

Jungle Scout

Consumer Trends Report

Q3 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 in particular.

This report focuses on consumer attitudes and behaviors over the third quarter (July through September) of 2022 with some comparison to previous quarters. It explores spending and ecommerce trends, including ways in which an evolving social media landscape is influencing shopping habits and retail purchases and how rising inflation and recession talks are expected to impact the 2022 holiday shopping season.

1 Three out of four U.S. consumers believe the country is in a recession or headed there, and a similar number have cut or steadied their overall spending.

- 84% of respondents say inflation has impacted their spending, up 9% from Q2, and nearly 90% have noticed higher product prices in their day-to-day spending.
- More than half of consumers (52%) say their household income is unstable, representing a 36% increase from Q2.

2 Nearly 30% of consumers have already started their holiday shopping, though 55% say rising inflation has altered gifting and spending plans for 2022.

- Consumers are starting their holiday shopping earlier than last year; just 13% plan to wait until Thanksgiving or later compared to 27% in 2021.
- Spending less per person on gifts and buying discounted items are the two most popular ways consumers expect to cut back.

3 Consumers are increasingly comfortable buying products from social media. Among top platforms, TikTok has seen the most growth in potential shoppers.

- The number of consumers likely or somewhat likely to make a purchase directly from social media increased across the board compared to Q2.
- Boomers and millennials are most likely to buy products from YouTube, Gen Z prefers Instagram, and Gen X consumers are most likely to make purchases from Facebook.

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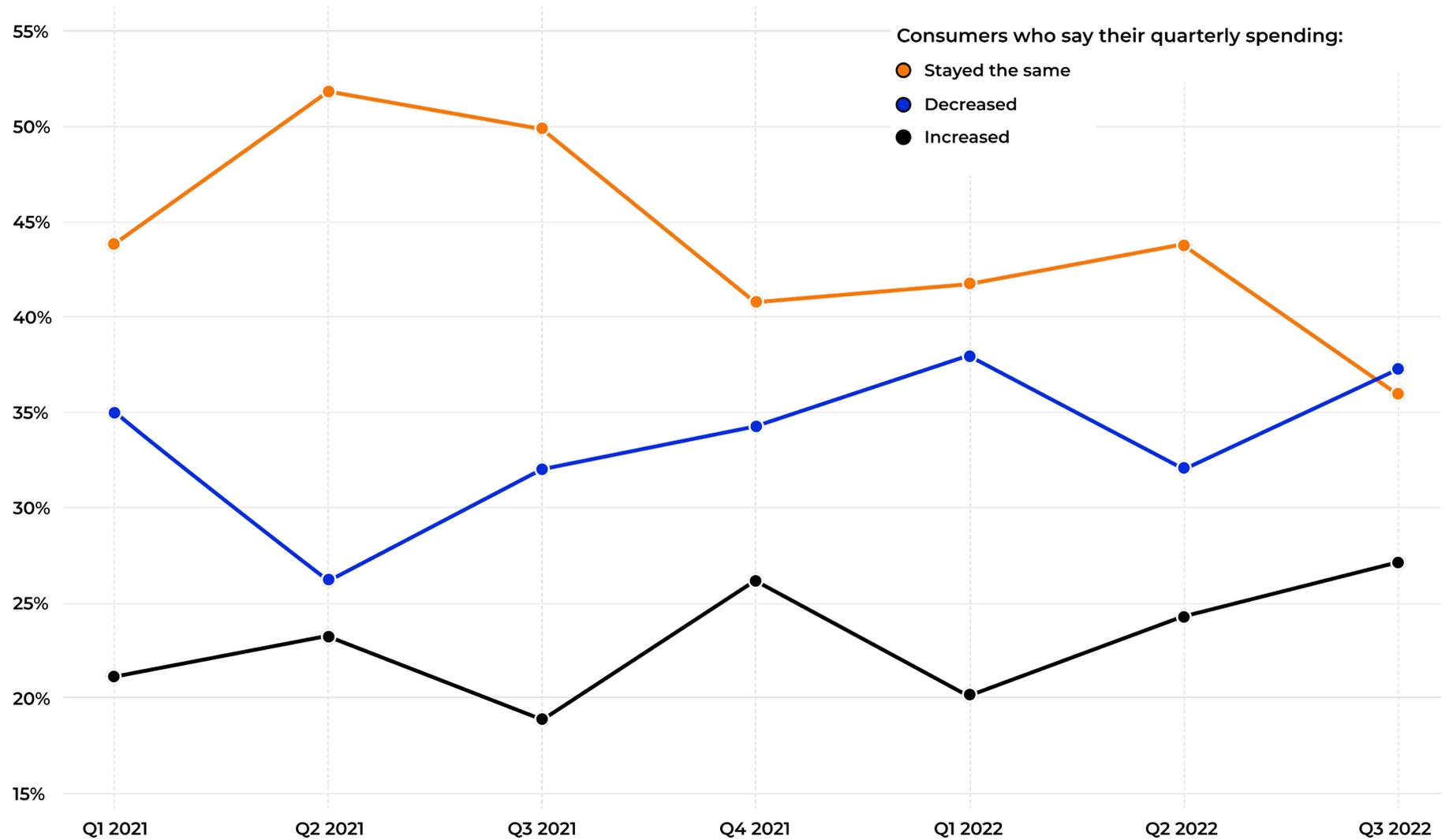
Chapter 1

Consumer Pulse Report: Trending Spending

Consumer spending shifts over time as shoppers navigate changes to their work, lifestyle, 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

