

MARKETPLACE AND SHOPPER INSIGHT REPORT

HOW SHOPPERS ARE ENGAGING WITH MARKETPLACES TODAY



NEW BFCM DATA
INCLUDED

INTRODUCTION

With data powered by CrescoData, we analysed leading Australian marketplaces' sales, traffic, and customers. What did we find?

What Shoppers are Buying on Marketplaces

The Home & Office product category is booming, accounting for over a third of all marketplace sales. However, the full story—and the opportunities—can only be revealed as we examine quantity and SKU value metrics more closely.

Shopper Preferences Change by Buying Power

Shoppers at the higher end of average income look to The Iconic, while those at the narrower end prefer eBay. Our analysis shows a significant 15% variance in average income that influences where shoppers buy.

Big-Impact Trends Are Happening Across the Big Players

When it comes to who's leading the pack, Amazon has overtaken eBay as the most visited marketplace in Australia. The divide continues to widen in the lead-up to the peak sales period.

Continue reading to explore the detailed insights into how shoppers are engaging with marketplaces today—featuring insights from Mark Gray, Managing Director, and David Choy, Head of Product, at CrescoData.



MARK GRAY
Managing Director
CrescoData



DAVID CHOY
Head of Product
CrescoData



Over the last year, we've seen foot traffic well above pre-pandemic levels—though not necessarily when it comes to spending. Due to continuing economic pressures, customers are displaying a need to shop around more. Marketplaces present an excellent opportunity here. In the year ahead, marketplaces will continue gaining rapid adoption because they allow shoppers to access multiple retailers and brands conveniently, while accessing the most competitive prices.

MARK GRAY *Managing Director, CrescoData*

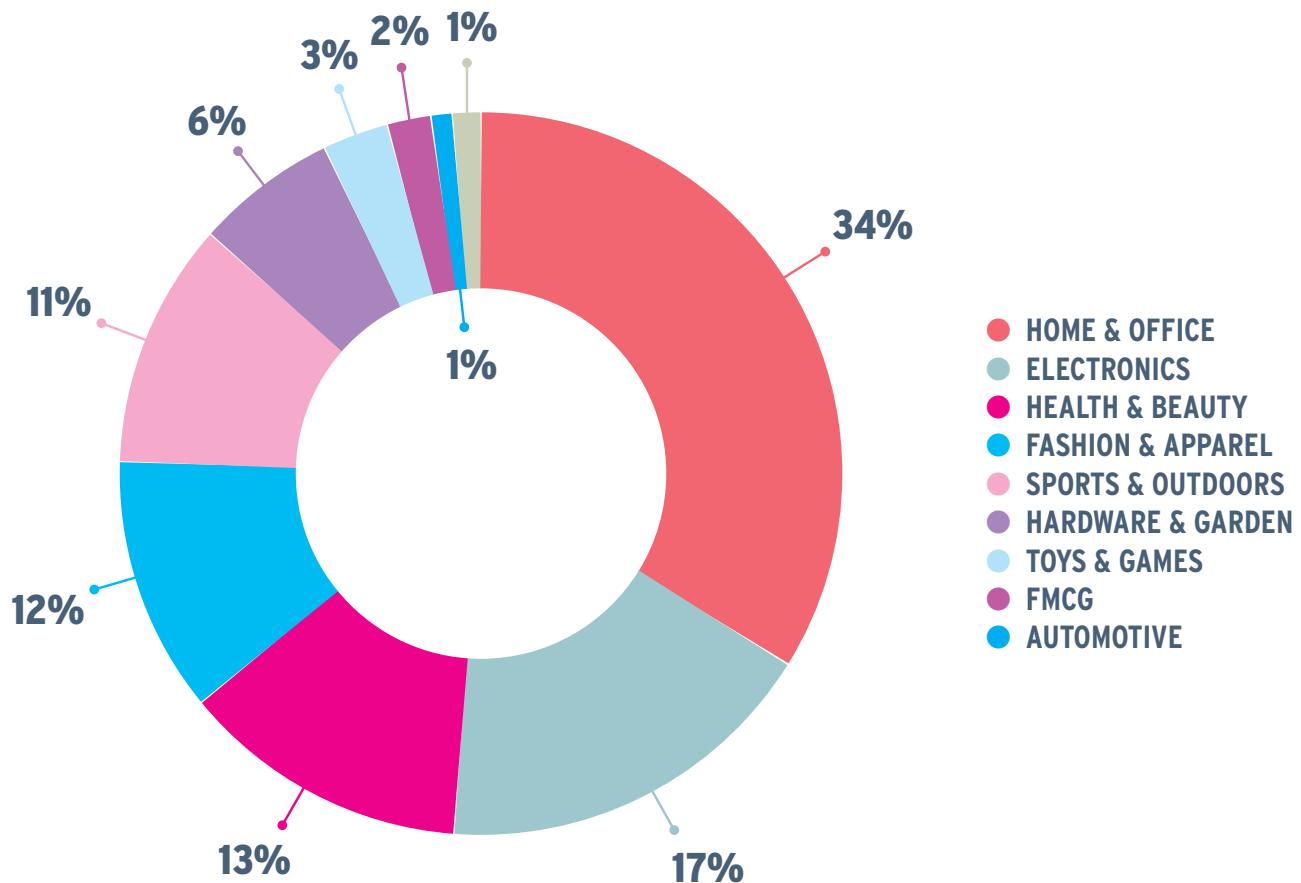
SALES VALUES BY PRODUCT CATEGORY

What are shoppers buying the most across marketplaces today?

