BIGCOMMERCE

2024 ONLINE SHOPPING REPORT

Consumer Behaviour Trends Shaping Ecommerce

AUSTRALIA AND NEW ZEALAND



INTRODUCTION

Our 2024 Online Shopping Report brings fresh data and findings about shifting shopper behaviours and their impact on the ecommerce landscape. We closely examine trends across multiple years to reveal current challenges and opportunities for online retailers.

Our data indicates that shoppers are dealing with extended financial pressures this year. For example, average order sizes have contracted noticeably compared to four years ago. Data from the Australian Bureau of Statistics (ABS)[1] also shows that discretionary spend on goods nudged a mere 1.1% ahead throughout 2023, while non-discretionary spend saw a 10.7% boost. It's clear that shoppers are still feeling the pinch of inflation. What does this mean in terms of purchasing behaviours? Shoppers are ordering smaller and smarter.

The good news for retailers is that average order values are stabilising this year, with only a slight decrease in the frequency of orders over $100 from last year to this year.

When shoppers find the price is right, they're most likely to order fashion, electrical, and house or garden items. They also want to keep close tabs on prices, with the majority citing automated price tracking as their preferred website feature.

Additionally, post-purchase costs are influencing purchase decisions, with expensive shipping causing almost all shoppers to abandon their carts. Interestingly, a large portion will pay an extra $20 for same-day delivery. The takeaway here? While cost is a concern, shoppers also cherish choice.

Read on for more insights about the online shopping trends shaping ecommerce this year. Our 2024 data and comparisons across the previous four years provide critical clues for retailers to optimise strategies in line with current purchasing behaviours, cart abandonment trends, delivery needs, loyalty and rewards preferences, brand engagement, and social media effectiveness.

Data for this report collected February—March 2024.
All data in this report is sourced from surveys with approximately 1107 respondents, from randomly selected Australian and New Zealand online shopper

[1]ABS Monthly Household Spending Indicator

Purchase Behaviours and Repeat Purchases

This year, shoppers are focused on **value.** Our data shows they're using automated pricing and tracking alerts to find the best deals. They're also leaning on website personalisation to find more relevant products and virtual try-on services to ensure that items will meet their needs.

Deferred and split payment options are more popular overall than debit cards — another sign of less available cash than in previous years.

In Australia, PayPal is the single most-used payment method, matching the combined total of Visa and Mastercard credit card methods. In New Zealand, Visa is used more than all other payment types.

What are shoppers ordering in 2024? Fashion is the most popular category — as it has been over the last three years. Electronics/Electrical Products and House/Garden Products are the second and third-most ordered categories this year, respectively.



Average order values are falling

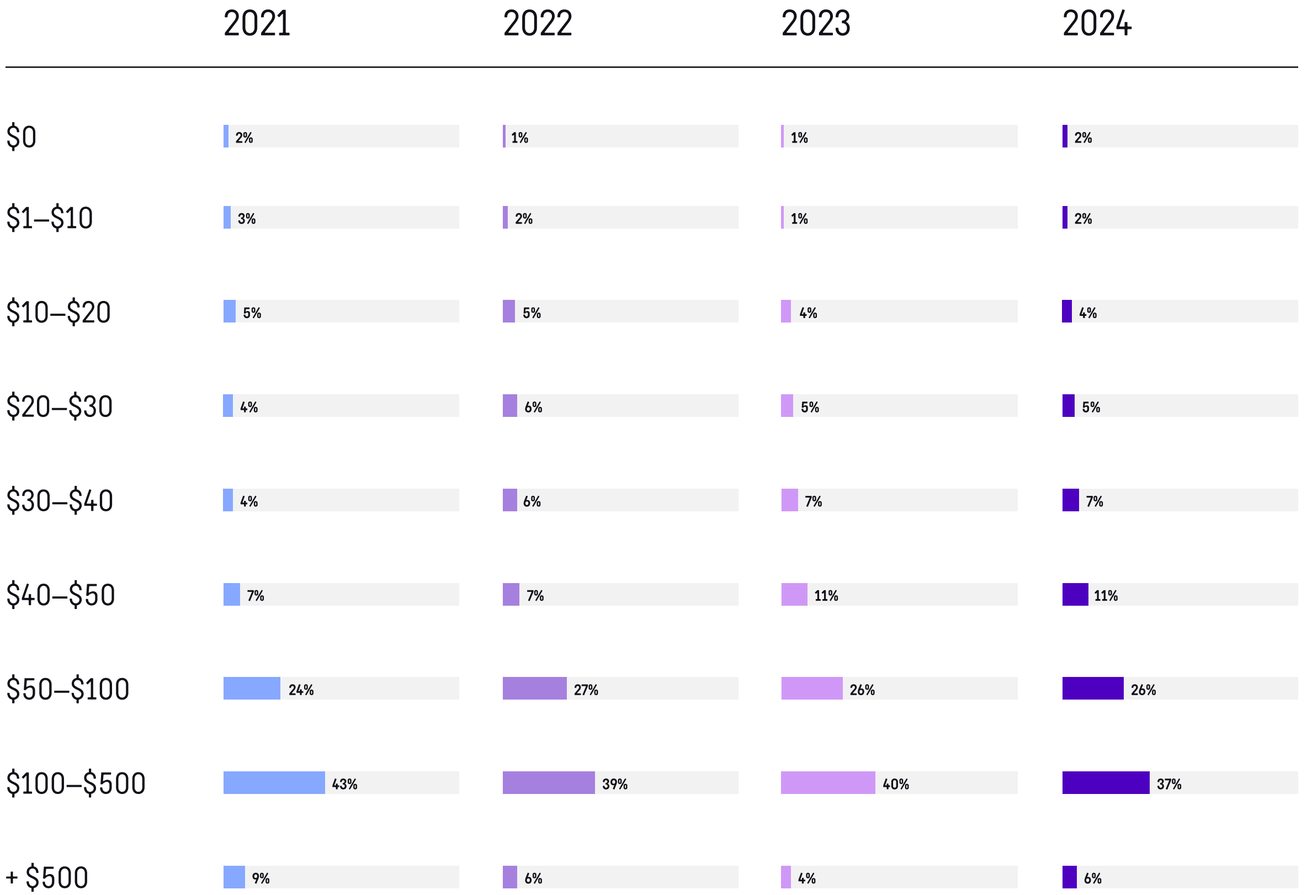
Low-value orders are rising while high-value orders are receding.

Since 2021, order values between $30–$40 and $40–$50 have increased by 3% and 4%, respectively — at the expense of higher-value carts.

$100–$500 orders have fallen by 6% from the heights of 2021, while totals over $500 have fallen by 3%.

However, order values in general see a stabilisation this year. The largest change from 2023 to 2024 is a mere 3% decrease in the $100–$500 category.

> Not including any delivery or insurance charges, **how much was your most recent online order?** If more than one item was ordered, then use the total of that order.



Deferred payments are preferred by Aussies

"Pain of paying" is the emotional reaction shoppers feel when purchasing. Research[1] shows this discomfort is dramatically reduced when using deferred payment methods such as credit cards.

Credit cards are getting a workout in Australia, perhaps to mitigate the pain of inflation concerns Aussies have endured. 4% more consumers are using a Visa credit card in 2024 than last year, and 1% more are using Mastercard. Combined, Visa and Mastercard are used by 31% of Aussies — the same percentage as PayPal, which comes in first place.

Debit card and PayPal usage has decreased by 2% and 3%, respectively, whereas Afterpay and Apple Pay show slight increases of 2% and 1%.

How did you pay for that order? AU

	2021	2022	2023	2024
Paypal	35%	22%	34%	31%
Debit Card	21%	23%	22%	20%
Visa Credit Card	14%	26%	13%	17%
Mastercard Credit Card	12%	12%	13%	14%
Afterpay	11%	9%	8%	10%
Apple Pay	0%	0%	2%	3%
American Express Credit Card	2%	2%	5%	3%
Klarna	0%	0%	0%	1%
Cash	1%	0%	0%	0%
Other Buy Now, Pay Later	1%	0%	0%	0%
Zip Pay	2%	1%	2%	0%
Alipay	0%	0%	0%	0%
Amazon Pay	0%	0%	0%	0%
Bank Transfer	1%	1%	0%	0%
Humm	0%	0%	0%	0%
Google Pay	0%	0%	0%	0%
Lay-buy	0%	1%	0%	0%
OpenPay	0%	0%	0%	0%
PayPal—Pay in 4 (Buy Now, Pay Later)	0%	0%	0%	0%
Samsung Pay	0.11%	0%	0.20%	0%
WeChat Pay	0%	0.06%	0.20%	0%