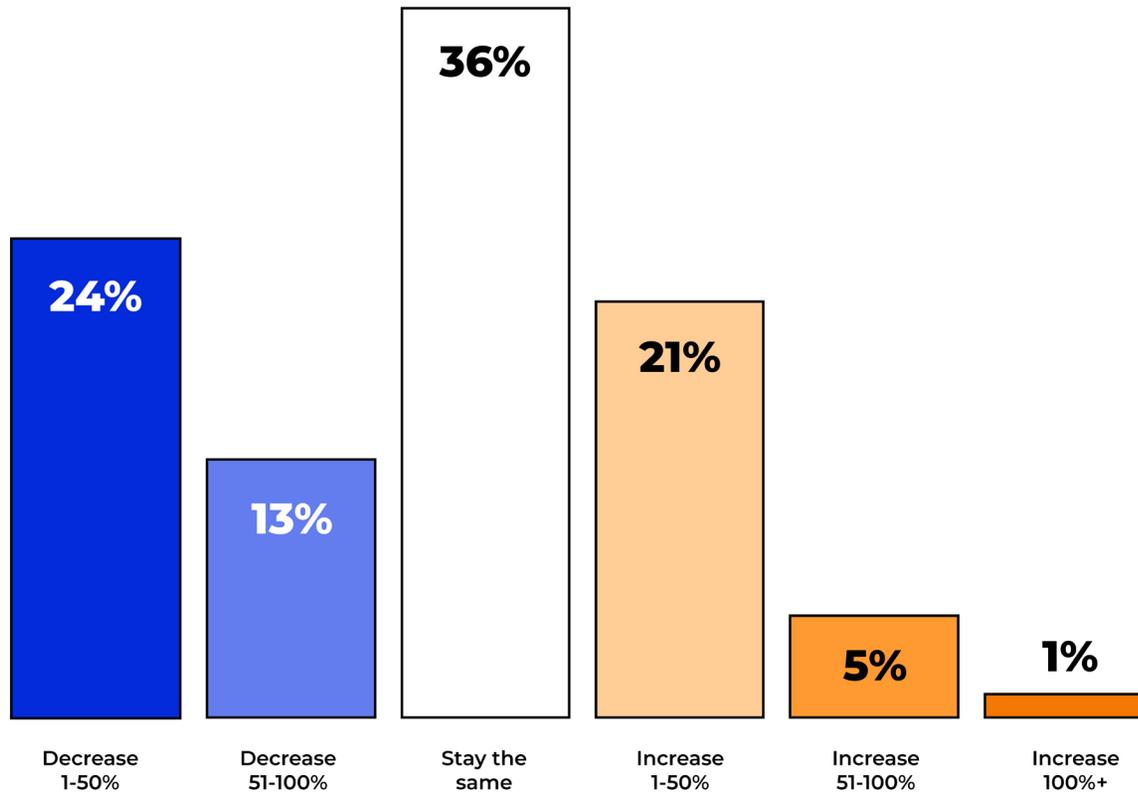


Consumer Spending & Projections

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

See consumer spending data for the second quarter of 2022 [here](#).

How is overall consumer spending changing in Q3?



INSIGHTS



When asked about their overall spending during Q3 of 2022 (July through September), most consumers (73%) said their spending decreased or stayed the same compared to the second quarter.

37%
said spending decreased

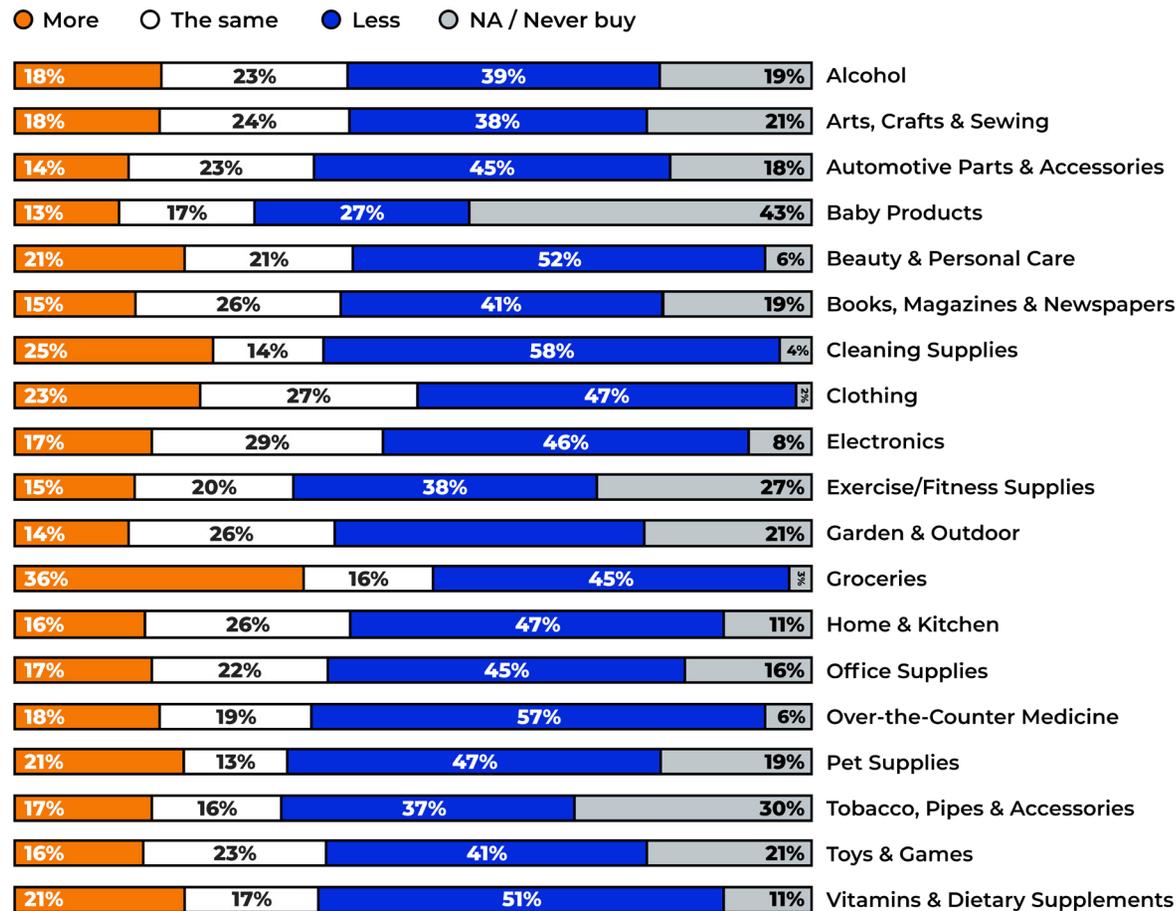
36%
said spending stayed the same

27%
said spending increased

Popular Products: What Consumers Are Buying

Generally, consumers are buying less or the same amount of products across all categories in Q3.

Top product categories | Q3 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 Q2 survey data:

- Beauty & Personal Care (from 14% to 21%)
- Pet Supplies (from 15% to 21%)
- Vitamins & Dietary Supplements (from 16% to 21%)

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 Q3 2022.

Respondents could select multiple options

In-store

| | | |
|---|---|-----|
|  | Walmart | 65% |
|  | Target | 33% |
|  | Walgreens | 18% |
|  | The Home Depot | 15% |
|  | Amazon Go or Amazon Go Grocery | 13% |
|  | Lowe's | 13% |
|  | Costco | 12% |
|  | Kroger | 12% |
|  | Kohl's | 11% |
|  | Best Buy | 11% |
|  | Sam's Club | 10% |
|  | Apple | 9% |
|  | Macy's | 8% |
|  | Specialty, independent, local or boutique | 5% |
|  | Albertsons | 4% |

Online

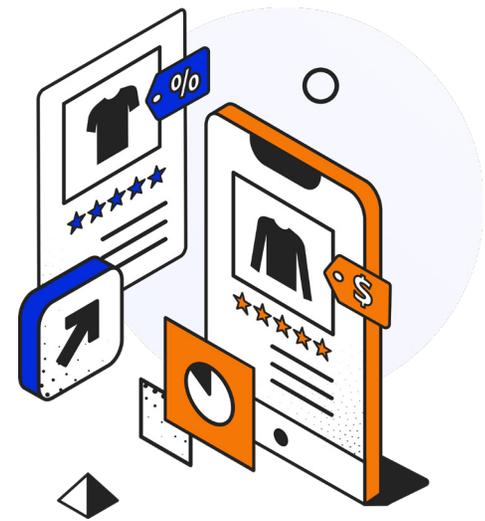
| | | |
|---|---|-----|
|  | Amazon | 75% |
|  | Walmart.com | 43% |
|  | eBay.com | 19% |
|  | Target.com | 16% |
|  | Apple.com | 10% |
|  | BestBuy.com | 8% |
|  | Etsy.com | 8% |
|  | Kohls.com | 7% |
|  | Macys.com | 7% |
|  | Instacart | 6% |
|  | Facebook shops | 6% |
|  | HomeDepot.com | 6% |
|  | Walgreens.com | 6% |
|  | Lowe's.com | 5% |
|  | Instagram Shop | 4% |
|  | SamsClub.com | 4% |
|  | Costco.com | 4% |
|  | Google Shopping | 4% |
|  | Kroger.com | 4% |
|  | Wayfair | 3% |
|  | Wish | 3% |
|  | Specialty, independent, local or boutique | 2% |

Chapter 2

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 increasingly popular options for online shopping.

