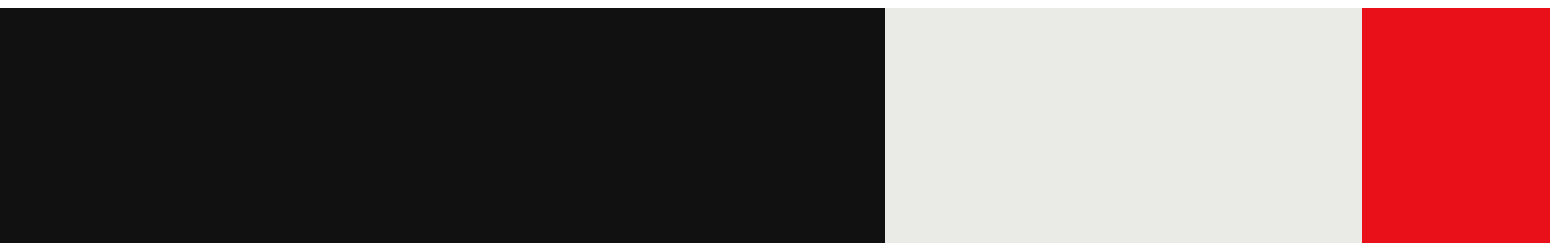



Millennial spending dropped (a bit) during Prime Day

Article



The data point: While Adobe Analytics reported **Amazon's** Prime Day sale drove [a record \\$14.2 billion in ecommerce spending](#) across the two-day event, another vendor identified a potential red flag in the retailer's results: **The number of millennials—those ages roughly 28 to 43—shopping on Amazon during Prime Day fell 4.4% year over year (YoY),** per Facteus data cited by Bloomberg.

- Those consumers’ overall spend dipped 1.3% YoY, making it the only demographic with a YoY decline.
- Interestingly, millennials’ spending with other retailers didn’t decline the week of Prime Day.

What’s going on? There are several possible explanations why a small share of millennials may have decided to sit out Amazon’s largest sales event of the year.

- **They feel strained.** Lingering inflation and elevated interest rates continue to weigh on millennial consumers, particularly those carrying student debt or looking to buy a house. Three quarters (75%) of millennials are concerned about their family/personal finances, and 39% reported pulling back spending in Q2, per Jungle Scout.
- **Other retailers captured their spend.** July has turned into prime time for deal hunting and several merchants, including **Best Buy, Target, and Walmart**, shifted their sales ahead of Prime Day to capture a larger share of consumers’ finite discretionary spend.
- **TikTok explains it all.** While TikTok Shop’s “Deals For You Days” promotion fits within the prior explanation, it’s worth highlighting separately because Earnest credit card data suggests the platform grabbed share from competitors **Shein** and **Temu** during the first week of the event. The deals offered by brands such as **L’Oréal Paris, Maybelline New York, and Zwilling USA** have driven a historically high \$52 spend per customer.
- **Maybe it’s nothing.** While it isn’t the sexiest explanation, it is possible the decline is statistical noise.

The big takeaway: While it is too early to draw any firm conclusions, it is worth keeping a close watch on millennials’ discretionary spending patterns given that they account for the largest group of US digital buyers.

US Digital Buyers, by Generation, 2023

millions



Note: internet users who have made at least one purchase via any digital channel during the calendar year, including desktop/laptop, mobile, and tablet purchases
Source: Insider Intelligence | eMarketer Forecast, Sep 2023

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