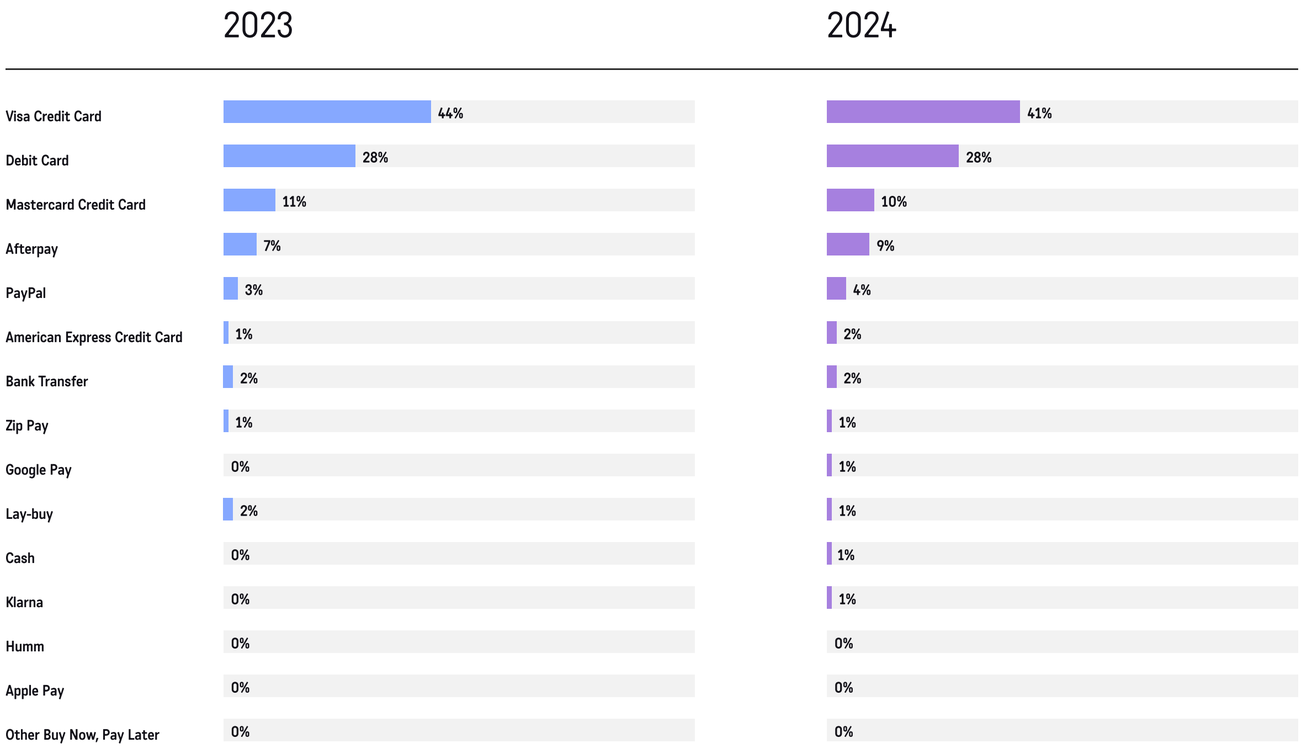
[1]Prelec and Lownstein, The Red and the Black: Mental Accounting of Savings and Debt

Credit cards get a workout across the Tasman

Credit card use is even higher across the Tasman. 41% of New Zealand consumers report paying for their online orders with Visa credit cards and 10% with Mastercard — although these are 3% and 1% drops over last year, respectively.

PayPal has increased by 1% and Afterpay by 2%, with other, less common payment methods remaining relatively steady.

How did you pay for that order? NZ



[1]Prelec and Lownstein, The Red and the Black: Mental Accounting of Savings and Debt

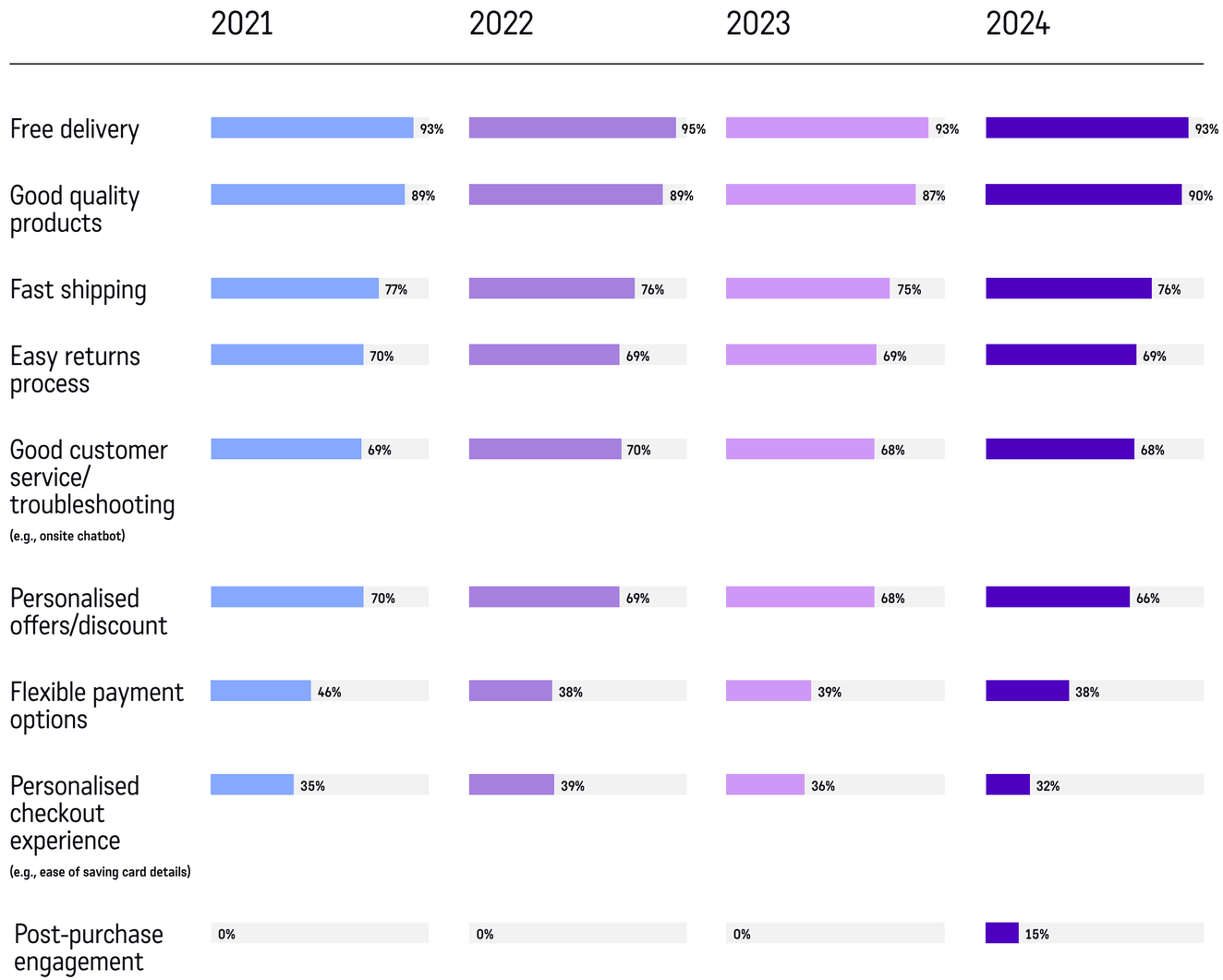
Free delivery drives repeat business

Consumers love free delivery. It encourages 93% to make repeat purchases with a retailer — 3% more than the next most popular reason, good quality products, and 17% more than fast shipping.

This again goes back to the pain of payment concept, with shoppers displaying loss-averse behaviours. Retailers who minimise the perceived loss caused by additional expenses, such as shipping charges, can help shoppers complete orders with greater mental ease. Even if free shipping is one of multiple delivery options, it's worth considering.

Over the past four years, consumers' reasons for repeat purchases have remained consistent within a few percentage points, with the exception of flexible payment options, which have seen an 8% drop in popularity since 2021.

What would **encourage** you to shop with an online retailer again? (Tick all that apply).



Fashion makes a statement in 2024

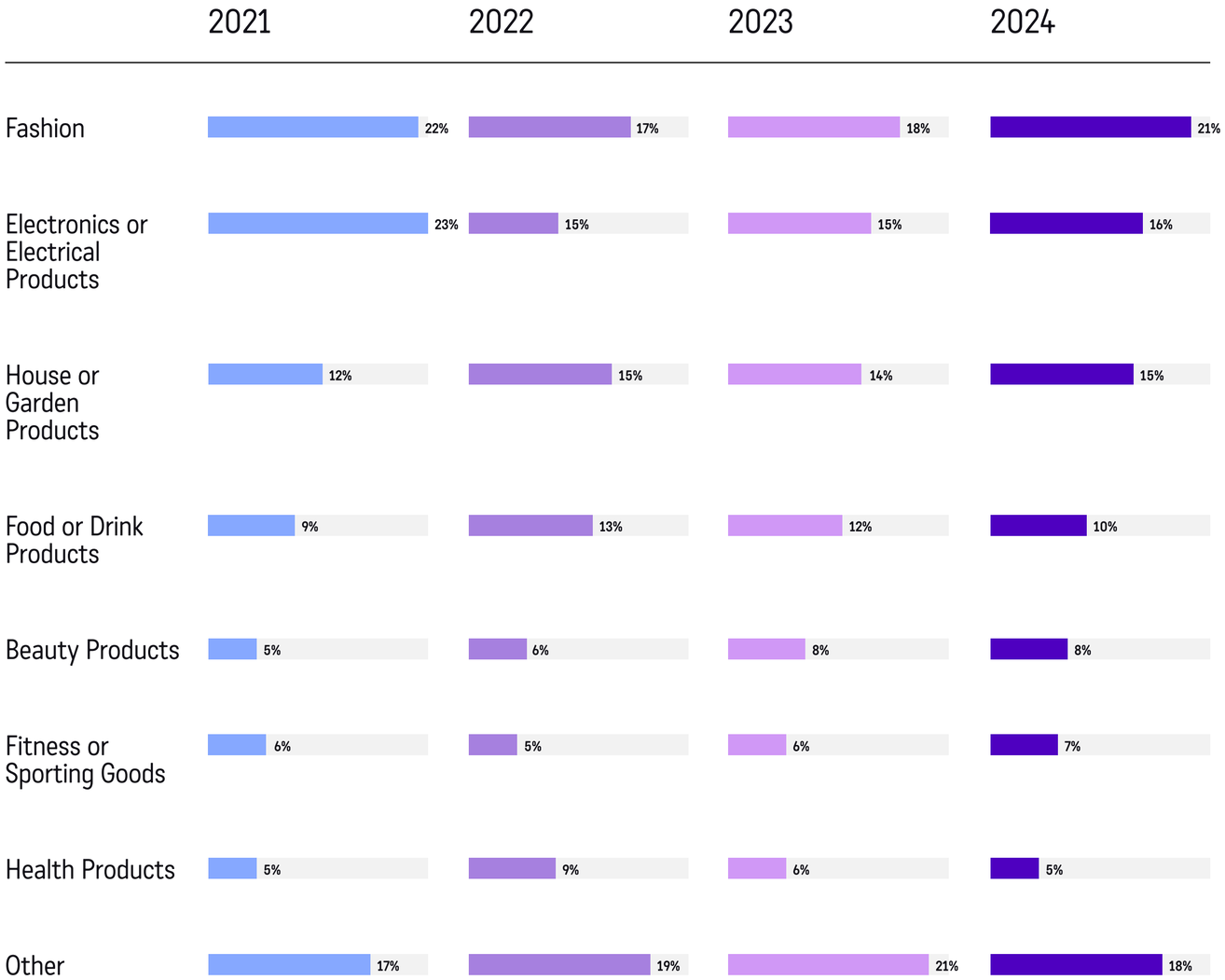
Fashion was the most purchased category of product for 21% of consumers — a 3% increase over 2023.

