



2022 HOLIDAY SHOPPING TRENDS:

MOBILE DOMINATES, DIGITAL PAYMENTS GAIN GROUND

Digital once again played a powerful role in last year's holiday shopping season, influencing how customers browsed, selected, and paid for their purchases. Here are some key insights on the holiday shopping season of 2022 and the role of digital on consumer spending trends.

MOBILE SHOPPING DRIVES MAJORITY OF ONLINE SALES

Over 75% of U.S. adults in 2022 reported making purchases online using a smartphone, while 69% preferred to shop via desktop or laptop.

This strong preference for online shopping through mobile was evident in online sales trends during the holidays.

Preferred Devices for Online Shopping

% of Americans who reported making online purchases using select devices



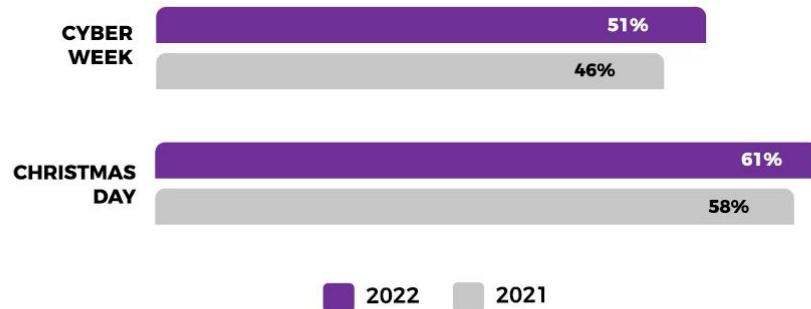
Source: Survey of U.S. adults conducted July 5-17, 2022.
PEW RESEARCH CENTER

MOBILE SETS NEW RECORDS

For the first time, mobile shopping drove the bulk of online sales during Cyber Week—the period covering Thanksgiving, Black Friday, and Cyber Monday. According to Adobe Analytics, [51% of ecommerce sales came through smartphones](#), up from 46% in 2021.

Mobile also set a new record for Christmas Day shopping, contributing [61% of total online sales](#), up from 58% the previous year.

Online Sales Driven By Mobile Shopping



Source: Adobe Analytics

BETTER APP EXPERIENCE ATTRACTS USERS

The gains of mobile shopping are a testament to the vastly improved app experiences offered by retailers. While mobile has been a growing channel for ecommerce, historically a lot of consumers still preferred the easier navigability of desktop. The 2022 holiday season proved to be an inflection point, highlighting the increasingly significant role of smartphones in driving ecommerce growth.

At our company, FROM, The Digital Transformation Agency, we work with major brands to optimize the power of mobile in delivering exceptional customer experiences. In our partnership with Avis, we helped them build QuickPass, a digital car rental service that allows users to skip the lines on the rental counter and manage their booking instead in a mobile app.

Having an accessible, easy-to-use app got more customers to use the service and made the rental experience more convenient and efficient.



DIGITAL PAYMENTS GAIN GROUND

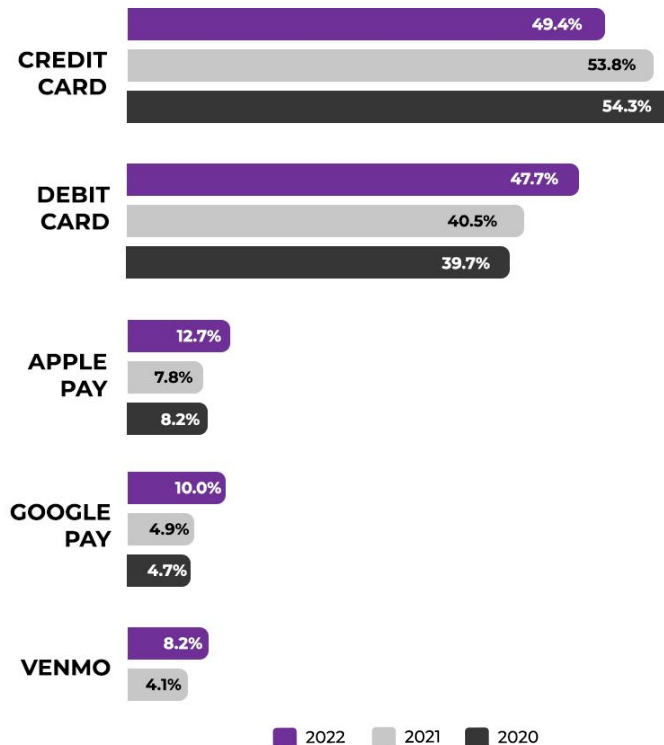
While credit and debit cards remain the leading payment methods for customers, digital payments gained more traction in last year's holiday shopping season.

