Jungle Scout

Consumer Trends Report

Q4 2022

Introduction & Key Takeaways

Jungle Scout's Consumer Trends Report is a quarterly study of 1,000 U.S. consumers that explores how spending behaviors and preferences change over time and in relation to current events. It tracks the types of products consumers are buying, how retail stores and sites are performing, and whether spending is increasing or decreasing online and in stores.

This report covers spending and ecommerce trends over the fourth quarter (October-December) of 2022 with some comparison to previous quarters and a focus on the holiday shopping season. It explores consumer attitudes and behaviors and how they're being influenced by inflation, recession forecasts, and social media.

Move over, TV ads! In 2022, nearly 20% of U.S. consumers get holiday gift ideas from social media. Gen Z and Millennial shoppers are more than twice as likely as Gen X and Baby Boomers to buy social media-inspired gifts.

More than 93% of consumers are noticing higher prices in their everyday shopping. As record inflation persists, the majority of American shoppers have adjusted their spending, and a third of those are cutting on holiday expenses.

Consumers will be more focused on financial security in 2023. While family, physical health, and mental health remain top priorities for consumers, their careers and finances are noticeably more important this year.

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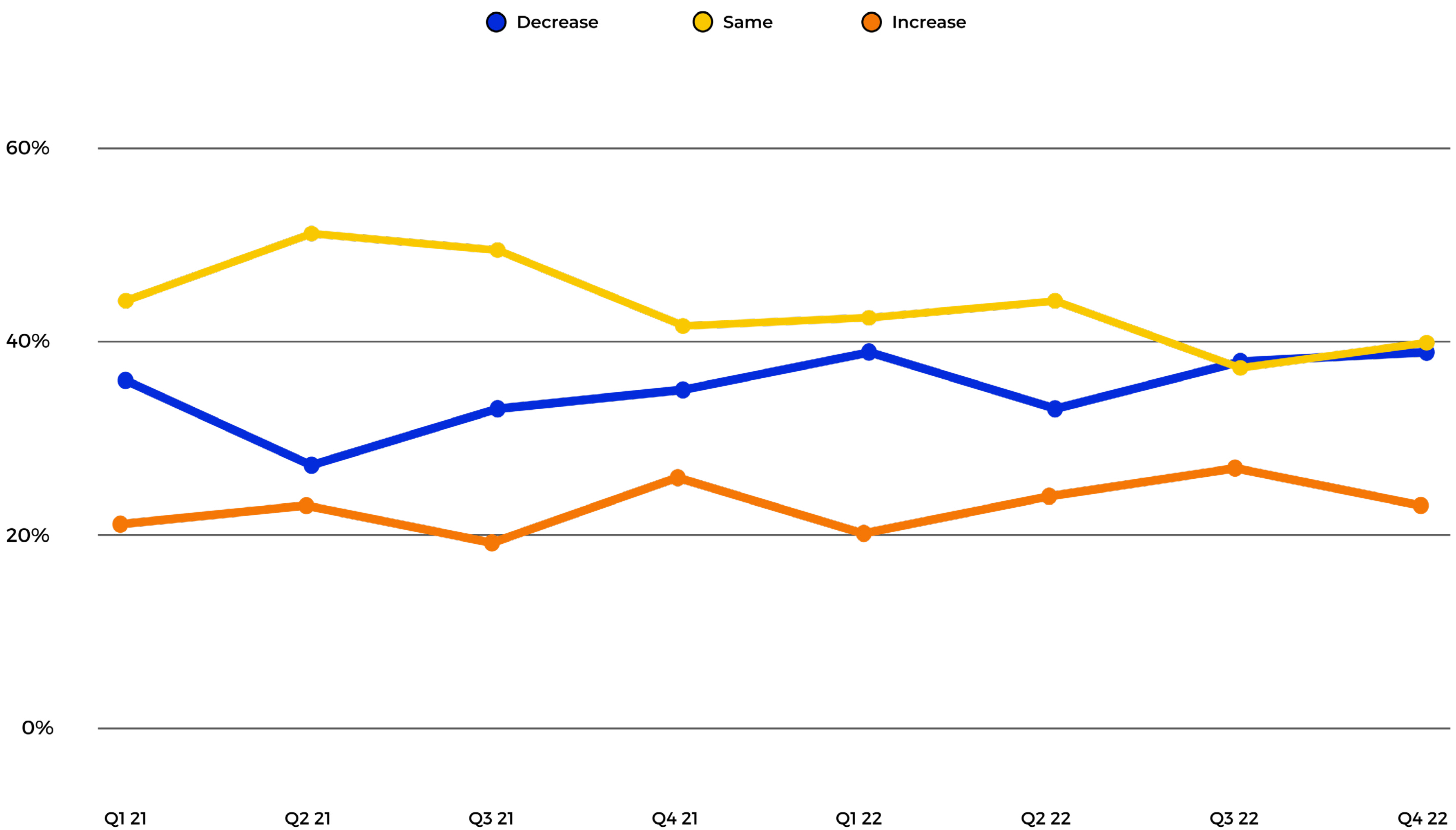
Chapter 1

Consumer Pulse Report: Trending Spending

Consumer spending shifts over time as shoppers respond to broader trends and navigate changes to their work, lifestyles, and families. Beginning with a historical view of these shifts — tracked by Jungle Scout on a quarterly basis since 2020 — this chapter provides an overview of how much consumers are spending, what they're buying, and where they're shopping.

