

The rise of online alcohol delivery.



In recent years we've seen a rapid growth in Australians using online alcohol delivery services, with more people jumping on their mobile device to purchase beer, wine or spirits.¹

Existing alcohol retailers have responded by increasing their ability to sell drinks online and deliver them straight to people's doorsteps.²

And, a number of new companies have pushed their way into the online delivery marketplace.²

Revenue from online alcohol sales has increased at an average of 19.1% each year since 2016, hitting \$1.8 billion in 2021.³

Although evidence around the impact of online alcohol delivery is limited, health organisations are concerned about the potential for it to increase alcohol-related harms.

This is largely because these services are not regulated as strictly as traditional alcohol outlets,² and there are worries that:

- underage drinkers are receiving alcohol without proper ID checks
- home delivery has the potential to increase the risk of secondary supply and young people's exposure to alcohol products, normalising alcohol as part of everyday life
- delivery services are being used to extend heavy drinking occasions that otherwise would have ended
- risky drinkers, including those experiencing alcohol dependence, are using online delivery to access alcohol quickly and easily.²⁻⁴

HOW DOES ONLINE ALCOHOL DELIVERY WORK?

The online delivery market is dominated by the large supermarket chains, as well as several smaller independent companies.

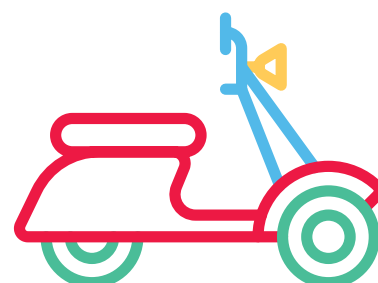
Some of the main ones are:

- Endeavor Group (Woolworths): Dan Murphy's, BWS, Jimmy Brings
- Coles Group: Liquorland, First Choice, Vintage Cellars
- Smaller retailers: Naked Wines, Boozebud, Metcash, Cellarbrations, Thirsty Camel, Tipple, Liquoroo.

Other businesses, including online food delivery services, such as Uber Eats and Deliveroo, are also competing for market share.

THE THREE MAIN MODELS OF DELIVERY:

Rapid delivery	Alcohol advertised as arriving within 30 minutes of order
Same day delivery	Alcohol ordered for delivery that day, sometimes - but not always - within a few hours
Next day delivery	Alcohol ordered for delivery the following day or later



The impact of COVID-19

When COVID restrictions and lockdowns forced people to spend more time at home, alcohol retailers responded by heavily promoting their ability to deliver alcohol directly to people's doorsteps; while smaller bars and pubs opened local takeaway and alcohol delivery options.³

As a result:

- Coles online alcohol sales increased by 90% from the second half of 2019 to the second half of 2020.³
- Endeavour Group (Woolworths) had online alcohol sales growth of 50.2% in the second half of 2020.³
- In 2020, 11.3% of all alcohol purchased in Australia was bought online. This number more than tripled the 2019 figure of 3.5%.⁵

Although it seems logical for online delivery to increase while hospitality is shut down, there's concern over the **aggressive marketing tactics** used by alcohol retailers to promote their services during COVID-19.^{3,4}

One study found alcohol marketing posts penetrated Facebook and Instagram feeds every 35 seconds, promoting:

- easy access to alcohol without leaving the home
- buying more alcohol
- using alcohol at home to cope, survive or feel better during the uncertainty of the pandemic.⁶

This is problematic since alcohol can worsen the negative impacts of social isolation for some people and it should never be promoted as something to help you get through tough times. Increased drinking can make financial and social stresses worse, and contribute to mental health issues, such as anxiety and depression.^{4, 7}

Increased alcohol use in the home has also been linked to family violence, abuse and neglect.^{4, 7-9}

What are the potential harms of online delivery?

DELIVERY TO UNDER 18S

Concerns have been raised about online delivery services not checking IDs properly when dropping off alcohol at someone's doorstep, or when the original purchase is made online.