The Home & Office category is overwhelmingly popular, grabbing 34% of the total sales value share.

Electronics comes in second, at 17%, followed by Health & Beauty, at around 13%.

Automotive, FMCG (groceries and essential items), and Toys & Games all see 3% or below of the total marketplace sales value.



SALES VALUE IS ONLY HALF THE STORY

Unsurprisingly, given the lower purchase frequency of high-value items, Electronics ranks fourth across marketplaces by the total quantity sold. However, Electronics takes the lead at over \$170 of average product SKU value. Automotive and Sports & Outdoors come in second and third places, at around \$127 and \$107, respectively.

Retailers may uncover new opportunities in categories with high-value item potential—given the appropriate fulfilment strategy. Take Sports & Outdoors, for example. These items have the third-highest average SKU value but account for only 8% of the items sold on marketplaces.



CATEGORY	TOTAL SALES VALUE	QUANTITY SOLD	AVG SKU VALUE
HOME & OFFICE	34%	27%	\$102
ELECTRONICS	17%	8%	\$170
HEALTH & BEAUTY	13%	22%	\$64
FASHION & APPAREL	11%	17%	\$54
SPORTS & OUTDOORS	11%	9%	\$107
HARDWARE & GARDEN	6%	6%	\$95
TOYS & GAMES	3%	5%	\$50
FMCG	2%	4%	\$47
AUTOMOTIVE	1%	1%	\$127

The real opportunity for high-value, low quantity categories lies in dropshipping operations. We're still seeing a hangover from the global supply chain issues of a few years ago, and retailers are hesitant to hold items in warehouses that may be slower to sell. However, finding the right partner to help with drop shipping can enable retailers to move those high margin items without the expense of warehousing.