In this chapter, we explore how, where and why consumers shop online and the ways social media and advertising are influencing their opinions and ecommerce preferences.

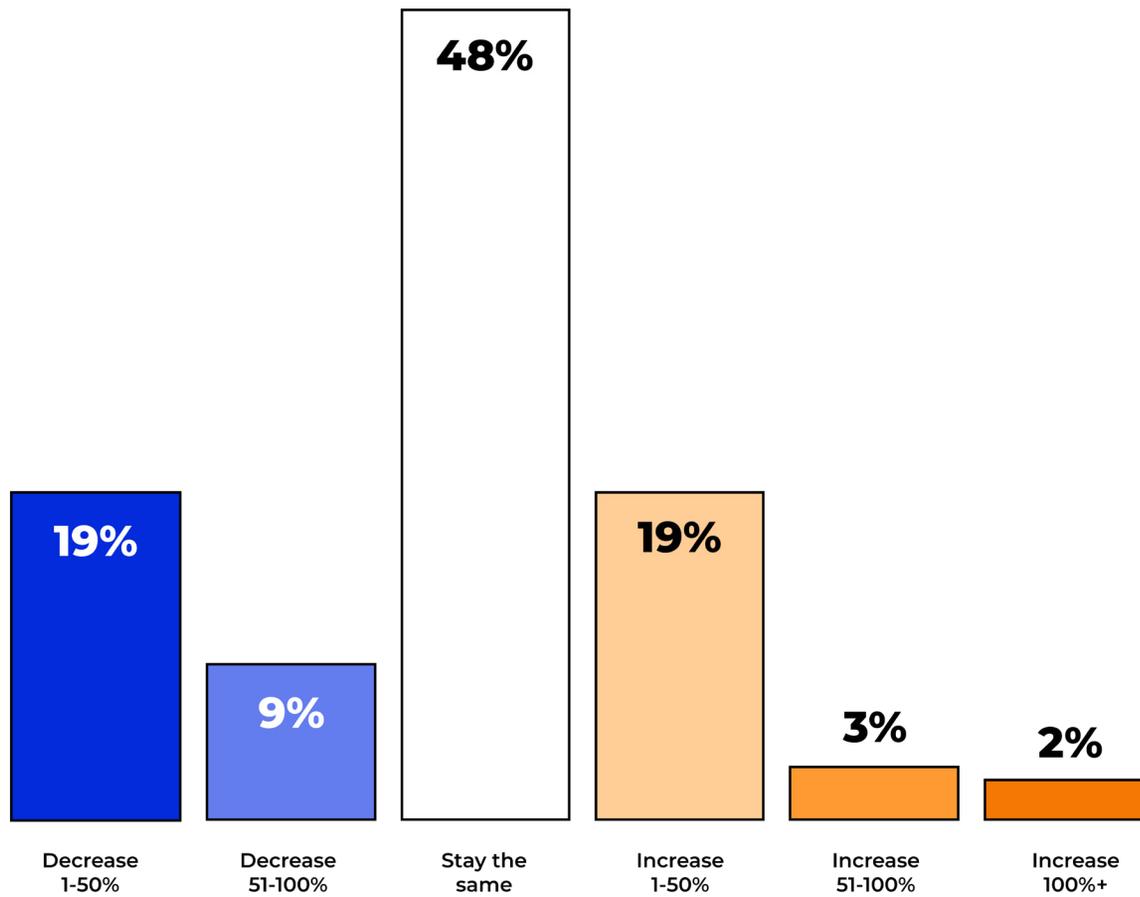


Online Spending & Shopping Preferences

The data in this section reflects online consumer spending for Q3 2022.

See online consumer spending data for the second quarter of 2022 [here](#).

How is *online* consumer spending changing in Q3?



INSIGHTS



The percentage of consumers who said their online spending decreased, stayed the same, or increased in Q3 were fairly similar.

