



Media Alert: Adobe Digital Price Index: Online Prices Fall 2.6% in June, a 36-Month Low

- Online prices continued to drop, falling 2.6% compared with June 2022 and 1.3% below May 2023
- Grocery price increases have now slowed for nine consecutive months
- Categories including electronics, computers and appliances continued to see significant price drops

SAN JOSE, Calif. — July 11, 2023 — Today, Adobe (Nasdaq:ADBE) announced the latest online inflation data from the [Adobe Digital Price Index](#) (DPI), powered by [Adobe Analytics](#). Online prices in June 2023 fell 2.6% year-over-year (YoY), the most significant decrease since May 2020 when prices fell 1.5% YoY. June marks the 10th consecutive month of YoY price decreases, with over half of Adobe's tracked categories (11 of 18) seeing prices fall on a YoY basis. On a month-over-month (MoM) basis, online prices fell 1.3% in June. Price drops have been driven by sharp declines in categories including electronics (down 12.9% YoY and 2.3% MoM), computers (down 16.9% YoY and 2.5% MoM) and appliances (down 8.3% YoY and 1.3% MoM).

In recent months, YoY price increases have slowed in certain staple categories including groceries and pet products. Compared to May 2023's 8.2% YoY increase, grocery prices were up 7.6% YoY (and 0.1% MoM) in June, providing some relief as consumers look for the high costs of food items to come down; June marks the ninth consecutive month where YoY price increases for groceries have decelerated from September 2022's record high, when prices rose 14.3% YoY. Online price increases for pet products have also slowed, up 8.1% YoY (up 0.1% MoM) in June, down from May 2023's 10.2% YoY increase and April 2023's 11.3% YoY increase.

Notable categories in the Adobe Digital Price Index for June

Adobe's Digital Price Index provides the most comprehensive view into how much consumers pay for goods online, complementing the Bureau of Labor Statistics' Consumer Price Index, which captures offline prices. Powered by Adobe Analytics, the DPI analyzes 1 trillion visits to retail sites and over 100 million SKUs across 18 product categories: electronics, apparel, appliances, books, toys, computers, groceries, furniture/bedding, tools/home improvement, home/garden, pet products, jewelry, medical equipment/supplies, sporting goods, personal care products, flowers/related gifts, non-prescription drugs and office supplies.

In June, 11 of the DPI's 18 categories saw YoY price decreases, with the largest drop in the flowers and related gifts category, which fell 29.7% YoY (and 6.1% MoM). By contrast, seven categories experienced YoY price increases in June, including personal care, pet products, groceries, non-prescription drugs, tools/home improvement, medical equipment/supplies and apparel.

Notable categories for June 2023 include:

- **Groceries:** Price increases have slowed for the grocery category, which rose 7.6% YoY (up 0.1% MoM), compared to a May YoY increase of 8.2%, 9.3% YoY in April and 10.3% YoY in March. Consumers are continuing to purchase more groceries online, and this category has moved in lock step with the Consumer Price Index.
- **Appliances:** Prices were down 8.3% YoY (and 1.3% MoM), the highest drop for this category since Adobe began tracking online prices in 2014. June also marked the ninth consecutive month of falling appliance prices online.

- **Electronics:** Prices have fallen sharply in recent months, dropping 12.9% YoY (down 2.3% MoM) and 12% YoY in May. Contrast this with a year ago, in June 2022, when prices were down 7.3% YoY. As a major discretionary category, electronics price movements have a significant impact on overall inflation online.
- **Pet Products:** Prices were up 8.1% YoY (up 0.1% MoM), increasing less than months prior when prices were up 10.2% YoY in May 2023, up 11.3% in April 2023 and up 11.2% in March 2023. Online price increases for pet products peaked in August 2022 when they were up 12.7% YoY.

Methodology

Adobe's DPI is modeled after the Consumer Price Index (CPI), published by the U.S. Bureau of Labor Statistics, and uses the Fisher Price Index to track online prices. The Fisher Price Index uses quantities of matched products purchased in the current period (month) and a previous period (previous month) to calculate the price changes by category. Adobe's analysis is weighted by the real quantities of the products purchased in the two adjacent months.

Powered by Adobe Analytics, Adobe uses a combination of Adobe's AI and machine learning framework Adobe Sensei and manual effort to segment products into the categories defined by the CPI manual. The methodology was first developed alongside renowned economists Austan Goolsbee and Pete Klenow. Adobe Analytics is part of Adobe Experience Cloud, which over 85% of the top 100 internet retailers in the U.S.* rely upon to deliver, measure and personalize shopping experiences online.

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**Per the Digital Commerce 360 Top 500 report (2021)*

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