temu (49%) and Ubereats (47%).

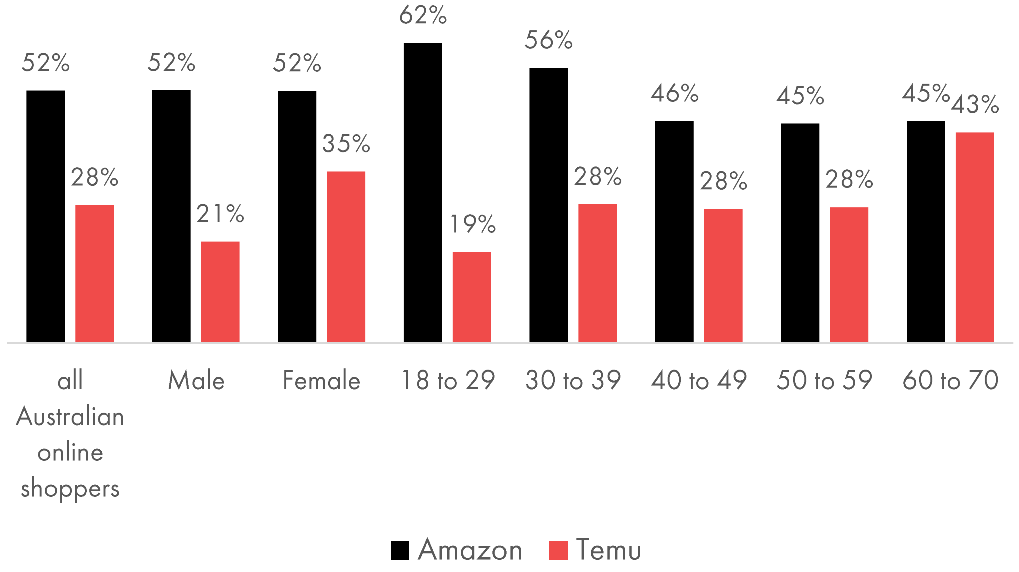
online retailers and marketplaces new zealanders have purchased from in the last year



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - In the past 12 months, from which of the following retailers and marketplaces have you purchased online?

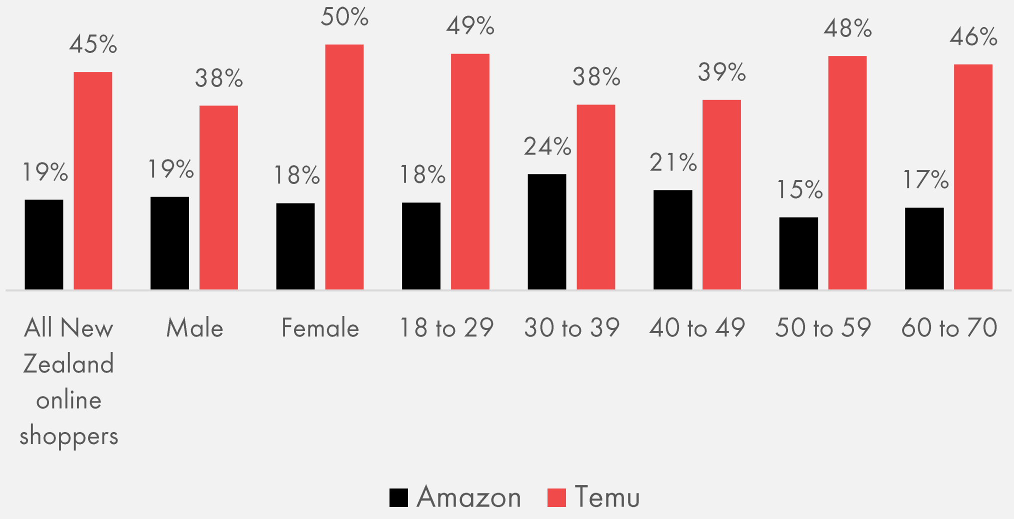
marketplaces of multiple sellers are dominating the online retail landscape

Australian online shoppers purchasing from marketplaces



62% of Australian online shoppers aged 18-29 have purchased from Amazon in the last 12 months.

New Zealand online shoppers purchasing from marketplaces



49% of New Zealand online shoppers aged 18-29 have purchased from Temu in the last 12 months.

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - In the past 12 months, from which of the following retailers and marketplaces have you purchased online?

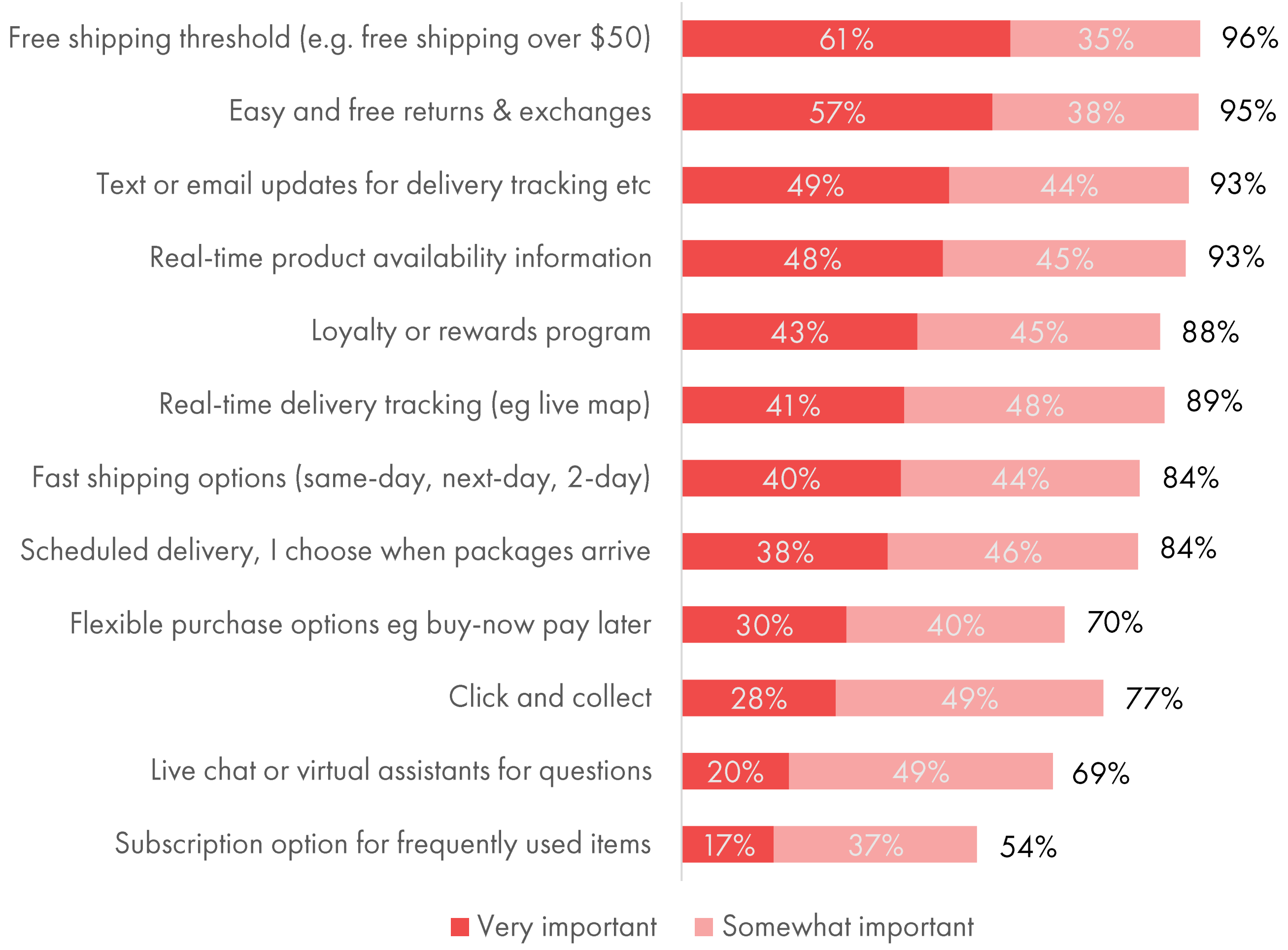
03. shopper motivations

important online retailer offerings

Free shipping thresholds and free and easy returns process are important for nearly all online shoppers when buying from an online retailer.

Consumer expectations for convenience, immediacy and responsiveness in online shopping have increased significantly due to faster technology and competitive services. These expectations, shaped by leading platforms, are fast becoming standard across online retailers.

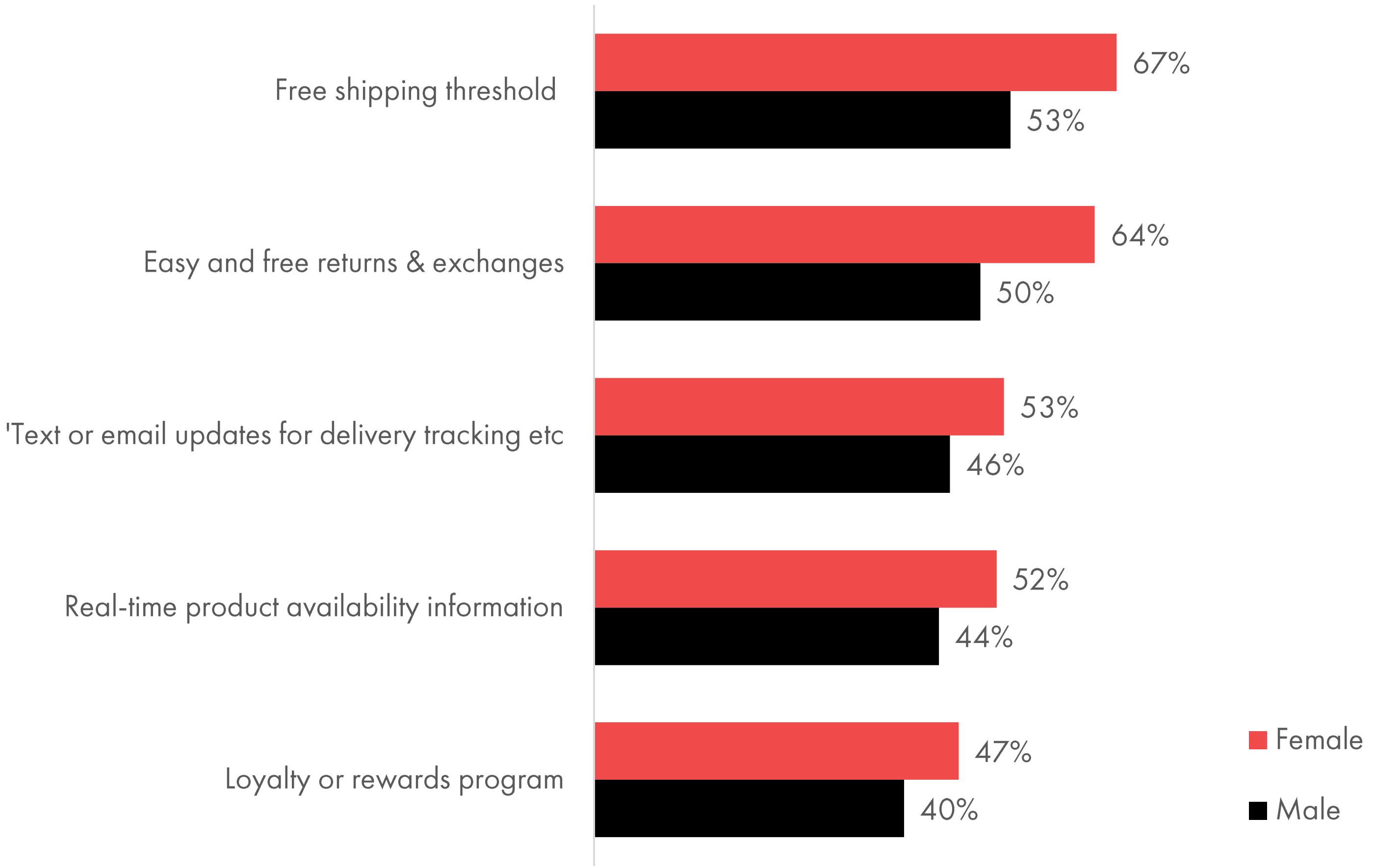
importance of offerings for Australians buying from an online retailer



important online retailer offerings

Females have significantly higher expectations of retailers, placing greater importance across all the top retailer offerings.

importance of retailer offerings for Australian online shoppers where there is significant difference by gender
% very important



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How important are each of the following when buying from an online retailer?

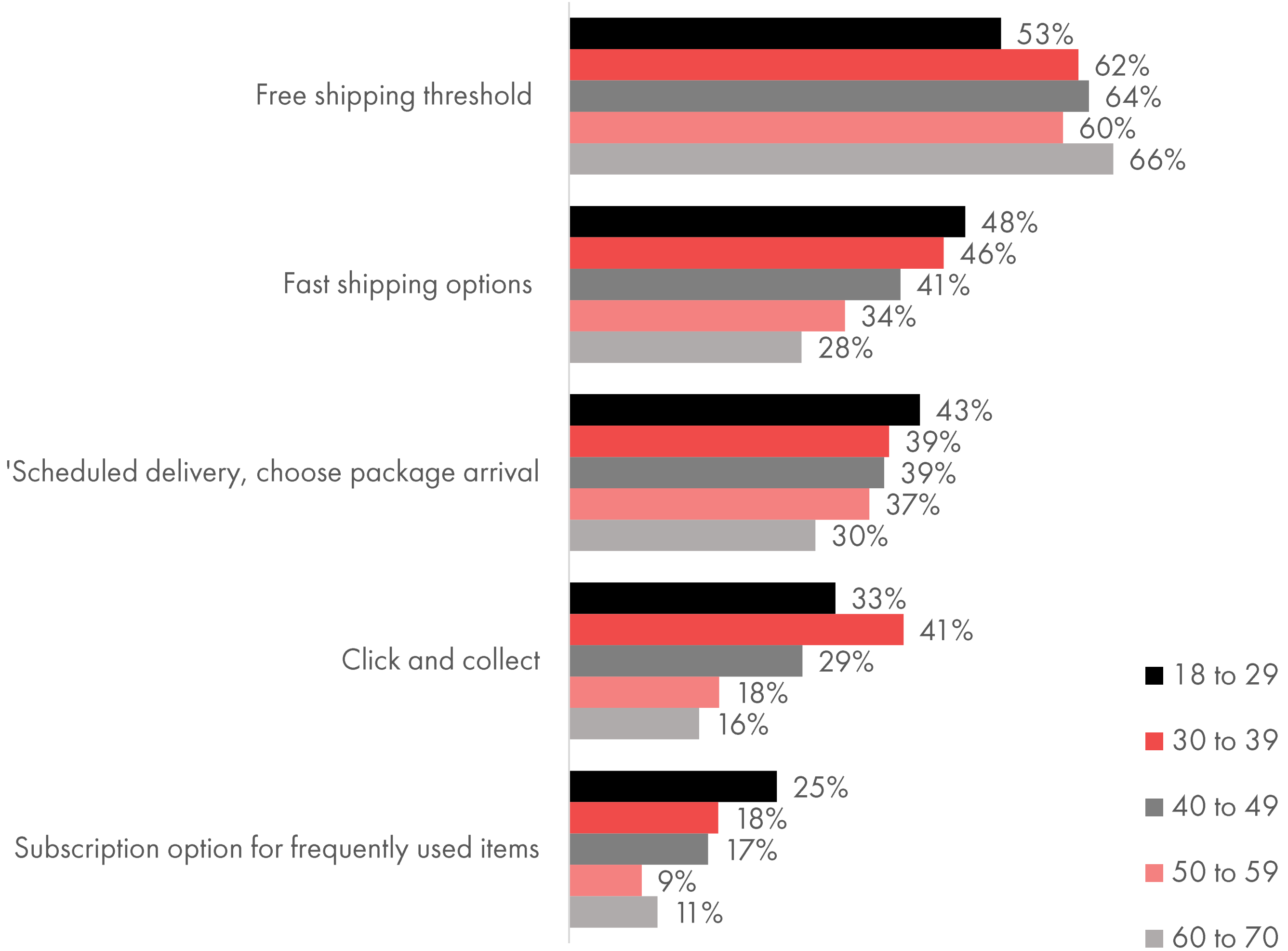
important online retailer offerings

Delivery options have the greatest differences in importance across age groups.

18-29 year old online shoppers place greater importance on retailers having fast shipping options (same-day, next-day, 2-day). 48% of 18-29s rate fast shipping as very important, compared to 40% of all online shoppers.

30-39 year old online shoppers place significantly more importance on click and collect (41% compared to 28% amongst all online shoppers).

importance of retailer offerings for Australian online shoppers where there is significant difference by age
% very important



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How important are each of the following when buying from an online retailer?

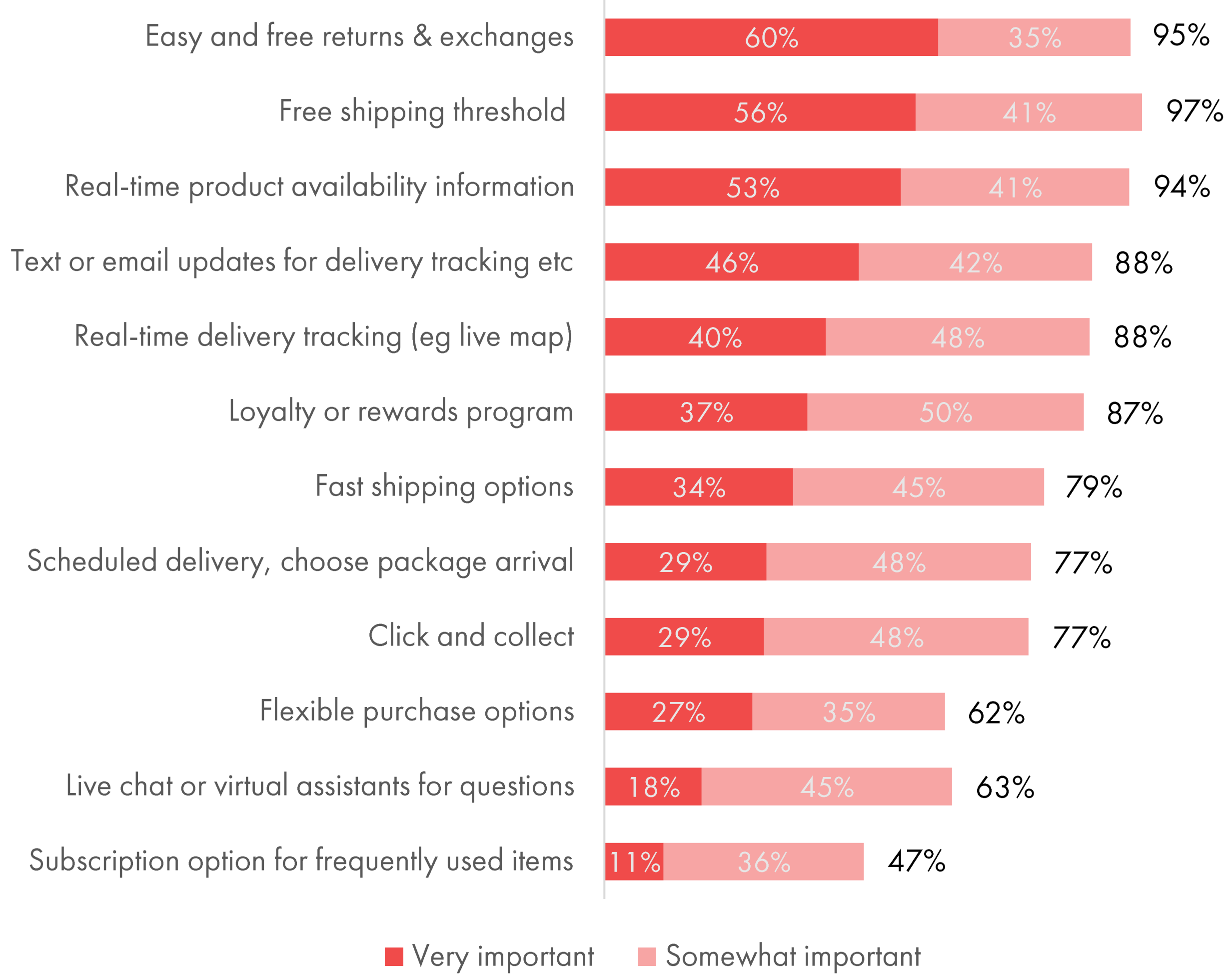
important online retailer offerings

Free shipping thresholds and free and easy returns process are important for nearly all New Zealand online shoppers when buying from an online retailer.