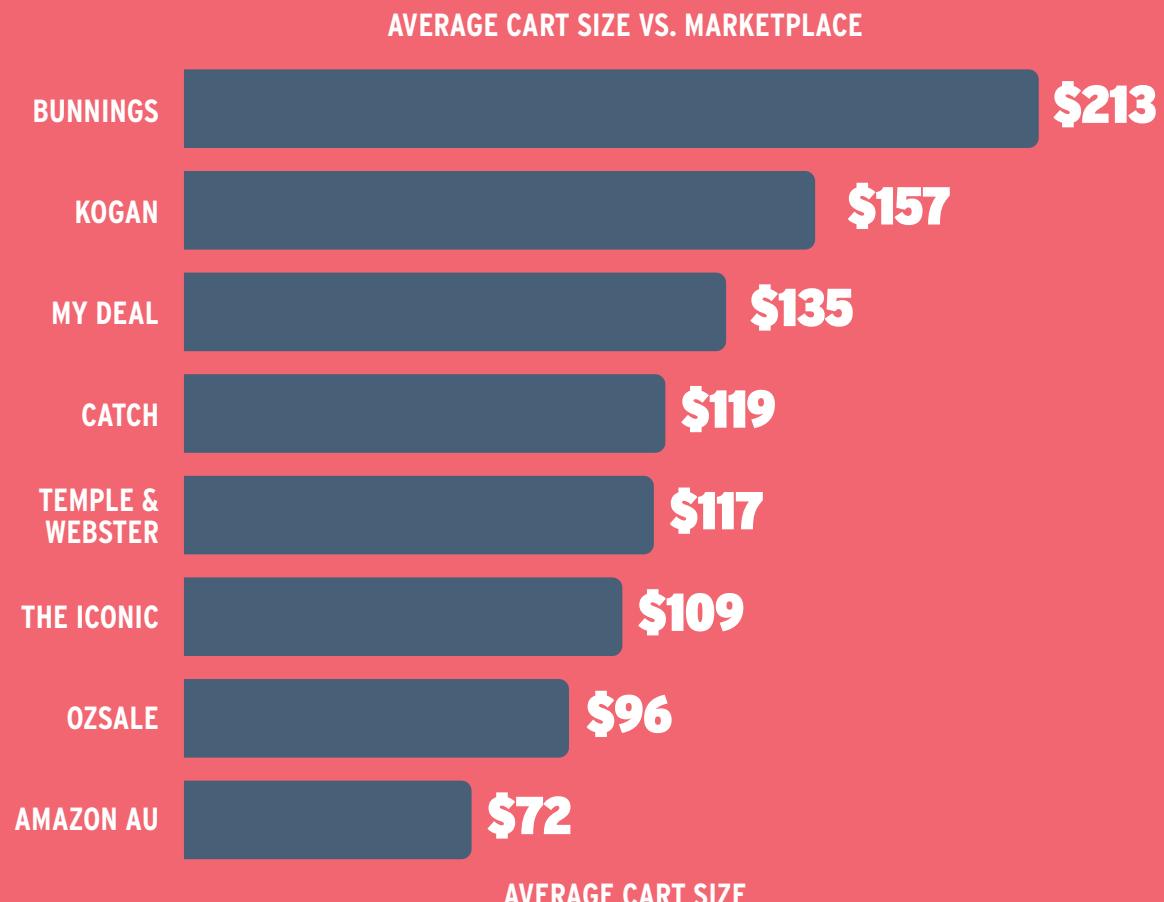
MARK GRAY Managing Director, CrescoData

MARKETPLACE BASKET SIZES

How much do shoppers spend each time they order from a marketplace? Our data shows that average order value (AOV) varies significantly. Shoppers are buying big at Bunnings, with an AOV of \$213. At the other end of the scale, the average Amazon customer's cart is around a third of that size, at \$72.

While many factors influence AOV, including item range and pricing, free shipping minimum thresholds, and ease of finding and discovering products on marketplaces, retailers should take note of AOV when forming their marketplace strategy.

Additionally, retailers may want to experiment with tactics to increase AOV, such as product bundling, volume discounts, loyalty and rewards programs, or even time-sensitive promotions and limited-release items.



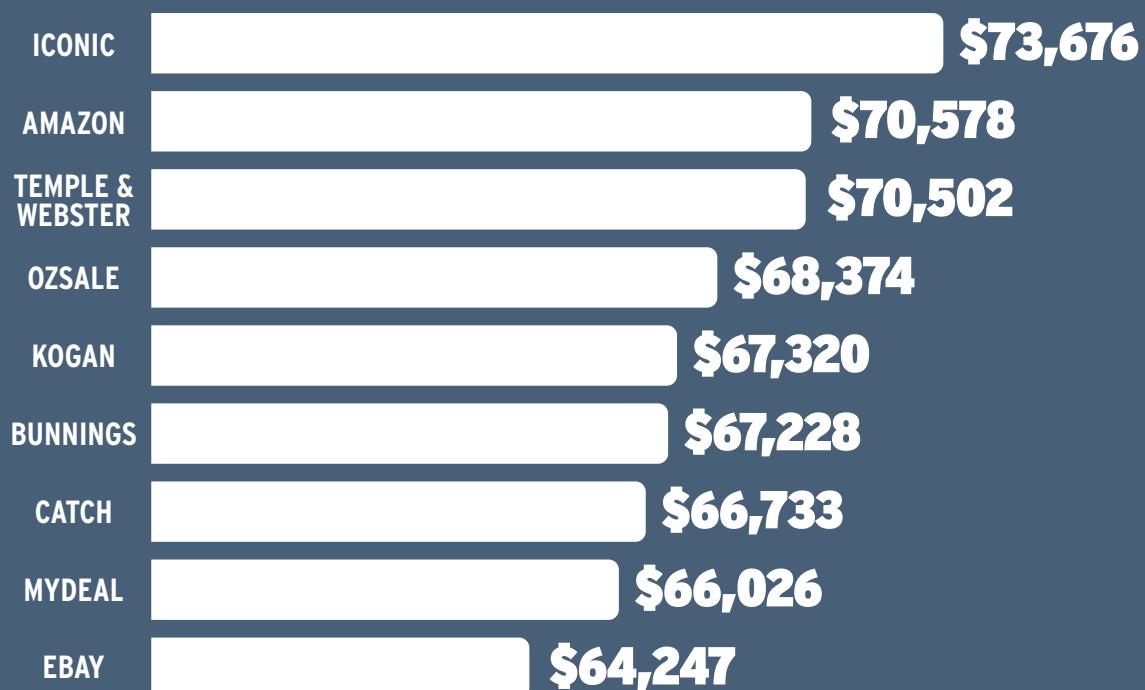
WHERE HIGHER AND LOWER INCOME-EARNERS SHOP

Does income influence marketplace preference? Our data shows it does, with around a 15% difference between the highest and lowest income ranges across the marketplaces we analysed.

The typical shopper purchasing from eBay lives in an area where the average income is \$64.2K. However, that average income lifts to \$73.7K for The Iconic shoppers.

The Iconic, Amazon, and Temple & Webster marketplaces draw more appeal from those with incomes at the larger end of the scale, while eBay, MyDeal, and Catch are favoured by those who may be more closely watching their wallets.

AVERAGE INCOME FOR DELIVERY LOCATIONS



ZOOMING IN ON MYDEAL AND CATCH SHOPPERS

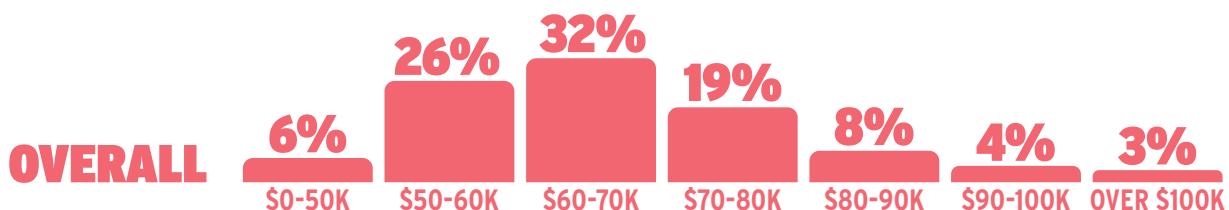
32% of marketplace shoppers have an annual income of \$60K or less. However, that portion rises to 37% for MyDeal customers.

