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2022

HIGH PRICES RESHAPE HOLIDAY SHOPPING HABITS

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INTRODUCTION

Nearly seven million fewer consumers shopped on Black Friday 2022 than on Black Friday 2021 — but not because Black Friday is any less relevant than it was before.

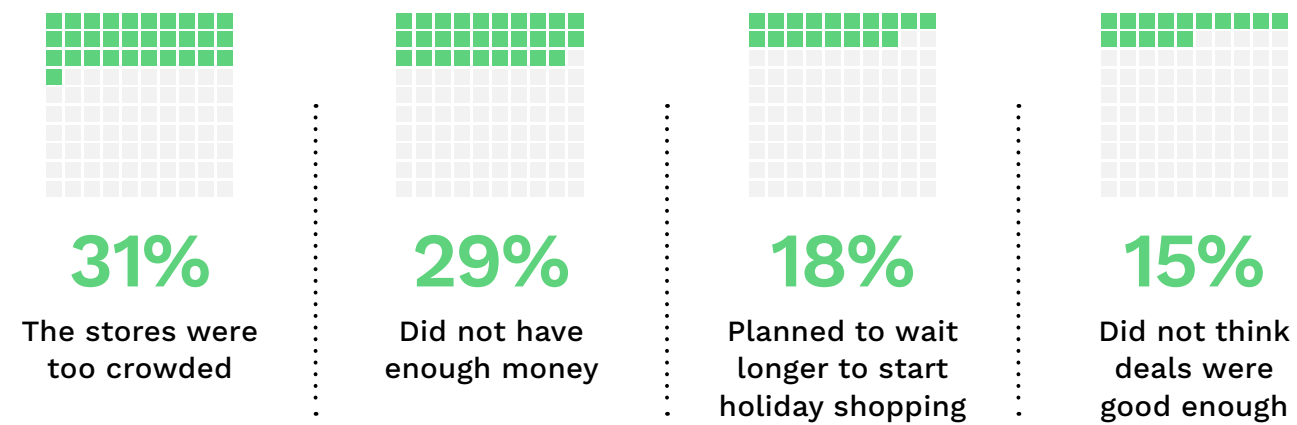
Instead, a massive chunk of the United States population has decided to forgo holiday shopping altogether this year, with 16 million fewer consumers than last year planning to shop at all. Among the consumers who intend to shop during the 2022 holiday season, a greater portion made their purchases on Black Friday than ever before.

In Black Friday 2022: High Prices Reshape Holiday Shopping Habits, PYMNTS delves into the details of how inflation shaped the first official day of the 2022 holiday shopping season. We surveyed a census-balanced panel of 3,074 consumers between Nov. 25 and Nov. 26 about how they spent Black Friday to gain a firsthand account of how — and how much — they adapted their shopping and spending habits in the face of historic price increases.

This is what we learned.

Inflation cast a long shadow over Black Friday 2022. Inflation rates remained at 7.7% as October 2022 ended, putting added pressure on consumers' finances.¹ Among the 33% of consumers who planned to shop this holiday season but did not shop on Black Friday, being short on cash was a key reason for opting out. Twenty-nine percent of these holiday shoppers said they did not have enough money to shop this Black Friday, and 15% said the deals were not good enough.

WHAT KEPT CONSUMERS FROM SHOPPING THIS BLACK FRIDAY?



¹ Bureau of Labor Statistics. Consumer prices up 7.7 percent over year ended October 2022. U.S. Department of Labor. 2022. <https://www.bls.gov/opub/ted/2022/consumer-prices-up-7-7-percent-over-year-ended-october-2022.htm>. Accessed November 2022.



