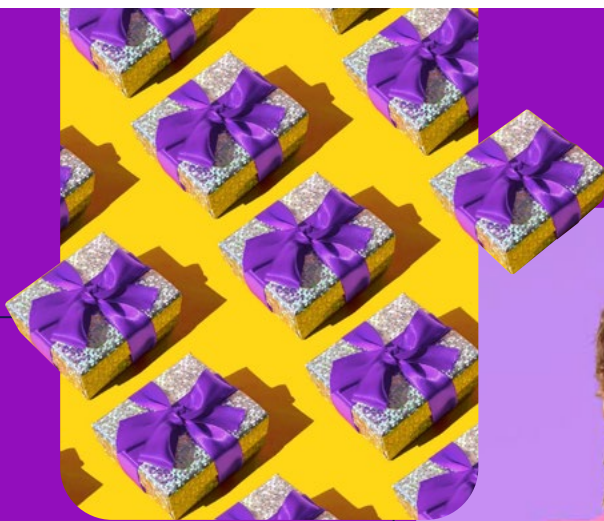


# How Consumers Are Shopping This Holiday Season

The Digital Advertiser's Guide - **Holiday2022**



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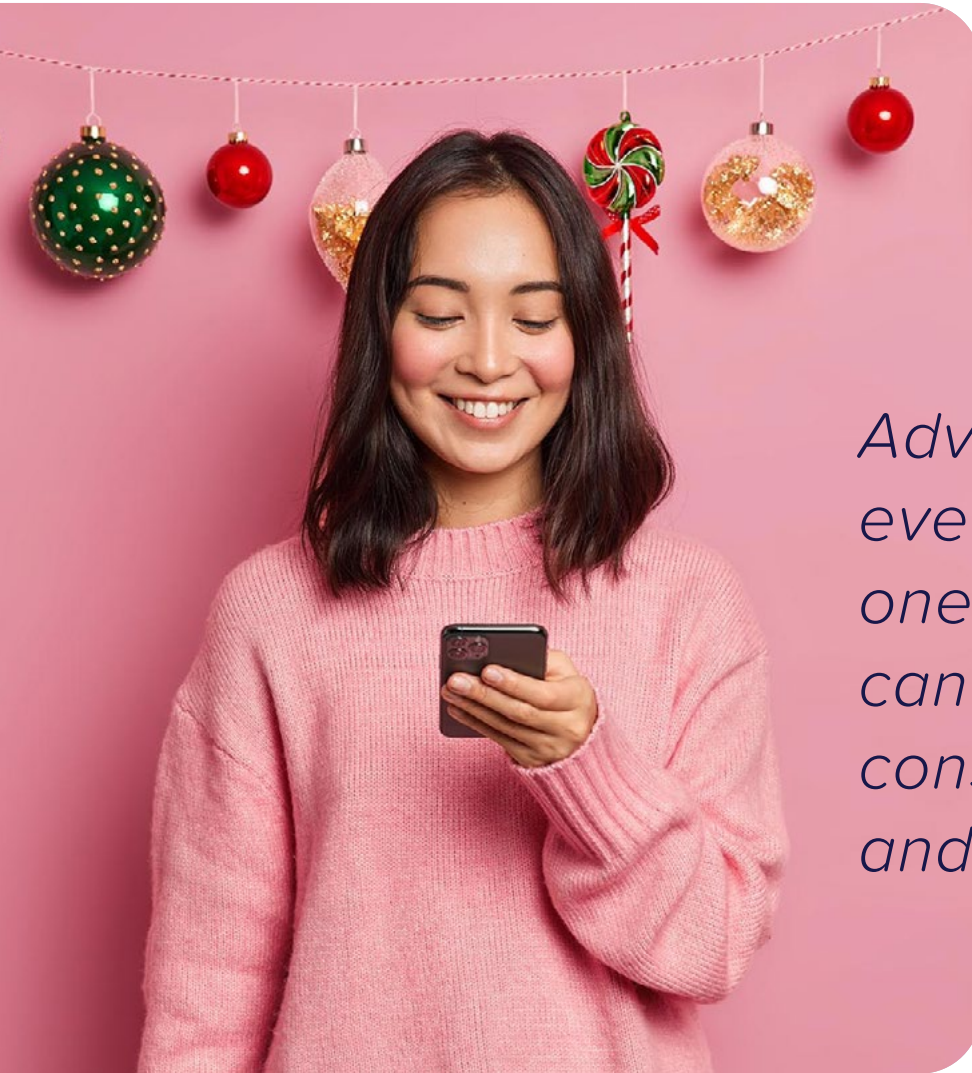
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The Opportunity For Brands Right Now

