



AMAZON AUSTRALIA 2018 TRENDS REPORT

Welcome to the 2018 Trends Report, a chance to look back at some of the highlights from our first year in Australia and learn about what Amazon customers across the country have bought, read, listened to and watched this year.

It's incredible to think that just one year ago we launched our Australian store. It has been a brilliant journey and to the millions of customers who have welcomed us, thank you. We have been humbled by your support and thrilled by the reception you have given us.

Looking back at some of 2018's best-selling products has given us a chance to reflect on the year, look at what customers have loved, and take a look at some of the trends that have taken Aussies by storm. It seems that the nation has been swept up with a thirst for all things retro, from Mario to denim jackets to LEGO – who doesn't love embracing their inner child? We have also seen that Aussies are passionate about self-care, with a number of personal development titles appearing in the best-sellers lists across Kindle and print books, but the most pampered members of the family are perhaps our beloved pets!

Before we jump into this year's consumer trends, let me share some updates on how we've been working to build a great experience for the millions of


Australian customers visiting our store each week. Since launch, we have grown our selection to almost 100 million products across 29 categories, including six new ones with Pantry Food & Drinks, Pet Supplies, Automotive, Luggage, TVs, and Jewellery recently launching. As more and more brands have joined Amazon this year, customers are now able to access great home-grown staples such as Milo, T2, Sol Sana and Cooper Street, as well as international favourites like Oreo, Sony, M&Ms, Calvin Klein, Whiskas and Antler. As customers snapped up all the great deals on offer, we opened a second fulfilment centre in Sydney to meet demand.

February saw the arrival of Alexa, the brain that powers the Echo family of devices, to Australia, along with three Alexa-enabled devices: Amazon Echo, Echo Dot, and Echo Plus. Since then we have brought customers more, with the launch of the Echo Spot, Echo Show, Echo Sub, and the all-new Echo Dot and Echo. Our Echo devices are voice-controlled speakers designed entirely around your voice. For customers Down Under that meant a new voice, Australian accent, local personality

and knowledge, and skills built by Australian developers. I have two in my home – the Aussie Alexa and the German Alexa experience – and it is incredible to see just how authentic the Aussie personality is! Just ask, and Alexa will tell you what the surf is like at Bondi, play music from Gang of Youths, read the news, control your lights, sing Waltzing Matilda, test your general knowledge, even crack you up with a joke! With more than 19,000 skills, the list really does go on.

We really wouldn't be where we are today without the Marketplace sellers on Amazon.com.au, and so **February** also saw us delighted to launch Fulfilment by Amazon, which gives businesses access to Amazon's world-class fulfilment and customer service expertise and provides customers with the convenience of fast delivery on more products. We now have almost 10,000 Australian sellers on Amazon.com.au and, in the report, you will read some of their stories including the provider of a staple in my home, Lonsdale Coffee Roasters.





Global Store arrived in **May**, and we now have almost 20 million items from Amazon US available on Amazon.com.au, many of which are eligible for free shipping for Prime members in Australia.

In **June**, just six months after launch, we were excited to bring Prime to Australian customers – giving Prime members in Australia access to the widest selection of Prime benefits at launch for any country to date and we were pleased with the reception, which exceeded all our expectations. Prime members immediately had access to free delivery on millions of eligible local and international items – with almost 90 per cent of Australians having access to free two-day delivery on local products as soon as they sign up to Prime. Members also had access to exclusive and award-winning Prime Original series such as my favourite, Tom Clancy's Jack Ryan, and other popular movies and TV shows with Prime Video; over 1,000 e-books with Prime Reading; benefits for gamers with Twitch Prime; discounted priority delivery and more.

In **October**, we also stuck to our promise of adding more to Prime with the launch of Prime Music, giving members access more than two million songs for up to 40 hours per month, on-demand by best-

known artists, along with hundreds of hand-curated playlists and personalised stations. All at no extra cost to Prime members.

In **November** we launched the Amazon Fashion 2018 Local Brand Award, giving up-and-coming Australian brands the opportunity to win a \$75,000 marketing package to accelerate their growth and introduce them to more customers around the country. We also brought tens of thousands of products to customers at discounted prices with our first ever Black Friday deals event. Customers snapped up deals across the board with video games and games consoles being the best-selling of all the deals, closely followed by dishwasher tablets and Bose QuietComfort noise cancelling headphones.

