RETAIL INSIGHTS: Fashion
Australia 2017
SUMMARY

This report examines insights for the fashion 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: apparel, sport apparel 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.
Fashion searches grew 13% in 2016.

SOURCE
During 2015-2016, **clothing** and **accessories** were the most searched categories in Australia, accounting for **+75% volume of generic searches**.

SOURCE
Most searched products

<table>
<thead>
<tr>
<th>Clothing</th>
<th>Accessories</th>
<th>Shoes*</th>
<th>Lingerie*</th>
</tr>
</thead>
<tbody>
<tr>
<td>dress</td>
<td>watch</td>
<td>boots</td>
<td>panties</td>
</tr>
<tr>
<td>shirt</td>
<td>jewellery</td>
<td>heels</td>
<td>bra</td>
</tr>
<tr>
<td>top</td>
<td>ring</td>
<td>thongs</td>
<td>underwear</td>
</tr>
<tr>
<td>skirt</td>
<td>hat</td>
<td>sandals</td>
<td>corset</td>
</tr>
<tr>
<td>pant</td>
<td>handbag</td>
<td>sneakers</td>
<td>stockings</td>
</tr>
</tbody>
</table>

SOURCE
* Note: Shoes and lingerie ranked first on each respective category.
Most searched products

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<td>sneakers</td>
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</tr>
</tbody>
</table>

Dresses, shoes, watch, jewellery and rings account for 44% of generic searches.

**DRESSES**

Dress related searches are greater than shoe searches by $2.4X$.

*Note: Shoes and lingerie ranked first on each respective category.*

**SOURCE**
Search terms growing in interest

Search interest over time for jewellery stores

SOURCE
Search terms growing in interest

SOURCE

Monthly search volume

2015 2016

Search interest over time for jewellery stores

jewellery stores
online shopping
dresses online australia

Retail & online store
related searches

plus size clothing
plus size lingerie
plus size dresses

Plus size
related searches

activewear
basketball shoes
Sportwear

Sport apparel
related searches
Search terms declining in interest

Search interest over time for wedding dresses

SOURCE

wedding dresses
bridesmaid dresses
mother of the bride dresses
review clothing
review dresses
smart watches
brown cardigan
maternity clothes
gumboots
Search terms declining in interest

These trends are expected to decline over the next year.

wedding dresses
bridesmaid dresses
mother of the bride dresses
review clothing
review dresses
smart watches
brown cardigan
maternity clothes
gumboots

SOURCE
Spotlight on...

Dress trends

Sport apparel trends

Retail & online store trends
Spotlight on

Dress trends
Seasonality of dress searches

Interest in dress queries grew by 12% in 2016. Search volume peaks around key events like The Melbourne Cup and Click Frenzy, leading up to the summer holiday season.

SOURCE
Seasonality of dress searches

Interest in dress queries grew by 12% in 2016. Search volume peaks around key events like The Melbourne Cup and Click Frenzy, leading up to the summer holiday season.

Occasions and colour dominate the research for Australians, when it comes to shopping for dresses.

Non-brand related volume accounted for more than 79%.

SOURCE
Dress searches driven by occasions

1. wedding dresses
2. formal dresses
3. cocktail dresses
4. evening dresses
5. party dresses
6. prom dresses
7. summer dresses
8. graduation dresses

Social occasions are the most popular words to narrow results for dresses, well above other filters like price, size, colour or fabric.

SOURCE
Social occasions are the most popular words to narrow results for dresses, well above other filters like price, size, colour or fabric.

In 2015-16, the volume of formal/evening dresses was up 2x compared to cocktail/party dresses.
Plus size searches are on the rise

The intensity of search interest in plus size clothing has been increasing steadily across the fashion category on the Bing Network, and in particular around dress-related queries.

<table>
<thead>
<tr>
<th>Query</th>
<th>Index</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>plus size dresses</td>
<td>100</td>
<td>7%</td>
</tr>
<tr>
<td>plus size dresses australia</td>
<td>22</td>
<td>50%</td>
</tr>
<tr>
<td>plus size wedding dresses</td>
<td>17</td>
<td>26%</td>
</tr>
<tr>
<td>plus size evening dresses</td>
<td>16</td>
<td>-1%</td>
</tr>
<tr>
<td>plus size formal dresses</td>
<td>15</td>
<td>81%</td>
</tr>
<tr>
<td>mother of the bride dresses plus size</td>
<td>15</td>
<td>-40%</td>
</tr>
<tr>
<td>plus size dress for special occasions</td>
<td>12</td>
<td>20%</td>
</tr>
<tr>
<td>plus size cocktail dresses</td>
<td>12</td>
<td>40%</td>
</tr>
<tr>
<td>plus size formal dresses australia</td>
<td>10</td>
<td>54%</td>
</tr>
<tr>
<td>plus size maxi dress</td>
<td>10</td>
<td>308%</td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Jan. 2015 – Dec. 2016, Australia. Note: The index is on a comparative 0-100 scale.
Plus size searches are on the rise