# The Mindset of The 2022 **Holiday Shopper**



The holiday shopping season proves to be a bit of a mystery for brands and advertisers primarily due to changes in consumer behavior brought on by the global pandemic.

*Advertisers everywhere have one question: how can I best engage consumers – new and old?*

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# 40%

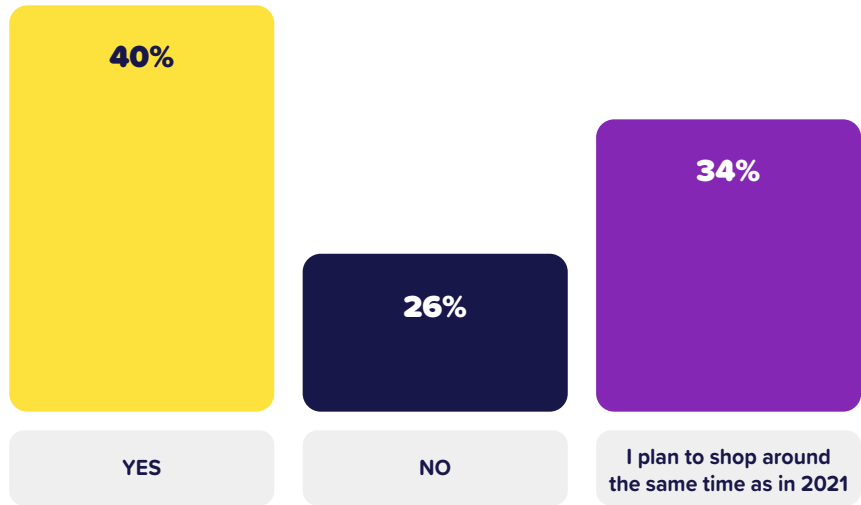
**of our respondents say they'll start shopping for holiday gifts earlier this year than last year.**

This year is unique in that the current economic climate is what seems to be largely shifting consumer behaviors and preferences. As we see consumers increasingly focus on brand authenticity, product necessity, and word of mouth endorsement, it's important to understand where their mindset currently sits.

This year holiday shopping has begun even earlier than we've seen in the past. While recent data shows that consumers have typically begun holiday shopping in November, other reports are noting an uptick in consumers' plans to shop earlier this year – particularly to find deals and discounts in the face of inflation and rising costs for goods. [→](#)

For a deeper understanding of shoppers' plans and preferences, Smartly.io conducted a survey of 1,000 U.S. based consumers (age 18+) in September 2022. With these insights, we sought to uncover year-over-year trends as well as look at when consumers are beginning to shop and how advertisers should interact with them. Specific to this year, we examined how the economic downturn is affecting consumers' plans and approach to making holiday purchases.

Will you start shopping for holiday gifts earlier this year than in 2021?



When do you plan to start shopping for holiday gifts this year?





# Economy Impacts Shopping Behavior



The current [inflation rate](#) in the U.S. for 2022 is 8.3% - a vast increase from the 1.4% we experienced just two years ago in 2020. As a result, consumers' holiday shopping plans and habits are being directly affected.

A [report from Bankrate.com](#) shows around 40% of holiday shoppers say inflation is changing the way they shop, with most looking to more money-saving strategies for buying gifts. Additionally, [59% are stressed out](#) about gift buying during this year's holiday season specifically because of inflation.