Quarterly changes in overall spending

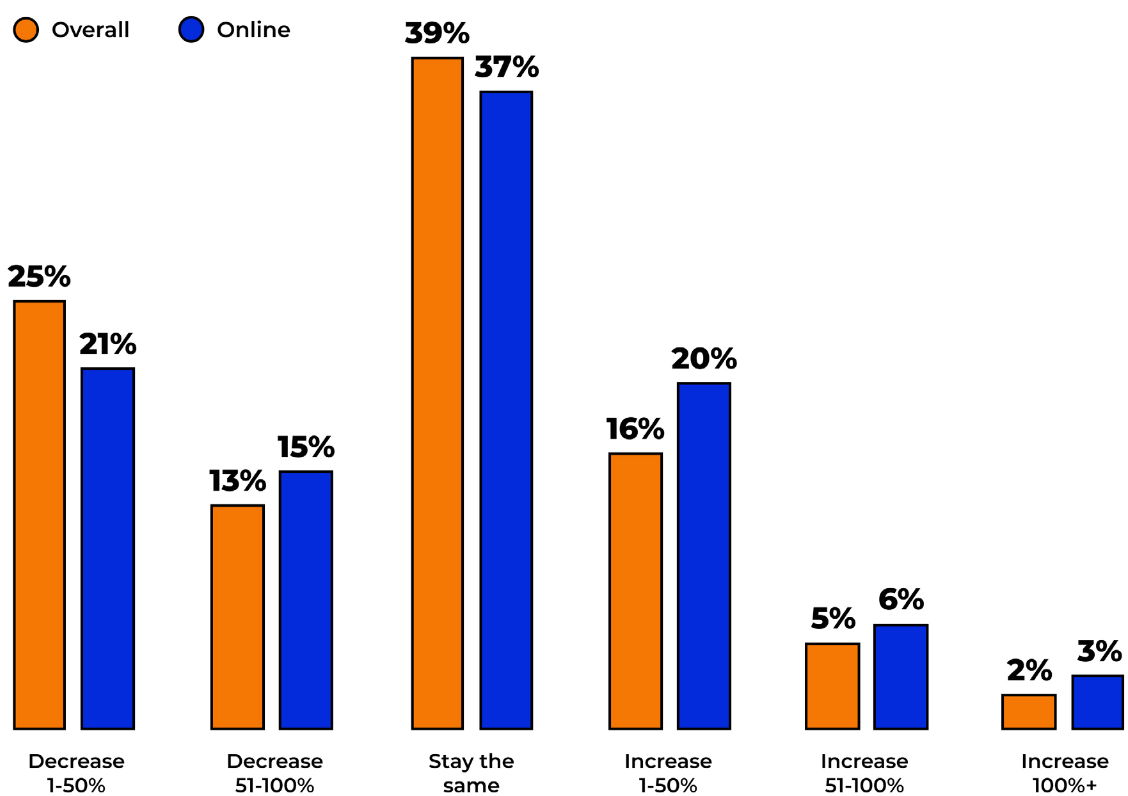


Overall and online spending in Q4

The data in this section reflects how consumers described their overall and online spending in the fourth quarter of 2022 compared to the third.

See consumer spending data for the third quarter of 2022 ***here***.

How is consumer spending changing in Q4?



INSIGHTS

The majority of consumers expect their fourth quarter overall (77%) and online (72%) spending to decrease or stay the same compared to the third quarter.

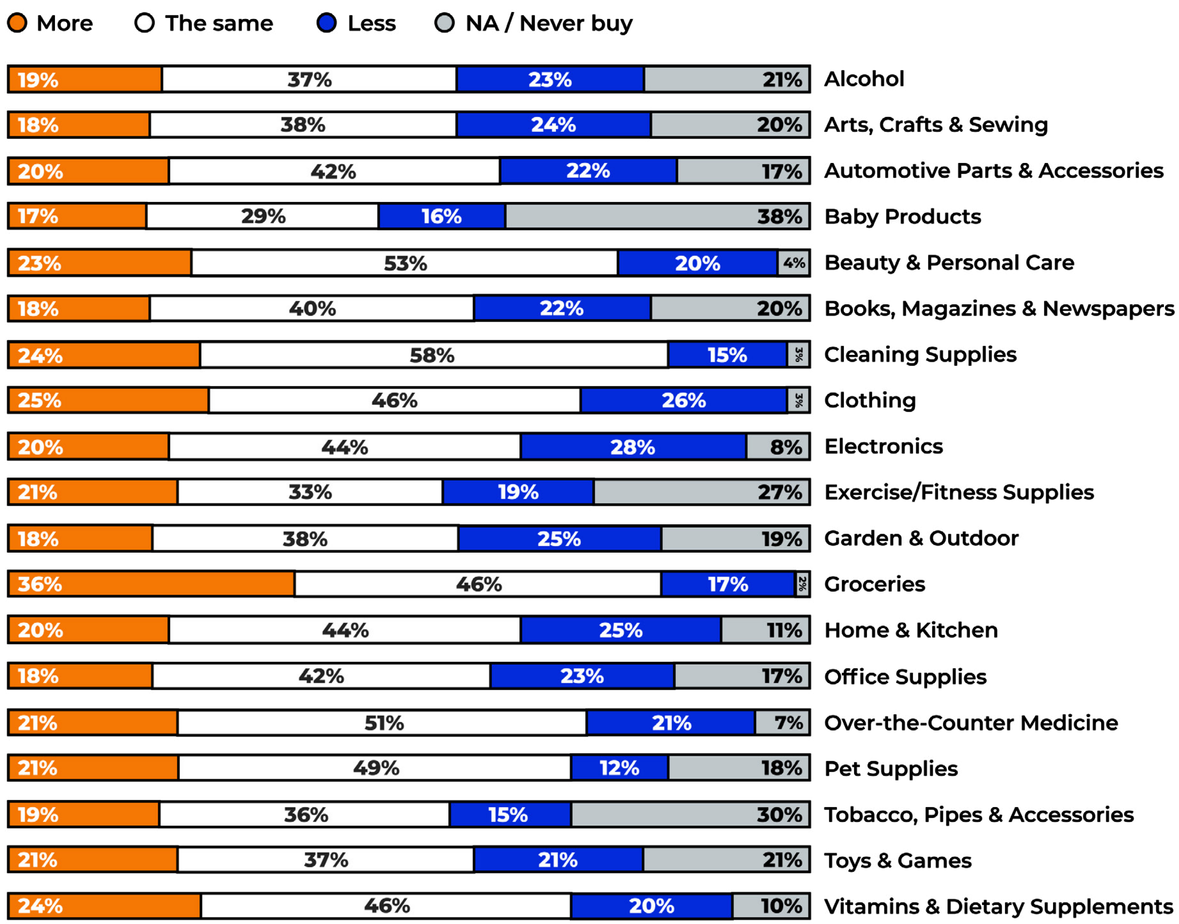
38%
of consumers said their overall Q4 spending will decrease from Q3, compared to 32% in the fourth quarter of 2021

35%
of consumers said their online Q4 spending will decrease from Q3, compared to 29% in the fourth quarter of 2021

Popular products: What consumers are buying

Generally, consumers are buying the same amount of products across all categories in Q4 compared to Q3.

