Jungle Scout

Consumer Trends Report

Q2 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, in-store and on Amazon and Walmart.com in particular.

This report focuses on consumer attitudes and behaviors over the second quarter (April through June) of 2022 with some comparison to previous quarters. It explores consumer spending and shopping preferences online and in-store, with key insights into how a sluggish U.S. economy, social media and brand loyalty are shaping retail in 2022.

1. **Social media content — and internet advertising — is influencing consumer purchases and their overall opinions of brands and products.**
    - Nearly half (48%) of consumers read social media comments to learn what's being said about a brand.
    - 35% have purchased a product after watching a social media brand's livestream.
    - 42% say being "followed" around the internet by ads is a helpful reminder, while 32% are "creeped out" by the tactic.

2. **Rising inflation is impacting spending habits for three out of four consumers, and affordability is increasingly driving brand and shopping preferences.**
    - More consumers said their personal spending decreased (32%) this quarter than those who said their personal spending increased (24%).
    - The percentage of consumers who would switch from their favorite brand if a new one was more affordable rose 12% quarter-over-quarter.
    - Nearly half (48%) said their favorite brand's consistently lower prices is a key reason for shopping from them.

3. **Two out of three consumers shop on Amazon, and most are loyal Prime members. Low product pricing is the top reason people choose Amazon.**
    - 44% of consumers shop from Amazon more than once a week.
    - Among the 56% of survey respondents with access to an Amazon Prime account, nearly 90% are likely to keep it for another year.
    - 45% said the new cost of Prime membership doesn't bother them.

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Chapter 1

Q2 Insights: Continued Caution

As the record inflation seen at the start of 2022 persists amid relatively stagnant household incomes, consumers are sharpening their focus on cost-cutting. This quarter, we looked into the ways shoppers are influenced by rising prices and the strategies they're using to stretch their dollars.

We examined what sustained caution around a sluggish economy means for retail, the effect of product pricing on ecommerce preferences and how lifestyle and behavior changes were shaping shopping habits ahead of a third pandemic-altered summer.

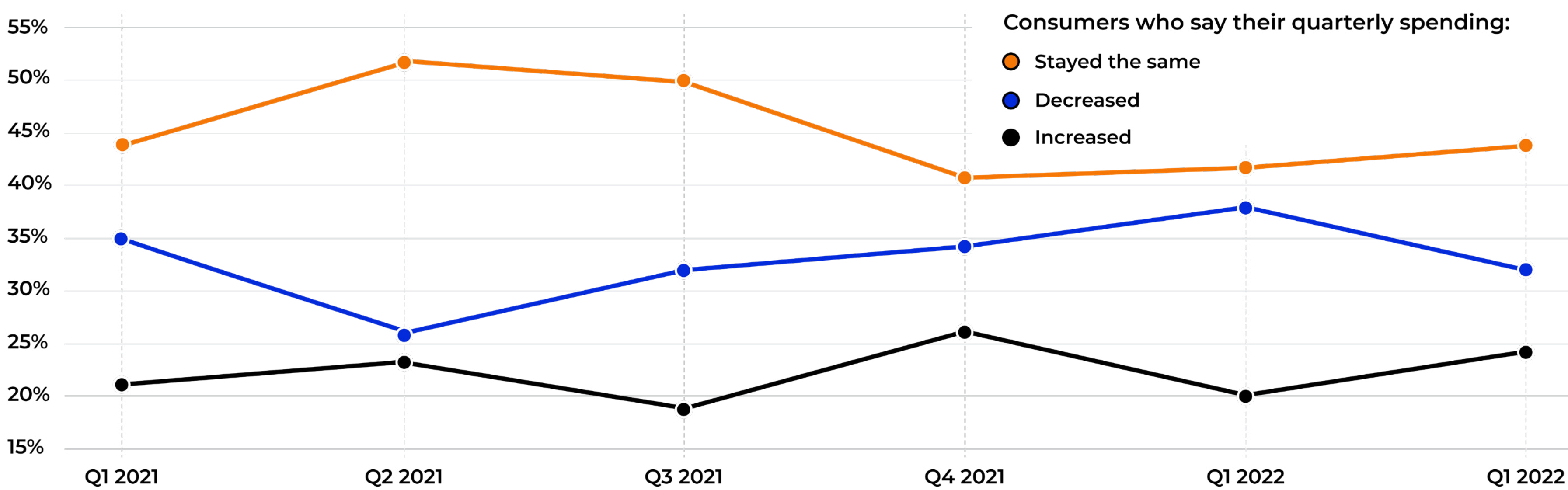
Spending Remains Static Amid Record Inflation

U.S. inflation continued to increase from highs reached in January, hitting 8.5% year-over-year in April[1], representing the highest such growth rate for the consumer price index since 1982. Paired with relatively slow wage growth — personal income growth was just 0.5% in March[2] — it's not difficult to see why the desire to save money is driving brand, product and ecommerce preferences more than any other factor, and to a larger degree than earlier in the year.

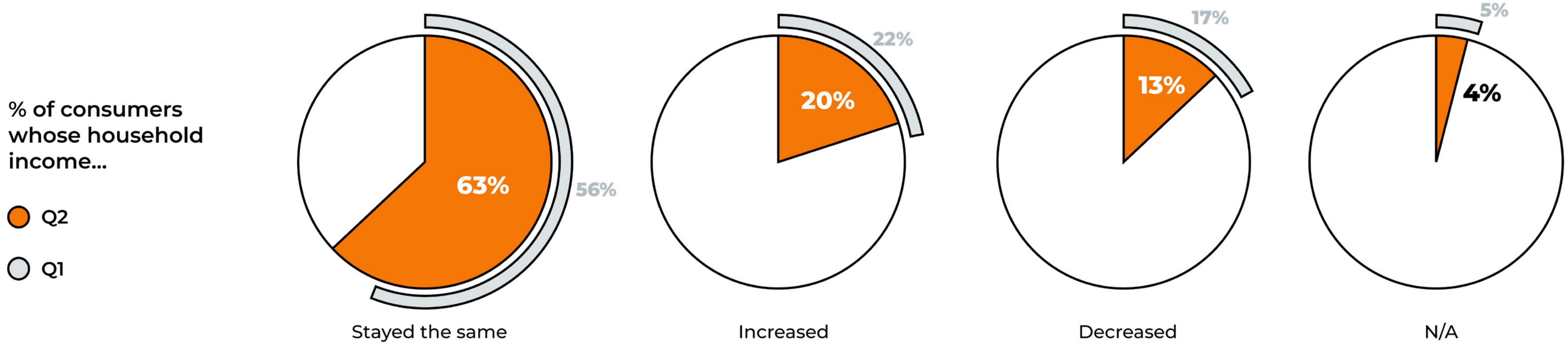
Compared to the first quarter, an increasing number of consumers (77%) said their spending has been impacted by rising inflation. A larger percentage of respondents to our survey said their personal spending decreased (32%) than those who said their personal spending increased (24%). Along with mixed outlooks from major retailers[3] during the most recent earnings season, these indicators suggest the need for a nuanced understanding of the many factors influencing consumer trends in 2022.

[1]U.S. Bureau of Labor Statistics, April 2022 Consumer Price Index Summary, [2]U.S. Bureau of Economic Analysis, March 2022 Personal Income and Outlays, [3]CNBC, Here's what Walmart, Target, Home Depot and Lowe's tell us about the state of the American consumer

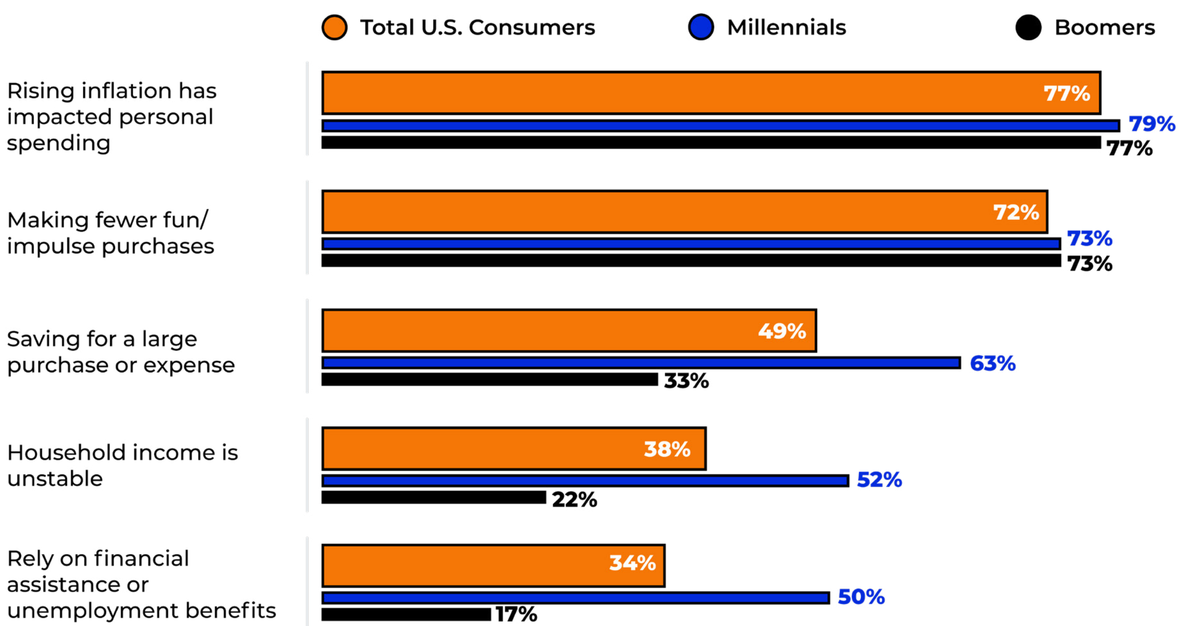
Quarterly changes in consumer spending since January 2021