Almost half (45%) of the consumers in our survey say they will either spend less or more cautiously on holiday gifts this year due to the current economic climate. One in five respondents (20%) said they're not sure if or how their shopping plans might change. So, while the economic climate is having a major impact on how consumers are shopping this holiday, opportunities remain for brands to connect with and engage consumers in new and unique ways. [→](#)

## Are your plans for purchasing holiday gifts changing this year due to the current economic climate?

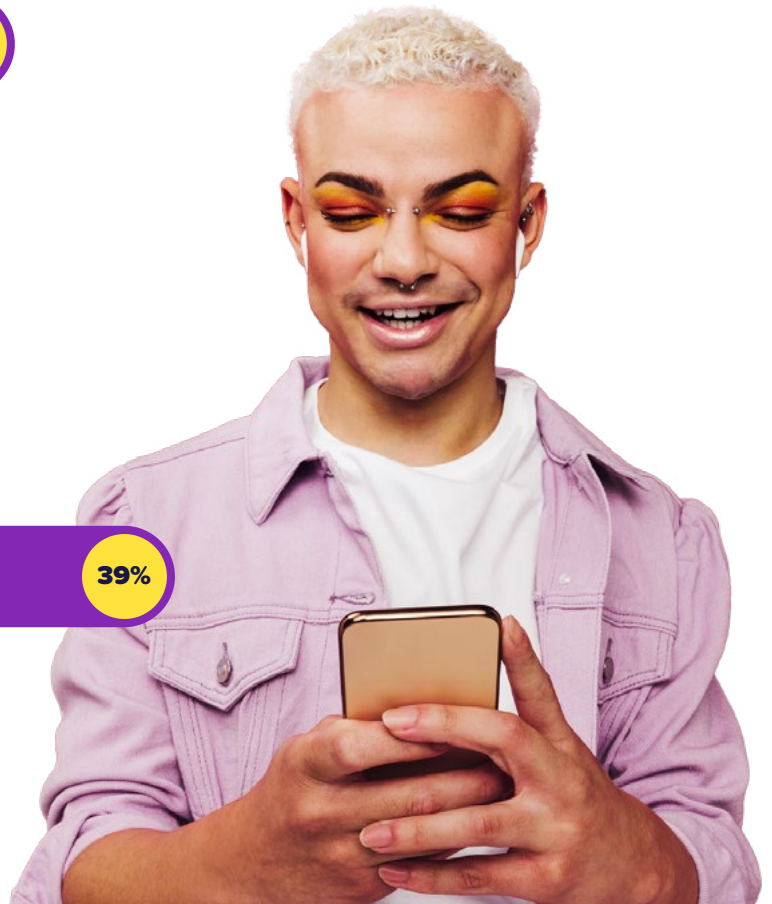
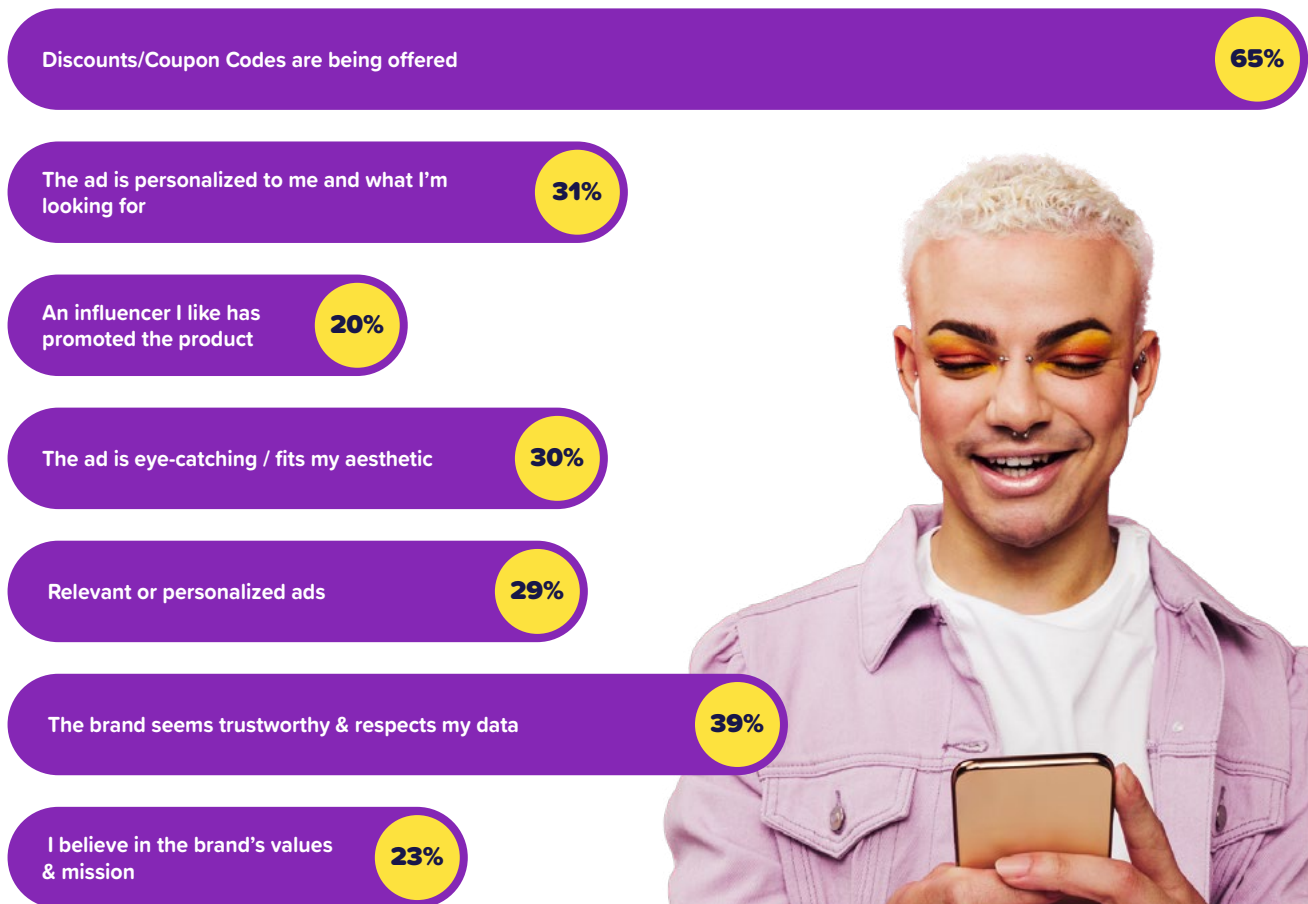