New Zealand online shoppers place slightly greater importance than Australian online shoppers on retailers having real-time product availability information.

They place less importance on scheduled delivery (being able to choose the time for package arrival).

importance of offerings for New Zealanders buying from an online retailer



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - How important are each of the following when buying from an online retailer?

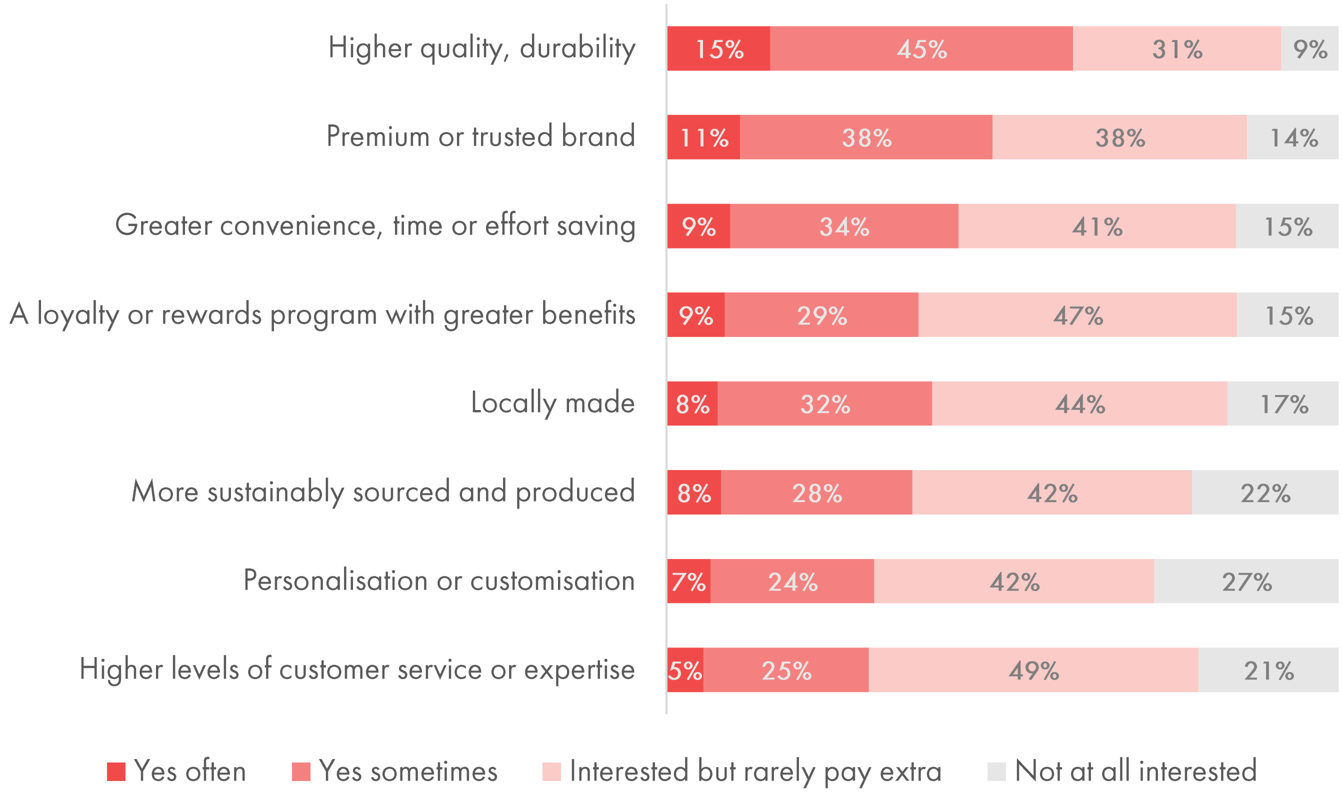
willingness to pay for quality and trust

6 in 10 Australian shoppers are willing to pay a bit extra for a product or brand that is of higher quality or durability.

Nearly half (49%) are willing to pay a bit extra for a premium or trusted brand, a further 38% are interested but rarely pay extra.

This willingness to pay a bit extra for quality and trust is more prominent in 18-39 year old online shoppers.

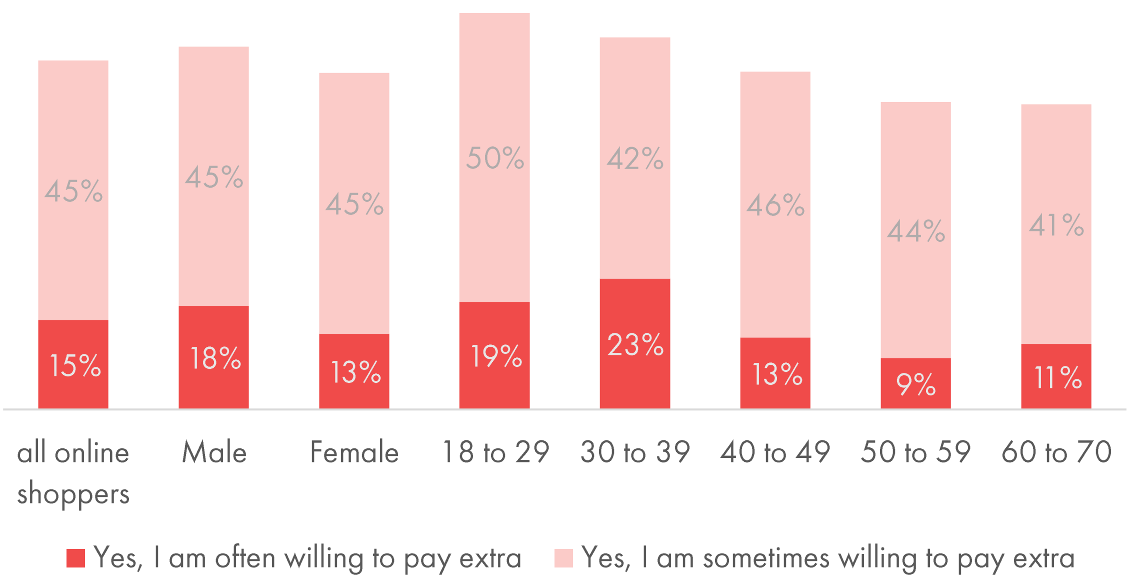
Australians' willingness to pay extra for product/brand features



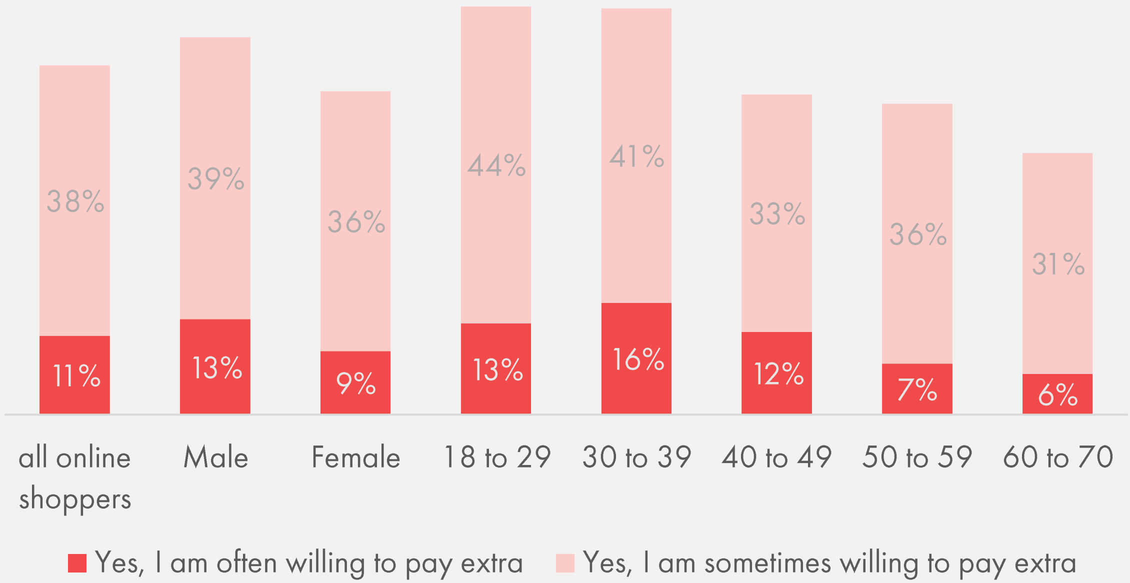
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often are you willing to pay a bit extra for a product or brand because it includes the following features?

18-39's willingness to pay for quality and trust

67% of Australian 18-39's are willing to pay a bit extra for higher quality or durability



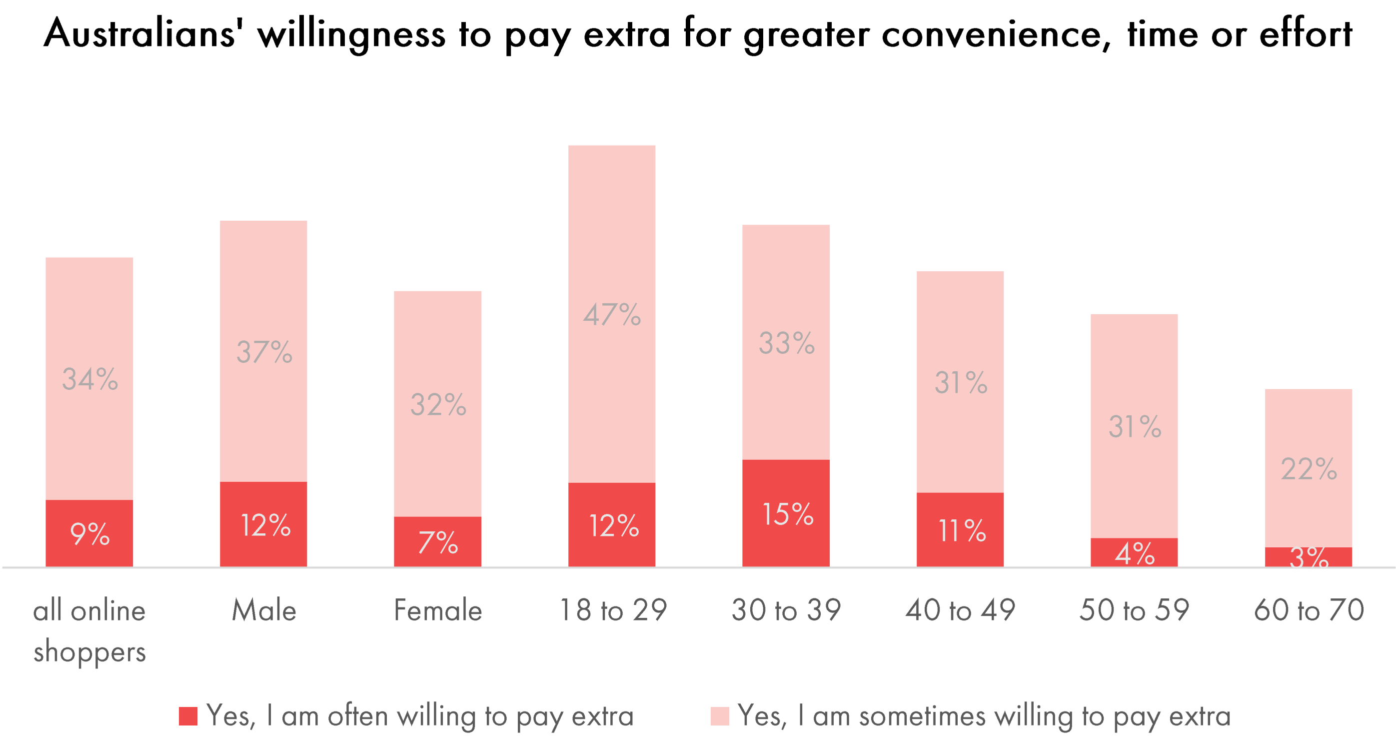
57% of Australian 18-39's are willing to pay a bit extra for a premium or trusted brand



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often are you willing to pay a bit extra for a product or brand because it includes the following features?

willingness to pay for convenience

6 in 10 (59%) of Australian online shoppers aged 18-29 and nearly half (48%) of 30-39s are willing to pay a bit extra for greater convenience, time or effort.



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often are you willing to pay a bit extra for a product or brand because it includes the following features?

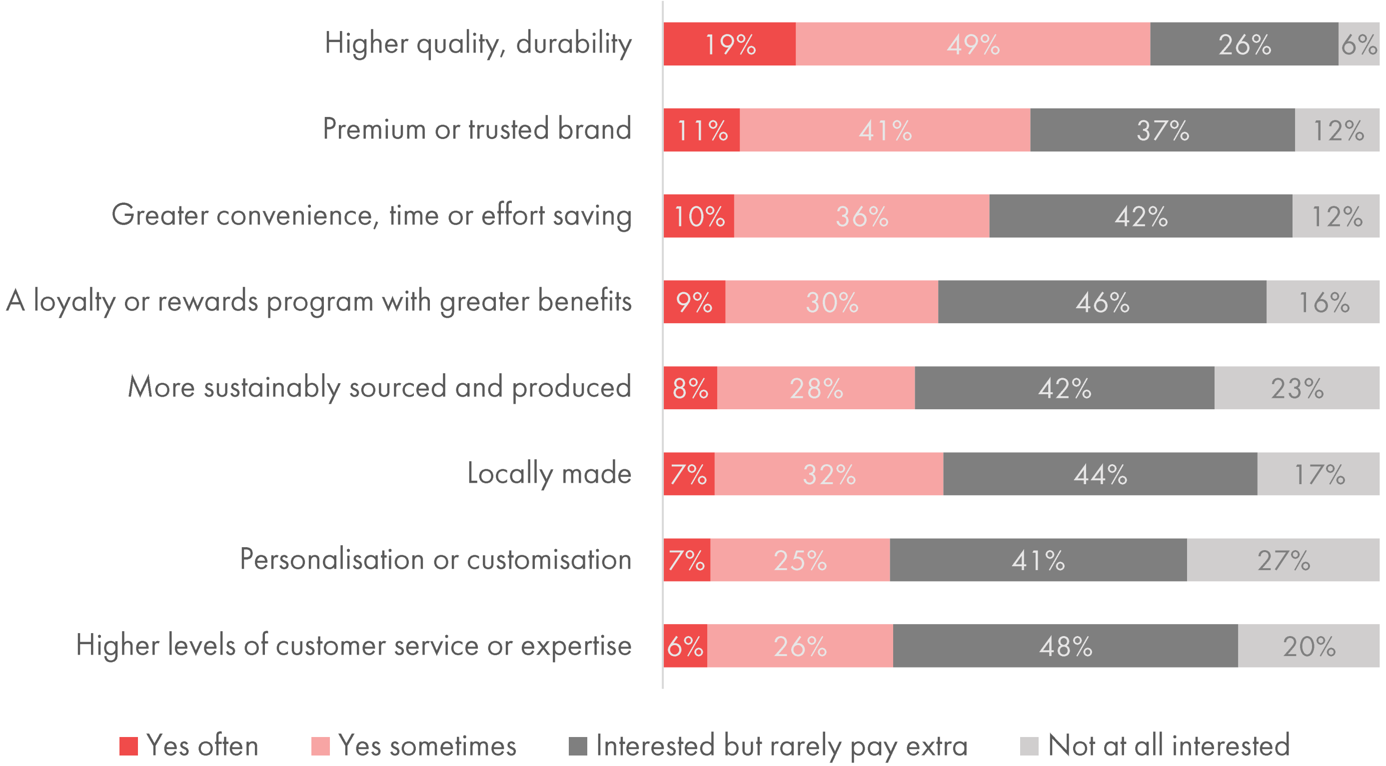
willingness to pay for quality and trust

Nearly 7 in 10 New Zealand shoppers (68%) are willing to pay a bit extra for a product or brand that is of higher quality or durability (compared to 60% of Australians).

This willingness to pay a bit extra for higher quality and durability is more prominent in 18-39 year old online shoppers.

Over half (52%) of New Zealand online shoppers are also willing to pay a bit extra for a premium or trusted brand, a further 37% are interested but rarely pay extra.