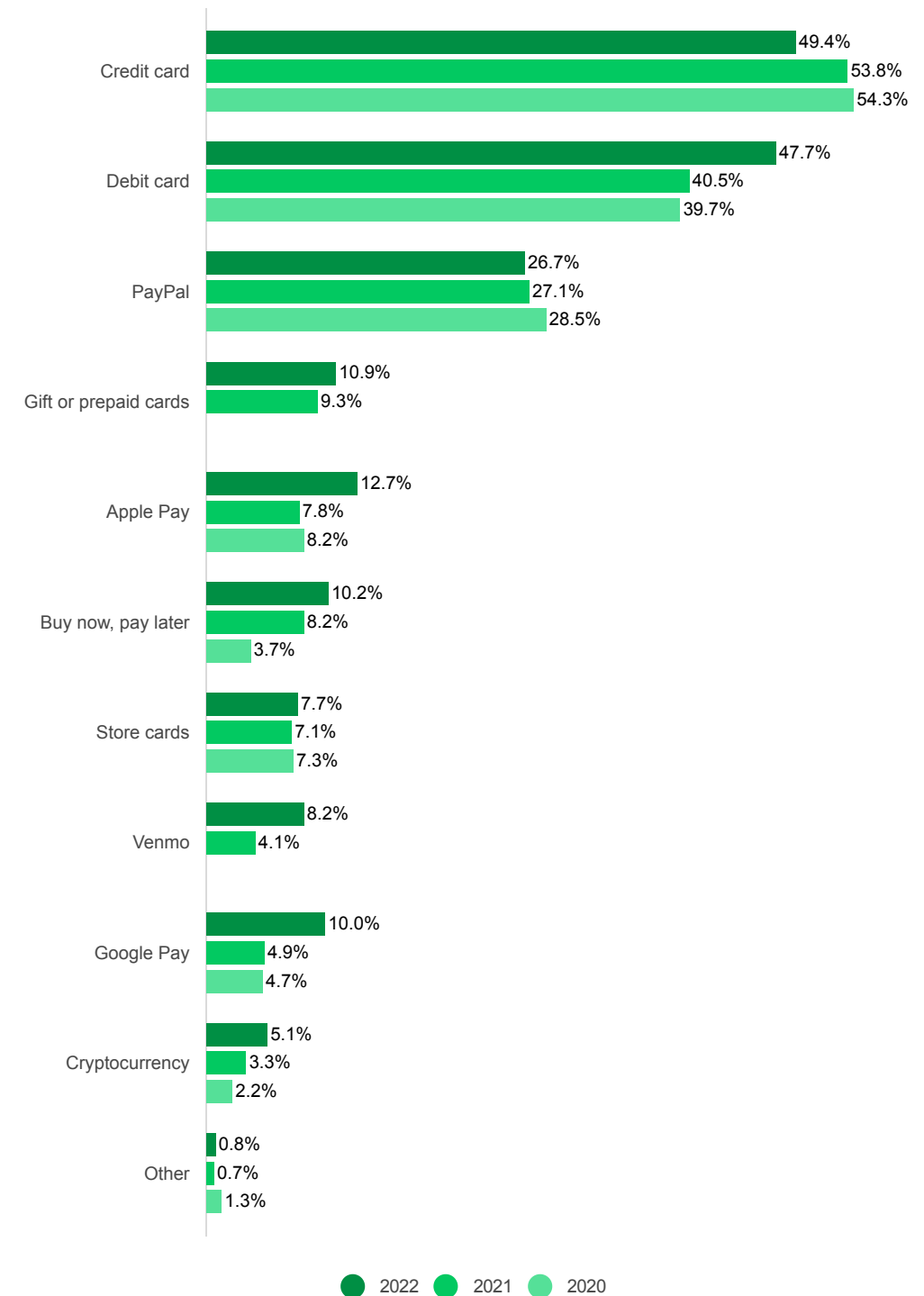
DIGITAL PAYMENTS GAINED MORE TRACTION THIS YEAR — BOTH ONLINE AND IN-STORE. AT LEAST 2.7 MILLION MORE BLACK FRIDAY SHOPPERS PAID USING DIGITAL METHODS SUCH AS APPLE PAY, GOOGLE PAY, VENMO AND BUY NOW, PAY LATER (BNPL) THAN IN 2021.

Credit and debit cards were Black Friday shoppers’ go-to payment methods — but digital payments are catching up. Thirteen percent of online Black Friday shoppers paid with Apple Pay this year, up from 7.8% last year. Online BNPL and cryptocurrency use reached 10% and 5.1% this year, respectively — new all-time highs for both.

Meanwhile, 10% of online shoppers paid via Google Pay and 8.2% paid via Venmo. This is twice the share who used these payment methods just one year ago.

Figure 1: Black Friday online payment practices

Share of Black Friday online shoppers who paid using select methods, by year



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022
 N (2022) = 1,169: Respondents who made online purchases on Black Friday, fielded Nov. 25, 2022 – Nov. 26, 2022
 N (2021) = 865: Respondents who made online purchases on Black Friday, fielded Nov. 26, 2021 – Nov. 27, 2021
 N (2020) = 916: Respondents who made online purchases on Black Friday, fielded Nov. 28, 2020

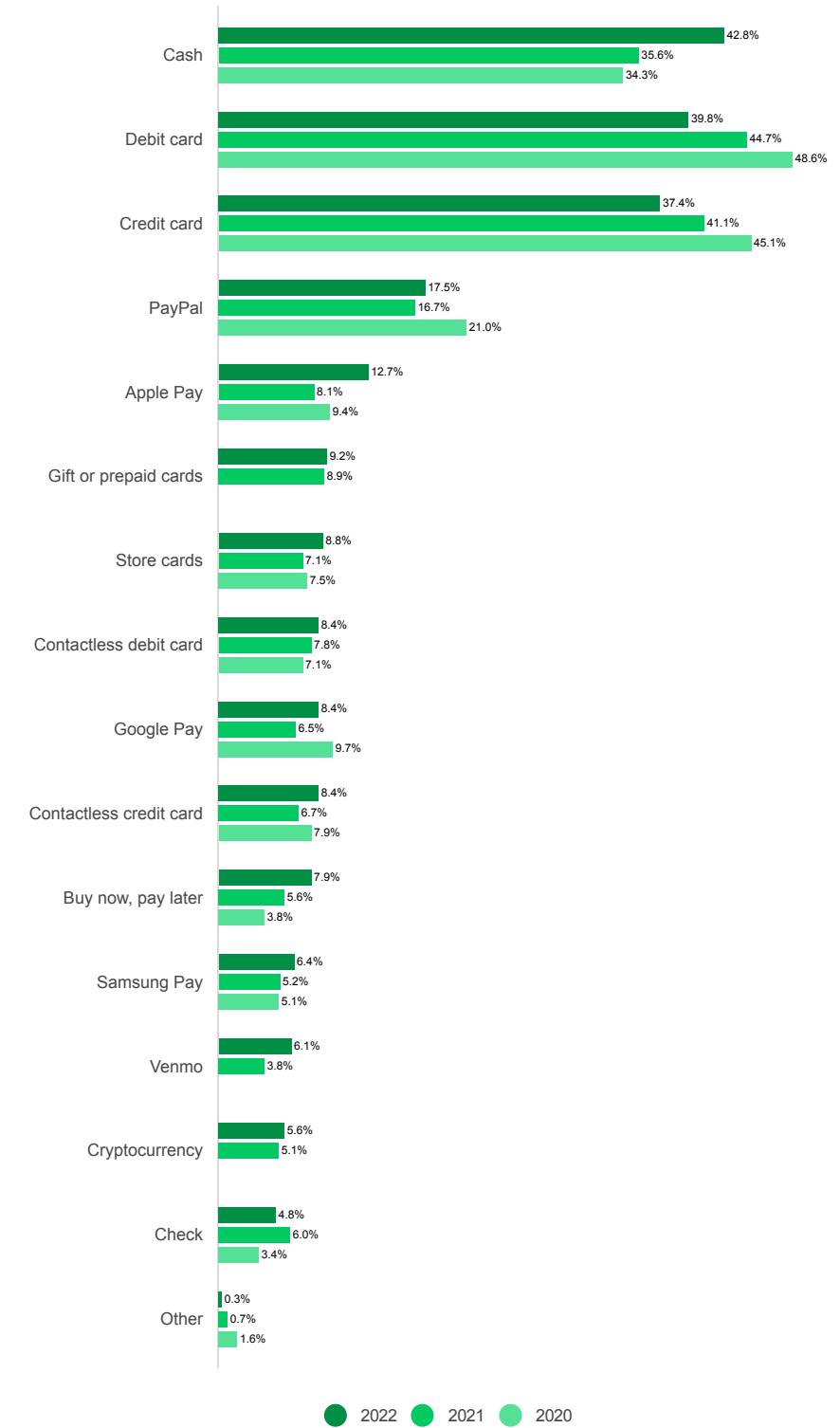
The digital payment methods eCommerce shoppers used this Black Friday also gained traction in brick-and-mortar stores. In-store BNPL use increased 41% year over year among Black Friday shoppers in 2022, and in-store Venmo use increased 63%. The share of in-store shoppers using Samsung Pay grew by 23%, and the portion using cryptocurrency grew by 9.2%.