It's been a big year and we're only getting started! We hope you enjoy our trends report, and on behalf of everyone at Amazon, I'd like to wish you a happy Christmas and a great 2019. It's always day one at Amazon and we're excited to continue to grow our store and invent on behalf of the Australian shoppers and to see what the New Year brings!

Rocco Braeuniger
Country Manager, Amazon Australia

THE STATE OF THE NATION



What drove consumer choices and purchasing decisions in 2018? We take a look back at the national and global trends that shaped the way Australia shopped.

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THE RISE OF NOSTALGIA Embracing Your Inner Child

A wise man once said that growing old is mandatory, growing up is optional. Aussies have clearly taken this to heart, doing an admirable job of encouraging their inner child to flourish through a strict routine of retro games, clothes, toys, and characters.

For the love of Mario

The enormous success of **Nintendo's** NES and SNES Classic Mini consoles – miniaturised versions of those world-dominating video game machines from the '80s and early '90s – has shown there's no shortage of demand for old-school gaming. In fact, in Australia these re-released consoles were selling faster than **Nintendo** could stock them, and now **Sony** has just launched a similarly miniaturised version of its iconic original **PlayStation** console.

As **Nintendo** is the last man standing from the old guard of gaming – before **PlayStation** and **Microsoft** became the most popular in the category – this sense of nostalgia for classic franchises like Mario and Zelda has also helped to make its latest console, the **Nintendo Switch**, an unabashed success. This was illustrated when our Prime Day Lightning Deal for the **Nintendo Switch** was snatched up fast and was further proven by the fact that more Australians have bought **Nintendo** products from Amazon in 2018 than any other brand.





Spice up your life

It doesn't matter whether you're a Spice Girls wannabe or a Nirvana nut, you're on-trend because the '90s are back with a vengeance. Aussies have kept themselves looking fly with logo t-shirts, denim jackets, boldly branded hoodies, and **Casio's** old-school black resin digital watch. Some of the most popular brands within Amazon's Fashion category were **Calvin Klein, Tommy Hilfiger** and **Levi's**.

Big kids just wanna have fun

Toys aren't just for kids. There's a deep-seated love for classic brands like **LEGO** that keep toys flying off shelves and into the arms of grown-up collectors and enthusiasts alike. In fact, **LEGO** was so popular that it featured in our top 10 bestselling brands for 2018, and it was our bestselling toy brand on Black Friday! Clearly, Aussies can't get enough of those little blocks, whether to build an intricate set like the best-selling Star Wars BB-8, or because there's nothing more fun to step on with bare feet. Ouch!

Aussies' love for superheroes also appears not to wane as we grow up. Our desire to watch our favourite costumed crusaders' escapades only seems to be influenced by a desire to see them play out in higher resolution. That explains why half our best-selling Blu-rays are superhero blockbusters, and why most of these have been purchased in 4K Ultra HD.

Bestselling Blu-rays

1. **Christopher Nolan Collection**
(4K Ultra HD + Blu-ray)
2. **Black Panther**
(4K Ultra HD + Blu-ray)
3. **Star Wars: The Last Jedi**
(4K Ultra HD + Blu-ray + Bonus)
4. **Avengers: Infinity War**
(4K Ultra HD + Blu-ray)
5. **Blue Planet II**
(4K Ultra HD)
6. **Deadpool 2**
(Blu-ray)
7. **Thor: Ragnarok**
(4K Ultra HD + Blu-ray)
8. **The Lord of the Rings: Trilogy**
(Extended Editions) (Blu-ray)
9. **Ready Player One BD**
(4K Ultra HD)
10. **The Dark Knight**
(4K Ultra HD)



THE SELF-CARE NATION

Wellness, Fashion and Beauty

Our obsession with health and wellness has resulted in some interesting sub-trends – from delicious drinks to community-conscious eating. We're also an image-conscious nation - from the sandy shores of Bondi Beach to the glittering Gold Coast promenade, Aussies care about their appearance and are finding new ways and new products to look their best.