32%

said online spending decreased

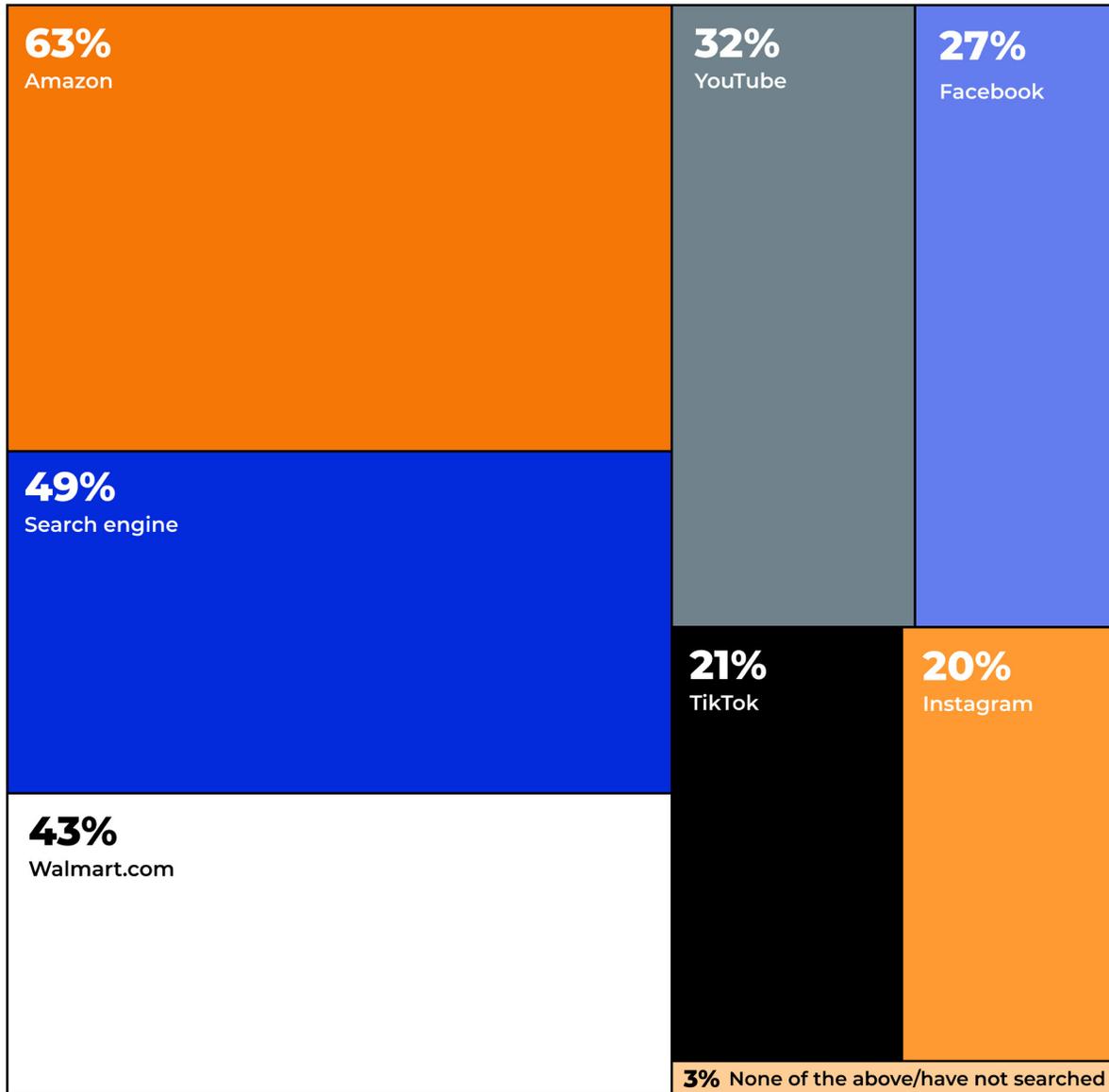
35%

said online spending stayed the same

33%

said online spending increased

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



Respondents could select multiple answers

INSIGHTS



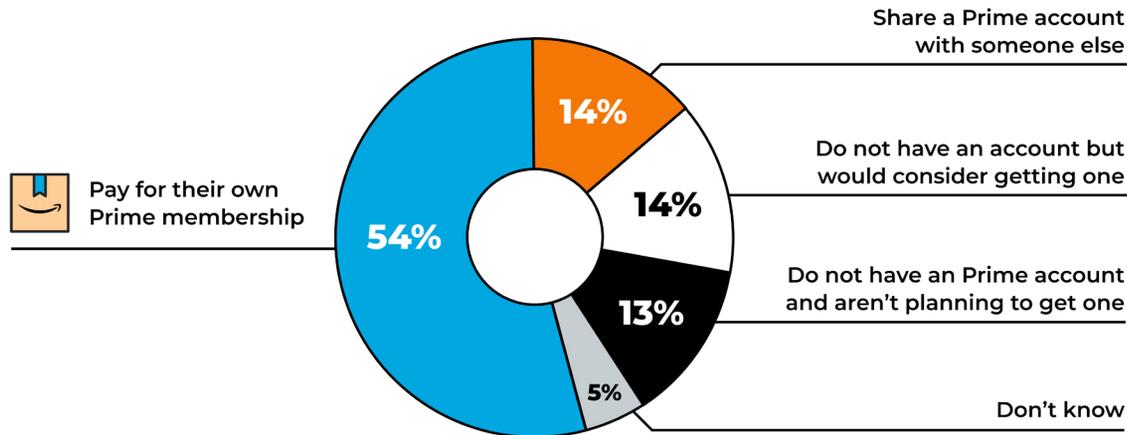
Social media channels like Facebook, YouTube, and Instagram play a growing role in consumers' online product searches; among them, TikTok saw the largest quarter-over-quarter increase, from 11% to 22%.

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

Amazon Prime Snapshot

While the ecommerce landscape continues to evolve as players like Walmart and social media companies expand their reach and popularity with consumers, Amazon's dominance shows no sign of waning. Third-quarter survey data shows 68% of consumers have access to Amazon Prime, up from 56% in the previous quarter.

Consumers and Amazon Prime



INSIGHTS



Of the 68% of consumers with access to an Amazon Prime membership, 94% are likely to renew for another year. Of those without access to a membership, just 13% said they aren't planning to get one, compared with 25% who weren't planning to in the second quarter of 2022.

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



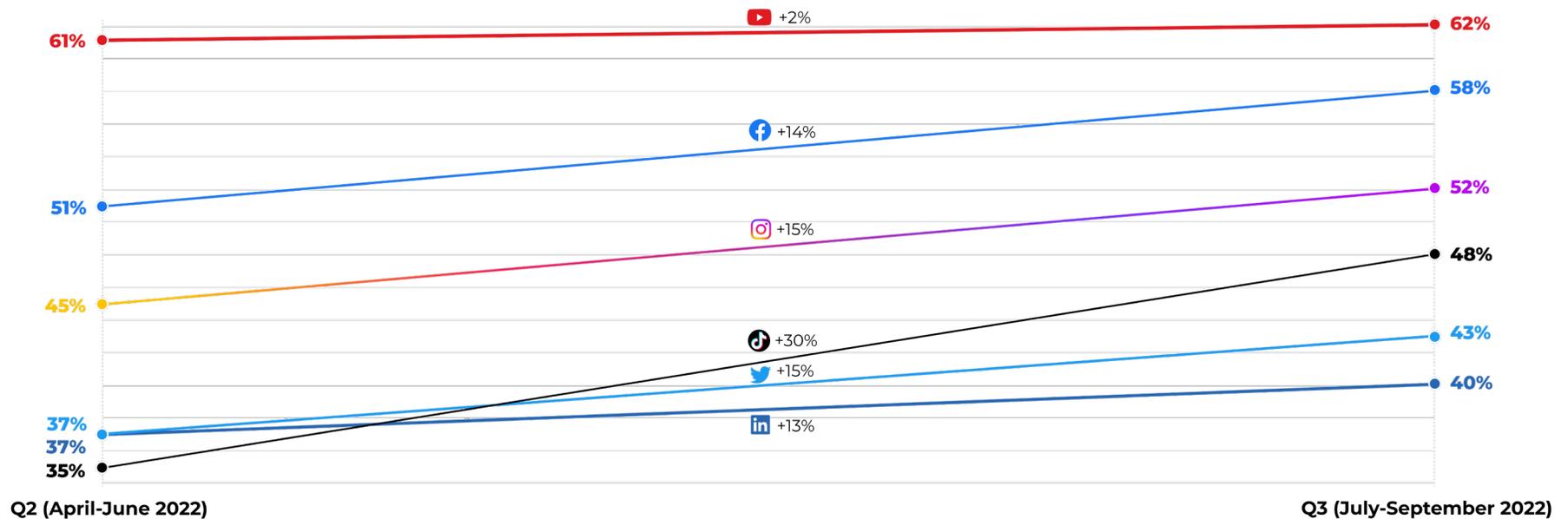
The Rise of Social Shopping & Commerce

Social media companies have been working to incorporate ecommerce into their platforms for years, but as the Covid-19 pandemic accelerated the popularity of online shopping, so, too, did the speed at which these companies rolled out ecommerce capabilities and offerings. With more options than ever to buy products and services directly from social media sites and/or apps, consumer spending on social commerce is trending higher, with revenues expected to surpass \$56 billion by 2023, up from approximately \$30 billion in 2020, according to [projections](#) from eMarketer.

