

Jungle Scout

Consumer Trends Report

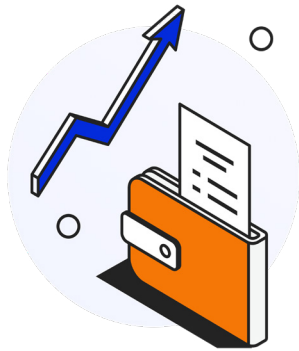
Q3 2023

Introduction & key takeaways

As consumer behaviors and preferences evolve alongside increasingly rapid advancements in technology and ecommerce, staying up to date on the latest trends is more important than ever for businesses looking to better understand their customers.

Jungle Scout's Consumer Trends Report is a quarterly study of 1,000 U.S. consumers that explores how and where people are shopping, what they're buying, and the ways in which inflation and other economic factors impact decision making and overall spending.

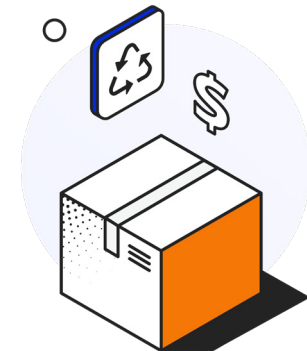
In this report, covering the third quarter of 2023, we'll examine how and where these trends diverge among consumers with different household incomes and identify habits and preferences that are unique to high-income shoppers. We'll also preview the upcoming holiday shopping season, outlining the ways consumers expect to approach end-of-the-year spending.



- 1 Where and how Americans are shopping — and what they're buying — varies wildly by income level.** The habits of high-income consumers, who shop online the most frequently, are often in stark contrast to those who make less.



- 2 'Tis the season, earlier again: 42% of consumers will have started their holiday shopping by the end of September.** High-income shoppers are the most likely to get a jump on things — half of them are already checking off their gift lists.



- 3 When shopping on Amazon, some can afford to be pickier than others.** 48% of high-income consumers consider the Climate Pledge Friendly tag “very important” in choosing products, compared to 24% of those with lower incomes.

Note: Throughout the report, mentions of high-, middle-, or low-income consumers refer to the segments of survey respondents who self-identified their annual household incomes within ranges we've grouped into three categories: less than \$50,000, between \$50,000 and \$99,000, and more than \$100,000, respectively.

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Chapter 1

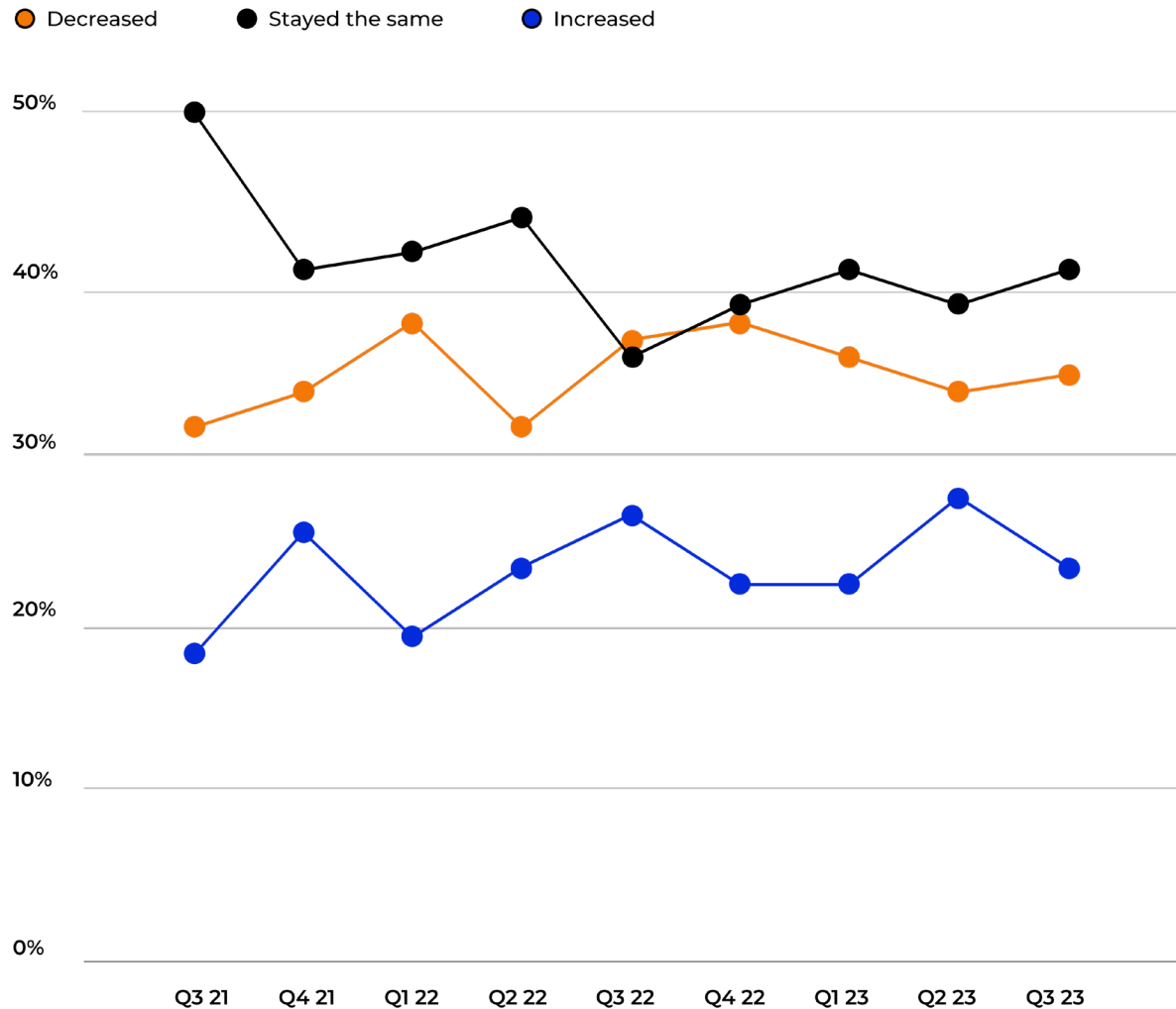
Consumer Pulse Report: Trending Spending

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

Consumers who say their overall spending ...



INSIGHTS



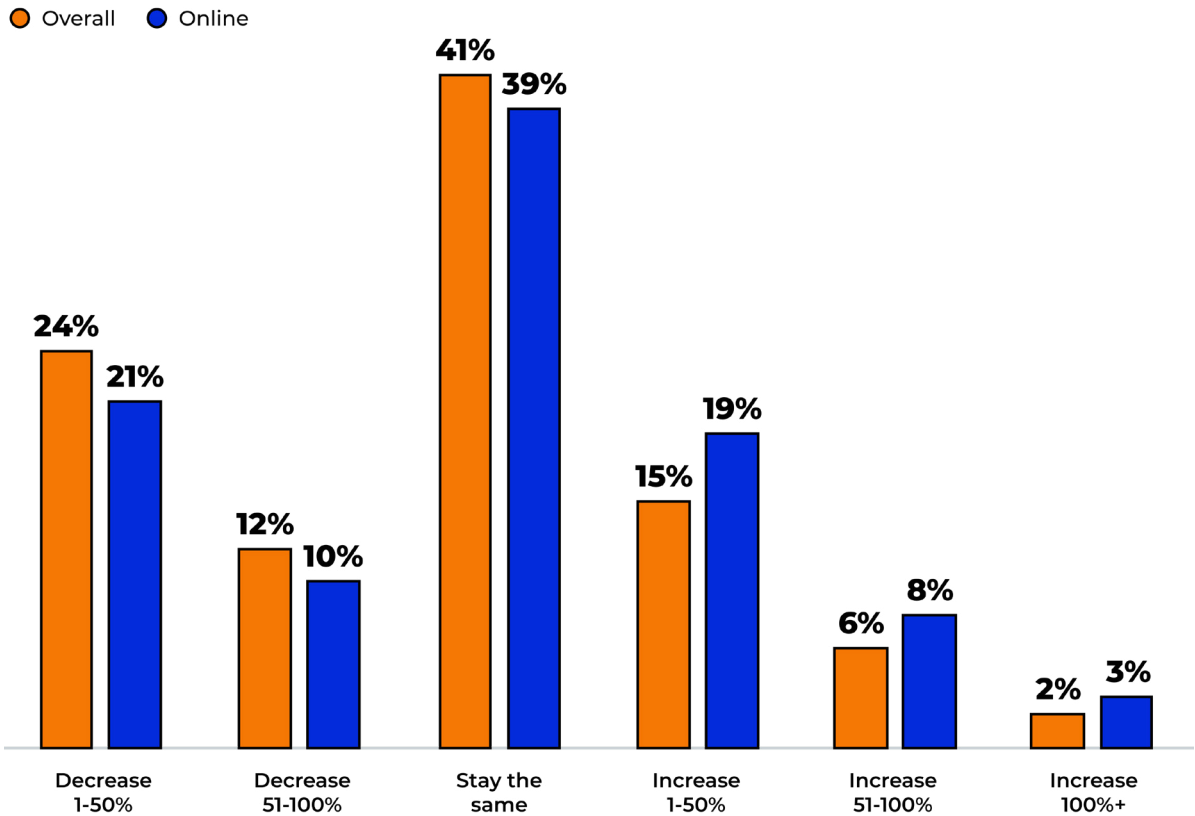
Changes to overall spending in the third quarter remain similar to those observed in the first half of 2023, with more consumers (41%) spending about the same amount during this period than those whose spending declined (35%) or increased (24%) relative to their Q2 spending.

Overall and online spending in Q3

The data in this section reflects how consumers described changes to their overall and online spending in the third quarter of 2023 compared to the second quarter of 2023.

See consumer spending data for the second quarter of 2023 [here](#).

How is consumer spending changing in Q3?