Google Pay and Venmo were the biggest winners, both [doubling their share of users in 2022](#). Apple Pay also made headway, as nearly 13% of Black Friday online shoppers used the app for their purchases, following a small dip to 7.8% in 2021.

Digital payments also enjoyed robust growth in brick-and-mortar stores. In-store Venmo use [increased by 63%](#), and Samsung Pay usage among in-store shoppers grew by 23%.

Black Friday Online Payment Practice

Share of Black Friday online shoppers who paid using select methods, by year



Source: PYMNTS

CONSUMERS FAVOR EASE OF USE

Growing consumer preference for a seamless payment experience is the key driver in the expansion of digital payments. In a recent survey, [35% of customers](#) considered ease of use as the most important factor in choosing a payment method, while only 27% preferred a payment choice that gives them the “best deal.”

The remarkable growth of digital wallets suggests that these payment options will become a more integral part of consumer spending. For retailers, incorporating the broadest possible array of digital payment options into their customer experience will be an essential investment in their long-term sales strategies.

At FROM, we've consistently observed ease of use to be a major driving force in user adoption of new digital platforms. In our collaboration with the American Automotive Association (AAA), we designed an app that made it easier for customers to receive roadside assistance. This digital solution reduced the number of inbound calls to the company's call center and increased customer satisfaction.

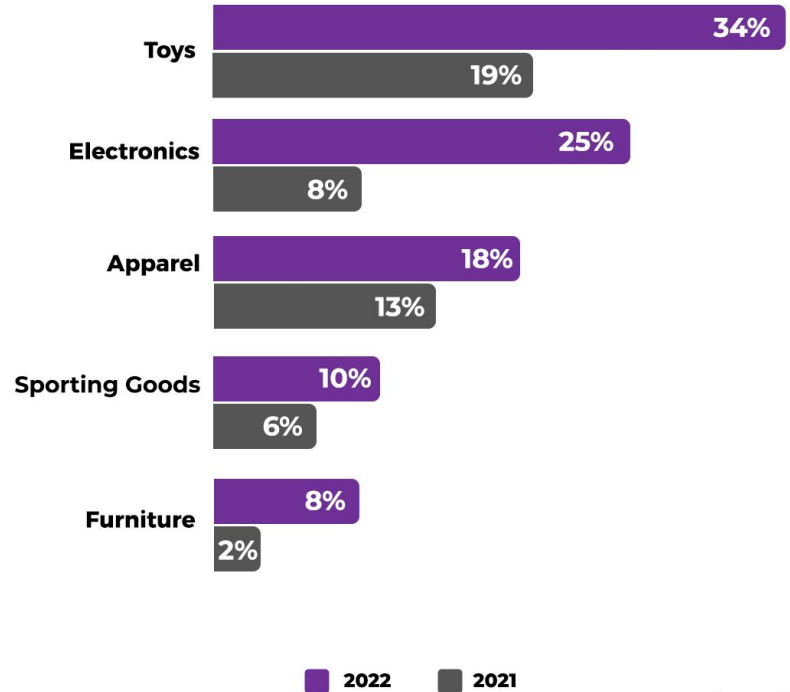


ONLINE HOLIDAY SHOPPING SALES BOOSTED BY MASSIVE DISCOUNTS

[Markdowns in online retail hit record highs](#) in last year's holiday shopping season. Consumers found significant discounts across all product categories, including toys at 34% off regular price (vs. 19% in 2021), electronics at 25% off (vs. 8% last year), and apparel at 18% off (vs. 13%).

The steep discounts were a key driver of online retail sales, which hit record highs for both Thanksgiving weekend and Christmas.