To understand how consumers are interacting with brand advertising online, we asked what specific factors influence their decision to buy products through digital ads. **Respondents noted the following:**

This year, ads that offer discounts and coupon codes will be pivotal for brands looking to capture shopper attention around the holidays.



What factors will be important to you in deciding whether to purchase holiday gifts via a digital ad (i.e., ad you see online)?



# Creator Influence

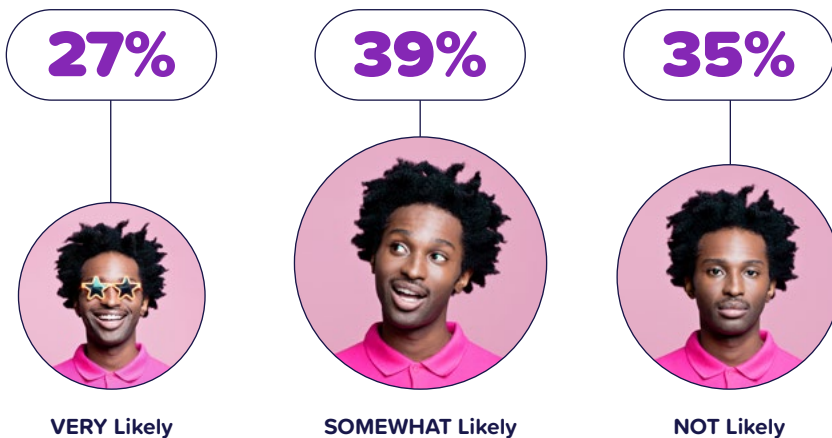


It's crucial for brands to be **relatable to their new and existing customers. Leveraging multi-platform strategies to interact and create genuine connections via various channels and platforms available is mission critical.**

*Nearly one in four consumers get gift ideas from creators.*

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How likely are you to engage with a brand or its products based on content from an influencer/creator that you follow?



Authenticity is the method of operation for reaching target audiences as it helps consumers see brands as members of the digital community, who see and understand what's happening around them, creating a more personal connection. This creates an opportunity for brands to engage with creators on various platforms.