INSIGHTS



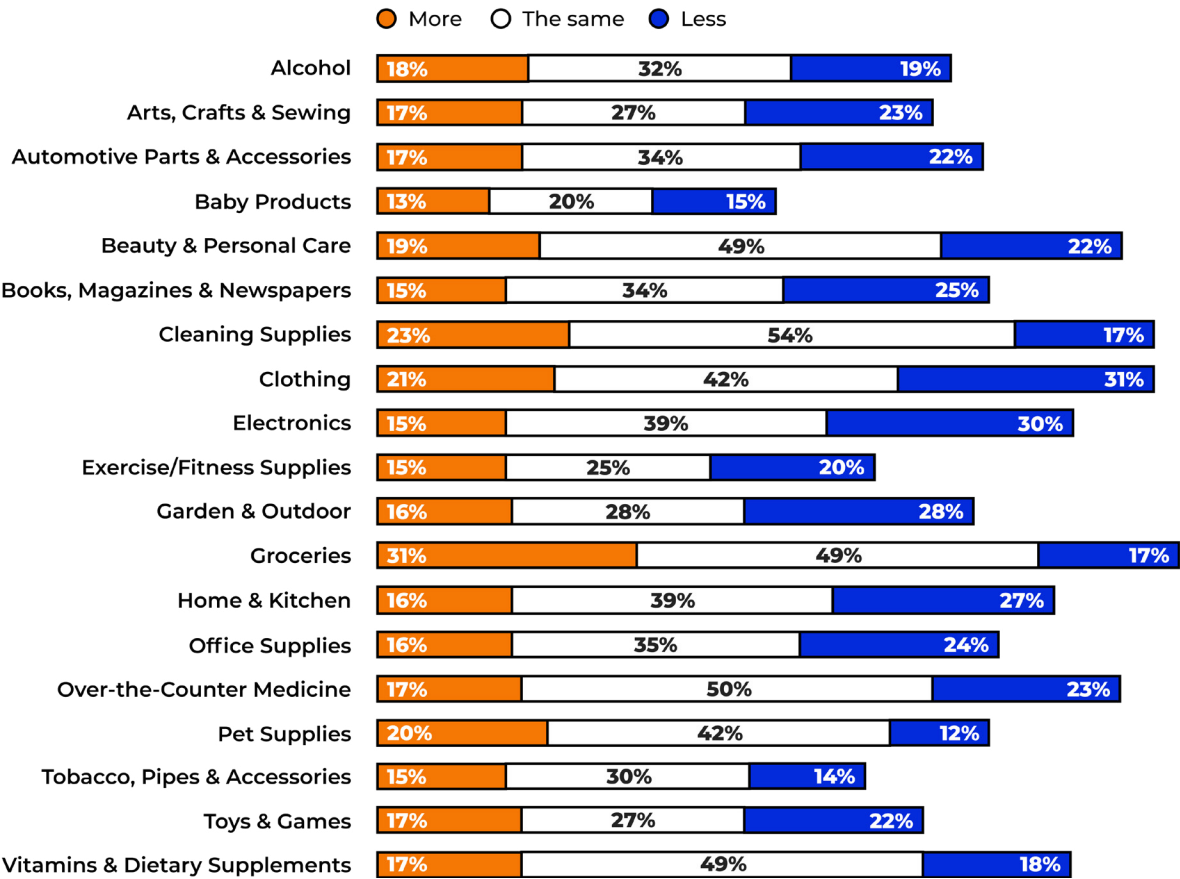
Online spending is increasing more than **overall** spending for a larger number of consumers in Q3.

30% say their online spending increased compared to Q2; this percentage is as high as it's been since the third quarter of 2022, when online spending increased for 33% of consumers.

Popular products: What consumers are buying

Generally, consumers are buying the same amount of products across all categories in Q3 compared to Q2, with some variance seen in seasonal categories such as Garden & Outdoor (consumers are buying less from this category compared to the second quarter). However, clear divergences emerge when comparing these trends across consumers of different income levels; refer to [Chapter 2](#) for analysis of these differences.

Top product categories | Q3 2023



INSIGHTS



Consumers are buying more ...

- Beauty & Personal Care
- Groceries
- Pet Supplies

and less ...

- Clothing
- Garden & Outdoor
- Electronics

Where people shop — and why: The most popular stores & online retail sites

























Which of the biggest retail stores are consumers shopping from (in-store or online) in Q3?

Note: Respondents could select multiple options.

In-store

	Walmart	60%
	Target	22%
	Home Depot	16%
	Walgreens	15%
	Amazon Go or Amazon Go Grocery	14%
	Lowe's	14%
	Kroger	12%
	Costco	11%
	Apple	11%
	Kohl's	10%
	Sam's Club	9%
	Best Buy	8%
	Macy's	7%
	Albertsons	5%
	Specialty, independent, local, or boutique	5%
	None of the above	5%

Online

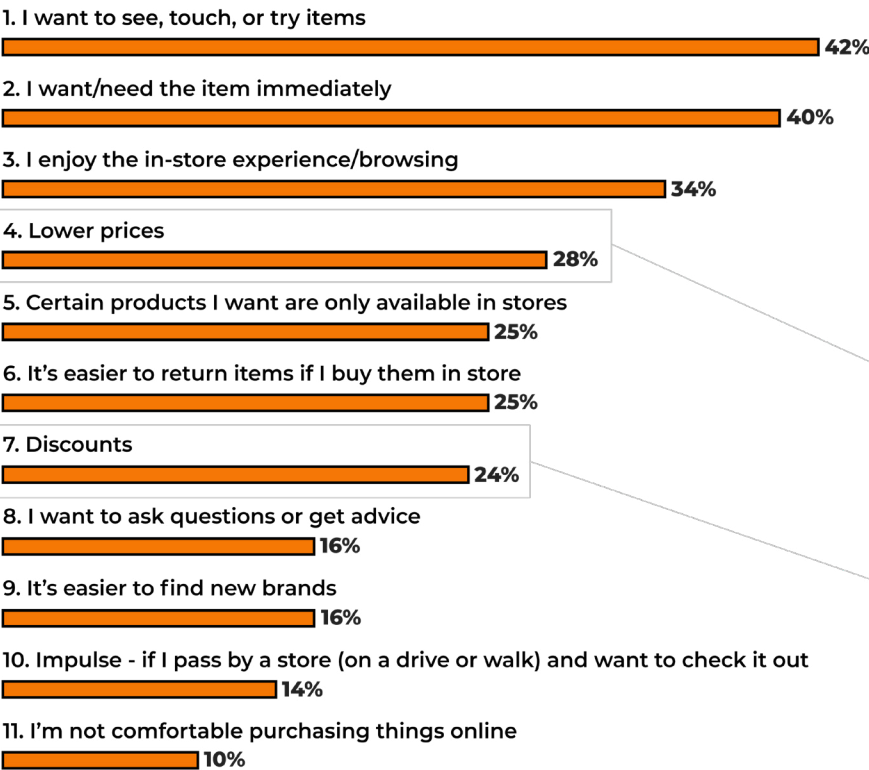
	Amazon	65%
	Walmart.com	38%
	eBay.com	16%
	Apple.com	11%
	Target.com	10%
	Etsy.com	7%
	Kohls.com	6%
	BestBuy.com	5%
	HomeDepot.com	5%
	Macys.com	5%
	Lowe's.com	5%
	Facebook Shops	4%
	SamsClub.com	4%
	Walgreens.com	4%
	Instacart	4%
	Kroger.com	4%
	Google Shopping	3%
	Specialty, independent, local, or boutique	3%
	Costco.com	3%
	Wayfair	3%
	Wish	3%
	Instagram Shop	2%
	Albertsons.com	1%
	Houzz	1%

Reasons for shopping in-store vs. online

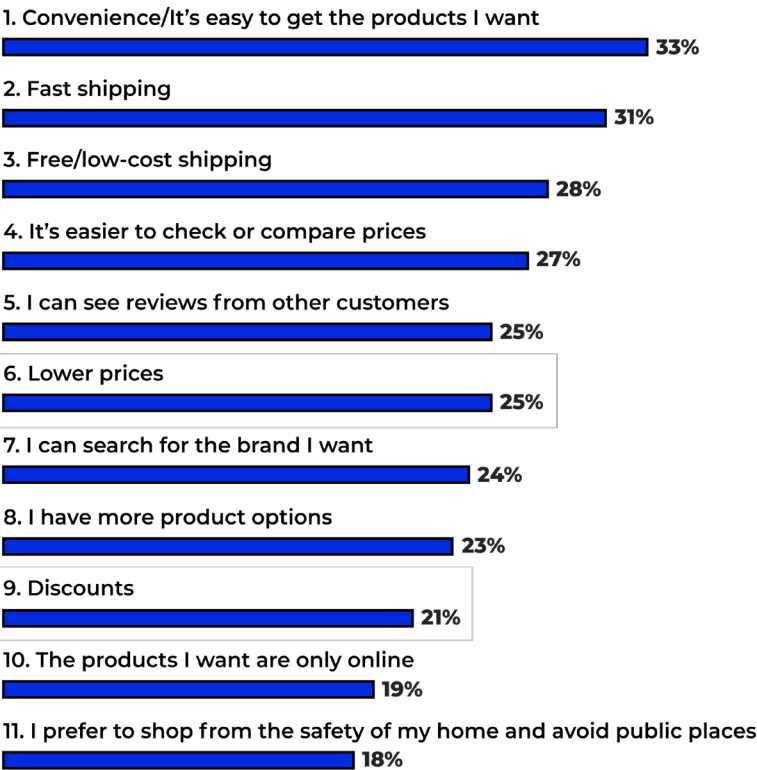
As illustrated in the preceding section, Amazon continues to dominate as the preferred online destination for the majority of consumers. And while people are shopping from Walmart.com, Apple.com, and Target.com far less frequently than they are from Amazon, each of those platforms attract a larger number of online shoppers than the websites of most other brick-and-mortar retailers. When it comes to in-store shopping, Walmart reigns as the most frequently visited retailer, followed by Target.

Consideration of the reasons consumers choose to shop online or in person helps explain these trends. Examined together, it's easy to see how online and brick-and-mortar stores most aligned with consumer needs maintain their popularity.

Top reasons people shop *in-store*



Top reasons people shop *online*



Chapter 2

Q3 Insights: How Trends Shift by Income Level

Consumer data for the third quarter of 2023 reveals a cautious recovery from peak levels of concern about the broader economy — and corresponding pullback in spending — seen in 2022. In July, the 12-month inflation rate fell to 3.2%¹, the lowest it's been since April 2021. However, following the sustained period of record high inflation seen in 2022, rising costs are a persistent concern for the majority of consumers.

