The 2025 Consumer Commerce Report:

How Shoppers Are Navigating E-commerce in a Changing Economy

Research based on 2,000+ consumers

Feedvisor

The 2025 Consumer Commerce Report: The New Rules of Shopper Behavior

In 2025, consumers are rewriting the rules of commerce. Price, personalization, and immediacy now dictate the shopping journey, as shoppers expect brands to anticipate their needs and deliver real value at every touchpoint.

But with consumer spending growth slowing, brands must adapt swiftly—understanding not just what consumers buy, but how and why they buy.

To explore these shifting dynamics, we partnered with research firm, Zogby Analytics, to **survey over 2,000 consumers on their shopping habits and attitudes toward e-commerce.** The findings reveal a highly price-sensitive and digitally-engaged consumer, with key trends that are reshaping e-commerce:

- **Inflation dominates purchasing decisions** – Nearly half of consumers say inflation is their top purchasing influence, ranking higher than deals, discounts, and budget constraints.
- **Price is king** – 83% of shoppers prioritize price above all else, even over shipping speed and brand values. Nearly 70% compare prices regularly before making a purchase.
- **Mobile shopping is accelerating** – 63% of purchases now happen on mobile devices, outpacing desktop shopping by a wide margin.
- **Apparel and beauty surge in e-commerce adoption** – Once slower to shift online, fashion and beauty are now among the fastest-growing categories in digital shopping.
- **Social media fuels product discovery, but not big-ticket purchases** – Platforms like TikTok, Pinterest, Facebook, and Instagram are influencing buying decisions, though most transactions remain for lower-cost items.
- **Marketplaces remain dominant** – Amazon, Walmart, and Target continue to capture the highest consumer spend, reinforcing their stronghold in retail.
- **AI is shaping, but not yet defining, shopping behavior** – While over a quarter of consumers use ChatGPT for product recommendations, the majority have yet to engage with AI-driven shopping tools.

Now in its eighth edition, the **2025 E-Commerce Consumer Behavior Report** analyzes insights from 2,000+ U.S. shoppers, revealing shifting habits, preferences, and spending trends. From emerging technologies to evolving priorities in a complex economy, this report provides the key insights brands and merchants need to stay ahead.

Dani Nadel
President and COO
Feedvisor

Table of Contents

This poll was commissioned and analyzed by Feedvisor. It was distributed online from December 14–20, 2024, among a sample of 2,014 U.S. adults who have purchased a product on Amazon within the last 6 months. Results from the full survey have a margin of error of plus or minus 2.2 percentage points. All numbers have been rounded to the nearest percent. Zogby Analytics conducted the survey on behalf of Feedvisor.

The respondent pool encompassed all age ranges and income levels as well as Prime and non-Prime members to provide a true snapshot of what the overall market wants from retail experiences.

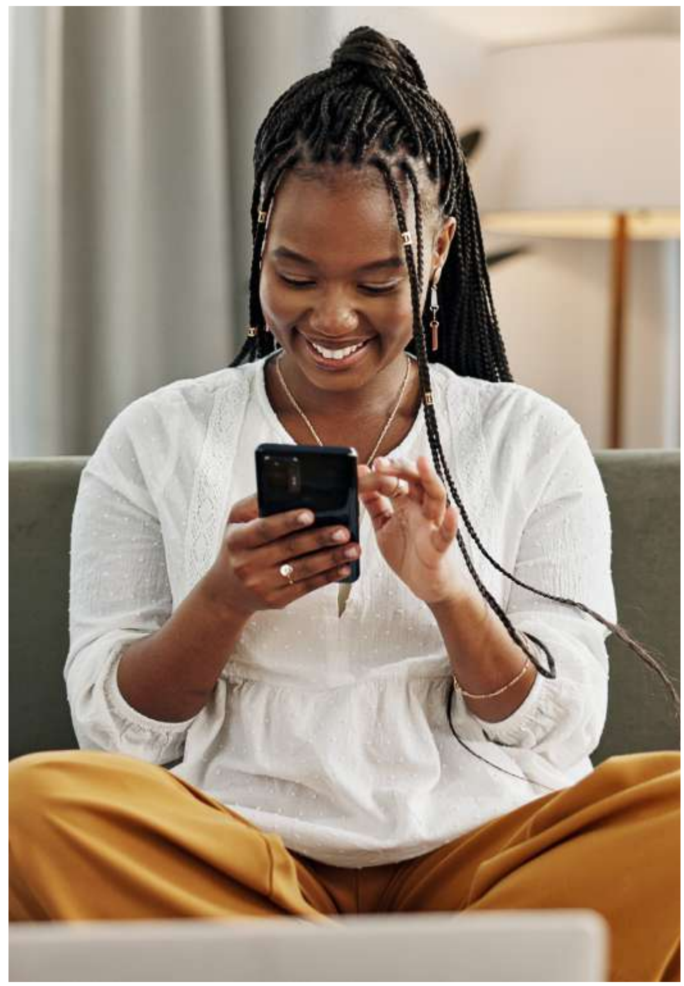
Economic Factors at Play: Growth, Inflation, and the Tariff Tipping Point

1

Economic Factors at Play: Growth, Inflation, and the Tariff Tipping Point

The economic landscape continues to evolve as macroeconomic pressures, inflationary concerns, and shifting consumer expectations reshape the retail environment.

While no longer facing the immediate threat of a recession, **2025 is expected to be a choppier bull market,** characterized by moderating growth and increased volatility.



Real gross domestic product (GDP) growth is forecasted to slow to 2.0% from roughly 3.0% in 2024, reflecting a normalization of economic activity as consumers deplete their excess savings accumulated during the pandemic.[1] Despite this, consumer financial health remains a key supportive factor, underpinned by solid job growth and elevated wage gains, so though spending growth will decelerate to 2.5% in 2025, it is a healthy evolution rather than a cause for concern.[2]