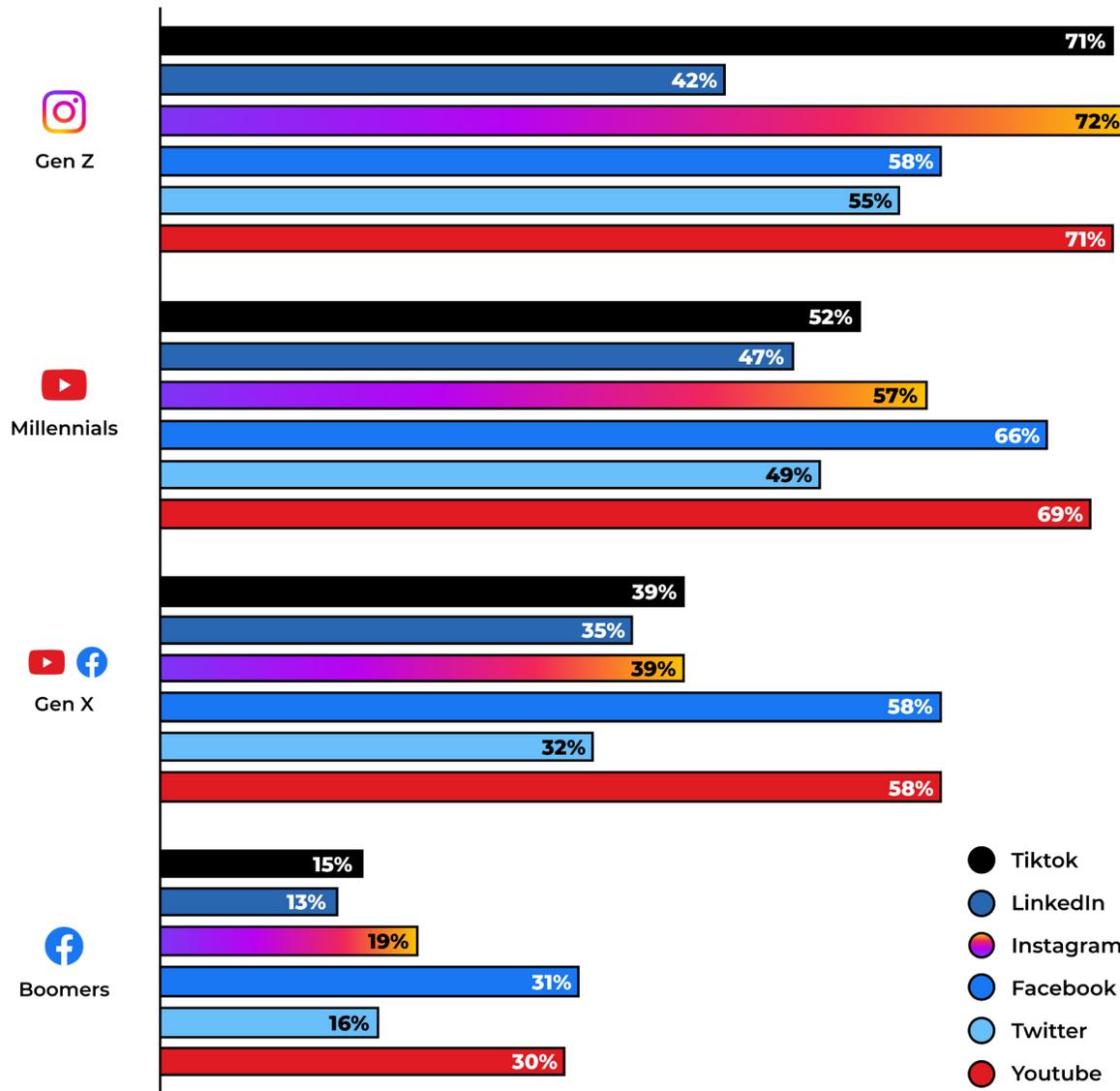
Data from our third-quarter consumer survey show that customers are more comfortable than ever making purchases from social media sites such as Facebook, Instagram, and YouTube. The percentage of shoppers who are likely or somewhat likely to make a purchase from top social platforms increased across the board in the third quarter of 2022 compared to the second, with TikTok seeing the largest jump.

In general, however, consumers are still more likely to search Amazon for a product after seeing it advertised on social media than to buy it directly from the platform.

Percentage of consumers likely to purchase a product directly from social media



Percentage of consumers (by age group) likely to purchase a product directly from social media



INSIGHTS



Gen Z and Millennials are the most likely consumer groups to shop from social media, followed by Gen X, with Boomers the least likely age group to do so. For Millennials, YouTube is the preferred channel for making purchases. Consumers in the Gen X bracket split their preference between YouTube and Facebook, Boomers are most likely to buy products from Facebook, and Gen Z consumers have a preference for Instagram.

Top consumer actions after finding a desired product on social media



1. Found the product on Amazon and purchased it



2. Visited the product/brand's website to learn more



3. Found a similar product on Amazon and purchased it



4. Visited the product/brand's website and made a purchase



5. Looked at social media comments about the product/brand



6. Purchased the product directly from the social media site/app



TikTok strides into ecommerce

The newest of the most popular social media networks, TikTok, has attracted significant **industry attention** over the past year with a series of enhancements to its direct **social commerce strategy** and rapid overall growth. The platform most recently rolled out an “order center” feature that tracks products a user has purchased, looked at, or may be interested in. Data from our third-quarter survey of consumers shows they’ve taken notice — and are increasingly adopting the platform as a shopping option.

Consumers very likely or likely to made a purchase directly from TikTok increased 30% — to 48% from 33% — between the second and third quarters of 2022