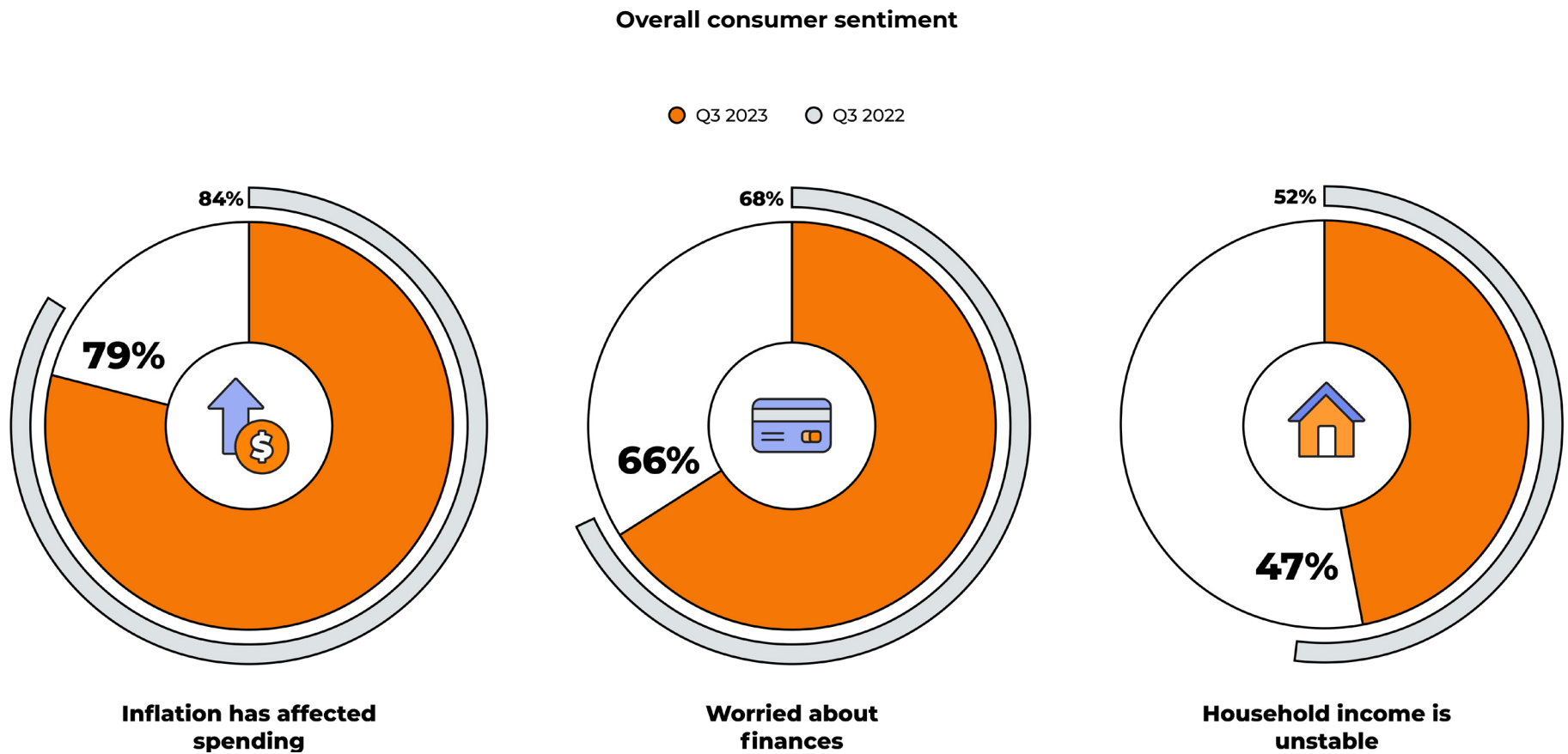
In this chapter, we'll examine the significant differences — and identify the few commonalities — in the consumer data and trends outlined in Chapter 1 when segmented by household income.

¹ [U.S. Bureau of Labor Statistics](#)



Consumer sentiment at-a-glance

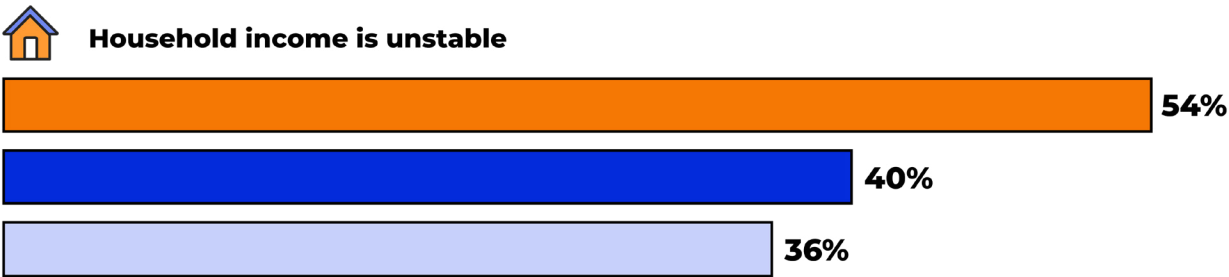
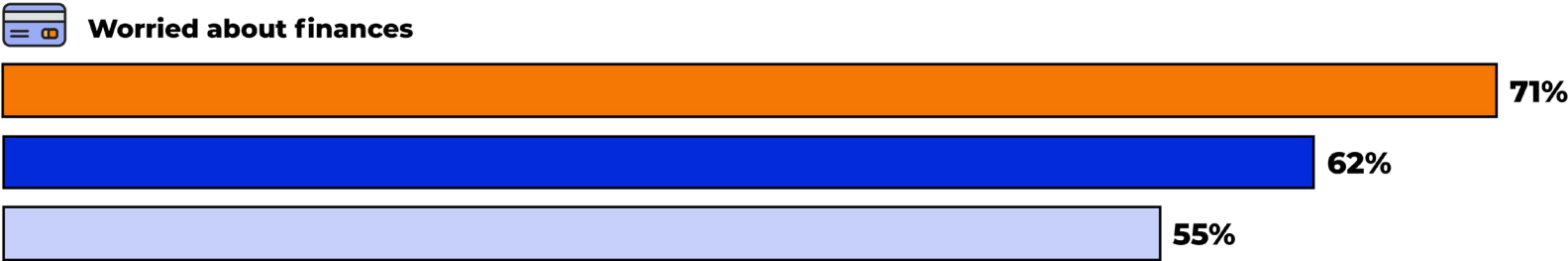
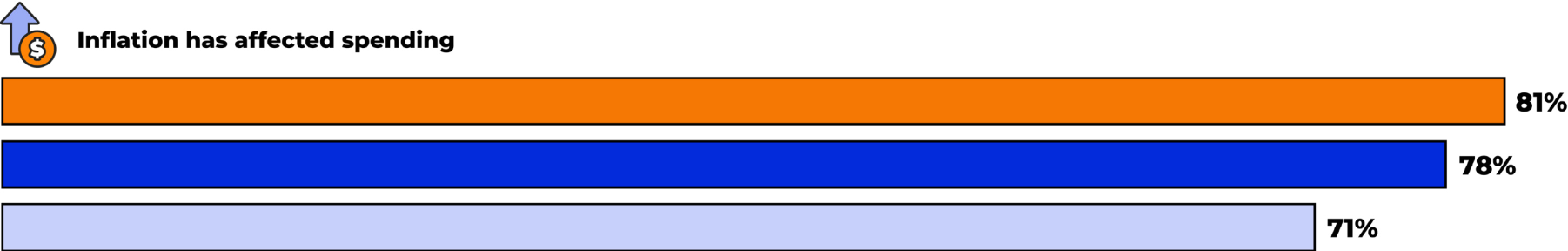
Overall, 79% of consumers say their spending has been impacted by inflation this quarter. While still a relatively high percentage, this number is lower compared to the third quarter of 2022, when it peaked at 84%.



Where trends diverge

Impacts across income levels

Less than \$50K \$50K-\$99K \$100k+

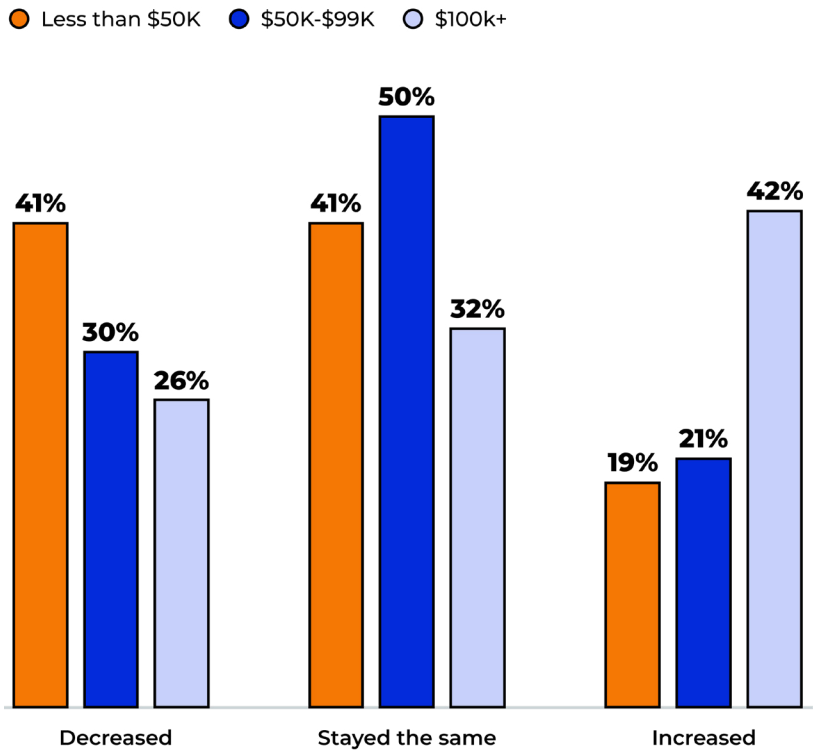


Overall and online spending by income segment

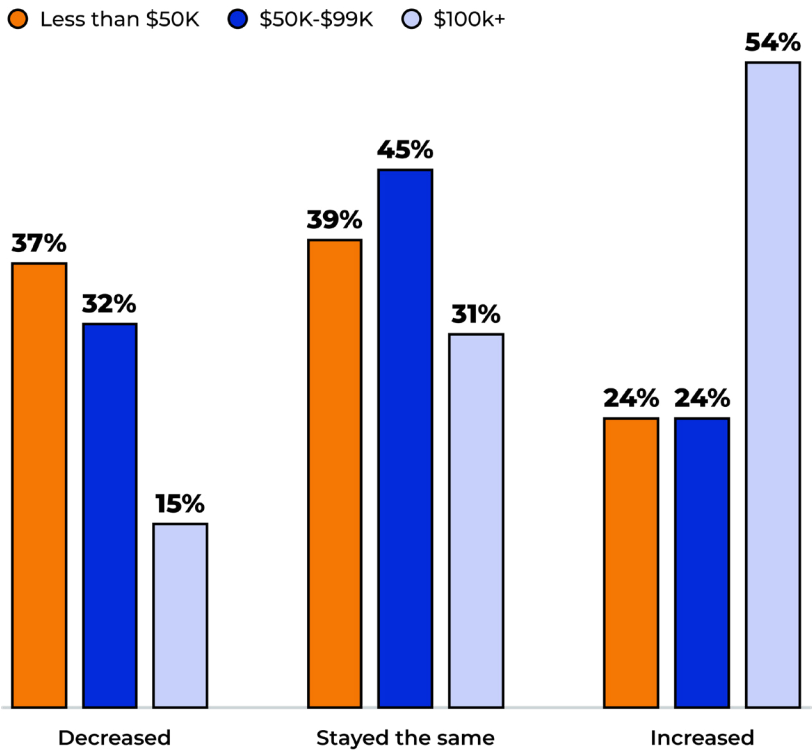
Looking at spending data by income level supports a fairly common assumption: People with more money are more likely to increase their spending over time. In the third quarter of 2023, consumers in the lower income segment were equally likely to see their overall spending decrease or stay the same, while those in the highest income segment were the most likely to see their spending increase quarter-over-quarter.