Top product categories | Q4 2022



INSIGHTS

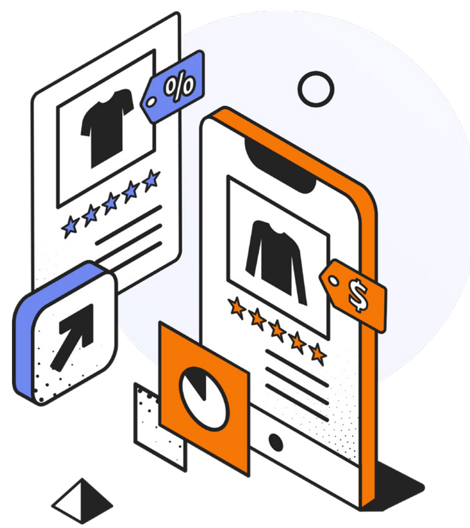
While the majority of consumers are buying less across the board, the percentage of respondents buying more of the following categories increased compared to Q3 survey data:

- Exercise/Fitness Supplies (up 40%)
- Toys & Games (up 33%)
- Books, Magazines & Newspapers (up 23%)

Chapter 2

Q4 Insights: Inflation & Economic Slowdown Impacts Linger

While COVID-19 concerns and restrictions were drivers of consumer behavior and spending trends for the past two holiday shopping seasons, this year, attention has shifted toward the impact of an ongoing economic downturn. Results of Jungle Scout's Q4 survey indicate continued caution among consumers after months of sustained, record-high inflation and prominent signals of an impending recession.

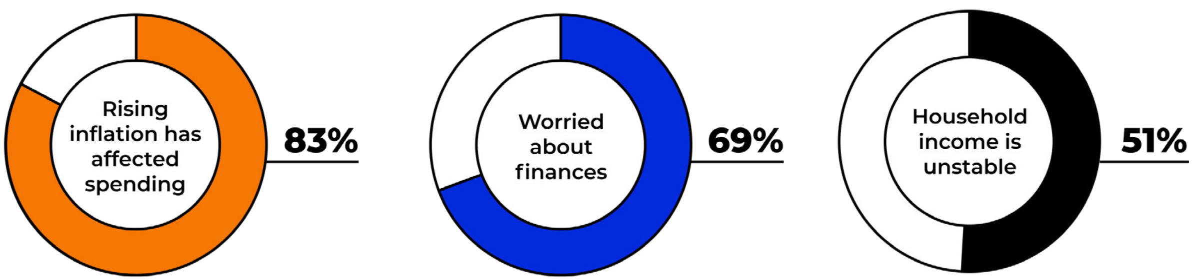


Inflation, recession concerns remain in Q4

The U.S. inflation rate remained persistently high and climbed throughout the year, steadying at 8.5% — a level not seen since 1982 — for several months before declining to 7.7% at the end of October[1]. Economic indicators have been pointing to an impending recession for the better part of 2022, but in October, popular models were predicting occurrence within the next year with 100% certainty.[2] The sustained impact on consumers remains apparent in Q4 survey data.

[1] U.S. Bureau of Labor Statistics, October 2022 Consumer Price Index Summary
[2] Bloomberg, Forecast for US Recession within Year Hits 100% in Blow to Biden

Q4 consumer snapshot



Top categories where consumers have noticed higher prices

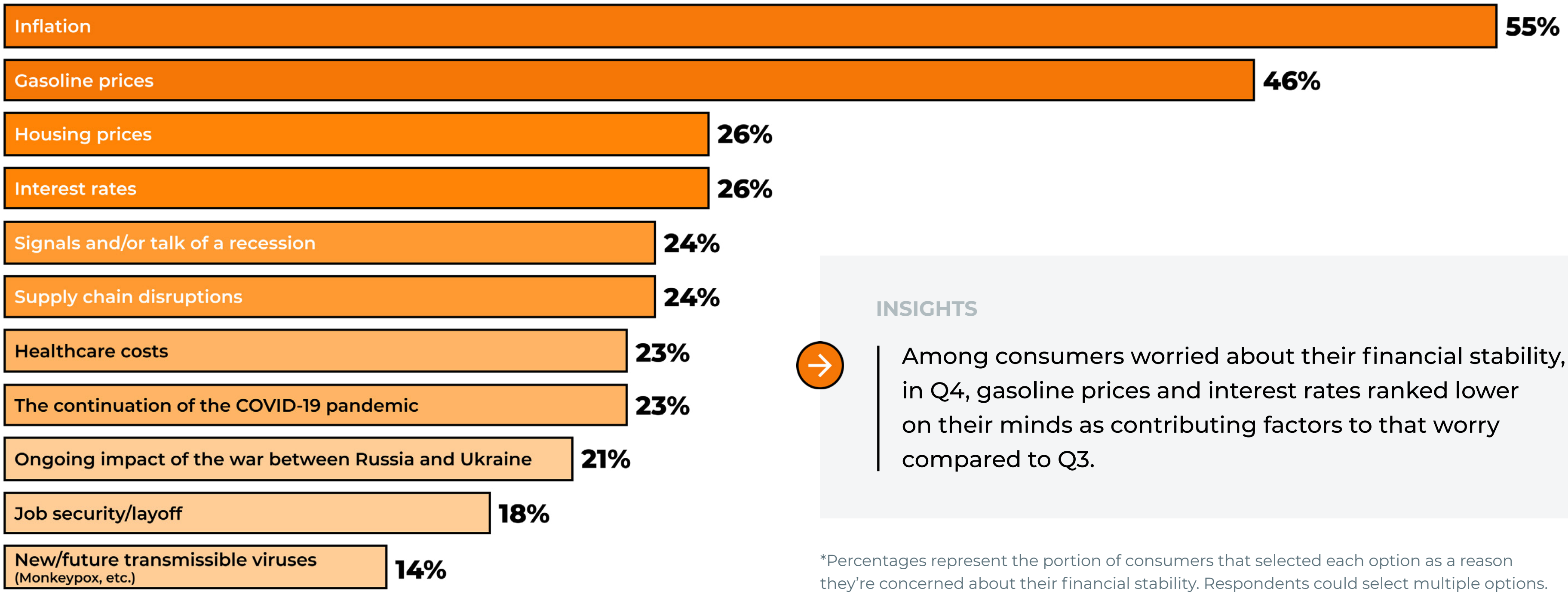
1. Groceries
2. Electronics
3. Cleaning supplies
4. Clothing
5. Beauty & personal care