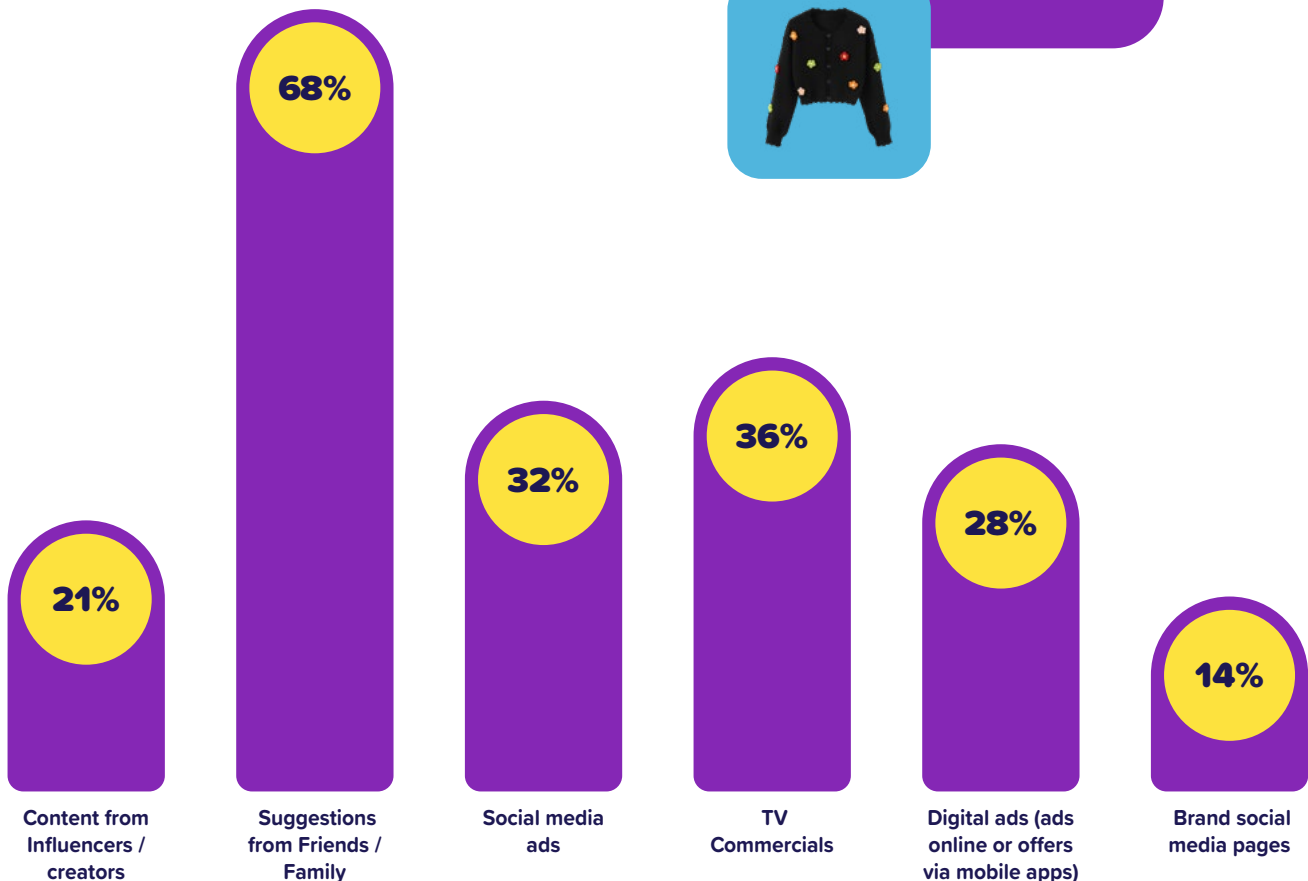
When asked how likely they are to engage with a brand or its products based on content from an influencer/creator that they follow, 66% of survey respondents said they were either somewhat or very likely to engage. [➔](#)

Consumers have a wide range of sources where they are drawing inspiration for gifts from this year – including creator and influencer content, nearly 1 in 4 in fact. Social media ads and digital ads also play a role in providing gift inspiration, at 32% and 28%, respectively.