The next most ordered items, at 18%, fall into the “Other” category, which includes Pet Products, Books and Stationary, Toys and Travel Items.

The Electronics or Electrical Products Category follows closely at 16%, showing a 7% decrease since 2021, with House or Garden Products at 15%, a 3% increase since 2021.

Aside from Beauty Products, which saw a 3% increase over 2021, all remaining categories show minor shifts over the last four years.

Were most of the items in your last online order _____?



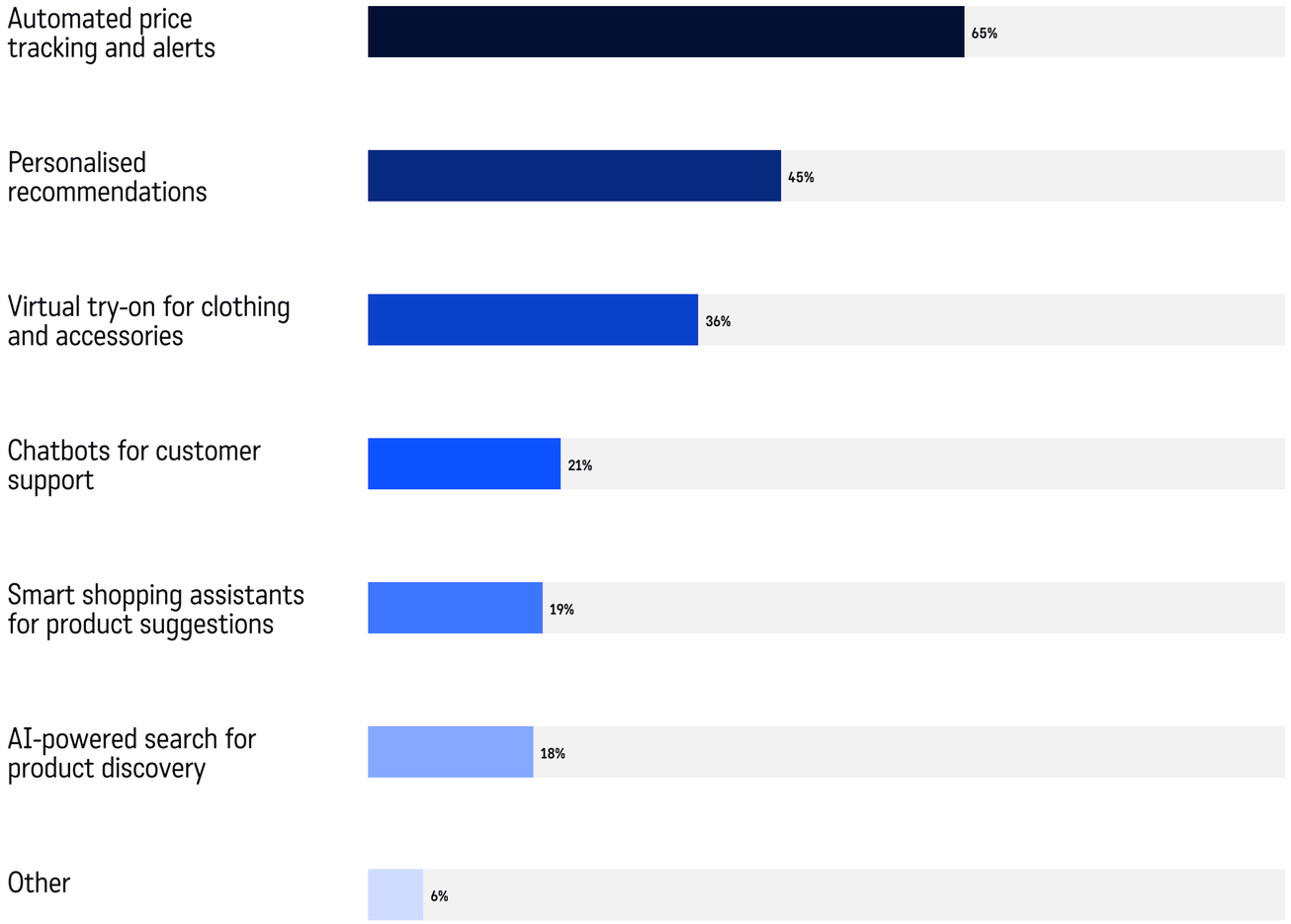
Value from online experiences

This year, many shoppers are taking a value-driven mindset. Automated price tracking and alerts overwhelmingly take the top spot for online shopping features that interest consumers the most at 65%.

Personalised recommendations come in second at 45% and virtual try-ons for clothing and accessories third at 36%.

These figures are reflective of consumers looking for value, formed from competitive pricing, relevant products, and assurance that items will meet their needs.

Please select the features you would be **most interested** in using while shopping online (select all that apply):



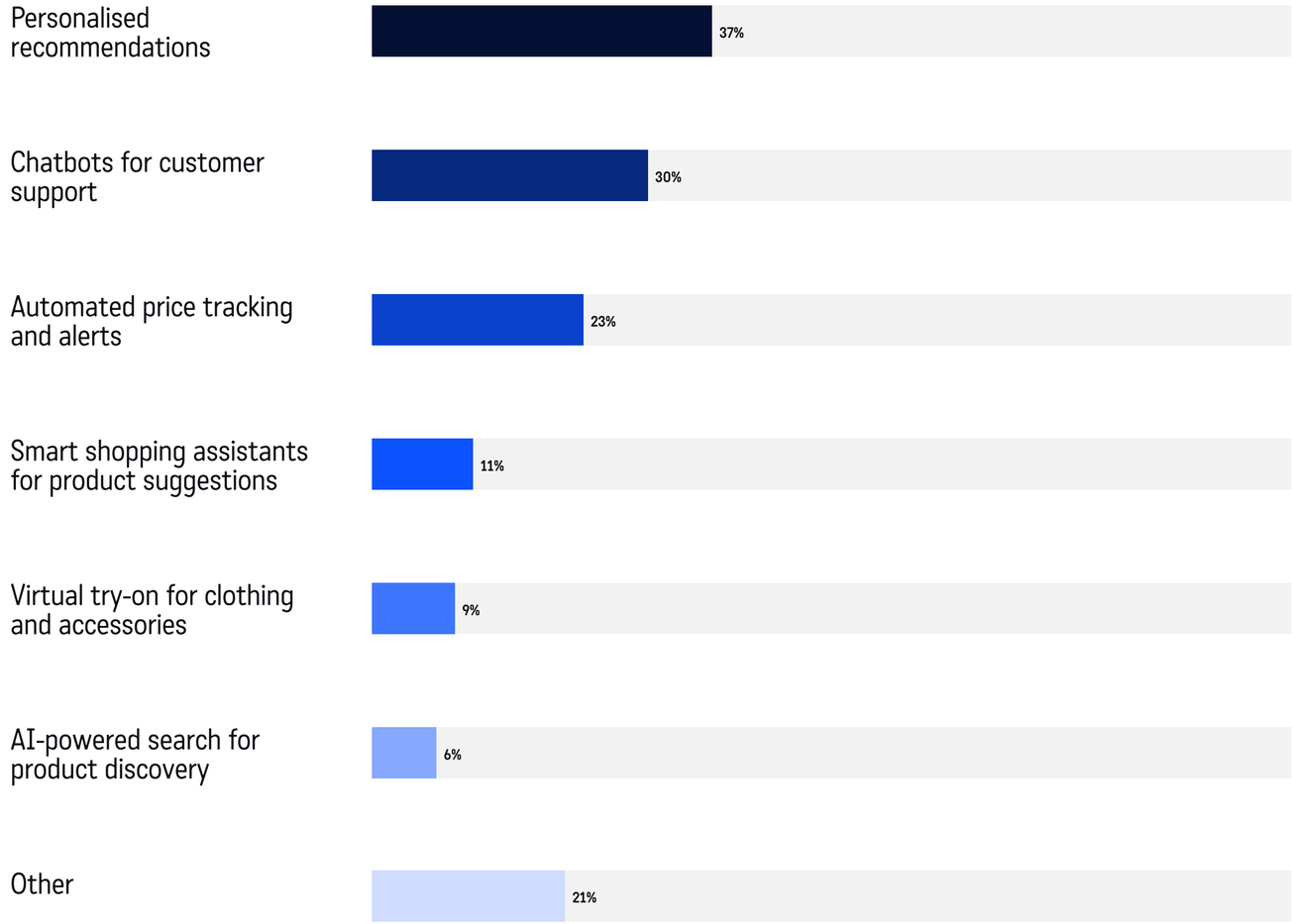
Shoppers gravitate toward personalised and efficient online experiences

Personalised recommendations are the most common online shopping feature used by consumers, at 37%, with customer support chat bots coming in second at 30%.

These figures provide a timely reminder for brands to look for ways to meet evolving shopper expectations — particularly by offering more personalised and efficient online experiences.

Interestingly, only 23% of consumers use automated price tracking and alerts. Given that this feature is the most popular, our data suggests that more retailers should use this functionality to drive engagement.

