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Media Alert: **UK Consumers Spent £110.6 Billion**Online in 2022, Driven by Heavy Discounting from Retailers

- The UK digital economy greatly expanded during the pandemic, with 2022 online spending up a significant 42.3% compared to pre-COVID 2019 figures
- Rising energy and food costs have created a more price-conscious UK consumer, who spent £110.6 Billion online in 2022, 8.6% less than the year prior
- E-commerce remains a growth channel, with shoppers buying more items but spending less—the result of heavy retailer discounting

LONDON, UK — **23rd January, 2023** – Today, Adobe (Nasdaq:ADBE) released UK online retail insights for the 2022 calendar year. Based on <u>Adobe Analytics</u> data, the report covers tens of billions of visits to UK retail sites, 100 million SKUs, and 18 product categories, analysing sales transactions online to provide the most comprehensive view into UK ecommerce. Adobe Analytics is part of Adobe Experience Cloud, relied upon by major retailers to deliver, measure, and personalise shopping experiences online.

The total amount spent online by consumers decreased by 8.6% compared to 2021, falling to £110.6 billion last year. Despite the decline in annual spending – primarily driven by heavy discounting from retailers and consumers seeking out deals in response to the cost-of-living crisis – basket sizes grew. The average number of items in each online order increased from 3.3 in 2021 to 3.4 in 2022, pointing to a growing consumer preference for shopping online, notably during a year when physical retail rebounded strongly after extended COVID restrictions. Online spending increased by 42.3% compared with 2019, the last year with no restrictions on retailers.

While online spending was lower across 2022 compared with 2021, December figures showed more positive signs of spending acceleration, with a lower year-over-year (YoY) decrease of just 7.4% compared with October and November, when inflation and rising energy costs influenced a more pronounced 11.3% drop relative to the same period in 2021. During the Christmas shopping period (November 1st – December 31st), consumers spent a total of £22.4 billion online, a 10.1% YoY drop. Compared with December 2019's pre-COVID figures, December 2022 online spending grew by 17%.

"While UK consumers spent less in 2022, our data shows that on average they bought more items, as they took advantage of discounts offered by retailers and hunted down bargains.," said Suzanne Steele, Vice President and Managing Director

for Adobe in the UK. "The digital economy remains strong, but to weather the cost-of-living crisis in 2023, businesses must be mindful of how they price and promote products and services to increasingly cost-conscious consumers."

Additional Adobe Analytics Insights

- Mobile was the most dominant online shopping channel in 2022, with more than half (56.8%) of purchases taking place on smartphones a 10.9% YoY increase in share.
- Overall, consumers spent £62.8 billion from the palms of their hands during the year, £13.2 billion of which was spent in November and December.

Methodology

Adobe provides the most comprehensive view into UK e-commerce by analysing direct consumer transactions online. The analysis covers tens of billions of visits to UK retail sites, 100 million SKUs and 18 product categories — more than any other technology company or research organization. Adobe Analytics is part of Adobe Experience Cloud, which major retailers rely upon to deliver, measure, and personalise shopping experiences online.

2022 data covers the period from January 1st 2022 to December 31st 2022.

About Adobe

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