New Zealanders willingness to pay extra for product/brand features

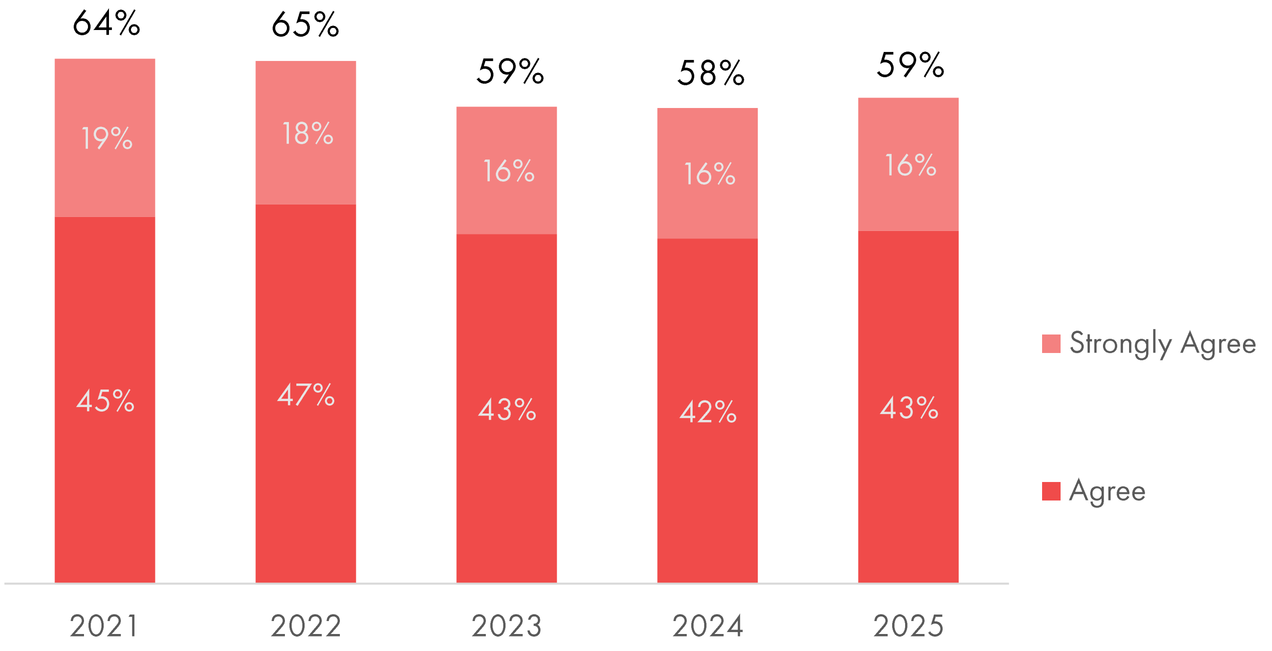


buying Australian owned brands

Nearly 6 in 10 Australian online shoppers prefer to buy from brands that are Australian owned. This sentiment was higher during pandemic years 2021 – 2022.

Some global retailers have flagged spreading out the cost of recent US imposed tariffs by imposing more modest price rises across all markets, rather than a big hike in the cost for US consumers. While economists and retailers focus on the risk to the global economic growth outlook posed by the trade war, there is so far no impact on consumer preferences for Australian brands.

'I prefer buying from brands that are Australian owned'
Australian online shoppers level of agreement



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Thinking about when you shop either online or in person, how much do you agree or disagree with the following? - I prefer buying from brands that are Australian owned

04. cost of living impacts

there is continued caution in spending due to economic uncertainty and cost of living pressures

80% australia

82% new zealand

"current economic uncertainty means I'm more cautious about spending"

72% australia

74% new zealand

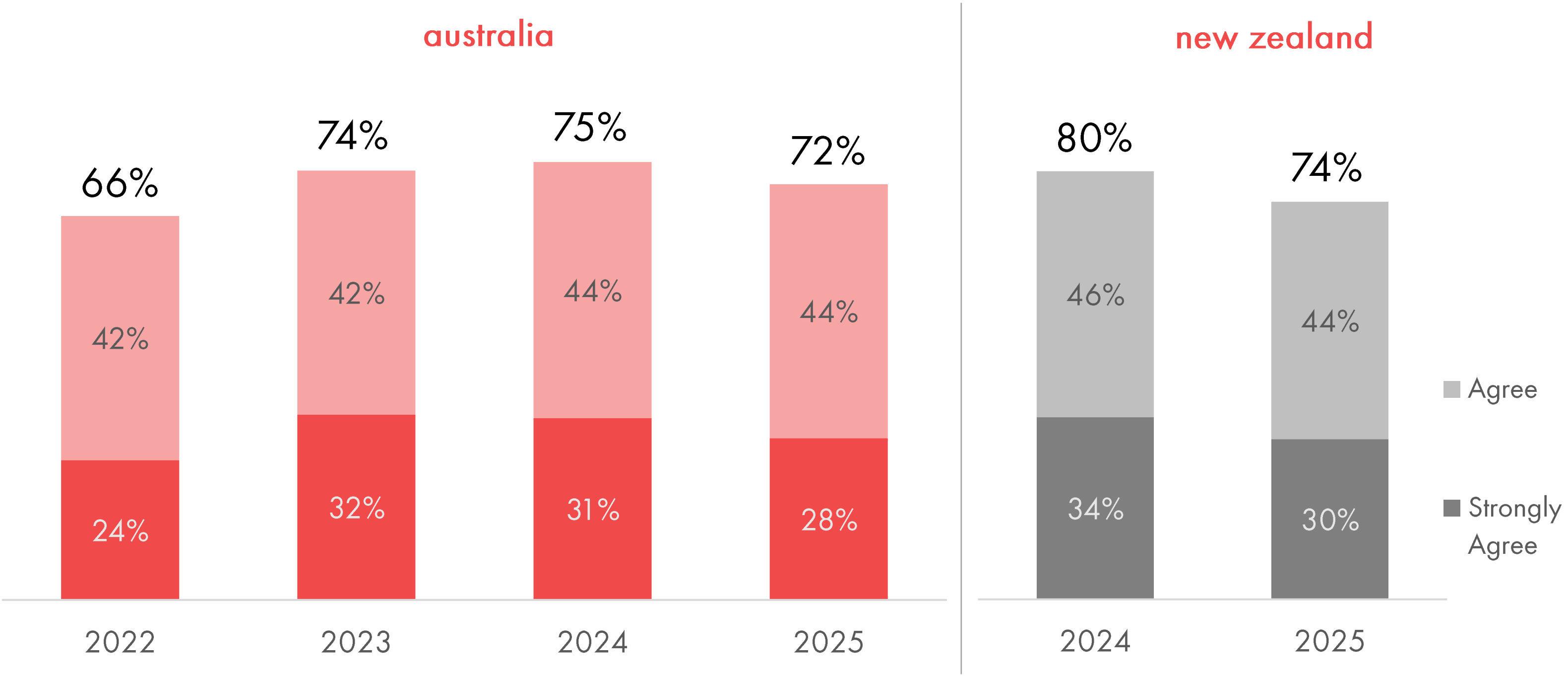
"cost of living pressures mean I don't have as much to spend on less essential retail shopping"

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Thinking about your shopping over the last 12 months, how much do you agree or disagree with the following?

cautious spending on less essential retail has eased a little since the same time last year

Recent interest rate cuts in Australia and New Zealand have reduced the proportion of online shoppers tightening the purse strings due to cost-of-living pressures.

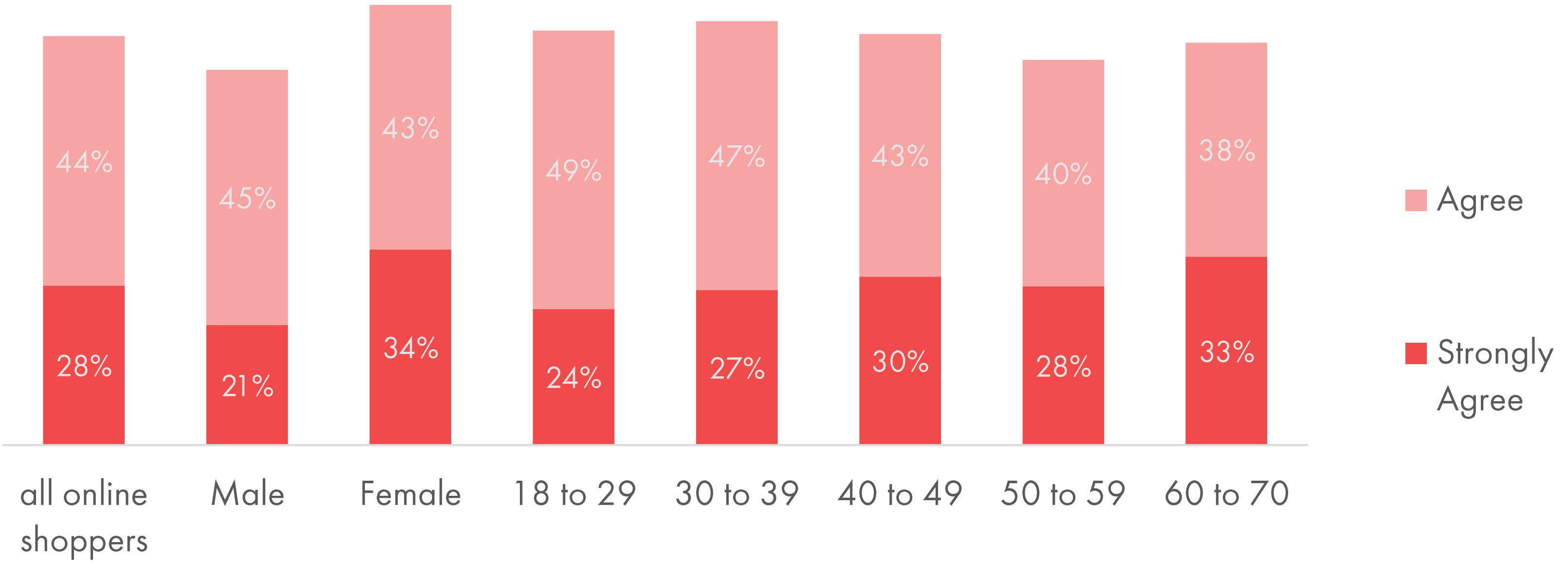
"cost of living pressures mean I don't have as much to spend on less essential retail shopping" % agree



72% of Australian online shoppers agree

"cost of living pressures mean I don't have as much to spend on less essential retail shopping"

Females still hold the highest levels of agreement at 77% (compared to 66% of males).
Over the last year this sentiment has eased for the age groups 30 to 59. In the 30-39's age group where the sentiment has been most strongly felt, agreement has declined year on year from 86% agree to 74% agree.



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Thinking about your shopping over the last 12 months, how much do you agree or disagree with the following?

cost-of-living impacts on shopping behaviour

Cost of living pressures have continued to result in more delaying of purchases, more brand, product and retailer switching, more time spent researching and greater usage of shopper loyalty/ rewards.

Compared to last year there has been an average 4% pt decline across the top 5 behaviours.

Purchasing pre-owned items has increased, up 4% pts year on year.

% increased shopping behaviour amongst australians due to current rises in cost of living

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How have the following areas of your shopping behaviour been impacted by the current rises in costs of living? (increased significantly or somewhat)

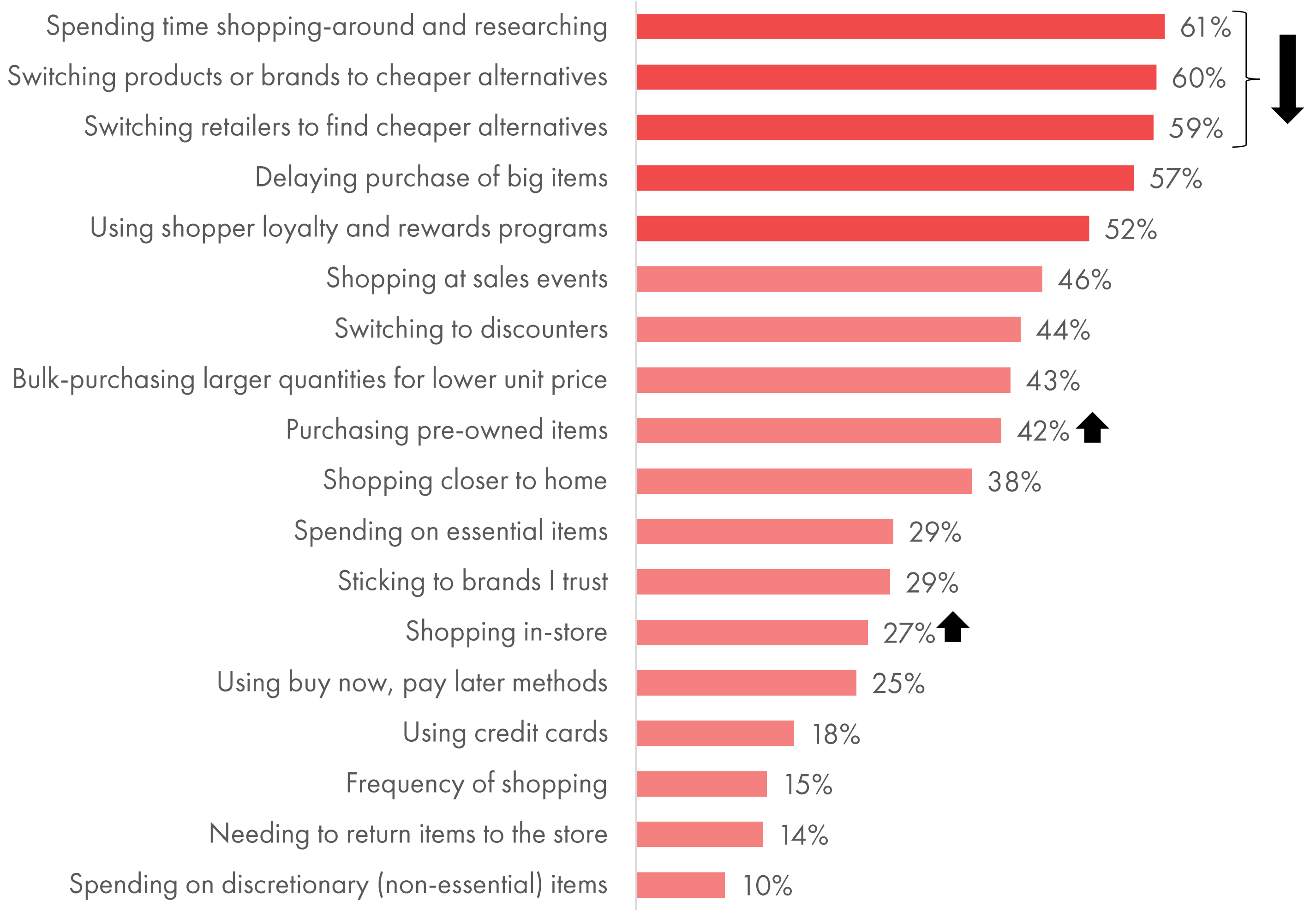
cost of living impacts on shopping behaviour

Cost of living pressures have continued to result in New Zealand shoppers delaying of purchases, more brand, product and retailer switching, more time spent researching and greater usage of shopper loyalty/ rewards.

Compared to last year there has been an average 4% pt decline across the top 3 behaviours.

Purchasing pre-owned items has increased, up 4% and shopping in-store is up 6% pts year on year.

% increased shopping behaviour amongst New Zealanders due to current rises in cost of living



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2024 (Australia n=1,000 per wave; New Zealand n=850)
Q - How have the following areas of your shopping behaviour been impacted by the current rises in costs of living? (increased significantly or somewhat)

05. ethical and sustainable shopping

purchasing ethical and sustainable brands is important to online shoppers

50% australia

41% new zealand

Purchasing from ethical brands is important to me
(% agree)

51% australia

44% new zealand

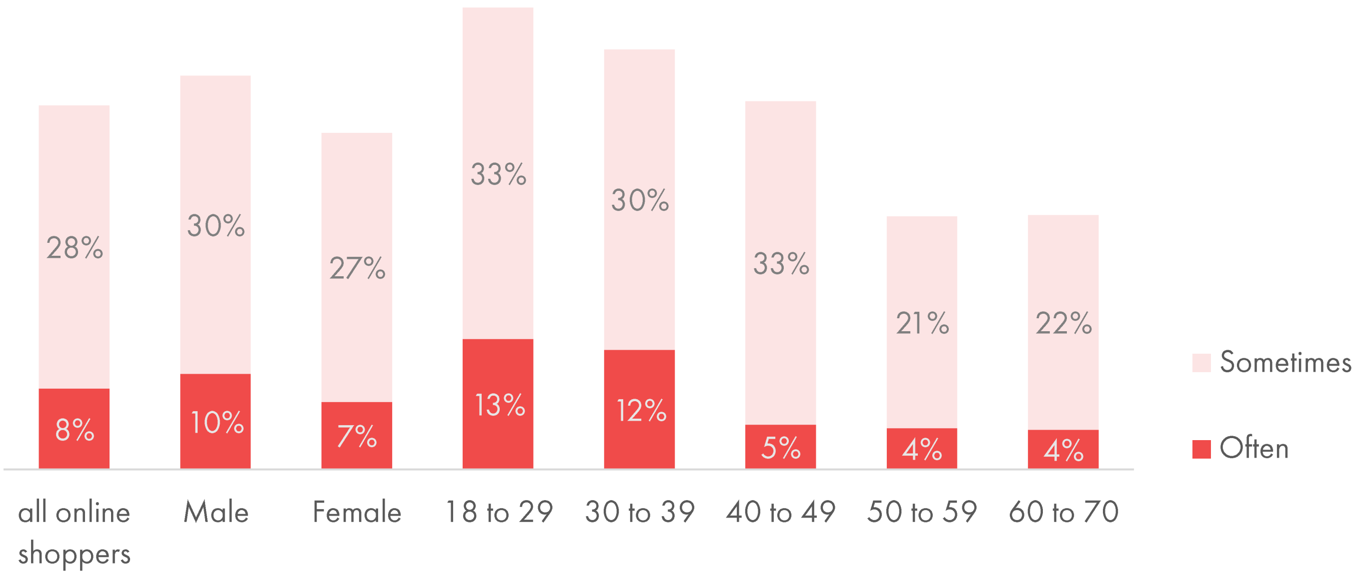
I prefer to buy from brands that I know are sustainable
(% agree)

paying more for sustainability

Nearly 4 in 10 Australian online shoppers (36%) are at least sometimes willing to pay extra for a product or brand because it is more sustainably sourced and produced.

This is willingness is highest amongst online shoppers aged 18-39s. 46% of 18-29s and 42% of 30-39s are at least sometimes willing to pay extra for sustainably sourced and produced products and brands.