There's evidence that overall, age verification compliance is considerably worse for online alcohol delivery services than in physical liquor stores.¹

A survey from CAPR/FARE found that of their 528 respondents who were under 25 years, 36.2% did not have their ID checked on delivery because:

- it wasn't asked for
- someone accepted the order for them
- the delivery was left unattended (many home delivery services allow alcohol to be left unattended at the customer's doorstep).²

Separate research conducted by VicHealth found that 1 in 4 participants aged 18-24 years did not have their ID checked.⁴

Many public health advocates are concerned that this method of selling alcohol has made underage drinking and risky drinking easier for teenagers – potentially increasing alcohol-related harms in this group.^{1, 2}

Furthermore, home delivery potentially increases the opportunity for secondary supply and young people's exposure to alcohol in the home.



SECONDARY SUPPLY

‘Secondary supply’ is when an adult provides alcohol to someone under 18 – and it’s the most common way that underage drinkers obtain alcohol.¹⁰

In Australia, it’s against the law to serve alcohol in a private home to anyone under 18, unless you’re the young person’s parent or guardian or, in the case of most states and territories, you have permission from the parent/guardian.

Secondary supply laws are no different when it comes to online alcohol delivery. It is illegal for any individual over 18 to use an online delivery service to supply alcohol to an underage person unless they are the parent or guardian. Read more about secondary supply [here](#).

INTOXICATED PEOPLE AND HIGH-RISK DRINKERS

Alcohol intoxication is linked to a wide range of harms, including deaths, suicides, injury, domestic violence, road accidents, reoffending and child abuse and neglect.¹¹⁻¹⁵

Online delivery can be easily accessed by people who are already heavily intoxicated – potentially increasing the risk of some of these harms occurring.

People who use rapid delivery services are more likely to be drinking at very risky levels.

In VicHealth’s survey:

- 37% of people who used rapid delivery services reported very risky drinking at least monthly
- for people who didn’t use rapid delivery services, only 11% reported very risky drinking at least monthly.^{2, 16}

And because online alcohol can be delivered so quickly, it can extend drinking sessions that otherwise may have ended because there’s nothing left to drink.

- The CAPR/FARE survey found that of the respondents who used a rapid delivery service in the past year, 28% said they would have stopped drinking if the service had not been available.²
- VicHealth research also found that 77% of those who used alcohol delivery services weekly, would have stopped drinking on some, most, or all occasions if delivery hadn’t been available.¹⁶

Liquor Acts in every state and territory make it illegal to sell, serve or supply alcohol on a licensed premises to someone who is intoxicated.¹⁷

Some Acts have also been amended to specify online delivery. For further information visit your relevant state or territory liquor regulator’s website:

- ACT: [Access Canberra – Liquor licensing and permits](#)
- NSW: [Liquor & Gaming NSW](#)
- NT: [NT.GOV.AU – Liquor and hospitality](#)
- QLD: [Office of Liquor and Gaming Regulation](#)
- SA: [SA.GOV.AU – Liquor](#)
- TAS: [Department of Treasury and Finance – Liquor and Gaming](#)
- VIC: [Victorian Commission for Gambling and Liquor Regulation](#)
- WA: [Department of Local Government, Sport and Cultural Industries](#)

MARKETING STRATEGIES AND PRICING

Access to cheap alcohol is now easier than ever due to online delivery services.

Many online retailers also offer promotions and discounts to tempt customers to purchase larger amounts of alcohol.

In one Australian study, 81.5% of online retailers offered discounted prices for larger purchases. And, 53.8% offered free or discounted delivery for purchases over a certain dollar amount.¹ For example:

- “\$2 delivery on app orders! (limited time only)”
- “Order 7 times get your 8th [delivery] free”
- “Handpicked by Jimmy Brings, 2 for \$20.99 (save \$7)”¹⁸

So why does this matter?

