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2022 SHOPPING & GIFTING SOCIAL COMMERCE REPORT

Data, insights and trends around shopping habits and purchases across social and eCommerce platforms

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Introduction

Gift shopping in its entirety continued to flourish in Q4 2022 despite economic hardships. gen video was curious how consumer behaviors were affected this season, especially when compared to Q2 2022 data.

The main goals and focus areas for this study are centered around analyzing:

- **Consumer product research** trends around the holiday season.
- **The performance of influencers** on social platforms and how they affect lower-funnel consumer behavior.
- **Consumer buying habits** around the 2022 shopping and gifting season.

In this report, you'll see findings stemming from a combination of data from gen.video's sales tracking technology and survey results of hundreds of consumers. All of this data is pertaining to the United States market.

With the influencer marketing industry continuously heading towards a more lower-funnel approach to KPIs and results, we'll dive into understanding how influencer marketing and consumer behaviors correlate.

Follow Along

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Methodology

Customer Surveys

Number of Consumers Surveyed Across Two Surveys: 457

Location: U.S.A

Age Range: 18-44

01

gen.video Affiliate Sales Data

Use of gen.video's Traail™ Analytics for historical influencer sales insights

02

Third Party Industry Insights

Reference data from reputable sources to provide industry status and growth metrics

03

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PRODUCT RESEARCH

How are gift shopping habits changing with the narrowly-avoided recession?

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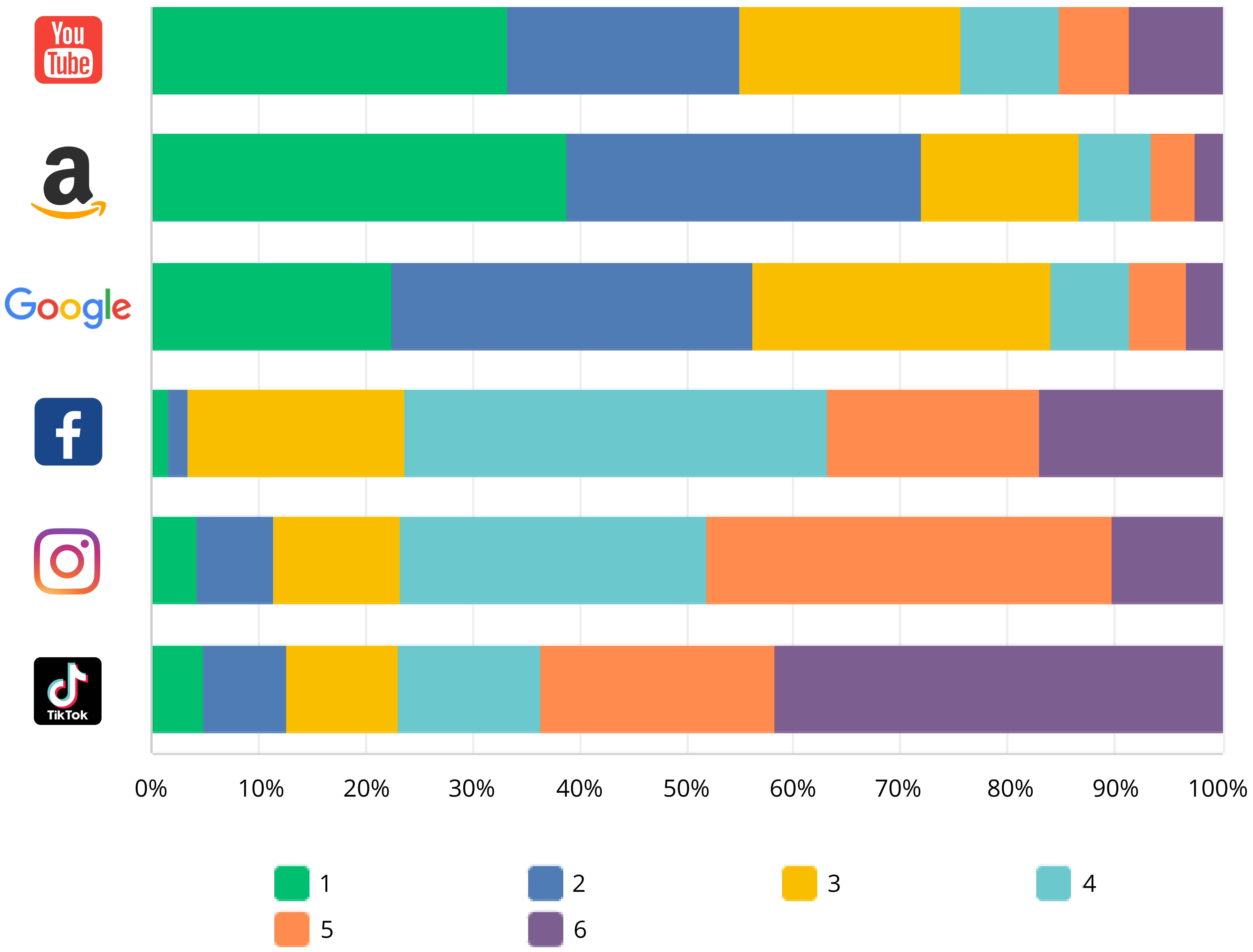
Where Are Consumers Doing Product Research?

While Amazon still reigns supreme, **33% of respondents listed YouTube as their #1 source for product research.**

With YouTube as a whole has surpassing Google's search engine tool, brands and marketers should be opening up their doors for a more video-focused 2023.



*The color-coded numbers represent what consumers ranked each channel in order from 1-6

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Age vs. YouTube Product Research

between ages 18-29,

36%

of respondents between the ages of 18-29 listed **YouTube as their #1 choice** for product research.

This is a 14-point increase from Q2 2022 with no signs of slowing down.

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Importance of Diversifying Marketing Assets

52%

of respondents

stated that they look at product **images AND video reviews** before buying a product.

Brands who are solely putting images on a product page are missing out on a vital part of the product's representation that consumers are looking for.

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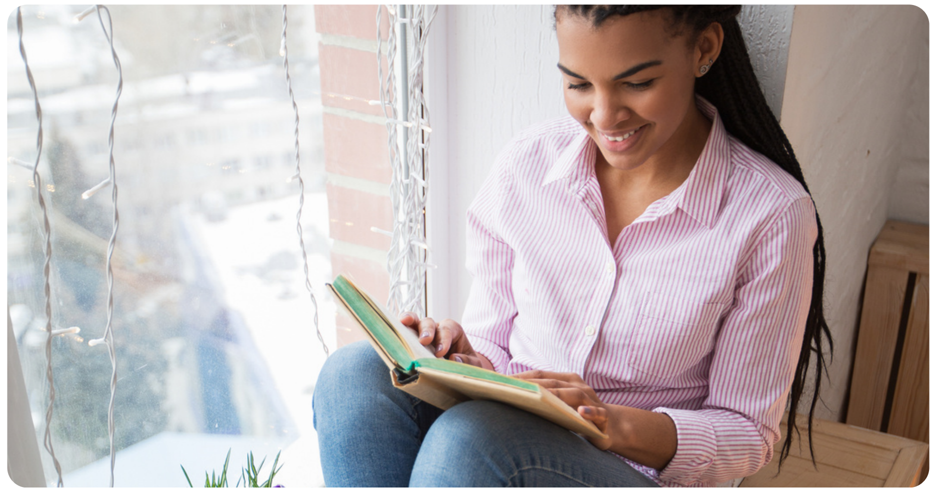
Which Verticals Have The Most Trust in Influencer Recommendations?

Consumers purchasing products in these verticals ranked influencer reviews as their #1 trusted source for product information:

25%

beauty/cosmetics



24%

books

22%

movies/music/games

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Professional Brand-Side Insights

We really like to work with influencers who organically use our products and will continue to do so in 2023. **Customers trust the recommendations of their favorite influencers and we really try to tap into that**, especially in saturated markets.

There are a lot of influencers out there promoting a lot of different brands. Working with influencers who organically use our products and stand by the Conair name helps the content (whether paid or not) feel more authentic and genuine, which is on par with our brand.

Christie O'Brien |Social Media Manager | Conair

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42%

of respondents

listed **Video Reviews on Product Pages** as one of their top 3 trusted sources for product reviews.

This is a 9-point increase from Q2 2022.