% of Australian online shoppers willing to pay a bit extra for a product or brand because it is more sustainably sourced and produced



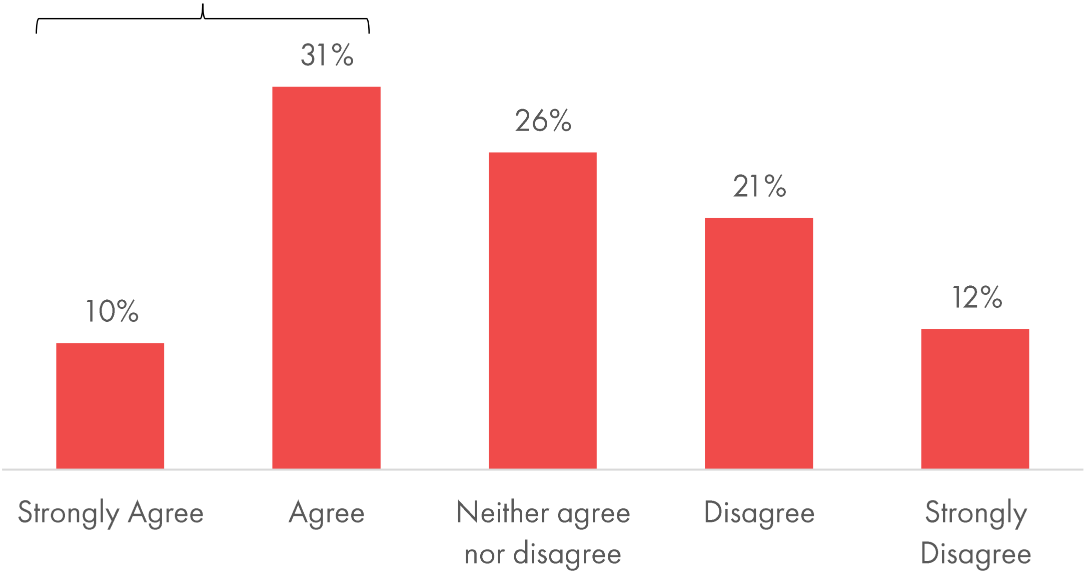
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How often are you willing to pay a bit extra for a product or brand because it includes the following features? - More sustainably sourced and produced

purchasing second-hand goods

4 in 10 Australian online shoppers (41%) have increased buying second-hand goods over the last few years.

For the first time in 2024 the Australian Government committed to a national circular economy transition. By 2035, Australia aims to double its circularity – transforming how we use, reuse, and regenerate resources across the economy*.

4 in 10 Australian online shoppers agree they have increased buying second-hand goods
in thrift shops or online marketplaces over the last few years



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Thinking about when you shop either online or in person, how much do you agree or disagree with the following? ; Why have you increased buying second-hand goods in thrift shops or online marketplaces over the last few years?
* DCCEEW 2024, Australia's Circular Economy Framework, Department of Climate Change, Energy, the Environment and Water

purchasing second-hand goods

Amongst those who have increased buying second-hand goods, most say this due to the opportunity to save money.

Modelling by the CSIRO* indicates that doubling Australia's circularity can:

- Add $26 billion in Gross Domestic Product each year by 2035
- Reduce greenhouse gas emissions by 14% by 2035
- Divert 26 million tonnes of materials from landfill each year

reasons for buying second-hand goods
amongst those who have increased their buying of second-hand goods over the last few years

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Thinking about when you shop either online or in person, how much do you agree or disagree with the following? ; Why have you increased buying second-hand goods in thrift shops or online marketplaces over the last few years?
* DCCEEW 2024, Australia's Circular Economy Framework, Department of Climate Change, Energy, the Environment and Water

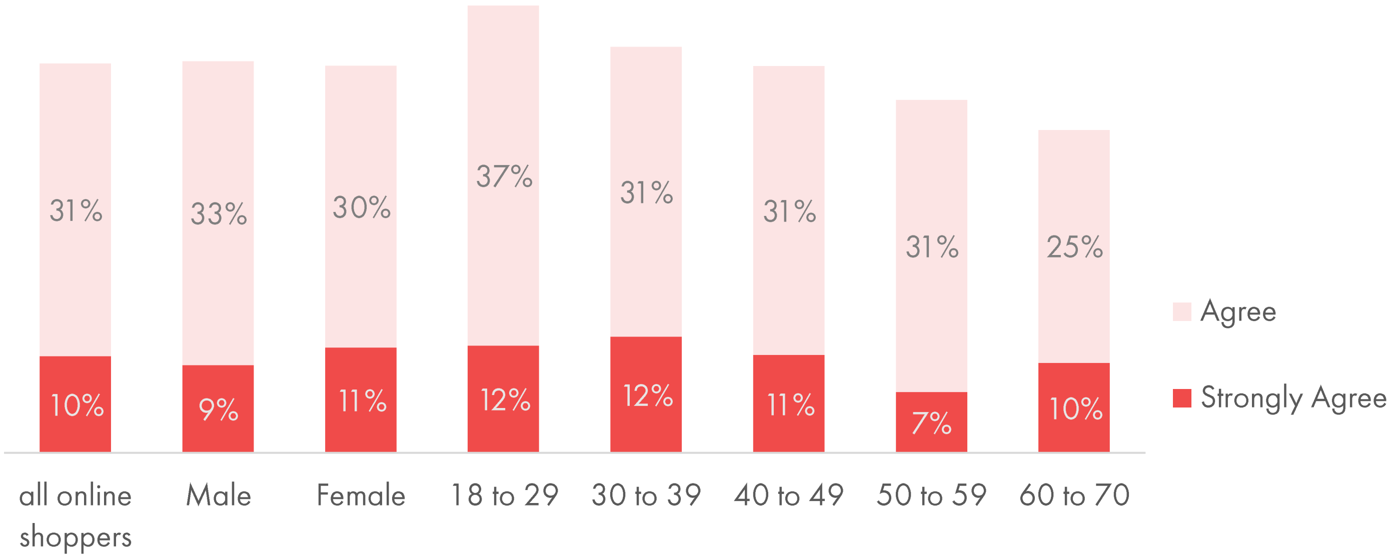
purchasing second-hand goods

Nearly half (49%) of Australian online shoppers aged 18-29 agree they have increased buying second-hand goods in thrift shops or online marketplaces over the last few years.

The reasons for 18-29's increasing their second-hand shopping are more diverse and they are less likely than other age groups to see it as strongly as an opportunity to save money (64% compared to 74% of all online shoppers).

Over 50's who have increased their second-hand shopping (36%), are more likely to be motivated by saving items from going to landfill.

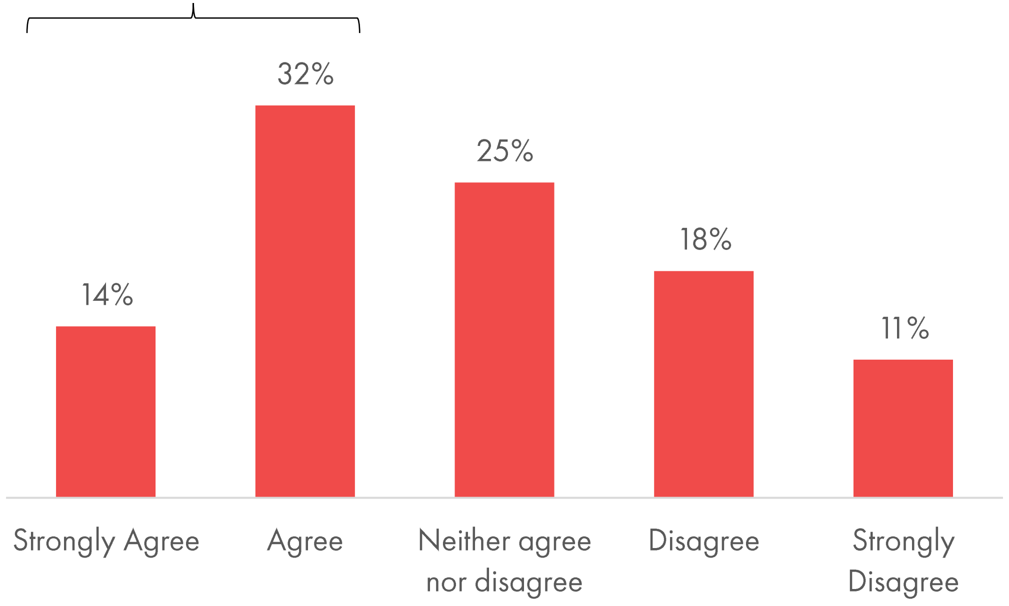
% agree "I have increased buying second-hand goods in thrift shops or online marketplaces over the last few years"



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How have the following areas of your shopping behaviour been impacted by the current rises in costs of living? (increased significantly or somewhat)

new zealanders purchasing second-hand goods

46% of new zealand online shoppers agree they have increased buying second-hand goods
in thrift shops or online marketplaces over the last few years



Amongst those who have increased their buying of second-hand goods, most are say this due to the opportunity to save money.

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave, New Zealand n=850)
Q - Thinking about when you shop either online or in person, how much do you agree or disagree with the following? ; Why have you increased buying second-hand goods in thrift shops or online marketplaces over the last few years?

06. discovering products and brands

sources of inspiration and discovery

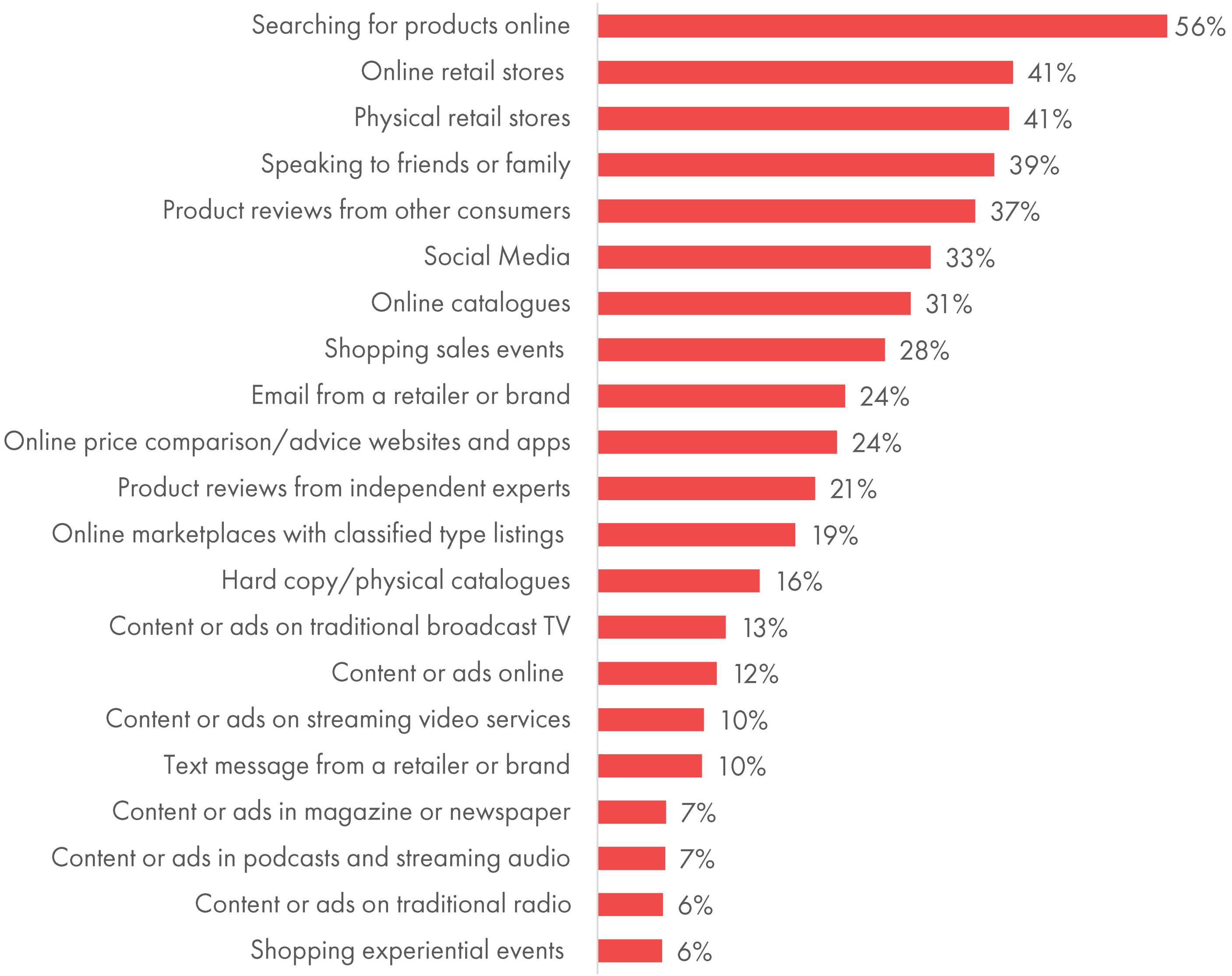
Search remains key to discovering brands when shopping online.

Retail stores, shoppers' personal connections, other consumers and social media are also important sources of product inspiration and discovery.

On average online shoppers use 4.8 of these touchpoints as sources for discovering brands they buy online.

There are significant benefits for marketers reaching shoppers with a multi-channel strategy including greater ROI.

sources used by australian shoppers for product inspiration and discovery



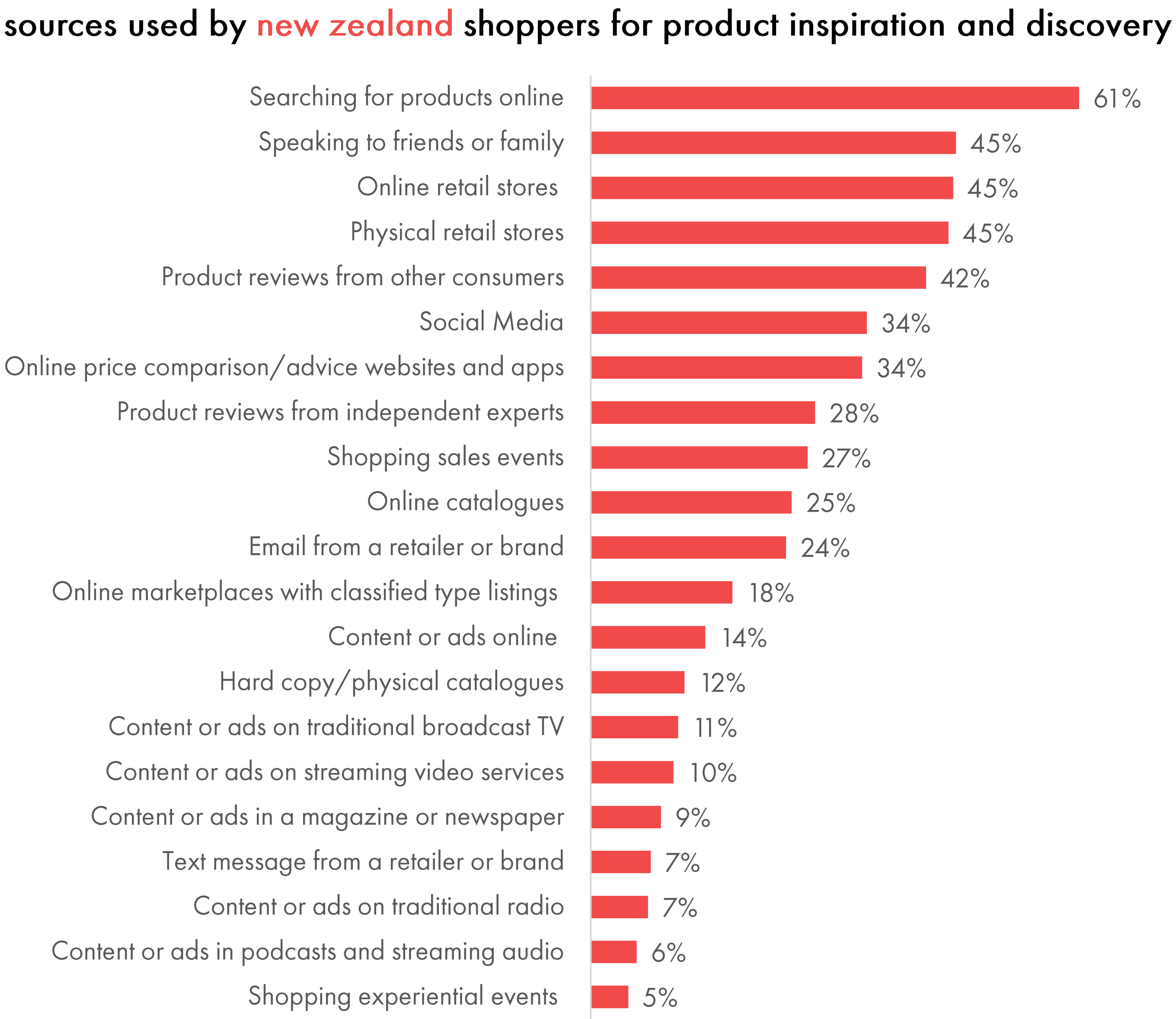
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - When buying something online, what sources do you use for product inspiration and discovering brands?

sources of inspiration and discovery

Search remains key to discovering brands when shopping online and is search is slightly more used by New Zealanders (61% compared to 56% of Australians).

New Zealand online shoppers are more like than Australians to use online price comparison/advice websites and apps (34% compared to 24%).

On average New Zealand online shoppers have used 5.1 of these touchpoints as sources for discovering brands they buy online.



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - When buying something online, what sources do you use for product inspiration and discovering brands?

sources of inspiration and discovery

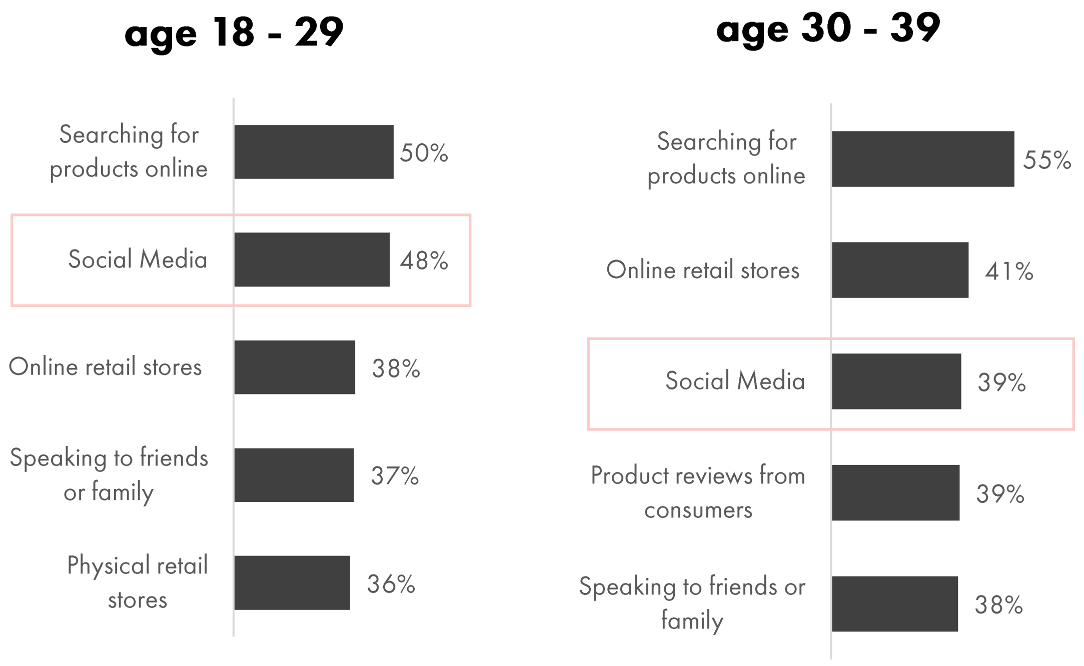
Amongst Australian 18-39 year old online shoppers, social media plays a significantly greater role for inspiration and discovery.

