

3 trends redefining how consumers will spend their time and money in 2024

Article

US digital media consumption and consumer spending growth are at a standstill. “It’s just getting really competitive to reach today’s consumers,” our analyst Jeremy Goldman said on

an episode of the “[Behind the Numbers: The Daily](#)” podcast.

1. Flattening media usage means fiercer ad competition

Time spent on media plateaued in the US, with only a 3-minute YoY growth in 2024, for a total of 12 hours and 14 minutes per day, according to our forecast. Next year will see a 2-minute YoY growth.

“[Advertisers] are fighting over these smaller increments of growth,” Goldman said, “causing a convergence where every major player is getting into everybody else's business.”

Behind the trend:

- Time spent on social media is stagnant through 2025, with less than a minute increase YoY, per our estimates.
- Even so, time spent on TikTok is increasing, and will overtake Facebook for the first time next year. By 2025, both platforms will claim 19 minutes per day per user.
- Linear TV will continue its decline, dropping by 3.9% in time spent in 2024 and 4.6% in 2025.

2. US ecommerce is far from the ceiling

By 2027, US consumers will spend only 1 in 5 dollars online, per our forecast.

“There are a lot of opportunities to grow your business through [physical] retail channels,” Goldman said. Improving your customer experience through digital technology, such as frictionless click-and-collect options, is a great way to drive more dollars through stores, he added.

Behind the trend:

- The US is behind other countries in ecommerce's share of retail. Ecommerce was 45.9% of China's 2023 retail sales, while the UK was at 29.6%. The US, in comparison, was at 15.6%, per our forecasts.
- Everyday essentials will continue to be an ecommerce growth driver, reflecting the lingering effect of pandemic spikes.

- Health, personal care, and beauty and food and beverage categories will see the most growth of US ecommerce sales, with 17.5% and 16.7% YoY growth in 2024, respectively.

3. Advertisers should tap new avenues

Advertisers should take advantage of “innovative formats that break through the clutter,” Goldman said, pointing to newer pause ads as an example, which appear on streaming platforms when the user takes a break from their show or movie. Generative AI integrations on social media, such as chatbots, is another avenue Goldman suggested.

Behind the trend:

- In October, TikTok launched search ads to capitalize on the nearly 3 in 4 US TikTok users who search on the app, per an April 2023 Measure Protocol report.
- With linear TV ad spend down and CPMs dropping, ad dollars can be put elsewhere, like new inventory on Netflix’s ad-supported plan.
- Gaming is capturing a growing amount of time spent on mobile, where consumers will spend 26 minutes per day in 2024, per our forecast.

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