Changes in household income



How are these economic indicators influencing consumers?*



INSIGHTS

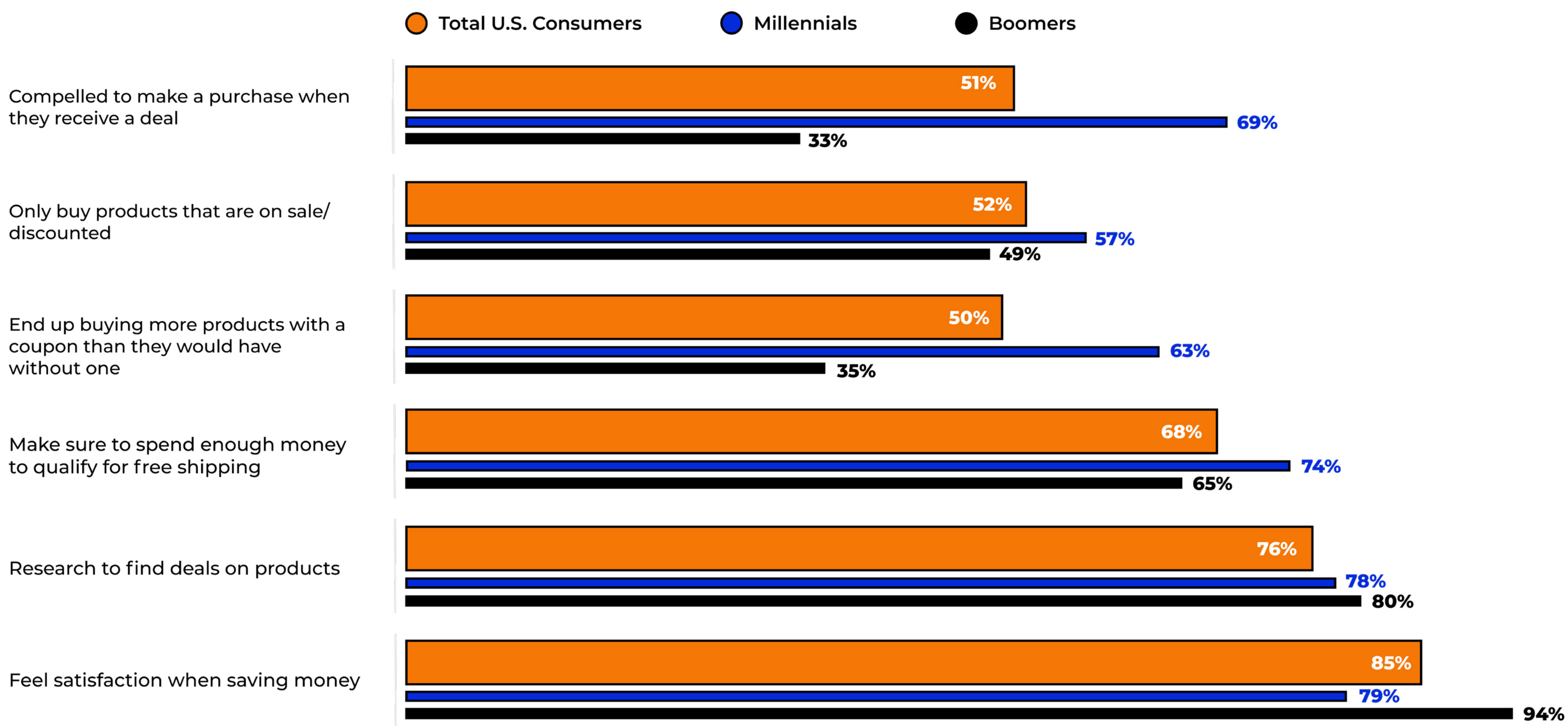
While a similar number of millennials and boomers say inflation has impacted their spending, a significant divergence can be seen in the ways these two groups are being impacted by — and are responding to — current economic conditions.

*Percentages for millennial and boomer generations represent the number of respondents from each age group that affirmatively selected the above options. Out of the total respondents (1,000), 396 are millennials and 348 are boomers

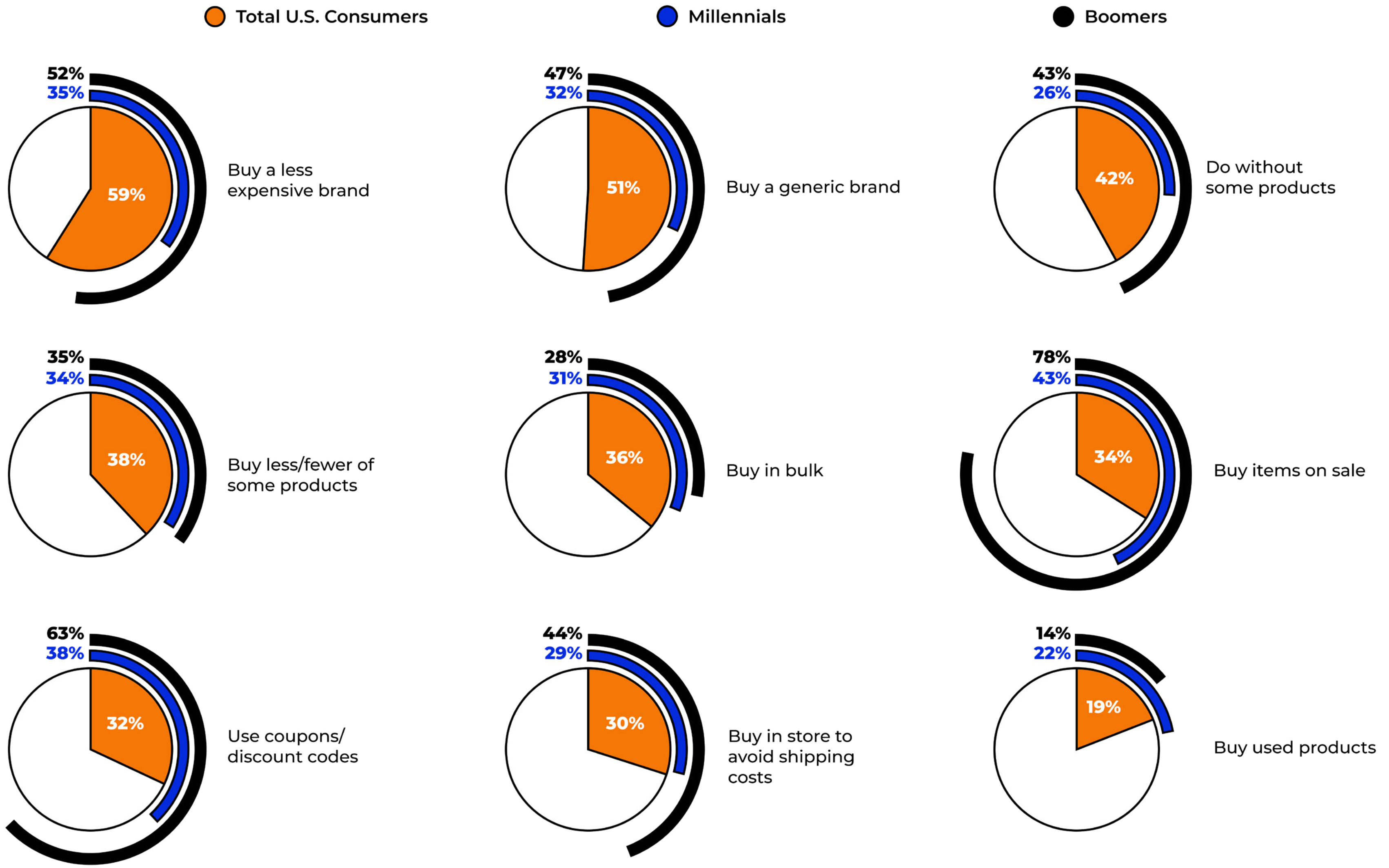
Ways to Save: Consumers Sharpen Focus on Cost and Spending

Saving money through discounts or sales is always alluring to consumers, but cost-cutting can become a necessity for people with stagnant or decreasing incomes when prices for basic goods and services are driven higher by inflation. Data from our second-quarter 2022 consumer survey show the desire or need to pay less for products influencing overall consumer behavior and preferences to a larger degree than earlier in the year. Strategies for and attitudes around doing so vary, and sometimes differ notably between millennials and boomers.