What does this suggest? MyDeal customers are likely on the hunt for deals and products that can make their dollars stretch a little further.

It's a similar though less pronounced story for the 35% of Catch shoppers who take home \$60K or less.

The data we've uncovered provide unique insights into shoppers' available spending power—a key consideration when shaping your brand's product strategy.

AVERAGE TOTAL SALES BY DELIVERY LOCATION



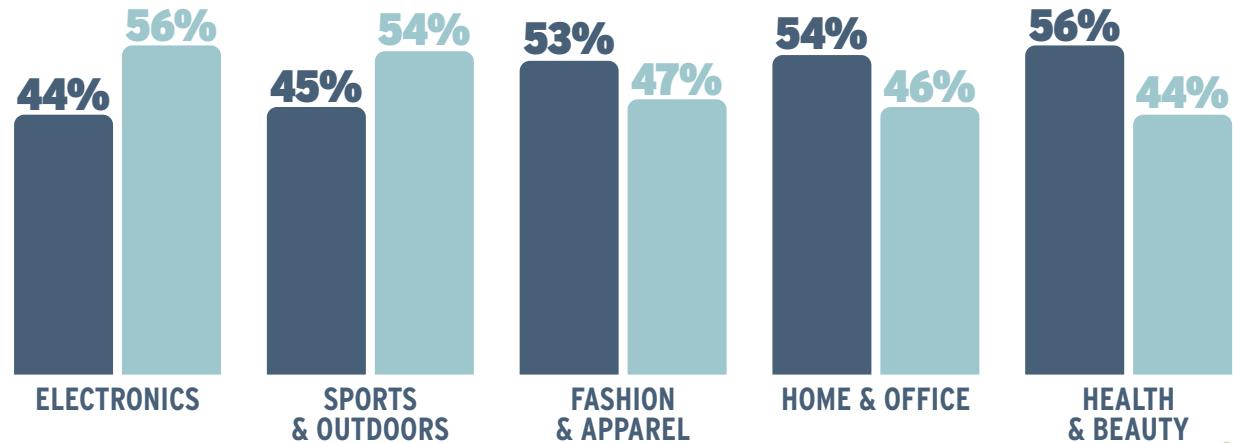
MARKETPLACE COMPARISON: CATCH VS MYDEAL

What are the less affluent segment of marketplace shoppers buying? We drilled down on SKUs listed on two comparative marketplaces: Catch and MyDeal. Aside from the much larger eBay, these sites attract shoppers with slimmer buying power.

What are buyers looking for on these marketplaces? Around 8% more turn to Catch for Home & Office, 11% more for Health & Beauty, and nearly 7% more for Fashion & Apparel. However, MyDeal gains around 12% more Electronics purchases—a category that benefits from the highest average SKU value.

CATCH VS MYDEAL - PROPORTIONATE PURCHASE VALUE FOR SAME SKU'S

CATCH MYDEAL



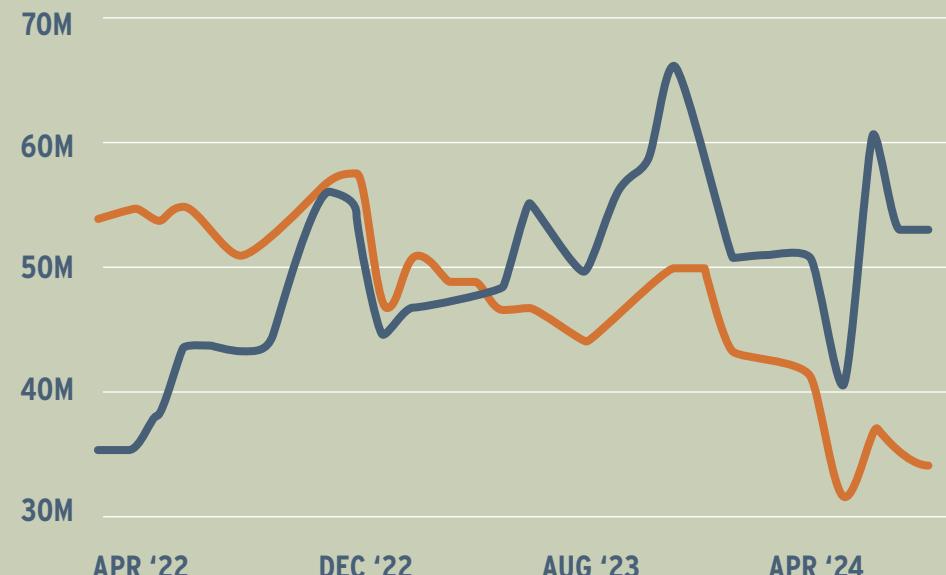
AMAZON IS NOW PADDLING FAR AHEAD OF EBAY

Since May 2023, Amazon AU has overtaken eBay to become the most visited marketplace in Australia. The gap has continued to grow, particularly leading into the 2024 peak period.

