

RETAIL

BNPL, Apple Pay see biggest y-o-y gains, per new holiday shopper data: Coresight

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Digital retail purchasing is on the rise throughout the 2022 holiday season. Image credit: Neiman Marcus

By MARYBETH CONNAUGHTON

U.S. shoppers are going online to find gift ideas and staying there to buy them, says the latest study released by Coresight Research and Bolt.

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This is attributable, in part, to the deep discounts consumers can expect in the digital space. Of particular focus in the survey is the crucial retail period of "Cyber Five."

Beyond the Bottom Line

Coresight Research is a New York-based firm offering advice across the retail, tech and supply chain spaces.

San Francisco-based Bolt is a retail software service.

Total retail sales in the U.S. during the holiday quarter – which Coresight Research identifies as October through December – reached \$1.33 trillion in 2022, up from 1.25 last year. Nominal sales growth has declined, to 6.0 percent from 12.6 last year, and digital growth is poised to surge beyond that of total sales, showing up at 20 percent from 6.1 last year.

Coresight attributes this to consumers' concerns about inflation.

We head toward 2023 with **#retailers** worldwide battenning down the hatches. In that context, Coresight Research analysts offer directional outlooks, headwinds and tailwinds, and themes to watch for 2023 in each of 10 **#retail** sectors, markets or channels. <https://t.co/WIpzF5t1A2>

Coresight Research (@CoresightNews) December 5, 2022

Before they can make their purchases, however, holiday shoppers must decide what to buy. For this part of the process, 82 percent report perusing online, regardless of whether they are among the 74 percent who say they plan to

remain online to make the purchase or those who follow through in person.

Highest on the average wishlist appears to be electronics, which had the largest year-over-year (YoY) increase in gross merchandise value (GMV), at 33 percent. This is perhaps attributable to the deep discounts to be found on the online purchase of these, as well as on toys and apparel.

Also popular were sporting goods and fitness equipment, at 26 percent GMV growth, and accouterment for various hobbies, arts and crafts at 25 percent GMV growth. Meanwhile, the GMV of both food and beverage, as well as home and garden products, dropped by 18 percent.



The study dedicates a segment to what Coresight calls "Cyber Five," the crucial period in U.S. retail between Thanksgiving and the following Cyber Monday. Image credit: Coresight Research/Bolt

When it comes time to pay, more shoppers are opting to defer. Affirm, a buy-now-pay-later (BNPL) option lets consumers dole out their payment in installments. It gained 51 percent in YoY, followed by Apple Pay with 16 percent. PayPal and Amazon Pay both fell by 1 percent and 4 percent, respectively.

The study dedicates a segment to what Coresight calls "Cyber Five," the crucial period in U.S. retail between Thanksgiving and the following Cyber Monday. This year, that period fell between Nov. 24 and 28.

Cyber Monday continues to be the biggest online shopping day of the holiday season in the US, bringing in \$11.3 billion, a YoY growth of 5.6 percent. Black Friday (the Friday following Thanksgiving) brought in sales of \$9.1 billion, and 2.2 percent YoY growth, with more shoppers saying they bought online versus at brick-and-mortar retailers.

Shoppers spent \$5.3 billion on Thanksgiving Day, making for a 3.9 percent YoY growth.

Meeting Consumer Demand

The digital space has been influencing shopping habits on the retailer's end, too, and forcing traditional physical spaces to reimagine their approach in an effort to keep apace of their online counterparts.

With AI on the rise, shoppers are better able to input their preferences and create online versions of themselves to act as a shopping proxy. This allows them to make more accurate and specific shopping decisions, which, in turn, reduces the purchase of unwanted goods at the source.

To temper the competition, more bricks-and-mortar retailers are poised to offer their shoppers unique, immersive in-person experiences. Notably, those spaces selling sporting goods, this year's runner-up in YoY online purchase growth, have come up with some creative solutions.

Meanwhile, as more wealthy consumers move into the suburbs, they are flocking to the stores there, particularly to those that cater to home remodeling and furnishing.

Malls, outlets and shop-in-shops have seen increased traffic when they pair large names with small brands in the same location ([see story](#)).