BLACK FRIDAY SHOPPERS USED DIGITAL PAYMENTS, BOTH IN-STORE AND ONLINE, MORE THIS YEAR THAN LAST YEAR.



Figure 2: Black Friday in-store payment practices

Share of Black Friday in-store shoppers who paid using select methods, by year



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N (2022) = 958: Respondents who made in-store purchases on Black Friday, fielded Nov. 25, 2022 - Nov. 26, 2022

N (2021) = 744: Respondents who made in-store purchases on Black Friday, fielded Nov. 26, 2021 - Nov. 27, 2021

N (2020) = 588: Respondents who made in-store purchases on Black Friday, fielded Nov. 28, 2020

HIGH PRICES ALSO LED BLACK FRIDAY SHOPPERS TO RELY MORE HEAVILY ON FINANCING FOR THEIR PURCHASES.

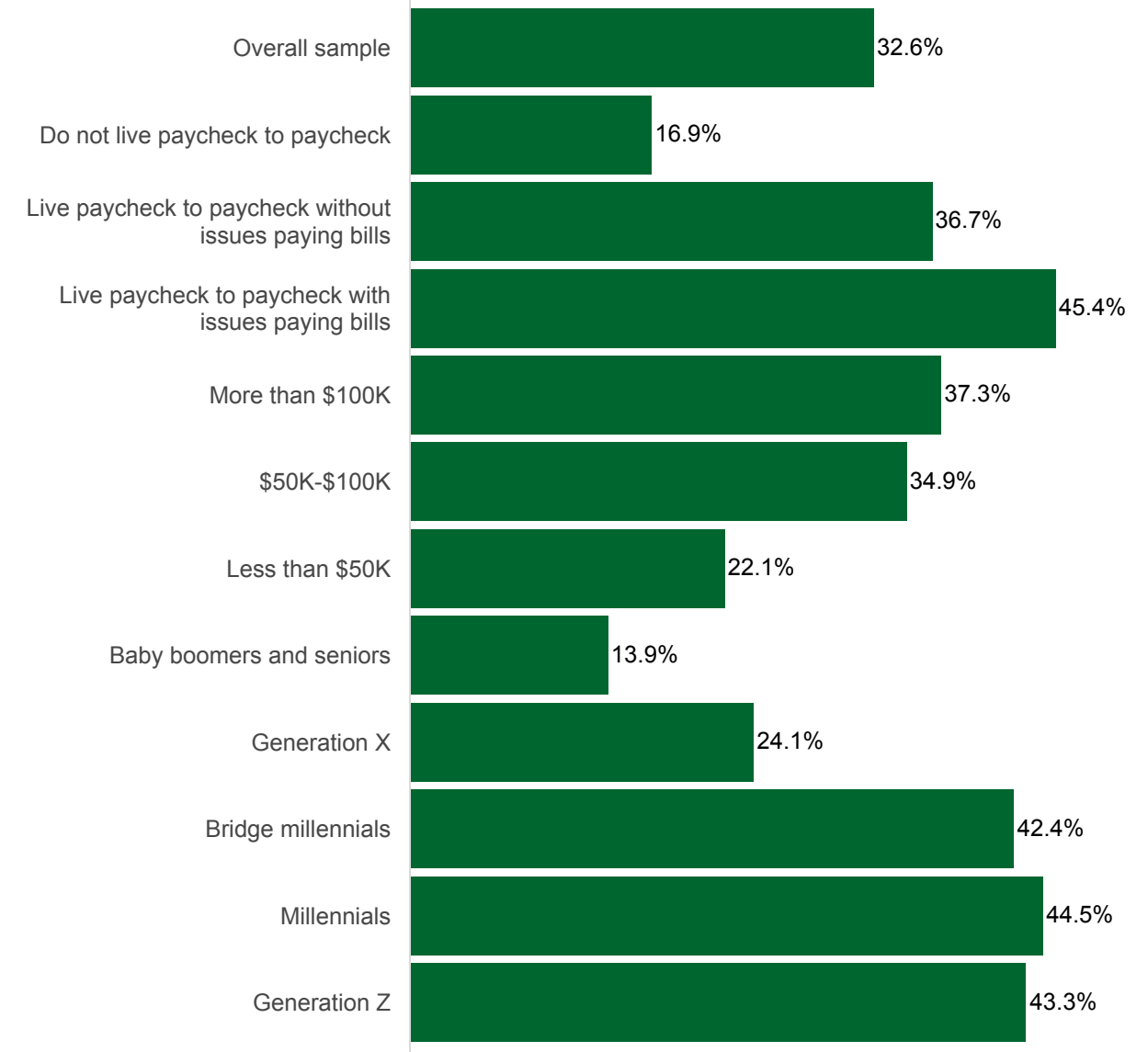
Nearly one-third of shoppers tapped their credit lines, applied for loans or used installment plans to finance their Black Friday purchases in 2022. Even more astoundingly, consumers who leveraged these options used them to finance at least half of their Black Friday purchases. This shows how drastically soaring prices have impacted consumers' shopping experiences.