Data released by Roy Morgan¹ reveals that Amazon grew its customer base by a staggering 1.1 million shoppers in the 12 months to June 2024. The jump of 16% in customer numbers compared to the previous period appears reflective of a key focus for the tech giant: convenience. From the ease of finding products to hassle-free returns, Amazon AU continues to cement the perception of marketplace convenience.

¹SOURCE: [HTTPS://WWW.ROYMORGAN.COM/FINDINGS/9636-AMAZON-GROWTH-IN-AUSTRALIA-SPEEDS-UP-JULY-2024](https://WWW.ROYMORGAN.COM/FINDINGS/9636-AMAZON-GROWTH-IN-AUSTRALIA-SPEEDS-UP-JULY-2024)

EBAY AU AMAZON AU



SOURCE: TOTAL VISITS ACCORDING SIMILARWEB AUSTRALIA

You don't have to be able to compete on all levels with the marketplace giants like Amazon. But, you need to meet the minimum expectations of shoppers and deliver a point of difference. For example, newer players like Temu leverage gamification, and TikTok Shops put a new spin on communicating product value. At the same time, we're seeing Meta lose some of their clout—and conversion potential—as social selling continues to shift from influencer-based tactics to content-based selling.

MARK GRAY

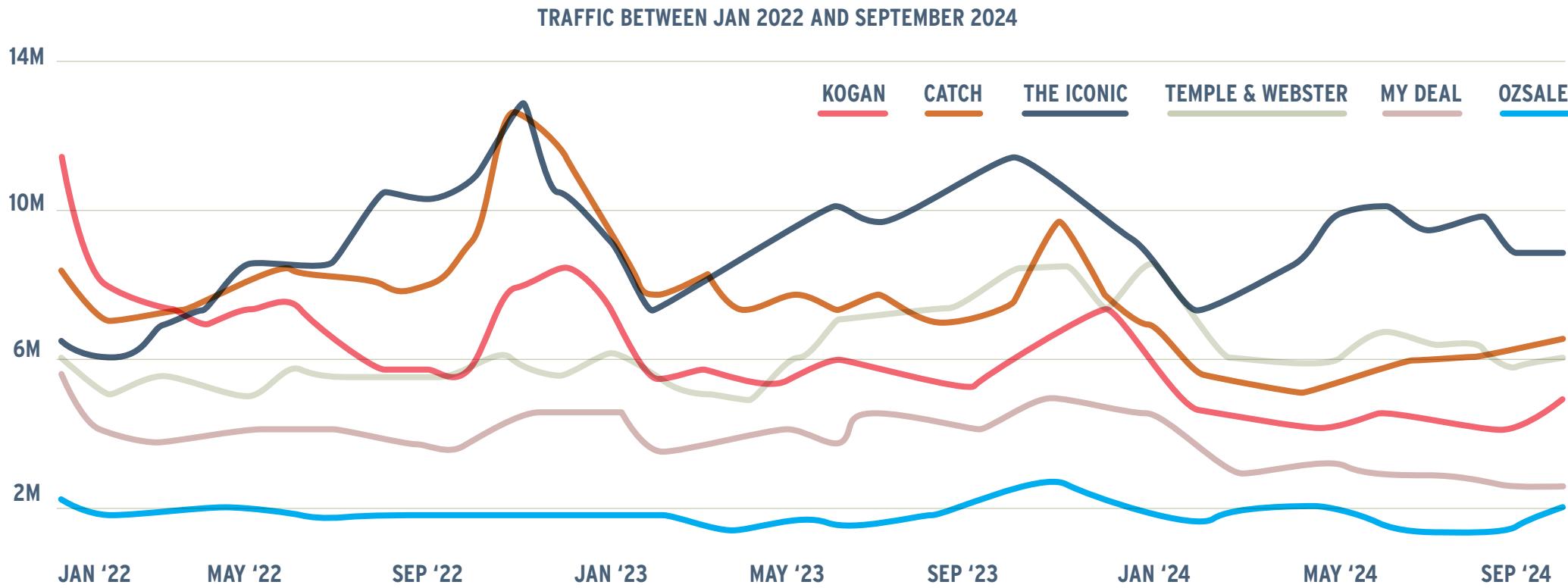
Managing Director,
CrescoData



TRAFFIC TRENDS & CHANGES

As we've seen, Catch's proportionate value of Home & Office products shows a noticeable lead over rival MyDeal. However, more of that category share is also moving to Temple & Webster, which took the lead from Catch during the FY23-24 period.

Although holiday season and gift shoppers generally boost traffic around October to December, the 2024 peak season shows a weaker start to peak season than previous years.





You don't have to start with a long-term strategy to get a foot in the door with marketplaces. Retailers can now easily connect to a solution like CrescoData and MarketplaceMaxizer, which lowers the barrier to entry for marketplace selling. The tech to start testing the waters is there, ready for retailers to dive in.

DAVID CHOY Head of Product, CrescoData

FROM INSIGHTS TO ACTION

While the last few years have brought noticeable changes, the changing tides of where shoppers are turning may bring renewed opportunity. Here are some final thoughts on how to turn insights into action—and seize every opportunity ahead.