Online retail stores have a greater influence than physical stores.

18-29's are also more likely to use shopping sales events and digital video and digital audio content and advertising.

30-39's are also more likely to use online advertising.

sources used by australian shoppers for product inspiration and discovery



sources of inspiration and discovery

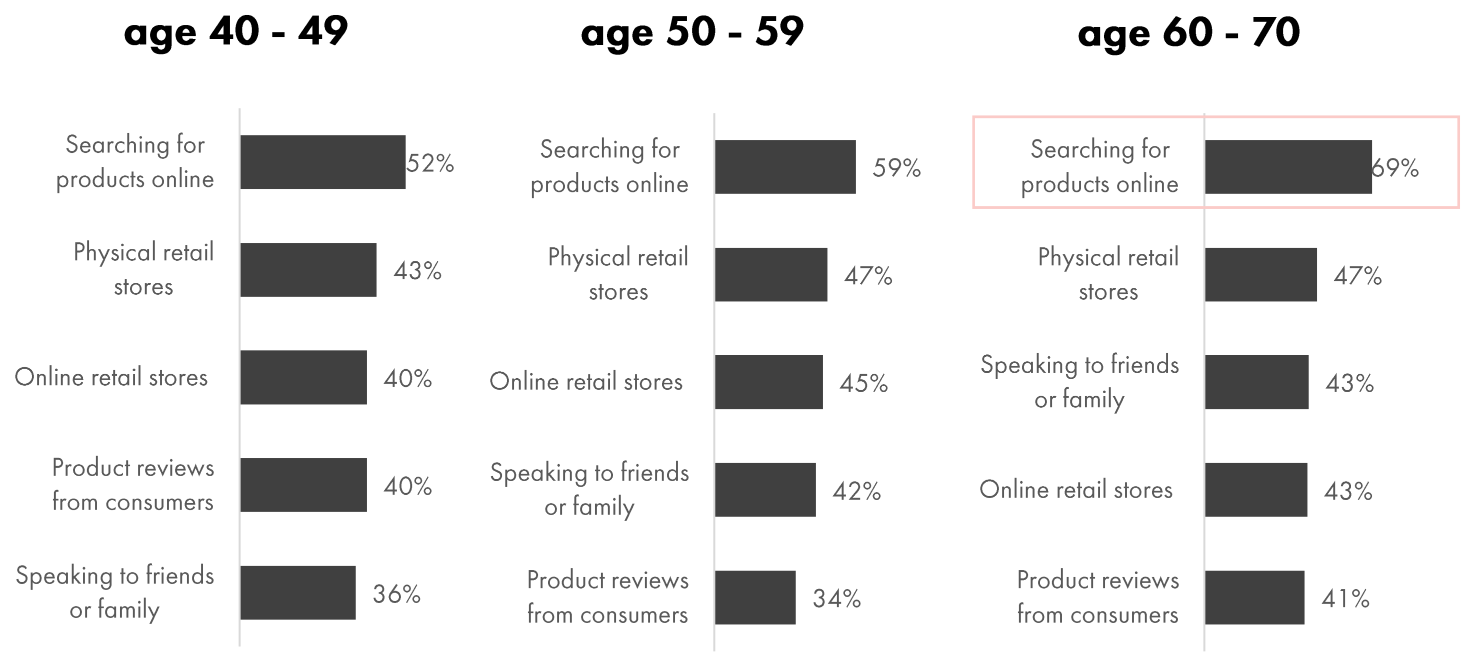
Australian online shoppers aged 60-70 are significantly more likely to use search for discovering products.

Product reviews from other consumers feature in the top sources of inspiration and discovery from age 30+.

Physical stores have a greater influence than online retail stores from age 40+.

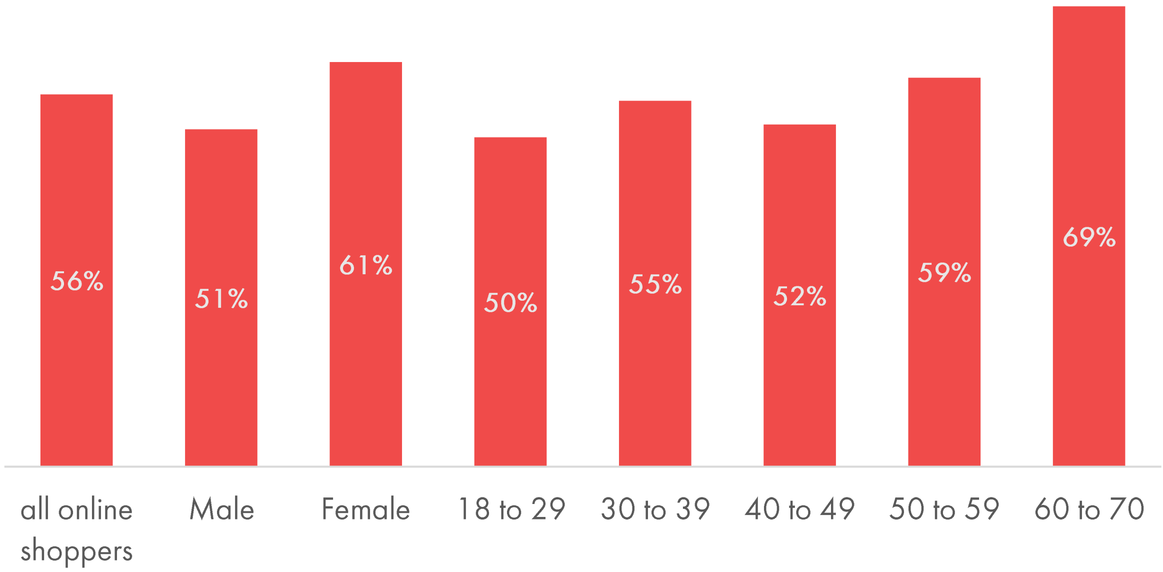
Those aged 60-70 are also more likely to be using online and physical catalogues as well as emails from retailers and brands.

sources used by australian shoppers for product inspiration and discovery

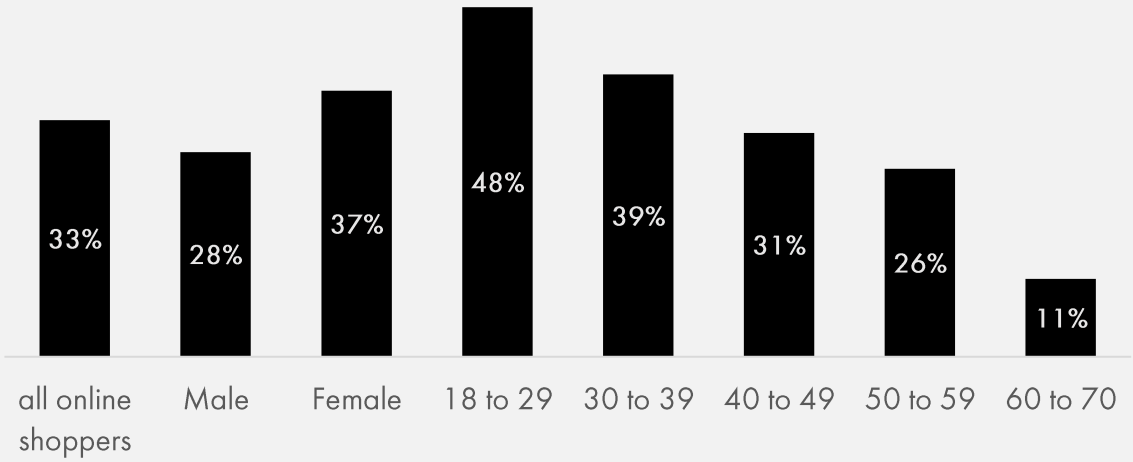


search and social are important sources of inspiration and discovery

7 in 10 (69%) of 60-70 year old Australian online shoppers are using search for product inspiration and discovering brands



nearly half (48%) of 18-29 year old Australian online shoppers are using social media for product inspiration and discovering brands



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - When buying something online, what sources do you use for product inspiration and discovering brands?

social media and influencers key to millennial and gen z online shoppers

59% australia

59% new zealand

18-39's agree
social media is now an important part of how I find products I go on to buy

69% australia

66% new zealand

18-39s agree
If there is a brand I love, I tend to tell everyone about it

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Thinking about when you shop either online or in person, how much do you agree or disagree with the following? (Net agree) - amongst aged 18-39

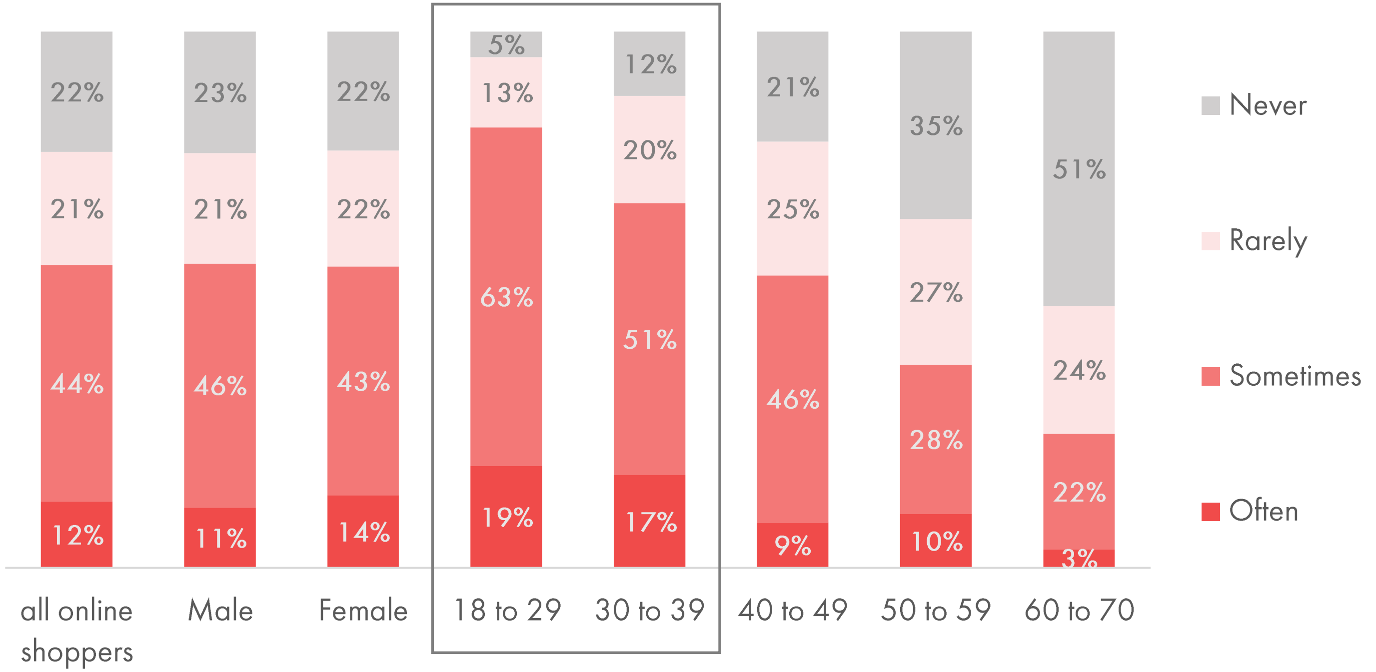
influencers and content creators

8 in 10 Australian online shoppers aged 18-29 (82%) have discovered information about a brand or product promoted by an influencer or content creator they follow online in places like social media, video platforms and podcasts.

Nearly 7 in 10 (68%) of 30-39s have done so, compared to 56% of Australian online shoppers.

Social media, video and podcast influencers have community building talents well suited to fostering the deep emotional connections that drive influence in the Creator Economy (valued at $250 billion in 2023 and expected to nearly double to $480 billion by 2027).*

Australian online shoppers frequency of discovering information about products and brands promoted by influencers or content creators

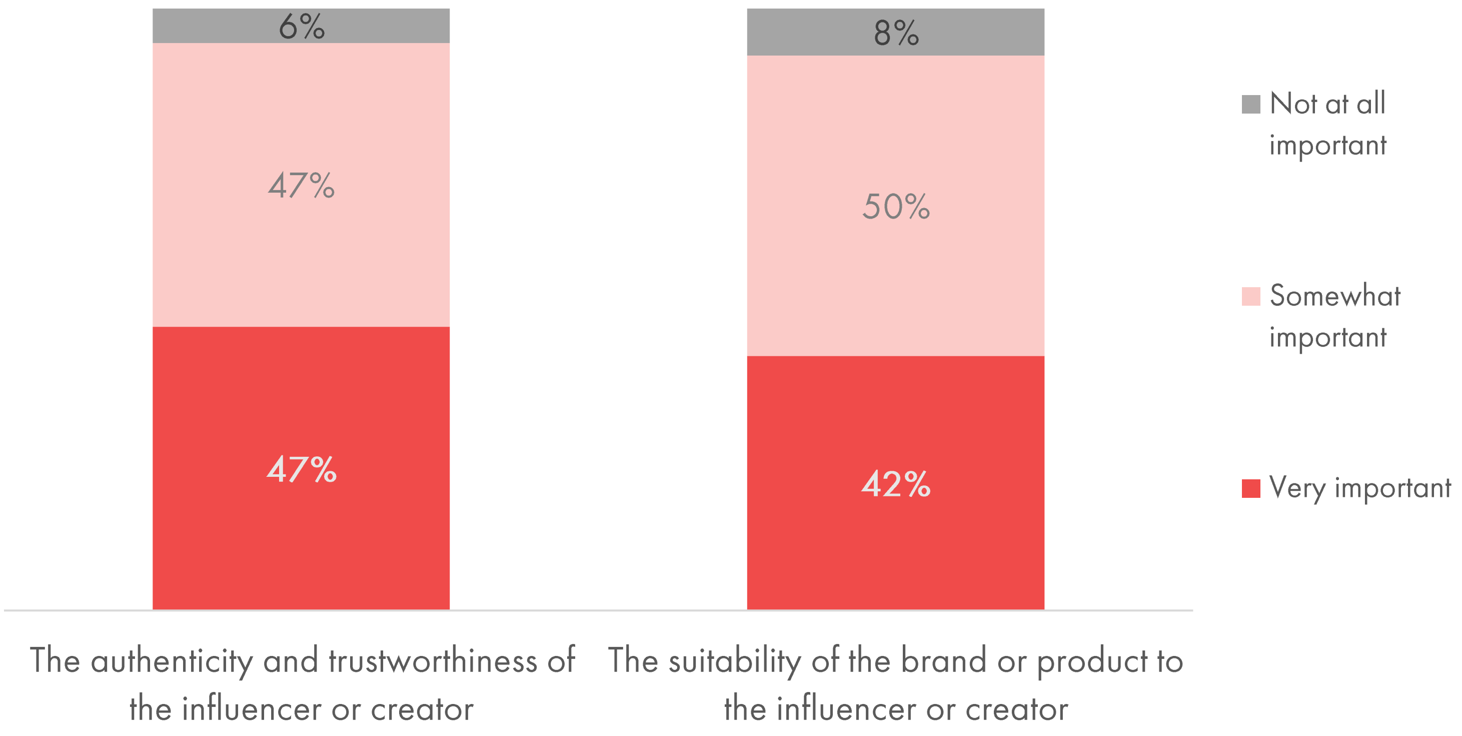


influencers and content creators' authenticity and brand suitability

Authenticity and trustworthiness, as well as their suitability to the brand or product are at least somewhat important to nearly all Australian online shoppers when they are considering brands and products to buy that are promoted by influencers and content creators.

94% of online shoppers say authenticity and trustworthiness of the influencer or creator is at least somewhat important and 92% say brand suitability is at least somewhat important. This sentiment is universal across age groups.

importance of aspects when considering brands and products to buy that are promoted by influencers or content creators



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How important are the following when you are considering brands and products to buy that are promoted by influencers or content creators?

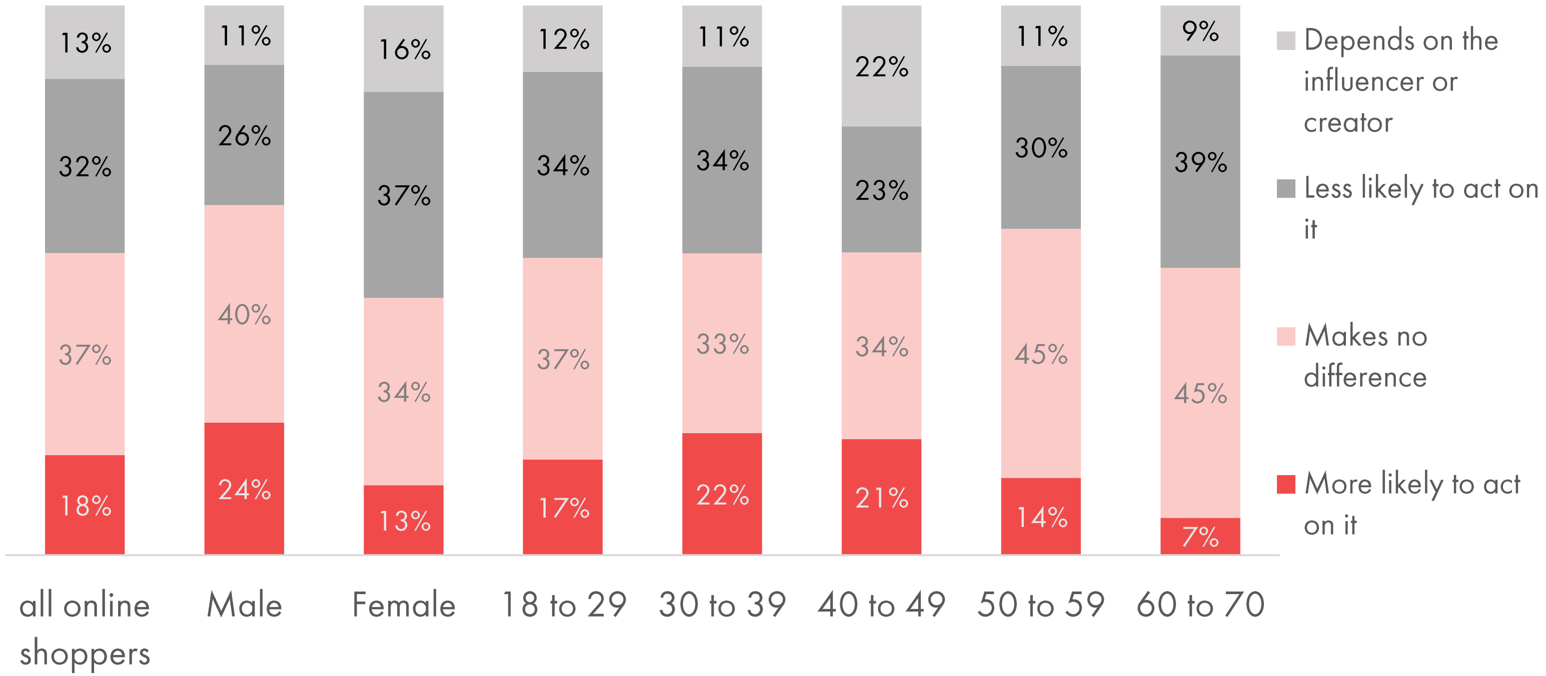
influencers and content creators

For 55% of online shoppers knowing that an influencer or creator is paid to promote a product would have no negative impact on their likelihood of acting on the influencer or creators' recommendation.