While 42% of high-income consumers said their spending increased in Q3 compared to Q2, an even higher percentage of them (54%) also increased their online spending during this period.

Consumers who say their *overall* spending ...



Consumers who say their *online* spending ...

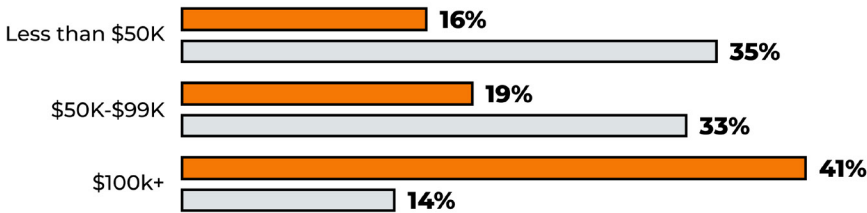


Popular products by income segment

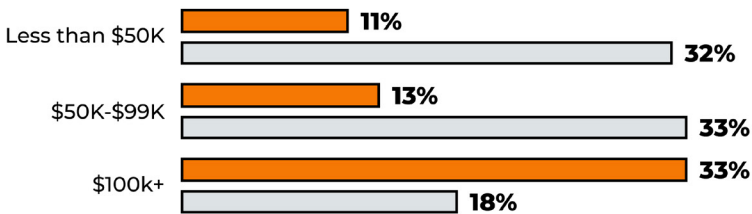
Consumers with household incomes above \$100K per year are, in general, buying more products across most categories than consumers in the middle and lower-income segments. This trend is notably more pronounced in certain categories: While 41% of consumers making more than \$100K are buying more clothing in Q3 than they did in Q2, just 16% of consumers who make less than \$50K per year said the same.

More Less

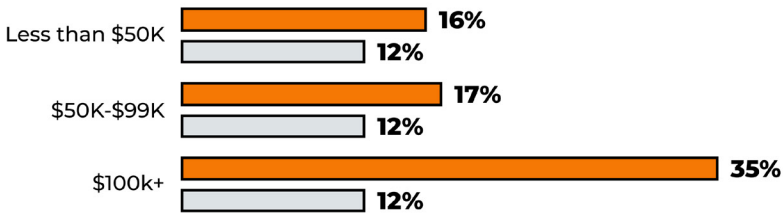
Clothing



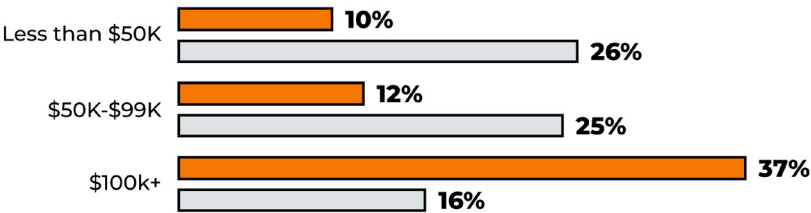
Electronics



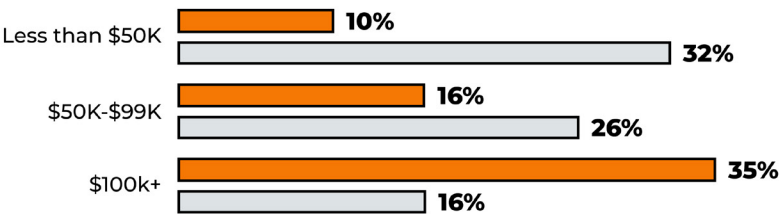
Pet Supplies



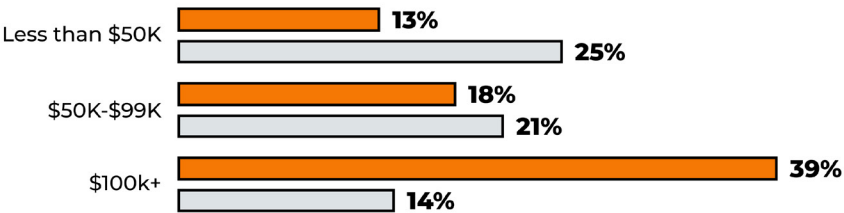
Office Supplies



Home & Kitchen



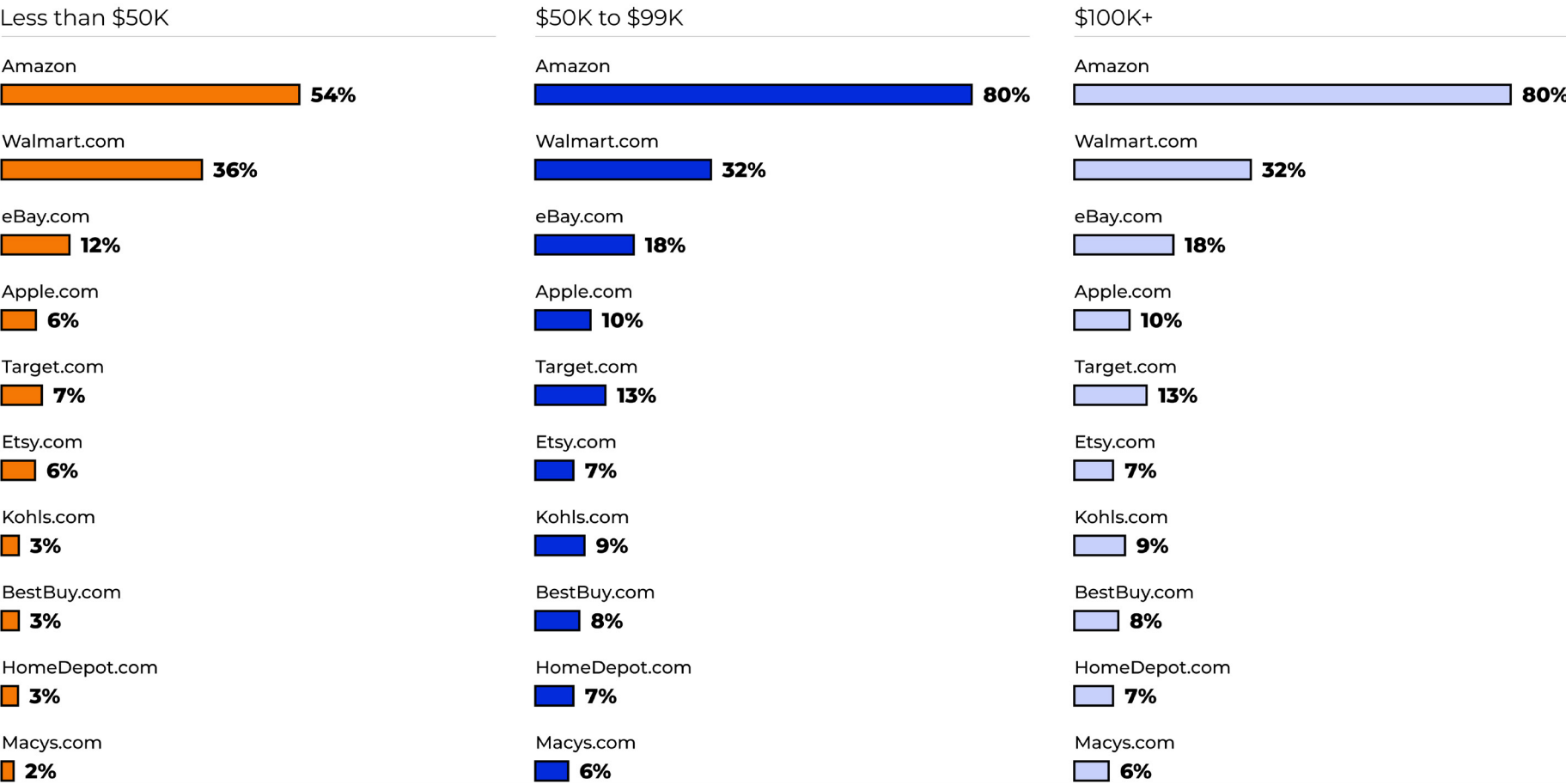
Beauty & Personal Care



Where people shop by income segment

Amazon dominates as the most popular online retailer for consumers at all income segments. This is easy enough to understand, considering that while prices and brands available on the Amazon marketplace vary, access and customer experience are equalizers for consumers regardless of their income levels.