Digital advertising has created an opportunity for brands to be more conversational – there's more back and forth happening between brands and their audiences. The relationship with customers is built over time and not just through the act of transaction. As a part of this conversation, creators and influencers can build so much in terms of brand connection and recognition.



**What's your source for gift inspiration?**





# Video Takes Center Stage

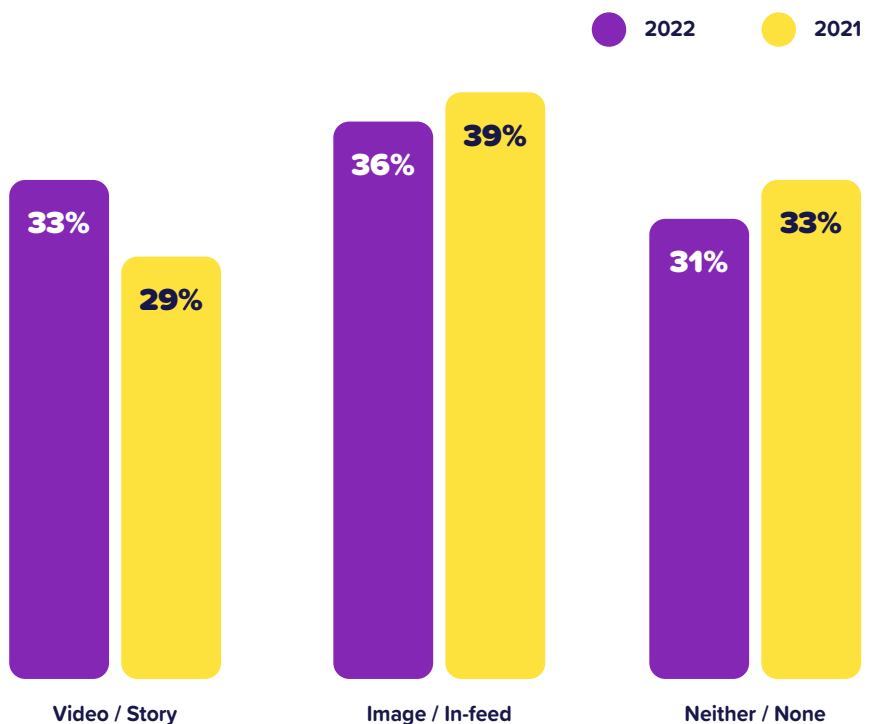


With younger demographics, particularly the Gen Z age group, video is emerging as the preferred format as they look to visual content and experiences that have a genuine and unfiltered feel.

The ways in which consumers interact with brands is more unified while also more omni-channel across digital mediums, and video content, particularly short-form video, is leading the trend.

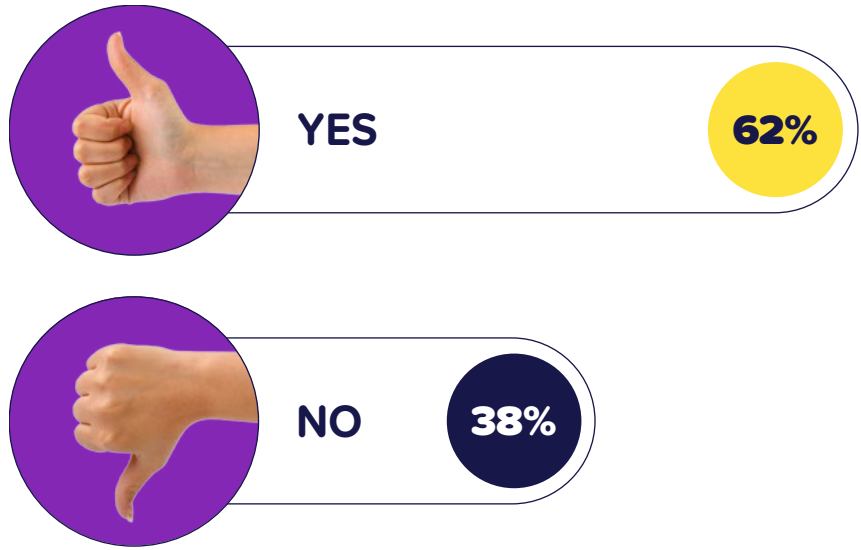
In fact, video and story-style ads are beginning to eclipse image or in-feed ads in popularity among consumers when asked what type of ad from which they would be most likely to purchase a holiday gift item. Image ads had a 10% lead on video in 2021 at 39%, with video getting 29% of the vote. Respondents in this year's survey have shown a marked shift – video/story ads rose 4% to 33%, leaving just a 3% difference from image and in-feed ads, which fell to 36%.