[1] *BEA Gov*
[2] *Retail Insider*

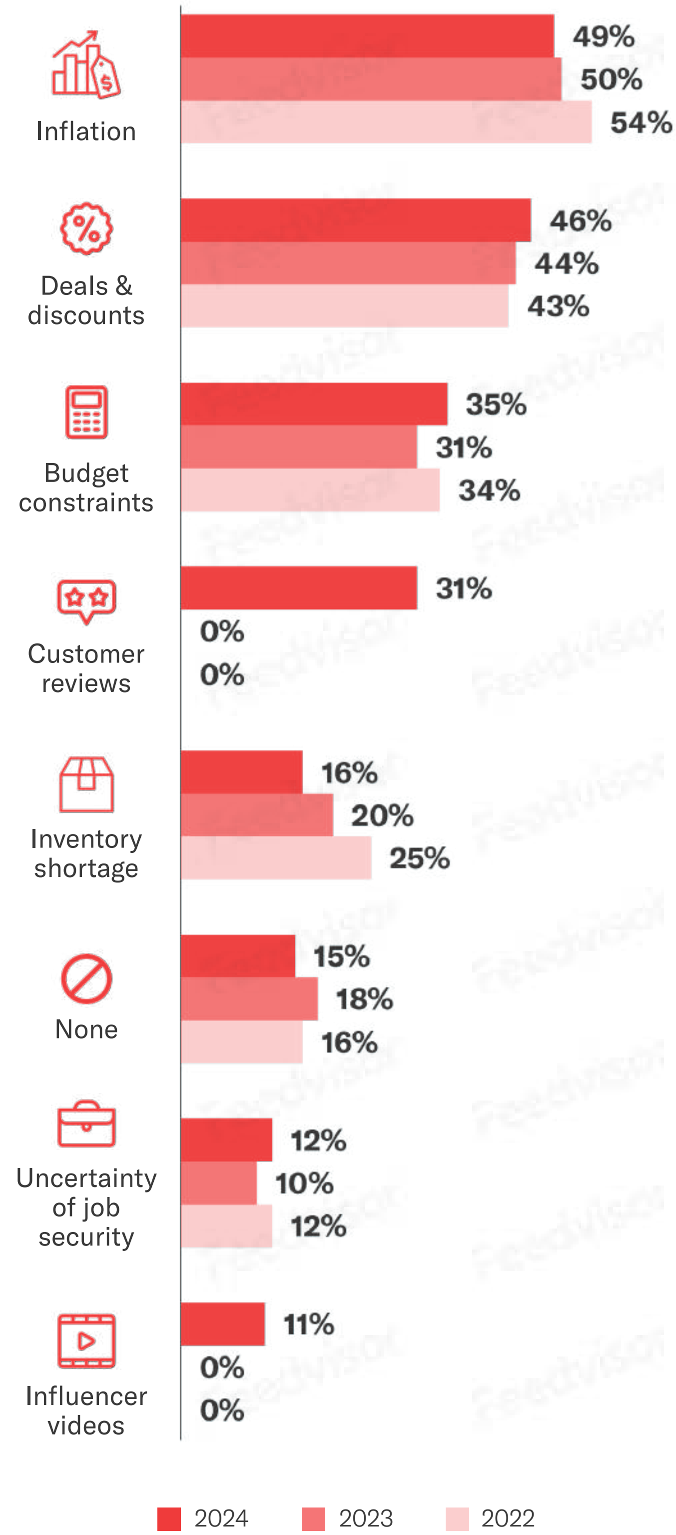
Inflation and Its Grip on Consumer Behavior

49% of consumers rank **inflation as the top influence** on their purchasing decisions

Inflation continues to dominate consumer sentiment, shaping how people budget, shop, and spend. Surpassing even deals and discounts (46%) and budget constraints (35%), inflation has remained a persistent challenge for the past three years, and despite recent signs of easing, businesses and consumers alike continue to feel the impact of elevated costs, squeezing purchasing power and profit margins.

Consumer sentiment remains stagnant for a key reason – while inflation has slowed, prices remain stubbornly high. Consumer inflation, which hit a high of 9.1% in 2022, has been gradually declining. **However, overall prices remain roughly 20% higher than they were three years ago.** Inflationary pressures, coupled with concerns over financial security, remain front and center in households across every demographic, but are felt hardest among those without children in the age groups of Gen Z, Millennials, and Gen X.

Top Influences on Consumer Shopping

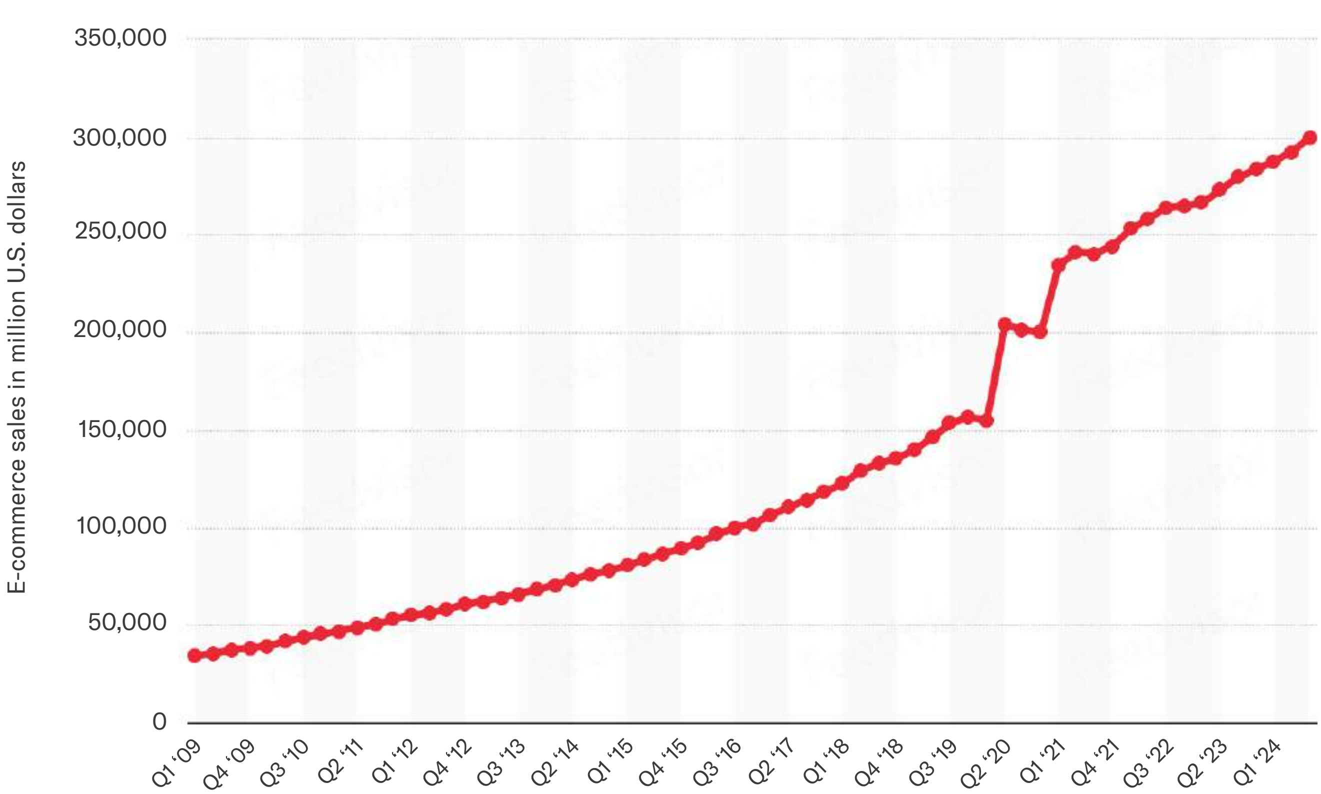


Stretching Their Dollar: Why Consumers Prefer Online Shopping

Despite economic uncertainty, e-commerce sales continue to thrive, with consumer behavior showing remarkable resilience. **62% of shoppers are now spending $500 or more online annually, and 13% are spending more online despite broader economic tightening.**