In the last six months, have you used **any of these features** while shopping online (select all that apply):



Cart Abandonment

Many factors of the online experience weigh into shoppers' decisions of whether to complete or abandon their cart. However, we see fairly consistent trends across several years of data.

Quite unwaveringly, issues with trust, ease of purchasing, and returns processes form shoppers' top three triggers for navigating away. Look for opportunities to streamline checkout processes while making site trust, security, and returns policies more prominent on-site.

Additionally, consider how to reduce or eliminate surprises at checkout — including any less apparent charges. If offering coupons, ensure they work as expected, and offer shoppers a range of payment methods that match their preferences.



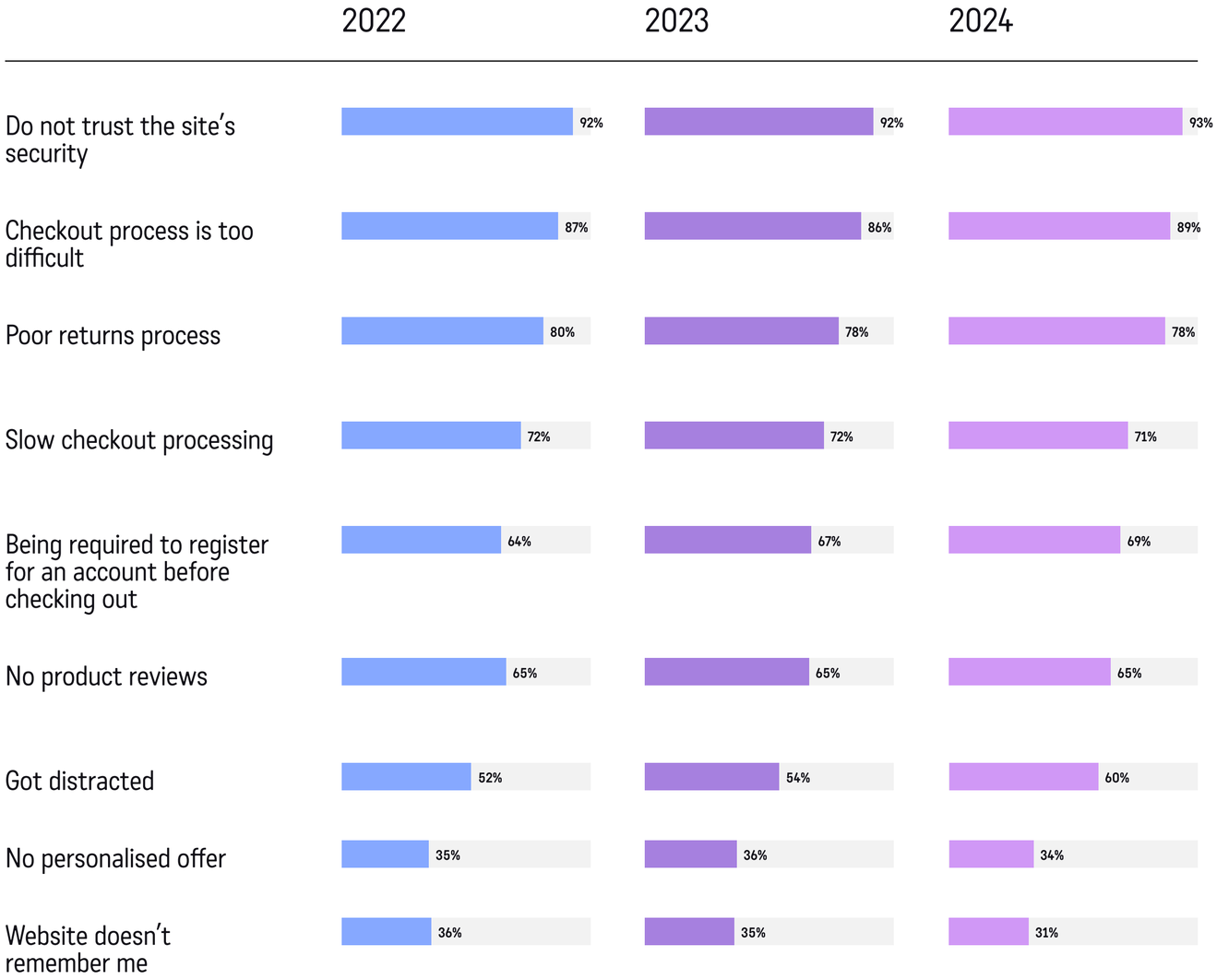
What's causing shoppers to abandon their carts?

A staggering 94% say they'll choose not to submit their order when they don't trust a site's security.

Difficult checkout processes will stop 89% of consumers from ordering, while for 78%, it's poor returns processes.

Consumers' reasons for abandoning their carts have remained quite consistent over the last three years, except for the need to register for an account, which causes 5% more to leave orders behind in 2024 than 2022, and distractions, accounting for nearly 8% more over the same period.

Thinking about the **general user experience**, how likely are you to abandon a cart based on the following?



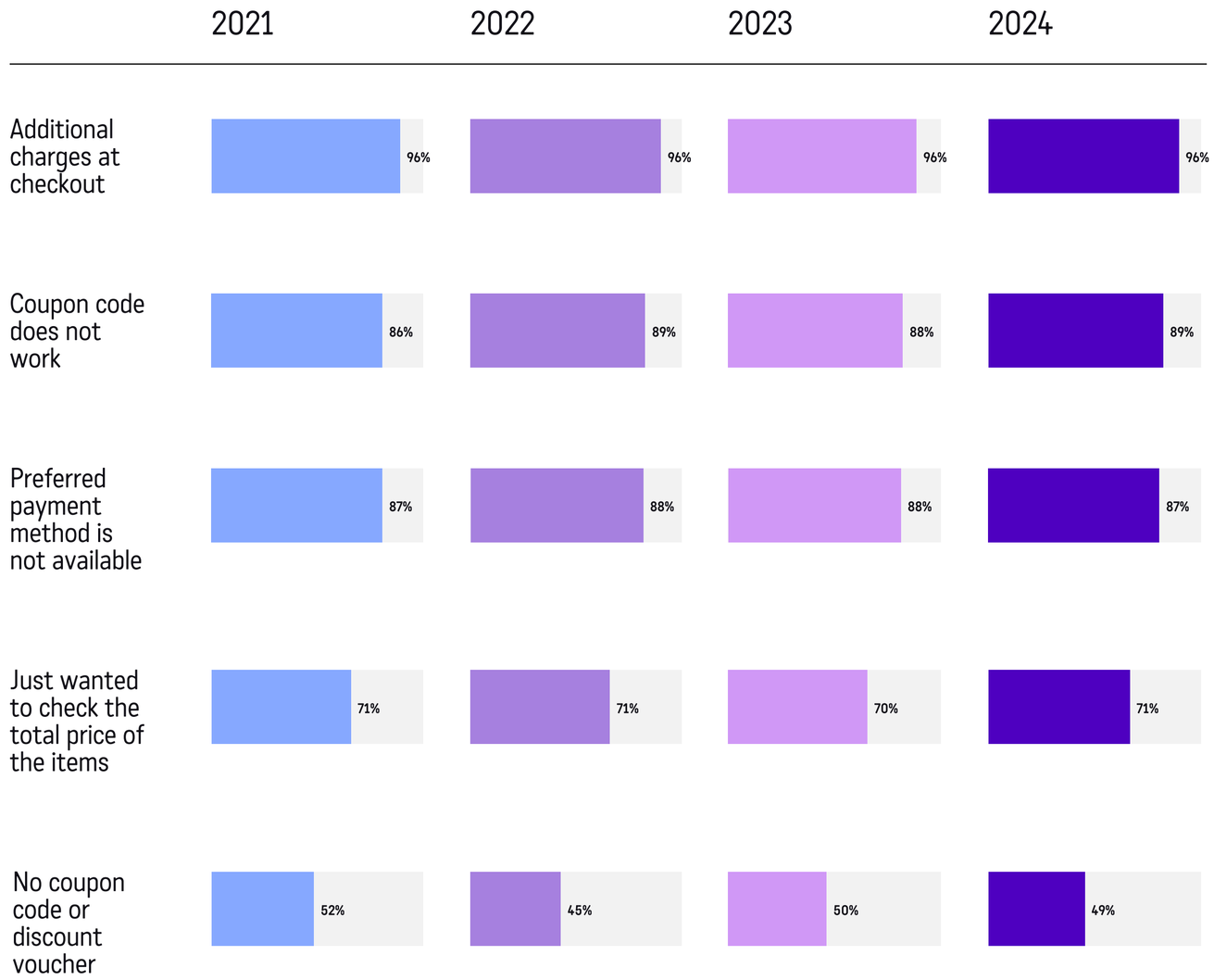
Shoppers aren’t fond of checkout surprises

An incredible 97% of consumers will abandon their cart when presented with additional charges at this stage.

Frustrations caused by coupons not working will also cause 89% to leave their order behind, as will the unavailability of preferred payment methods for 87%.

Notably, 72% will also abandon their cart simply due to checking total order amounts, while just under half will navigate away if no coupon or discount is available at checkout.

When considering **payment**, how likely are you to abandon a cart based on the following?



Delivery Expectations

Shoppers aren't just price-sensitive; they're also mindful of additional shipping costs. High shipping charges are consistently the number one delivery factor causing shoppers to abandon their carts. However, when forking out for expedited delivery, more than a quarter will pay an extra $20 for same-day delivery.

Perhaps another sign of the economic times is shoppers' acceptance of increasing delivery charges. Between 2021 and 2024, the threshold at which customers abandoned their carts due to delivery costs rose by $0.74 for small items and $3.19 for larger items. Unconscious factoring of inflation may be at play here.

When it comes to waiting for online orders, consumers are becoming more patient. More than four in ten say that shipping times over 5–7 days won't deter them from purchasing — an 8% increase over last. As consumers gain familiarity with low-cost products from overseas sellers and marketplaces, their expectations of speedy delivery may be decelerating.