Very likely



Likely



Total



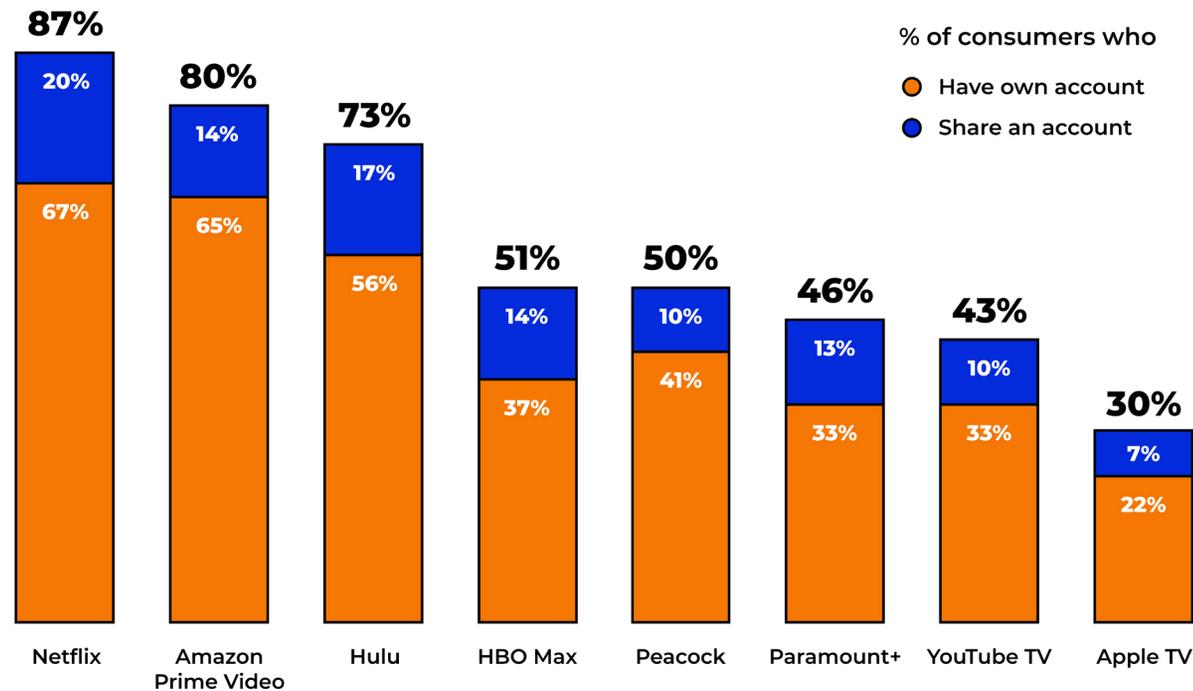
More consumers than ever are going to TikTok **first** when searching for product online. While still a much smaller percentage than the 63% of consumers who start their search on Amazon, 20% now start with TikTok, up from just 11% in the previous quarter.

Streaming Services and Advertising

As the streaming video content industry continues to expand with new options and subscription tiers, consumers are now more engaged with this type of content than they are with broadcast television. According to [recent Nielsen data](#), streaming TV, commonly referred to within the media industry as “over the top” content, or OTT, accounts for about 29% of consumers’ total time with television compared to the approximately 26% tied to broadcast programming.

To be sure, not all OTT services have the same reach; the gulf between the three most popular platforms — Netflix, Hulu and Amazon Prime Video — and others is often wider than 30%.

Most popular streaming video services



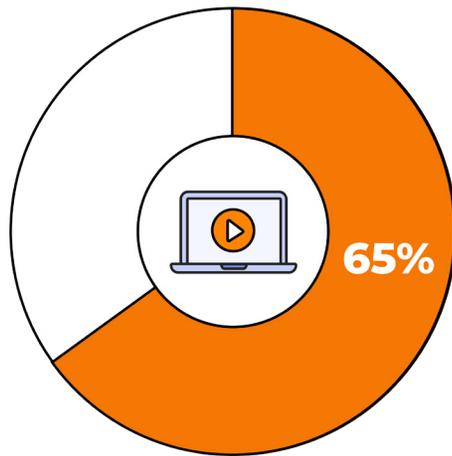
INSIGHTS



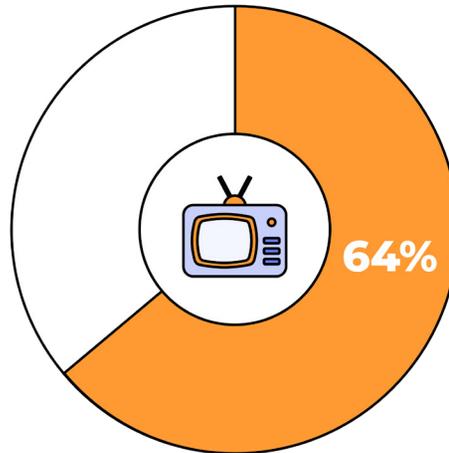
Netflix has the widest reach among top OTT platforms, but Amazon Prime Video is not far behind. 87% of consumers have access to Netflix, compared to the 80% with access to Amazon Prime Video.

Those consumer trends mirror those seen in OTT advertising, which is growing in popularity among marketers for a variety of reasons. Within Amazon, for example, OTT advertising is currently in beta testing and gives brands the ability to run non-skippable, highly-targeted video ads across streaming services in Amazon's demand-side platform network, such as IMDb TV, Twitch, and FireTV. Respondents to our third-quarter survey were slightly more likely to buy products from OTT advertisements services than from network or cable television.

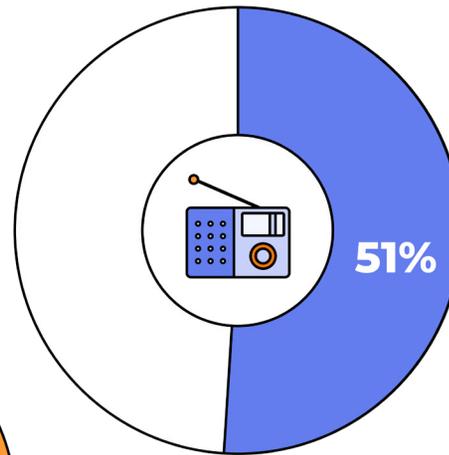
Percentage of respondents that have purchased a product from advertisements on...



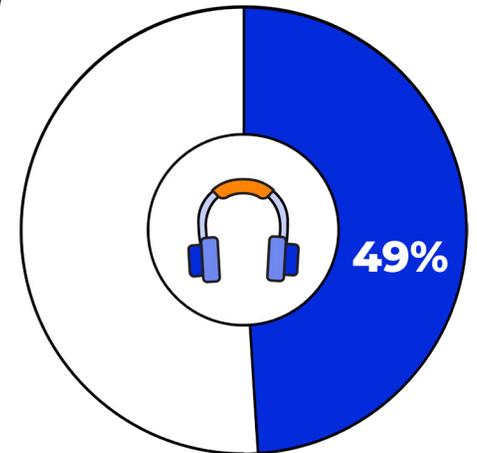
Streaming entertainment
(Hulu, Amazon Prime,
Netflix, etc.)



Network/cable TV



Radio



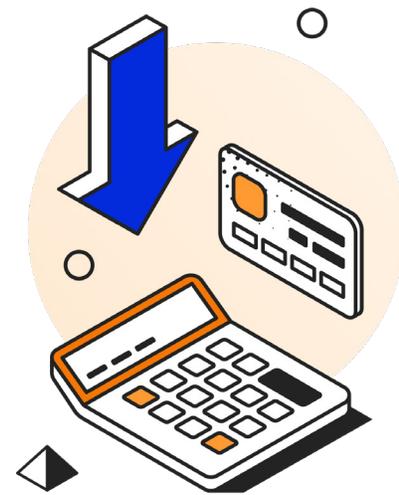
Podcasts

Chapter 3

Q3 Insights: Growing Uncertainty Quells Spending

While the U.S. federal government has avoided using the word “recession” to characterize the economic slowdown seen in the third quarter of 2022, indicators typically used to characterize such a period have been present for some time. Regardless, most economists – and consumers – believe a recession is already underway or will be before the end of the year.

This quarter, we looked into consumer sentiment around this economic downturn and ongoing concerns about rising inflation in relation to overall shopping trends and expectations for the holiday shopping season.