How consumers are influenced by online deals*



Ways consumers are cutting costs*



*Percentages for millennial and boomer generations represent the number of respondents from each age group that affirmatively selected the above options. Out of the total respondents (1,000), 396 are millennials and 348 are boomers

Venturing Out: Shifting Lifestyles and In-Person Events

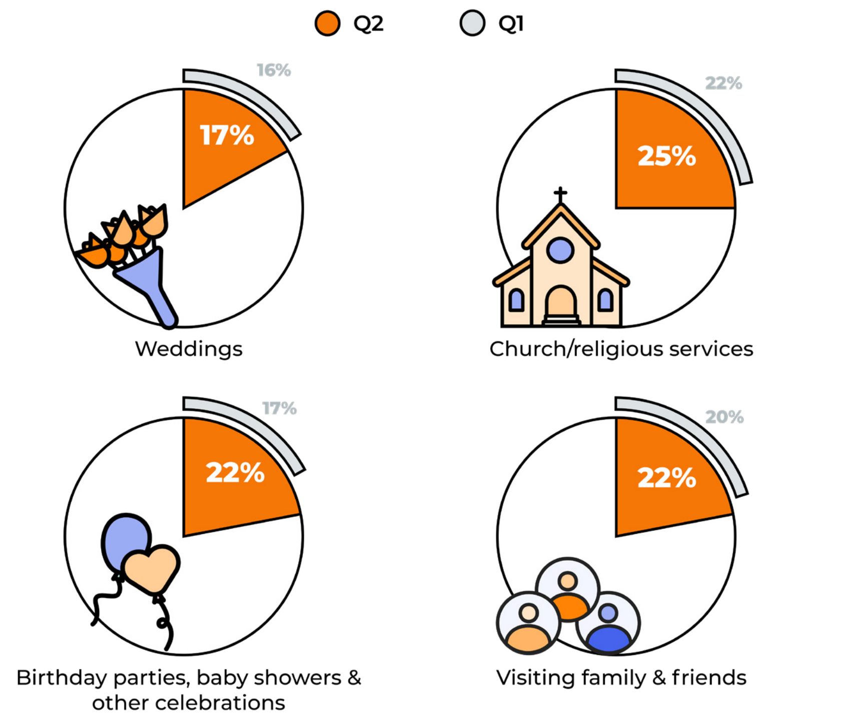
Compared to the first quarter, more consumers are resuming everyday activities that necessarily occur in person and indoors, with one exception: The number of people working outside home decreased 9%. The largest quarter-over-quarter shifts are seen in travel activity — flying and staying in a hotel or at a rental property — and in outdoor activities such as camping or hiking.

Shifting consumer activities and lifestyles

In-person activity	Q2	Q1	% change
Shopping at a grocery store	76%	73%	↑ 4%
Shopping at a mall	47%	43%	↑ 9%
Working outside their home	31%	34%	↓ 9%
Getting services at a hair, nail salon or spa	35%	33%	↑ 6%
Dining indoors at a restaurant or bar	56%	49%	↑ 14%
Outdoor activities (hiking, camping, etc.)	39%	33%	↑ 18%
Staying at a hotel or rental property	34%	26%	↑ 31%
Using public transportation	16%	16%	– 0%
Air travel	21%	16%	↑ 31%
None of the above	6%	8%	↓ 25%

Larger group event attendance

Although many consumers are still avoiding certain types of large, in-person events, an increasing number of consumers are planning to attend the following types of events indoors this quarter, either in a large group or a public venue.



Chapter 2

Trending Spending: Consumer Pulse Report

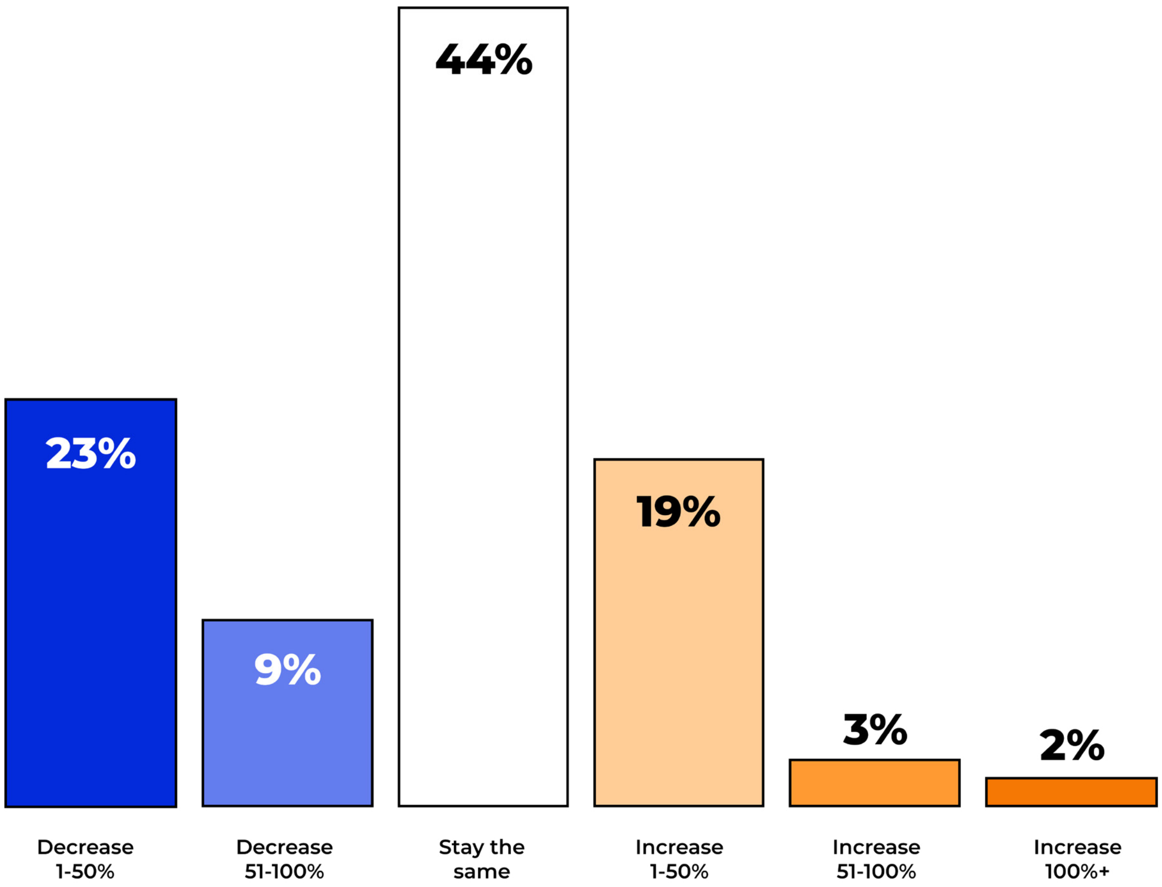
Consumer spending shifts over time, as shoppers navigate changes to their work, lifestyle and families. This chapter explores how much consumers are spending, what they're buying and where they're shopping.

Consumer Spending & Projections

The data in this section reflects how consumer spending shifted in the second quarter of 2022 compared to the first.

See consumer spending data for first quarter of 2022 ***here***.

How is *overall* consumer spending changing in Q2?



INSIGHTS

When asked about their overall spending during Q2 of 2022 (April through June), **most consumers (80%) said their spending decreased or stayed the same** compared to the first quarter.

32%
said spending decreased

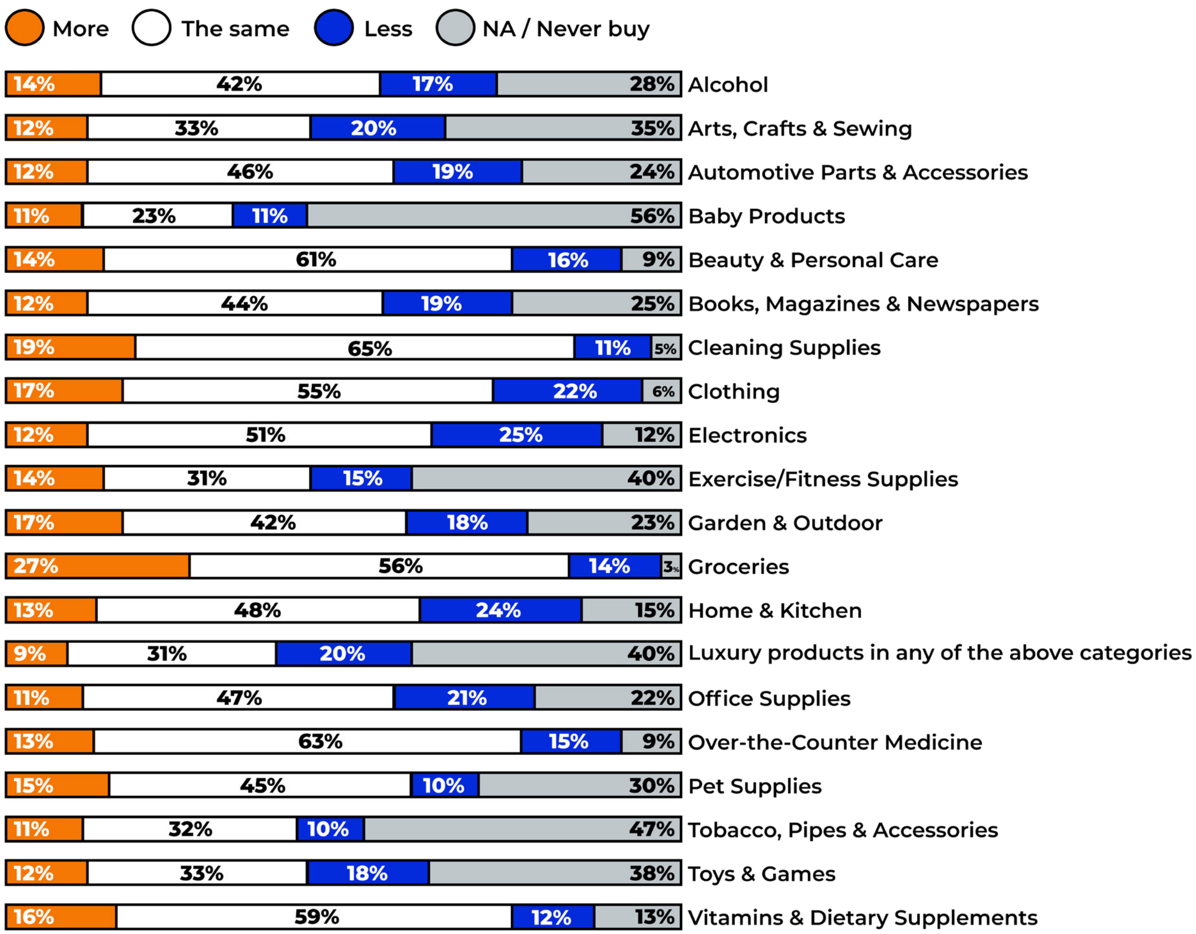
44%
said spending stayed the same

24%
said spending increased

Popular Products: What Consumers Are Buying

Consumers are buying more clothing, garden and outdoor products in Q2 compared to Q1 ahead of summer and as more people resume activities such as dining out, going to bars and traveling. The category where the highest percentage of consumers are buying more, however, is groceries.