Perhaps predictably, consumers living paycheck to paycheck with issues paying their bills were the most likely to take out loans, extend their credit lines or opt for BNPL options to finance their Black Friday purchases. Forty-five percent of this group used one of these financing options to fuel their Black Friday shopping sprees — and on average, they used these methods to finance 58% of their purchases.

Millennials were also particularly drawn to these financing options. Forty-five percent of millennial shoppers reported using credit, loans or BNPL options to finance an average of 51% of their purchases this Black Friday.

Figure 3: How Black Friday shoppers financed their purchases

3A: Share of shoppers who financed at least one of their Black Friday purchases in 2022, by demographic



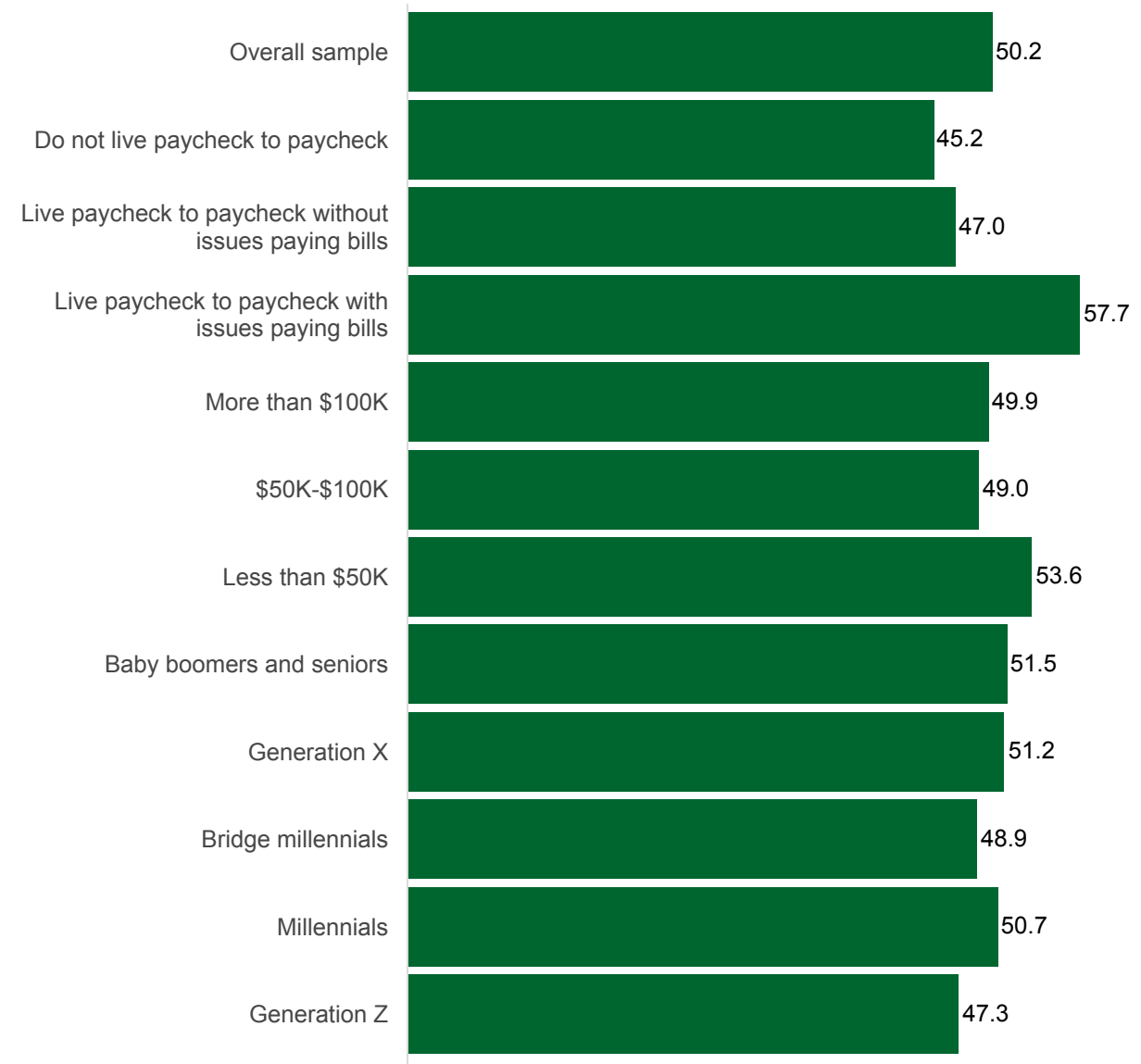
Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N = 1,595: Respondents who made purchases on Black Friday, fielded Nov. 25, 2022 – Nov. 26, 2022