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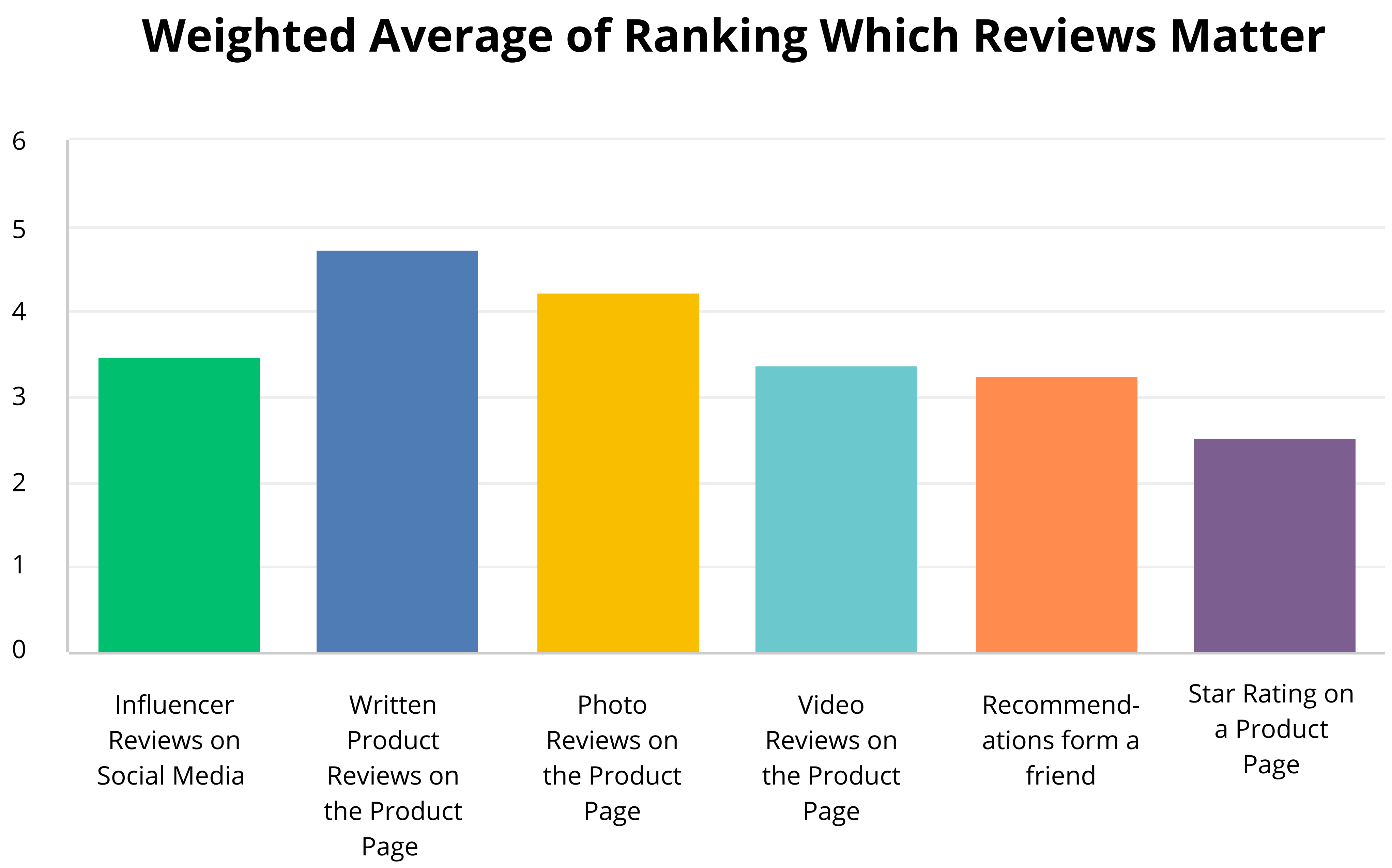
Driving Confidence by Diversifying Reviews

Full-funnel research from consumers urges brands to **branch out beyond just focusing on star ratings or written product reviews** on product pages, and more on diversifying to build consumer confidence.

Overall, when asked to rank the 6 various options in order of what matters to consumers, we clearly see the importance of influencer reviews on social media and video reviews on product pages to appeal to all consumer types.



The importance of 5-star ratings continues to drop.

Only 4% of consumers rated Star Ratings as their most trusted resource when doing product research, dropping from 6% reported in Q2.

We suspect the difference in consumer review styles to be a key factor in why buyers are hesitant to rely on star-ratings.

***For example, a "you get what you paid for, it did its job" 5-star rating doesn't necessarily equate to an exceptional product in everyone's eyes.**

Video and text reviews provide more context to all types of consumers who consider a variety of details and factors when making purchase decisions.

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INFLUENCER MARKETING'S ROLE IN DRIVING ECOMM SALES

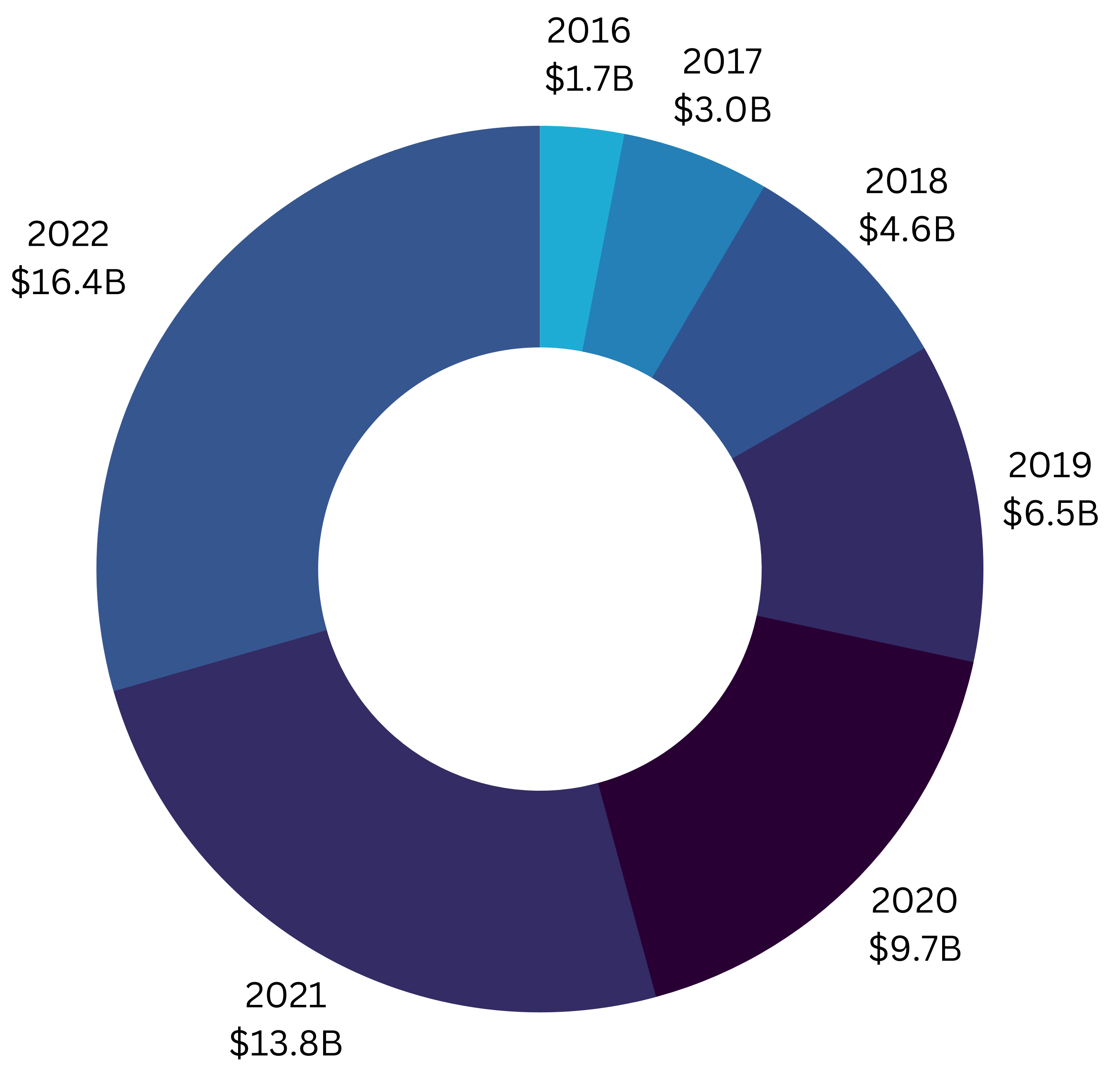
State of the US Influencer Marketing Industry

Influencer marketing industry growth is showing no signs of stopping with an estimated **$16.4B** market size in 2022.

Now that influencer marketing technologies have developed enough to analyze and optimize campaigns based on sales, capitalizing on that data will help resurge eComm results for many brands that may be seeing slow-downs since the pandemic.

With tools like gen.video, marketers are now able to directly **optimize their influencer marketing programs across organic and paid on product sales.**

Influencer Marketing Global Market Size



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Influencer Marketing Overview

Influencer Marketing is a form of social media marketing involving endorsements and/or product placement from Creators who have an expert level of knowledge or social influence in their field.

Influencers put a real face and voice behind a sponsoring brand, giving consumers additional validation and trust in the product or service recommendation.

Influencer content is mainly geared towards their channel followers, but it can also be repurposed in ads, product page listings, and other forms of whitelisted media.

22%

of respondents

listed **influencer reviews on social media** as their #1 trusted source for product reviews.

This is a 3-point increase from Q2 2022 overall.