Online shopping is increasingly seen as both cost-effective and convenient, driven by the ease of purchasing from home and the constant influx of deals. Email marketing has amplified this perception, as consumers eagerly trade contact information for discounts. According to Statista, 48% of surveyed consumers willingly provided their email address in return for a discount in 2024, while another 16% subscribed to receive early access to sales, highlighting the growing value of personalized, deal-centric communications in driving e-commerce engagement, and the growing quest for cost relief.[1]

E-Commerce Sales From 2009 - Q1 2024



[1] *Statista*

Evolving Consumer Priorities and Purchase Behaviors

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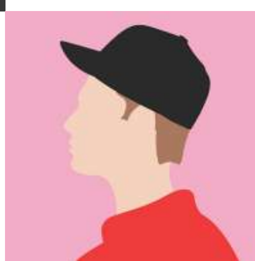


Evolving Consumer Priorities and Purchase Behaviors

E-marketplaces are now a key part of consumer shopping, driven by convenience, information, and competitive pricing. As economic pressures grow, online shopping habits are shifting, and so are the key factors shaping consumer decisions and what matters most to shoppers.

The Key Factors Impacting Buying Behavior

When it comes to purchase decisions, consumers prioritize one factor above all others—price.

A commanding **83% of shoppers** cite price as the most critical consideration when deciding where and what to buy.

While price dominates, several other factors also weigh heavily in the decision-making process.

Top Purchase Decision Factors

Price	83%
Convenience	61%
Free shipping	57%
Product availability	45%
Product Quality	44%

The Power of Price

Price sensitivity has intensified as economic pressures remain high. Consumers are more deliberate about spending, often weighing trade-offs to find the best value. Retailers that offer competitive pricing without compromising too heavily on key attributes—such as product quality, brand reputation, convenience, and customer experience—are better positioned to capture long-term customer loyalty. However, for premium and luxury brands, the challenge is even greater—many of their products have become increasingly out of reach, even for their traditional clientele.

Take the iconic Hermès Birkin bag, for example. With prices ranging from $10,000 to $400,000, these bags remain a status symbol accessible only to celebrities and the ultra-wealthy. Enter Walmart's playful alternative, the "Wirkin"—a budget-friendly knockoff priced between $78 and $102.[1] By offering an affordable taste of luxury, the Wirkin taps into aspirational purchasing behavior, letting consumers indulge in the appearance of affluence without the hefty price tag. This phenomenon underscores the evolving nature of price perception and value, as affordability-driven alternatives find favor in a market where financial flexibility is limited.

Price is not merely one of the top factors for consumers—**it is the deciding factor**. Most consumers are willing to compromise on other aspects if it means securing a lower price.

[1] *Forbes*

In the Battle for Shipping Speed vs. Cost, Cost Wins

Following price, **61% of consumers identify convenience** as a major influence on their purchase behavior, while **57% place significant value on free shipping.**

These factors emphasize the importance of a seamless, frictionless shopping experience, both online and in-store. Easy checkout processes, flexible payment options, and clear return policies all contribute to a sense of convenience that encourages repeat purchases.

Yet, when customers are forced to choose between speed and cost, a clear winner emerges. Shipping plays a pivotal role in online shopping, but consumer behavior has shifted significantly toward prioritizing price savings over convenience. Patience for a better deal has become the norm, as shoppers increasingly resist paying full price.

42% of consumers prefer slower shipping if it means paying less— a trend especially prominent among **Gen X (48%) and Gen Z (43%) buyers.**

In fact, an overwhelming 88% of consumers are somewhat or very willing to extend shipping times from two days to a week if it results in better pricing. This willingness to delay gratification reflects a broader focus on value and a growing aversion to premium shipping fees, even in a market accustomed to convenience and rapid delivery.

This consumer mindset has created opportunities for platforms like Temu, which prioritize affordability over speed. By offering deeply discounted products and longer shipping times, Temu has successfully captured market share in the U.S., catering to price-sensitive shoppers who are willing to trade immediacy for cost savings. Retailers competing in this environment must adapt by refining their pricing strategies and providing flexible shipping options that balance price and speed, ensuring they meet evolving consumer expectations while protecting margins.

Price Still Beats Ethics and Sustainability

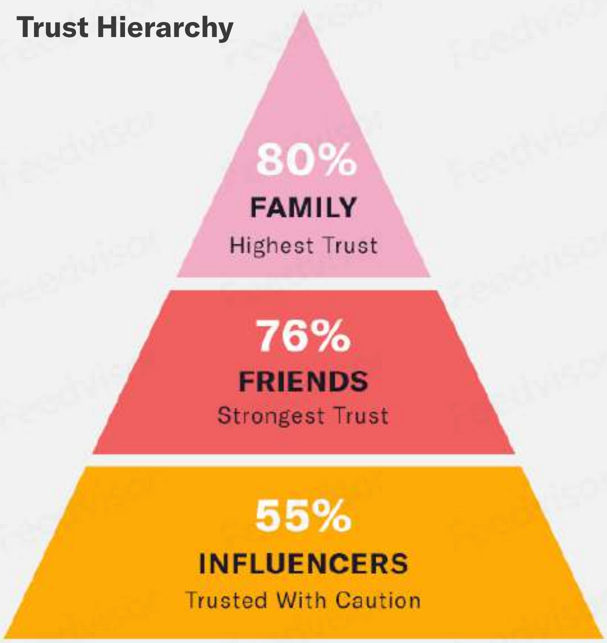
While ethical considerations and sustainability efforts continue to influence brand perception, they often take a backseat to price. **61% of consumers are willing to purchase from a brand that does not align with their personal values as long as the price is lower.** This presents a significant challenge for brands that differentiate themselves based on ethical sourcing or sustainable practices alone, highlighting the need to communicate both value and values effectively.