Figure 3: How Black Friday shoppers financed their purchases

3B: Average share of Black Friday spending financed using a loan, credit or BNPL options in 2022, by demographic



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N = 507: Respondents financing at least one Black Friday purchase, fielded Nov. 25, 2022 – Nov. 26, 2022



CONSUMERS ARE CUTTING BACK ON HOLIDAY SHOPPING THIS YEAR, AND BLACK FRIDAY SALES TOOK THE HIT. SIXTEEN MILLION FEWER CONSUMERS PLAN ON DOING ANY TYPE OF HOLIDAY SHOPPING IN 2022 THAN 2021, AND 6.7 MILLION FEWER SHOPPED ON BLACK FRIDAY.

Our research shows that 203 million U.S. consumers plan to shop this holiday season, down from 219 million who did so in 2021. Meanwhile, 56 million U.S. consumers say they will not do any holiday shopping at all in 2022 — up from 39 million who said the same in 2021. This means that much of the decrease in Black Friday shopping activity resulted from consumers cutting back on holiday shopping overall.

Table 1: Holiday shopping on the decline

Share of consumers who plan to shop for the holidays or shopped on black Friday, by year

	2020		2021		2022	
	%	Millions of U.S. adults	%	Millions of U.S. adults	%	Millions of U.S. adults
Will not make purchases during the holiday season	19.9	50.2	15.1	39.0	21.7	56.0
Will make purchases during the holiday season	80.1	201.9	84.9	219.0	78.3	202.7
Made at least one purchase during Black Friday	48.2	121.5	55.5	143.1	52.7	136.4

Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N (2022) = 3,074: All responses, fielded Nov. 25, 2022 – Nov. 26, 2022

N (2021) = 2,395: All responses, fielded Nov. 26, 2021 – Nov. 27, 2021

N (2020) = 2,712: All responses, fielded Nov. 28, 2020

22%

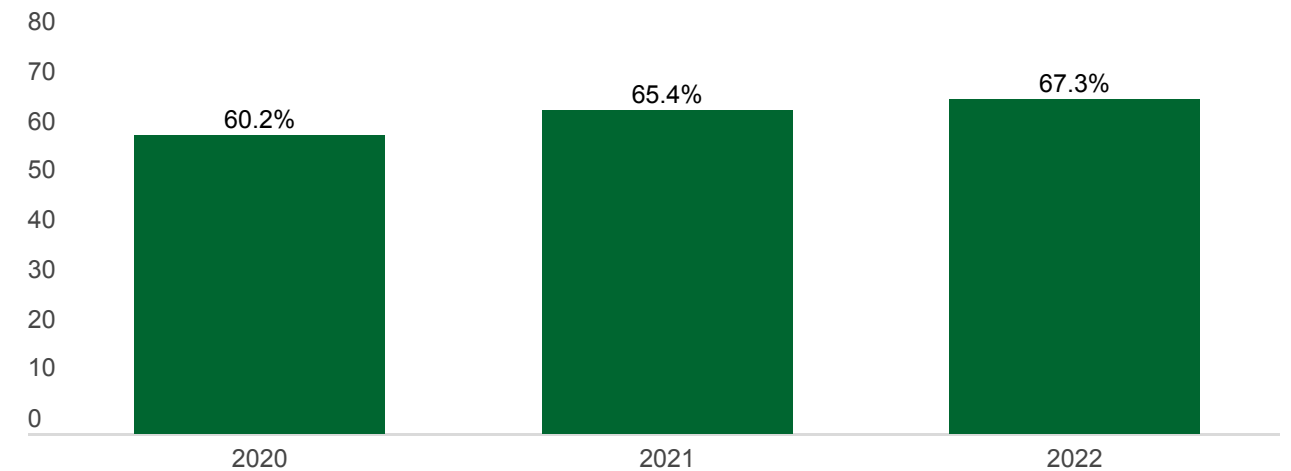
OF CONSUMERS DO NOT PLAN TO SHOP THIS HOLIDAY SEASON AT ALL.

AMONG THE CONSUMERS WHO PLAN TO SHOP FOR THE HOLIDAYS THIS YEAR, MORE THAN EVER SHOPPED ON BLACK FRIDAY.

Sixty-seven percent of holiday shoppers, representing 136.4 million individuals, made at least one holiday purchase on Black Friday 2022 — 3% more than in 2021. The share of holiday shoppers purchasing on Black Friday has been steadily increasing since 2020. Although many people are opting out of holiday shopping this year, Black Friday is unlikely to lose its relevance as long as there are still consumers seeking out sales, coupons and other price-saving deals.