Seeing The Full Story

While a first glance at marketplace sales by product category opens a window into performance, digging deeper into quantity and SKU value metrics paints a more vivid picture.

When exploring new categories or planning your marketplace product strategy, take note of various metrics that enable you to see the full story.

For example, some of the highest-value items sold on marketplaces today translate to lower quantities sold. There may be unique opportunities to uncover within less saturated categories—that can also lift your average order value (AOV).

Leveraging the Halo Effect

Amazon has made an undeniable impact—not only on Australian marketplaces but also on shopper behaviour. eMarketer² reports that 56% of US shoppers now start their product search journey on Amazon. Although the eCommerce giant is still continuing its growth locally, it's reasonable to anticipate this trend migrating across the Pacific.

As shoppers' behaviours evolve, other marketplaces may benefit from the halo effect: a cognitive bias where the impression of one brand or product positively influences another. Like it or not, Amazon is a driving force in consumers' impressions of marketplaces as convenient, reliable, and trustworthy places to shop. Could this help the marketplace industry, as a whole, continue its rapid growth in 2025 and beyond? We believe so.

Making Data-Back Decisions

Retailers need a clear, strategic approach to making the most of marketplace opportunities. First, consider which marketplaces best align with your target audience. Where are your ideal customers already shopping, and which platforms give your products the best visibility within each category?

For example, income demographics can vary significantly between marketplaces, with shoppers on The Iconic earning around 15% more than those on eBay. Meanwhile, MyDeal outperforms Catch in the Electronics category—though the reverse is true for Home & Office products.

It's imperative to make data-backed marketplace decisions allow you to connect with your ideal customers and enhance strategic growth.



My advice to retailers right now is to take a data-led approach to identifying the best opportunities and double down on your core products. It's easy to get distracted by the shiny new thing unveiled at the latest tradeshow. But if you follow the Pareto principle where 20% of inputs generally create 80% of your outputs, you'll know it's critical to focus on that 20-30% of your core product that drives the most revenue year-on-year.

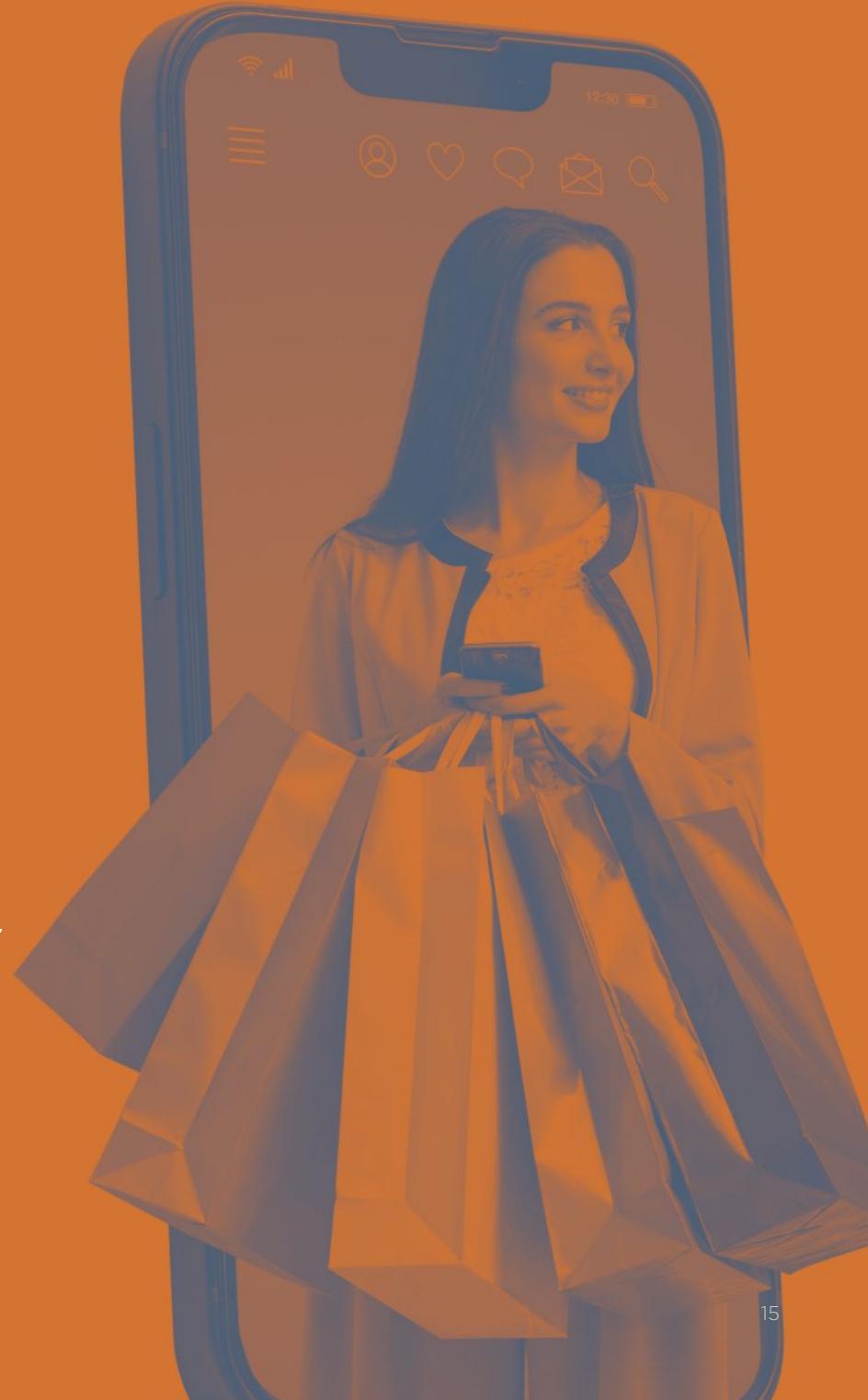
How can you make that core more effective in the year ahead? Can you buy a little deeper on those core products and make prices a little more competitive? Can you create new bundles based around those core items—and maybe even incorporate slower-moving items to get them out the door?