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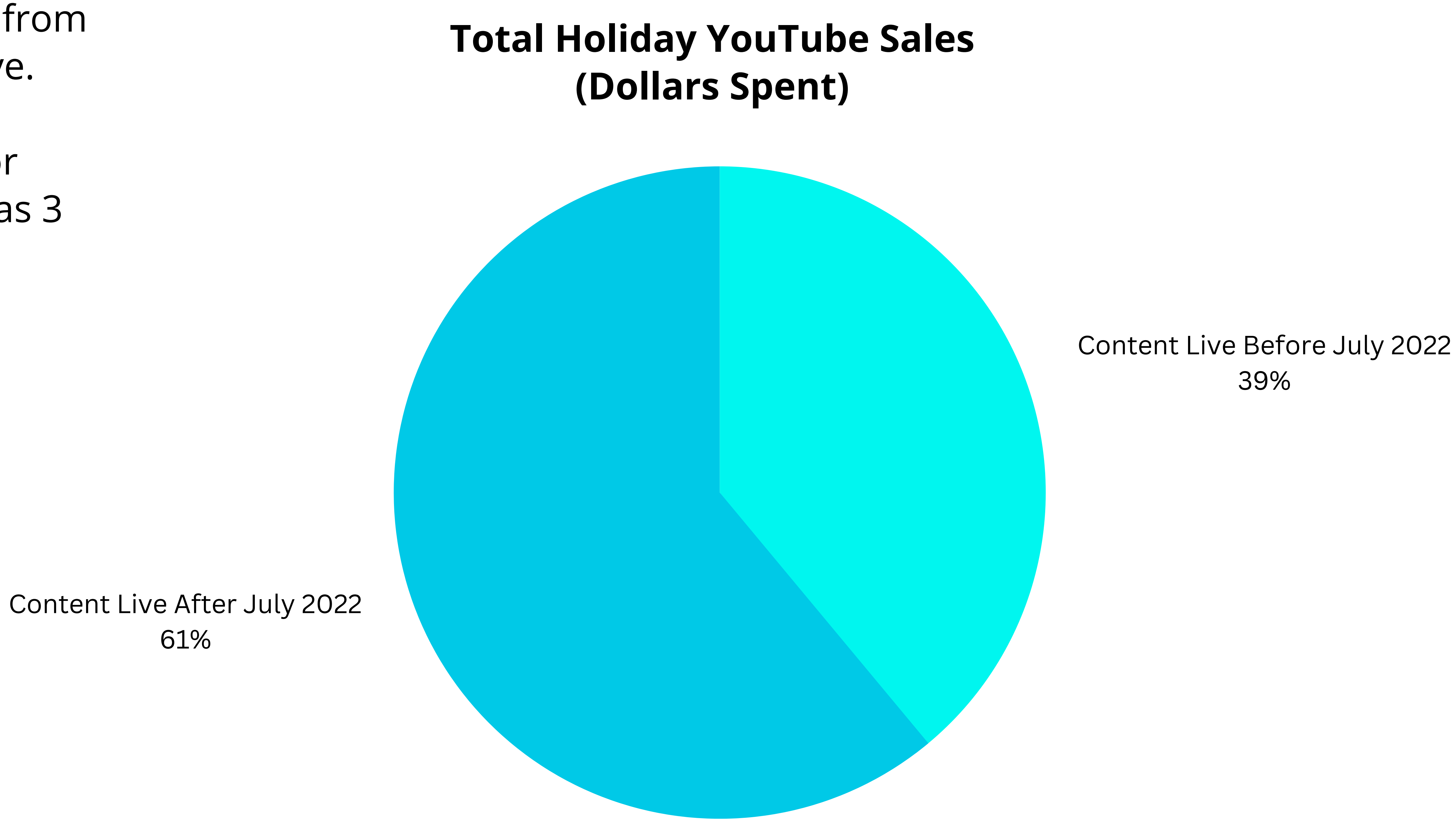
Proof in the Value of Evergreen Influencer Content

Using gen.video sales data, we're able to see what percentage of sales are generated from previous **YouTube** content that is still live.

Over **39% of products sold** across major verticals were from content live as long as 3 years before the 2022 holiday.

Marketers are realizing that influencer content has immense everlasting value.



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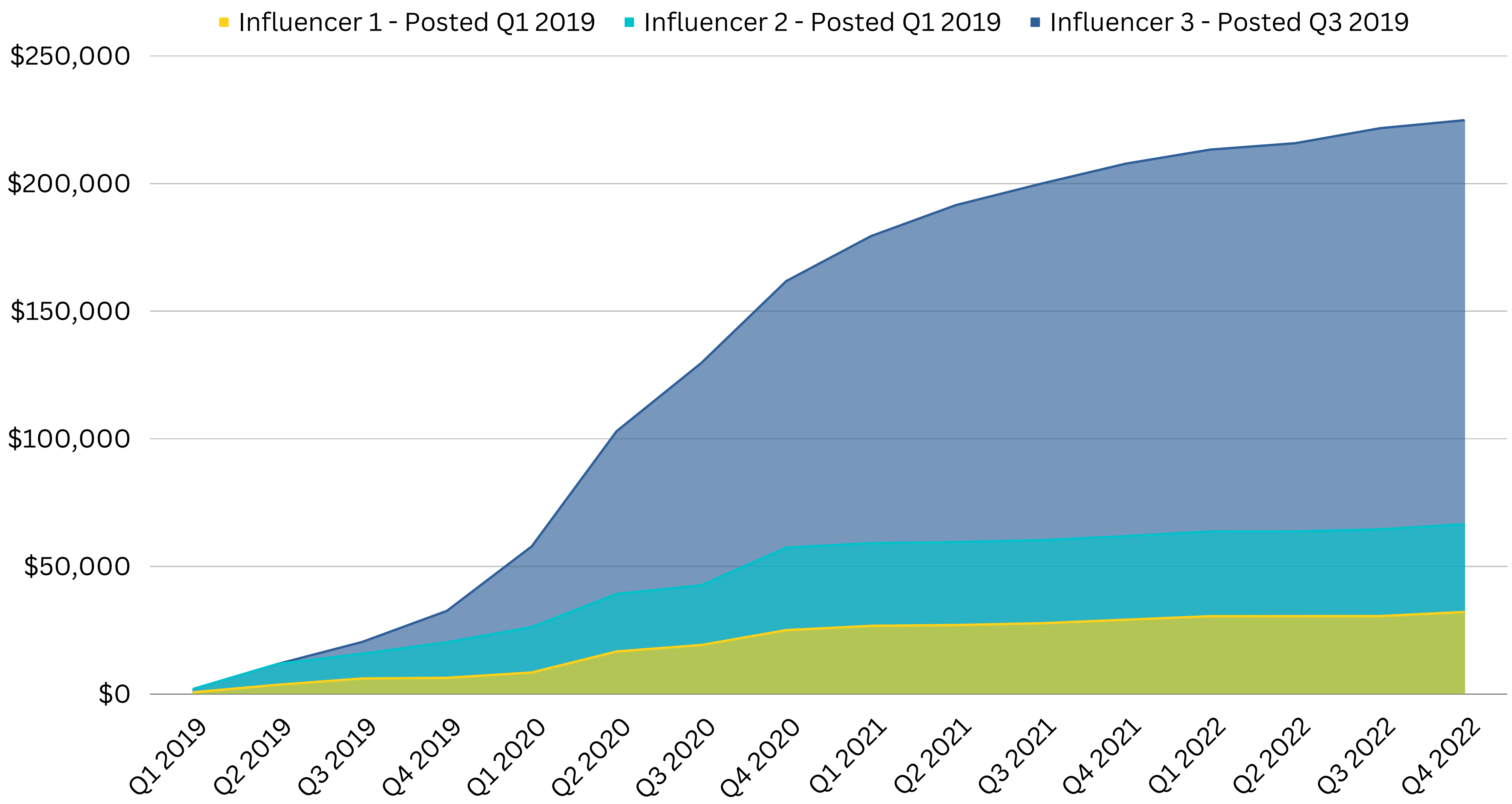
Proof in the Value of Evergreen Influencer Content

Using gen.video sales data of **YouTube** content, this breakdown showcases the **sales (in USD) over time** attributed to individual influencer videos.

Influencer marketing is not confined to its campaign flight length. Value is generated even YEARS after a campaign end date because of the **quality, relevancy and longevity** of influencer content.

Of course not every video performs like this, but there are a significant amount that do and it's important to consider earned value outside of a campaign's start/end date.



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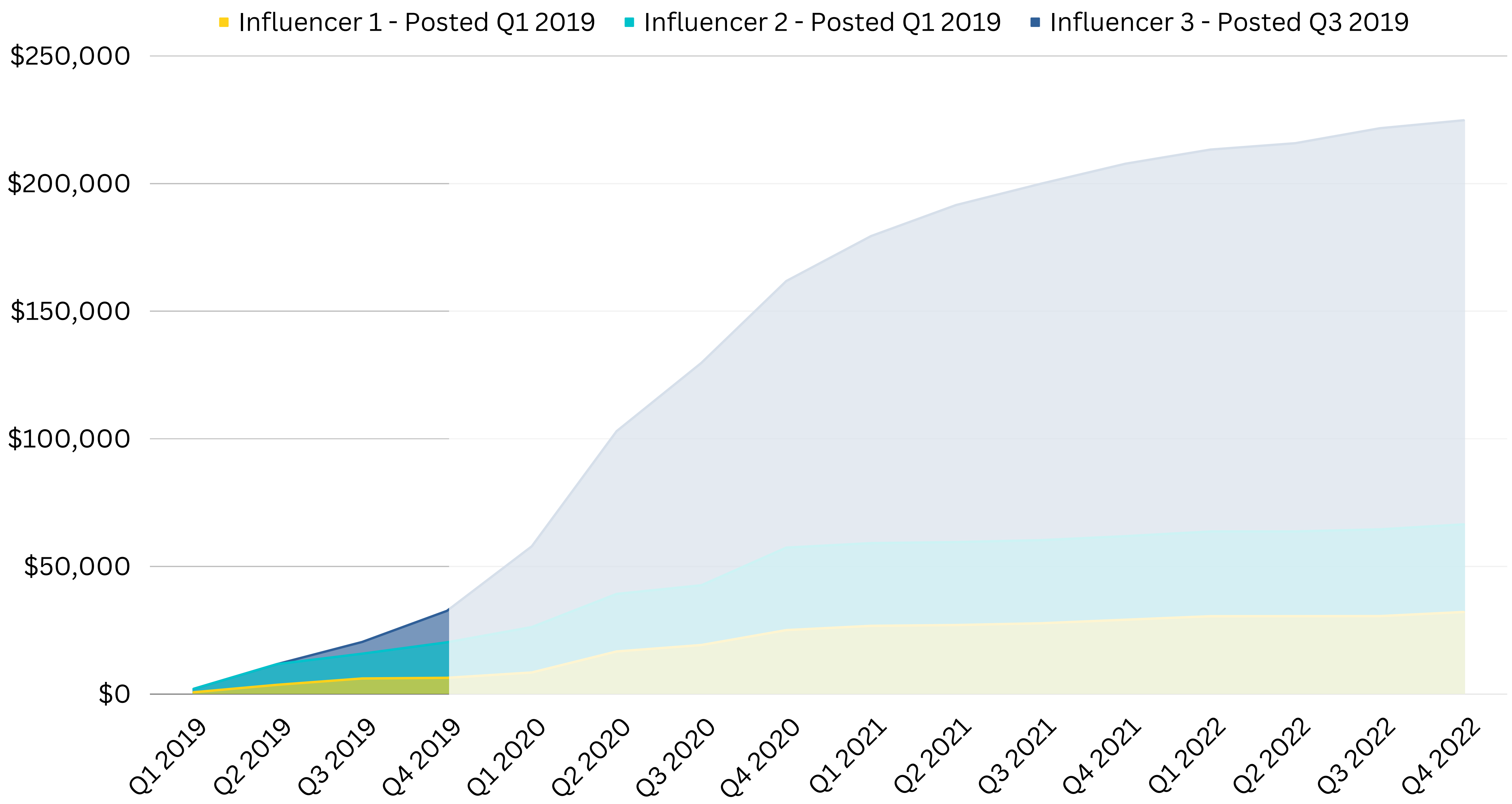
Proof in the Value of Evergreen Influencer Content

The value generated one year after the launch date of Influencer Posts 1 and 2 (Around 9 months for Influencer post 3) was **just under $50k.**

This is when everyone stops paying attention as the official campaign flight dates have ended.