Figure 4: Annual participation in Black Friday shopping

Share of holiday shoppers who made at least one purchase on Black Friday, by year



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022
 N (2022) = 2,439: Respondents who made or are going to make holiday purchases, fielded Nov. 25, 2022 – Nov. 26, 2022
 N (2021) = 2,060: Respondents who made or are going to make holiday purchases, fielded Nov. 26, 2021 – Nov. 27, 2021
 N (2020) = 2,147: Respondents who made or are going to make holiday purchases, fielded Nov. 28, 2020

67%

OF CONSUMERS WHO PLAN TO SHOP THIS HOLIDAY SEASON MADE AT LEAST ONE BLACK FRIDAY PURCHASE.

THREE IN FOUR BLACK FRIDAY SHOPPERS SAID BLACK FRIDAY WAS JUST AS IMPORTANT — OR EVEN MORE IMPORTANT — TO THEIR HOLIDAY SHOPPING THAN IT WAS IN ANY OTHER YEAR.

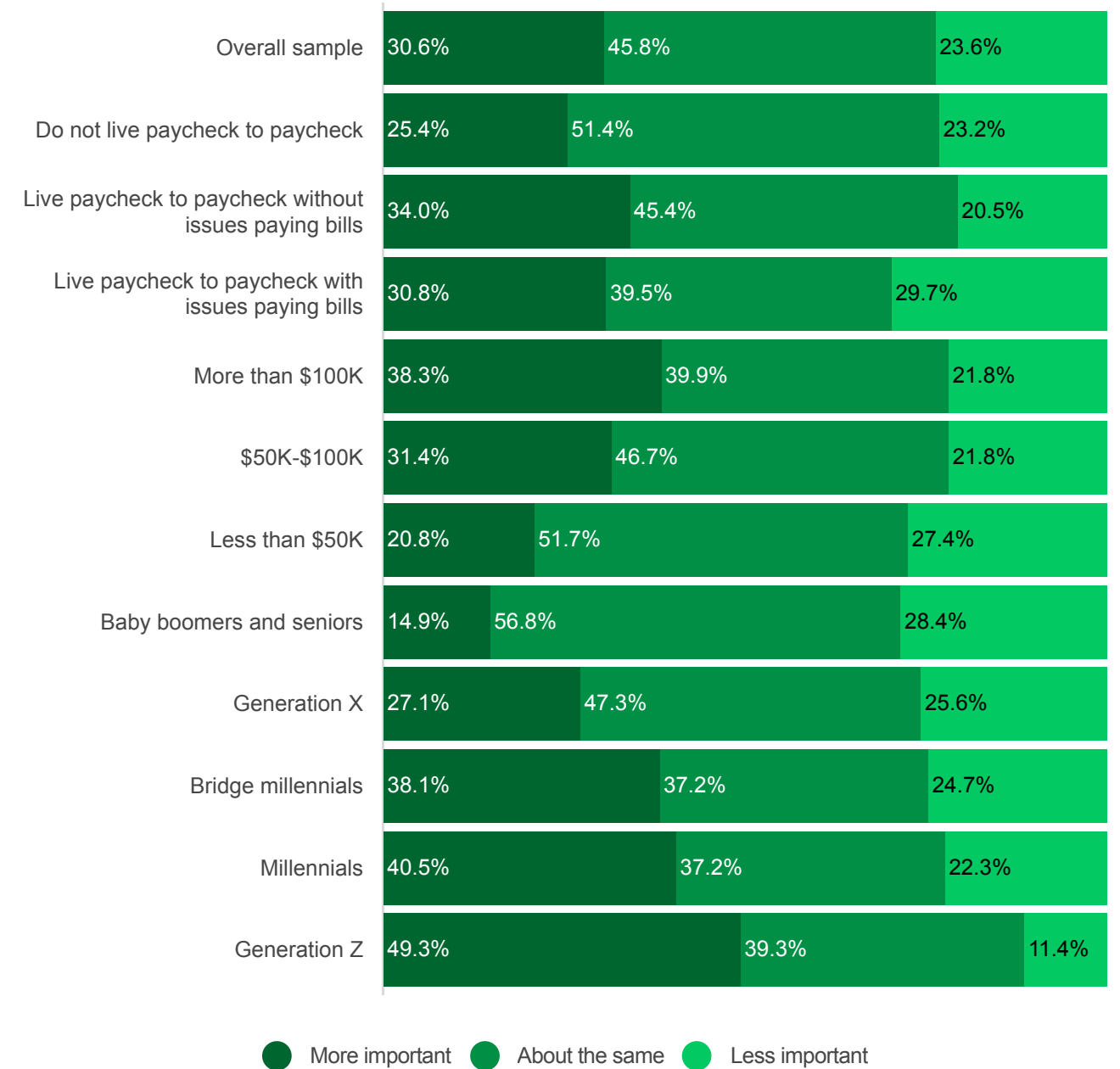
This year, as in others, consumers across the country say Black Friday is an integral part of their holiday shopping experience — especially if they live on a budget.

Black Friday shoppers who live paycheck to paycheck without issues paying bills were the most likely to say that Black Friday was more important to them these last two years than ever before, with 34% saying so. Additionally, 25% of Black Friday shoppers who do not live paycheck to paycheck said that Black Friday was more important to them these last two holiday shopping seasons.

Black Friday shopping also gained more importance for Generation Z shoppers than for any other generation this year. Nearly half of Gen Z Black Friday shoppers considered it even more critical than before 2021. Millennials were a not-too-distant second: 41% of millennial Black Friday shoppers believed that Black Friday was more critical to their holiday shopping experience in 2022 than in 2021.

