

Shoppers may abandon Temu, Shein amid price hikes

Article



Low-cost online marketplaces like Temu and Shein have surged in popularity across the US in recent years, and starting today, both retailers have enacted price hikes due to rising import costs

As of January 2025, 44% of US adults have shopped on Temu, while 31% have purchased from Shein, according to data from Morning Consult. Competitive pricing is a key draw for



consumers.

- A significant 66% of US shoppers cite lower prices as a primary reason for using overseas ecommerce platforms, per Morning Consult.
- Many are aware of the drawbacks—42% acknowledge that the product quality often falls short compared to US-based <u>retailers</u>.

The price increases are prompting budget-conscious shoppers to reconsider their loyalties.

- Nearly 30% of consumers say they will reduce or stop shopping at online marketplaces like Shein, Temu, and AliExpress if prices rise, according to survey data from Omnisend conducted by Cint.
- Clothing shoppers are particularly price sensitive, with 80% of US adults citing price as the most important factor when selecting a clothing retailer, according to a survey conducted by Harris Poll on behalf of Shein.

Even before the impending price hikes, consumer enthusiasm had begun to cool.

- The percentage of consumers shopping on Shein weekly dropped 8% between April 2024 and February 2025, while monthly shoppers decreased 11%, per Omnisend data.
- Weekly Temu shoppers fell 19% and monthly shoppers fell 19% during that same time.

Where will consumers go instead?

If shoppers scale back on Temu and Shein, that money will likely shift back to US-based companies and brands.

• Over a quarter (26.1%) of US consumers say they'll switch to US-made alternatives in response to tariffs, according to February 2025 data from Numerator.

Here are a few retailers poised to win:

 <u>Amazon</u> is well-positioned to recapture deal-seeking customers. It's a trusted online retailer— 88% of consumers trust Amazon more than Temu, according to Omnisend—and now offers an "Amazon Haul" feed filled with cheap, Temu-style products.



- <u>Walmart</u> stands to gain from shoppers returning to brick-and-mortar stores for budgetfriendly clothes, home goods, and gadgets. Its online marketplace now features many of the same low-cost products Temu offers—but with quicker returns and more reliable service.
- Target could benefit in the fashion and home décor space. While it can't match Shein on price, it offers trend-driven products at accessible price points — and no weeks-long wait for <u>delivery</u>.
- Other contenders include off-price chains like Ross and Five Below and fast-fashion staples including H&M and Forever 21.

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