Even among younger generations who are most associated with prioritizing the ethics of a brand, price in this economic climate wins out.

The Trust Factor: How Personal Recommendations Trump Influencers in Consumer Behavior

Trust remains a cornerstone of consumer behavior, with personal recommendations significantly outweighing influencer marketing. **Family recommendations drive 80% of consumer purchases, while 76% trust recommendations from friends.** By contrast, only 55% report they are influenced by social media influencers.

Trust Hierarchy



Consumers are more likely to trust and rely on recommendations from family and friends because these relationships are rooted in personal connections, shared experiences, and aligned values. Unlike influencer endorsements, which are often viewed as paid partnerships, word-of-mouth recommendations from trusted circles feel genuine and unbiased. People believe those close to them have their best interests at heart, making their advice more persuasive and reliable.

Millennials are most likely to be influenced by social media, with **62% saying influencers shape their purchasing decisions.**

For Gen Z and younger Millennials, family plays an even bigger role—**75% are influenced by family recommendations, and 71% trust their friends' recommendations** when making purchase decisions.

Among parents, family influence is even stronger, with **73% of those with kids relying on family recommendations.**

Additionally, a child whose parent has recently purchased a particular brand is **39% more likely to choose that same brand.**[1]

For brands relying heavily on influencer strategies, this dynamic presents both a challenge and an opportunity. It emphasizes the need to prioritize authenticity in influencer partnerships. Working with micro-influencers who have niche, highly engaged audiences can bridge the trust gap, as these individuals are often perceived as more relatable and credible. Additionally, integrating real customer stories and testimonials into marketing efforts can amplify the impact of trust-based strategies. Building communities that foster user-generated content and organic advocacy can further enhance credibility and long-term loyalty.

[1] *Wiley*

Price Comparison: The New Standard Practice

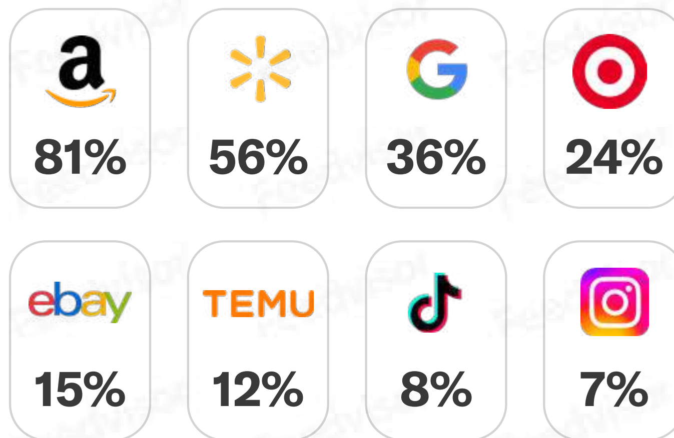
With price being the top factor in purchase decisions, it is no surprise that price comparison has become second nature for most consumers, **with 79% comparing prices before making a purchase and 69% doing so very often or all the time.**

Amazon leads as the top destination for price comparisons, utilized by 87% of shoppers. Walmart follows with 72%, while Google ranks third at 38%. Consumers trust these platforms for several key reasons:

1. **Amazon's vast product catalog** provides unparalleled access to multiple brands and sellers offering competitive prices in one place, making it easy to spot the best deals.
2. **Walmart's combination of aggressive in-store pricing** and online price matching reinforces its reputation for affordability.
3. **Google allows shoppers** to quickly scan prices across various retailers in a single search.

These platforms empower consumers to verify prices, evaluate discounts, and make informed purchasing decisions. Brands who leverage dynamic pricing strategies, offer time-sensitive promotions, and maintain competitive listings on these highly trafficked marketplaces are well-positioned to capture sales and boost conversion rates.

Top Platforms Shoppers Use to Compare Prices



In their quest to find the cheapest price, consumers are seeking out retailers and platforms known for providing consistent discounts and promotions. In fact, 19% of shoppers now prioritize purchasing from places where deals are most prevalent, emphasizing the importance of value-driven strategies for retailers.

Additionally, 13% are shifting more of their purchases to online channels, where the ability to quickly compare prices and discover deals is unmatched. Fast-growing platforms like Shein and Temu exemplify this trend, thriving on ultra-low prices and capturing the attention of budget-conscious shoppers.

Research First, Buy Later: The New Shopper Behavior

Price comparison is not the only step consumers take before making a purchase. Online research as a whole has gained significant traction amongst today's consumers, who now have a wealth of information at their fingertips—empowering them to make better-informed decisions, avoid the hassles of returns, and get the most bang for their buck.

Nearly a quarter (24%) of consumers are conducting more online research before making a purchase.

This increased pre-purchase scrutiny reflects a heightened sensitivity to pricing and product quality, with shoppers carefully evaluating options before committing to a purchase. The need to ensure they are getting the best deal has made the act of researching products online a critical step in the modern shopping journey. A lack of information can deter consumers from making purchases—53% of shoppers under 35 won't buy a product with fewer than five reviews.[1]

This information seeking behavior is especially prevalent among males (26.5%), Millennials (35%) and Gen Z (29%) shoppers. These mobile-first shoppers turn to social media platforms to see what their peers are saying—51% of Gen Z consumers worldwide use social media to research a brand, compared to 45% who turn to search engines.[2] Many are also using AI tools to enhance their shopping experience, with 86% of adults globally wanting AI to assist with product research or information.[3]

Brands must recognize that today's consumers expect easy access to product information and reviews, and should ensure this data is readily available for shoppers and easily crawlable for AI searchbots.

The Impact of the Past Year on Online Shopping Habits

24%	**Researching** more online before buying **online**
19%	Buying where **discounts** and deals are more prevalent
13%	Buying **more** online
11%	Buying **less** online
10%	**Researching** more online before buying **in store**