Figure 5: Black Friday’s growing importance for holiday shopping

Share of Black Friday shoppers who considered Black Friday more, less or equally as important for their holiday shopping in the last two years compared to previous years, by demographic



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N = 1,595: Respondents who made purchases on Black Friday, fielded Nov. 25, 2022 – Nov. 26, 2022

BLACK FRIDAY 2022 WAS MORE OMNICHANNEL THAN ANY YEAR ON RECORD.
 ONE IN FOUR HOLIDAY SHOPPERS USED A MIX OF DIGITAL AND IN-PERSON SHOPPING CHANNELS TO MAKE THEIR BLACK FRIDAY PURCHASES.

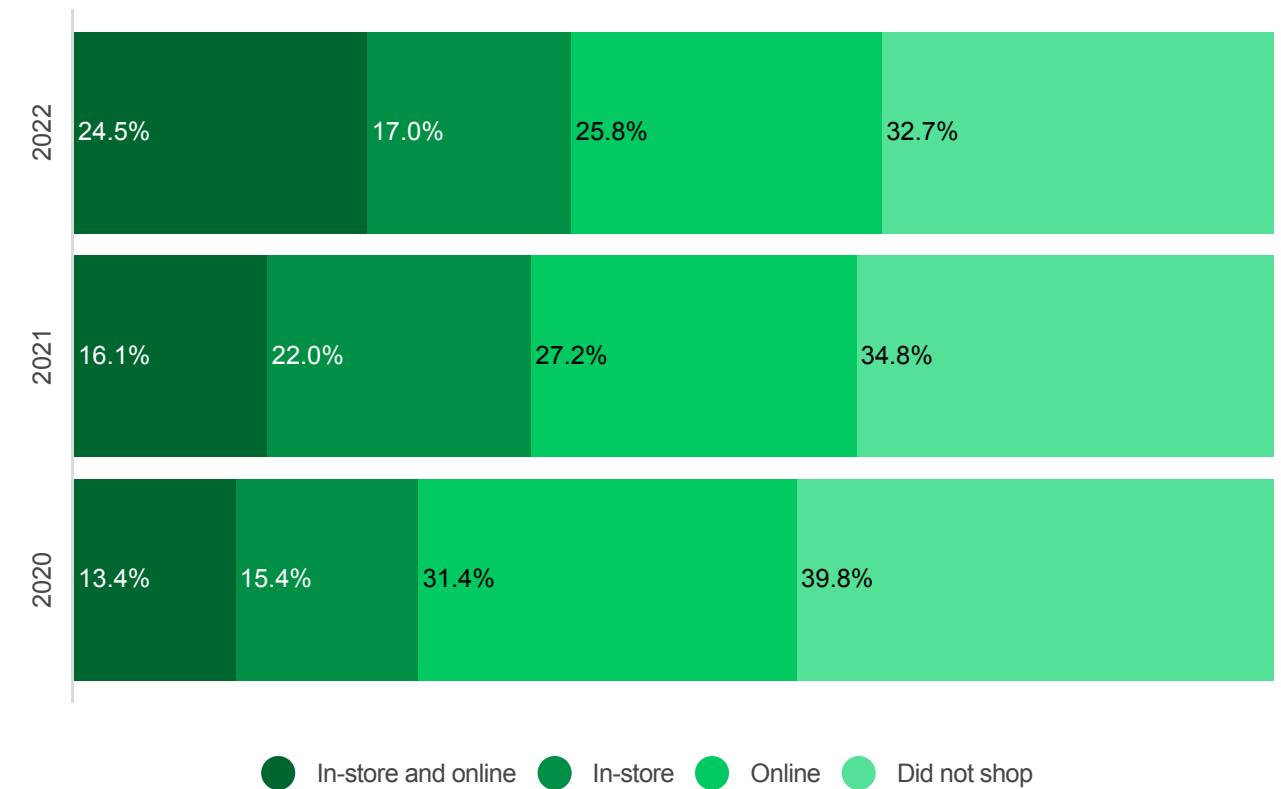
This equated to 14.5 million more shoppers using both online and in-person shopping channels than in 2021 and 22.6 million more than in 2020.

Meanwhile, the share of holiday shoppers shopping and paying exclusively online or in-store continues to fall. Just 26% of holiday shoppers shopped exclusively online — 7.2 million fewer than in 2021. Moreover, just 17% of holiday shoppers shopped exclusively in-store for Black Friday 2022 — 13.8 million fewer than in 2021.

This data shows that it is no longer possible to gauge Black Friday success by either in-store or digital sales; only a holistic, multichannel approach can provide the full picture.

Figure 6: Holiday shoppers' use of shopping channels

Share of holiday shoppers who made Black Friday purchases using select channels, by year



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022
 N (2022) = 2,439: Respondents who made or are going to make holiday purchases, fielded Nov. 25, 2022 – Nov. 26, 2022
 N (2021) = 2,060: Respondents who made or are going to make holiday purchases, fielded Nov. 26, 2021 – Nov. 27, 2021
 N (2020) = 2,147: Respondents who made or are going to make holiday purchases, fielded Nov. 28, 2020