Top product categories | Q2 2022



INSIGHTS

Compared to last quarter, consumers are buying more:

- Groceries 27%
- Cleaning Supplies 19%
- Clothing 17%
- Garden & Outdoor 17%

Consumers are buying less:

- Electronics 25%
- Home & Kitchen 24%
- Office Supplies 21%
- Luxury Products 20%

Where People Shop: The Most Popular Stores & Online Retail Sites

Consumers were asked which of the biggest retail stores they are shopping from (in-store or online) in Q2 2022.

Respondents could select multiple options

In-store

Walmart	54%
Target	24%
The Home Depot	16%
Walgreens	16%
Lowe's	16%
Costco	11%
Kroger	11%
Kohl's	11%
Amazon Go or Amazon Go Grocery	10%
Apple	9%
Best Buy	9%
Sam's Club	8%
Macy's	7%
Specialty, independent, local or boutique	6%

Online

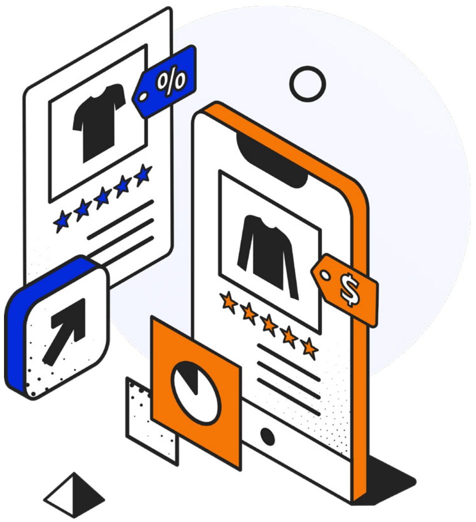
Amazon	64%
Walmart.com	34%
eBay.com	17%
Target.com	14%
Apple.com	8%
HomeDepot.com	8%
Lowes.com	7%
Etsy.com	6%
Macys.com	6%
Walgreens.com	6%
Costco.com	5%
Facebook shops	4%
Specialty, independent, local or boutique	4%
Kroger.com	4%
Wayfair	3%
Instacart	3%
BestBuy.com	3%
SamsClub.com	3%
Google Shopping	3%
None of the above	3%
Wish	3%
Instagram Shop	2%
Albertsons.com	2%
Houzz	1%

Chapter 3

Ecommerce Report

Consumers consistently turn to Amazon ahead of all other ecommerce sites for their online purchases, though Walmart.com and social media channels are becoming increasingly popular options for online shopping.

In this chapter, we explore how, where and why consumers shop online; how Amazon and its Prime membership options stack up among online shoppers; the factors driving brand loyalty in Q2; and the ways social media and advertising are influencing consumer opinions and ecommerce preferences.

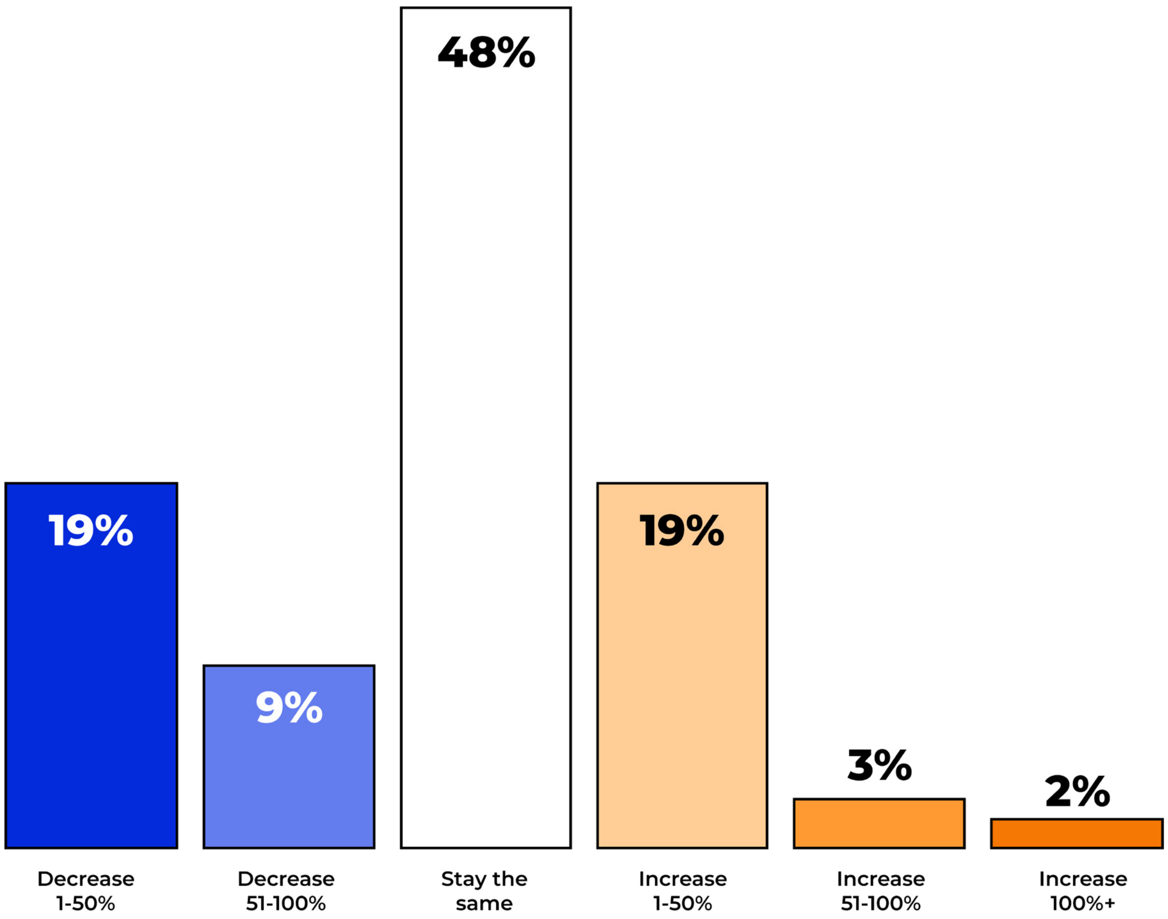


Online Spending & Shopping Preferences

The data in this section reflects online consumer spending for Q2 2022.

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

How is *online* consumer spending changing in Q2?



INSIGHTS

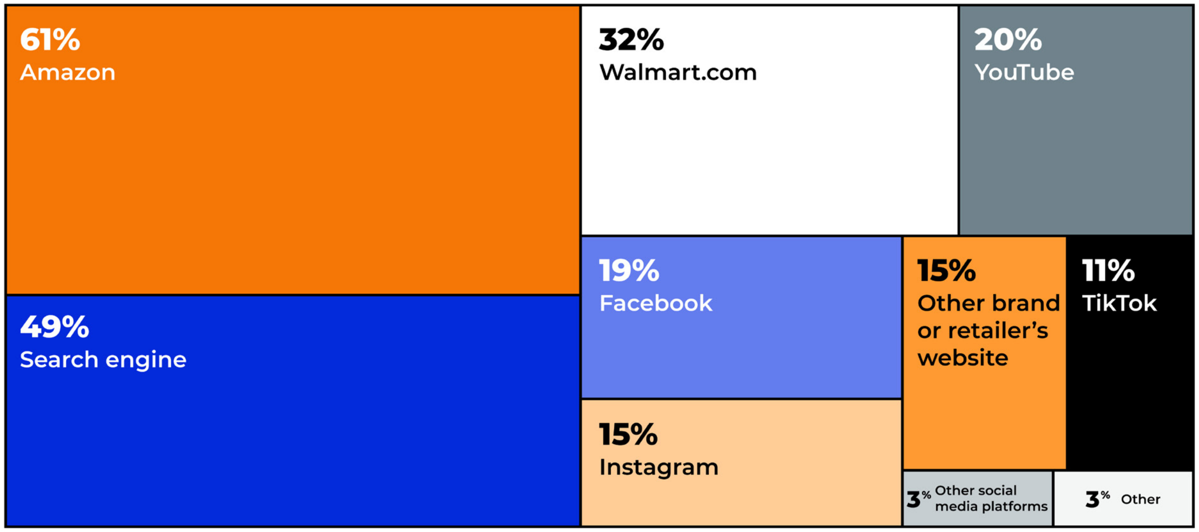
Consumers who said their online spending decreased in Q2 represent a smaller percentage than those whose online spending increased.

38%
said online spending decreased

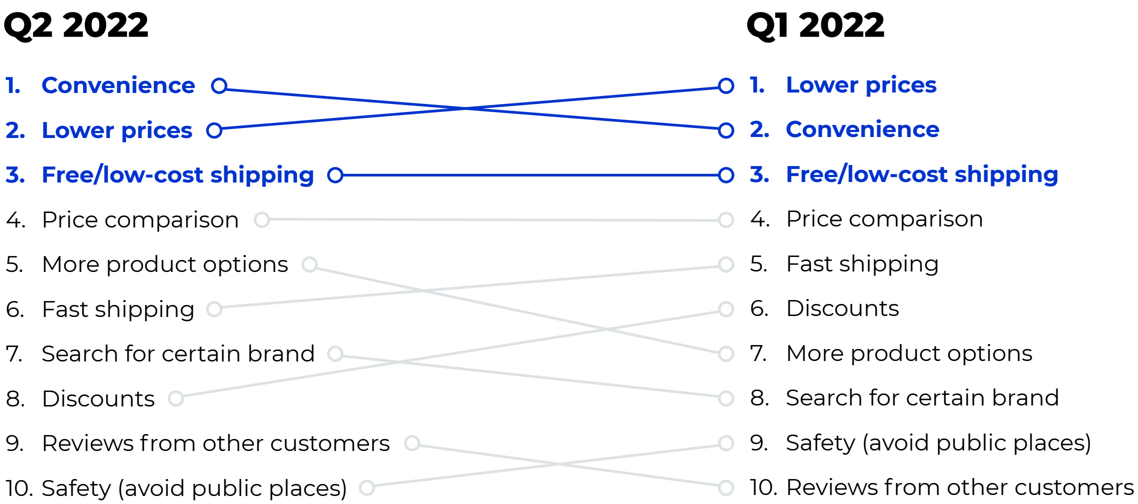
48%
said online spending stayed the same

24%
said online spending increased

When consumers shop for a product online, where do they start their search?