[1] *World Sync*
[2] *eMarketer*
[3] *eMarketer*

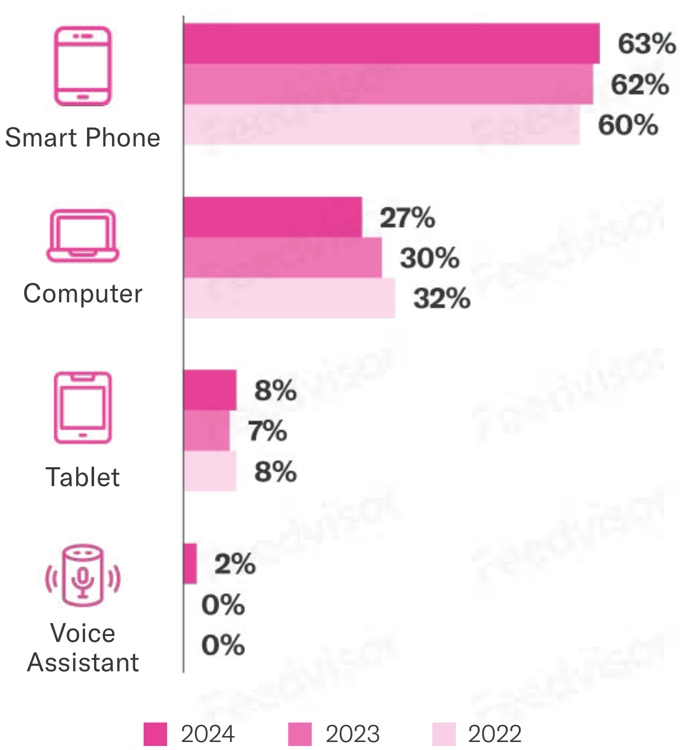
The Device Battle: Which Screen Drives More Sales?

When it is time to buy, shoppers reach for their phones—**63% of consumers shop on mobile devices**, a trend holding strong year-over-year. Recognizing this staying power, many up-and-coming brands are designing mobile-first experiences, recognizing its staying power.

All other devices are losing ground to mobile shopping. Desktop shopping, for instance, has slightly declined this year, with usage dropping from 30% to 27%. Looking at the broader trend, its popularity has decreased 58% over the past 4 years. Meanwhile, voice assistant use remains minimal at just 2%.

Desktop shopping has **fallen 58%** over the past 4 years.

Preferred Devices for Online Purchases



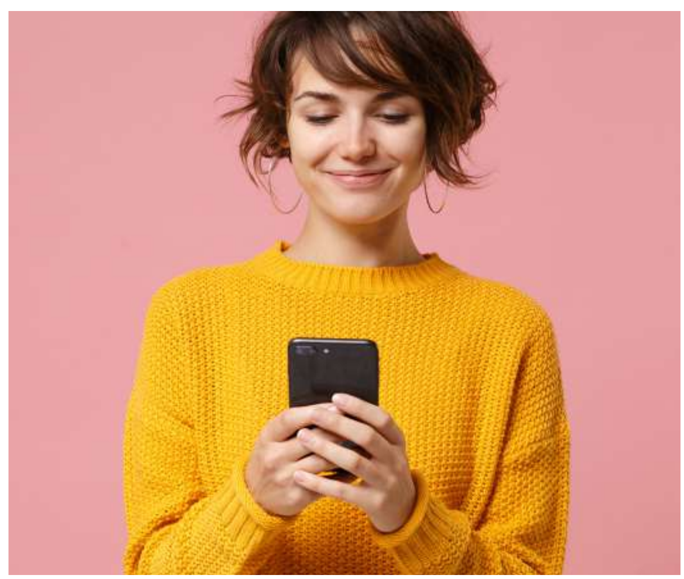
The proliferation of smart phones and mobile apps suggests apps would also dominate consumer shopping, yet many remain divided on their preferred shopping platforms. **Consumer preferences for mobile shopping skew towards websites rather than apps.** Forty percent of respondents prefer shopping on retailer or marketplace websites, while 38% opt for apps. This behavior may be linked to ease of navigation, trust in well-known websites, and the broader functionality websites often offer compared to mobile apps. This behavior may be linked to ease of navigation, trust in well-known websites, and the broader functionality websites often offer compared to mobile apps.

Preferred Shopping Channels for Purchase

40% Through the retailer or marketplace **app**

38% Through the retailer or marketplace **website**

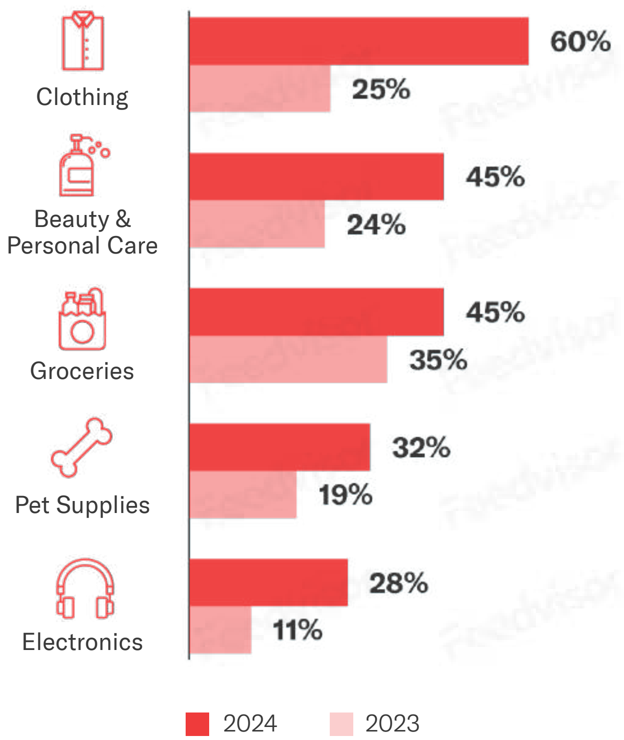
22% **In store**



Category Kings: Where Consumer Dollars Are Flowing Online

E-commerce continues its upward trajectory, with consumers increasingly turning to digital platforms across key product categories.

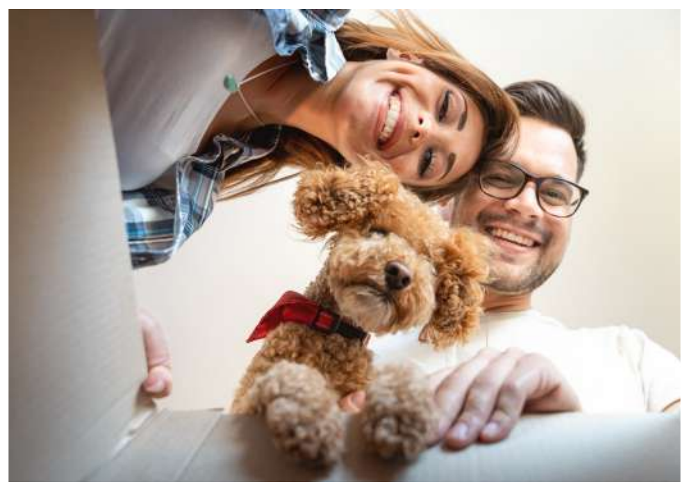
Top 5 Categories Consumers Purchase Online



Clothing leads the pack, with 60% of consumers purchasing apparel online, a dramatic rise from 45% just one year ago. This surge reflects a renewed focus on wardrobe updates as shoppers embrace a return to in-person work, travel, and social gatherings after years of remote living.