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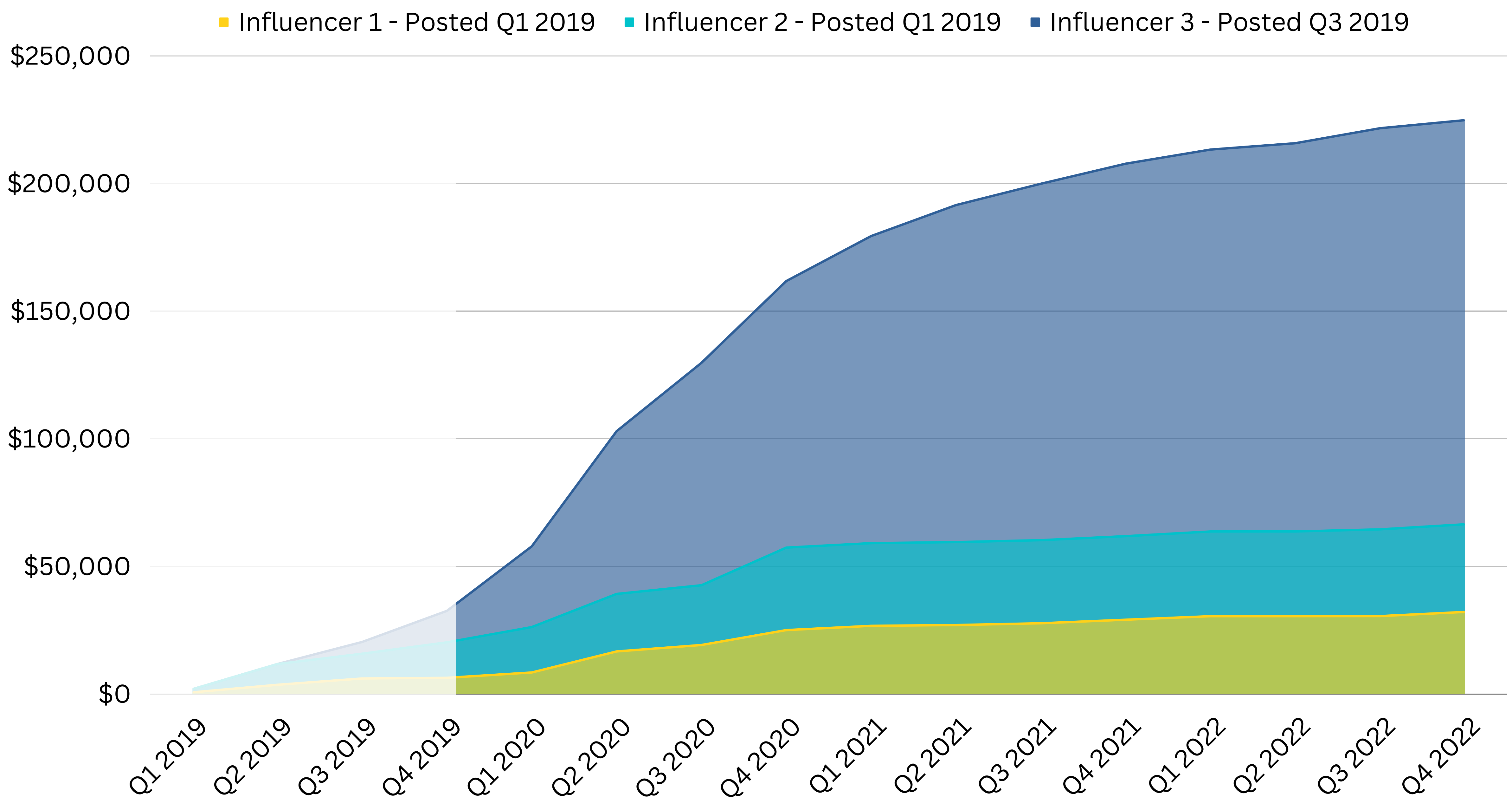
Proof in the Value of Evergreen Influencer Content

Here is the value of the evergreen nature of the influencer content coming into play.

We've come back at the end of 2022 to reevaluate and almost $225k (and counting) of sales that would have otherwise gone ignored and unattributed is showcased here.

More than 4x of the original reported EOY ROI was earned **after the campaign flight had ended**.

For marketers, this proves the value of using influencers to establish yourself to be indexed year-round to capitalize on exponential long-term growth.



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TikTok/IG Average Conversion Rates For Gifting Season

We see that TikTok and Instagram both had a similar conversion rate of over 2.7%. Both platforms excel at short-form 'You See It, You Like It, You Buy it' type content. Brands that do not require consumers to do as much product research should be testing on both IG and TikTok to see where they see the most return.

TikTok

2.8%
conversion rate

2.7%
conversion rate

**Note: This data pertains specifically to posts with conversions. This may slightly overstate the average, but the data also avoids artificially lowering the data by including non conversion-focused content.*

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BEAUTY/COSMETICS DATA

What Platforms are Working for Beauty?

For consumers that buy beauty/cosmetics products, the breakdown showcases the platforms where **consumers have seen an influencer post, then bought a product.**

Beauty/Cosmetics Ranked #1

for buying the exact product an influencer recommends, even if that product is not on sale.

25% of respondents that buy beauty/cosmetics products are buying brand-name products because of **influencers that they trust.**

22%

of respondents

who buy beauty/cosmetics products prefer to buy many gifts in bulk, then figure out who to gift them to when the holidays come along.

in fact...

67%

of 18-29 year-olds

are buying gifts in bulk and figuring out who to gift them to later, compared to the 57% of people aged 30-44.

What Does This Mean For Marketers?

If **two-thirds** of consumers that are buying beauty/cosmetics products are buying gifts in bulk ahead of time, an **always-on marketing strategy** is highly recommended.

Utilizing the trust that buyers have in influencer recommendations year-round will enable brands to capture a buyer's attention when they're stocking up for holiday gifts months in advance of the holiday season.

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WHICH SOCIAL PLATFORMS HAVE THE MOST INFLUENCE ON SALES?

53%

of consumers

aged 18-29 responded that they have purchased a product after watching an influencer's YouTube video recommendation.

This drops significantly for the 30-44 age group at 35%.

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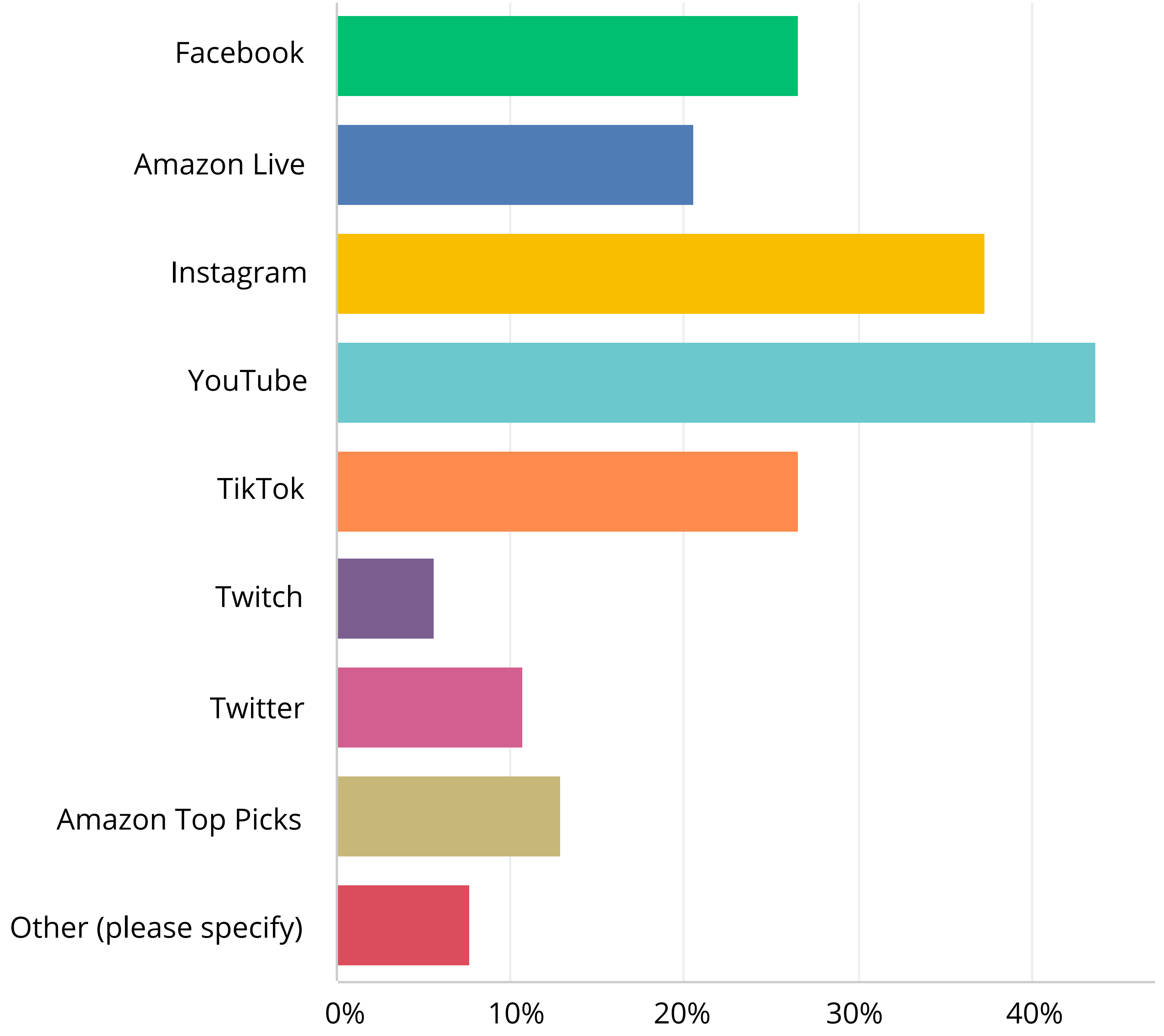
Trust in Influencer Recommendations

Instagram, **YouTube, Facebook** and **TikTok** are the platforms that consumers trust the most when it comes to influencer recommendations.