INSIGHTS

80%
of consumers believe the U.S. is headed for or already in a recession, up from 76% in Q3.

93%
of consumers have noticed higher product prices in their day-to-day spending.

Top reasons consumers are concerned about financial stability*

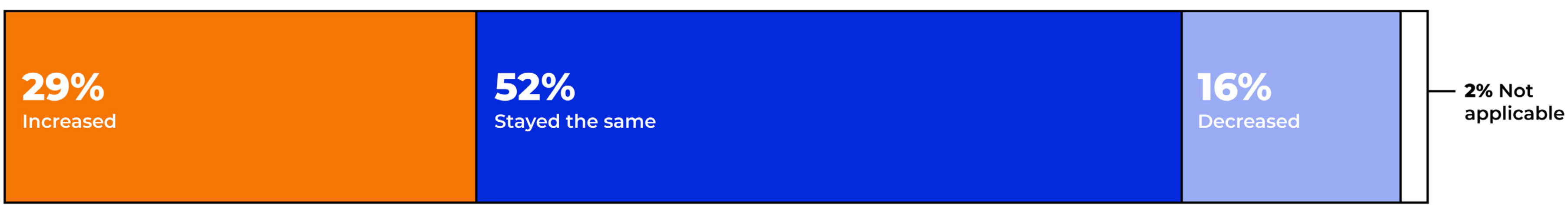


INSIGHTS

Among consumers worried about their financial stability, in Q4, gasoline prices and interest rates ranked lower on their minds as contributing factors to that worry compared to Q3.

*Percentages represent the portion of consumers that selected each option as a reason they're concerned about their financial stability. Respondents could select multiple options.

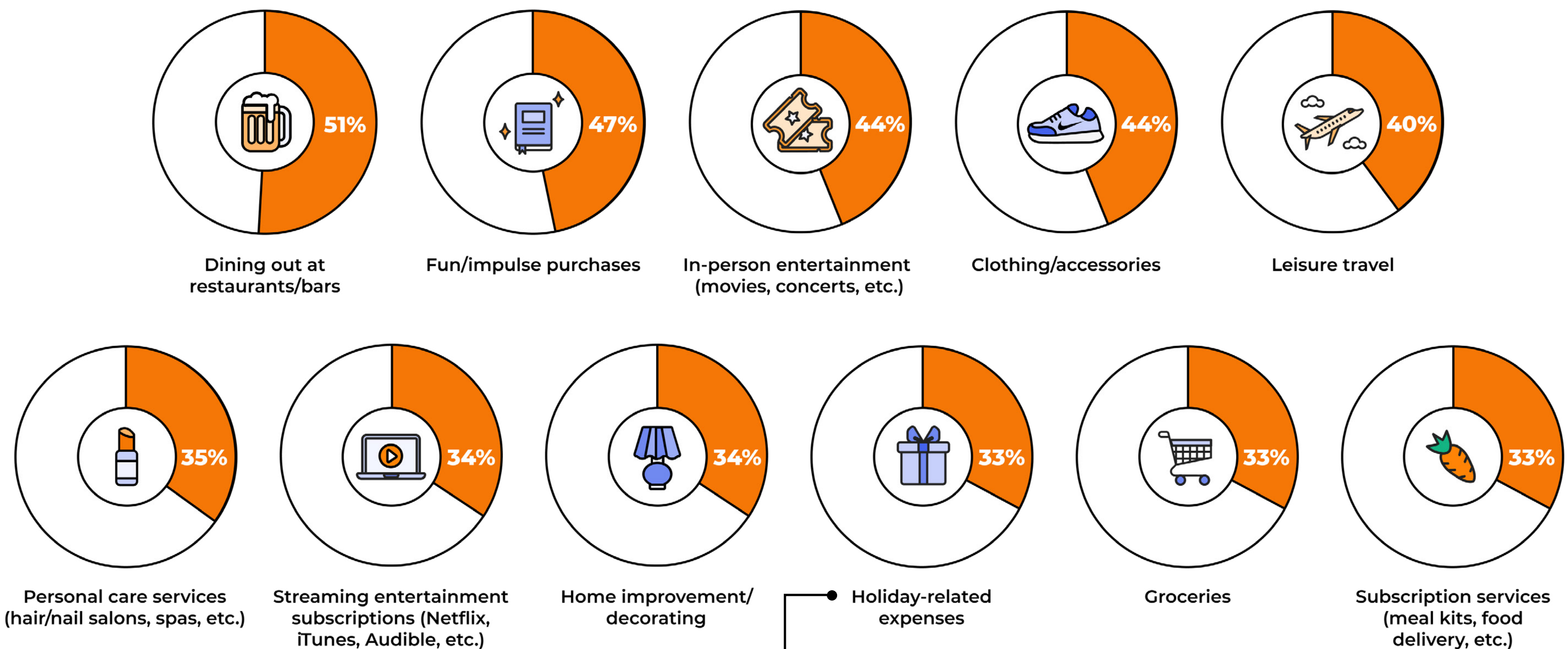
Changes in consumers' household income in Q4



How and where consumers are cutting back

Among the 83% of consumers whose Q4 spending has been impacted by inflation, more than half have reduced their budget for dining out at restaurants and bars. Other categories where they're cutting back on spending in Q4 include fun/impulse purchases and in-person entertainment.

