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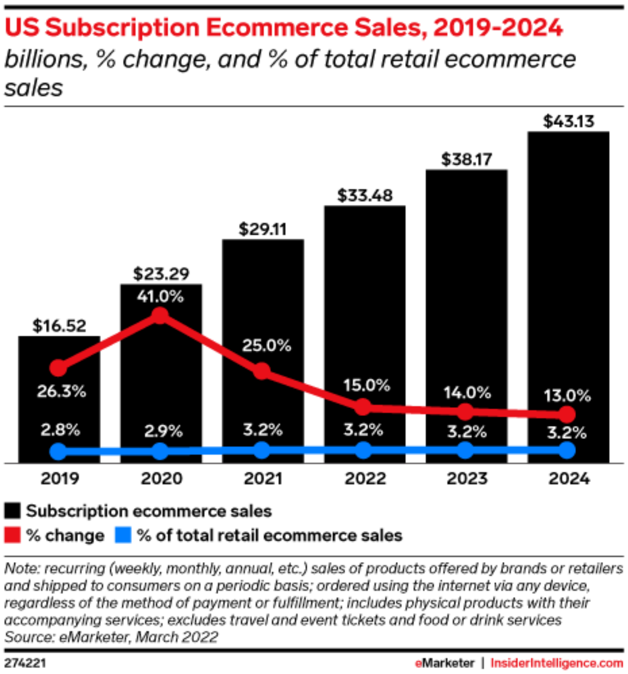
Blake Droesch

Fatigue may threaten long-term growth of ecommerce subscriptions

Article

The onset of the pandemic drove many consumers to adopt subscription ecommerce for essential items—like meal kits and pet food—as well as beauty and hobby boxes for self-care and entertainment. That dramatically propelled US subscription ecommerce sales growth in 2020 and 2021.

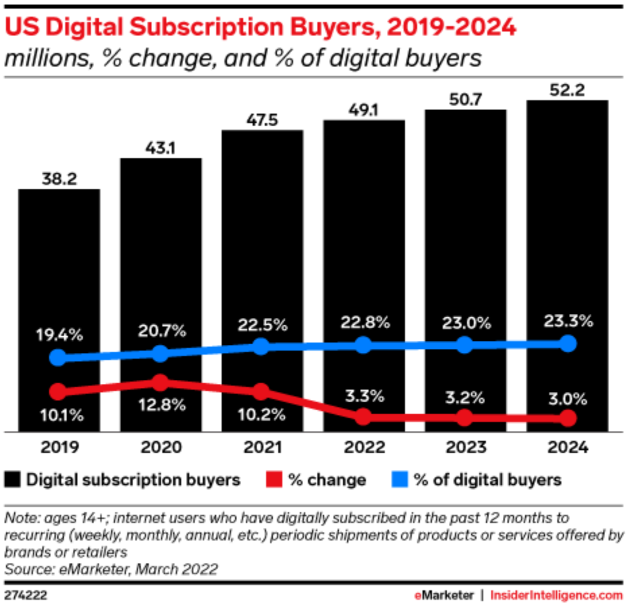
- US subscription ecommerce sales will grow by **15.0%** year over year (YoY) in 2022, totaling **$33.48 billion**.
- Sales growth will remain steady through 2024, but subscriptions will account for just **3.2%** of total retail ecommerce sales during that time.



Digital subscription buyers: Subscription fatigue may threaten long-term growth

Digital subscription buyer growth will slow to 3.3% this year, and hover around **3%** through 2024.

- **This means companies building subscription models will increasingly have to draw dollars from existing subscribers.** As a result, we expect that the average spending per digital subscription buyer will be higher in 2022 than at any other point during the pandemic.
- **The rising average spend per buyer will sustain sales growth in the short term, but subscription fatigue raises concerns.** Consumers will eventually hit a ceiling with subscription spending, making long-term sales growth more difficult.



Read the full report.