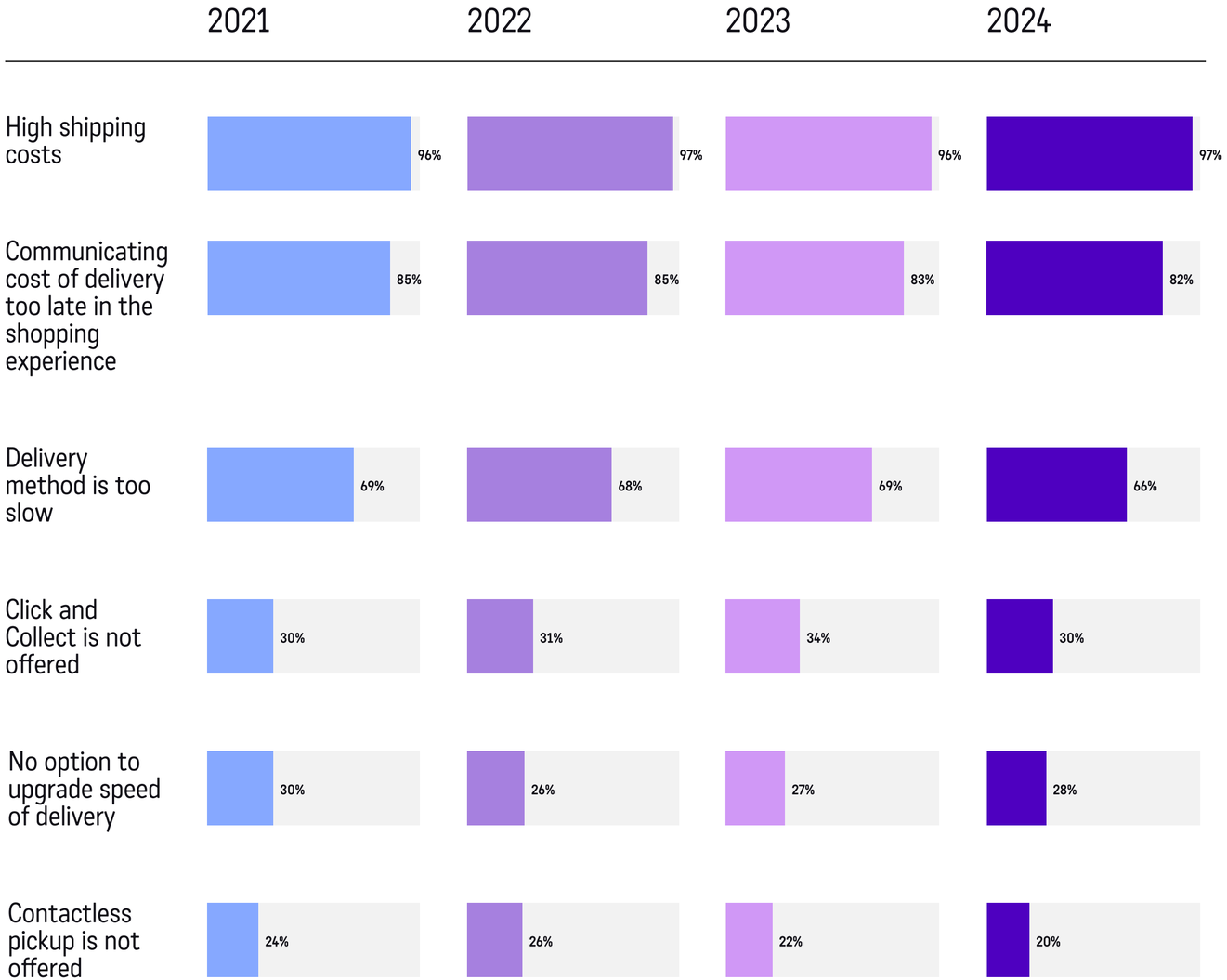


Shoppers are sensitive to shipping charges

High shipping costs will cause an overwhelming 97% of consumers to abandon their carts — 14% more than the second most common reason, which is delivery costs being communicated too late in the shopping experience. Slow delivery will also see 66% of consumers navigate away.

As demonstrated by no major trend changes in these responses over the last four years, retailers should review delivery cost and speed as part of their long-term conversion and retention strategies.

When considering **delivery**, how likely are you to abandon a cart based on the following?



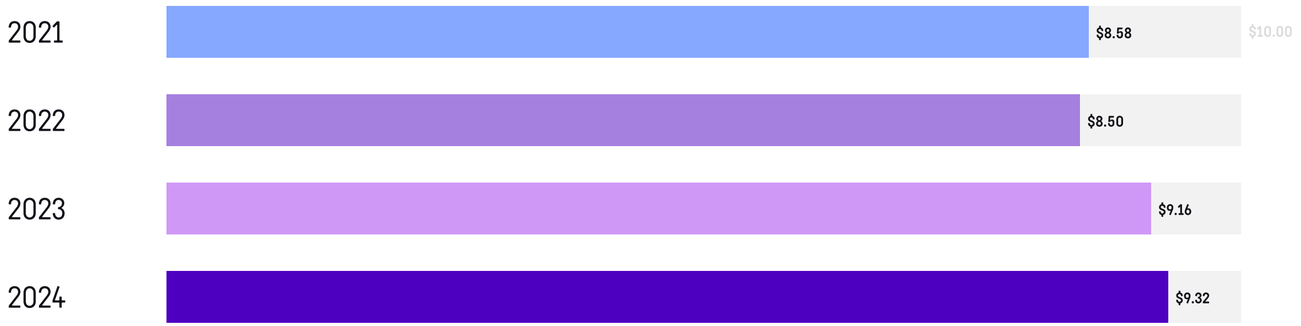
How much will shoppers pay for delivery?

Are consumers now expecting higher delivery costs? Our data indicates this is the case.

In 2021, an $8.58 charge was the average threshold after which customers would leave before checking out. However, in 2024, that figure has risen to $9.32.

When it comes to larger items, consumers are also willing to pay an extra $3.19 in 2024 compared to 2021.

For a **small item** (t-shirt, stationery, etc.), what is the delivery cost that would cause you to abandon the cart?



For a **large item** (furniture, TV, etc.), what is the delivery cost that would cause you to abandon the cart?



How long is too long for delivery?

While 42% of consumers see 3–5 or 5–7 business days as too long to wait, the same percentage say that longer shipping times won't deter them from making a purchase.

The number of consumers undeterred by lengthy delivery times has increased by 8% over the prior year and 7% since 2021.

Other figures remain steady, with only a minor percentage of respondents saying that anything more than same-day delivery, at 4%, or next-day, at 5%, will make them consider purchasing elsewhere.

When making a purchase at an online retailer, would you consider making your online purchase elsewhere if delivery was more than _____?



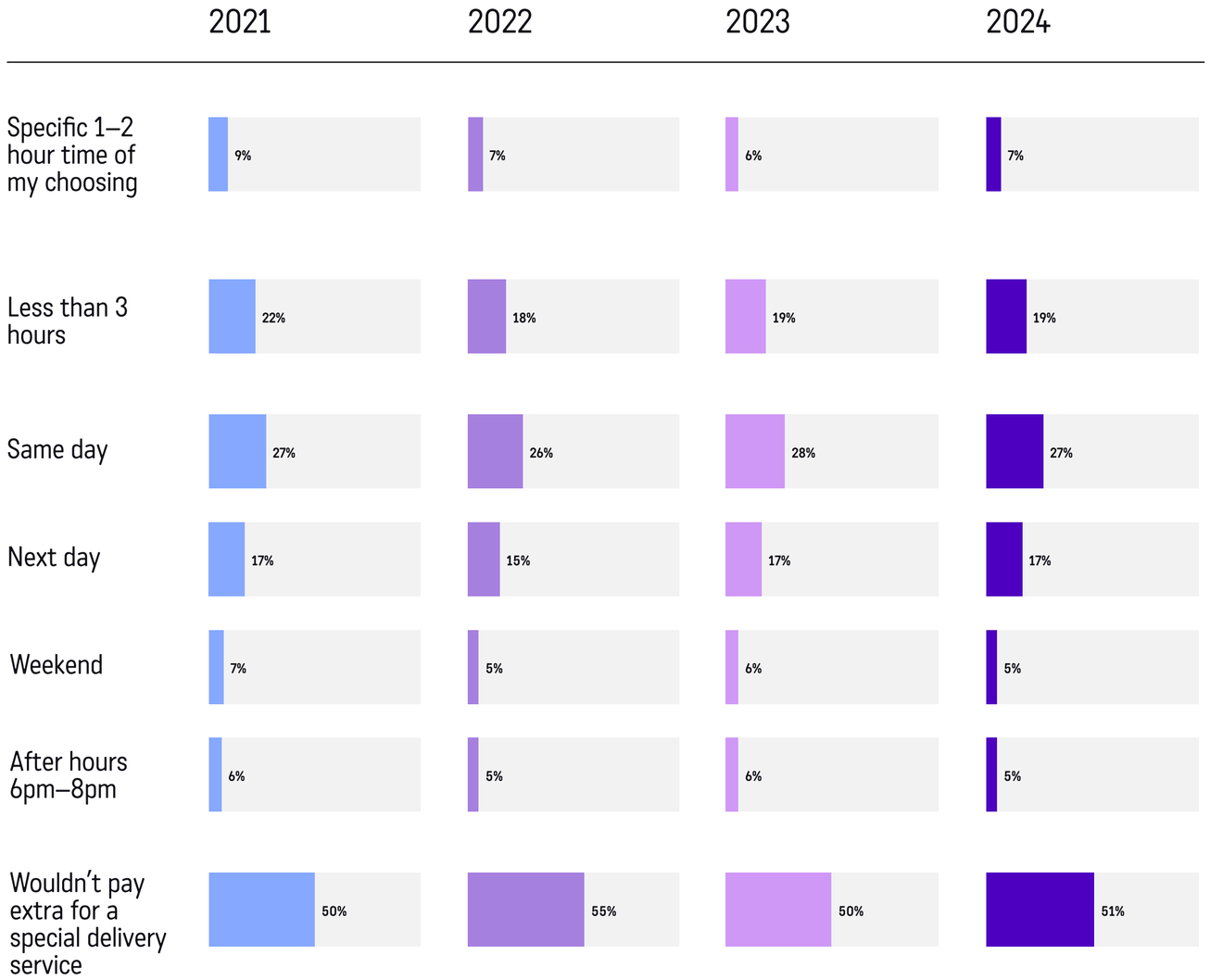
Opinions are divided on the value of special delivery

While 49% of consumers will pay $20 for expedited delivery, 51% will not. Most commonly, at 27%, they'll pay that amount for same-day delivery.