Top 10 reasons consumers prefer to shop online



INSIGHTS

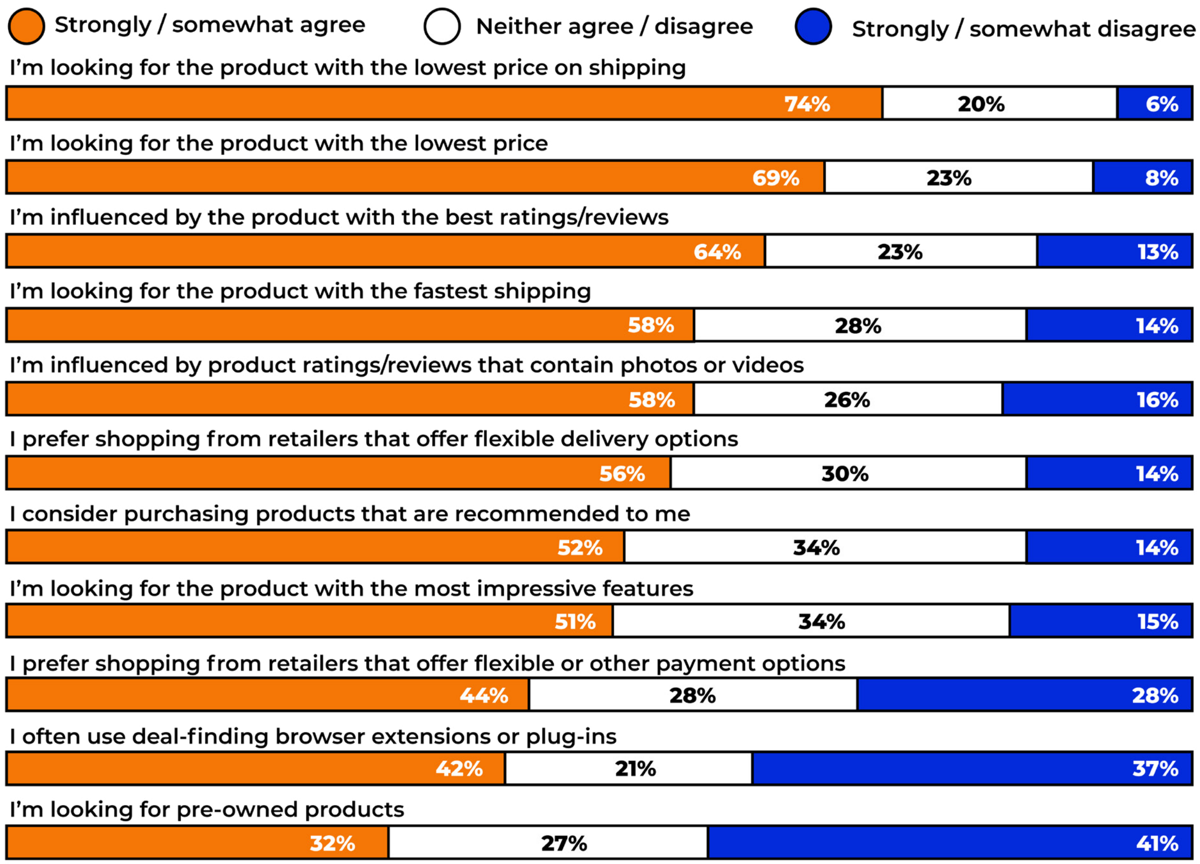
When searching for products online, most consumers start on Amazon.

Social media channels like Facebook, YouTube and Instagram play a growing role in consumers' online product searches.

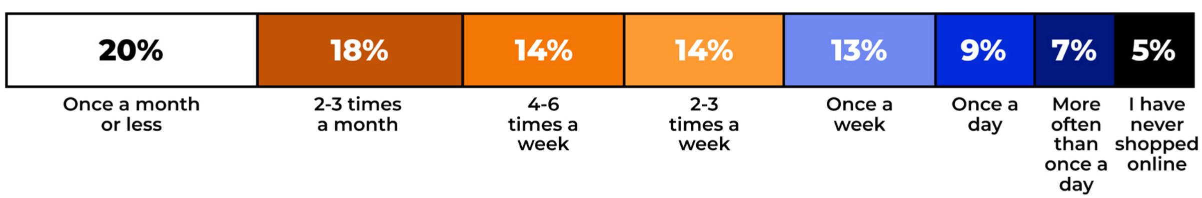
Respondents could select multiple answers

Convenience surpassed lower prices as the top reason consumers prefer to shop online in Q2.

When shopping online, some benefits are more important than others:



How frequently consumers shop online:



INSIGHTS

For the third quarter in a row, more ecommerce shoppers are influenced by shipping price (74%) than product price (69%) when making purchases.

More than half of consumers (58%) are influenced by product ratings/reviews that contain photos or videos.

42% of consumers are using deal-finding browser extensions or plug-ins.

Respondents could select multiple options

57%

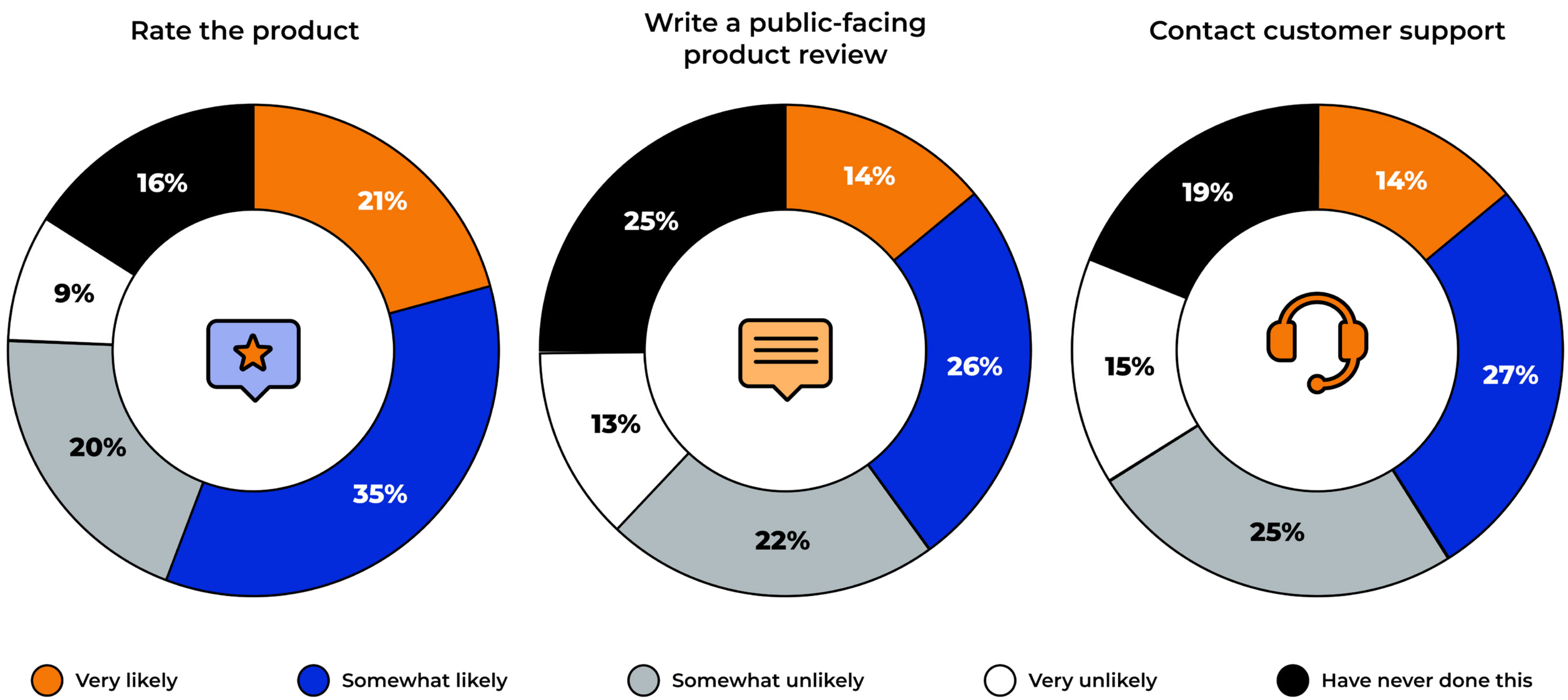
of consumers shop online weekly or more often, similar to 56% in Q1 of 2022.