Where consumers are reducing their spending*



For specifics on how these 33% of consumers are cutting holiday expenses, see Chapter 3.

*Respondents could select multiple options

Consumer priorities and 2023 plans

Looking toward the new year, consumers are more focused on their careers and money than they were a year ago. Still, nearly 80% said they plan to have more fun in 2023.

Popular ambitions for the new year

78%
want to have more fun

73%
plan to spend more time with family

54%
will or have already made travel plans

79%
plan to re-evaluate their spending/budget

75%
want to work on themselves more

64%
plan to work harder

45%
plan to change careers or jobs

INSIGHTS

Noses to the grindstone — for some: Compared to last year, 20% more consumers plan to work harder in 2023. The only two other new year ambitions that increased more than 10% compared to last year's survey responses were travel (up 16%) and having more fun (up 14%).

57%

of consumers will make a New Year's Resolution for 2023.

As 2022 draws to a close, more consumers are focused on their finances and careers when looking ahead to the new year. In ranking 14 common priorities by order of importance, consumers gave these two more weight compared to a year ago; career moved up three spots to #9 from #12, while finances rose to the #4 spot from #6.

Consumers' top 10 priorities

	Q4 2022	Q4 2021
1	Family	Family
2 ↑	Physical health and well-being	Mental health and well-being
3 ↓	Mental health and well-being	Physical health and well-being
4 ↑	Finances	Friends
5	Love life	Love life
6 ↓	Friends	Finances
7 ↑	Pets	Spirituality
8 ↓	Spirituality	Pets
9 ★ New	Career	Hobbies and interests
10 ↓	Hobbies and interests	Time outdoors

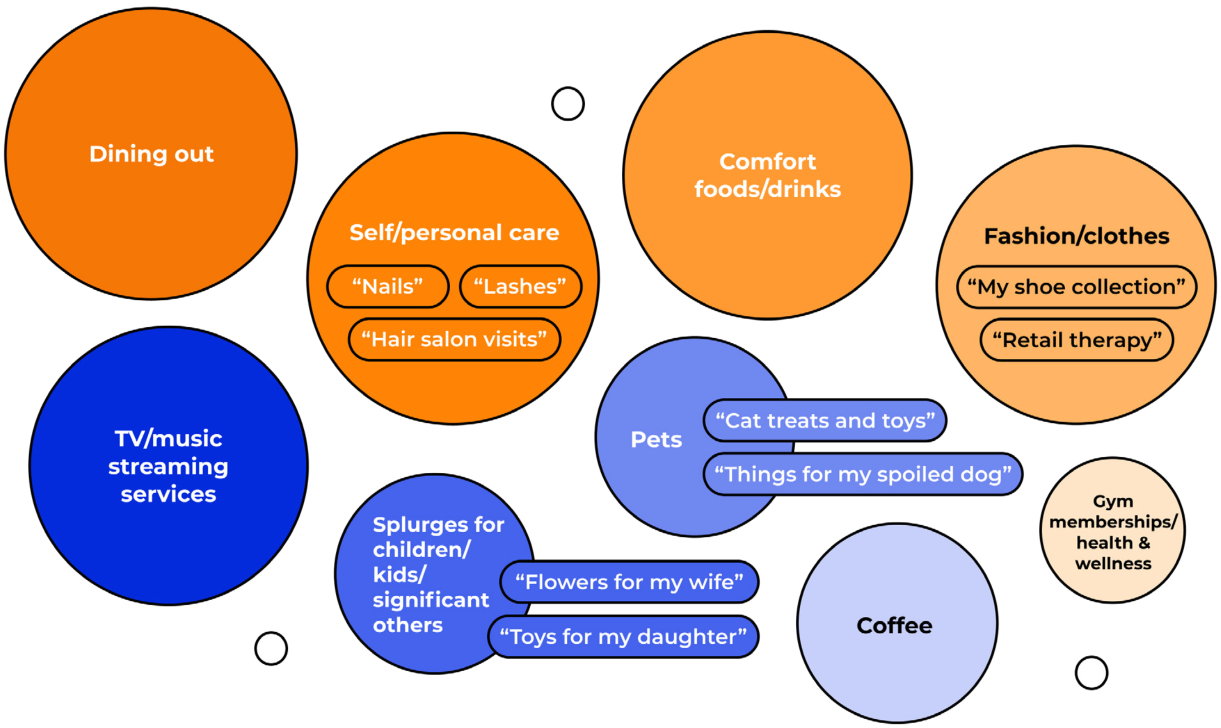
INSIGHTS

Consumers in Q4 are more focused on their finances than their friends or love lives.

Recession-proof spending

With a U.S. recession feeling all but imminent in the new year, we asked consumers what one nonessential expense they would never cut back on, even when tightening their budgets. Analysis of their responses revealed a handful of common priorities; things like children/family-related splurges, TV/media streaming services, self-care and other comfort spending on food/favorite drinks are least likely to get the ax, alongside “guilty pleasures” such as cigarettes and alcohol.

Expenses consumers are least likely to cut back on when tightening their budgets



*Circle sizing indicates the frequency in which each category of expense was cited

While many consumers prepare for the new year with resolutions for self improvement, certain “guilty pleasures” will remain popular indulgences for some, even amid personal budget/spending cuts.