We see slight declines in 2024 compared to 2021 in the number of buyers saying they'll pay the extra $20 to choose a 1–2 hour delivery window, weekend, or 3-hour delivery, at 2%, 2%, and 3% less, respectively.

Online retailers have a clear opportunity to review expedited shipping rates in line with shoppers' expectations and offer a range of most-desired options.

For an online purchase that you want delivered quickly, which of the following delivery lead times would are you willing to pay **$20 extra** for? (Tick all that apply).



Loyalty Programs

Shipping charges are again front-of-mind with shoppers, even when it comes to loyalty and rewards programs. Nearly eight out of ten favour free shipping as their reward.

Shoppers also want to redeem points for free products and discounts in various forms, with far fewer wanting to redeem points for cash. This data is fascinating at a time when shoppers are considering and planning purchases carefully.

Mental accounting bias, the tendency to categorise and treat money differently depending on where it came from or how it will be used, may affect shoppers' preference for points redemption. The key takeaway is that, in terms of loyalty rewards, free shipping proves to be an even more powerful incentive than free money.

What deters shoppers from joining a rewards program? The speed of earning perks and costs associated with programs will cause customers to discontinue or fail to join a loyalty scheme.

Our data also shows ample opportunity for loyalty programs that offer attractive rewards, include free shipping and product discounts, and points that accrue quickly.



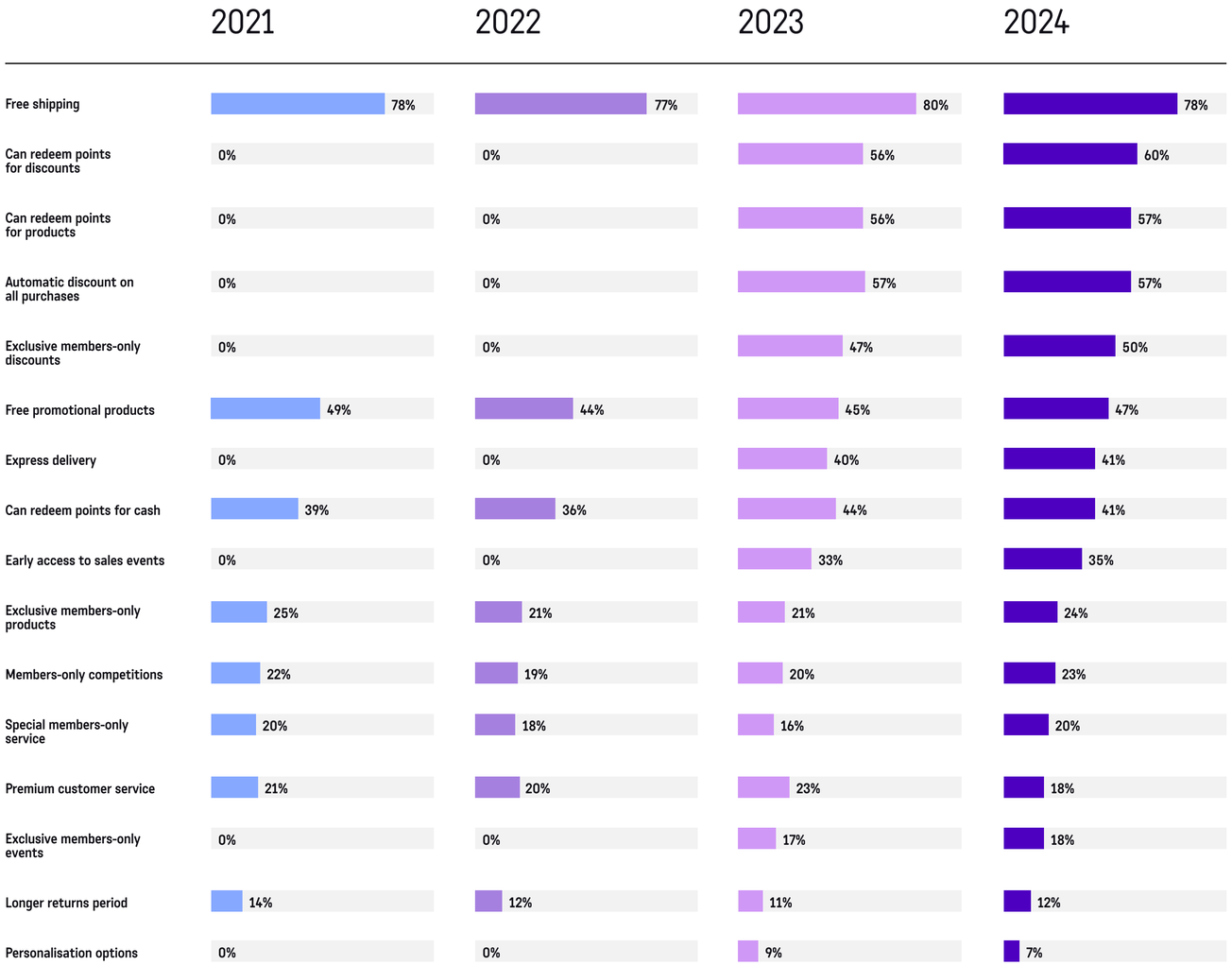
Most consumers prefer the perk of free shipping

Consumers' most favoured type of loyalty reward has remained the same over the last four years of our report data. 78% prefer the perk of free shipping.

There is a considerable gap between free shipping and the next-most popular type of rewards. 60% want to redeem points for discounts, 57% for products, and 57% for automatic discounts on all products.

Interestingly, redeeming points for cash is far less favoured, at only 41%.

What is your favourite type of retailer loyalty program rewards?
(Tick all that apply).

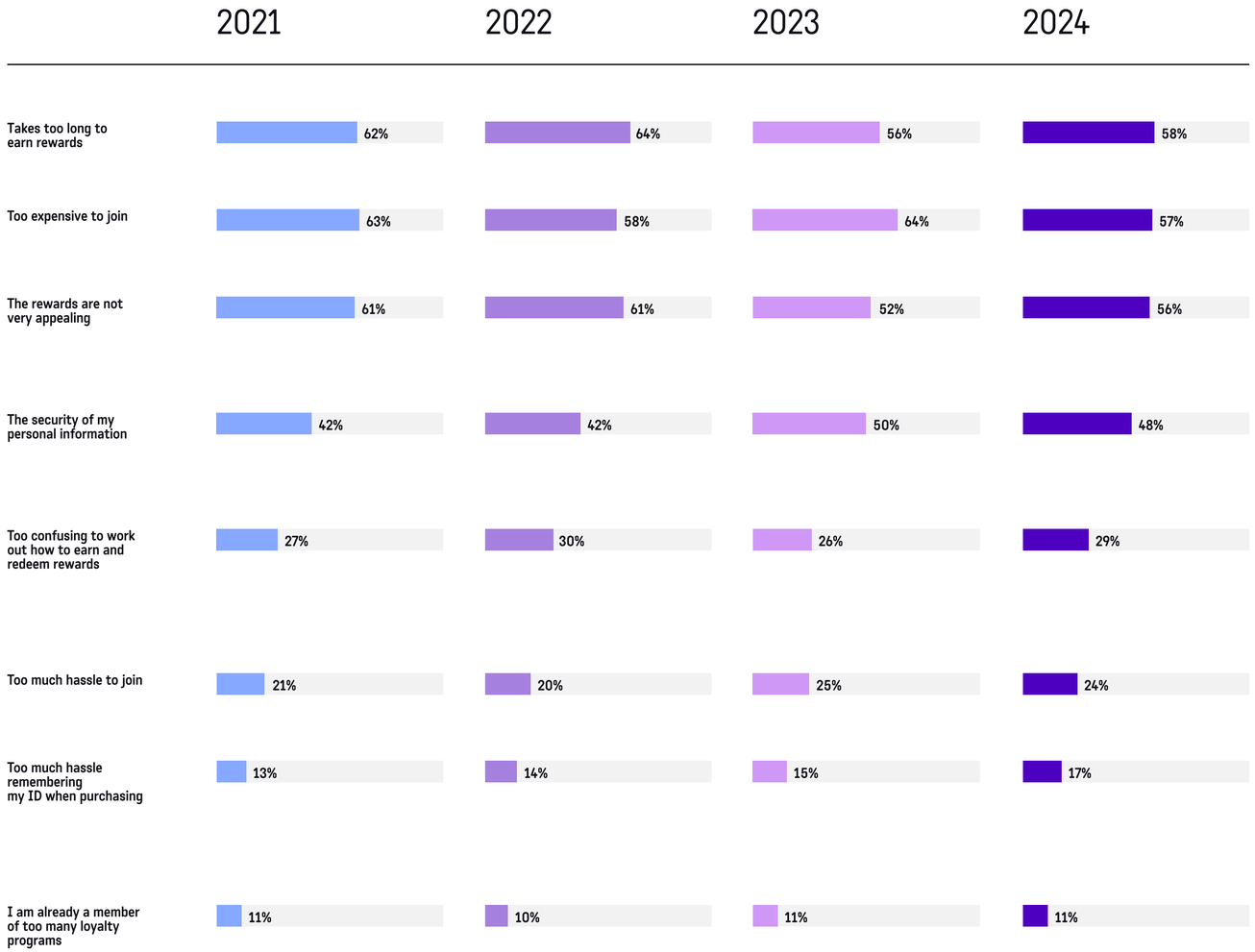


Shifting trends in what deters shoppers from loyalty programs

This year, the top three reasons to stop using or fail to join a loyalty program have switched places. In 2024, the number one deterrent for consumers, at 58%, is when rewards take too long to accrue. 57% say it's when a program is too expensive to join, and 56% think it's when rewards aren't that appealing.

