RETAIL INSIGHTS: Domestic appliances
Australia 2017
SUMMARY

This report examines insights for the domestic appliance retailing industry in Australia. By compiling top searches from 2015-2016, we are able to better understand the consumer behavior during discovery and inspiration.
To identify a list of compelling insights, we analyzed the top volume queries related to the following categories: consumer electronics, home appliances, kitchen appliances and retailers. We then examined the monthly volume from January 2015 to December 2016. As a result from this approach, we curated the most impactful trends to develop a smarter understanding of customers.
Whitegoods and kitchen appliances searches grew 18% in 2016.

SOURCE
During 2015-2016, **TV & audio** and **domestic whitegoods** were the most searched categories in Australia, accounting for **+72% volume of generic searches**.

## Most searched products

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<thead>
<tr>
<th>TV &amp; audio</th>
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<tr>
<td>television</td>
<td>fridge</td>
<td>blender</td>
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<tr>
<td>dvd player</td>
<td>oven</td>
<td>air fryer</td>
</tr>
<tr>
<td>headphones</td>
<td>washing machine</td>
<td>coffee machine</td>
</tr>
<tr>
<td>speakers</td>
<td>dishwasher</td>
<td>food processor</td>
</tr>
<tr>
<td>blu ray</td>
<td>microwave</td>
<td>pressure cooker</td>
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**SOURCE**  

**TOP 5 PRODUCTS**  
TVs, fridges, dvd players, ovens and washing machines account for **33% of generic searches.**

**WHITEGOODS**  
Whitegoods searches are greater than kitchen appliances searches by **1.4X.**
Search terms growing in interest

Monthly search volume

Search interest over time for *appliances online*

appliances online
food processor
pressure cooker
washing machines
microwave ovens
bar fridges
bluetooth connection
bluetooth speakers
wireless headphones

SOURCE
Search terms growing in interest

Monthly search volume

Search interest over time for *appliances online*

SOURCE

- appliances online
- food processor
- pressure cooker

**Kitchen appliances**
related searches

- washing machines
- microwave ovens
- bar fridges

**Whitegoods**
related searches

- bluetooth connection
- bluetooth speakers
- wireless headphones

**Wireless connection**
related searches
Search terms declining in interest

Search interest over time for *magic bullet*

**SOURCE**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly search volume</td>
<td></td>
</tr>
</tbody>
</table>

- magic bullet
- nutri bullet
- nutri ninja
- ninja blender
- selfie stick
- 4k movies
Search terms declining in interest

Search interest over time for magic bullet

SOURCE

These search terms are expected to decline over the next year.
magic bullet
nutri bullet
nutri ninja
ninja blender
selfie stick
4k movies
Spotlight on...

Whitegoods trends

Kitchen appliances trends

Retail & online store trends
Spotlight on

Whitegoods trends
Strong uptrend for whitegoods

Interest in domestic whitegoods grew by 25% in 2016. Search volume in the last two years has been expanding rapidly.

SOURCE
Strong uptrend for whitegoods

Interest in domestic whitegoods grew by 25% in 2016. Search volume in the last two years has been expanding rapidly.

In 2016, Australians spent $21.7 billion on online retail, and homewares recorded the highest share at 19.6%².

**Brand related volume** accounted for more than 60%¹.

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**SOURCE**

Search reveals the whitegoods' lifecycle

1. dishwasher on sale
2. dishwasher on sale or clearance
3. dishwasher reviews
4. benchtop dishwasher
5. commercial dishwasher
6. dishwasher repairs
7. dishwasher troubleshooting
8. dishwasher tablets

These list of top non-branded searches for dishwashers show commonly searched topics. The search volume values firstly sale, secondly reviews and then repairs.

SOURCE
Seasonal patterns for main domestic whitegoods

Search volume for **dishwashers** and **fridges** peaks from October to December, around key retail events like Black Friday and Christmas sales.

The **Christmas shopping season** accounts for more than **12%** of the annual searches.

SOURCE
Seasonal patterns for main domestic whitegoods

On the other hand, search volume for **washing machines** increases from May to August, around end of financial year sales.

The **winter season** accounts for more than **39%** of the annual searches.

*SOURCE*
Women take the lead for whitegoods research

Women take the lead for whitegoods-related searches across all age groups accounting for 53% of total volume.

SOURCE
Women take the lead for whitegoods research

Women take the lead for whitegoods-related searches across all age groups accounting for 53% of total volume.

Female audience aged 50-64 are responsible for driving 18% of total volume.