Chapter 3

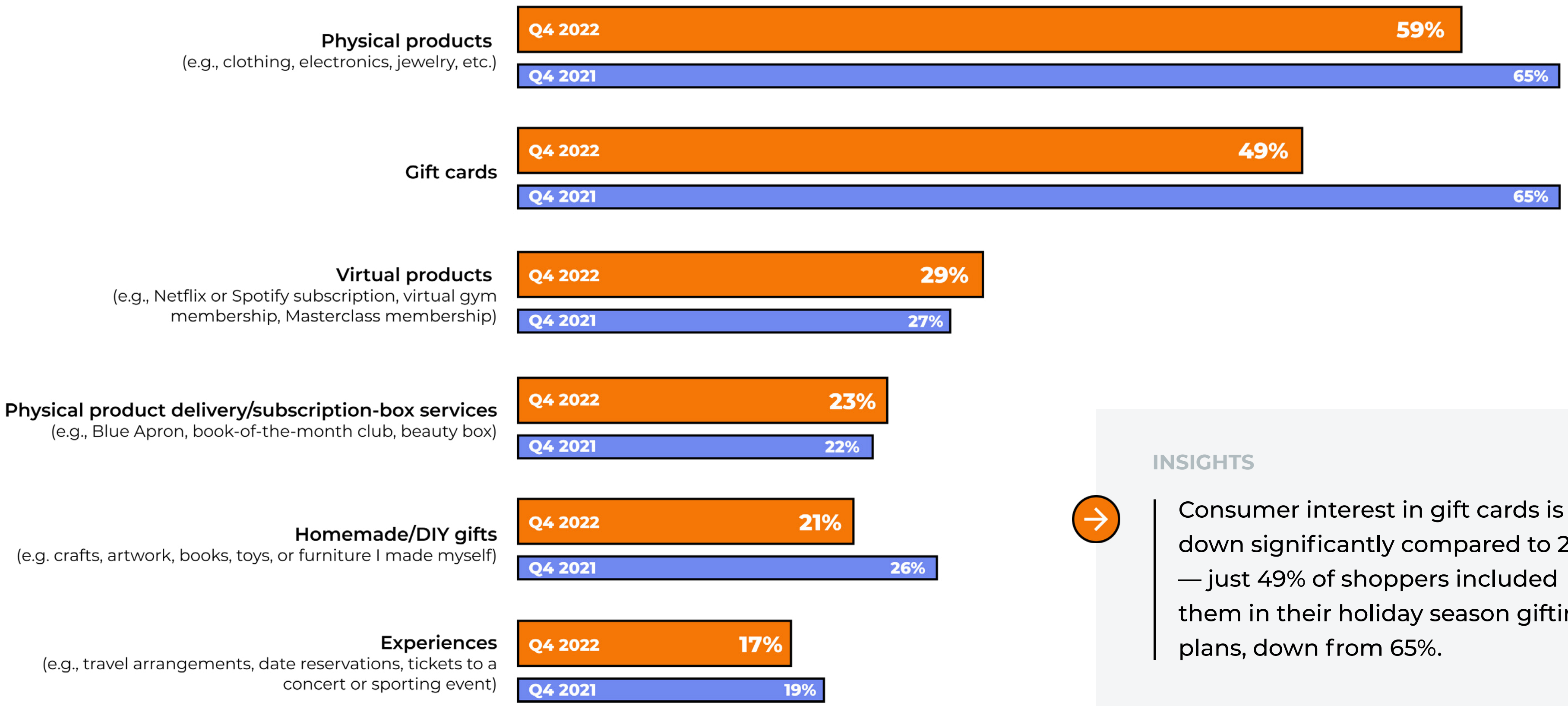
Holiday Shopping Strategies & Spending in 2022

This chapter examines what types of products, stores and websites consumers look to for their holiday shopping, how they're getting gift ideas, and the most popular retail sale events.

How consumers are shopping for gifts in 2022

As noted in our Q3 2022 Consumer Trends Report, more than half of consumers (55%) were changing their holiday shopping plans this year in response to rising inflation, and starting earlier was one of the most popular ways they were expected to do so. This quarter, we looked at how those plans materialized as seasonal retail events popped up in October ahead of more traditional savings events such as Black Friday and Cyber Monday.