When compared to H2 2022, Facebook rose to be tied with TikTok at a **27% purchase rate based on influencer recommendations** during the holidays.

This presents an opportunity for brands reaching mass markets to adjust focus to certain social platforms if necessary.

Where have consumers seen a sponsored influencer post, then bought the product?



in fact...

17%

of respondents would follow an influencer's product recommendation without searching for cheaper alternatives, even if the product is not on sale.

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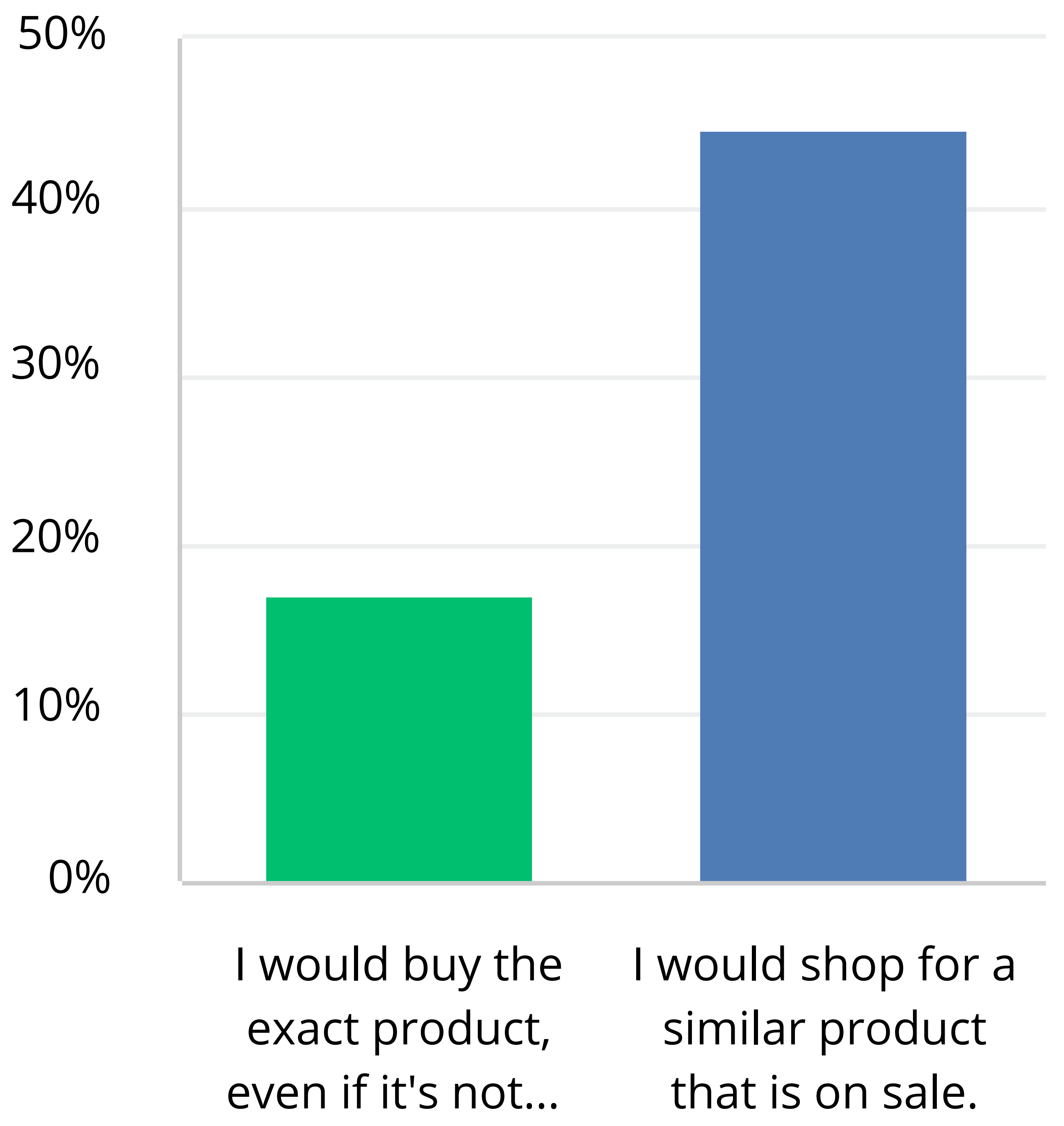
Trust in Influencer Recommendations

In total, **62%** of survey respondents are loyal to the influencers that they follow and make purchases based on the influencer's recommendations.

This data presents a huge opportunity for advertisers to **capitalize on the bond that influencers have with their audience**, as long as the partnership connects with the influencer's vertical.

Additionally, this data showcases the importance of brands (especially more expensive luxury brands) ensuring that their messaging is clear on what makes them a different or better solution.



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With U.S. consumers

spending over

$211.7B

during the 2022 holiday shopping season, it's important to understand the full context behind what drives consumers to purchase.

Not just "Who is shopping?", but **"Who are they shopping FOR?"**.

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WHERE ARE CONSUMERS SHOPPING?

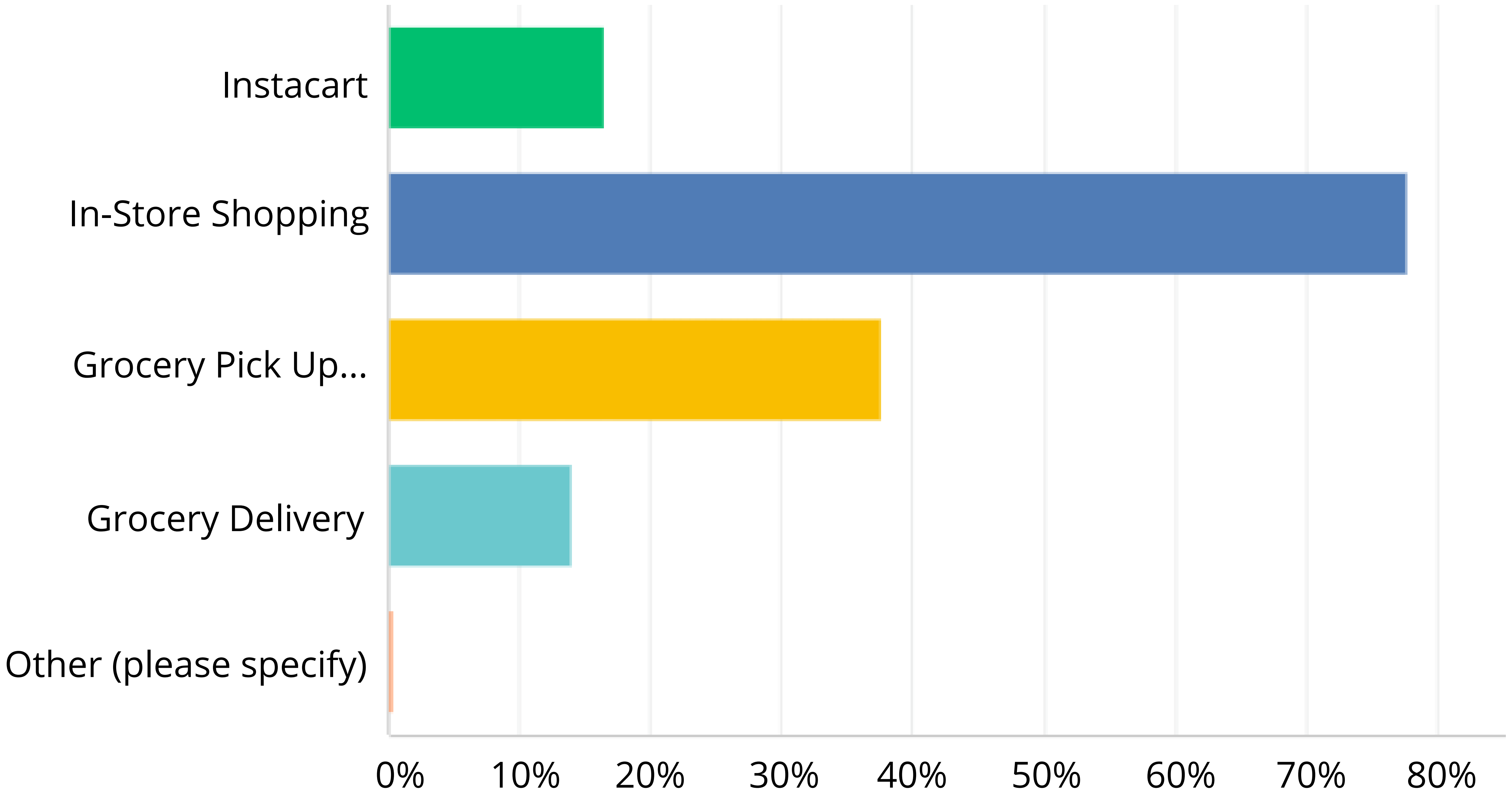
78%

of respondents

prefer in-store over other methods for
holiday food shopping.