Cheers to wellness

The trend towards health and wellness has resulted in an increased interest in drinks with additional ingredients like vitamins, minerals, or raw fruit and vegetables that can amp up the way consumers look and feel. As a result, we've seen Aussies responding to products like the **Braun** TributeCollection Bench Blender. We've also seen that Aussies love their tea, with brands like **Ovvio** and **Madura** proving highly popular, along with local health food entrepreneur **Zen Green Tea Matcha** (head to page 17 to learn more). Aussies also love buying their cashew nuts in bulk – a healthy snack alternative - from Aussie brand, **Honest To Goodness**.



Fitness or fauxness?

Work it baby! We love our activewear, and while we may be a sport-obsessed nation, we don't need to be working up a sweat to indulge in a flattering pair of leggings. Whether we're hitting the gym, pounding the pavement, or, as the Bondi Hipsters put it, "having coffee with my friends in my activewear", activewear", we go crazy for a good pair of tights and some bangin' kicks.

Fitness fanatics and those just wanting to look good in their activewear favoured best-selling brands **Puma**, **Lorna Jane**, and **Calvin Klein**. **Puma** in particular performed well in footwear, showing Aussies love both style and speed! Australian women have also been loving the one-piece swimsuit. The style has dominated beaches this year, with the **Calvin Klein** Intense Power Square Scoop Logo One Piece proving particularly popular. Tropical also seems to be the way to go, with palm prints being all the rave in 2018.

Beauty from abroad

Aussies are looking beyond our own backyard for the best in beauty. K-beauty is on the rise, with one of our best-sellers coming from Korean beauty brand **Cosrx** in the form of Acne Pimple Master Patches. Winner of the 2017 Teen Vogue Acne awards, the hydrocolloid bandages offer intensive care to problematic spots on skin. Pop these on before bed and say goodbye to nasty zits! Moving from Asia to Africa, Cleopatra was totally onto something over 2000 years ago when she used clay from the River Nile and the Arabian desert as part of her beauty ritual. Clay is very firmly back, with one of the top natural beauty products of the year being **Aztec Secret Indian Healing Clay**, made from 100 per cent natural calcium bentonite clay and branded as the 'world's most powerful facial'.



Guys looking good

Guys are also getting in on the beauty act, with six of the top 10 best-selling beauty products being for men's hair and skincare. **Dove Men+Care Shampoo**, **Nivea Men Sensitive Protective Moisturiser**, and **Nivea Men Sensitive Face Wash** in particular are among the top items keeping the boys beautiful. Based on sales per capita across these brands, Aussie men in the Australian Capital Territory and Victoria are the most beauty conscious. Charcoal is a popular active ingredient for men, with charcoal cleansers representing two of the top 10 best-selling men's skin care products. Whoever said Aussie guys don't care about appearances?

Supplement central

We all know, however, that real beauty comes from within. Aussies are big fans of supplements and according to Complementary Medicines Australia (CMA) our complementary medicine industry generated \$4.7 billion in revenue in 2016 and is still growing. Our top trending products in the health nutrition category can be attributed to bettering our image, including protein powder for those who like to work out and vitamin E and fish oil tablets to benefit skin and anti-ageing.

Health tech

There's nothing like recording a personal best, and with **Garmin** and **Fitbit** products making up almost half of our top 10 best-sellers in electronics, Aussies clearly love using technology to monitor their progress, motivating them to get faster, stronger, tougher. And for those that need that little extra push to get them to the top of the hill, to the end of their set, or across the finish line, music is clearly a big motivator, with sports headphones like **Jabra Elite Sport** and **Bose Soundsport** among our biggest sellers.



THE REIGN OF THE FUR BABY

Who Wants a Treat?

Ah, the Fur Baby. We might not admit it, but our beloved pets sometimes win out as the favourite member of the family. While this is a trend seen around the world, us Aussies are some of the most devoted pet owners on the planet – about 62 per cent of Australian households own a pet and a higher proportion of us live with a dog or cat than a child.

Woof and ye shall receive

Aussies spend more than \$12.2 billion on pet products and services annually and an estimated \$490 million on pet insurance. Here at Amazon, we are just as barking mad about our fur babies, recently launching the hugely popular Amazon Pet Supplies category along with a national competition to find the Face of Amazon Pets with over 1,000 entrants from around the country vying for the title.

Our most loved Pet Supplies brands across dog and cat lovers from our top 10 best-selling products include **Greenies**, **Fancy Feast**, **Supercoat**, **Hill's Science Diet** and **Schmackos**. Plus, pet owners are keeping their furry friends entertained with best-selling toys from **Kong** and **Zippy Paws**.