Top holiday gift options for 2022*

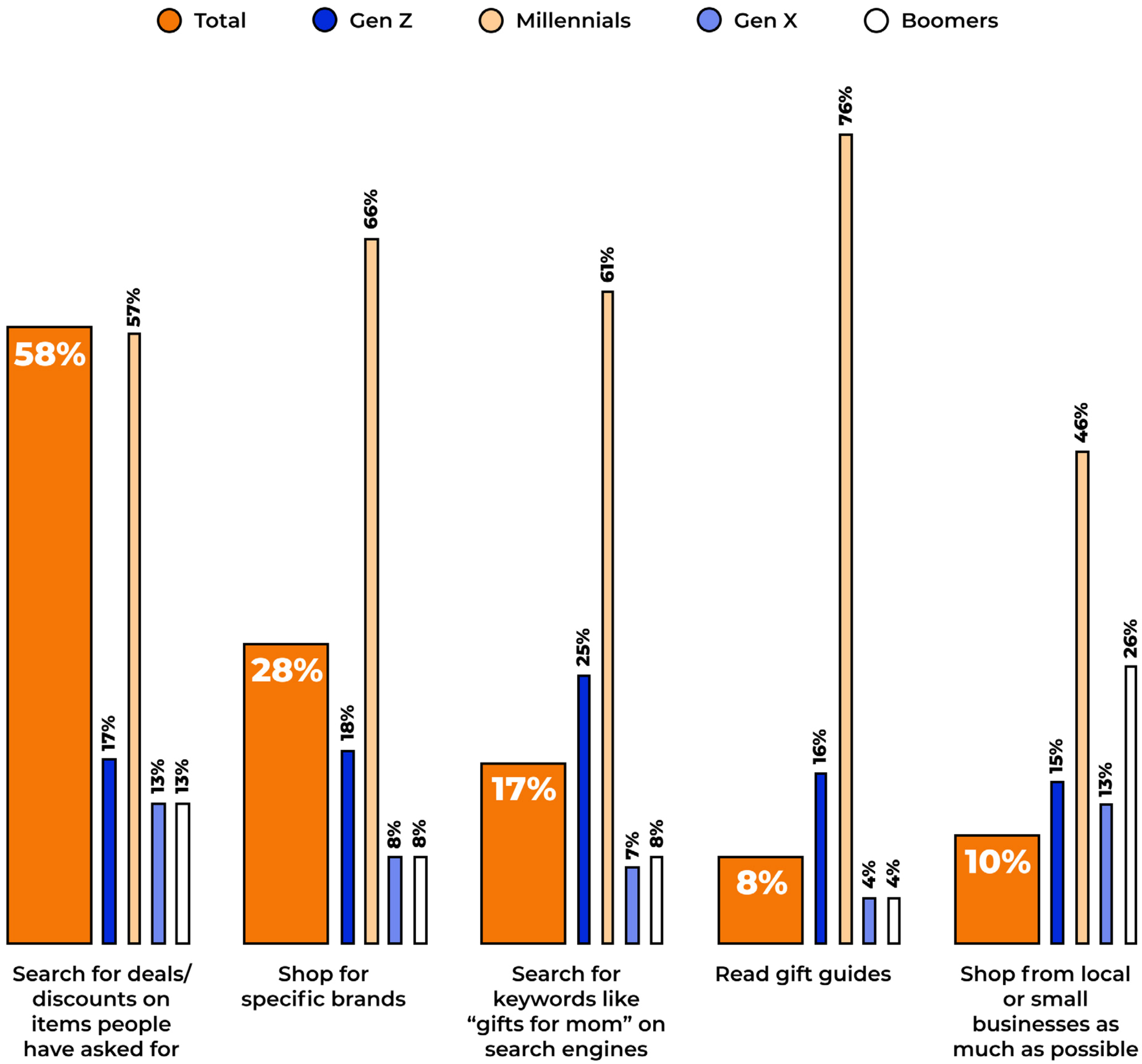


*Respondents could select more than one option

INSIGHTS

Consumer interest in gift cards is down significantly compared to 2021 — just 49% of shoppers included them in their holiday season gifting plans, down from 65%.

Popular gift shopping strategies*



*Respondents could select multiple options
Gen Z, Millennial, Gen X and Boomer percentages represent the portion of respondents from each generation that comprised each respective strategy's total.

INSIGHTS

The majority of consumers (67%) expect to spend under $500 on holiday-related expenses this year.

Top categories for holiday budget cuts*

Among the 33% of consumers who planned to reduce their holiday expenses, the majority are cutting back on gifts, with a smaller percentage expected to spend less on decorations, entertainment and/or travel.

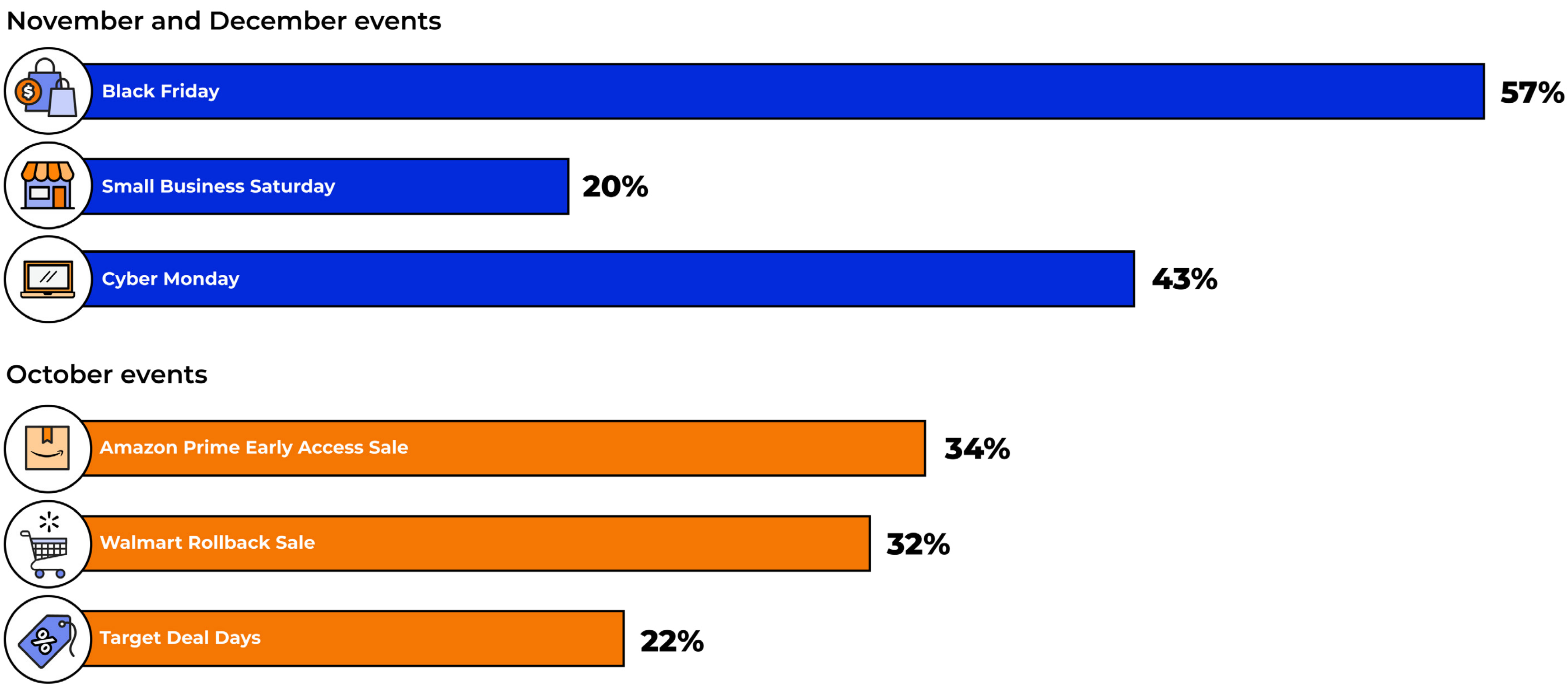
- Holiday gifts **59%**
- Holiday decorations **20%**
- Holiday entertainment **9%**
- Holiday travel **9%**
- Clothes/accessories for events **3%**

*Respondents could select multiple options

When consumers are shopping for gifts

While the majority of consumers expected to start their holiday shopping earlier in 2022 (in our Q3 report, we noted that 78% expected to start before Thanksgiving, a dramatic uptick from the 55% of consumers who gave the same timeframe in 2021), data from our Q4 survey revealed only 34% took advantage of deals during the Prime Early Access sale held by Amazon in October. Traditional holiday sale events — Black Friday and Cyber Monday — remain the most popular retail sale events.