A small 11% hesitate to join a loyalty program because they're already a member of too many others. This figure is good news for online retailers, showing there's plenty room for rewards programs that provide the perks their customers want.

Choose the three issues listed below that are most likely to make you either **stop using** or **not join** a retailer loyalty program.



Engagement and Social Media

How can brands drive higher customer engagement between purchases? Shoppers of all ages see significantly more value in contests and product giveaways than in any other resource.

On the other hand, asking shoppers to tune in to brand or retailer-driven podcasts may leave them tuned out. This resource sees the lowest engagement from shoppers who are not in buying mode — and seems to be losing more interest with younger audiences than the previous year.

For the third year in a row, Meta (Facebook and Instagram) remains the most popular social media channel, and by a large margin. Notably, Pinterest has declined around 3–4% each year, while TikTok has increased around the same rate.

Although around a third of shoppers say they're not influenced by any social media channel to purchase online, more than half are influenced by Facebook and over one-third by Instagram. TikTok and Instagram also show noticeable increases over the last three years.

These trends indicate that retailers should closely monitor their audience's social media interaction, identify trends, and factor shifting behaviours into future engagement strategies.



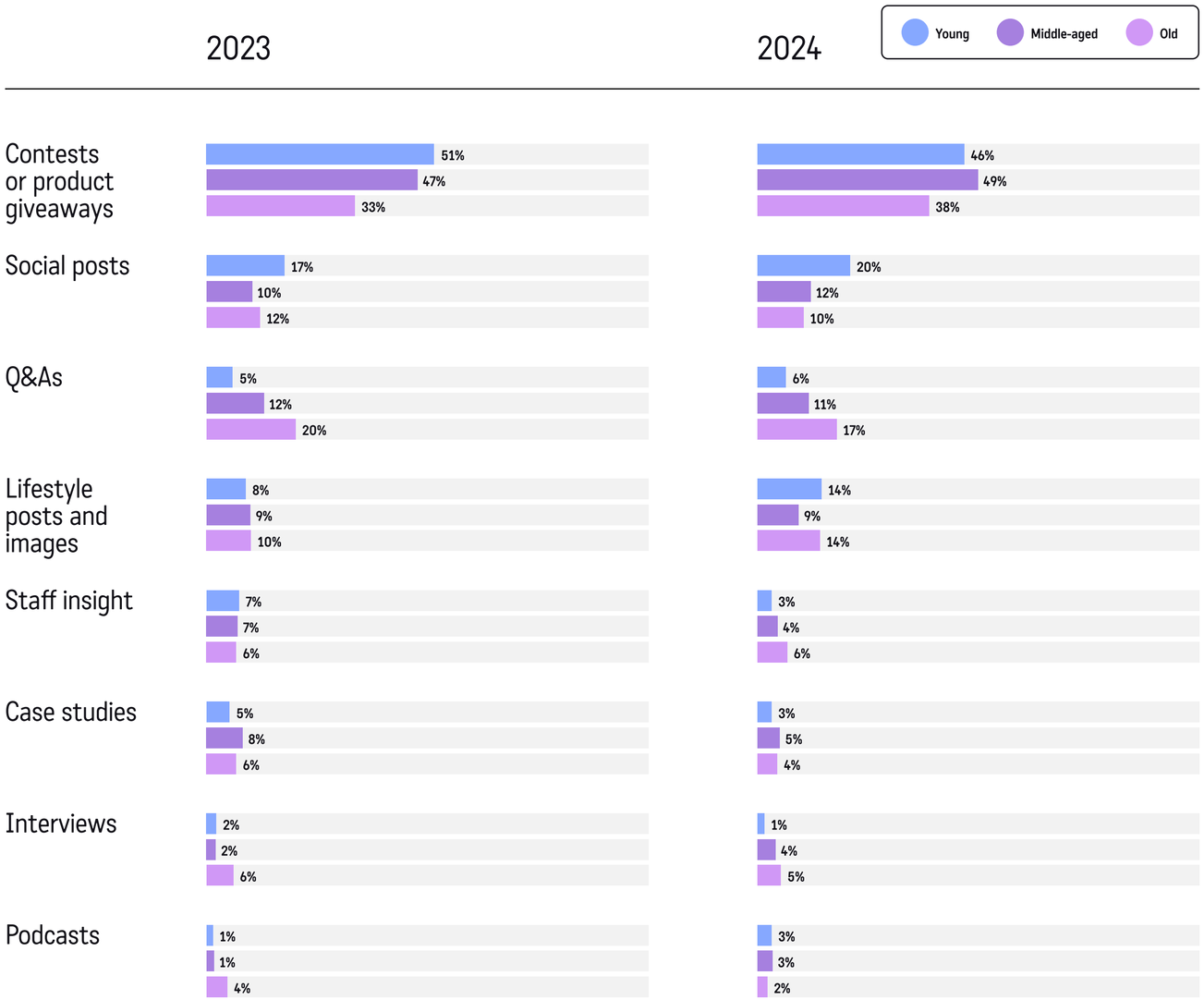
Shoppers love a chance to win

When not in buying mode, consumers across all age ranges enjoy contests and product giveaways more than any other resource, at around a 45% average.

Social posts come in second at around 16%, with lifestyle posts or images third at nearly 13% across all ages.

We also see Q&A engagement shift significantly, becoming a more favoured resource as customers' age range increases. Conversely, around twice as many younger consumers prefer social posts to seniors.

When not actively making a product purchase, the **most enjoyed resource** from a brand or retailer

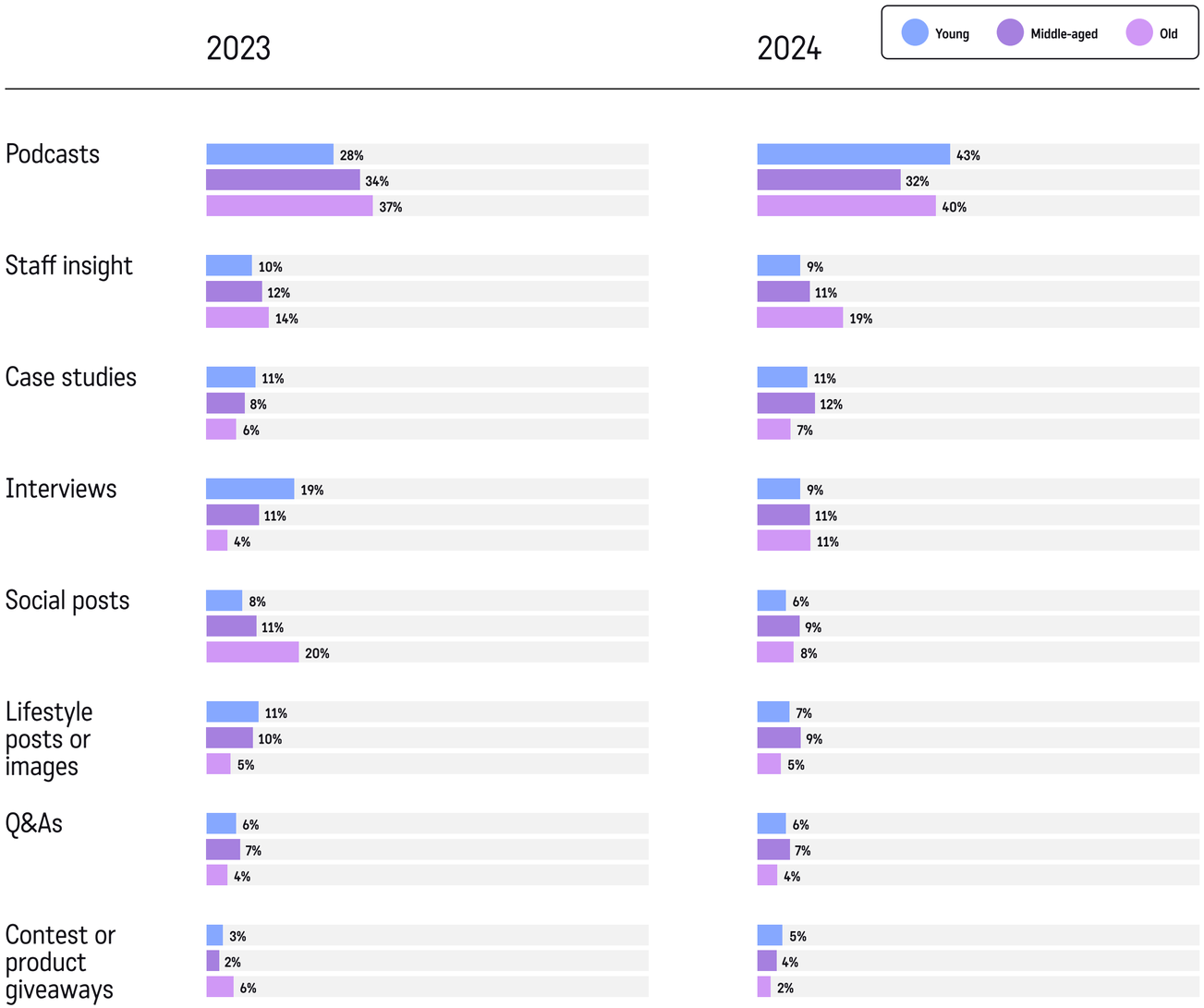


Age range data: Young 18-34, Middle Aged 35-64, Senior 65+

Shoppers love a chance to win (cont.)