“With an estimated five million dogs in Australia, just think of the number of treats it would take to get all those tails wagging! I can think of no better sight. Sadly, while Aussies are now more likely than ever to view their pet as part of the family, many animals struggle to find their forever home. If you have room in your life for a new best friend, please visit adoptapet.com.au.”

RSPCA South Australia Inspector
and 'Aussie Dog Guy' Ryan Anderson.

CHRISTMAS LIST FOR KIDS

I Kathy Sheeran is a self-confessed 'shopaholic' and the editor of the recently launched online monthly magazine Shopping Confessions, a one-stop-shop for what's hot and what's not for you and the whole family. Here, she shares her thoughts on the must-have items available on Amazon.com.au this Christmas.

The biggest shift I have seen this year is less screen time and more board games, which can be fun for the whole family. Favourites like Monopoly, Connect 4, Operation (Star Wars version) and Hungry Hungry Hippos are making a comeback along with some new games.

Interactive toys are proving to be popular, as too are educational toys. **LEGO** will continue to fly off the shelves as well, as was proven in the Amazon Black Friday sales when it was the best-selling brand in toys.

Fur Real toys will be on most kids' Santa Lists, especially Munchin' Rex. Australians have a huge love for pets, and these plush animals respond to touch and simple commands, and they all have their own little personalities, making them the next best thing to a real pet.

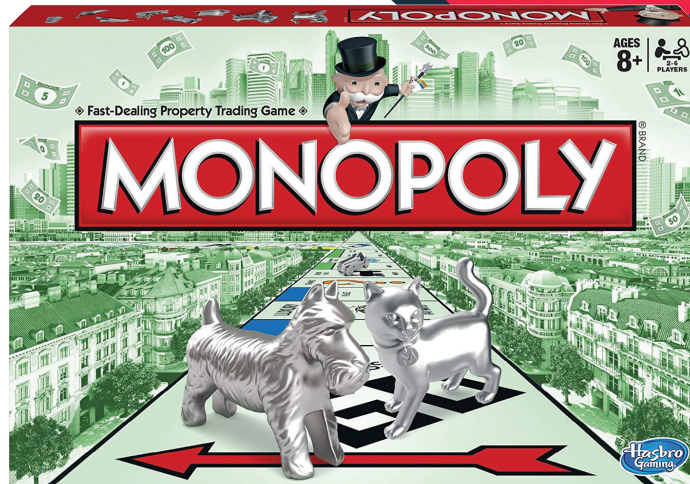
LEGO will always be a favourite and LOL Surprise Dolls will be a big hit again this year as the kids love the surprise. Any blockbuster on the big screen will make it onto Santa's list too – Star Wars, The Incredibles, Harry Potter – and Coding Toys, which teach kids coding and computer science skills in an enjoyable way, will also be a hit.

I think Munchin' Rex will take out the top spot.





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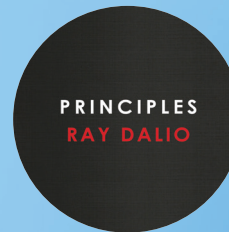
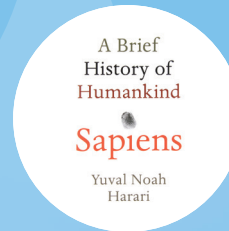
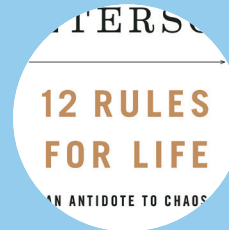
PAGE TURNERS

