

Aussie Conscious Consumers holding businesses to account over environment, ethics and fair-trade

The 2019 PayPal mCommerce Index, released today, reveals that more than half of Australian consumers (55%) are 'Conscious Consumers'. who have made purchase decisions, based on their values around the environment, ethics or fair-trade, in the last 12 months.

PayPal 2019 mCommerce Index results released

- **More than half (55%) of Australians have made shopping decisions based on their values and are considered 'Conscious Consumers'**
- **Aussies addicted to convenience, with more than a third of consumers shopping on mobiles when watching TV on the couch (40%), in bed (38%) and even in the bathroom (12%)**
- **'Staying in' is the new 'Going out' with at-home streaming services and food deliveries both up 36% YoY while experiences are down 21% YoY**
- **Shopping on social media has exploded with a 42% YoY increase**

Tuesday, 29 October 2019, Sydney: The [2019 PayPal mCommerce Index](#), released today, reveals that more than half of Australian consumers [\[i\]](#) (55%) are 'Conscious Consumers' [\[ii\]](#), who have made purchase decisions, based on their values around the environment, ethics or fair-trade, in the last 12 months.

Conscious Consumers know that their purchases have an impact and are willing to back their beliefs with their wallets. They use their purchasing power to boycott brands that have a negative impact on society or the environment and reward those that align with their values.

The Index, now in its fourth year, also found that while Australian shoppers are becoming more conscious, our shopping habits remain heavily based on convenience. Consumers are shopping from the comfort of their couches (40%) or while scrolling through social media, with the number of Australians shopping on social media growing by a massive 42% YoY (27% in 2019, 19% in 2018).

What is the Conscious Consumer doing differently?

This emerging wave of consumer power is being driven by the young, with 66% of Aussies aged 18-35 years making values-based purchase decisions in the last 12 months. Conscious consumer behaviour is lower for older Australians, with 55% of Aussies 35-49 years and 46% of the over 50's being Conscious Consumers.

1-in-10 Aussies (10%) has boycotted a brand because of their values, a number that increases to 1-in-5 for Gen Z (19%); 1-in-7 Aussies (14%) had purchased a product specifically because it was sustainably produced or environmentally friendly, which jumps to 1-in-5 for Gen Z (19%) and 10% of Aussies buy environmentally-sustainable products and services wherever possible – regardless of price.

Additionally, 1-in-10 (11%) Aussies believe that fast fashion should have added levies to cover environmental impact, and 1-in-5 (19%) agree that companies should be banned from destroying unsold clothing (a quarter of Aussies (25%) under 35 years hold this opinion).

This emerging type of consumer does not buy whatever brands tell them is 'on trend'. Instead, they actively seek out reviews to determine whether a product or service is right for them or aligns to their values. According to the Index, 2-in-5 (40%) Conscious Consumers have purchased products or services based on a positive online

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customer review.

Conscious Consumers don't just seek out this information, they provide it as well. More than three quarters (78%) of this emerging consumer profile have posted a review after buying something online in the last 12 months, and contrary to the beliefs of half of surveyed Australian businesses^[iii] (48%) who feel that consumers are more likely to leave reviews that are negative, 70% of these reviews were mostly (60%) or all (10%) positive.

Jess Rix, PayPal Australia's Shopping Expert, said, "There's a new wave of consumer behaviour and it's being driven by the young. Aussies are putting their money where their mouth is when it comes to environmentally and socially sustainable products. Every buying decision has the power to change the world a little and we're beginning to see a shift as Australians are increasingly choosing brands that operate ethically and sustainably over those that don't."

Cost is a consideration for both consumers and businesses, with 2-in-5 Aussie businesses (41%) saying that while they'd like to sell more ethical products or services it's too expensive. 1-in-6 consumers (16%) say they try to buy sustainable products and services but can't always afford to. Additionally, 24% of Aussies find it difficult to identify if a brand operates ethically or sustainably, this jumps to 33% of Conscious Consumers.

Staying in is the new going out

Aussies will do anything to shop conveniently and while you'd think that shopping on your mobile is something that Aussies would do while out and about, the most popular place to mobile shop is when we're at home relaxing (68%). Almost 2-in-5 of Aussies are shopping on our mobiles when watching TV on the couch (40%), in bed (38%) and 1-in-8 of us admit to mobile shopping while in the dunny (12%). Note that the PayPal mCommerce Index did not ask if they washed their hands.

Whether it's a reflection of sluggish wages growth, the impact of high energy costs or simply that Aussies are taking some downtime, it appears that Aussies have said goodbye to FOMO and embraced JOMO, 'staying in' is officially the new 'going out'. In 2019, mobile purchases of experiences such as concert and theatre tickets decreased 21% YoY (38% vs 48% in 2018) with flights and hotels also down 13% YoY (35% vs 40% in 2018).

Instead, Aussies are opting for at-home subscription services, such as Stan, up 36% YoY (30% vs 22% in 2018) and convenient home delivery grocery services, increasing 32% YoY (37% vs 28% in 2018).