Consumer Sentiment Narrows as Recession Looms

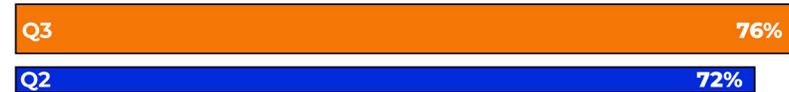
Concerns about inflation – and the corresponding impact on overall spending – are at the highest levels seen this year, and an overwhelming majority of consumers (76%) believe the U.S. is either in a recession or headed for one. While experts debate [whether or not a recession has already begun](#), most consumers are already experiencing economic uncertainty: 52% say their household income is unstable — up 36% from three months ago — and 73% have either reduced or maintained their overall spending levels.

Consumers increasingly impacted by economic trends

Rising inflation has affected spending



Making fewer fun or impulse purchases



Saving up for a big purchase or expense



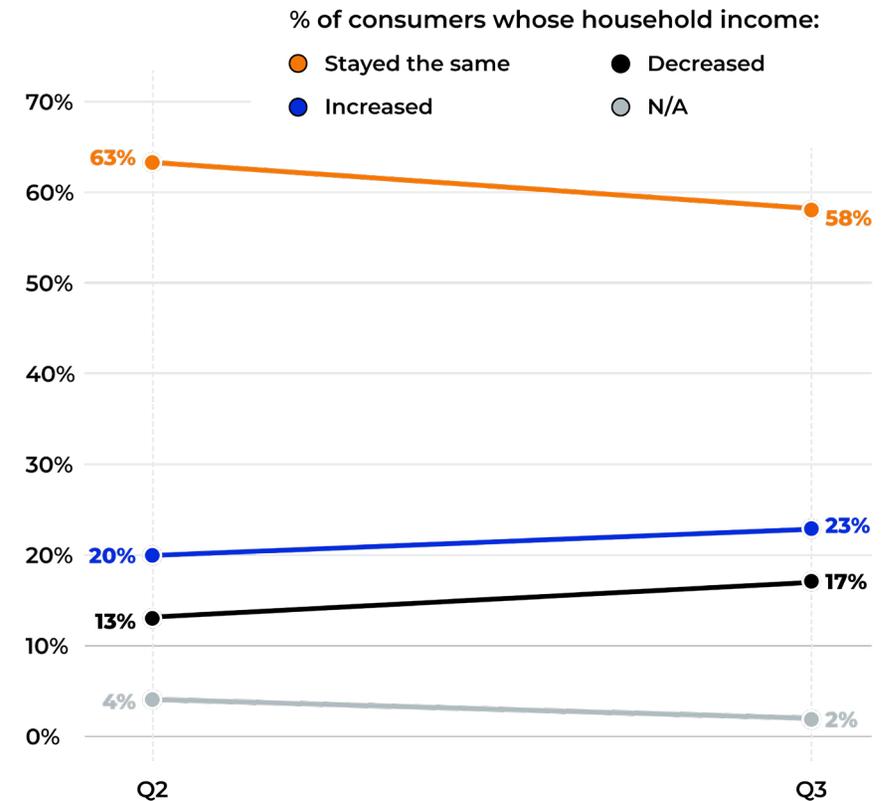
Household income is unstable



Household relies on financial assistance/unemployment benefits



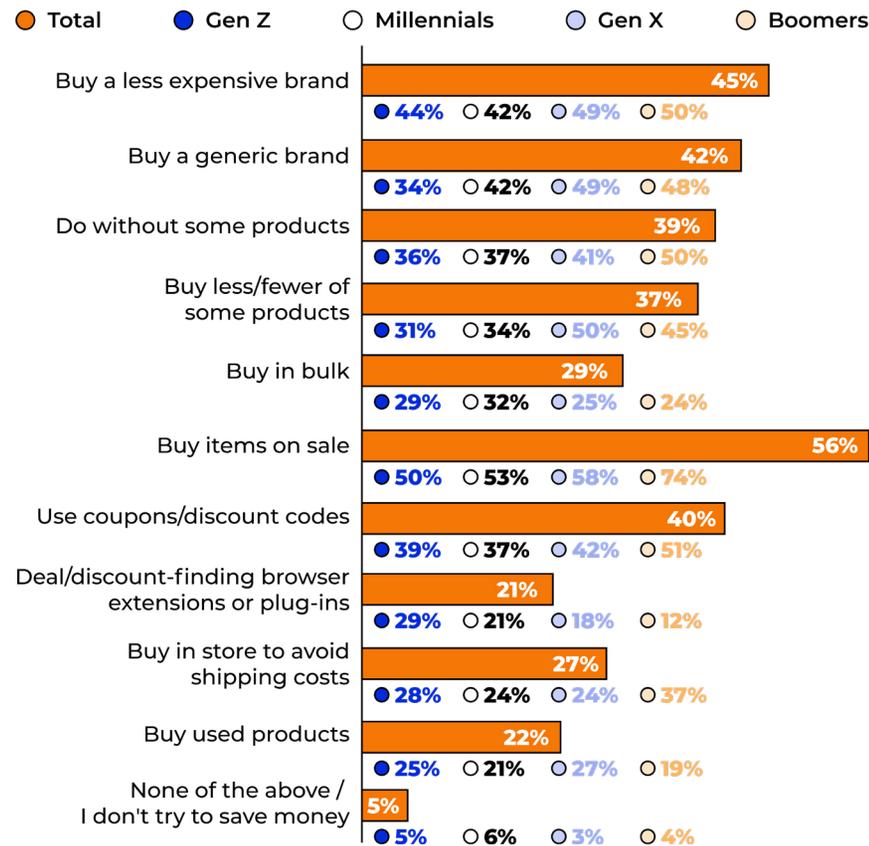
Changes in household income



How and Where Consumers Are Cutting Back

Data from our third-quarter 2022 consumer survey shows 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 age groups.

Consumer strategies for saving money*



*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 (1,025), 188 are Gen Z, 555 are millennials, 130 are Gen X, and 135 are boomers.

INSIGHTS



A larger number of survey respondents are buying less expensive brands, less of some products, doing without some products, and buying used products in Q3 comparative to Q2.

Top categories where consumers are cutting back*

1. Dining out at restaurants/bars
2. Leisure travel
3. In-person entertainment (movies, concerts, etc.)
4. Streaming entertainment subscriptions (Netflix, iTunes, Audible, etc.)
5. Subscription services (meal kits, food delivery, etc.)
6. Personal care services (hair/nail salons, spas, etc.)
7. Clothing/accessories
8. Groceries
9. Home improvement/decorating

*List ranked in order of the most commonly selected categories in which respondents are or are planning to cut spending in Q3. Each listed category was selected by more than a third of respondents who are reducing their overall spending.

Spending Divergences by Income Level

With survey responses for Q3 2022 segmented by household income, key differences in consumer spending trends are apparent. Households with the lowest incomes (under \$50,000/year) are more likely to be reducing their spending this quarter than those with higher incomes.