Also, keep an eye on regulatory changes and how they may impact overseas players like Temu and SHEIN. Amazon Haul will again change things up in the low-cost products space when it arrives. Whether or not you sell on any of these marketplaces, looking for new opportunities as the landscape evolves is critical. Mark my words: 2025 will be the fastest-moving year for marketplaces that we've seen for a very long time.

MARK GRAY Managing Director, CrescoData

DIGGING DEEPER INTO THE BFCM BOOST

Our data showed that across all marketplaces measured this Black Friday/Cyber Monday (BFCM) 2024, the average daily order volume increased by 130%. Read on for a deeper analysis designed to help retailers optimise their future sales event strategies.



Is No News Good News?

The average order value (AOV) across all marketplaces measured before BFCM reached \$118.84. During the four-day sales period, AOV increased by just 12 cents to \$118.96.

While it may sound counterintuitive, that figure represents a notable win for retailers selling through marketplaces. With discounts applied across many items, AOV will naturally fall when shoppers purchase the same number of items in each order.

However, the lack of notable movement to report on AOV during the 2024 BFCM period indicates shoppers purchased enough additional items in each cart to completely balance the effects of discounts.

'Tis the Season to Grab Gifted Item Deals

At a time when many shoppers are watching their wallets, it appears they are taking advantage of marketplaces for early Christmas gift purchases.

Top category uplifts during BFCM included Sports & Outdoors, Health & Beauty, Toys & Games, and electronics—all gaining over 200% in daily purchase volumes. These categories all represent strong potential for gifted items.

At the other end of the spectrum, FMCG (food and beverage, convenience, and essential items) and Hardware & Garden saw comparatively minor increases.

Retailers would be wise to keep gifted item marketing and product strategies in mind for the next BFCM.

Unpacking the Urge to Splurge

Shoppers took the chance to splurge on items across nearly all product categories in the 2024 BFCM period.

Health & Beauty saw the greatest lift in average item value, around 25%, with Automotive and FMCG also gaining considerable 20% increases. On the other side of the scale, Sports & Outdoors items decreased by around 12%.

Enticed by time-based offers and discounts, it seems even more considered and essential-item shoppers find it hard to pass up a great deal.

Retailers may want to consider this data when planning which products to discount—and by how much—in future sales events.

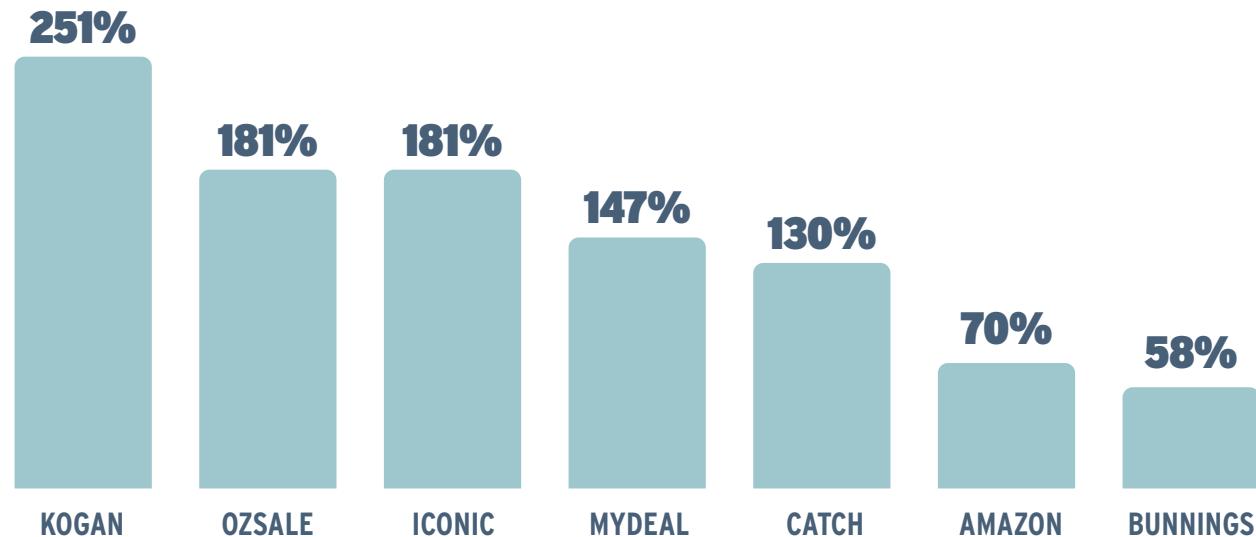
THE BIG BFCM WINNERS BY ORDER VOLUME

Which marketplaces benefitted the most from BFCM in 2024? Kogan saw an incredible 251% increase in average daily orders over the four-day BFCM period compared to before the sale.