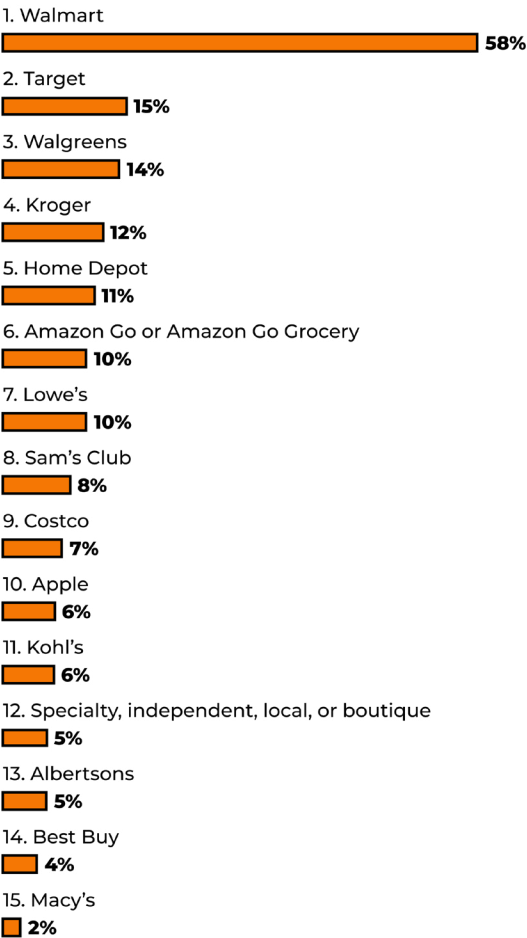
Most popular online retailers



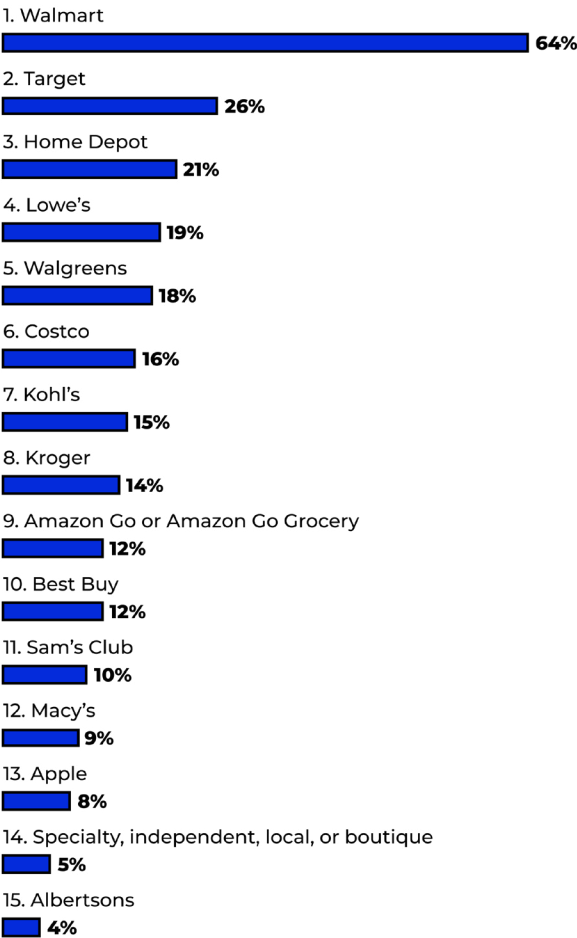
Consumers of all incomes shop in-person at Walmart and Target more than any other retailer. Differences across income groups begin to emerge further down each income group's respective list of most frequently visited brick-and-mortar stores. Most notably, higher-income consumers are more than twice as likely to shop at Amazon's physical "Amazon Go" locations; they're also shopping in-store at Apple more frequently than low and middle income consumers.

Most popular brick-and-mortar stores

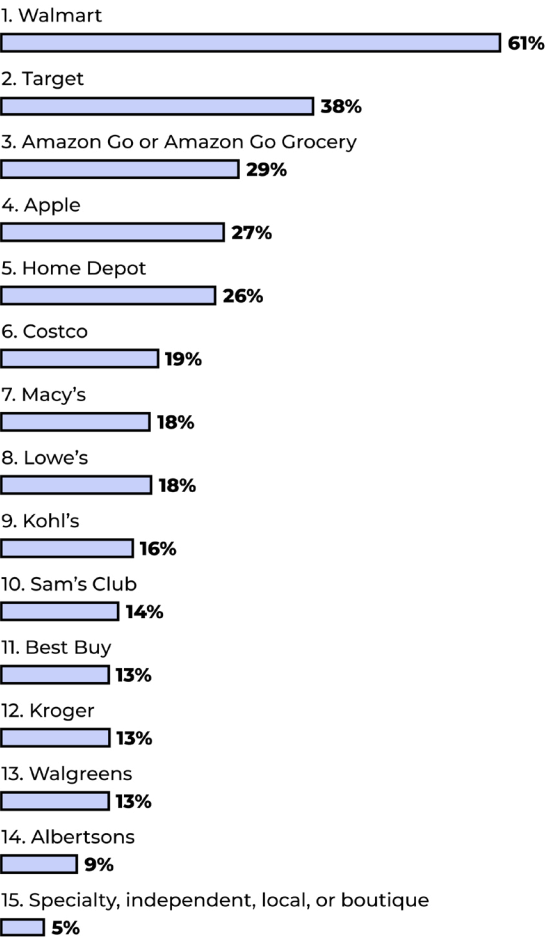
Less than \$50K



\$50K to \$99K



\$100K+



Chapter 3

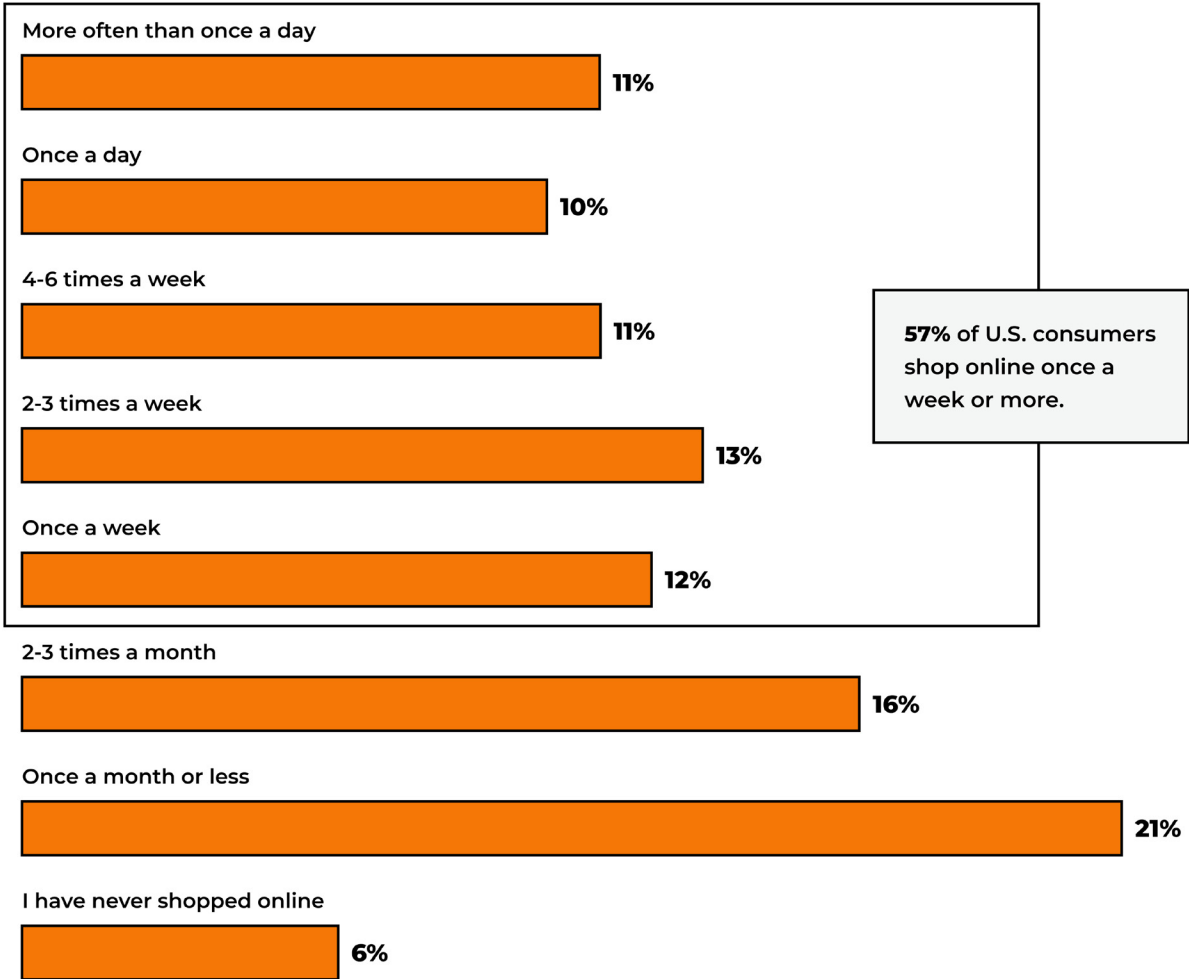
Ecommerce Report

Consumers consistently turn to Amazon ahead of all other ecommerce sites for their online purchases, though social media channels are increasingly popular options. As Americans continue to shift all types of shopping to online retailers, and businesses accelerate their ecommerce operations in response, this chapter offers an overview of the evolving influences and preferences shaping consumer behaviors and habits.



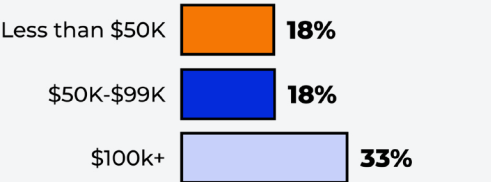
How often consumers shop online

The frequency with which most consumers shop online has remained relatively stable at higher levels than before the COVID-19 pandemic. In the past two years, the overall percentage of customers who have never shopped online declined from 9% to 6%. When looking at this data segmented by income level, it's clear that higher-income consumers are shopping online far more frequently than those with lower incomes.