Alternate Options to In-Store Holiday Grocery Shopping

For the other 22%, **Instacart and Grocery Pick-up** are the most popular options for anyone looking to take the convenient approach to holiday food shopping.



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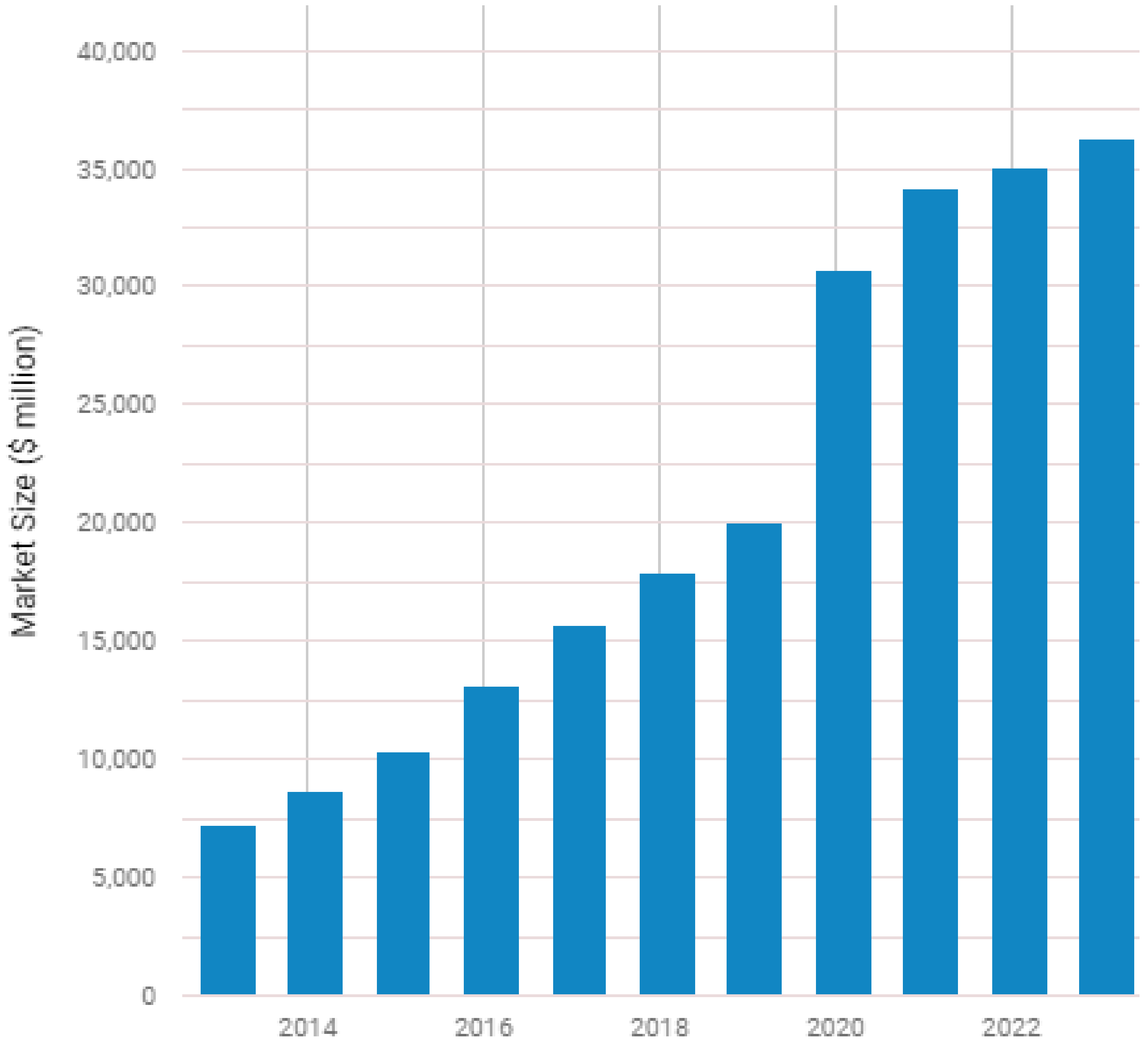
U.S Online Grocery Sales Growth Over Time

Looking at online sales growth in the grocery sector for U.S. consumers, we can see the growing upward trend which will likely continue to close the gap between preferred methods of grocery shopping.

Many people discovered online grocery shopping during the pandemic and found how convenient it was versus shopping in-store, causing a boom that skyrocketed the industry to an over **$36 Billion market size**.



**Source: IBIS World*
https://www.ibisworld.com/industry-statistics/market-size/online-grocery-sales-united-states/#:~:text=The%20market%20size%20of%20the%20Online%20Grocery%20Sales%20industry%20is,average%20between%202018%20and%202023.

32%

of respondents

shop **online** versus in-store for **healthcare products**.

38%

of men

prefer to buy **OTC healthcare products online**, making them 43% more likely than women to do so.

35%
of respondents

18-29 prefer to purchase their **OTC healthcare products online**. Only 29% of the 30-44 age group is doing the same.

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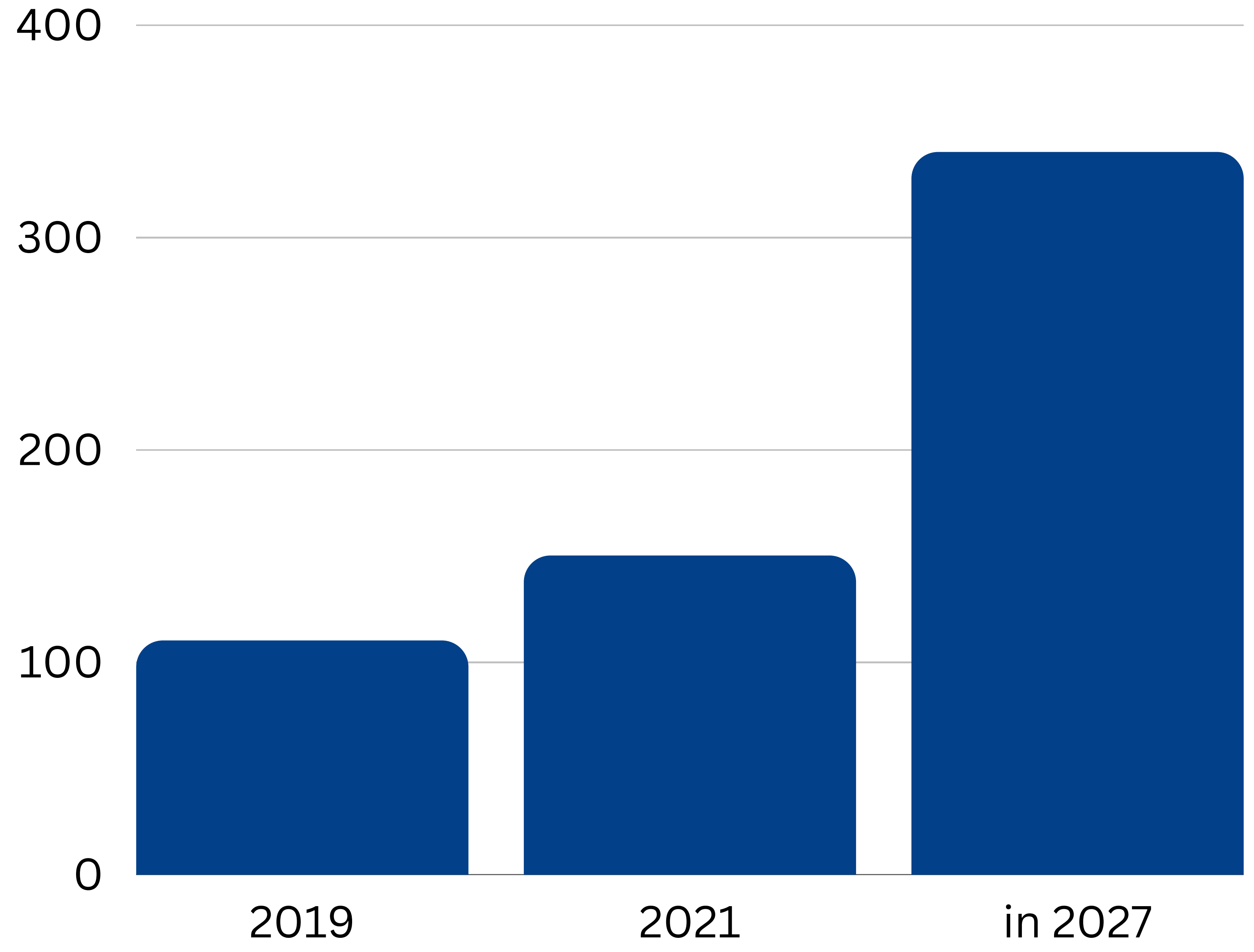
Healthcare eCommerce Growth Over Time

Overall, looking at online sales growth in the healthcare sector for U.S. consumers, we can see the growing upward trend which will likely continue to close the gap between preferred methods of shopping for OTC healthcare medication.

The shortage in medical staff has given rise to the automation of the healthcare industry, inadvertently also giving consumers the taste of convenience that usually sparks exponential industry growth.

North America Healthcare eCommerce Market Revenue Historic Growth Forecast, 2019 - 2027



**Source: Ken Research Analysis*
https://www.kenresearch.com/business-research/north-america-healthcare-e-commerce-market/

32%

of respondents

shop **online** versus in-store for **household cleaning products**.