The Power of the Product Review

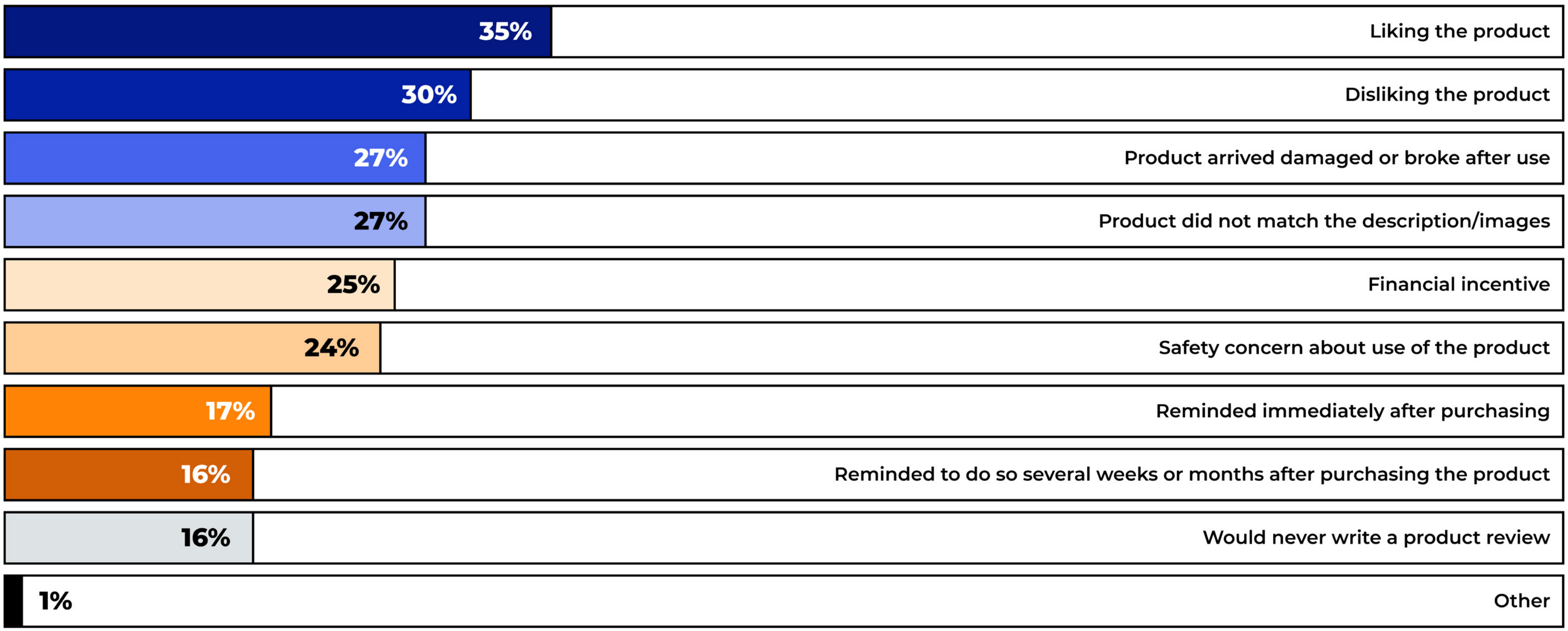
As shown by the data in the previous section, product reviews are significant factors for consumers shopping online. Nearly two-thirds of online shoppers say they're influenced by the best ratings and reviews, and for nearly 60% that extends to reviews containing photos or videos.

How does this influence translate into their likelihood and reasons for rating a product or writing their own review? Overall, consumers are more likely to leave a product rating than a review; more than half (56%) say they are either very or somewhat likely to rate a product compared to 40% who are likely to write a review after making a purchase.

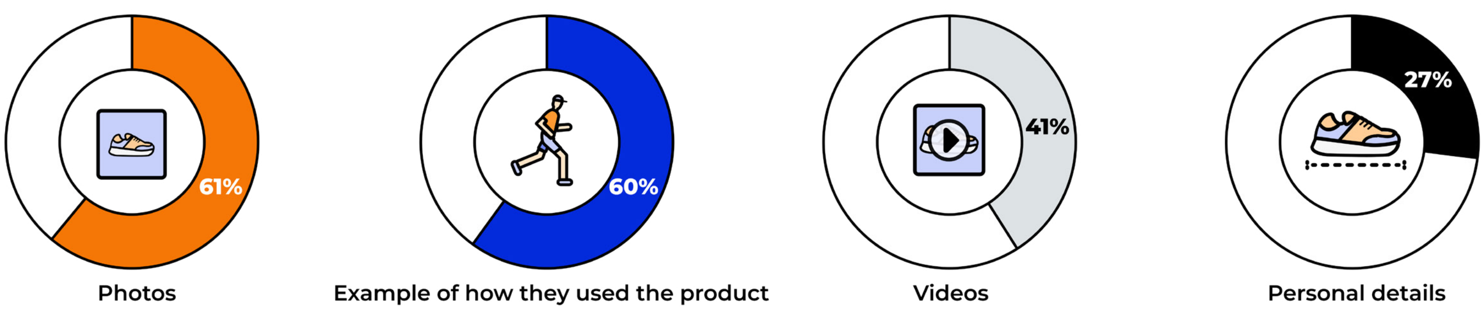
How likely are consumers to leave ratings/reviews or contact support after purchasing a product online?



Top factors influencing consumers to write a product review*



Of the following details, consumers who leave reviews are the most likely to include*

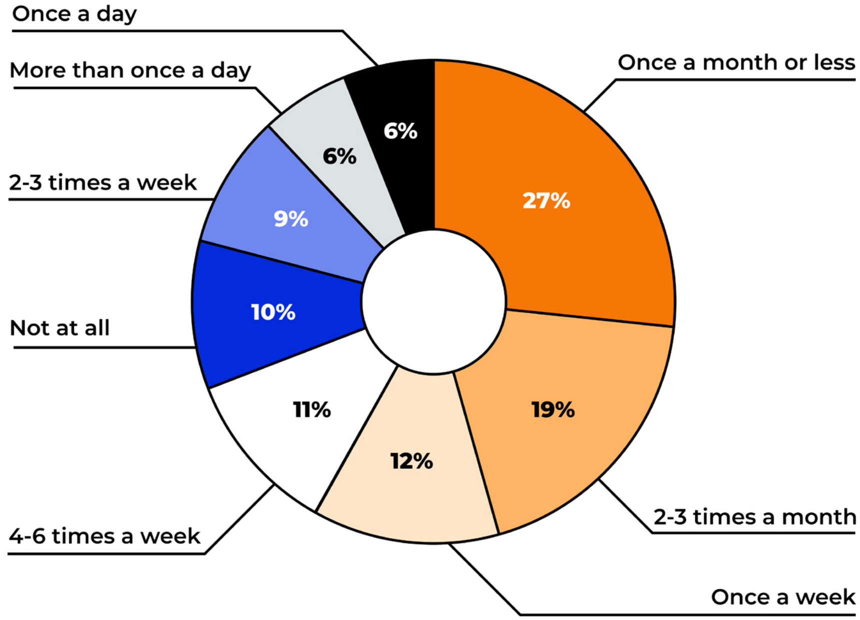


*Respondents could select multiple options

Amazon Prime's Popularity and Prime Day 2022 Preview

As the most popular online retailer in the world, Amazon's ability to attract and retain customers continues to grow. As affordability increasingly drives consumer shopping preferences in 2022, two out of three U.S. consumers shop on Amazon, most of whom are loyal Prime users.

How frequently consumers make purchases on Amazon



Top reasons people shop on Amazon

1. **I like Amazon's prices on products**
2. **I get Amazon Prime shipping/benefits**
3. **I like Amazon's prices on shipping**
4. I can get the products I need fast
5. I find the website easy to use and navigate
6. I can access products that are hard to find in stores
7. I can find the brands I'm looking for
8. I have been given/I have Amazon gift cards
9. I like Amazon's return policy
10. I am familiar with Amazon's products/stores
11. I like the Amazon app
12. Habit/I have always shopped from Amazon
13. I can get coupons, discounts and incentives
14. I find it easy to re-order or setup recurring ordering

Consumers and Amazon Prime

41% pay for their own Prime membership

25% do not have an Prime account and aren't planning to get one

15% share a Prime account with someone else

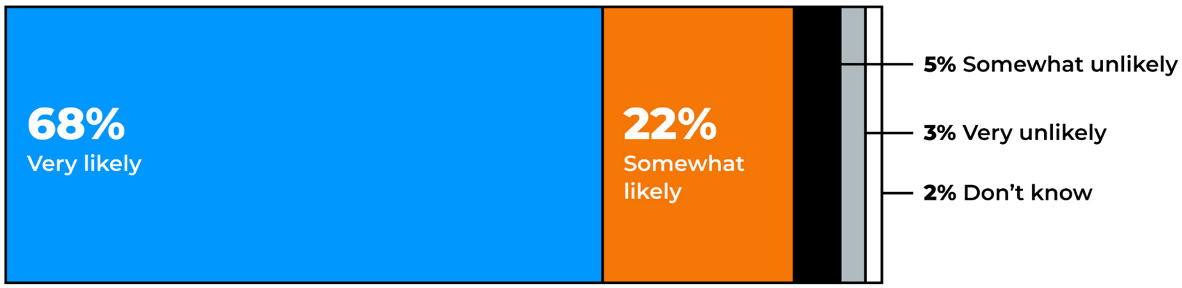
12% do not have an account but would consider getting one

7% don't know

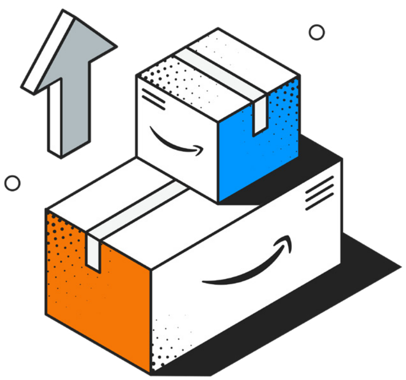
Prime Member Snapshot

More than half (56%) of consumers either have or share an Amazon Prime membership, and, of them, 90% are likely to keep it for another year.