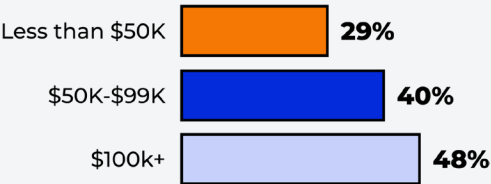


Segmented by income

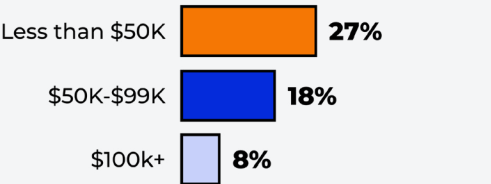
Once a day or more



Once a week or more



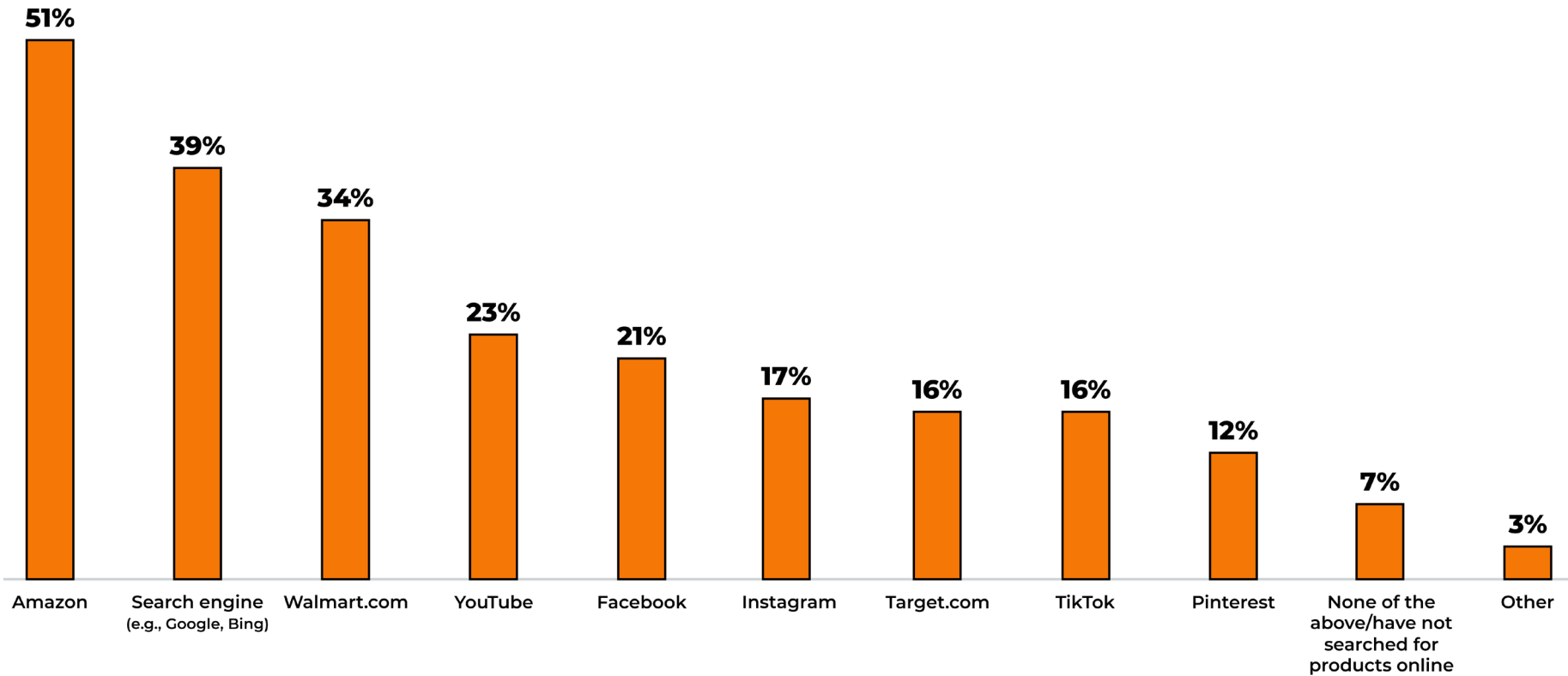
Once a month or less



Go-to sites when searching for products

The majority of consumers start their online searches for products on Amazon. However, with social media sites like Facebook, Instagram, and YouTube rolling out and expanding ecommerce capabilities and offerings in recent years, shoppers are more comfortable than ever making searching for and purchasing products on these platforms.

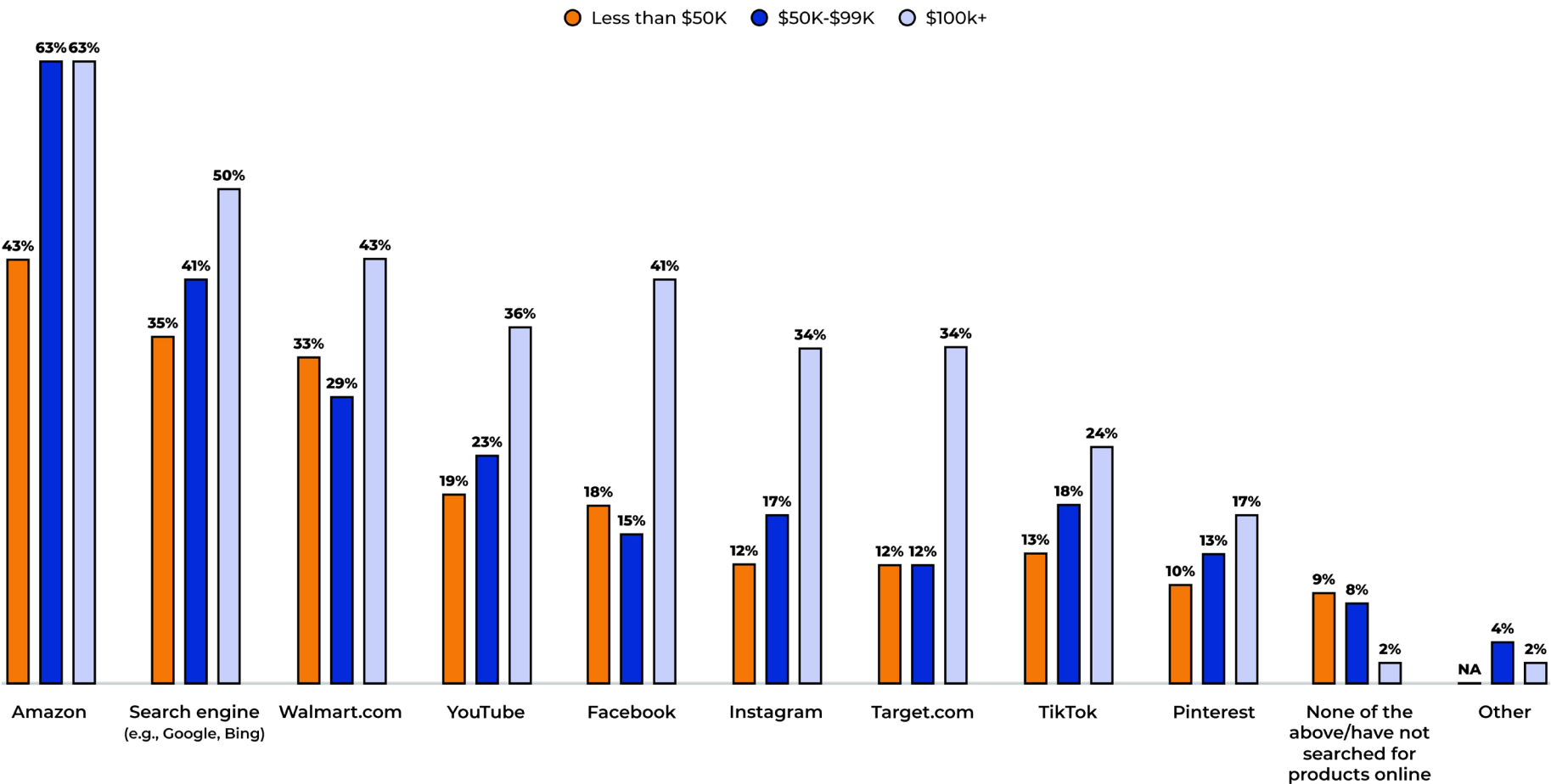
When consumers shop for a product online, where do they start their search?*



*Respondents could select more than one option

Amazon’s popularity among consumers of all income levels extends to where people start their searches when looking for a product online, with search engines and Walmart.com relatively equal as the second- and third-most popular sources. Beyond those top choices, consumers with the highest incomes are far more likely to begin their searches on social media sites: 41% of shoppers with annual household incomes above \$100,000 a year turn to Facebook first.

How household income impacts where shoppers start their online searches*



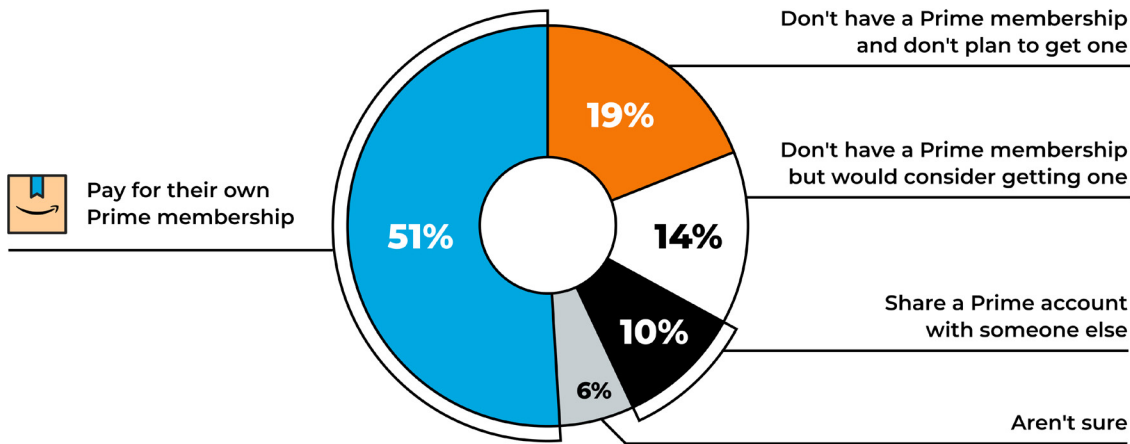
*Respondents could select more than one option

Amazon and Amazon Prime

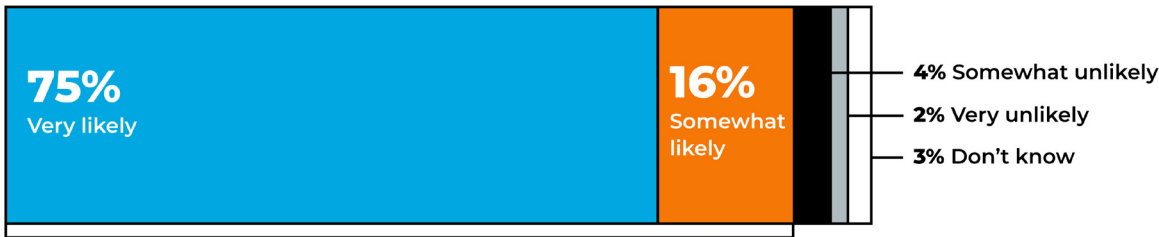
Snapshot: Amazon Prime

As ecommerce continues to evolve, Amazon remains the go-to for most consumers. Across all income levels, shoppers turn to Amazon first when searching for products online, and most are loyal Prime members.

Amazon Prime’s popularity



How likely are Prime members to renew for another year?



INSIGHTS



61%
of consumers have access to Amazon Prime

Of the 61% of consumers with Amazon Prime, **91%** are likely to keep their memberships for another year.

