

# Social commerce is on the rise down under

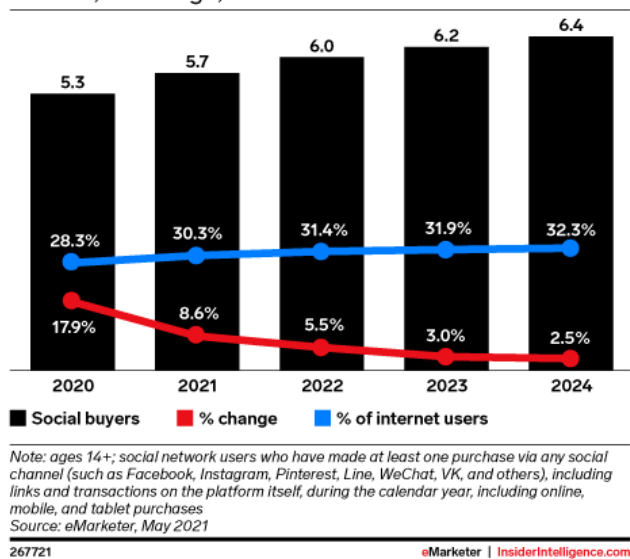
## Article



We estimate that 5.7 million people in the country (ages 14 and older) will purchase a retail good via a social network in 2021. This amounts to just over 30% of all internet users—one of the highest rates in the world—and represents an 8.6% increase over 2020.

## Social Buyers in Australia, 2020-2024

millions, % change, and % of internet users

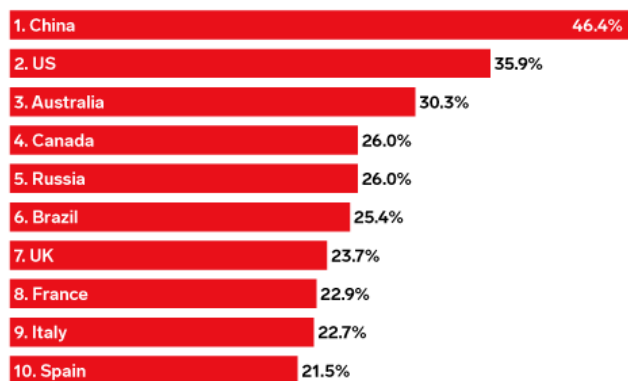


Like many countries, Australia saw a boom in ecommerce sales last year (53.0% growth!) thanks to the coronavirus pandemic and resulting disruptions to traditional brick-and-mortar retail. Social commerce, which was already on the verge of becoming mainstream by 2019, came along for the ride. According to PayPal, spending by social commerce buyers in Australia increased fivefold last year.

Participation spiked commensurately. In 2020, the total number of social commerce buyers in Australia increased by 17.9%, lofting the country into the ranks of the global leaders for social media’s popularity as an ecommerce channel. After another healthy increase this year, we estimate that Australia will rank third in the world in terms of how many of its internet users are embracing social commerce.

## Top 10 Countries, Ranked by Social Buyers as a Percent of Internet Users, 2021

% of internet users



*Note: ages 14+; social network users who have made at least one purchase via any social channel (such as Facebook, Instagram, Pinterest, Line, WeChat, VK, and others) during the calendar year, including links and transactions on the platform itself, and including online, mobile, and tablet purchases*  
Source: eMarketer, May 2021

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eMarketer | InsiderIntelligence.com

China and the US lead the world in most social commerce metrics—often by wide margins—because of the scale of their markets and the early adoption of social commerce by their digital shoppers. However, a handful of additional countries are beginning to stand out among the next tier, and Australia is at the top of that list.

We forecast that 36.7% of social network users in Australia will make at least one social purchase this year, one of the highest rates in the world. All told, more than a quarter of the population (26.8%) will be spending via social commerce this year. Once again, only China and the US will exceed that number.

Facebook and Instagram are leading the charge for social commerce in Australia with Snap and Pinterest in a distant race for third. Most of Australia's social buyers will engage with the channel via one of these four options. As Facebook continues to hone its Shops platform and the others improve their checkout functionality and publish more shoppable ads, it will be easier and easier for new social buyers in Australia to embrace the concept. As we have seen with ecommerce overall, once a shopping option becomes mainstream, it often develops a momentum of its own. If that happens, Australia could soon see social commerce participation akin to what we see in the US.

We define “**social commerce**” as products or services ordered via social networks (such as Facebook, Instagram, Pinterest, TikTok, WeChat, Line, VK, and others), either by buying directly on the social platform, such as via Instagram Checkout or WeChat Mini Programs, or through clicking links on the social network that lead to the retailer's product page to

complete the purchase. It also includes transactions that were agreed on social platforms but where payment took place elsewhere, such as C2C transactions on Facebook Marketplace.

**Social commerce buyers** are social network users (ages 14 and older) who have made at least one purchase via any social channel, including links and transactions on the platform itself, during the calendar year, including desktop/laptop, mobile or tablet purchases.