Percentage of consumers shopping Q4 retail sale events*



*Respondents could select more than one option

Where people shop for gifts: The most popular stores & online retail sites

Consumers were asked which of the biggest retail stores they are shopping from (in-store or online) for gifts in Q4.*

*Respondents could select multiple options

In-store

Walmart	56%
Target	29%
Amazon Go or Amazon Go Grocery	17%
Apple	14%
Kohl's	13%
Best Buy	12%
Macy's	9%
Costco	8%
Lowe's	8%
Walgreens	7%
Sam's Club	7%
Home Depot	6%
Specialty, independent, local, or boutique	5%
Kroger	4%
Albertsons	2%

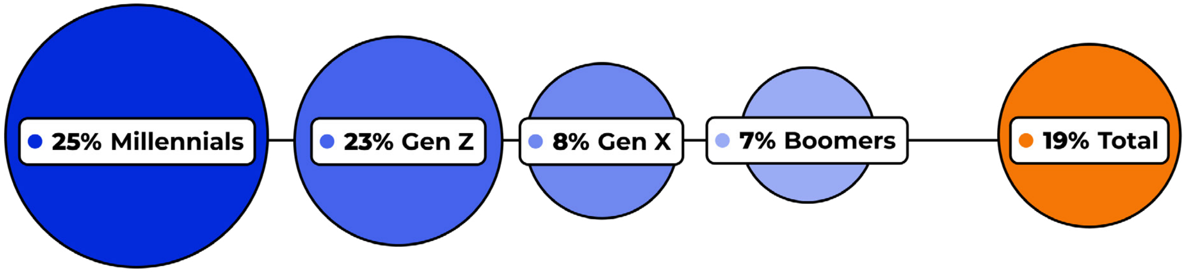
Online

Amazon	67%
Walmart.com	36%
Target.com	18%
eBay.com	14%
Apple.com	12%
BestBuy.com	10%
Kohls.com	9%
Etsy.com	8%
Macys.com	7%
None of the above	6%
Lowes.com	6%
Google Shopping	6%
Facebook Shops	5%
HomeDepot.com	4%
Wayfair	4%
SamsClub.com	4%
Wish	4%
Instagram Shop	3%
Costco.com	3%
Kroger.com	3%
Walgreens.com	3%
Instacart	3%
Specialty, independent, local, or boutique	3%
Albertsons.com	2%
Houzz	1%

Social media spotlight

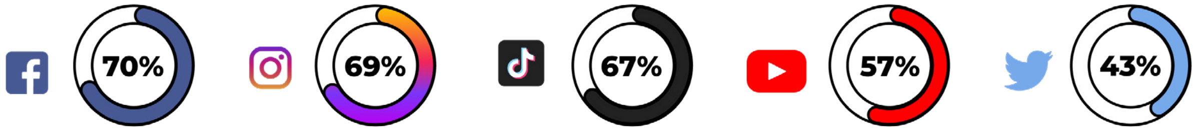
Throughout the year, our quarterly Consumer Trends Reports have explored the growing impact of social media on the ways Americans shop and what they're buying. Results of our Q4 survey illustrate how this storyline is shaping holiday gift-giving. See our **Q3 Consumer Trends Report** for more on the rise of social shopping and ecommerce.

Percentage of consumers that get gift ideas from social media



Gen Z, Millennial, Gen X and Boomer percentages represent the portion of respondents from each generation comprising the 19% of consumers who get gift ideas from social media.

Most influential social media platforms



INSIGHTS

Among consumers influenced by TikTok, 77% said people on their gift list asked for products they learned about from the app. Facebook has the largest share of influence on consumers' holiday gift shopping generally, but TikTok's share is close behind and is especially influential among Gen Z consumers.

Chapter 4

About the Report

Methodology

Jungle Scout conducted an anonymous survey on Oct. 14, 2022, among 1,008 U.S. consumers about their buying preferences and behaviors. Respondents represented 49 U.S. states, all genders, and ages 18 to 75+, as well as various employment types and income levels.

Respondents were asked questions about their behaviors and spending for the fourth quarter (October, November, December) of 2022. Some of the analysis in the report compares responses from this survey to previous consumer trends surveys conducted by Jungle Scout, where data has been collected on a quarterly basis since June 2020.

Using the data

We invite you to explore **Jungle Scout's Q4 2022 Consumer Trends Report**, and to share, reference, and publish the findings with attribution to "Jungle Scout" and a link to **this page**.

For more information, specific data requests or media assets, or to reach the report's authors, please contact us at **press@junglescout.com**.

About Jungle Scout

Jungle Scout is the leading all-in-one platform for ecommerce sellers, supporting more than $50 billion in annual Amazon revenue. Founded in 2015 as the first Amazon product research tool, Jungle Scout today features a full suite of best-in-class business management solutions and powerful market intelligence resources to help entrepreneurs and brands manage their ecommerce businesses. Jungle Scout is headquartered in Austin, Texas, and supports 10 global Amazon marketplaces.

Demographic data

Gender

Male	49%
Female	49%
Non-binary	1%
Other/prefer not to say	>1%

Age

18-24	17%
25-34	26%
35-44	29%
45-54	12%
55-64	8%
65-74	7%
75+	2%

Region

Midwest	18%
Northeast	24%
West	27%
South	31%

Household income

Less than $25,000	24%
$25,000 to $34,999	16%
$35,000 to $49,999	15%
$50,000 to $74,999	17%
$75,000 to $99,999	9%
$100,000 to $124,999	8%
$125,000 to $149,999	4%
$150,000 or more	7%

Employment status

Employed (total)	**64%**
Employed (full-time or part-time) and leaving my home for work	53%
Employed (full-time or part-time) and currently working at home	11%
Unemployed (total)	**12%**
Unemployed (lost work due to COVID-19 and its effects)	9%
Unemployed (not related to COVID-19)	3%
Student (full-time or part-time)	4%
Homemaker	5%
Retired	10%
Disabled/unable to work	5%
Other	>1%