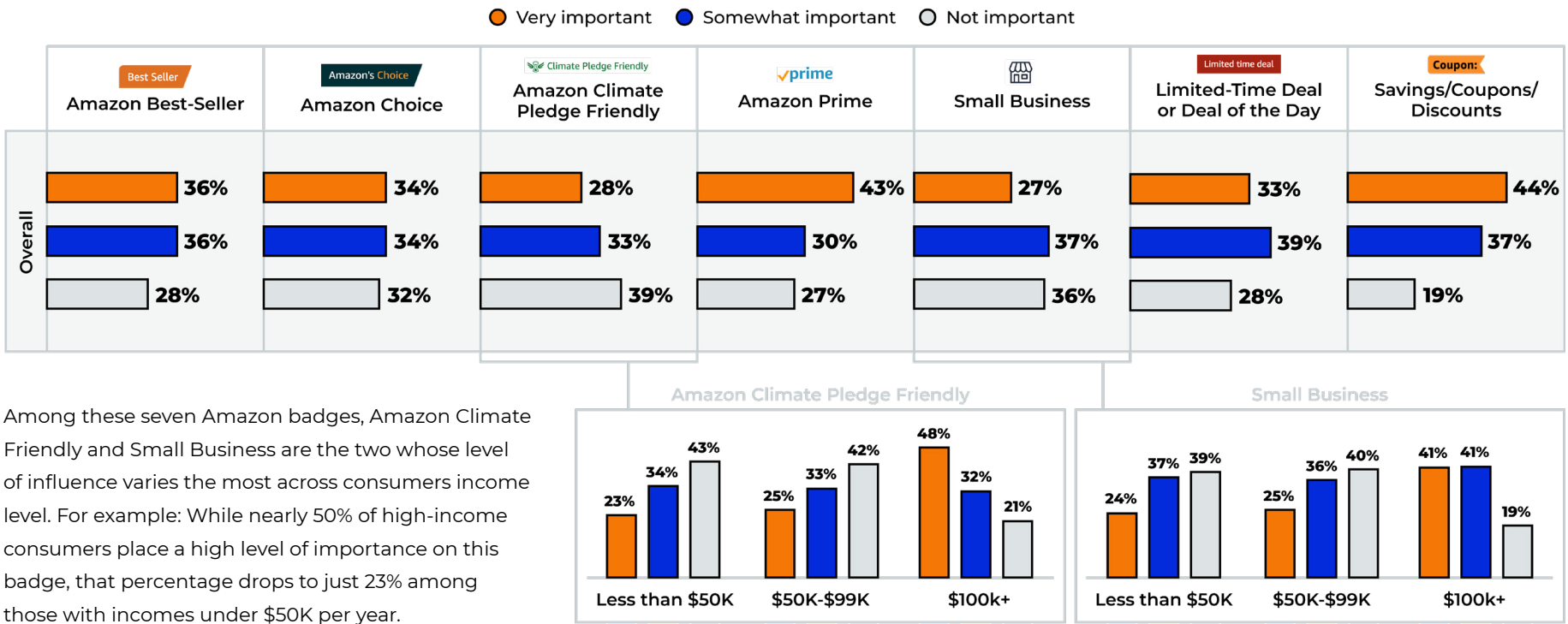
The power of Amazon badges

While the millions of products available on Amazon are a big part of its popularity among consumers, the abundance of choices would be overwhelming to shoppers without some guidance. Toward that end, Amazon has rolled out a number of “badges” over the past few years to help shoppers select products best suited for their needs and preferences. But how much influence do these signifiers have? The answer depends on the badge, but consumers view Amazon Prime and those that clearly indicate markdowns or savings as the most important.

While high-income shoppers are generally more influenced by Amazon badges than consumers with middle or low incomes, the degree to which they're influenced by badges intended to serve as ethical shopping indicators is particularly distinct.

Those indicating savings or discounts have the largest influence among consumers at every income level.

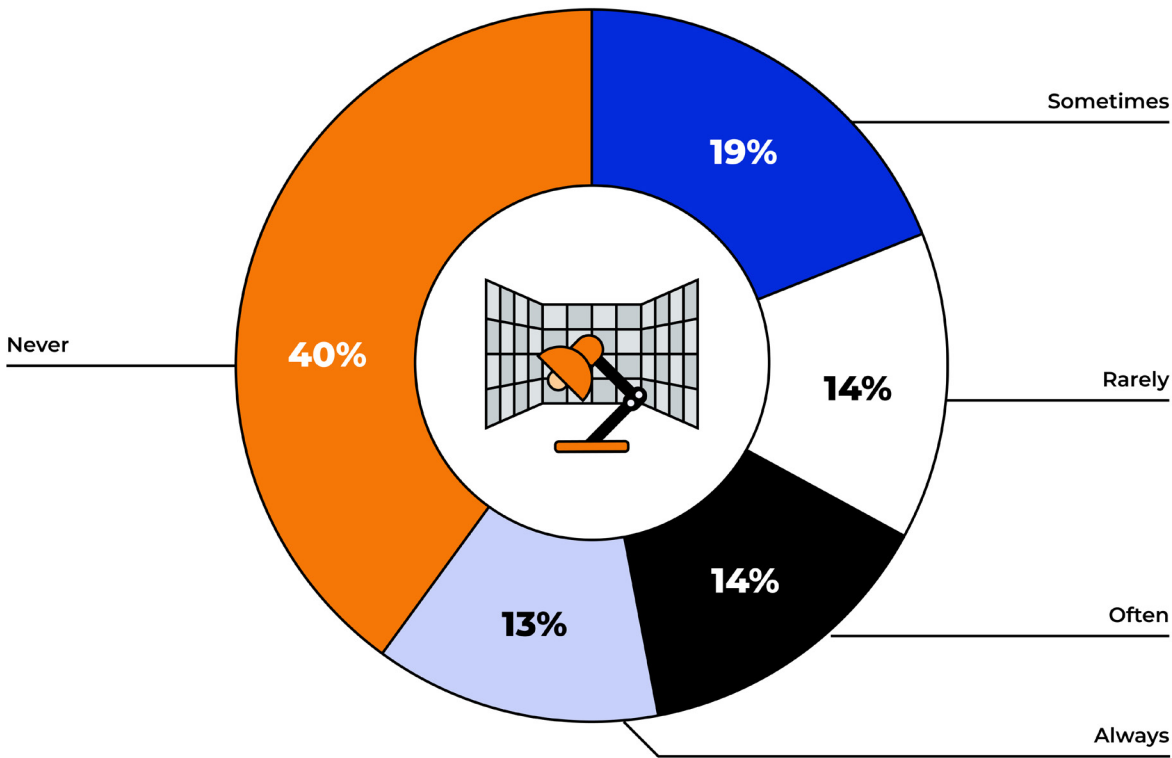
How important are Amazon badges?



Tech spotlight: AI and augmented reality tools





As technology aims to blur longstanding lines between online and in-person shopping, an **increasing number** of ecommerce platforms have rolled out augmented reality tools — some of which are artificial intelligence-based — to help potential customers evaluate products sold online. At Amazon, the “View in Your Room” feature, available on certain home furnishing products, allows shoppers to use their phone camera to virtually preview how an item looks and fits virtually. However, consumer adoption — and in some cases, skepticism — of these tools is far from uniform.

How often consumers use virtual try-on/“see it in your space” tools



Popular opinions on AI and augmented reality tools

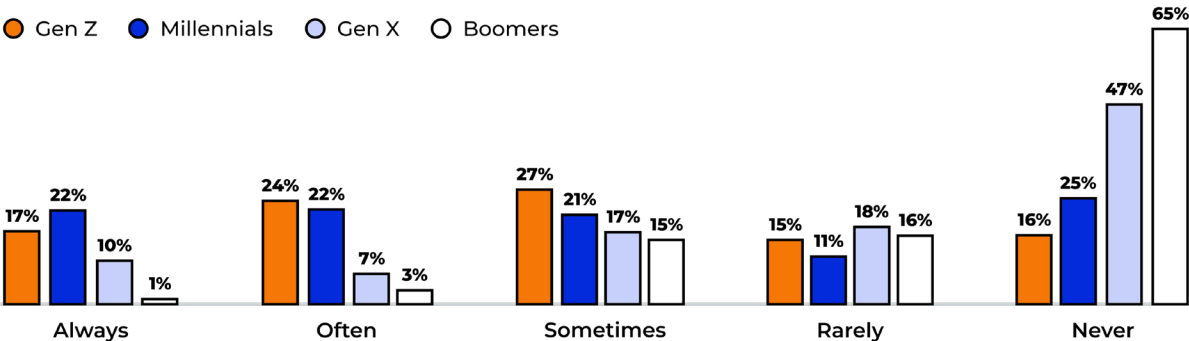
Among consumers who have used these tools, 45% find them helpful when shopping for certain types of products online, and 34% say using them makes them more likely to purchase something online they’d otherwise only buy in person.

-  **45%** find them helpful when shopping for certain products
-  **40%** find them helpful when shopping for anything online
-  **34%** say these tools make them more likely to buy things online
-  **26%** find them invasive or have concerns about privacy

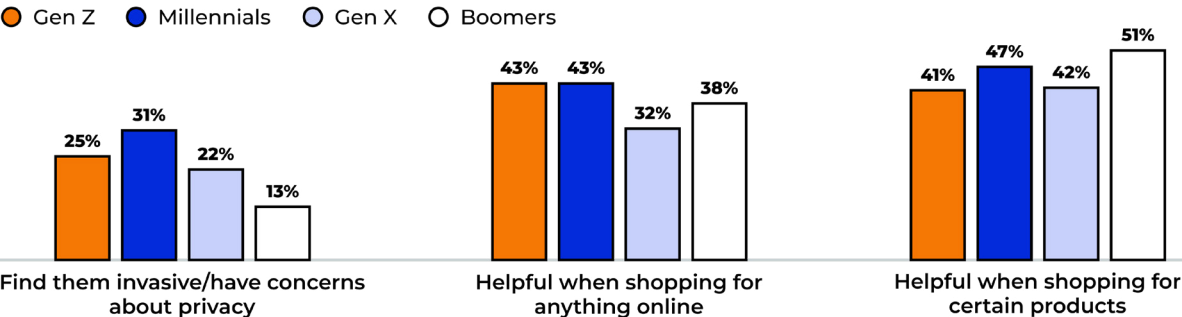
Where opinions diverge

As is often the case with adoption of new technology, younger shoppers are using these tools with higher frequency than older shoppers. That said, they're also the most skeptical about doing so. While Millennials use them more often than any other age group, they're also the most likely to find them invasive or have privacy concerns.

How often consumers of different generations use virtual try-on/“see it in your space” tools



Popular opinions by generation*



*Respondents could select multiple options.

INSIGHTS



84%

of Gen Z shoppers have used augmented reality/virtual try-on tools when shopping online, compared to just 35% of Baby Boomers.