"Convenience reigns supreme among consumers: we are choosing not to leave the comfort of our own homes, let alone our own sofas, to shop – and why would we when we've all got the equivalent of a limitless shopping centre sitting in the palm of our hands and only a click away.

"Some people might think we're a nation of lazy shoppers, but with our busy lifestyles, it's more the case that we want to be able to buy the things we need whenever and wherever we want, and have access to everything in one place," said Jess Rix

The constant pursuit of convenience goes beyond just browsing on smartphones, but also making payments with them when we do physically go out shopping. More than half (55%) of Aussie consumers have used their smartphones to make tap-n-go payments in stores or physical locations, a figure that rises to 81% our youngest shoppers, Gen Z. The rise of paying with contactless devices makes consumers' lives easier, eliminating the need to carry anything other than their mobile when they leave the house.

Shopping on social media is exploding in Australia

Social commerce, or shopping via social media platforms like Facebook and Instagram, has grown exponentially, with a 42% YoY increase and more than doubling since 2017. More than a quarter of surveyed consumers (27%) have made purchases via social media in the last six months, compared to 19% in 2018 and just 11% in 2017. Young Australians, in particular, have latched on to the trend, with 38% of Gen Z and 36% of Gen Y purchasing via social media in the last six months.

While Facebook remains the most popular platform among social media shoppers (83%), Instagram saw the largest YoY growth (34% in 2019 and 25% in 2018 vs Facebook 81% in 2018).

Spending via social media is fast becoming a reality of everyday life, with social media shoppers spending an average of \$121 per month via social channels. In fact, nearly a quarter of social media shoppers (21%) purchase or pay at least weekly via social media.

Despite this surge in popularity, trust is proving to be the biggest barrier to social commerce adoption. As many as 1-in-3 surveyed consumers (31%) are wary of social media and 37% are concerned about the safety of personal information when bank details are uploaded to make a payment. However, 41% of social shoppers

would buy from a social media platform if they could use their PayPal account for safety and convenience.

“The lines are blurring between social media and e-commerce and the sheer amount of time spent by younger Aussies on social media means that social is poised to boom as shopping channel. With Gen Y and Gen Z almost constantly connected, and mainly on social media, it’s natural that we’d take the opportunity to discover, explore and buy the products and brands we love in the social spaces where we spend most of our time,” concluded Jess Rix.

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About the 2019 PayPal Commerce Index

The *2019 PayPal Commerce Index* surveys the payment patterns and expectations of both consumer smartphone users and online businesses and provides insights into the mobile commerce landscape. The research was commissioned by PayPal Inc. and fieldwork was conducted by Ipsos between Tuesday 23 July and Sunday 25 August 2019.

Respondents completed an online self-completion survey, with a total of 22,000 consumersⁱⁱ and 4,602 businessesⁱ, across 11 markets taking part in the research. Approximately 2,000 consumers and 300-500 business decision makers (i) were surveyed from each market: UK, France, Germany, Italy, Spain, Australia, India, Japan, USA, Mexico, Brazil.

Sample was sourced through consumer and business research panels, with participants incentivised for completing the survey. The research was carried out to the international quality standard for market research, ISO 20252:2012.

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Key definitions & Technical note

Businesses – the 2019 PayPal mCommerce Index research surveyed key decision makers from businesses that sell to or take payments online from consumers

Consumers – the 2019 PayPal mCommerce Index research surveyed adults aged 18+ who are smartphone owners/users

Conscious Consumers – exhibited at least 5 environmentally or ethically-driven behaviors or held values-driven attitudes to purchasing in the last 12 months. Any 5 of the following Q35 = Code 4 or 5 or 6 or 7 or 8 or 9 or 10 or 11 or 12 or 13 or 14 Q37 = Code 2 or 3 or 4 or 5 or 9 or 11

Mobile shopper – Australian consumers who use their mobile devices to make payments and purchases (73% of total base)

A full list of definitions and the Australian market research report can be found [here](#)

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About PayPal

PayPal has remained at the forefront of the digital payment revolution for more than 20 years. By leveraging technology to make financial services and commerce more convenient, affordable, and secure, the PayPal platform is empowering more than 286 million consumers and merchants in more than 200 markets to join and thrive in the global economy. For more information, visit [paypal.com](https://www.paypal.com).

About PayPal Australia

PayPal has been operating in Australia since 2005 and has more than 8 million active customer accounts. PayPal enables Australian businesses to transact online and offline, from sole proprietors and developers to established large merchants. The PayPal service is provided by PayPal Australia Pty Limited (ABN 93 111 195 389) which holds an Australian Financial Services Licence number 304962. Visit www.paypal-media.com/au for more information and follow us on Twitter, Facebook, YouTube, LinkedIn and our [PayPal Stories blog](#).

Press Contact

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[iii] **Businesses** - the 2019 PayPal mCommerce Index research surveyed key decision makers from businesses that sell to or take payments online from consumers

<https://newsroom.au.paypal-corp.com/consciousconsumers>