Similarly, the beauty and personal care sector has seen significant growth, with 45% of consumers making online purchases, nearly doubling last year's 24%. This increase signals a growing demand for wellness-driven and luxury beauty products as consumers prioritize self-care, convenience, and access to curated selections of high-end and niche brands. Virtual try-ons, influencer-driven marketing, and personalized product suggestions are further enhancing the online beauty experience.

The grocery sector continues its upward trajectory, with 45% of consumers purchasing food and groceries online, up from 35% last year. Subscription models, one-click ordering, and on-demand delivery have reshaped how consumers approach essential shopping, prioritizing convenience and time savings. Retailers investing in advanced logistics, predictive inventory systems, and customer-centric fulfillment models are capturing this market, as digital-first experiences become an expectation rather than a luxury.



Pet ownership, now at 66% of households (86.9 million homes), is driving a surge in online pet supply purchases, which jumped from 19% to 32%.[1] Premiumization and the desire for high-quality, convenient pet care products are fueling this trend, with online platforms emerging as the go-to destination for pet owners.

Electronics sales online have also seen significant growth, rising from 11% to 28%. As consumers invest in technology upgrades for work, entertainment, and smart home solutions, retailers offering competitive pricing, robust warranties, and detailed product reviews are capturing market share.

[1] *Forbes*

Emerging Platforms and Digital Disruption

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Emerging Platforms and Digital Disruption

The retail landscape is undergoing a seismic shift, driven by the rise of new digital platforms that are reshaping how consumers shop and how brands compete.

These emerging players are not merely disrupting traditional e-commerce—**they are redefining consumer expectations and forcing even the most established companies to evolve.**

To stay ahead in this hyper-competitive environment, brands must understand and adapt to these platforms, where decisions are being made and dollars are being spent.

Where Consumers Go to Purchase

Amazon	88%
Walmart	60%
Target	28%
Retailer website	25%
Brand website	23%
Temu	19%
eBay	18%
Search engine	16%
Shein	11%
TikTok	10%
Facebook	9%
Instagram	7%
Another marketplace	6%
Pinterest	4%

Major Players: The Titans of E-Commerce

Amazon: The Ubiquitous Leader

Amazon continues to dominate the e-commerce ecosystem, with **88% of consumers preferring to purchase products from the platform.** It remains the starting point for 80% of product searches—up from 60% just a year ago—solidifying its position as the go-to destination for convenience, competitive pricing, and product variety. **Amazon's Prime membership program, with its blend of benefits like fast shipping and exclusive deals, further cements consumer loyalty.** Brands looking to capture market share must prioritize visibility on Amazon through optimized listings, competitive pricing, and strategic advertising campaigns.

Walmart: Omni-Channel Challenger

Walmart's integration of online and in-store shopping experiences has positioned it as a formidable challenger in the retail space. With 50% of consumers starting their product searches on Walmart.com and 60% actively shopping on its platform, Walmart leverages its physical footprint to offer seamless options like same-day pickup and hassle-free returns. For brands, Walmart's hybrid model provides opportunities to connect with consumers both digitally and in-store, particularly as shoppers increasingly demand flexibility and convenience.

Google: A Search-Driven Retail Powerhouse

Google plays a pivotal role in influencing consumer shopping journeys, with 42% of shoppers beginning their product searches on the platform. Its powerful Shopping Ads and local inventory integration make it a critical tool for brands seeking high-intent traffic.

E-Commerce Landscape in 2025: Where Consumers Start Their Product Searches

Titans of E-Commerce

Amazon - **80%**

Walmart - **50%**

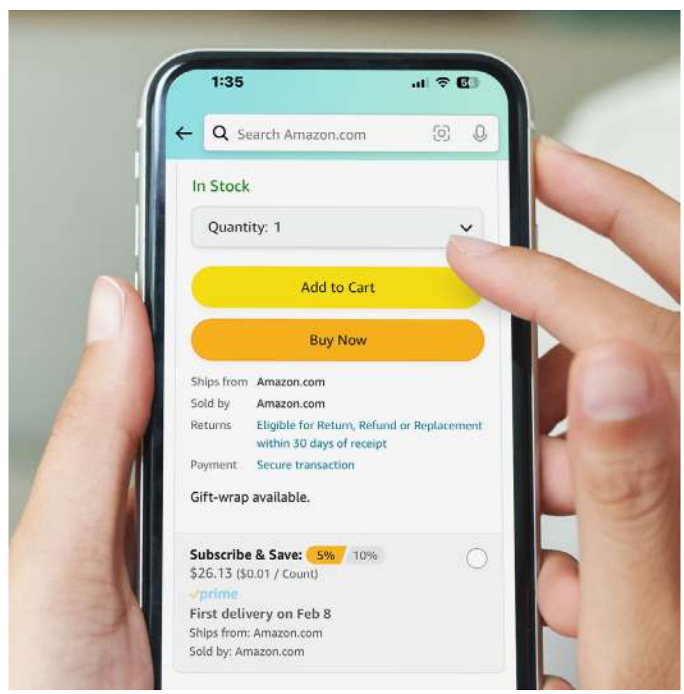
Google - **42%**

New Kids on the Block

Temu - **17%**

Shein - **14%**

TikTok - **11%**



Emerging Disruptors: New Kids on the Block

TEMU Temu: Redefining Value Shopping

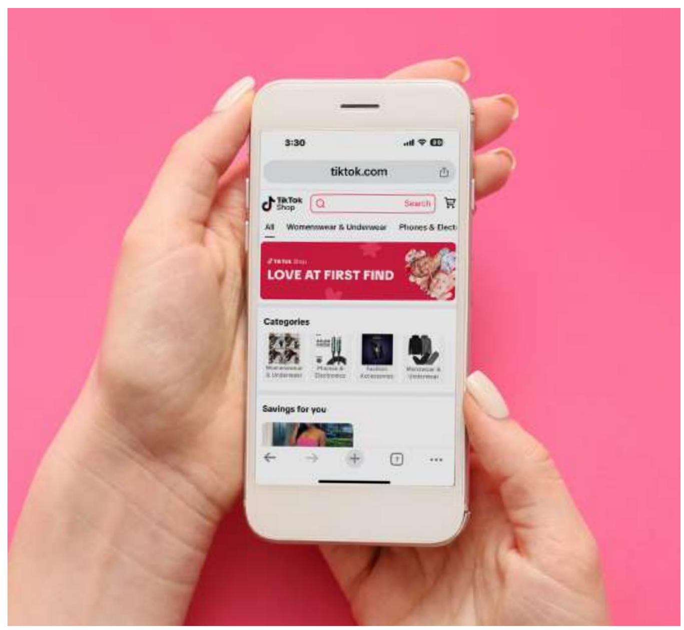
Temu, a fast-rising disruptor, is reshaping e-commerce with its ultra-low-cost goods model, which connects manufacturers directly to consumers. Its rapid ascent is evident, with 36% of shoppers purchasing from the platform and GMV reaching $20 billion in just the first half of 2024, surpassing the prior year's $18 billion.[1] Temu's appeal lies in its ability to cater to price-sensitive consumers, but regulatory changes could challenge its low-cost advantage. Dissatisfaction with product quality is also becoming prevalent. Brands should monitor Temu closely, as its growth signals a rising demand for affordability and direct-to-consumer value propositions.