Books

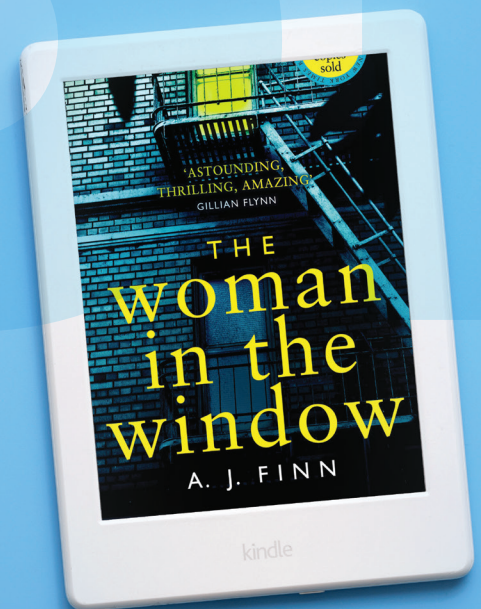
Eight of the top 10 print books bought by Australians in 2018 provide personal development tips and guidance. Australia's very own Scott Pape has led the trend of business-focused books, with four other business-development titles featuring in the top 10. Also included are successful inventor and entrepreneur Ray Dalio's words of wisdom in *Principles*; a look at one of the world's most successful sporting teams, the All Blacks; and practical lessons for leadership and business revealed in *Legacy*.

Alongside business development, the list includes the 2016 hit, *The Subtle Art of Not Giving a F*ck*, which remains steadfastly in the top 10, two years later. The top 10 best-selling print books are all non-fiction, with the two that fall outside of self-help taking a look at the history of humankind, and at US President Donald Trump, who also features in the digital list.

1. **THE BAREFOOT INVESTOR 2018 UPDATE**
by Scott Pape
2. **12 RULES FOR LIFE**
by Jordan B. Peterson
3. **THE SUBTLE ART OF NOT GIVING A F*CK**
by Mark Manson
4. **SAPIENS: A BRIEF HISTORY OF HUMANKIND**
by Yuval Noah Harari
5. **PRINCIPLES: LIFE AND WORK**
by Ray Dalio
6. **MEDICAL MEDIUM LIVER RESCUE**
by Anthony William
7. **THE INTELLIGENT INVESTOR**
by Benjamin Graham
8. **FEAR: TRUMP IN THE WHITE HOUSE**
by Bob Woodward
9. **GOOD TO GREAT**
by Jim Collins
10. **LEGACY**
by James Kerr



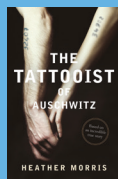
Continuing the health and wellbeing theme, one of the biggest trends in the Australian book space has been the growth of personal development titles—in particular, practical advice on personal finance, relationships, health and self-improvement. According to Nielsen BookScan, the personal development category was up by over 80 per cent in 2017 and is now worth close to \$40 million.



Kindle books

From gripping plots to shocking twists, the top 10 Kindle books are predominantly fiction with titles providing movie-like suspense leading the pack. In fact, the top three titles are setting the agenda for the screen with movie rights sold for *The Woman in the Window*, Reese Witherspoon snapping up the rights to *Eleanor Oliphant is Completely Fine*, and *The Tattooist of Auschwitz* now set to be developed into a drama series. Witherspoon has also snapped up rights to *Little Fires Everywhere* and Aussie favourite Liane Moriarty's *Nine Perfect Strangers* has also been secured by Nicole Kidman as the basis for a TV Show.

1. **THE WOMAN IN THE WINDOW**
by Finn, A. J.
2. **ELEANOR OLIPHANT IS COMPLETELY FINE**
by Gail Honeyman
3. **THE TATTOOIST OF AUSCHWITZ**
by Heather Morris
4. **STILL ME**
by Jojo Moyes
5. **LITTLE FIRES EVERYWHERE**
by Ng, Celeste
6. **BEWARE THE PAST**
by Joy Ellis
7. **NINE PERFECT STRANGERS**
by Liane Moriarty
8. **THE TUSCAN CHILD**
by Rhys Bowen
9. **FIRE AND FURY**
by Michael Wolff
10. **THE SUBTLE ART OF NOT GIVING A F*CK**
by Mark Manson



Audible

Audible.com.au members combine the literary tastes of both our print and digital customers. They have a voracious appetite for self-improvement via *The Barefoot Investor*, *The Subtle Art of Not Giving a F*ck*, and *12 Rules for Life*, and they also have a deep appreciation for the fantastical adventures of Harry Potter, and the illuminating and poignant *The Tattooist of Auschwitz*. Regardless of the eclectic nature of Australia's listening habits, one thing is clear: Australian listeners have a deep affinity for the dulcet tones of Stephen Fry, with the British media personality narrating three of the top 10 most popular books on Audible.com.au.