SOURCE
In 2016, the share of online spend on homewares and appliances for those aged between 55-64 was 24.3% - the highest spend across all age groups.

### Online spending for age group 55-64

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homewares &amp; appliances</td>
<td>24.3%</td>
</tr>
<tr>
<td>Groceries</td>
<td></td>
</tr>
<tr>
<td>Media</td>
<td></td>
</tr>
<tr>
<td>Fashion</td>
<td></td>
</tr>
<tr>
<td>Department stores</td>
<td></td>
</tr>
<tr>
<td>Personal care</td>
<td></td>
</tr>
<tr>
<td>Takeaway food</td>
<td></td>
</tr>
<tr>
<td>Daily deals</td>
<td></td>
</tr>
<tr>
<td>Electronic games</td>
<td></td>
</tr>
</tbody>
</table>

**SOURCE**
Top months of mobile search

People are 1.5X more likely to search on mobile for home appliances (mainly **dishwashers, vacuum cleaners** and **refrigerators**) during December, compared to 12-month average volume.

PC is still the device of choice with 85% of total volume share.

**SOURCE**
Summary

The interest in domestic whitegoods continues to **grow year on year**.

It is important to note that **whitegoods have different seasonal patterns**. For instance, search volume starts to grow in May for washing machines, while fridges peak in December.
Summary

Searches related to the **product’s lifecycle** are an opportunity to expand visibility across the **consumer decision journey**.
Spotlight on Kitchen appliances trends
Steady uptrend for kitchen appliances

Interest in appliances grew by 9% in 2016. Search volume in the last two years has been growing steadily.

SOURCE
Steady uptrend for kitchen appliances

Interest in appliances grew by 9% in 2016. Search volume in the last two years has been growing steadily.

**Brand related volume** accounted for more than 68%\(^1\).

In year on year terms, the online spend of homeware & appliances in Australia has been expanding rapidly at 17.9%\(^2\).

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**SOURCE**

Searching for recipes by appliance type

Australians trust manufacturers to provide the best recipe based on the appliance type.

Searches for specific branded appliance recipes terms grow and decline based on interest of these new products and their lifecycle.

<table>
<thead>
<tr>
<th>Query</th>
<th>Index</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>air fryer recipes</td>
<td>100</td>
<td>109%</td>
</tr>
<tr>
<td>nutri ninja recipes</td>
<td>30</td>
<td>-31%</td>
</tr>
<tr>
<td>electric pressure cooker recipes</td>
<td>25</td>
<td>66%</td>
</tr>
<tr>
<td>waffle recipes for waffle makers</td>
<td>24</td>
<td>57%</td>
</tr>
<tr>
<td>rice cooker recipes</td>
<td>19</td>
<td>12%</td>
</tr>
<tr>
<td>microwave recipes</td>
<td>13</td>
<td>-19%</td>
</tr>
<tr>
<td>bread maker recipes</td>
<td>17</td>
<td>38%</td>
</tr>
<tr>
<td>dutch oven recipes</td>
<td>16</td>
<td>106%</td>
</tr>
<tr>
<td>food processor recipes</td>
<td>12</td>
<td>13%</td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Jan. 2015 – Dec. 2016, Australia. Note: Index is on a comparative 0-100 scale.
## Searching to make great coffee at home

Great coffee depends on coffee making gear, which is why many Australians are searching for the coffee machines for home.

A good coffee starts with the right beans, which is why there is a growing interest for coffee pods. There also plenty of ways to brew a good cup of coffee at home, people are considering coffee percolator and plungers.

<table>
<thead>
<tr>
<th>Query</th>
<th>Index</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>coffee pods</td>
<td>100</td>
<td>12%</td>
</tr>
<tr>
<td>coffee machines australia</td>
<td>71</td>
<td>58%</td>
</tr>
<tr>
<td>coffee percolator</td>
<td>26</td>
<td>28%</td>
</tr>
<tr>
<td>automatic coffee machines</td>
<td>25</td>
<td>55%</td>
</tr>
<tr>
<td>coffee capsules</td>
<td>21</td>
<td>-28%</td>
</tr>
<tr>
<td>coffee plunger</td>
<td>21</td>
<td>14%</td>
</tr>
<tr>
<td>coffee pod machines</td>
<td>19</td>
<td>20%</td>
</tr>
<tr>
<td>coffee machine reviews</td>
<td>17</td>
<td>-7%</td>
</tr>
<tr>
<td>how to make coffee</td>
<td>16</td>
<td>22%</td>
</tr>
<tr>
<td>best coffee machines for home</td>
<td>14</td>
<td>172%</td>
</tr>
</tbody>
</table>

**SOURCE**
Microsoft internal data, Jan. 2015 – Dec. 2016, Australia. Note: Index is on a comparative 0-100 scale.
Women take the lead for kitchen appliances-related searches across all age groups accounting for 62% of total volume.
Women take the lead for appliances

3 out of 5 kitchen appliances-related searches are conducted by women.