The trend towards **plus size fashion shows**, with an increasing number of designer brands using **plus size models**, is continuing to fuel demand for the industry’s products.

Australian retailers are expected to introduce **more fashionable and appealing pieces**, or undertake collaborations with designer brands or exclusive labels.

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue $ million</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>829.2</td>
<td>-1.6%</td>
</tr>
<tr>
<td>2018-19</td>
<td>848.3</td>
<td>2.3%</td>
</tr>
<tr>
<td>2019-20</td>
<td>855.9</td>
<td>0.9%</td>
</tr>
<tr>
<td>2020-21</td>
<td>872.0</td>
<td>1.9%</td>
</tr>
<tr>
<td>2021-22</td>
<td>883.5</td>
<td>1.3%</td>
</tr>
<tr>
<td>2022-23</td>
<td>905.6</td>
<td>2.5%</td>
</tr>
</tbody>
</table>

SOURCE
Unsurprisingly, women take the lead

Female audience take the lead for *dress-related* searches across all age groups accounting for 80% of total volume.

SOURCE
Unsurprisingly, women take the lead

Female audience take the lead for **dress-related searches** across all age groups accounting for **80% of total volume**.

Women in the age group of 35-49 are responsible for driving **22% of total volume**.

SOURCE
Online spending remains dominated by people aged between 33-44, their share is the highest at 24%.

In 2016, their share of online spend on fashion products was 15.2%.

SOURCE
Top months of mobile search

People are 1.3X more likely to search on mobile for **dress occasions, size and colour** during February, compared to 12-month average. PC is still the device of choice with 80% of total volume share.

SOURCE
Summary

Consumer interest for dresses is seasonal and spikes from August to November.

Dress searches for occasions are a key driver of volume. Furthermore, users show high interest in plus size searches.
Summary

Searches are equally distributed across female audiences aged 17-64.

Desktop prevails as the primary device of choice.
Spotlight on

Sport apparel trends
Strong uptrend for sport apparel

Volume surged by 20% in 2016. There is a sudden acceleration of interest in November and December, just before the summer holiday season.

SOURCE
Australians are more reliant on searches related to fitness brands and sport apparel stores to find the latest sportwear.

Volume surged by 20% in 2016. There is a sudden acceleration of interest in November and December, just before the summer holiday season.

**Strong uptrend for sport apparel**

*Brand related volume accounted for more than 96%.*

**SOURCE**
Top footwear searches

There is a growing interest for fitness footwear-related searches, high-quality shoes that are use for both activewear and streetwear use.

1. running shoes  4. football shoes
2. sneakers       5. golf shoes
3. basketball shoes 6. soccer boots

SOURCE
Top sneaker searches

1. nike air max 90
2. nike air max thea
3. adidas yeezy
4. nike roshe
5. adidas nmd
6. adidas superstars

Thanks to product innovation from the leading sport brands and collaborations with celebrities (e.g. Adidas Yeezy Boost designed by Kanye West), there is also a rise in “sneaker models” searches.
Sportswear is on the rise

By grouping sportwear-related queries based on similar search topics that captured Australians attention in 2015-16, we can identify 4 trends that are about to take off in 2017-18: activewear, sports bra, sportwear and gym wear.

<table>
<thead>
<tr>
<th>Query</th>
<th>Index</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>activewear</td>
<td>100</td>
<td>70%</td>
</tr>
<tr>
<td>leotards</td>
<td>106</td>
<td>16%</td>
</tr>
<tr>
<td>sports bra</td>
<td>58</td>
<td>44%</td>
</tr>
<tr>
<td>sportwear</td>
<td>47</td>
<td>29%</td>
</tr>
<tr>
<td>gym wear</td>
<td>29</td>
<td>25%</td>
</tr>
<tr>
<td>fitwear</td>
<td>15</td>
<td>-1%</td>
</tr>
</tbody>
</table>

SOURCE
Microsoft internal data, Jan. 2015 – Dec. 2016, Australia. Note: Index is on a comparative 0-100 scale.
Sportswear is on the rise

As sport apparel becomes more acceptable as streetwear, consumer demand for fashionable yet functional activewear will continue to grow rapidly, to reach $2.0 billion by 2017-18 in Australia.

