Online shopping set to soar this Christmas, with Aussies planning to almost double their virtual shopping

# Virtually Together: New research reveals what's different this Christmas and how Aussies plan to shop, spend and celebrate this year

- Australians plan to do 90% more online Christmas shopping this year compared to previous years
- 48% of Aussie Christmas shopping will be online vs 52% in-store almost an even split compared to 75% in-store / 25% online in previous years
- 2-in-5 Australians (39%) say they'll shop online early to have gifts delivered in time; however, 1-in-4 will still be last minute shoppers in the fortnight before Christmas
- 41% say this Christmas they want to support Aussie businesses that are doing it tough
  post drought and bushfires, such as those businesses on the new <u>Buy From The Bush</u>
  Marketplace
- Of all the imported traditions Aussies have inherited, we're happy to leave behind bad Christmas jumpers the most with 1-in-4 thinking they need to go.

Hot on the heels of the launch of the new <u>Buy From The Bush Marketplace</u> last month, PayPal Australia has today released its 2020 Christmas Research which reveals the impact COVID-19 has had on Australians' plans for Christmas this year. This includes a dramatic shift to online shopping, a desire to buy and support local, and a lean towards Christmas traditions, especially among the younger generations.

#### Convenience and safety drive a spike in online shopping this Christmas

PayPal's research reveals the amount of online Christmas shopping in Australia is expected to almost double (48%) compared to previous years (25%): a year-on-year increase of 90%. Shopping in-store is set to decrease, with respondents saying they plan to do only half (52%) their Christmas shopping in-store: a 30% year-on-year decrease from 75% of Christmas shopping being done in-store previously.

Over a third of Australians (35%) are more stressed about Christmas shopping this year due to COVID-19 and there is particular concern over the Christmas rush, with a quarter of Australians (24%) claiming they don't feel comfortable shopping in-store due to crowds this year. These factors are likely driving increased virtual shopping as 36% believe shopping online is less stressful than dealing with crowds in stores.

Danielle Grant, Consumer Shopping Expert at PayPal Australia said, "2020 has been an unusual year for us all with the pandemic changing many aspects of our daily lives, and Christmas will be no exception. This year many more Australians will shift their shopping behaviour and purchase gifts online, rather than in-store – with safety and security driving this trend.

## With unprecedented demand on the postal system this year, some Aussies risk missing the postal deadlines

Australia Post is gearing up for what is expected to be the largest parcel volume in the organisation's 211-year history, so it's no wonder almost half of Australians (45%) are concerned about postal delays this Christmas.

Despite this, only two-in-five Australians (39%) are planning to start their Christmas gift shopping early this year to ensure their parcels arrive in time for Christmas, while one-in-four Australians (25%) are leaving their Christmas gift shopping to the last minute, within the two weeks before Christmas.

With Australia Post recently announcing that December 12<sup>th</sup> is the cut-off for parcels to be delivered on time this Christmas, a significant proportion of the country could be receiving their presents late this year if shoppers don't plan ahead and get online early.

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#### Supporting local is the shopping trend of Christmas in 2020

Australians want to support their mates this year, with over a third of Aussies (37%) planning to buy Australian-made gifts where possible. Aussies also want to give presents with purpose this Christmas, with two-in-five (42%) saying giving presents is significantly more fulfilling when they know their gift will make a difference to someone in need. Additionally, over a third of Australians (37%) say that, where they can, they're happy to pay a bit more this Christmas to support Aussie businesses that are doing it tough.

41% of Australians also say that this Christmas they want to support Aussie businesses that are doing it tough off the back of the drought and bushfires, such as those businesses on the new <u>Buy From The Bush Marketplace</u>, sponsored by PayPal Australia. This new online emporium aims to help Aussies discover beautiful and unique products this Christmas while supporting rural small businesses. Since launching in late October, more than 400 rural businesses have signed up to the marketplace to give Aussies more opportunities to support local this festive season.

Grace Brennan, Founder of *Buy from the Bush* said: "There are so many beautiful, unique gifts to discover from small businesses in the bush. All with a precious story of origin. The great joy of buying from the bush at Christmas is knowing the impact of your purchase. The gift you buy your loved one is also a gift to a small rural community. It generates cashflow, creates jobs and provides opportunity for growth."

### Quality over quantity when it comes to Christmas presents this year

PayPal's research found Aussies say they'll spend an average of approximately \$560 in total on Christmas presents, \$59 less than their stated average spend in previous years.

There is also a growing trend toward fewer, higher quality gifts, with two-in-five Australians (38%) saying they plan to focus on quality over quantity this year. Two-in-five (42%) Aussies also say that spending a bit less doesn't mean they can't give great gifts.

When it comes to Australian gifts that Aussies want to receive this year, Australian-made chocolates were the top gift (42%), followed by homegrown Christmas hampers (35%), Australian scented candles, soaps or hand creams (28%) and beach gear (28%). All of these are available on the <u>Buy from the Bush marketplace</u>.

#### Aussies will not let the COVID-19 grinch steal Christmas this year

Australians are preparing for a very different Christmas this year amid COVID-19, with two-in-five Aussies (42%) planning a smaller gathering rather than celebrating with extended family.

When Aussies were asked what they will miss most in 2020, visiting relatives and spending time with friends they don't see very often (41%) is the number one. Exchanging presents in person with loved ones (22%) and attending or hosting Christmas parties (19%) are the other holiday traditions that Aussies will miss most this year.

Despite this sentiment, Australians are a resilient bunch who won't let COVID-19 dampen their Christmas spirit with 1-in-12 Aussies (8%) saying that they will attend or host a virtual Christmas party this year. The most popular Aussie festive tradition by leaps and bounds is having a BBQ on Christmas and Boxing Day (61%), followed by eating seafood (44%), pavlova (34%) and enjoying cherries (33%).

It is not only local traditions Aussies are embracing this festive season, but also their favourite imported traditions, with hanging and/or viewing Christmas lights (48%), blasting Christmas songs like Michael Bublé or Mariah Carey (43%), eating European Christmas food such as roast dinner and pudding (41%) and watching classic Christmas movies (37%) all topping the list.

There was one tradition that Aussies were divided on: Christmas jumpers. Over half of Older Australians (53%) think we need to get rid of them and leave them in the closet, compared with just 17% of Gen Z Australians. Overall a quarter of Australians (25%) think our fixation with bad Christmas jumpers, instead of Christmas T-shirts, is an imported tradition we should ditch, with 25% also saying we should say goodbye to fake snow and fake window frost.

Visit the marketplace and start your Christmas shopping early at BuyFromTheBush.com.au.

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