Female audience aged 35-64 are responsible for driving 37% of total volume.

SOURCE
Top months of mobile search

People are 1.5x more likely to search on mobile for kitchen appliances during December, compared to 12-month average volume.

PC is still the device of choice with 82% of total volume share.

SOURCE
Summary

**Year around interest** for kitchen appliances and strong share of online spend.

**Search queries for recipes** provide an opportunity to cross promote kitchen appliances and brand’s blog or website.
Summary

Search interest for **coffee machines and coffee making** is expected to grow in 2017-18.

Female audience aged 35-64 make up most of the volume share.
Spotlight on

Retailer trends
Considerations before shopping offline

Australians are considering three key factors prior to purchasing at brick & mortar stores.

SOURCE
Considerations before shopping offline

Australians are considering three key factors prior to purchasing at brick & mortar stores.

42%  
Retailer had special price offer

33%  
Retailer has wide selection of goods

31%  
Easy to find all items I was looking for

SOURCE  
GfK, “Shopping Monitor”, Oct 2016. Note: Australia, ages 18+, "extremely important".
# Top search queries by retailer type

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<th>Online stores</th>
<th>Brick &amp; mortar stores</th>
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<tr>
<td>online shopping</td>
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</tr>
<tr>
<td>deals</td>
<td>catalogue</td>
</tr>
<tr>
<td>buying</td>
<td>factory seconds</td>
</tr>
<tr>
<td>locations (i.e. ebay usa, brisbane)</td>
<td>sale</td>
</tr>
<tr>
<td>coupon code</td>
<td>clearance centre</td>
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**SOURCE**
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According to trending retailer searches, queries differ depending on the retailer type.

**SOURCE**
Keywords associated with special deals, buying locations and special deals make up for online stores.

Online presence, catalogue and clearance goods are volume drivers for brick & mortar stores.

Online stores take the majority of search volume

**Online stores** are the top search queries for Australians, driving **77% of total retail volume** in 2015-2016.

Interest in **brick & mortar stores** increased by **24%** in 2016, while online stores decreased by **-2%**.
eBay is the most searched retailer in Australia

**eBay** search volume is 1.3X bigger that the combined volume of the top 16 retailers.

eBay kept its No. 1 spot despite a slight **-3% drop in volume.**

**SOURCE**
Local retailers are gaining volume traction

Local retailers experienced the biggest volume growth in 2016. Searches related to **The Good Guys** grew 34%, the big winner in 2016. **Big W** leapfrogged **Amazon** to move into the 4th spot.

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<td>21%</td>
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<td>JB Hi-Fi</td>
<td>60</td>
<td>15%</td>
</tr>
<tr>
<td>Big W</td>
<td>51</td>
<td>13%</td>
</tr>
<tr>
<td>Amazon</td>
<td>49</td>
<td>-3%</td>
</tr>
<tr>
<td>The Good Guys</td>
<td>31</td>
<td>34%</td>
</tr>
<tr>
<td>Kogan</td>
<td>20</td>
<td>13%</td>
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<tr>
<td>Catch of the Day</td>
<td>11</td>
<td>-1%</td>
</tr>
<tr>
<td>OzBargain</td>
<td>7</td>
<td>9%</td>
</tr>
<tr>
<td>Bing Lee</td>
<td>5</td>
<td>25%</td>
</tr>
<tr>
<td>Appliances Online</td>
<td>4</td>
<td>31%</td>
</tr>
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**SOURCE**
Local retailers are gaining volume traction

The launch of Amazon's Australian ecommerce operations during the second half of 2017-18 is anticipated to be the greatest threat to the industry over the period, given the disruptor's strong focus on consumer electronics.

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SOURCE
Online shopping, sale and discount related search terms when shopping online are a key driver for customers. Australian shoppers are savvy and want value for money, so the promotion of sales and offers is a great opportunity for both online stores and brick & mortar stores.
Summary

Given there is limited scope to visualise the dimensions of larger whitegoods and how these products look in a home setting, Australians often prefer to inspect instore before purchasing. This is likely to partly constrain the migration of the industry’s market base to the online shopping stores, like Amazon.

SOURCE