A third of online shoppers (32%) would be less likely to act on recommendations knowing this and these shoppers are more likely female (37%) and those aged 60-70 (39%).

The authenticity and trustworthiness of the influencer or creator could make a difference.

The effect knowing that an influencer or creator is paid to promote a product has on Australian online shoppers' likelihood of acting on their recommendation



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How does knowing that an influencer or content creator is paid to promote a product affect your likelihood of acting on their recommendation?

07. retail marketing

retailer communications consumed

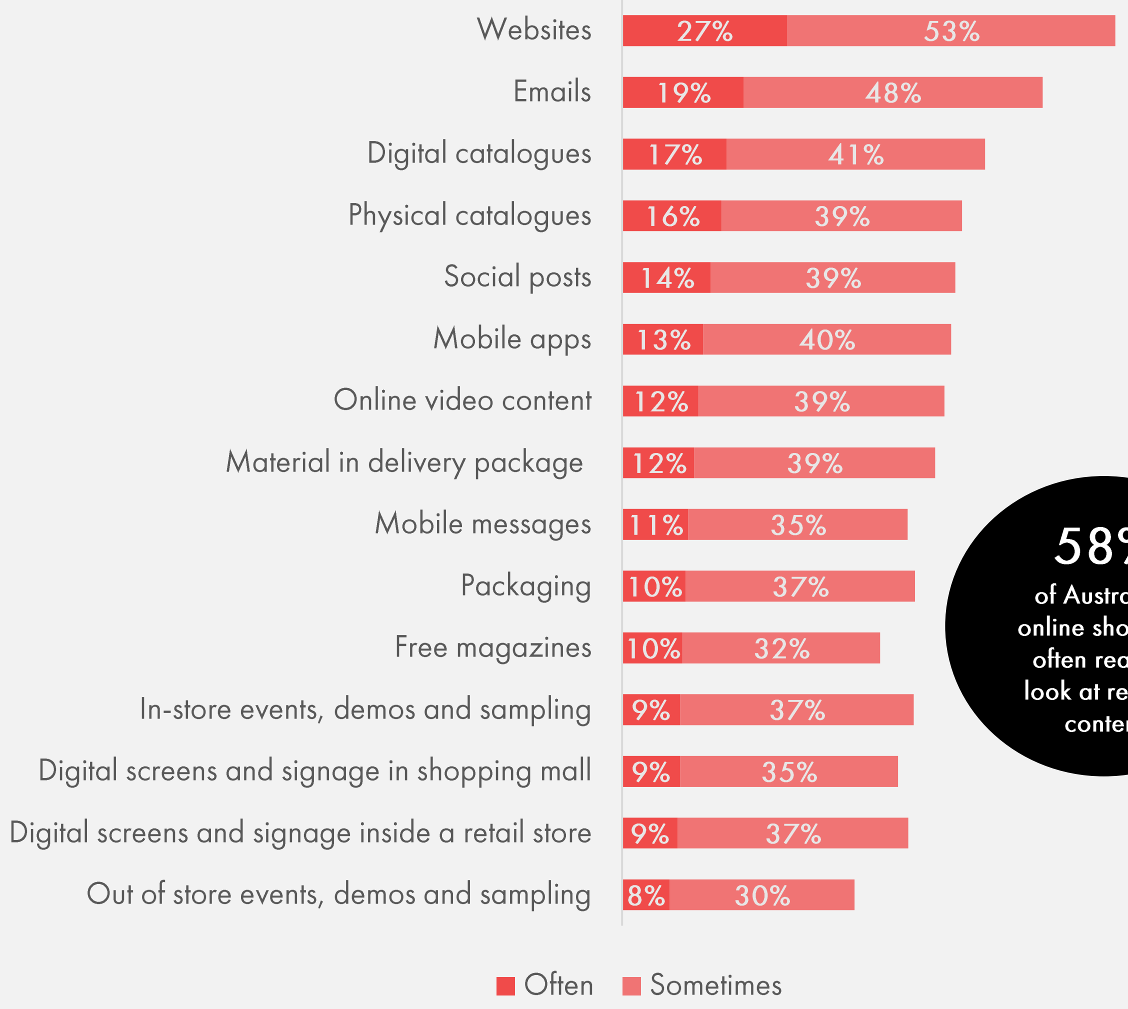
6 in10 Australian online shoppers often read or looked at content produced and distributed by retailers.

Retailer websites and apps, emails, catalogues and social posts are the most consumed content from retailers.

18–29-year-old online shoppers are more likely to have looked at social posts (69% compared to 53% of all shoppers), online video content (69% compared to 51% of all online shoppers) and mobile apps (62% compared to 53% of all online shoppers).

There is a dominance of digital touchpoints which also provide rich behavioural data for retail marketers.

retailer content australian online shoppers often/sometimes read or look at



58% of Australian online shoppers often read or look at retailer content

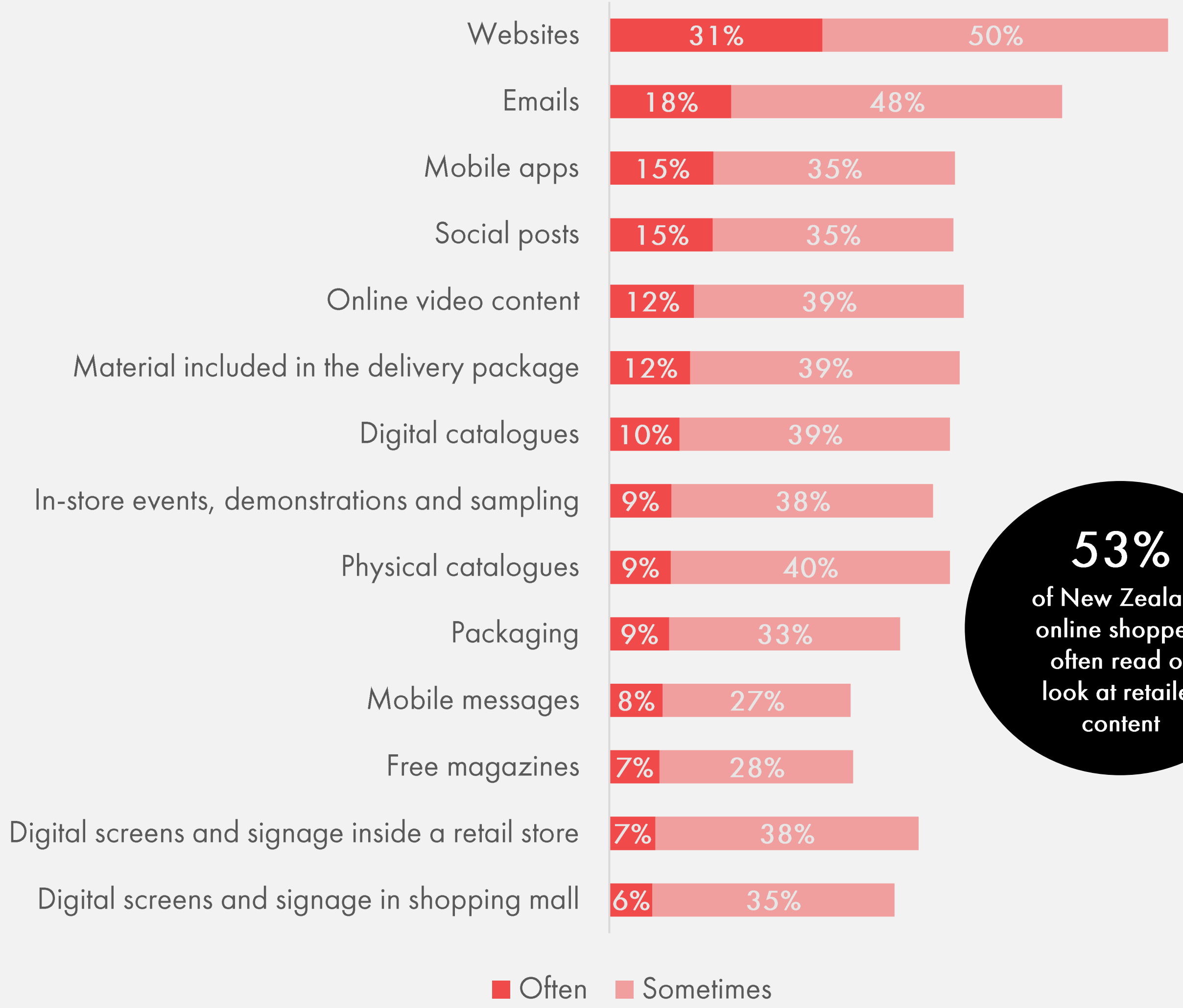
retailer communications consumed

Over half of New Zealand online shoppers often read or looked at content produced and distributed by retailers.

Retailer websites and apps, emails and social posts are the most consumed content from retailers.

New Zealand online shoppers consume significantly fewer mobile messages than Australians (35% often/sometimes compared to 46% in Australia) and less digital catalogues (49% often/sometimes compared to 58% in Australia).

retailer content new zealand online shoppers often/sometimes read or look at



53% of New Zealand online shoppers often read or look at retailer content

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave, New Zealand n=850)
Q - How often do you read or look at content produced and distributed by retailers in the following ways? (Often/Sometimes)

value of retailer loyalty programs

Free to join retail loyalty and rewards programs offer the greatest value to online shoppers with 86% of Australian online shoppers rating these as very or somewhat valuable.

Three-quarters of online shoppers also rate that cashback accounts and instant win promotions are also very or somewhat valuable.

Australian online shoppers rating the value of the types of loyalty programs operated by retailers

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How valuable to you are the following types of programs operated by retailers and brands?

value of retailer loyalty programs

Free to join retail loyalty and rewards programs offer the greatest value to online shoppers with 83% of New Zealand shoppers rating these as very or somewhat valuable.

Three-quarters (74%) of online shoppers also rate instant win promotions are also very or somewhat valuable.

New Zealand shoppers rate subscription (pay to join) retail loyalty programs and cashback accounts as less valuable than Australian shoppers.

New Zealand online shoppers rating the value of the types of loyalty programs operated by retailers

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave, New Zealand n=850)
Q - How valuable to you are the following types of programs operated by retailers and brands?

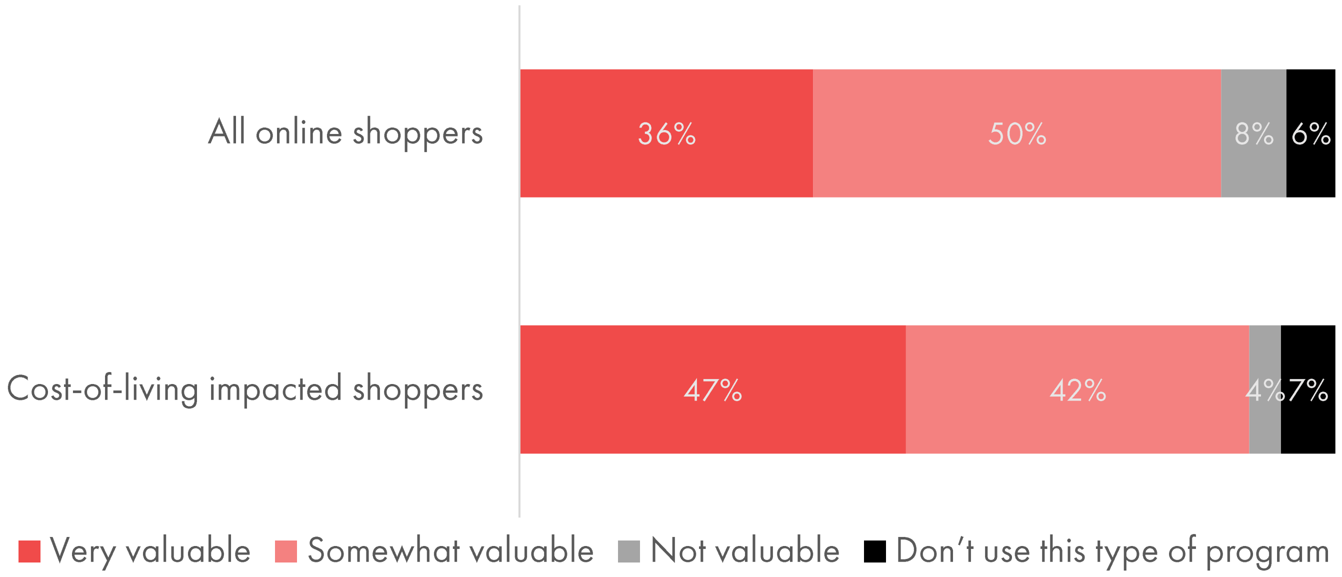
free loyalty programs provide value to cost of living impacted shoppers

Nearly half (47%) of cost of living impacted Australian online shoppers rate free retail loyalty programs as very valuable (compared to 36% of overall online shoppers).

54% of online shoppers have increased using retail loyalty programs due to rises in costs of living.

Weekly online grocery shoppers are also more likely to rate free retail loyalty programs as very valuable (44%).

value of free retail loyalty and rewards programs



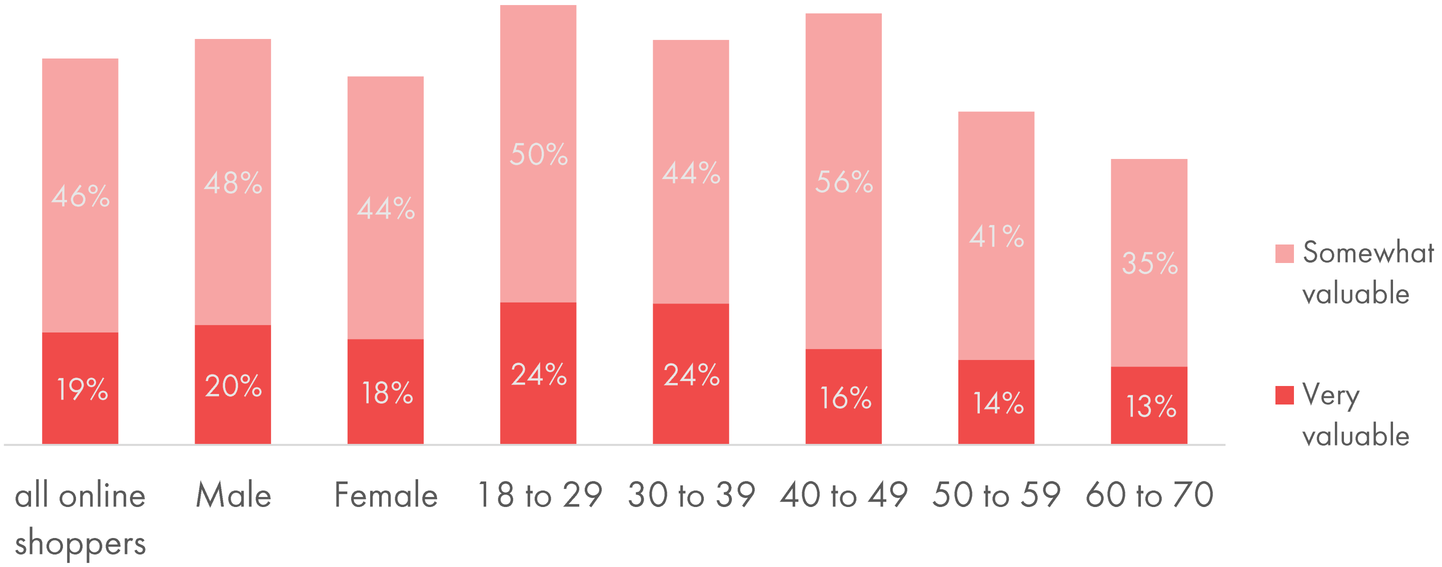
* Cost-of-living impacted shoppers strongly agree "Cost of living pressures mean I don't have as much to spend on less essential retail shopping"

pay to join loyalty programs appeal to families with young children

81% of families with children under 12 rate pay to join retail loyalty and rewards programs very or somewhat valuable (compared to 65% of all Australian online shoppers).

Those who find paid programs more valuable are also more likely to have shopped online at a member wholesale warehouse and those who have purchased products via a subscription in the last 12 months.

Australian online shoppers rating the value of subscription (pay to join) retail loyalty and rewards programs

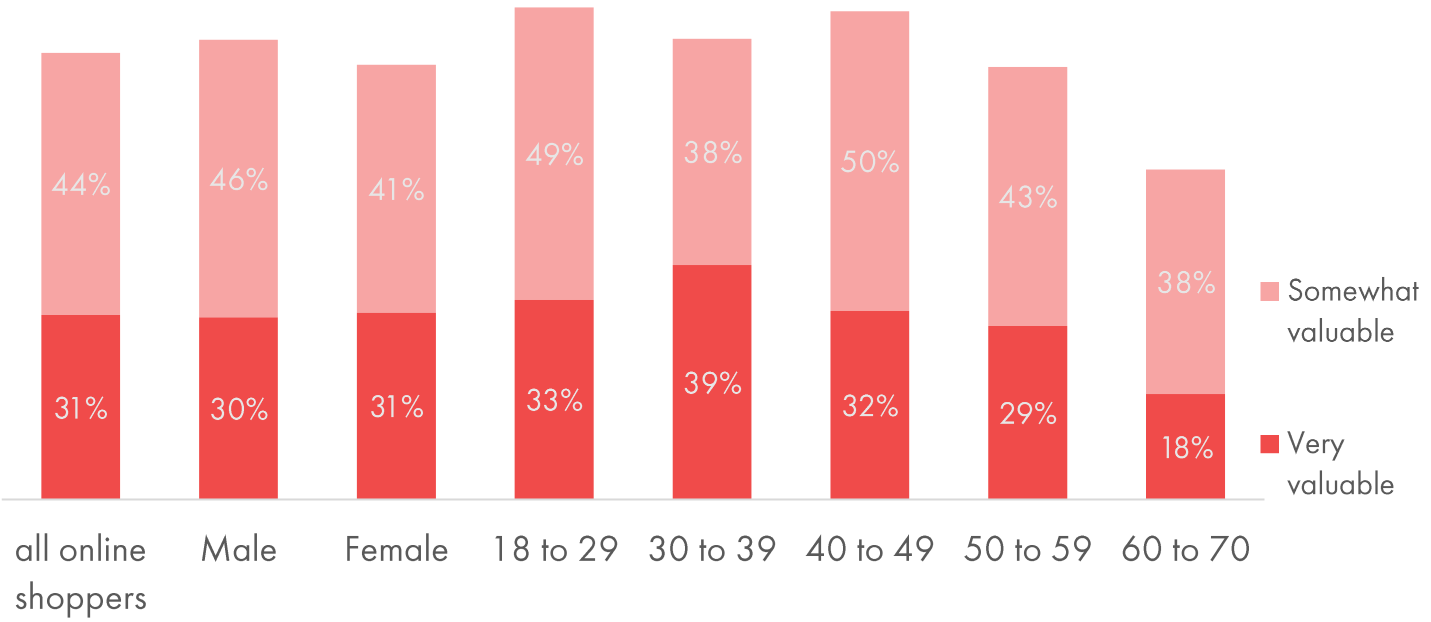


cashback accounts appeal to online shoppers aged 18-49

8 in 10 online shoppers aged 18-49 rate cashback accounts as very or somewhat valuable.