Which type of ad are you most likely to purchase a holiday gift item from?



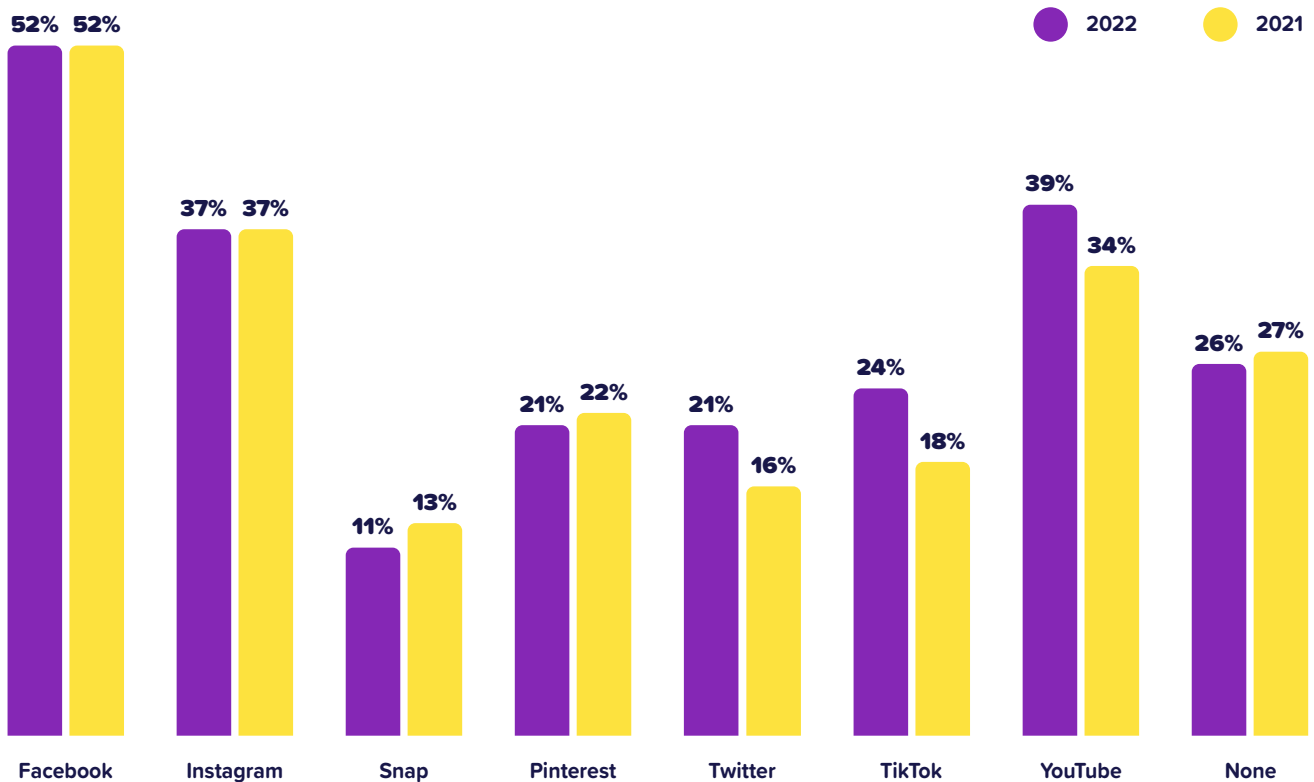
These changes may be reflective of the type of platforms from which consumers say they are willing to consider purchasing holiday gifts. While Facebook has always been, and remains, a top choice among consumers in our holiday survey (usually more than half), this year YouTube took the number two spot ahead of Instagram, with 39% of respondents saying they would consider making a holiday gift purchase from this platform (a 5% increase from our 2021 data). TikTok also grew in popularity here, increasing from 18% in 2021 to 24% in 2022.