2022 Holiday Shopping Season Online Discounts



Source: Adobe Analytics

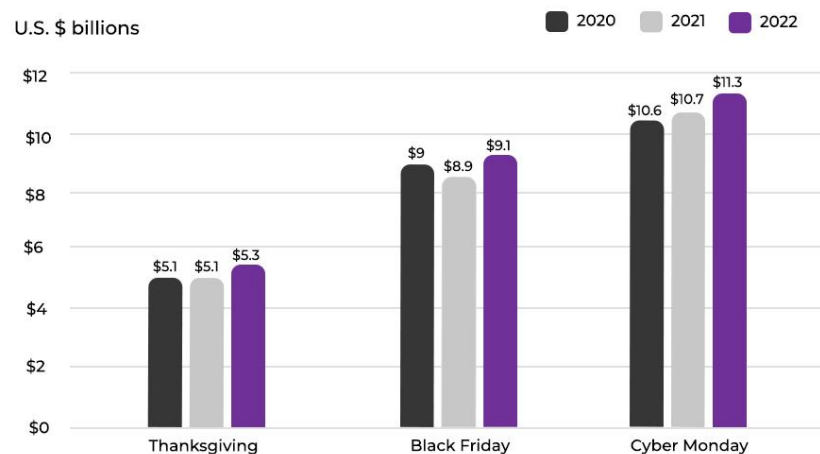
ONLINE SALES HIT RECORD HIGHS

On Cyber Monday, the biggest online shopping day of the year, consumers spent \$11.3 billion, up by almost 6% from the previous year. Black Friday ecommerce sales crossed the \$9 billion mark, representing a 2.3% increase over 2021.

Meanwhile, online sales for the Christmas season reached [\\$211.7 billion](#), representing a 3.5% growth from the previous year.

These record sales were fueled by consumer demand and not just inflation. In fact, online prices dropped by [0.7% year-over-year in October](#) and by [1.6% in December](#) as a result of these generous holiday discounts.

U.S. Online Retail Sales 2020-2022: Thanksgiving, Black Friday, Cyber Monday



PRACTICAL ECOMMERCE | Source: Adobe

EXCESS INVENTORY DRIVES PRICES DOWN

While the huge price drops were great news for consumers, they were a necessary move for retailers to reduce inventory pileups.

As inflation pushed prices higher for necessities like food and gas, consumers held off on buying non-essentials and waited for better deals.

The lower demand for big-ticket and discretionary items left major retailers with an excess of merchandise that they needed to sell so they can start fresh in the next fiscal year. The mounting pressure to clear inventory meant bigger bargains for customers during the holiday season.



SOCIAL MEDIA STRENGTHENS INFLUENCE ON SPENDING

Social media proved to be an increasingly influential force in holiday shopping in 2022, especially among Gen Z and millennials.

Across generations, [34% of customers](#) planned to check out Instagram, TikTok, YouTube, and similar apps as part of their shopping journey, a considerable increase from 28% in 2021.

Influencers have also garnered a bigger role, as shoppers often looked to them for product reviews and recommendations. About 30% of holiday shoppers in 2022 follow influencers, up from 24% in the previous year.

Plan to Use Social Media for Holiday Shopping, by Generation

	Gen Z	Millennials	Gen X	Boomers	Seniors
2020	46%	44%	22%	10%	9%
2021	49%	46%	25%	12%	10%
2022	60%	56%	28%	15%	9%

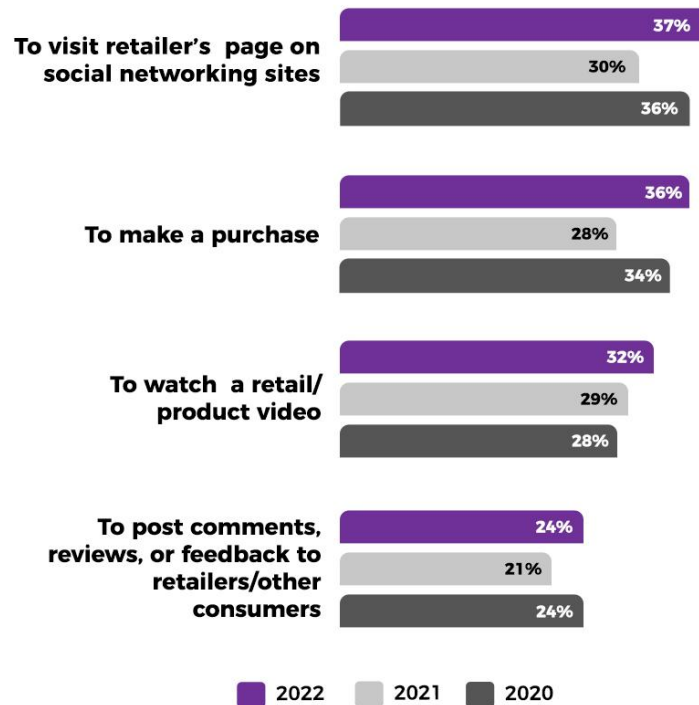
Source: Deloitte

SOCIAL REFERRALS HELP PROPEL ECOMMERCE REVENUE

The growing power of social media was demonstrated in the latest Thanksgiving weekend sales.