36%

of men

prefer to buy **household cleaning products online**, making them 25% more likely than women to do so.

35%

of respondents

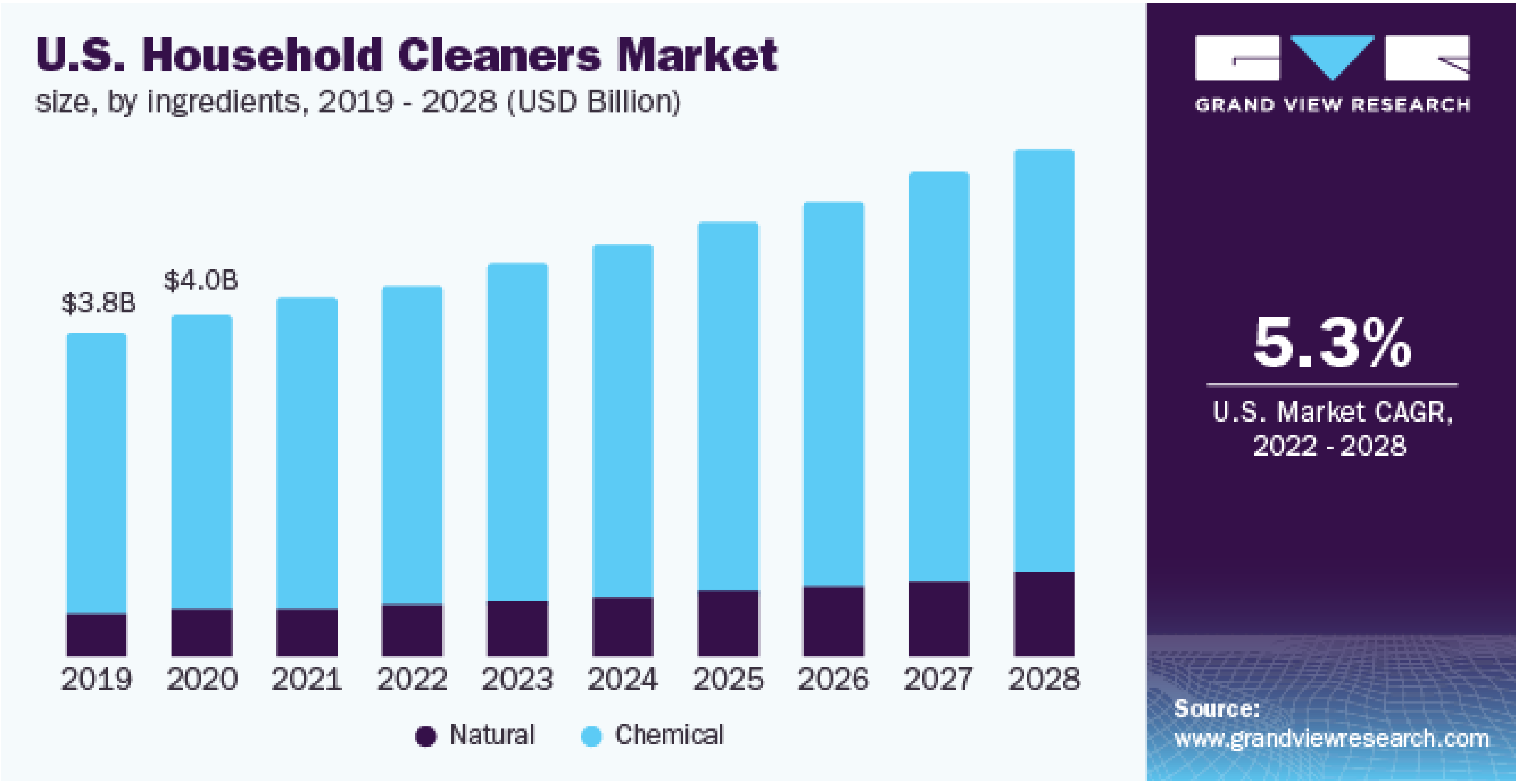
18-29 prefer to purchase their **household cleaning products online**. Only 29% of the 30-44 age group is doing the same.

Household Cleaning Products eCommerce Growth Over Time

Looking at the growth of the market for household cleaners, we're seeing a steady increase of a 5.3% compound annual growth rate (CAGR) across all channels.

For online sales specifically, Allied Market Research states that the sales of cleaning products online represent ~20% share of overall revenue.

The online portion of the market is expected to grow the fastest at a 6.6% CAGR during the next few years.



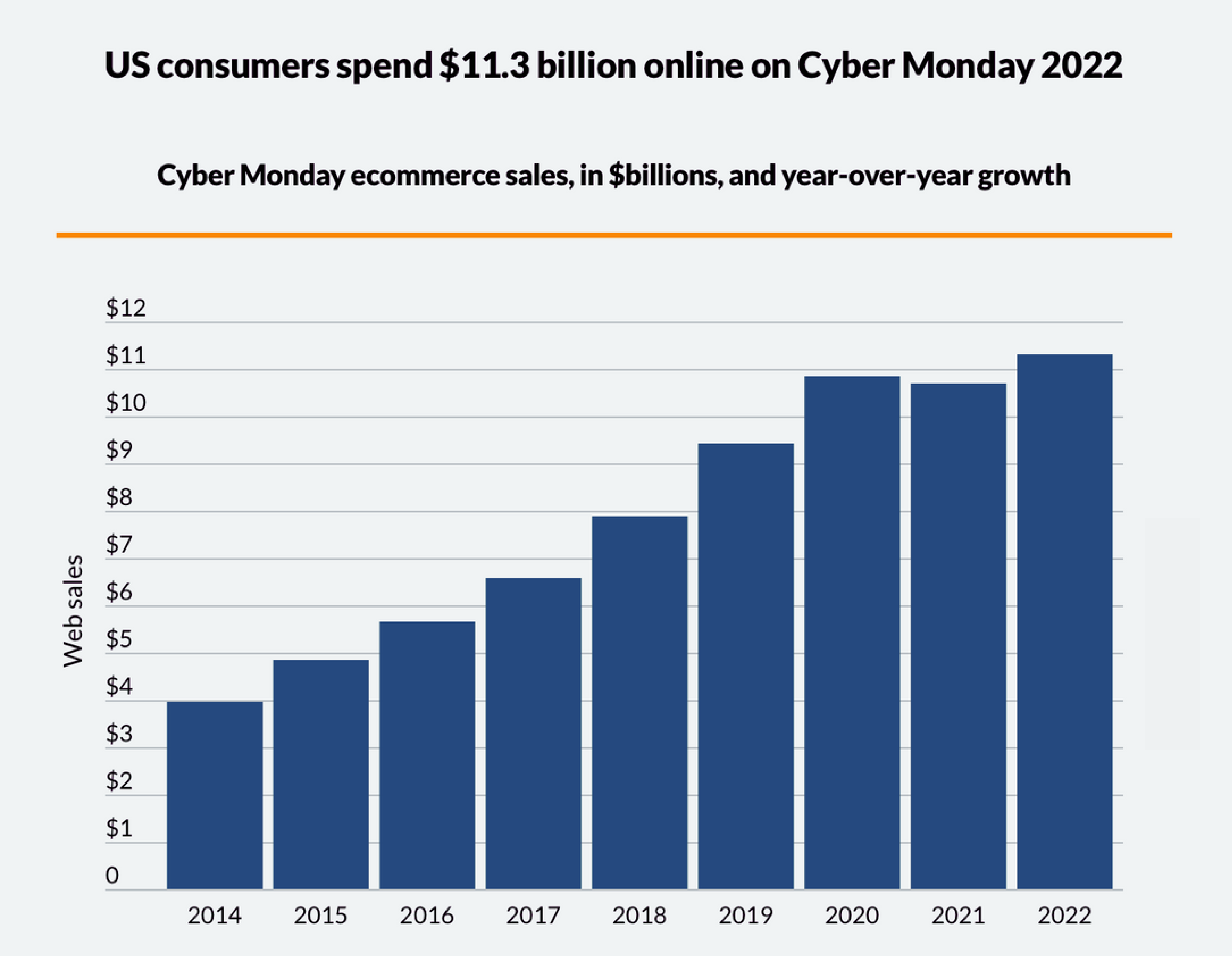
**Sources: Grand View Research, Allied Market Research*
https://www.grandviewresearch.com/industry-analysis/household-cleaners-market-report
https://www.alliedmarketresearch.com/us-cleaning-products-market-A14310

CYBER MONDAY AND BLACK FRIDAY

US Cyber Monday YOY Growth

Despite the potential economic turmoil that threatened the US as we approached the end of 2022, Cyber Monday eCommerce sales grew to over **$11.3 Billion.**

Our data showcased in the next section from the more popular shopping holidays like Cyber Monday and Black Friday can be utilized as relevant reference points for shopping holidays throughout the year.