**Are you open to making a holiday gift purchase directly via a social media ad this holiday season?**



With more than 6 in 10 respondents saying they are open to making a holiday gift purchase directly via a social media ad, there's a clear opportunity for brands to connect with their audiences in unique and authentic ways. This will be particularly important as consumers more heavily consider their holiday purchases in the face of the current economic climate.

**Which social media platforms would you consider making a purchase from for a holiday gift?**



# The Opportunity For Brands Right Now

**In recent years, we've seen the holiday shopping season flatten, meaning a longer period of shopping spread over a few months with less notable peaks in demand. Since shoppers are making purchases even earlier this year, the time for brands to garner the attention of consumers is now.**

Timely planning and being ready to meet consumers where they are when they are ready to shop is always the recipe for success each holiday season, but getting strategies aligned and ready across multiple digital platforms can be a challenge.

### Be prepared for this year's unique challenges

Data privacy, economic uncertainty, and scaling back of ads post the COVID-19 ecommerce boom, are all external factors for which brands need to consider and plan. On top of this, campaigns may see slower delivery and degraded performance since seasonality and demand can often impact delivery times and bids. The holidays also bring major changes to the creative design side, and the larger volume of campaigns increases the chance of encountering problems.

### Get your house in order!

For those who haven't already, organize your assets, ensure your catalogs are set up and running smoothly, get any products up to date that may not be, and add the seasonal elements you need to make a bigger splash with target audiences. Early strategizing, testing and iterating, and continuously applying new learnings along the way will be paramount to this holiday season's success.



*Content should be designed to fit each specific social platform*

**Looking to really stand out? Invest in creator content**

Brands leveraging creator content this holiday season already have a leg up on the competition. This is a unique way to incorporate word of mouth advertising into a digital format – especially when the creator endorsing your brand has a devoted following. Since creator content looks like the day-to-day content audiences already consume across platforms, it comes off to them as more authentic than more traditional ads. Leveraging the human element appeals to audiences looking for experiences where they feel connected – like the creator and brand are talking specifically to them.

**Like we've said before, it's multi-platform or bust!**

This year will be especially important for multi-platform strategies. Consumers are showing up across an increasing number of social and digital surfaces. Being present across all platforms enables advertisers to tap into the advantages of each. For example, participating, or even starting, holiday themed trends on TikTok.

As shoppers spend more time looking at new products this year, it's important for brands to ensure these consumers don't abandon their products. Running dynamic ads across digital platforms helps brands reconnect with shoppers who may have abandoned a cart, or perhaps not even started one yet.



**More digital platforms are getting in on the fun**

We're seeing more platforms incorporate new shopping ad products ahead of the holiday season this year to make it easier for brands to re-engage shoppers – TikTok's Shopping Ads and Meta's Advantage+ Shopping Campaigns, for example. As brands have more optimization and personalization tools at their fingertips designed to create more native and unique shopping experiences for consumers, advertisers must seize the opportunity to maximize engagement with their consumers across these channels.

Digital advertising plays a crucial role in building meaningful and lasting relationships with consumers. Brands that really get it, know it's not just about the experience with a specific ad, but the long-term connection that engagement can create between a brand and a consumer. Brands that look to bond with shoppers, not just sell to them, will thrive this holiday season, and long after it wraps.



# About Smartly.io

**Powering beautifully effective ads, Smartly.io automates every step of social advertising to unlock greater performance and creativity and is a leading Facebook marketing partner.**

We combine creative technology, ad buying automation and intelligence with outstanding customer service to help 700+ brands scale their results—on Facebook, Instagram, Pinterest, Snapchat and TikTok.

Last year Smartly.io acquired Ad-Lib.io and Viralspace.ai and are now a fast-growing community of 700+ Smartlies around the world, managing over \$4B in annual ad spend and growing rapidly and profitably.

Visit [Smartly.io](https://www.smartly.io) to learn more.