How likely are Prime members to renew their membership for another year?



When Prime users were asked about their decision to renew with specific consideration of the membership cost increase Amazon recently implemented:



41%
said the increase doesn't bother them

39%
are reconsidering keeping their Prime membership

11%
might cancel their membership

6%
don't know how it will affect their decision to renew

*In March, Amazon raised the price of annual and monthly Prime memberships for new and existing members. The price of an annual membership went up $20 from $119 to $139, and a monthly membership increased by $2 from $12.99 to $14.99

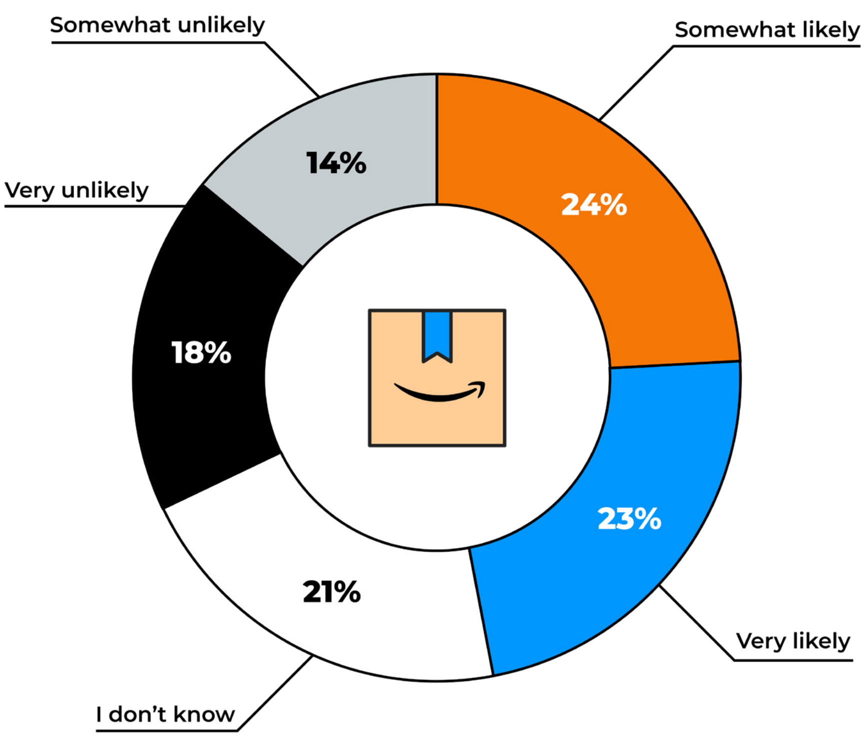
INSIGHTS

38%
of Prime users have no other retail memberships; for those who do, Sam's Club and Costco are the most popular, followed by Walmart Plus.

Prime Day Preview

Amazon's annual deals event, Prime Day, will run July 12 through July 13 this summer. In **announcing** the 2022 dates, Amazon added that early, member-only deals tied to this year's event would begin June 21. The timing of this year's event returns it to July after Amazon shifted the dates to October in 2020 and to June in 2021 in response to the COVID-19 pandemic.

How likely are you to shop on Prime Day this year?



How consumers are planning to shop on Prime Day*

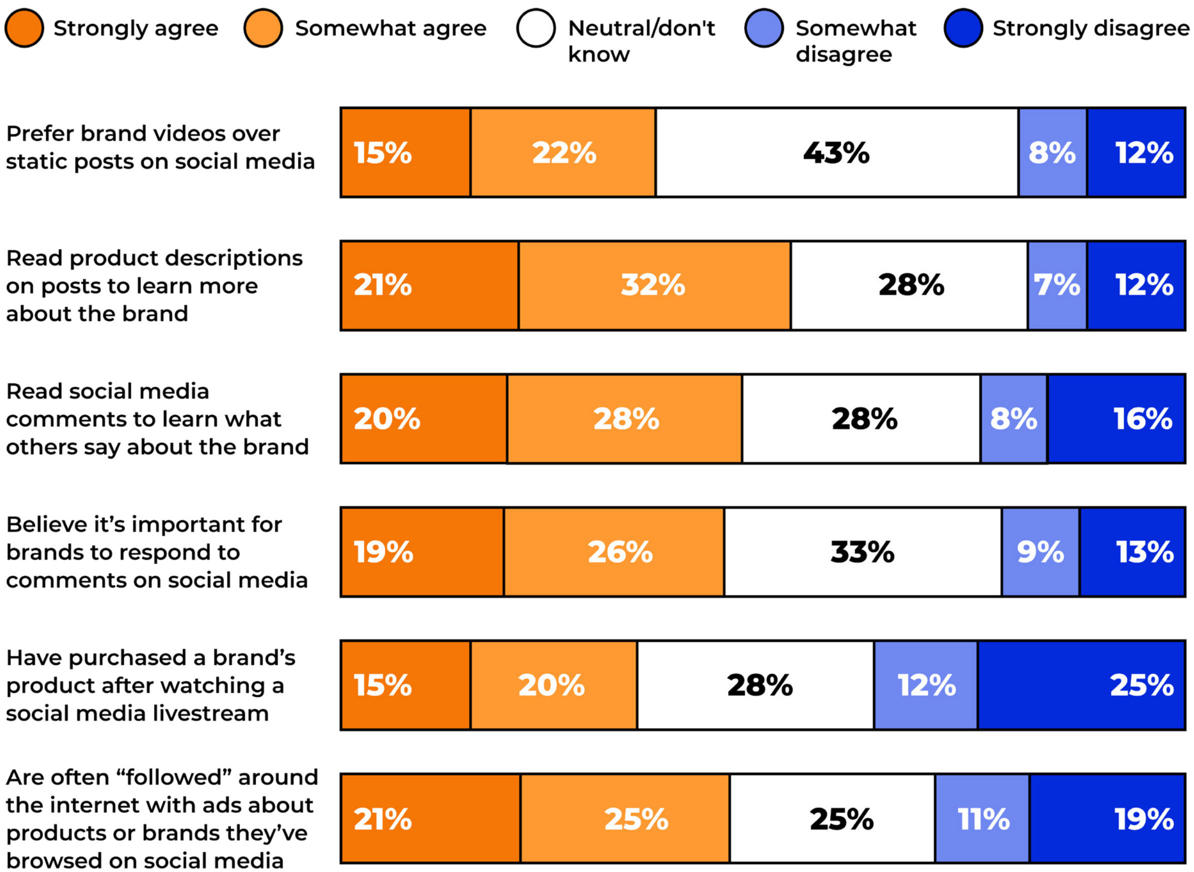
- **35%** Don't know/don't plan to shop on Amazon Prime Day
- **24%** Check out the deals
- **22%** Just browse
- **13%** Shop for typically costly products, like electronics
- **13%** Look for gifts for timely occasions such as birthdays and holidays
- **13%** Look for big brand items
- **11%** Buy essential items in my regular grocery/shopping list
- **11%** Fill up my cart before Prime Day and buy the items that go on sale
- **11%** Shop for Amazon products (e.g., Kindle and Echo devices)
- **10%** Buy timely needs (e.g., back-to-school supplies and apparel)
- **8%** Look for products from small businesses

*Respondents could select more than one option

Social Media Spotlight: The Ecommerce Influencers

Social media content — and internet advertising — is influencing consumers' purchases and their overall opinions of brands and products, in addition to the ways they shop online.