Social media referrals made up [10% of total ecommerce traffic via mobile](#), representing a 22% growth from the previous year. Shopping revenue that was directly attributable to social media increased as well by 27% year over year.

Use of Social Media for Shopping



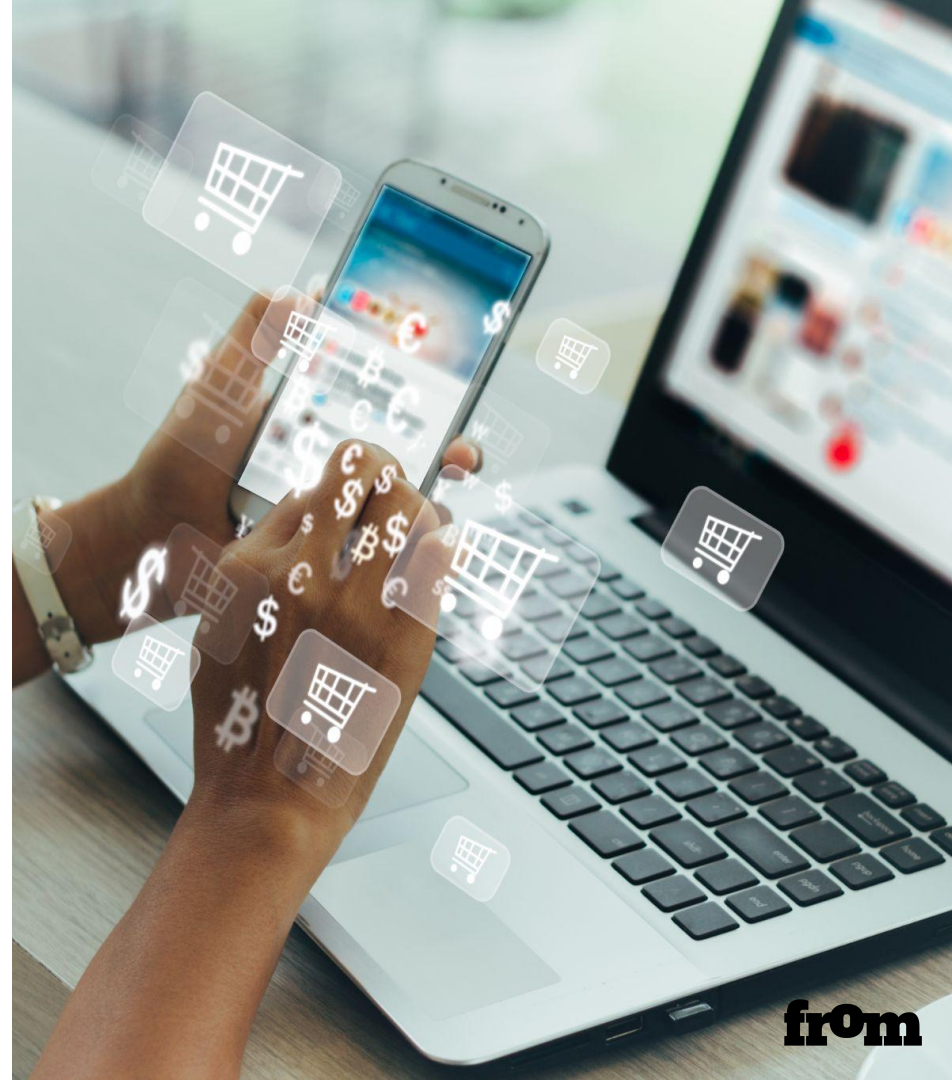
Source: Deloitte

SOCIAL MEDIA SPURS STRONGER ENGAGEMENT

Social media provides a convenient browse-to-buy shopping experience that works extremely well particularly for younger consumers who are already spending a lot of time on the apps.

As customers continue to gravitate toward unboxing videos, pick lists, and influencer-branded content, more brands are expected to expand their footprint on social media platforms.

