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Adobe Analytics Insights: Consumers spent \$211.7 billion online in the holiday season

Delhi, India — January 11, 2023 — Today, Adobe announced new report on online consumer spendings during the holiday season. Consumers spent a total of **\$211.7 billion** online from Nov. 1 to Dec. 31, growing **3.5%** year-over-year (YoY) and setting a new record for e-commerce. While Cyber Week (the 5 days between Thanksgiving and Cyber Monday) was a key contributor, driving \$35.3 billion in online spend and growing 4% YoY, shoppers hit the buy button all season long: **38 days** surpassed \$3 billion in daily spend this holiday season, on par with last year. For comparison, only 25 days in the 2020 season surpassed \$3 billion.

Retailers had a strong season online

The resilient holiday season was driven by demand for **toys**, where online sales grew **206%** compared to pre-season levels in October 2022, as well as video games (up 115%) and apparel/accessories (up 94%). Sub-categories that saw strong demand include watches (up 108%), baby toys (up 101%), gift cards (up 98%), cosmetics (up 90%), outdoor grills (up 86%), speakers (up 76%), and smart home products (up 67%).

Top sellers this holiday season included Legos, Hot Wheels, Paw Patrol, LOL Surprise, Squishmallows, Bluey, and Cocomelon for toys. Top gaming consoles included Nintendo Switch, Xbox Series X, and PlayStation 5, while top games included God of War, Madden 23, FIFA 23, and Call of Duty. Other top sellers this holiday season included Apple AirPods, Roku devices, air fryers, vacuums, and umbrella strollers.

Big discounts drew in price-sensitive shoppers

Across major e-commerce categories, discounts hit record highs this holiday season. Shoppers found great deals in toys, where discounts peaked at **34%** off listed price (vs 19% in 2021), as well as electronics at **25%** (vs. 8%). Discounts were strong across other categories including computers at 20% (vs 10%), apparel at 19% (vs 13%), televisions at 17% (vs 11%), appliances at 16% (vs 4%), sporting goods at 10% (vs 6%), and furniture at 8% (vs 2%).

"At a time when consumers were dealing with elevated prices in areas such as food, gas, and rent, holiday discounts were strong enough to sustain discretionary spending through the entire season," said Vivek Pandya, lead analyst, Adobe Digital Insights. *"The big deals*

drew in consumers and drove volume, helping retailers who were challenged with oversupply issues, particularly in categories such as apparel, electronics, and toys."

Additional Adobe Analytics Insights

- **Mobile shopping:** This holiday season, 47% of online sales came through smartphones (up from 43% in 2021). Christmas Day (Dec. 25) set a new mobile record, driving the majority of online sales at 61% (up from 58%). For years, retailers have struggled to move the needle on mobile shopping, and the strong growth this season shows that investments made in improving the experience are beginning to pay off.
- **Buy Now Pay Later:** In an uncertain economic environment, shoppers have explored new ways to manage their budgets. In the holiday season overall, Buy Now Pay Later (BNPL) orders rose 4% when compared to 2021. Revenue however, decreased by 2%, indicating that shoppers are increasingly using BNPL for smaller shopping carts.
- **Curbside pickup:** The fulfillment method was used in 21% of online orders this holiday season (for retailers that offer the service), down slightly from 23% in the year prior. From Dec. 22 to Dec. 23 (right before Christmas Eve), curbside pickup peaked at 42% of online orders, with anxious shoppers using the service to get gifts in time. Curbside has cemented itself as a major fulfillment method, providing brick-and-mortar retailers new ways to drive value from their physical storefronts.
- **Impact of marketing investments:** Across major marketing channels, paid search remained the biggest driver of sales for retailers this holiday season (29% of online sales attributable to that channel). Direct web visits (19%), organic search (17%), affiliates/partners (16%), and email (15%) were also major contributors. Revenue directly attributable to social media remained at less than 3% of total sales this season, but that share has grown 24% YoY.

The impact of inflation

This holiday season, strong consumer spending online has been driven by net-new demand, and not simply higher prices. The Adobe [Digital Price Index](#) (DPI), which tracks e-commerce prices across 18 categories, shows that prices online have been [falling YoY](#) since September 2022. Adobe figures are not adjusted for inflation, but if online inflation were factored in, there would still be growth in underlying consumer demand.

Methodology

Adobe provides the most comprehensive view into U.S. e-commerce by analyzing direct consumer transactions online. The analysis covers over one trillion visits to U.S. 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 over 85% of the top 100 internet retailers in the U.S.* rely upon to deliver, measure, and personalize shopping experiences online.

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

Attribution Guide: The data is from Adobe [the company], but Adobe Analytics [the tool] is where the data comes from. Suggested attribution: The latest Adobe Analytics figures have shown record spending on Black Friday and Thanksgiving.