When it comes to the least enjoyed resources, it's podcasts from a brand or retailer. In 2024, nearly 15% more younger consumers also say it's their least favourite form of engagement compared to the year prior.

When not actively making a product purchase, the **least enjoyed resource** from a brand or retailer



Age range data: Young 18-34, Middle Aged 35-64, Senior 65+

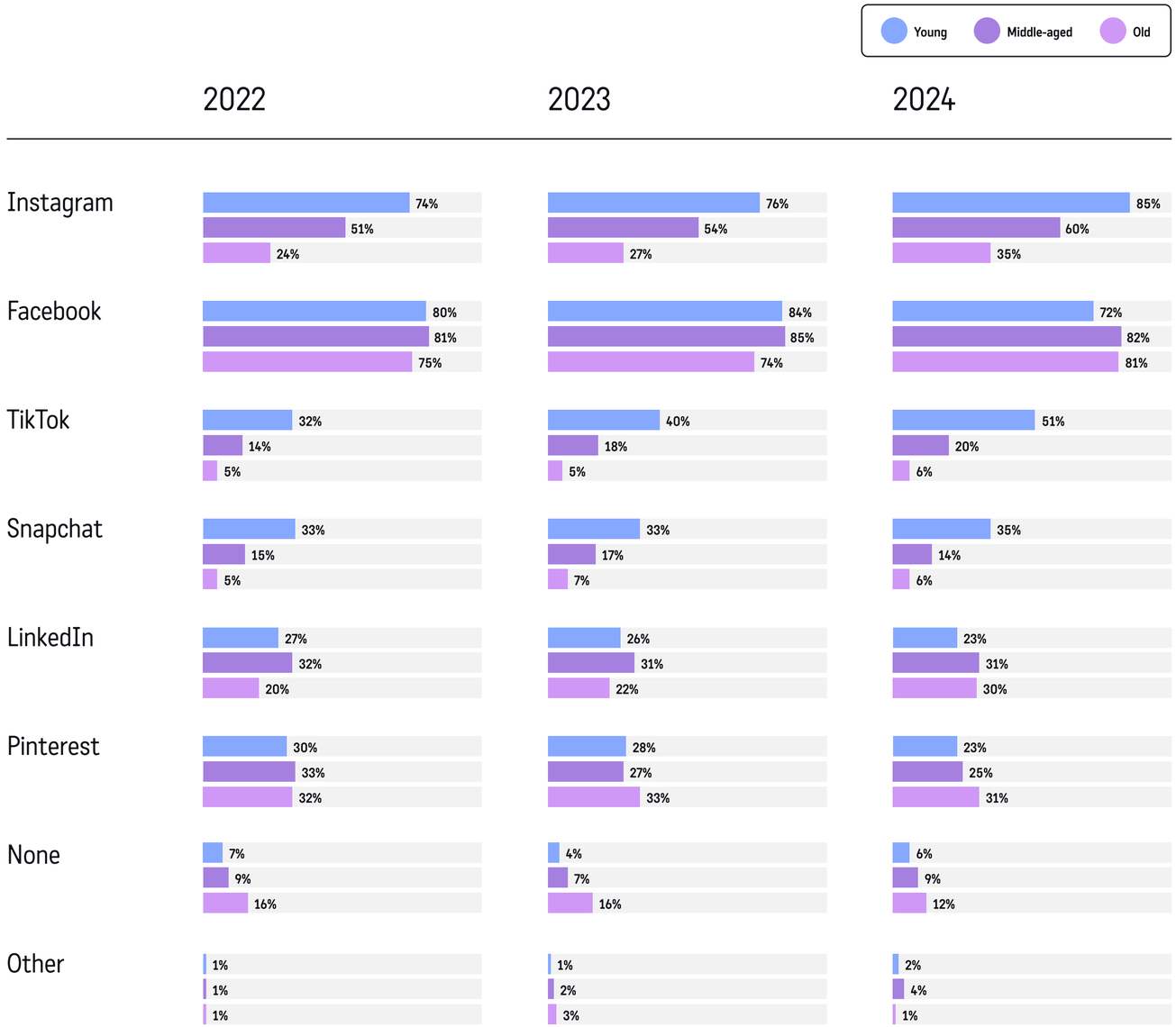
Meta sees the most engagement

Meta (Facebook and Instagram) leads the pack for social media engagement, with 79% of consumers of all ages interacting on Facebook and 60% on Instagram.

Notable shifts this year include a 7% increase in Instagram use, a 3% decline in Pinterest, and a 4% lift in TikTok.

The younger generation also sees a 12% decline in their use of Facebook, with 11% more moving to TikTok. However, 6% more middle-aged and 8% more senior consumers are using Facebook compared to last year.

Which of the following platforms do you **engage with**? (Tick all that apply).



Are your customers influenced by social media?

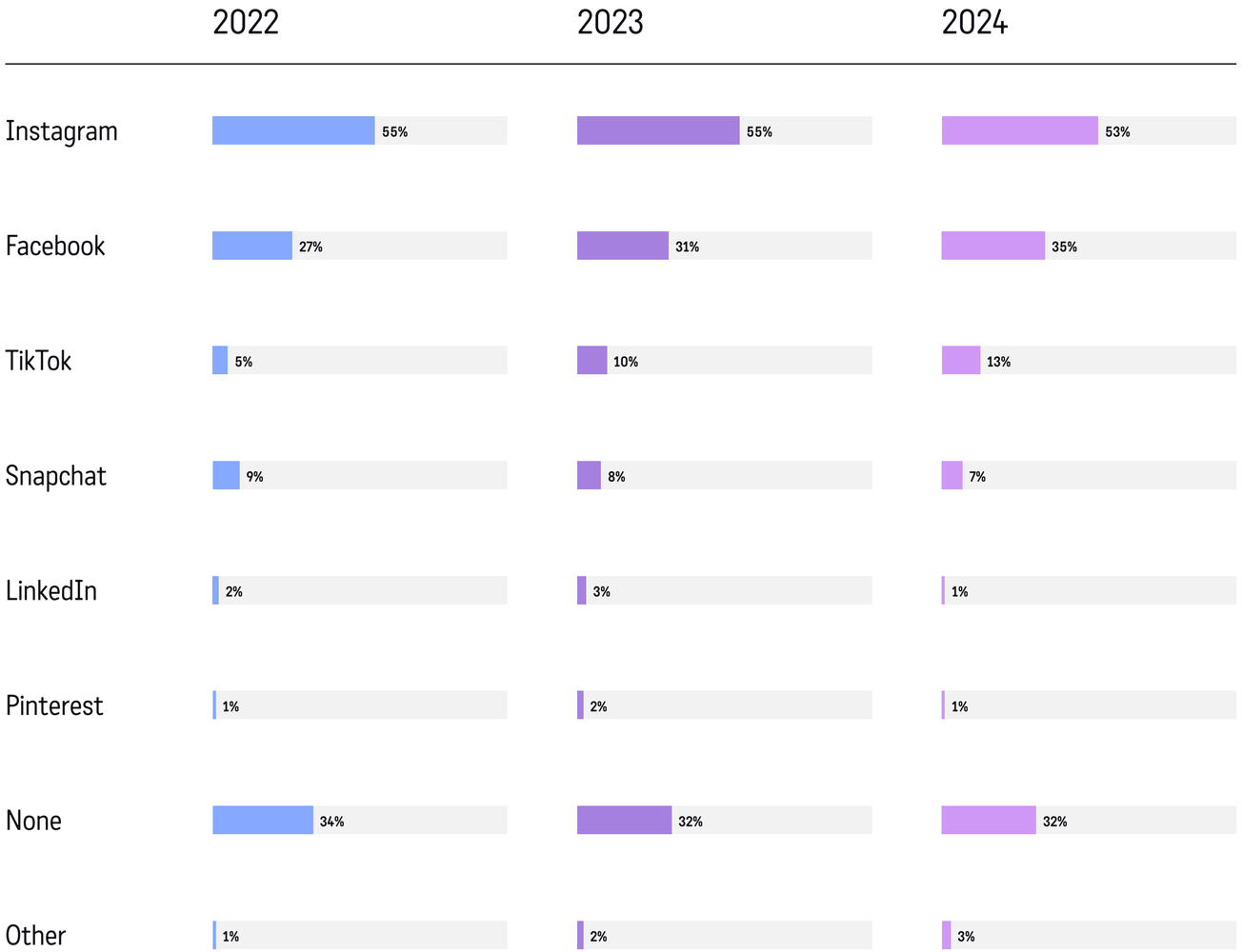
Again, Meta remains the most influential social media provider for encouraging online purchases.

53% of consumers say Facebook interaction has led them to purchase online, and 35% say the same of Instagram.

Notably, Instagram and TikTok have climbed around 4% annually from 2022 to 2024.

An additional 32% of consumers say they're not influenced by any social media channel to purchase online — a cohort that has remained solid over the past three years.

Which of the following have **encouraged you** to make an online purchase? (Tick all that apply).



CONCLUSION

At a time when shoppers are thinking carefully about their spending, brands must develop a deep understanding of consumer behaviours and tailor purchasing experiences to match customer preferences.

In 2024, it pays to be mindful of how your brand connects, engages, and rewards shoppers. Analyse which social channels are in tune with your specific audience, provide on-site shopping experiences that demonstrate trust and ease of getting to the checkout — and reward customers in the ways that matter most.

Some additional advice: Consider cost-conscious options across the pre-and-post purchase stages that will positively influence your customers' decisions to convert and reconvert.

We hope our proprietary survey data brings greater clarity of purchasing behaviours in 2024, and helps your brand develop insight-driven strategies that create closer connections and lasting loyalty with today's shoppers.

Data for this report collected February—March 2024.
All data in this report is sourced from surveys with approximately 1107 respondents, from randomly selected Australian and New Zealand online shopper

BIGCOMMERCE

Enterprise ecommerce, **simplified.** That's **BigCommerce.**

Learn more at
bigcommerce.com.au

REQUEST A DEMO TODAY