

MARKETING

Internet usage, ecommerce spending increasing globally: report

February 17, 2021



A new report finds that nearly 60 percent of the world's population is now using the Internet. Image credit: Bloomingdale's

By KATIE TAMOLA

Internet users are spending more time online, fueling the growth of social shopping.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

"[The Global State of Digital 2021](#)" report identifies trends reflected across the Internet, social media, mobile devices and ecommerce. The report finds that users are averaging seven hours of a day of Internet use, a 9 percent increase from last year.

"It is unlikely that 2020 will go down as a good year in the record books, but it was certainly an interesting year in digital," said Simon Kemp, CEO at marketing consultancy [Kepios](#) and report author, in the report. "Many people connected to the Internet for the first time as they adapted to the challenges of COVID-19, while existing users embraced new digital tools and rediscovered old favorites.

"Ecommerce is another area that saw rapid growth in 2020, with many people moving their shopping online to mitigate the health risks associated with COVID-19," he said. "However, research suggests that new ecommerce habits people adopted during lockdown will last well beyond the pandemic."

The report is a joint effort compiled by [Kepios](#), [Hootsuite](#) and creative agency [We Are Social](#). The report is based on data from more than 200 countries, noting that nearly 60 percent of the world's population is now using the Internet.

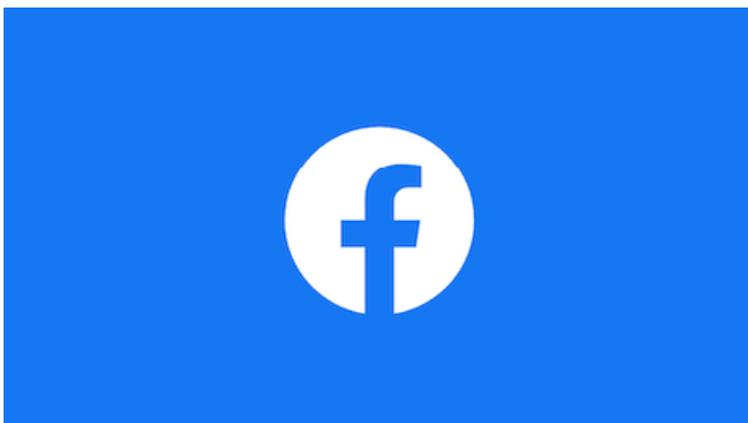
A world online

Users are averaging seven hours of a day of Internet use, meaning consumers spend almost as much time online as they spend sleeping. This equates to users spending 40 percent of their waking lives on their Internet-connected devices.

Social media users have increased more than 13 percent over the past year, with the global total of users now nearly 4.2 billion. More than 1 billion new social media users have emerged in the past three years.

Brands are noticing the momentous uptick of social media users. According to a recent Hootsuite survey of marketing executives, social media spending has increased from 13.3 percent of marketing budgets in February 2020 to 23.2 percent in June 2020.

Facebook is the world's most used social media platform. The past year has driven baby boomers to social media, making them the fastest-growing audience segment on both Facebook and Instagram.



Facebook is the most-used social media platform around the world. Image credit: Facebook

YouTube, WhatsApp, Facebook Messenger and Instagram complete the top five most-used social media platforms around the world.

Baby boomer engagement on Facebook and Instagram is high, with female Facebook users between the ages of 55 and 64 posting an average of ten times per month. This is an opportunity for brands to utilize Facebook to better target and market to this demographic.

Social media platforms are invaluable discovery channels for luxury brands and retailers. Instagram and its owner Facebook show more advertisements to users than any other platform, including Generation Z-favorite TikTok ([see story](#)).

Brands also have the opportunity to target disparate demographics using different apps. More than 98 percent of users on any social media platform also use at least one other platform.

More than 75 percent of the world's Internet users report buying something online each month. The value of these purchases has added up to trillions of dollars in ecommerce revenue in 2020 alone.



Brands are being called to produce content across social media platforms. Image credit: Tinuiti

To encourage continued growth, brands and marketers are urged to continue utilizing social media platforms, implementing social listening so that brands may have a better idea of what consumers are looking for and use targeted advertisements to gain new customers.

The report also reinforces that purpose-driven initiatives make a difference, noting that more than a quarter of consumers have bought from a brand for the first time because of the company's values.

No signs of social stopping

Consumers are relying more and more on social media for shopping.

Forty-five percent of global Internet users are reporting that they rely on social media when researching products or services. The figure is even higher for Gen Z users who state that they are more likely to search for brands on social media than utilize search engines.

Short-form video sharing platform TikTok is exploring an expansion of its livestream shopping events as social media moves in a more transactional direction. TikTok is continuing to evolve in response to growing trends, joining other platforms that have introduced more social shopping features ([see story](#)).

As lockdowns have cut down foot traffic to retail stores, and at the same time have made consumers spend more time on social media, social shopping is expected to grow even further. This channel benefits brands as it allows them to cut out third-party retailers and curate the products they would like to sell ([see story](#)).

Brands are continuing to produce innovative methods when it comes to their use of social media marketing.

According to the report, online grocery shopping has also increased 40 percent in the last year. Although these shopping patterns have been established during COVID-19 lockdowns and other restrictions, these behaviors could persist.

Fifty percent of the world's Internet users between the ages of 16 and 64 report using an online service to order food in the past month.

While missing restaurants, diners are taking a wait-and-see attitude with dining out, turning to cooking and ordering home delivery as a result of the COVID-19 coronavirus outbreak and resultant lockdowns that have throttled businesses and economies worldwide ([see story](#)).

© 2021 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.