It matters because price is recognised as one of the most effective ways to reduce alcohol-related harms.¹⁹

We know there’s a link between cheap alcohol and harms such as disease and injuries, road accidents and violence.²⁰⁻²²

This is because cheap alcohol encourages consumers to drink more, increasing the likelihood of harms occurring.^{23, 24}

Heavy drinkers are also more likely to prefer cheap drinks and respond more to price changes.

When the cost of cheap alcohol increases, heavy drinkers tend to not drink as much, reducing some of the associated harms.^{25, 26}

Some online services are also offering customers 'buy now, pay later' (BNPL) options, like Afterpay and Zip Money. This allows customers to make a purchase but delay the full payment, spreading the cost out over weeks or months.

This makes alcohol easier to access, as it significantly reduces the upfront cost.¹ But, this can be a financial risk for people who might be struggling with money and use Afterpay to purchase alcohol they can't afford.¹ This could include someone experiencing an alcohol dependence or someone who is very intoxicated while placing an order and their judgement is affected.¹

ACCESS HOURS AND INCREASED AVAILABILITY

Overall, online delivery has made alcohol much easier and convenient to access. This includes at night-time – when alcohol harms are most likely to occur.²⁷⁻²⁹

The CAPR/FARE survey found:

- respondents were more likely to order after 6pm
- 51% of rapid delivery orders were placed between 6 – 9pm
- a further 20% were placed between 9am and midnight.²

And, we know that:

- alcohol-related assaults increase significantly between 6pm and 3am
- 37% of these assaults happen in the home
- more than half (57%) are family violence-related
- suicides and sudden or unnatural deaths involving alcohol are more likely to happen at night and in the home.^{27, 28}

One way to lower alcohol harm in a particular area is to reduce its physical availability – for example, by only allowing a certain number of pubs, bars and bottle shops to operate so alcohol isn't too easily available. This is known as restricting 'outlet density'.³⁰

But, online delivery services are not bound by physical space. They can deliver to anyone across different postcodes and will often overlap with other delivery services.

Because people can now get alcohol at physical outlets and through online delivery, it's much more available in any given community and it's harder to use 'outlet density' as a way to manage alcohol harm in that area.³¹

WHAT WOULD GOOD PRACTICE LOOK LIKE?

There have been a number of suggestions put forward by key health organisations and public health advocates that could reduce the potential for some harms associated with online alcohol delivery:

- **A minimum 2-hour delay between purchase and delivery** – to help restrict delivery to intoxicated individuals and high-risk drinkers.
- **Drivers receiving proper 'Responsible Serving of Alcohol' (RSA) training** – including the ability to identify intoxicated individuals and refuse service.
- **No delivery between 10pm and 10am** – to reduce late night delivery when alcohol harms are most likely to occur.
- **Proper ID checking when the purchase is made online, and when the alcohol is delivered to the doorstep** – to reduce the likelihood of underage access.

For a more detailed list of recommendations, see:

- Alcohol Change Vic:
<https://www.alcoholchangevic.org.au/downloads/position-statements/online-alcohol-sales-and-delivery-position-statement.pdf>
- PHAA/FARE/PHAIWA:
<https://www.phaa.net.au/documents/item/3740>



Help and Support

If you're worried about yourself or somebody's use of alcohol, there is support available:

DrugInfo

1300 85 85 84

Free, confidential and non-judgmental telephone and email information, advice and referral service for alcohol and other drug-related enquiries.

National Alcohol and Other Drug Hotline

1800 250 015

24-hour phonenumber that offers telephone counselling, information, support and referral to treatment services for anyone seeking help for their own, or another person's, alcohol or drug use.

Family Drug Help (VIC, SA, TAS)

1300 660 068

Family Drug Support (NSW, ACT, QLD)

1300 368 186

Parent and Family Drug Support Line (WA)

1800 653 203

If you are affected by someone's alcohol or drug use you can contact any of the above 24-hour helplines for information, support, counselling, and educational programs.

Path2Help

adf.org.au/path2help

Path2Help is an intuitive online tool designed to help you find local support and information tailored to the specific needs of your loved ones who use alcohol and other drugs.



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