1. **THE BAREFOOT INVESTOR**
written and narrated by Scott Pape
2. **THE SUBTLE ART OF NOT GIVING A F*CK**
by Mark Manson, narrated by Roger Wayne
3. **12 RULES FOR LIFE**
written and narrated by Jordan B. Peterson
4. **MYTHOS**
written and narrated by Stephen Fry
5. **SAPIENS (UNABRIDGED)**
by Yuval Noah Harari and narrated by Derek Perkins
6. **OWN THE DAY, OWN YOUR LIFE (UNABRIDGED)**
written and narrated by Aubrey Marcus
7. **HARRY POTTER AND THE PHILOSOPHER'S STONE, BOOK 1**
by J.K. Rowling and narrated by Stephen Fry
8. **ELEANOR OLIPHANT IS COMPLETELY FINE**
by Gail Honeyman and narrated by Cathleen McCarron
9. **THE TATTOOIST OF AUSCHWITZ**
by Heather Morris and narrated by Richard Armitage
10. **SHERLOCK HOLMES: THE DEFINITIVE COLLECTION**
by Arthur Conan Doyle and narrated by Stephen Fry

TURN IT UP

Since launching Amazon Music Unlimited, Amazon Music's premium streaming tier earlier this year, some of the most streamed new tracks of 2018 in Australia include:



1. **YOUNGBLOOD**
by 5 Seconds Of Summer



2. **BETTER NOW**
by Post Malone



3. **GIRLS LIKE YOU**
by Maroon 5 [feat. Cardi B]



4. **SHOTGUN**
by George Ezra



5. **HAVANA**
by Camila Cabello



In addition to Amazon Music Unlimited, Prime Music is also available in Australia, giving members access to more than two million songs ad-free for up to 40 hours per month - at no additional cost to your Prime membership. Both streaming tiers include access to voice controls powered by Alexa, allowing listeners to easily request music by mood, song title, genre and much more.

Some of the most requested artists via Amazon Music Unlimited on Alexa in Australia include:

1. **ED SHEERAN**
2. **THE WIGGLES**
3. **IMAGINE DRAGONS**
4. **TAYLOR SWIFT**
5. **KATY PERRY**
6. **DRAKE**
7. **AC/DC**
8. **BRUNO MARS**
9. **P!NK**
10. **COLDPLAY**





MARKETPLACE

We're proud to provide new avenues to success for the small and medium businesses that make up the backbone of Australia's economy. While we are still just starting out in our partnership with Aussie businesses, it's been exciting to see so many flourishing on Amazon in the last year. Here are some of the ones we love ...

Erin – Zen Green Tea Matcha's Founder

NSW | Zen Green Tea Matcha

The unexpected appearance of Zen Green Tea Matcha on My Kitchen Rules in 2016 was a watershed moment for the brand, which saw it hailed by contestants as the highest-quality matcha. This exposure brought the brand to the attention of an enormous number of health-conscious Aussies, many of whom gave Zen Green Tea Matcha a try and never looked back. Sharing our customer-first policy, Zen Green Tea Matcha is laser-focused on getting the basics right, and with the successful release of a turmeric matcha variety recently the brand continues to go from strength to strength, particularly since as it has become available on Amazon.com.au, with the launch of Pantry Food & Drinks.