SHEIN Shein: The Fast-Fashion Innovator

Shein continues to disrupt the fashion industry with its data-driven approach, leveraging consumer insights to release new products at breakneck speed. Its focus on affordability and trend-driven designs has earned it a loyal following among Gen Z shoppers. However, Shein's model faces scrutiny from regulators, which could impact its scalability. For brands, Shein serves as both a competitor and a blueprint for blending speed, cost-efficiency, and consumer-centric innovation.

TikTok: Social Commerce Pioneer

TikTok has redefined how consumers discover and interact with products, blurring the lines between entertainment and shopping. With 92% of users taking action after watching a TikTok video and 55% making impulse purchases, the platform has become a powerful force in driving spontaneous consumer behavior.[2] TikTok's algorithm prioritizes highly engaging, personalized content, creating an environment where product discovery feels organic rather than promotional. For businesses, understanding TikTok's ecosystem is no longer optional—it is essential for influencing younger audiences who demand authenticity and immediacy. The pending ban will have little impact on operations as it is just too popular to get rid of.



[1] eMarketer
[2] Absolute Digital Media

The Continued Ascent of Social Commerce

Social platforms are emerging as key drivers of purchasing decisions, with TikTok leading the charge. However, it is not the only player disrupting traditional e-commerce:

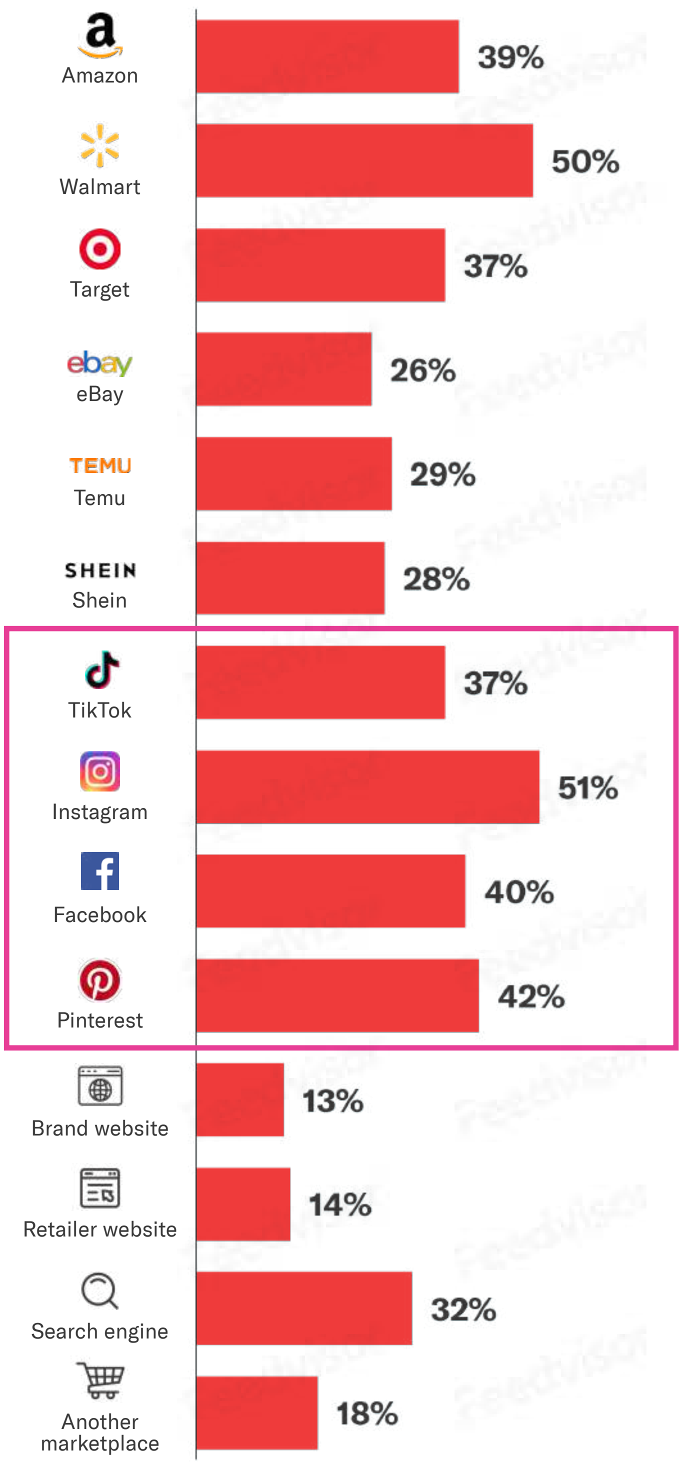
Instagram: 51% of users visit weekly or daily on Instagram, and prefer to shop making it a vital platform for visually-driven product discovery.

Facebook: With 40% of users visiting and shopping weekly or daily, Facebook remains a powerhouse for targeted commerce, particularly among older demographics.

Pinterest is rapidly becoming a shopping hub, with 42% of users now visiting and purchases daily or weekly. This growth is fueled by its expanding shoppable features and strategic partnerships, which seamlessly align with how users engage on the platform—actively seeking inspiration and discovering products with high purchase intent.

Amazon's Challenge: Despite its dominance in search, it seems consumers prefer the social experience and content which Amazon has not cracked yet.

The Channels Consumers Prefer to Visit Daily or Weekly and Buy From



The rise of social commerce reflects a fundamental shift in how consumers interact with brands, driven by a preference for personalized, engaging, and frictionless shopping experiences.

Amazon is also losing ground in key categories where specialized competitors or retailers with stronger consumer loyalty are gaining traction:

Beauty & Personal Care: While Amazon remains a convenient option, Target dominates this category, with **56% of consumers turning to its shelves and online platform for beauty and self-care products.** Target's curated selection, frequent promotions, and strong private label offerings resonate with shoppers looking for quality and affordability in one place.

