Adobe: Holiday Shopping Season Drove a Record $241.4 Billion Online and Rising 8.7% YoY

- **The 2024 holiday season was the most mobile of all time, with smartphones driving 54.5% of online purchases—79.1% of 'Buy Now, Pay Later' transactions were made through a smartphone**
- **Consumers are embracing generative AI-powered chat bots as shopping assistants to quickly find deals or locate products, with a 1,300% increase in traffic to retail sites**
- **Competitive discounts this season drove consumers to 'trade up' to higher ticket items, with share-of-units-sold for the most expensive goods rising in electronics, appliances and sporting goods**

SAN JOSE — January 7, 2024 — Today, Adobe (Nasdaq:ADBE) released online shopping data for the 2024 holiday season, covering the period from Nov. 1 through Dec. 31, 2024. Based on Adobe Analytics data, the analysis provides the most comprehensive view into U.S. e-commerce by analyzing commerce transactions online, covering over 1 trillion visits to U.S. retail sites, 100 million SKUs and 18 product categories. Adobe Analytics is part of Adobe Experience Cloud, relied upon by the majority of the top 100 internet retailers in the U.S.* to deliver, measure and personalize shopping experiences online.

Record holiday season online, propelled by mobile shopping

Consumers spent **$241.4 billion** online from Nov. 1 to Dec. 31, **up 8.7%** year-over-year (YoY) and setting a new record for e-commerce. 15 days saw consumers spend more than $4 billion in a single day (up from 11 days in 2023). Mobile shopping hit a new milestone, with the majority of online transactions (**54.5%**) taking place through a smartphone this season (up from 51.1% in 2023); Mobile shopping was highest on Christmas Day (Dec. 25), driving 65% of online sales (63% in 2023).

Of the $241.4 billion spent online this holiday season, **over half (54%)** was driven by just three categories including electronics ($55.3 billion, up 8.8% YoY), apparel ($45.6 billion, up 9.9% YoY) and furniture/home goods ($29.2 billion, up 6.8% YoY). The strongest growth was observed in the grocery ($21.5 billion, up 12.9% YoY) and cosmetics ($7.7 billion, up 12.2% YoY) categories, as consumers become increasingly comfortable purchasing these goods online. Other categories with notable growth this season included sporting goods ($7.8 billion, up 7.4% YoY) and toys ($8.2 billion, up 7.8% YoY).

Consumer demand driven by competitive prices

Strong discounts this season drew in consumers who have become increasingly price sensitive. Shoppers found great deals in electronics, where discounts peaked at 30.1% off listed price (vs 31% in 2023), as well as toys at 28% (vs 28%), apparel at 23.2% (vs. 24%), computers at 22.8% (vs 24%) and furniture/home goods at 19% (vs 21%). Discounts also hit record highs for televisions at 24.2% (vs 23%), appliances at 19.2% (vs 18%) and sporting goods at 19.5% (vs 18%).

This season, Adobe's data showed that for every 1% decrease in price, demand increased by 1.029% compared to the 2023 season. This drove an additional **$2.25 billion** in online spend—a figure factored into the overall $241.4 billion spent online—and shows the stronger response to discounts from price-sensitive shoppers.

Strong discounts this season also drove consumers to purchase higher-ticket items in categories such as electronics, appliances and sporting goods—propelling e-commerce growth as a result. This season, the share-of-units-sold for the most expensive goods **increased by 21%** overall**.** Within categories, this figure was up 54% in sporting goods, up 48% in electronics, up 35% in appliances, up 32% in personal care products and up 10% in apparel.

Generative AI embraced as shopping assistant

This season, traffic to retail sites from generative AI-powered chat bots (shoppers clicking on a link to a retail site) increased by **1,300%** compared to the year prior. Cyber Monday saw the biggest growth in chat bot usage, **up 1,950%** YoY. While the base of users remains modest, the uptick shows the value that chat bots are playing as shopping assistants. In an Adobe survey of 5,000 U.S. consumers**, 7 in 10 respondents who have used generative AI for shopping believe it enhances their experience. Additionally, 20% of respondents turn to generative AI to find the best deals, followed by quickly finding specific items online (19%) and getting brand recommendations (15%).