**Source: Digital Commerce 360*
**https://www.digitalcommerce360.com/article/cyber-monday-online-sales/*

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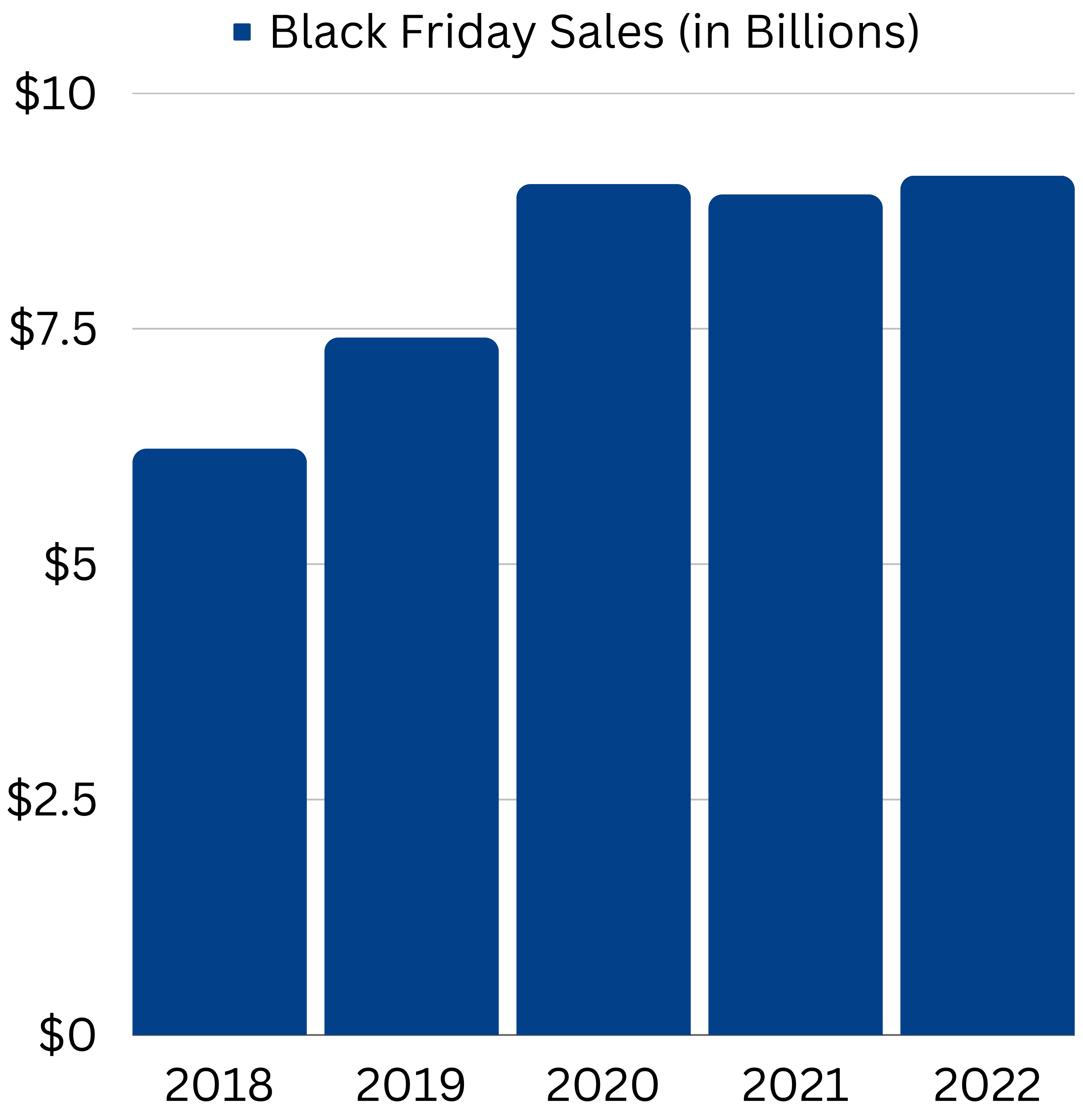
US Black Friday YOY Growth

Black Friday also saw 46% growth to over **$9.12 Billion** from 2018 to 2022.

The pandemic had a huge benefit on the growth during this time. Considering the economic downturn recently, it's significant that Black Friday sales still rose by over 2% from 2021 to 2022.

Shopping holidays are even more important during economic slowdowns because they offer discounted pricing on gifts and commodities for daily life.



**Source: Adobe Analytics*

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60%

of respondents

use Black Friday to buy holiday gifts **for others.**

49%

of respondents

use Cyber Monday to buy holiday gifts **for others.**

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Black Friday vs. Cyber Monday

Overall, men and women are almost equally as likely to be buying for themselves or someone else on Black Friday or Cyber Monday.

This is important for marketers to consider when utilizing targeted forms of media during gifting seasons. For example, a campaign for a men's grooming kit could target all genders instead of just the intended end user of the product. Men can buy for themselves, and anyone else can buy as a gift.

Men

Black Friday

61% buying for themselves

62% buying for others

Cyber Monday

58% buying for themselves

48% buying for others

Women

Black Friday

56% buying for themselves

60% buying for others

Cyber Monday

52% buying for themselves

50% buying for others

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WHEN ARE CONSUMERS SHOPPING?

Typically, consumers are mapping out what they want to buy for holiday gifts as far as

1-2 MONTHS

ahead of time for products over $200

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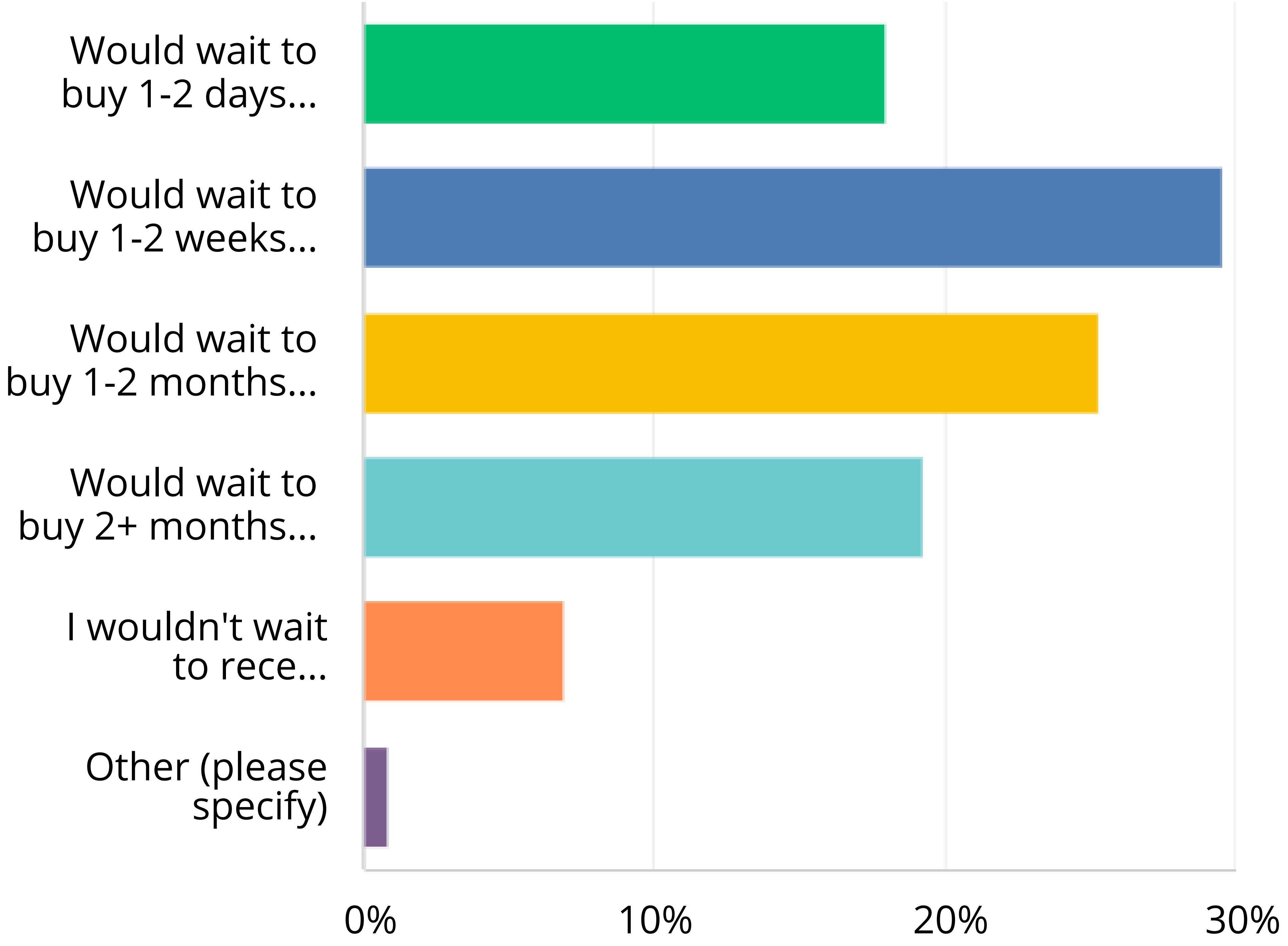
Timing Around Shopping Holidays

How far ahead of the holidays are consumers building their carts and looking for deals?

We tested this for consumers who were thinking about buying products both under and over $200.

Consumers are **37% more likely to wait 1-2 months** before they purchase a product if it is over $200 to see if it goes on sale.

For products under $200, consumers aren't waiting as long to try to get a deal which is most likely due to less consideration and last-minute shoppers.



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Key Takeaways

Now that the influencer marketing industry has evolved to the point where we can track and optimize campaigns based on sales, we're able to see the impact that these efforts have on eCommerce. The main takeaways that we've seen from this study are that:

- The **evergreen value of influencer content** is apparent with attributed sales rolling in well after the initial posting date.
- Consumers have shown **trust in influencer reviews and recommendations** on specific platforms so far in 2022, giving brands an opportunity to focus on brand loyalty by running campaigns with influencers on those platforms.
- **Beauty/Cosmetics** continues to be one of the most impacted verticals by influencer marketing with brand-specific purchasing habits stemming off of influencer recommendations.
- Lower-funnel marketing efforts should begin **1-2 months ahead of shopping events** in order to see the most value for products over $200. For products under $200, consumers are more likely to impulse buy closer to the holiday deadline.

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Who Are We?

gen.video is the only influencer marketing platform that has a full suite of shoppable media, eCommerce syndication and social commerce tools.

We are laser focused on generating creator and influencer programs that not only look great, but work.

Producing content that inspires purchases sits at our core. We trust our creators to make world-class, engaging, and unique content through the lens of driving sales at the digital shelf.

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THANK YOU!

www.gen.video | Blake@gen.video