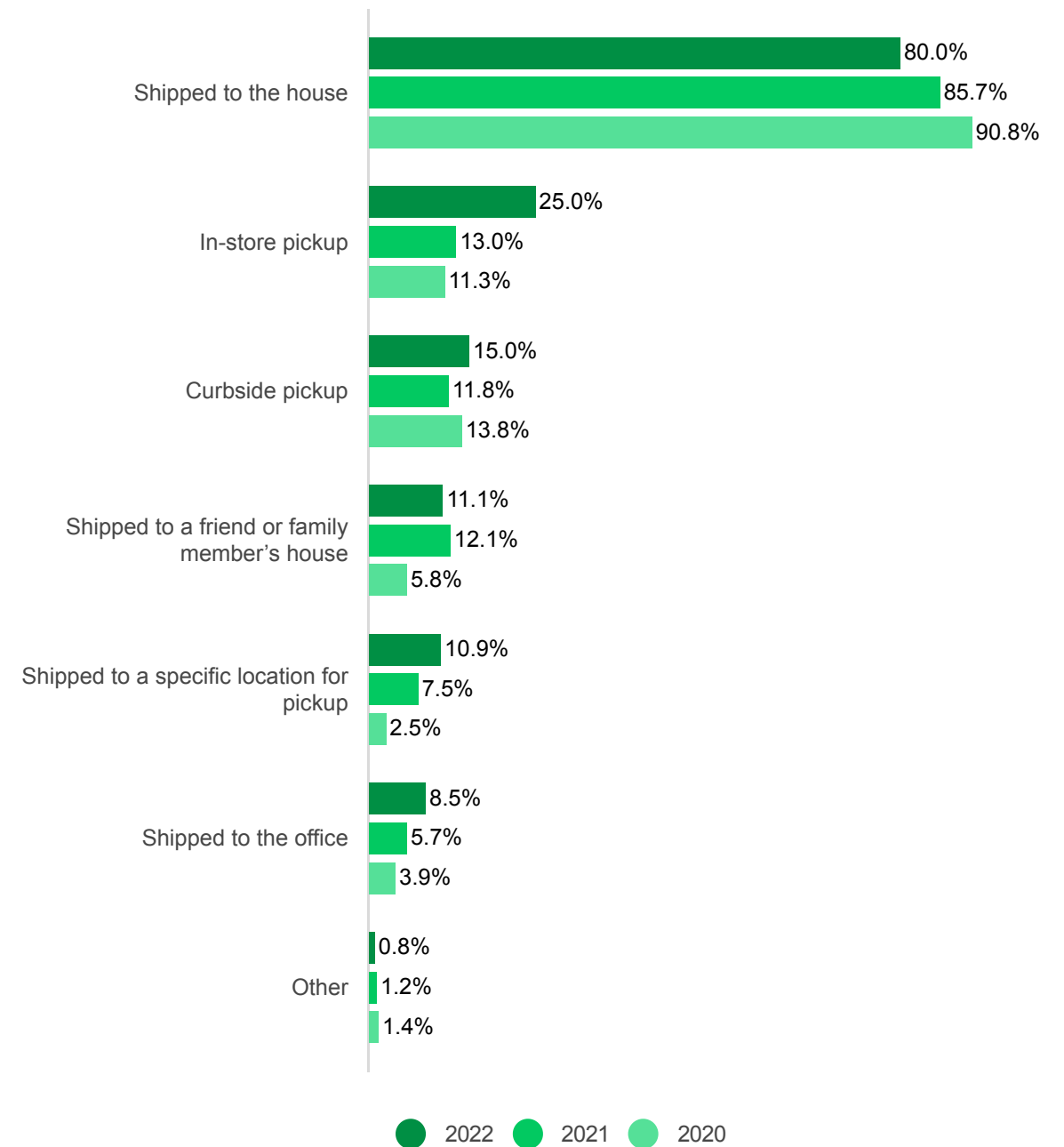
IN-STORE AND CURBSIDE PICKUP WAS CENTRAL TO THE 2022 BLACK FRIDAY ONLINE SHOPPING EXPERIENCE.

15.3 MILLION SHOPPERS PICKED UP THEIR ONLINE PURCHASES CURBSIDE — MORE THAN EVER BEFORE.

As online shopping grew more popular among shoppers on Black Friday, so did their use of curbside and pickup options. Twenty-five percent of online shoppers picked up their purchases in-store this Black Friday, nearly twice the amount who did so in 2021. Meanwhile, 15% picked up purchases curbside — a 28% increase from last year.

Figure 7: How shoppers acquired online Black Friday orders

Share of online shoppers who obtained their Black Friday purchases in select ways



Source: PYMNTS

Black Friday 2022: High Prices Reshape Holiday Shopping Habits, November 2022

N (2022) = 1,169: Respondents who made online purchases on Black Friday, fielded Nov. 25, 2022 – Nov. 26, 2022

N (2021) = 865: Respondents who made online purchases on Black Friday, fielded Nov. 26, 2021 – Nov. 27, 2021

N (2020) = 916: Respondents who made online purchases on Black Friday, fielded Nov. 28, 2020

CONCLUSION

Black Friday 2022 gave us a sneak preview of how the start of the holiday shopping season might evolve as we move farther from the 2020 pandemic. Although the number of holiday shoppers may vary from year to year, our data suggests that they will be more eager to use digital shopping and payment options going forward. Moreover, Black Friday shopping is on course to grow more omnichannel as we move into the future, both in terms of how consumers shop, pay for and acquire their purchases.

METHODOLOGY

Black Friday 2022: High Prices Reshape Holiday Shopping Habits is based on a census-balanced survey of 3,074 consumers surveyed between Nov. 25 and Nov. 26. The Black Friday series examines how consumers shopped and paid for the items on their holiday wish lists. Fifty-one percent of the 2022 edition survey respondents were female, and 37% of respondents had an annual income of \$100,000 or more. Our respondents were 46 years of age, on average.

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