

Black Friday sales rise 12% YoY

Article

The trend: Consumer spending looks strong this holiday season, despite a challenging economic climate.

The data: Mastercard SpendingPulse [reports](#) that **US retail sales on Black Friday rose 12% year-over-year (YoY)** excluding automotive, with in-store sales increasing 12% YoY and retail ecommerce sales growing 14% YoY.

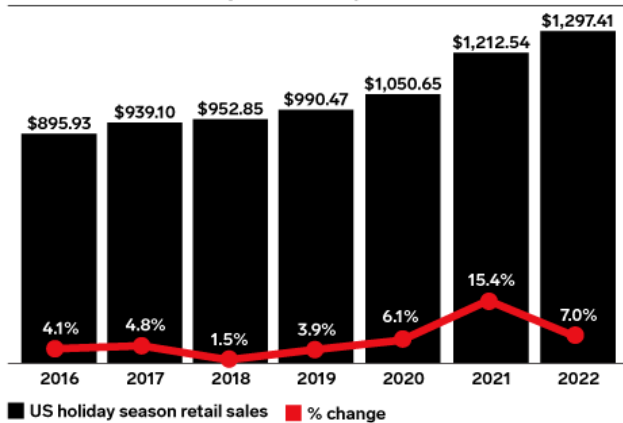
- That said, there is some discrepancy across data providers as Adobe Analytics [reported](#) more muted results with retail ecommerce sales rising 2.3% year-over-year (YoY) to \$9.12 billion,

following a 2.9% YoY increase in retail ecommerce sales on Thanksgiving day to \$5.29 billion.

The takeaways:

- **Steep discounts spurred consumers to spend.** Across all retailers, Black Friday discounts for apparel peaked at 13.8%, electronics 23.4%, and toys 31.8%, per Adobe.
- **Economic uncertainty drove many to alternative payment methods.** For example, [buy now, pay later](#) (BNPL) orders jumped 78% the week of November 19 compared with the previous week. BNPL revenues rose 81% over the same period.
- **More people than ever are shopping over the Cyber Five.** Roughly 166.3 million people, 8 million more than last year and 1 million more than in 2019, planned to shop over the five-day stretch that runs from Thanksgiving to Cyber Monday, per NRF.
- **Those gains came even though the majority of holiday shoppers, 60%, started browsing and buying for the season by early November,** per NRF. That early start to the season stemmed from **Amazon, Walmart,** and other retailers featuring [high-profile sales](#) that pushed consumers to start their holiday shopping in [October](#).

US Holiday Season Retail Sales, 2016-2022
billions and % change vs. prior year



Note: excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling and other vice goods sales; sales are for Nov and Dec of each year
Source: eMarketer, Sep 2022

278395

eMarketer | InsiderIntelligence.com

Reaching a plateau: Insider Intelligence [expects](#) consumer spending to remain strong this holiday season with 7.0% growth bringing the total to \$1.297 trillion. While that would mark the third-straight year that gains reached at least into upper-single digits, much of this year's increase will stem from inflation.

- With demand pulled forward into October and early November, Insider Intelligence expects the growth rates for the [Cyber Five](#) to fall short of overall holiday season growth. That said, we expect Cyber Monday will rank as the top online spending day of the year, with \$11.84 billion in ecommerce sales.
- Meanwhile, **brick-and-mortar retail is more vibrant than it has been in years** as in-store traffic rose 2.9%, [per](#) Sensormatic Solutions. That growth was expected as a pre-Thanksgiving weekend [survey](#) by NRF found 67% of Black Friday shoppers expected to head to stores, a 3 percentage point increase from last year.

Looking ahead: Despite high inflation and consumer sentiment sitting near all-time lows, many consumers remain fairly well off thanks to low unemployment, solid job growth, and rising wages.

- While wallets won't stretch as far this year, there are enough discretionary dollars available to support strong holiday demand.
- That bodes well for the rest of the holiday season as it appears consumers are chomping at the bit to buy when they spot a good deal.
- While the longer-than-ever holiday season likely means that the rest of the period won't be as frenzied as in years past, consumers will soon be shifting their focus to brick-and-mortar via in-store shopping and click-and-collect orders.

Go further: Read our full [US Holiday Shopping 2022](#) report.

*This article originally appeared in Insider Intelligence's **Retail & Ecommerce Briefing**—a daily recap of top stories reshaping the retail industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.*

- *Are you a client? [Click here to subscribe.](#)*
- *Want to learn more about how you can benefit from our expert analysis? [Click here.](#)*