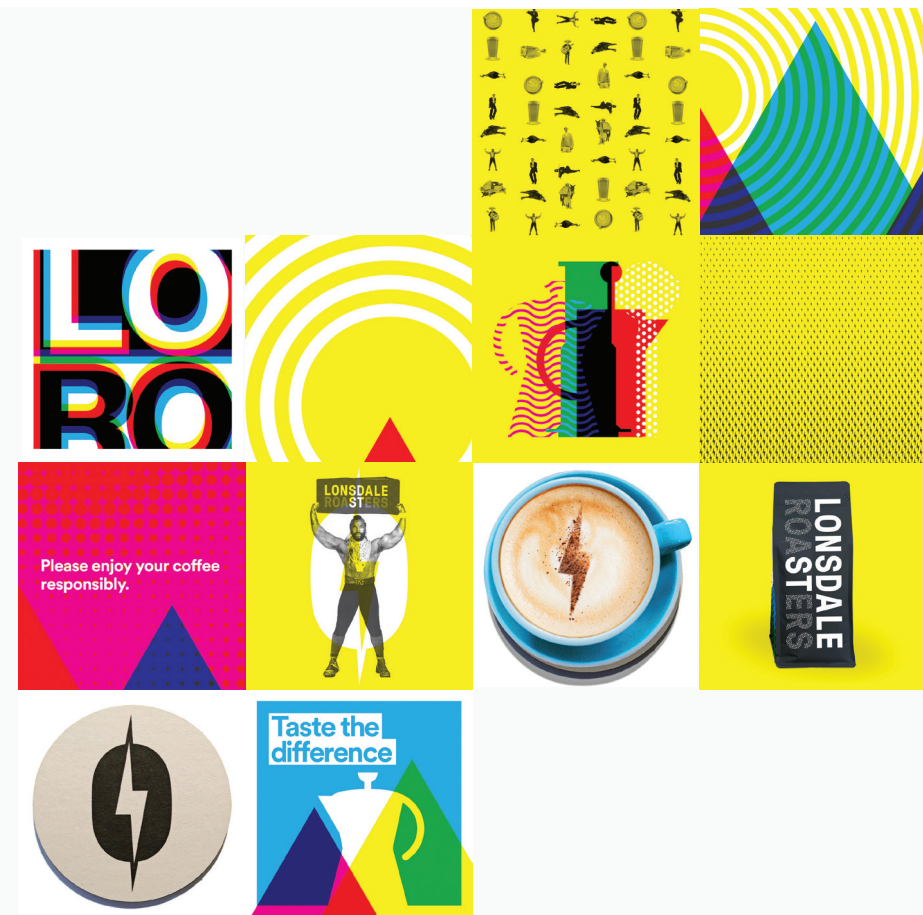


WA | Kitchen Warehouse

Kitchen Warehouse is a family business that joined our marketplace in order to get ahead of the game, knowing the scale of opportunity it presents. While Kitchen Warehouse predominantly sells other brands, it has introduced private brands this year, and has plans to grow with us within Australia. With 80 per cent of its products currently listed on Amazon.com.au, the brand is excited about what the future holds and the potential for increased sales Fulfillment by Amazon can deliver as Australia's buying habits change.

Vic | Orbitkey

Sick of key scratches on your phone and wallet? Melbourne-based pharmacist Rex Kuo and industrial designer Charles Ng feel your pain. Sick of the damage keys could do to other items in their pockets, the pair designed a simple yet effective solution. When their initial Kickstarter ask of \$10,000 attracted a response of \$210,000, OrbitKey was born. Selling initially through their own website, the pair expanded onto amazon.com in the US and enjoyed a very positive experience, particularly with Fulfillment by Amazon. From there, it was an easy decision to list with us locally, and monthly sales on Amazon.com.au have increased by 1,000 per cent since launch. We were particularly excited to see the brand enjoy a 215 per cent jump in daily sales on Prime day!



ACT | Lonsdale Coffee Roasters

Lonsdale Coffee Roasters was founded in 2009 on Lonsdale Street, Canberra as a wholesaler of roasted coffee with a café storefront. After buying and subsequently selling a number of cafes to focus on the core roasted coffee product, the brand built an online retail offering and more recently became part of our Amazon Australia family. Joining on day one Lonsdale has experienced promising sales and foresees a lift now that we've launched our exciting Grocery category.



QLD | Audeara

Dr James Fielding and Dr Chris Jeffery knew they were on to something when they reached their Kickstarter goal of \$100,000 within 12 hours of going live. Their product? The world's first full-fidelity headphones with a built-in hearing test. Now, with products already selling in the UK, US and Australia, Audeara has joined Amazon.com.au and is making plans to move to Fulfillment by Amazon entirely, which will enable us to help them reach consumers faster and with less hassle.

UK & Australia | Dock & Bay

Founded by a travel-loving Aussie and a Brit three years ago in the UK, Dock & Bay created the ultimate quick-drying, super-absorbent, plus-sized travel beach towel. The idea proved supremely popular, and knowing that our marketplace is where people go to find products, the pair thought it was a good way to validate their product idea. Through Amazon they gained access to a wide customer base, as building a storefront and acquiring new customers was not something they were familiar with. Currently the top-selling beach towel in the UK and US stores, our marketplace is one of Dock & Bay's fastest growing Australian sales channels.





amazon

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