At a far reach from Kogan's results but extremely close in numbers, OzSale and The Iconic each saw around a 181% sales lift.

Interestingly, Bunnings, at 58%, and Amazon, at 70%, experienced the least impressive boosts in orders.

% INCREASE IN DAILY ORDERS



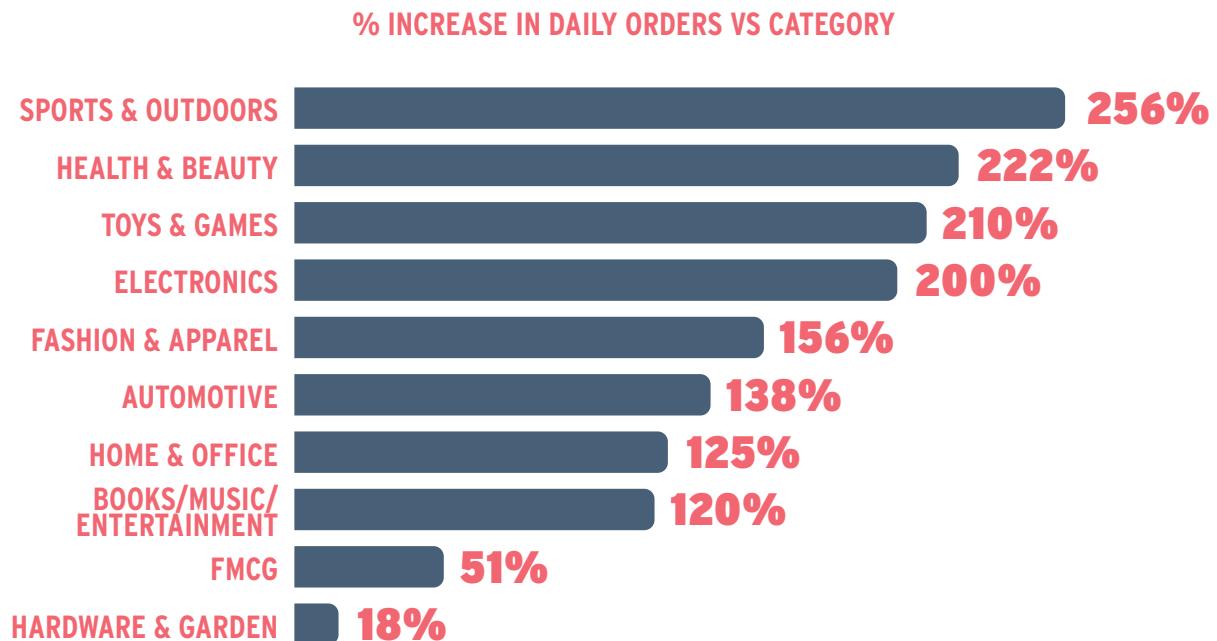
THE MOST POPULAR BFCM PRODUCTS

What were shoppers buying on marketplaces this BFCM?

Four categories with over 200% increases each stood out this year.

The Sports & Outdoors category was the most prominent, at 256%, followed by Health & Beauty, at 222%, Toys & Games, at 210%, and Electronics, at 200%.

The lowest uplifts in product volume came from the FMCG and Hardware & Garden categories, though the latter may also be influenced by Bunnings seeing the smallest gain in daily orders compared to other marketplaces this BFCM.



WHERE SHOPPERS WERE ENTICED TO SPEND MORE

A closer look at the average item (SKU) values pre-BFCM and during the sale reveals interesting insights. The product categories that experienced the greatest gains in item value were Health & Beauty, at 25%, and Automotive and FMCG, both at around 20%.

The only categories with decreased average item values were Home & Office, by 6%, and Sports & Outdoors, by 12%.

This data points to shoppers taking advantage of discounts to purchase more expensive items across most categories.

CATEGORY	PRE-BFCM	POST-BFCM	\$ CHANGE	\$ CHANGE
HEALTH & BEAUTY	67	85	17	25%
AUTOMOTIVE	143	171	28	20%
FMCG	48	57	9	20%
BOOKS/ MUSIC/ENT	51	56	5	9%
HARDWARE & GARDEN	112	121	9	8%
FASHION & APPAREL	43	46	3	7%
TOYS & GAMES	59	61	2	3%
ELECTRONICS	154	155	2	1%
HOME & OFFICE	106	99	-7	-7%
SPORTS & OUTDOORS	74	65	-9	-12%



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