Third-quarter 2022 spending trends

● Decreased

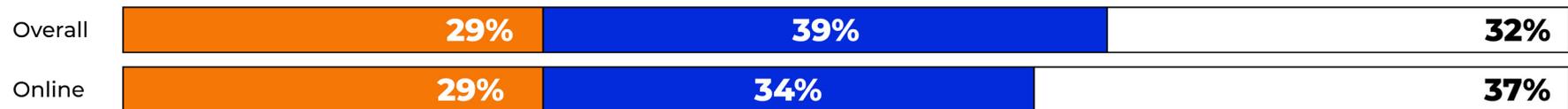
● Same

○ Increased

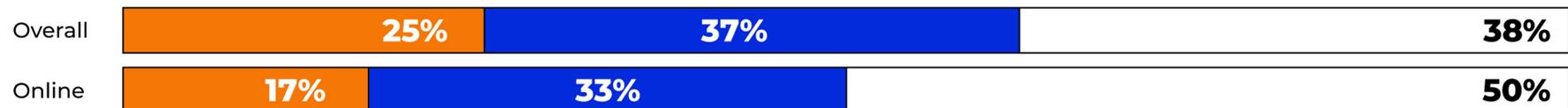
Income level: \$0-50k



Income level: \$51k-\$99k



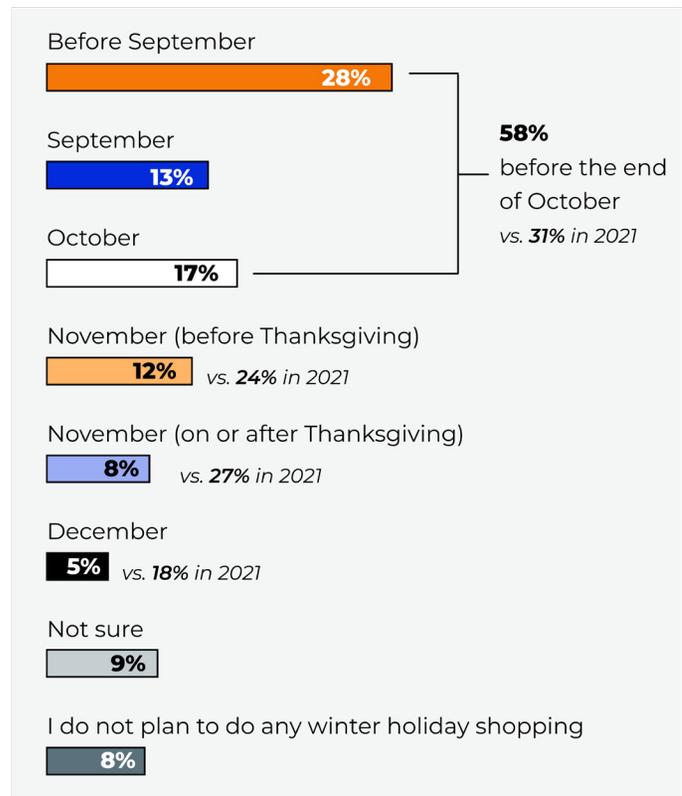
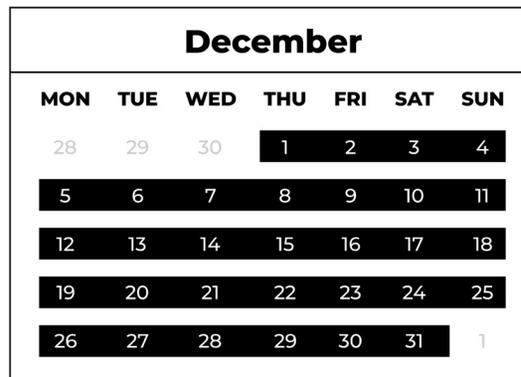
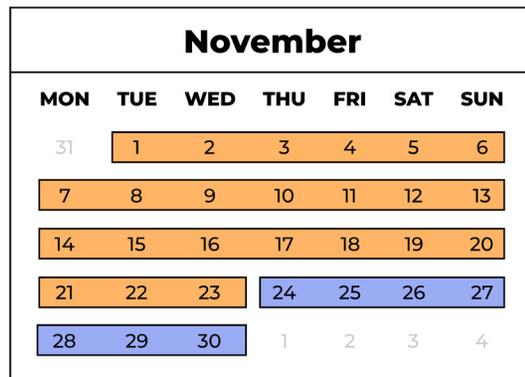
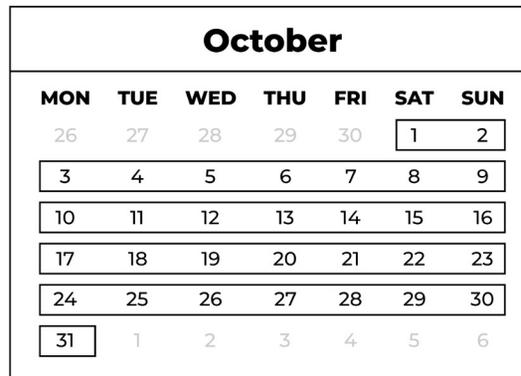
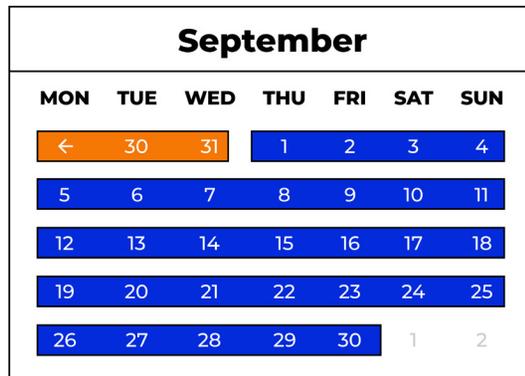
Income level: \$100k+



2022 Holiday Shopping Preview

More than half of consumers (55%) plan to change their holiday shopping plans this year in response to rising inflation — 90% have noticed higher product prices in their day-to-day spending — and starting early appears to be one way they’re doing so. At the time our survey was conducted in August, 19% of respondents had already begun their holiday shopping. What’s more, 70% expect to start before Thanksgiving, a dramatic uptick from the 55% of consumers who gave the same timeframe in 2021.

Holiday shopping timelines



Top ways consumers expect to reduce holiday spending

1. Spend less per person on gifts



2. Buy discounted products



3. Reduce the number of people they're gifting



4. Spend less on holiday decorating



5. Reduce holiday activities/travel



6. Buy used/thrift store gifts



7. Re-gifting/recycling gifts



Making a list and checking it twice

Among respondents expecting to cut recipients from their holiday gift lists, the most likely to get skipped this year are...



1. Self
2. Friends
3. Extended family
4. Coworkers
5. Neighbors

Least likely to get cut...



1. Children
2. Grandchildren
3. Partner/spouse
4. Grandparents
5. Pets

Respondents could select multiple options. Percentages represent the portion of total respondents who selected that option when asked "which of the following are you most likely to skip gifting this year."

Chapter 4

About the Report

Methodology

Jungle Scout conducted an anonymous survey between August 5 and August 8, 2022, among 1,025 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.

Using the Data

We invite you to explore **Jungle Scout's Q3 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 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% |