Cashback accounts are also more valuable to those online shoppers who have purchased via social media (where purchasing from retailer or brand is directly integrated) in the last 12 months (88% of these shoppers' rate cashback accounts as very or somewhat valuable, compared to 75% of all online shoppers).

Australian online shoppers rating the value of cashback account where shoppers receive money back when making purchases with a retailer via the cashback site or app



popular retail loyalty, rewards and cashback online brands

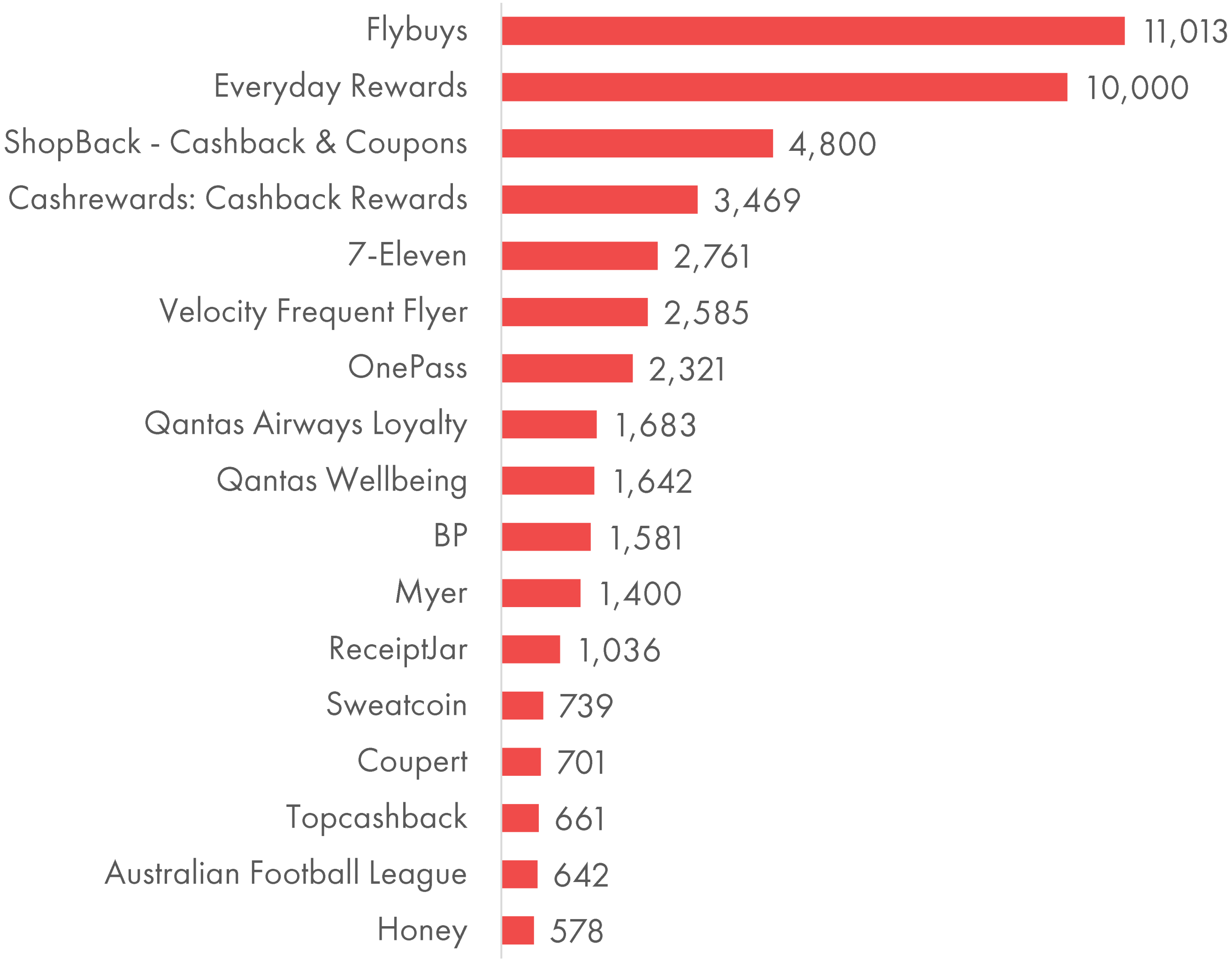
19.2 million

Australians aged 14+ visited a voucher, reward, coupon discounts or loyalty points website or app in May 2025.

Australians visit a range of retail loyalty, rewards and cashback websites and apps with Coles Flybuys (11 million) and Woolworths Everyday Rewards (10 million) being most popular.

selected retail loyalty, rewards and cashback brands

audience (000s) aged 14+ in May 2025



08. retailer data exchange

providing clear information on how retailers use shopper information is critical

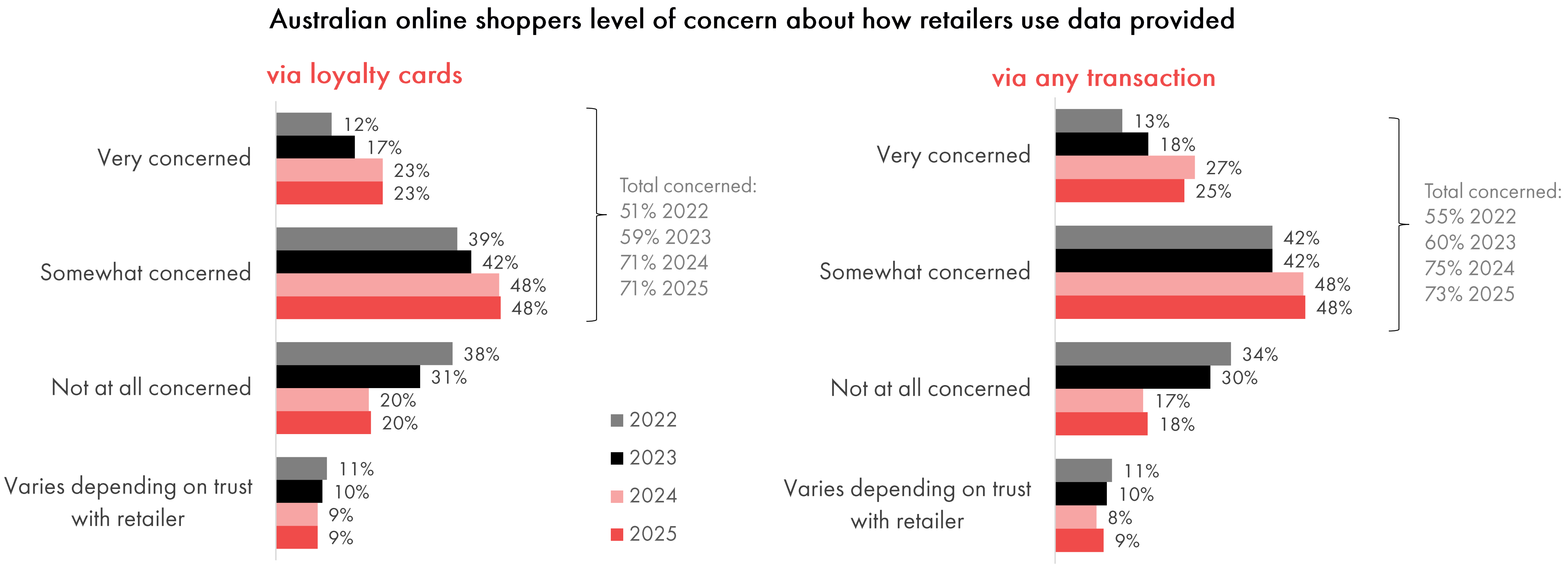
It is critical that retail businesses provide clear information about how they use shoppers' personal information, nearly three-quarters of online shoppers think this is very important.

The Australian Privacy Act is undergoing significant reforms with the first tranche passed by Parliament. The increased focus on enhanced transparency and accountability regarding data use and disclosure means retails and marketers need to ensure they are prepared.

importance of retail businesses providing clear information about how they use shoppers' personal information

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - How important is it for you that retail businesses provide clear information about how they use your personal information?

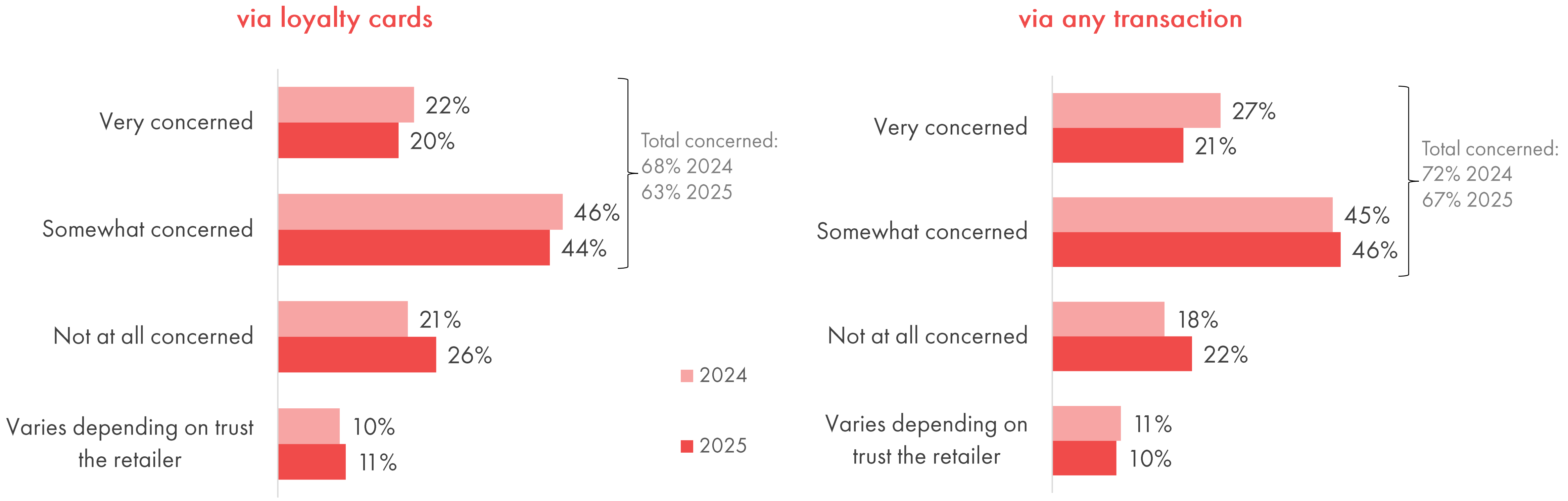
concern with how retailers use australian shopper data has been maintained over the last year



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - How concerned are you about how retailers use the data about you that you provide to them via the loyalty program/reward card or general transactions?

concern with how retailers use new zealand shopper data has slightly reduced over the last year

New Zealand online shoppers' level of concern about how retailers use data provided



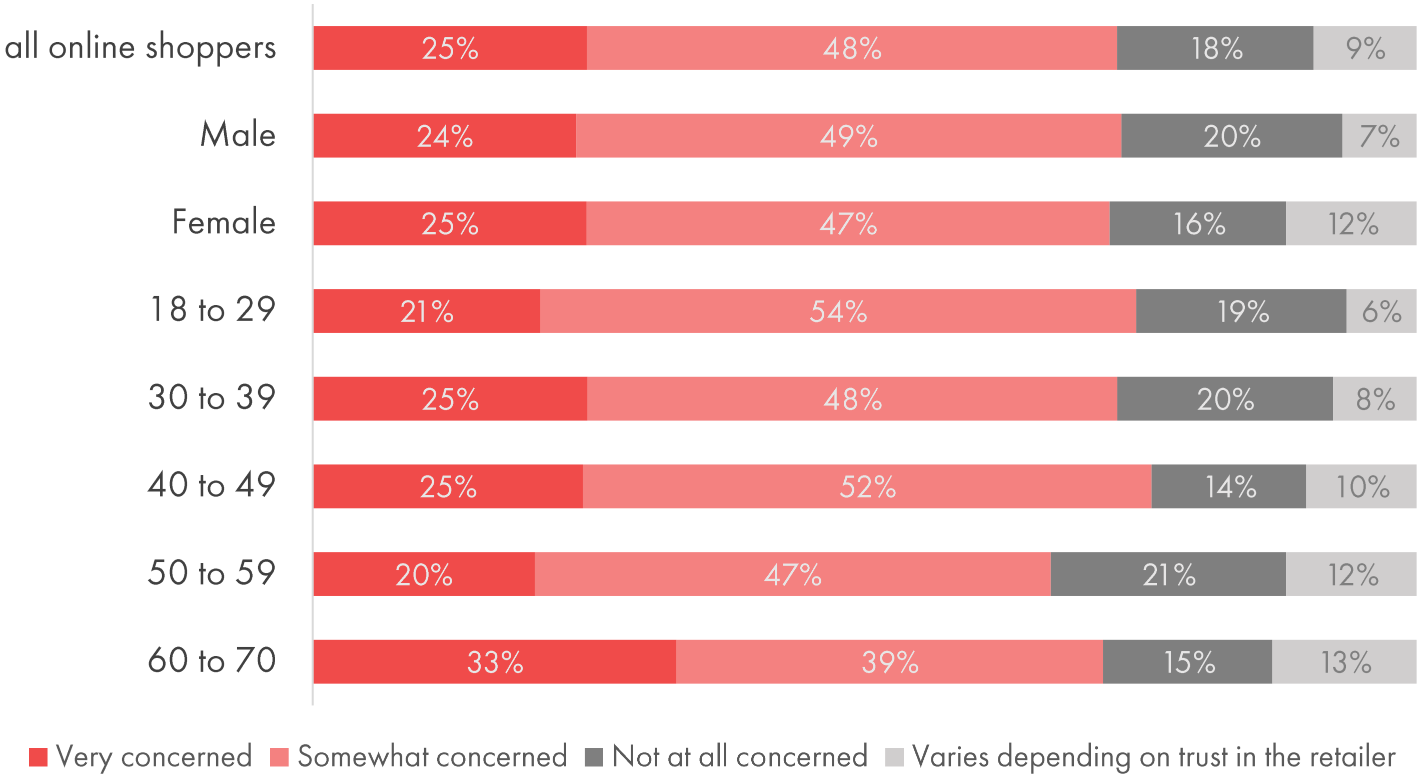
Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave, New Zealand n=850)
Q - How concerned are you about how retailers use the data about you that you provide to them via the loyalty program/reward card or general transactions?

trust and transparency key for retailers collecting shopper data

73% of Australian online shoppers are concerned about how retailers use the data they collect via transactions.

Older online shoppers are more likely to be very concerned with a third of online shoppers aged 60-70 very concerned.

level of concern about how retailers use shopper data via transactions



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=1000)
Q - How concerned are you about how retailers use the data about you that you provide to them via the loyalty program/reward card or general transactions?

retailer data usage

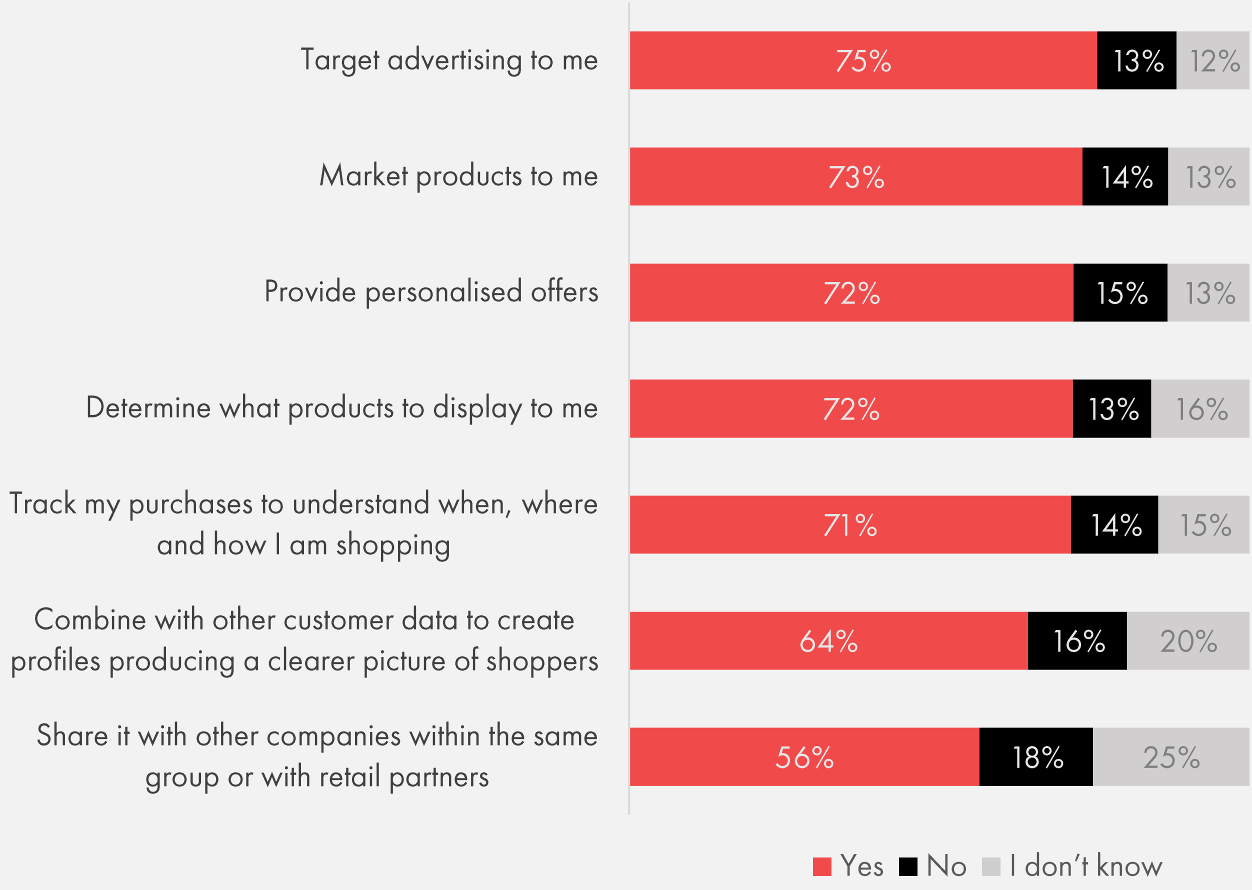
Most Australian online shoppers do understand that their data is used for targeting advertising and marketing.