"The 2024 holiday season showed that e-commerce is being reshaped by a consumer who now prefers to transact on smaller screens and lean on generative AI-powered services to shop more efficiently," said Vivek Pandya, lead analyst, Adobe Digital Insights. "It presents opportunities for retailers to deliver new services and experiences that capture the attention of consumers, many of whom are now shopping online in different ways."

'Buy Now, Pay Later' usage continues to rise

While consumers drove record spending online, many are giving themselves greater flexibility with their budgets. This season, 'Buy Now, Pay Later' (BNPL) usage hit an all-time high, contributing **$18.2 billion** in online spend, **up 9.6%** YoY and representing $1.6 billion more than the last season. Smartphones are the form factor of choice for consumers leveraging this flexible payment method, driving the vast majority (**79.1%**) of BNPL purchases this season. Additionally, Cyber Monday was the biggest day on record for BNPL, driving $991.2 million (up 5.5% YoY). Per Adobe's survey, consumers tend to leverage BNPL for purchases in electronics (per 57% of respondents), apparel (51%), video games (36%), groceries (33%), toys (30%), health/beauty (28%) and home/garden (19%).

Additional Adobe Analytics insights

- **Hot Sellers**: Within the electronics category, top sellers this season included TVs, Bluetooth headphones/speakers, smart watches and fitness trackers. In apparel, puffer/fleece jackets, boots, purses/crossbody bags and socks were top sellers. In the furniture/home category, holiday decor, bedding/linen sets, storage solutions, accent chairs and throw pillows/blankets were popular. Top toys this season included LEGO sets, card/board games, Tonie Audio Play figurines, X Shot Insanity, stuffed animals/dolls, Cookeez Makery Oven playset and Harry Potter toys/figurines.

- **Hot Sellers** (cont.): In video games, Mario games (Super Mario Odyssey/Mario Kart 8 Deluxe), Marvel's Spiderman 2, various Zelda games, Animal Crossing New Horizons and Madden 25 were hot sellers, and the Xbox Series X,

Nintendo Switch OLED, PlayStation 5 and Meta Quest were top gaming consoles. Other hot sellers this season included Dyson Airwrap, makeup/skincare sets, espresso machines, gift cards, jewelry, electric scooters/bikes and perfume/fragrances.

- **Impact of influencers:** Across major marketing channels, paid search has remained the top driver of retail sales this holiday season, with its share of revenue at 29.7% (up 1% YoY). In affiliates and partners—which includes social media influencers—share of revenue came in at 17.6% but has grown more substantially (up 6% YoY). This channel also outpaced retailer traffic from social media overall (around 5% of revenue share), which grew 5.4% YoY. Influencers are also converting shoppers (individuals making a purchase after seeing influencer content) 9 times more than social media overall. In Adobe's survey, 37% of GenZ respondents have purchased something based on an influencer's recommendation.

- **Curbside pickup:** The fulfillment method was used in 17.5% of online orders this holiday season, for retailers that offer the service (down from 18.4% in 2023). While usage has come down this season, a significant number of shoppers continue to find value in the fulfillment service for speed and convenience. This season, curbside pickup peaked on Dec. 23 (the day before Christmas Eve), driving 37.8% of online orders as anxious shoppers used the service to make sure they got gifts on time.

- **Cyber Week recap**: Record online spending this season was bolstered by a strong Cyber Week (the five days from Thanksgiving to Cyber Monday), which brought in $41.1 billion online overall, up 8.2% YoY. Cyber Monday remained the season's and year's biggest online shopping day, driving $13.3 billion in spend, up 7.3% YoY. However, growth was stronger on Thanksgiving ($6.1 billion, up 8.8% YoY) and Black Friday ($10.8 billion, up 10.2% YoY), as consumers embraced earlier deals.

Impact of inflation

Strong consumer spending online continues to be driven by net-new demand and not higher prices. Adobe's Digital Price Index shows e-commerce prices have fallen consecutively for 27 months (down 2.6% YoY in Nov. 2024). Adobe figures are not adjusted for inflation, but if online deflation were factored in, growth in consumer spend would be even stronger.

About Adobe

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Per the Digital Commerce 360 Top 500 report (2024)
**Survey fielded from Sept. 2 to 9, 2024

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