Consumer behaviors and opinions on social media content



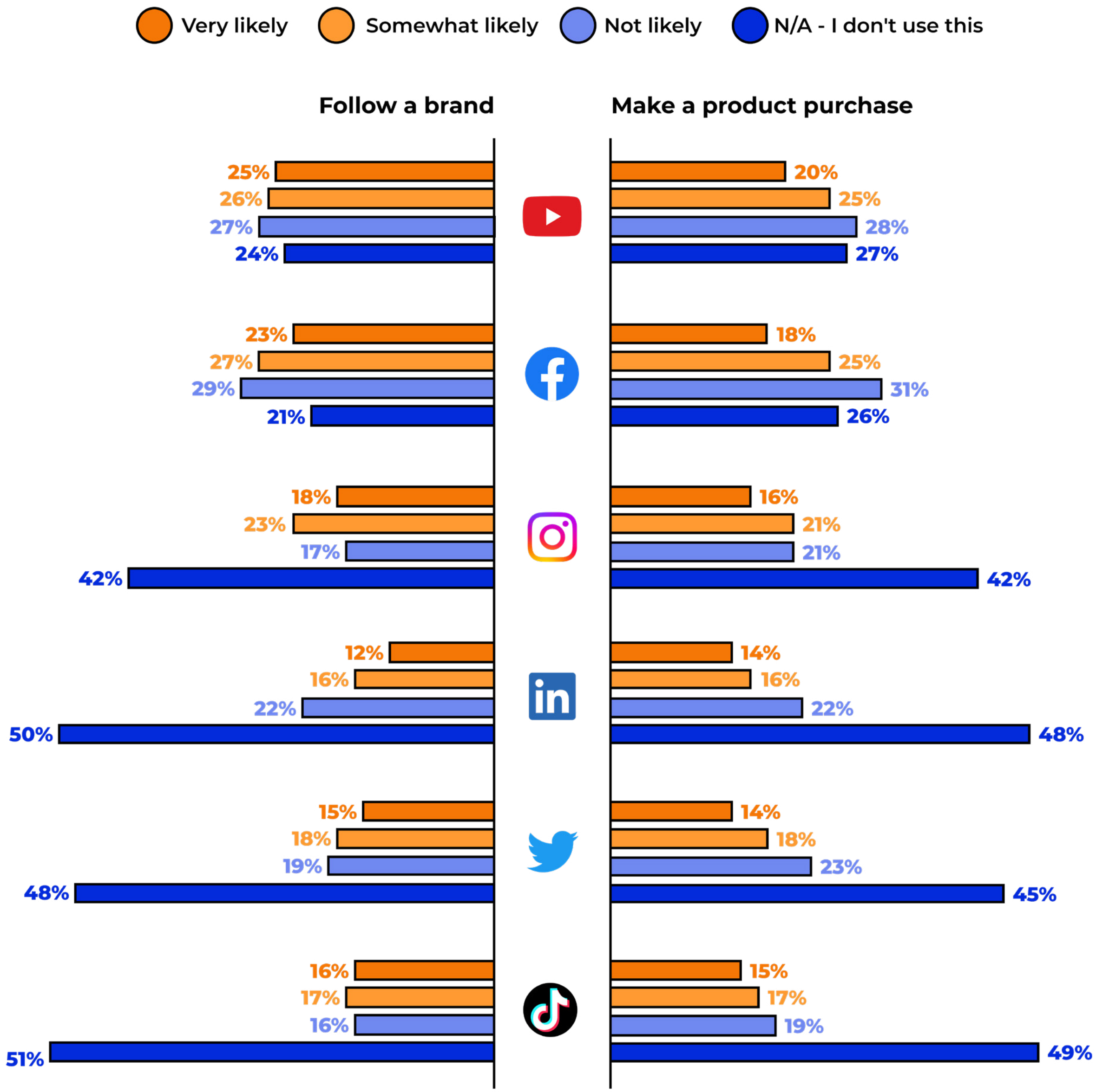
INSIGHTS

48%
of consumers read social media comments to learn what's being said about a brand.

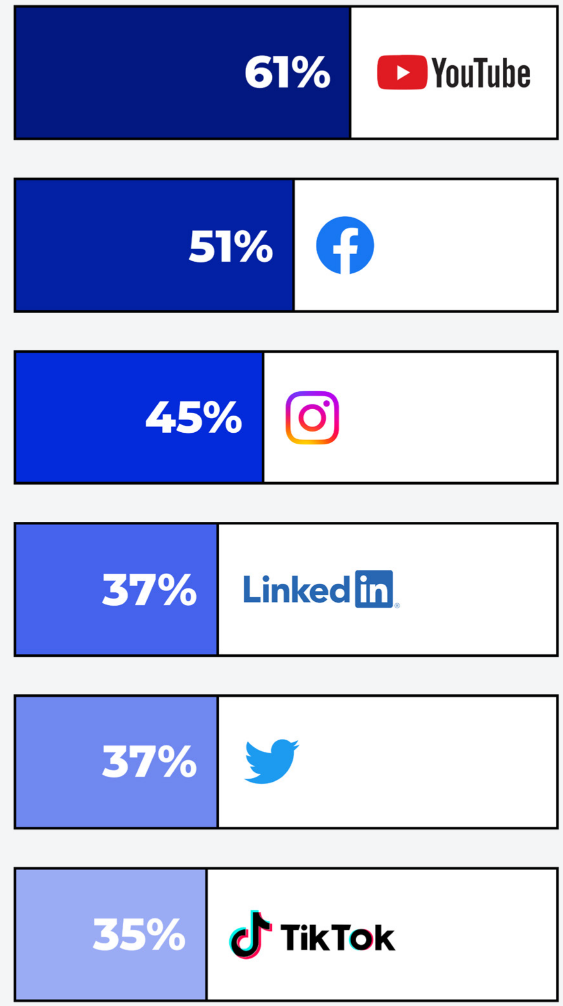
45%
think it's important for brands to respond to social media comments.

35%
have purchased a product after watching a social media brand's livestream.

How consumers are engaging in ecommerce via social media

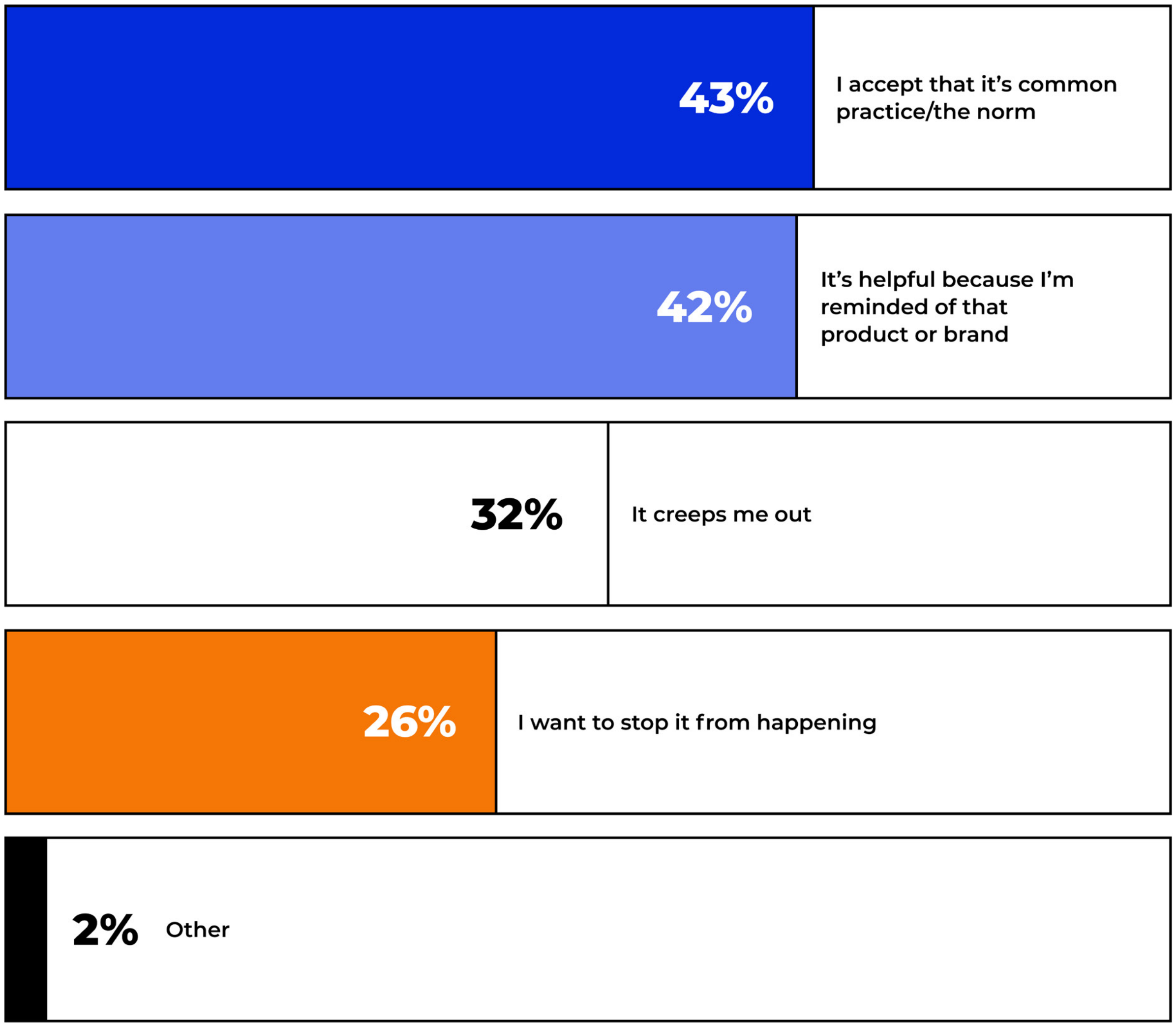


Most trusted social media platforms for finding and purchasing products*



*Percentages represent the portion of survey respondents that find the channel either very or somewhat trustworthy for finding and purchasing products

Consumer feelings about being "followed" around the internet by brand or product advertising



INSIGHTS

Among the 2% of consumers who selected "other" to describe their feelings about ads following them around the internet in their own words, select responses included:

"Feels like a stalker is following me"

"If it's a nuisance, if I am in the middle of something important and I keep getting popups/ads, I get very aggravated"

"It happens at inopportune timing, so I don't really like it"

"It's annoying, but I deal with it"

Chapter 4

About the Report

Methodology

Jungle Scout conducted an anonymous survey between May 6 and May 10, 2022, among 1,000 U.S. consumers about their buying preferences and behaviors. Respondents represented 48 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 second quarter (April, May and June) 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.

Q1 refers to the months of January through March 2022, Q2 refers to the months of April through June 2022.

Using the data

We invite you to explore **Jungle Scout's 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 $40 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	50%
Female	48%
Non-binary	1%
Other/prefer not to say	1%

Age

18-24	10%
25-34	20%
35-44	20%
45-54	11%
55-64	14%
65-74	21%
75+	5%

Region

Midwest	22%
Northeast	20%
West	16%
South	42%

Household income

Less than $25,000	28%
$25,000 to $34,999	15%
$35,000 to $49,999	15%
$50,000 to $74,999	18%
$75,000 to $99,999	11%
$100,000 to $124,999	5%
$125,000 to $149,999	3%
$150,000 or more	6%

Parent or guardian

Yes	25%
No	75%

Relationship status

Single or unmarried and not living with a partner	48%
Married	35%
In a relationship (unmarried) and living with a partner	15%
Other	2%

Employment status

Employed (net)	**46%**
Employed (full-time or part-time) and leaving my home for work	36%
Employed (full-time or part-time) and currently working at home	10%

Not working (net)	**54%**
Unemployed (lost work due to COVID-19 and its effects)	4%
Unemployed (not related to COVID-19)	7%
Student (full-time or part-time)	3%
Homemaker	5%
Retired	27%
Disabled/unable to work	7%
Other	1%