However, 25% of online shoppers don't know whether retailers share their data with other companies.

Understanding on these aspects has remained stable over the previous years of survey data.

Retailers need to ensure they are using clear communication around the data value exchange and transparency on how their data is used, to make shoppers more comfortable to provide their data.

what do australian shoppers think retailers do with their data?



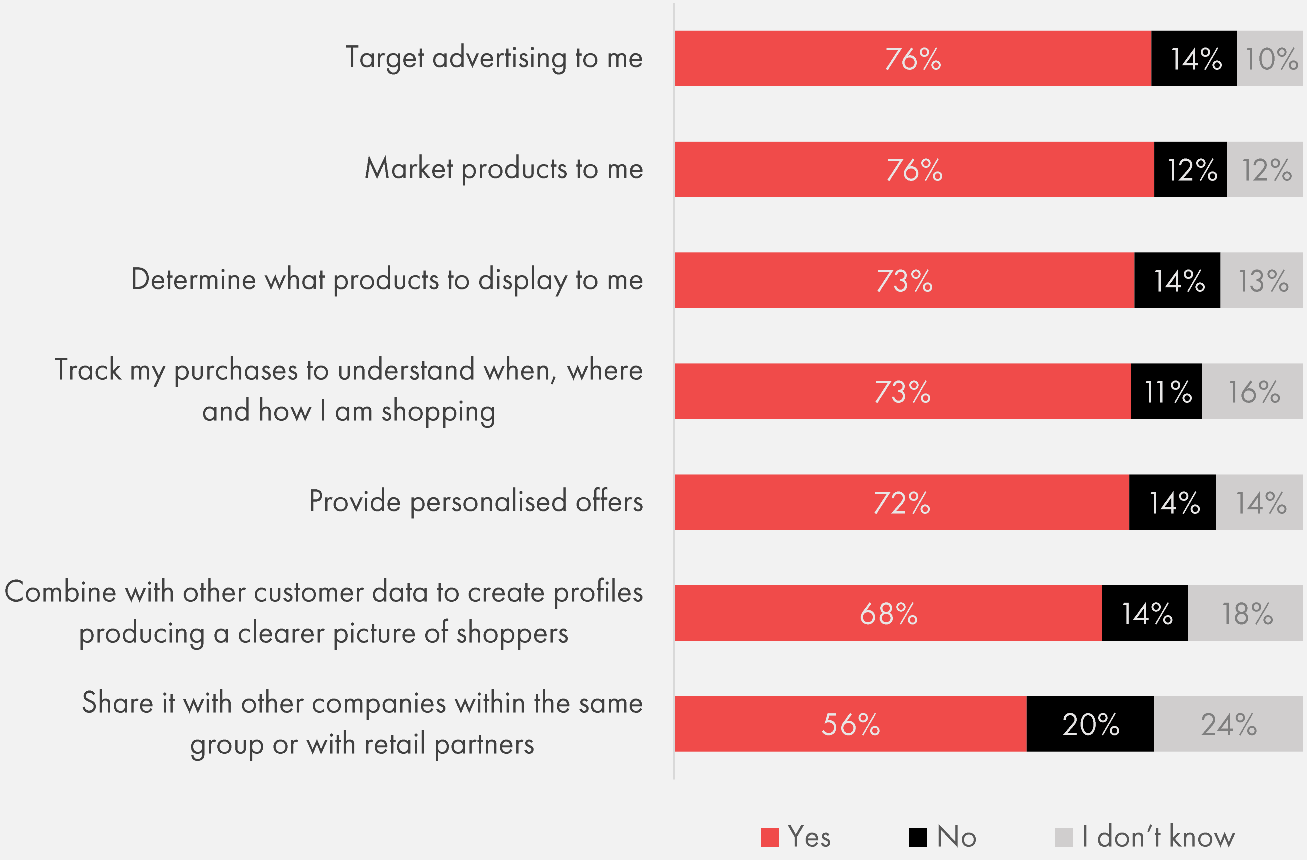
retailer data usage

Most New Zealand online shoppers do understand that their data is used for targeting advertising and marketing.

However, 24% of online shoppers don't know whether retailers share their data with other companies.

The level of New Zealand online shopper awareness of retailer data usage is similar to Australians.

what do new zealand shoppers think retailers do with their data?



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - What do you think the retailers do with the data you are providing them via loyalty cards, transactions or online behaviour?

retailer data value exchange

Nearly all online shoppers are willing to share some type of personal data with retailers in exchange for benefits such as discounts, free delivery or rewards points.

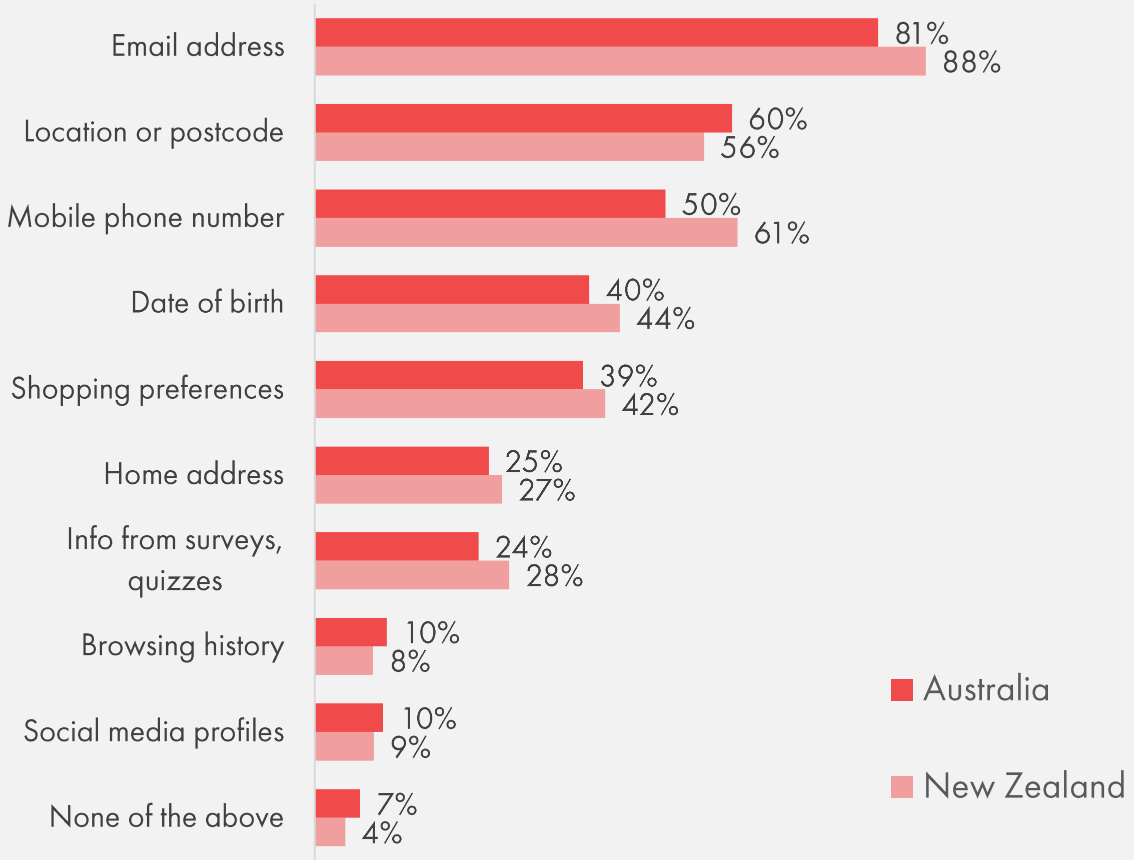
An email address is the data point online shoppers are far more willing to share with retailers.

Australian online shoppers also have a high willingness to share location or postcode information.

New Zealand online shoppers are more willing to share their mobile phone number.

Retailers need to ensure they are using clear communication around the data value exchange and transparency on how their data is used, to make shoppers more comfortable to provide their data.

personal data shoppers are willing to share with retail businesses in exchange for benefits



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Which of the following types of personal data are you willing to share with retail businesses (online or in-store) in exchange for benefits (such as discounts, free delivery, rewards points etc)?

retailer data value exchange

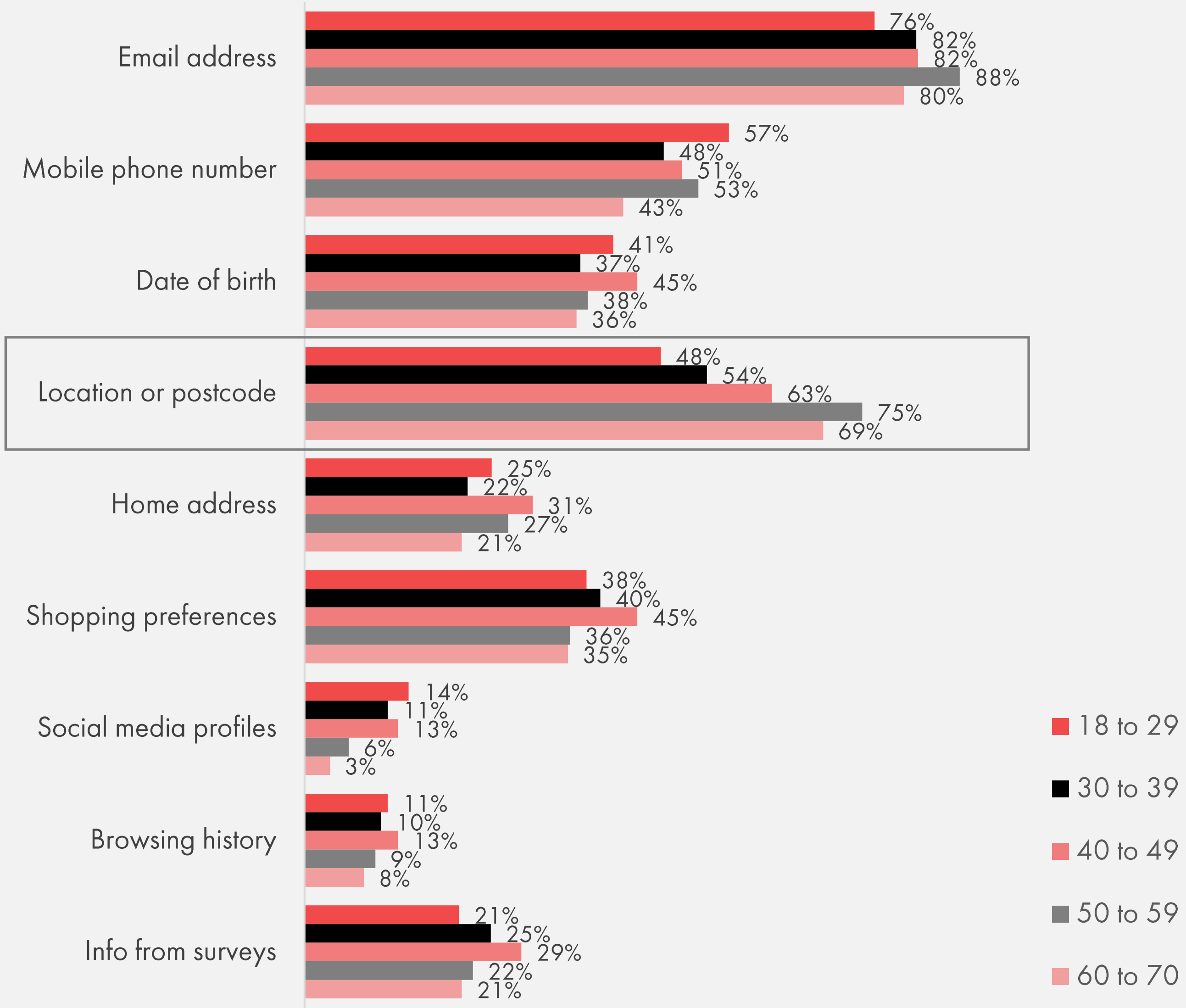
There are significant differences in demographics of online shoppers willing to share types of personal data with retailers in exchange for benefits such as discounts, free delivery or rewards points.

While most 18-29 year old Australian online shoppers (76%) are willing to share an email address, they are less likely than older online shoppers to be willing to do so. They are also far less likely than older shoppers to be willing to share their location or postcode.

However, 18-29s are significantly more likely than older shoppers to share a mobile phone number.

Female online shoppers are also more likely than males to be willing to share an email address or location/postcode.

personal data Australian shoppers are willing to share with retail businesses in exchange for benefits



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave)
Q - Which of the following types of personal data are you willing to share with retail businesses (online or in-store) in exchange for benefits (such as discounts, free delivery, rewards points etc)?

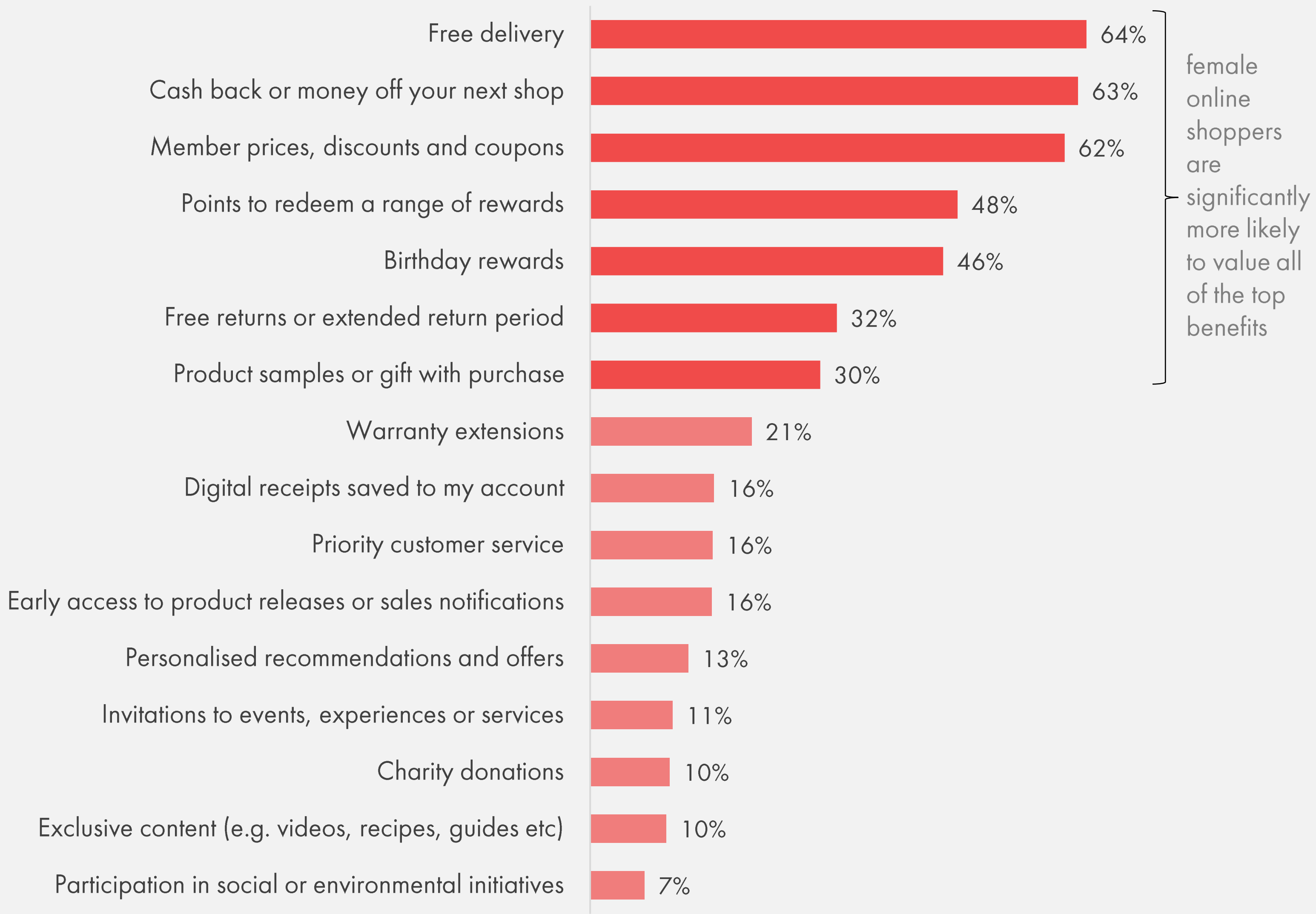
retailer data value exchange

Benefits tied to personal financial compensation are valued the most by Australian online shoppers for the exchange of personal data with retail businesses.

Online shoppers are more willing to share their data with retailers in return for discounts, coupons, free delivery, rewards points and cash back.

Female online shoppers are significantly more likely to value all of the top benefits. For example 69% of females value free delivery compared to 59% of males. Males are more likely to value warranty extensions.

benefits Australian online shoppers value as compensation in exchange for the personal data shared with retail businesses



Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Which of the following benefits do you value as adequate compensation in exchange for the personal data you share with retail businesses (online or in-store)?

retailer data value exchange

Benefits tied to personal financial compensation are valued the most by New Zealand shoppers for the exchange of personal data with retail businesses.

Online shoppers are more willing to share their data with retailers in return for discounts, coupons, free delivery, rewards points and cash back.

New Zealand shoppers are more likely than Australian shoppers to value product samples or gift with purchase and digital receipts saved to shopper account.

benefits valued by New Zealand online shoppers as compensation in exchange for the personal data shared with retail businesses

Source; IAB Australia and Pureprofile Australia & New Zealand Commerce Report 2025 (Australia n=1,000 per wave; New Zealand n=850)
Q - Which of the following benefits do you value as adequate compensation in exchange for the personal data you share with retail businesses (online or in-store)?

key themes for 2025

Consumer confidence is regaining but marketers need to continue to demonstrate value to win over hesitant shoppers.

Shopper expectations are high with aspects like free shipping and easy returns standard and rising expectations for immediacy and responsiveness.

Expectations, perceptions of value and discovery channels differ significantly across generations. Marketers need to understand and cater to different shopper behaviours and target audiences.

Purchasing of second-hand goods is increasing which has cost saving, environmental and economic benefits.

Multiple channels are used to discover products, and channels will continue to expand and evolve. A full-funnel, multi-channel marketing strategy is essential.

A variety of retail loyalty programs continue to provide value and retailer first-party data is driving marketing, personalisation and the ability to optimise shopper experience.

Transparency in data usage and consumer understanding of the data exchange is critical. Aside from legal compliance, building trust through transparency will be a long-term competitive advantage.

Trust remains a key ingredient for success in today's market.

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