At FROM, we were able to leverage the influence of social media in our collaboration with A+E Networks for their global campaign to promote Aliens Week and the show Ancient Aliens. We designed and built an interactive digital experience that was localized and launched in seven countries plus Latin America and Southeast Asia. Through the reach of social media, the campaign became highly successful in driving engagement and building awareness for their programming.



IN SUMMARY

While rising inflation clearly affected consumer behavior in 2022, digital played a critical role in delivering better value and greater convenience for customers. Through digital platforms, shoppers were able to find better deals more quickly, browse and buy products while on their phones, and pay for their purchase seamlessly.

In what was shaping up to be a muted holiday shopping season, these digitally driven trends gave good reason for optimism.



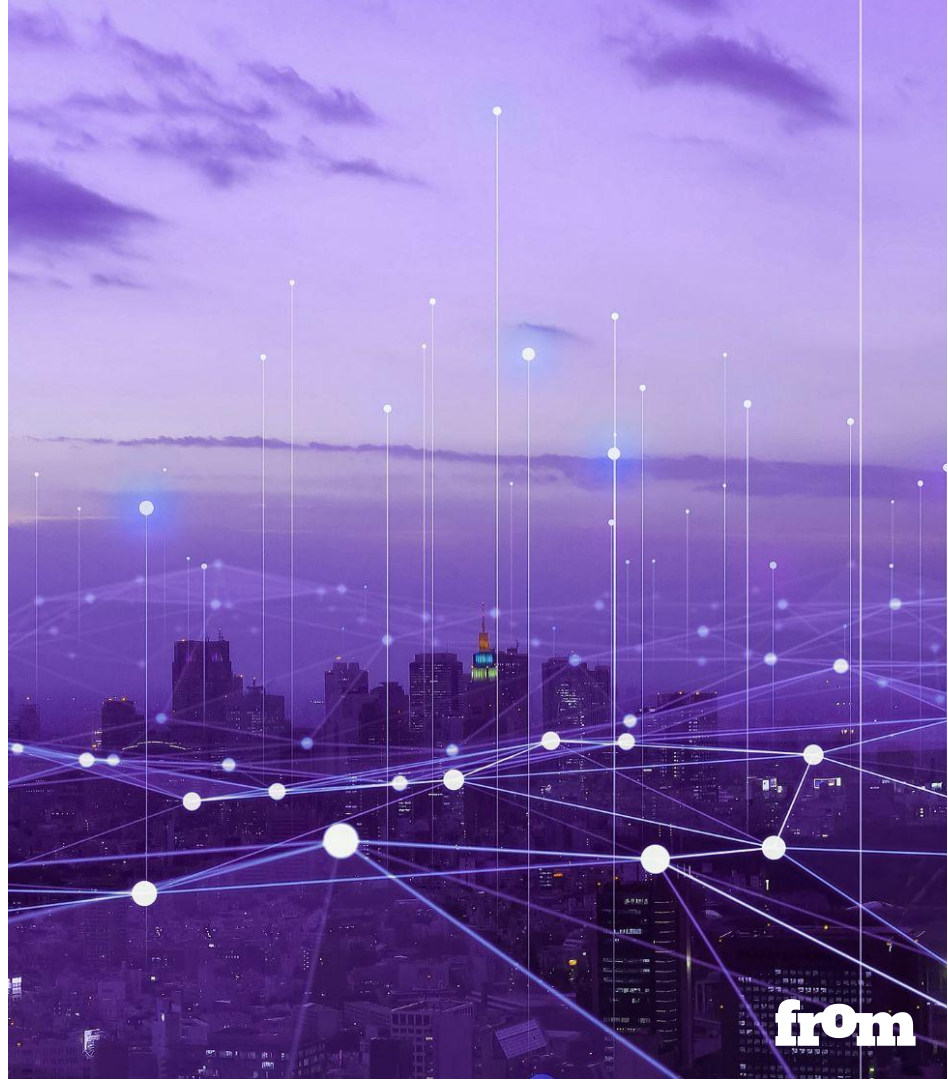
ACHIEVE BUSINESS SUCCESS THROUGH DIGITAL INNOVATION

FROM collaborates with many large brands in delivering outstanding customer experiences and reaching business goals through digital solutions.

Digitally driven companies such as Morgan Stanley, Avis, A&E Entertainment, Universal Studios, and NBCUniversal trust FROM to create award-winning web and mobile products for shopping, banking, travel, and entertainment.

Are you looking to drive digital change in your own organization? We'd be happy to work with you.

[Speak to our team today](#)





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