Retailers successfully made sportswear an integral part of customers’ lifestyles.

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<td>2017-18</td>
<td>2,049</td>
<td>1.7%</td>
</tr>
<tr>
<td>2018-19</td>
<td>2,125</td>
<td>3.7%</td>
</tr>
<tr>
<td>2019-20</td>
<td>2,193</td>
<td>3.2%</td>
</tr>
<tr>
<td>2020-21</td>
<td>2,254</td>
<td>2.8%</td>
</tr>
<tr>
<td>2021-22</td>
<td>2,327</td>
<td>3.2%</td>
</tr>
<tr>
<td>2022-23</td>
<td>2,394</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

SOURCE
People in the age group of 35-49 are responsible for driving 34% of total search volume.

SOURCE
Gen X take the lead on activewear

People in the age group of 35-49 are responsible for driving 34% of total search volume.

Although people aged 35-44 make up approximately 17% of adult population, their share of online spend is the highest at 24%.

SOURCE
Top months of mobile search

People are more likely to search on mobile for **sport brands** in January and December, compared to 12-month average volume. This period overlaps with the swimsuit season.

PC is the device of choice with 86% of total volume share.

*SOURCE*
Summary

The **strong year-on-year search growth** of sport apparel provides an opportunity to capitalize on the global phenomenon of **activewear and streetwear use**.
Customers are **searching for all things sneaker**, from the best running shoes to the latest releases.

Audience aged **35-49 make up most of the volume share**, and their share of online spending is the highest across all age groups.
Considerations before shopping offline

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

SOURCE
GfK, "Shopping Monitor", Oct 2016. Note: Australia, ages 18+, "extremely important".
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

<table>
<thead>
<tr>
<th>Online stores</th>
<th>Brick &amp; mortar stores</th>
</tr>
</thead>
<tbody>
<tr>
<td>returns</td>
<td>online shopping</td>
</tr>
<tr>
<td>discount code</td>
<td>shop online</td>
</tr>
<tr>
<td>deals</td>
<td>sale</td>
</tr>
<tr>
<td>coupon code</td>
<td>catalogue</td>
</tr>
<tr>
<td>promo code</td>
<td>online store</td>
</tr>
</tbody>
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SOURCE
According to trending retailer searches, queries differ depending on the retailer type.

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</tr>
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</table>

Keywords associated with **special deals** and **flexible returns** make up for online stores.

**Online presence** and **good deals** are volume drivers for brick & mortar stores.

SOURCE
Online stores take the majority of search volume

**Online stores** are the top search queries for Australians, driving **78% of total retail volume** in 2015-2016.

Brick & mortar stores increase their search share in November and December festive season.

SOURCE
eBay is the most searched retailer in Australia

**eBay** search volume is 1.4X bigger that the combined volume of retailers ranked in No. 2-9 spots. eBay kept its No. 1 spot despite a slight **-3% drop in volume.**

Local retailers are gaining volume

Local retailers experienced the biggest volume growth in 2016. Searches related to The Iconic increased by 24%, the big winner in 2016. Big W leapfrogged Amazon to move into the 2nd spot. Target suffered the biggest loss in volume.

<table>
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<th>Searches related to</th>
<th>Index</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Big W</td>
<td>100</td>
<td>14%</td>
</tr>
<tr>
<td>Amazon</td>
<td>95</td>
<td>-3%</td>
</tr>
<tr>
<td>The Iconic</td>
<td>84</td>
<td>24%</td>
</tr>
<tr>
<td>Target</td>
<td>73</td>
<td>-4%</td>
</tr>
<tr>
<td>David Jones</td>
<td>61</td>
<td>12%</td>
</tr>
<tr>
<td>Asos</td>
<td>31</td>
<td>2%</td>
</tr>
<tr>
<td>Kmart</td>
<td>24</td>
<td>12%</td>
</tr>
<tr>
<td>Catch of the day</td>
<td>22</td>
<td>-1%</td>
</tr>
<tr>
<td>Rebel Sports</td>
<td>21</td>
<td>8%</td>
</tr>
</tbody>
</table>

SOURCE
Summary

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.