For generation definitions, refer to [page 29](#).

Chapter 4

Holiday Shopping Season Preview

Early data on plans for the holiday shopping season points toward a continuation of one of last year's biggest trends: Consumers are getting started early.

The majority of shoppers expect to adjust their holiday spending plans this year due to rising causes associated with inflation. In this chapter, we'll look at how consumers are approaching this year's holiday season and where they're most likely to cut back. With these trends impacting consumers across every income segment, we'll also explore how the priorities of high-income shoppers lead them to approach their holiday shopping differently than those with lower incomes.

56%

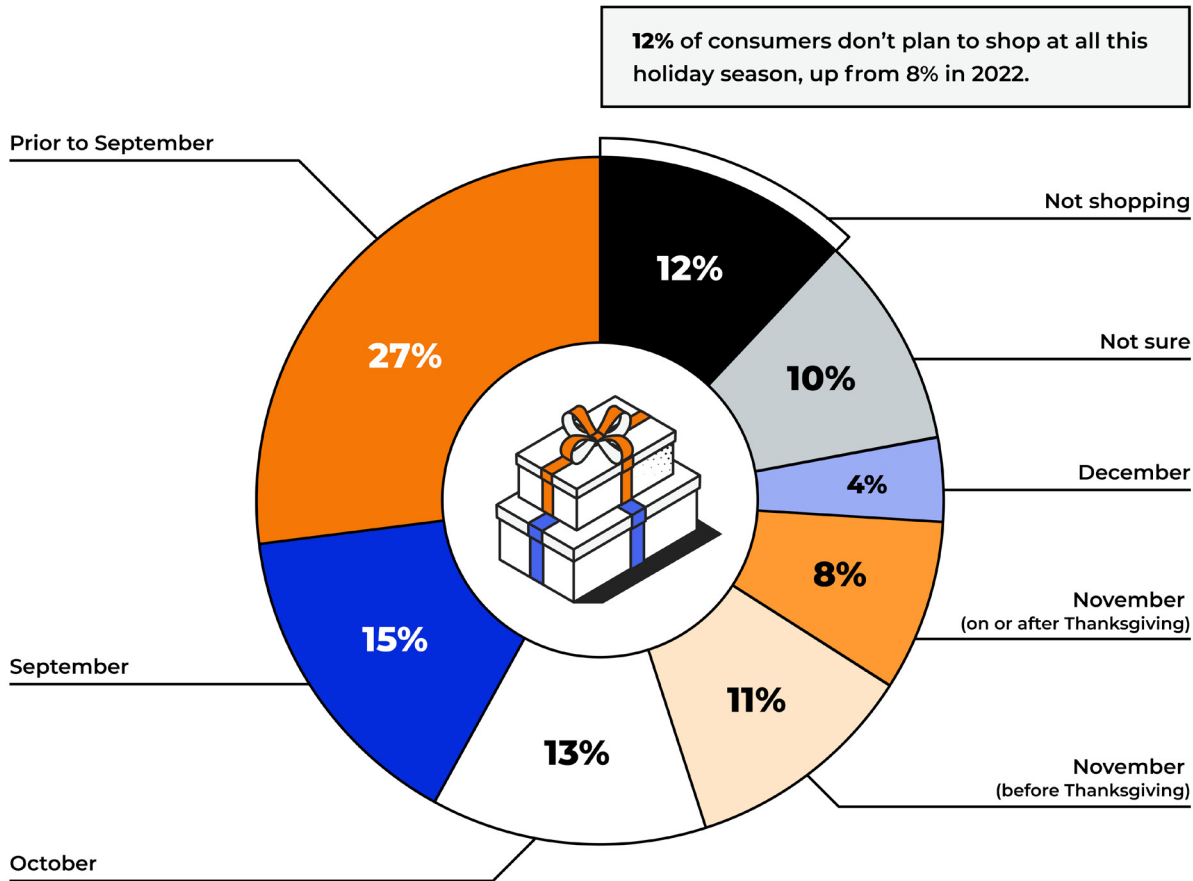
of consumers say rising costs have impacted their holiday spending plans



'Tis the season, earlier again

At the time our quarterly survey was conducted in August, 27% of consumers had already started their holiday shopping, a notable increase compared to 19% who had started by the same time last year. By the end of September, that percentage will reach 42%.

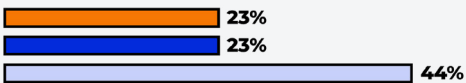
When shoppers expect to start holiday shopping



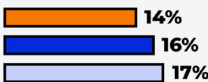
The earliest birds: Higher income consumers

● Less than \$50K ● \$50K-\$99K ○ \$100k+

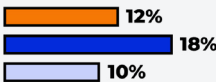
Prior to September



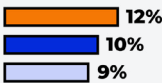
September



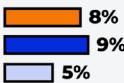
October



November (before Thanksgiving)



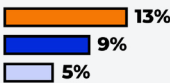
November (on or after Thanksgiving)



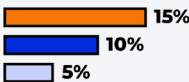
December



Not sure

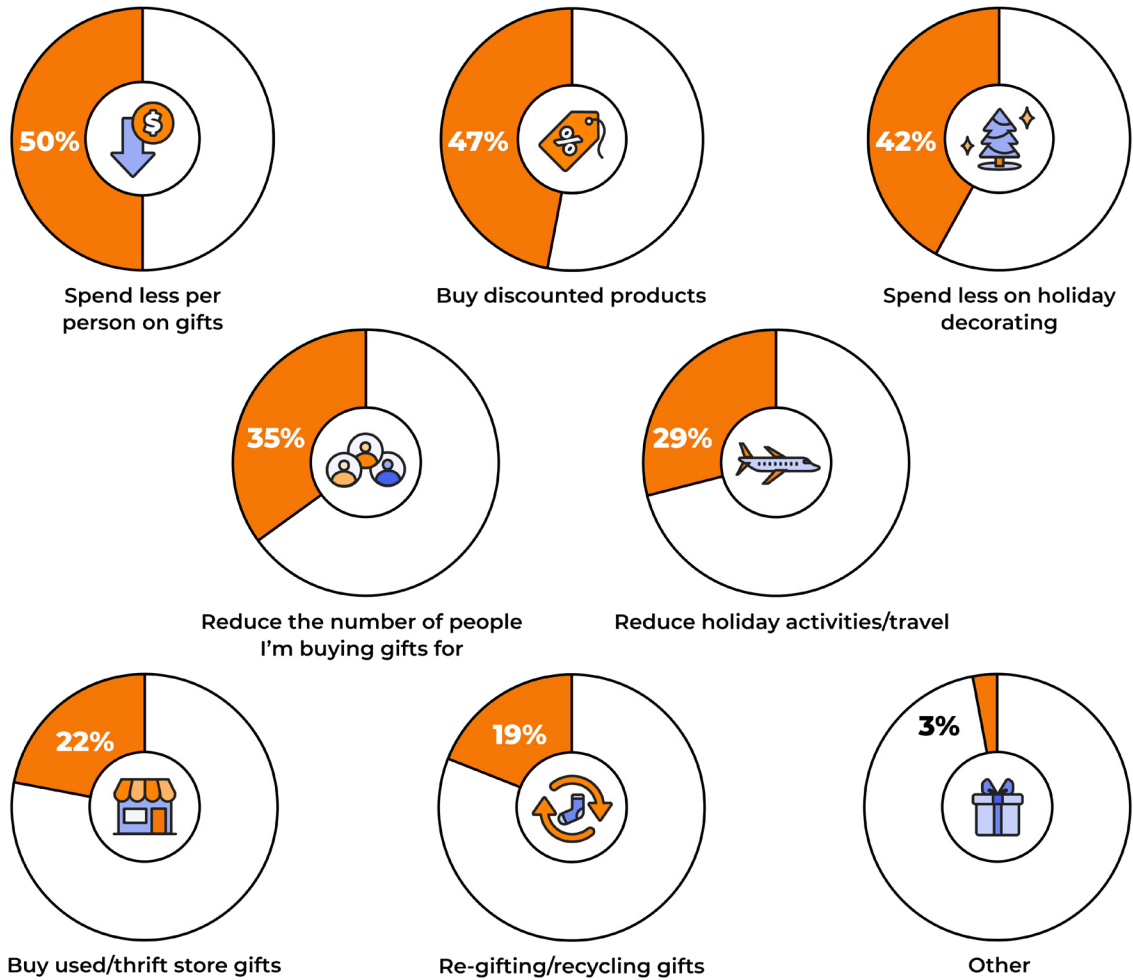


Not shopping



Among the 56% of consumers that plan to change their holiday shopping plans due to rising costs, popular ways of doing so include spending less per person on gifts, buying things on sale, and cutting back on decorations.

Top strategies for reducing holiday spending*



*Respondents could select multiple options.

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 Extended family
- 2 Self
- 3 Friends
- 4 Neighbors
- 5 Coworkers

Least likely to get cut...

- 1 Grandchildren
- 2 Grandparents
- 3 Partner/spouse
- 4 Parents
- 5 Children

Chapter 5

About the Report

Methodology

Jungle Scout conducted an anonymous survey between Aug. 3 and Aug. 6, 2023, among 1,000 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 July to September period. 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. While Gen Z typically refers to people born between 1997 and 2012, data in this report refers to the 18+ subset of this generation.

Using the data

We invite you to explore **Jungle Scout's Q3 2023 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 and supports 10 global Amazon marketplaces.

Demographic data

Gender

Male	48%
Female	50%
Non-binary	2%
Other/prefer not to say	1%

Age

18-26 (Gen Z,* born 2004-2012)	16%
27-42 (Millennials, born 1981-1996)	35%
43-58 (Gen X, born 1965-1980)	23%
59-77 (Baby Boomers, born 1955-1964)	24%
78+	3%

*While Gen Z typically refers to people born between 1997 and 2012, report data references a subset aged 18+ were included in this survey.

Region

Midwest	16%
Northeast	18%
West	34%
South	32%

Household income

Less than \$25,000	29%
\$25,000 to \$34,999	15%
\$35,000 to \$49,999	14%
\$50,000 to \$74,999	14%
\$75,000 to \$99,999	10%
\$100,000 to \$124,999	6%
\$125,000 to \$149,999	5%
\$150,000 or more	8%

Employment status

Employed (total)	54%
Employed (full-time or part-time) and leaving my home for work	42%
Employed (full-time or part-time) and currently working at home	12%
Unemployed (total)	46%
Unemployed (looking for work)	9%
Unemployed (not looking for work)	4%
Student	3%
Homemaker	5%
Retired	19%
Disabled/unable to work	6%