Clothing: Shein has revolutionized the apparel market, with **90% of its consumers shopping for clothing on the platform.** Its ability to deliver ultra-fast fashion at low prices, combined with a vast and constantly refreshed inventory, has made it the go-to destination for price-sensitive shoppers seeking the latest trends.

Groceries: Walmart continues to overshadow Amazon in the grocery category, with **65% of consumers preferring it for their food and household essentials.** Walmart's vast network of physical stores, combined with its growing curbside pickup and delivery options, provides a seamless omnichannel experience that Amazon has yet to fully replicate.

What Consumers Are Buying on Each Channel

	Amazon	Walmart	Target	eBay	Temu	Shein	TikTok	Instagram	Facebook	Pinterest
Clothing	55%	46%	51%	35%	74%	90%	46%	49%	46%	31%
Beauty & Personal Care	48%	53%	56%	21%	35%	37%	47%	37%	29%	33%
Home & Kitchen	40%	39%	44%	23%	37%	30%	31%	34%	30%	25%
Electronics	31%	25%	21%	37%	21%	11%	25%	28%	27%	15%
Pet Supplies	30%	36%	29%	16%	17%	15%	21%	26%	22%	19%
Cell Phones & Accessories	29%	19%	21%	26%	32%	31%	36%	36%	34%	28%
Books	27%	11%	17%	23%	10%	11%	22%	22%	28%	28%
Groceries	25%	65%	48%	14%	7%	10%	19%	37%	24%	21%
Movies & TV shows	20%	15%	17%	21%	9%	10%	18%	31%	26%	26%
Sports & Outdoors	18%	16%	18%	18%	15%	13%	22%	24%	28%	26%
Games	17%	13%	17%	19%	11%	9%	15%	13%	14%	13%
Automotive Parts	16%	13%	10%	28%	12%	7%	9%	18%	16%	13%
Baby	11%	14%	19%	10%	14%	13%	15%	19%	21%	18%

Consumer Spending Trends

Spending habits reveal Amazon and Walmart as the primary beneficiaries of consumer dollars, particularly for mid-sized purchases. **A majority of shoppers on Amazon (58%) and Walmart (51%) spend between $51 and $200 a month,** reinforcing their role as go-to destinations for essential items and bulk purchases. Consumers frequently rely on these retailers for their regular grocery runs, benefiting from convenience, competitive pricing, and a wide product selection.

Target stands out as the most popular choice for shoppers making mid-range purchases, with 59% spending between $51 and $200—more than any other platform. The retailer's rapid product cycles ensure it remains a top destination for trendy, exclusive releases, like the recent Hydro Flask drop in two new colors. Target's slightly higher price points compared to discount retailers contribute to its dominance in this spending bracket, as shoppers are willing to pay a premium for quality, convenience, and brand-name items.

For purchases under $50, social commerce platforms and Chinese e-marketplaces dominate. TikTok, Instagram, Facebook, and Temu attract the highest share of budget-conscious shoppers, with 39–40% making low-cost, impulse-driven purchases. These platforms thrive on viral trends and flash deals, creating a sense of urgency that encourages spontaneous buying behavior. Meanwhile, Pinterest (54%) and other marketplaces like Etsy (55%) also capture a significant portion of low-spend shoppers, particularly those seeking unique, niche, or handmade products.

While budget-friendly platforms drive volume, higher-value purchases are most concentrated on Walmart (30%), Amazon (21%), and brand websites (20%), where shoppers are more likely to invest in premium products or bulk orders. **There is a clear divide in consumer behavior—social commerce and discount-driven marketplaces cater to impulse-driven, low-cost shopping, while major retail and brand websites see more strategic, high-value purchases.**

How much are consumers spending on each online channel, per month:

	$0 - $50	$51 - $200	$201+
Amazon	22%	58%	21%
Walmart	19%	51%	30%
Target	24%	59%	17%
eBay	38%	49%	13%
Temu	39%	51%	10%
Shein	32%	55%	14%
TikTok	39%	49%	12%
Instagram	40%	44%	16%
Facebook	39%	46%	17%
Pinterest	54%	30%	16%
Brand Website	33%	48%	20%
Retail Website	35%	49%	16%
Search	43%	40%	17%
Another Marketplace	55%	33%	12%

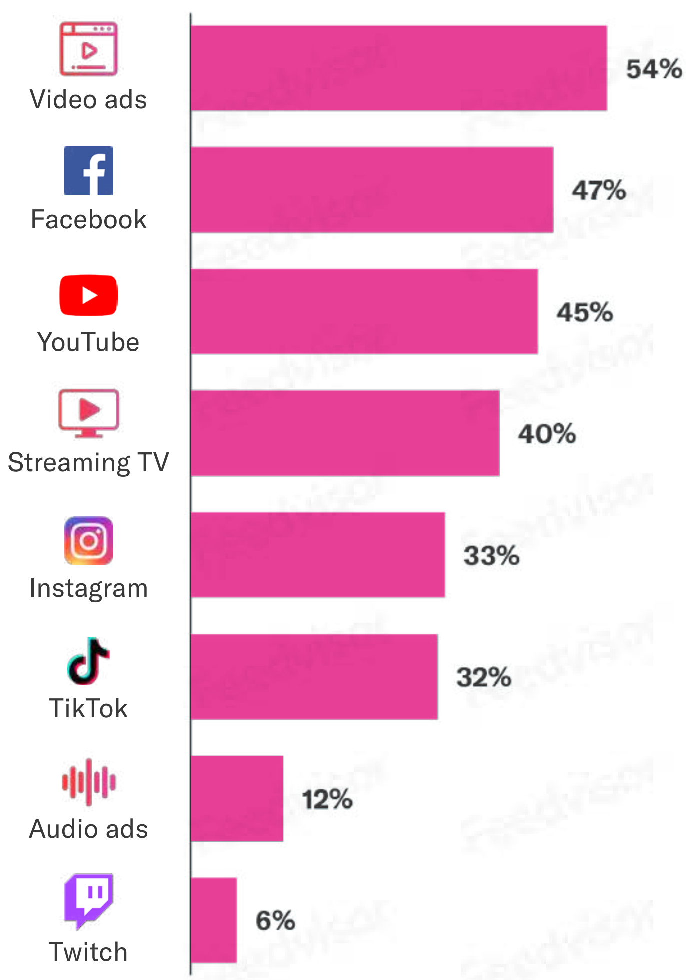
Influences on Digital Discovery

4

Influences on Digital Discovery

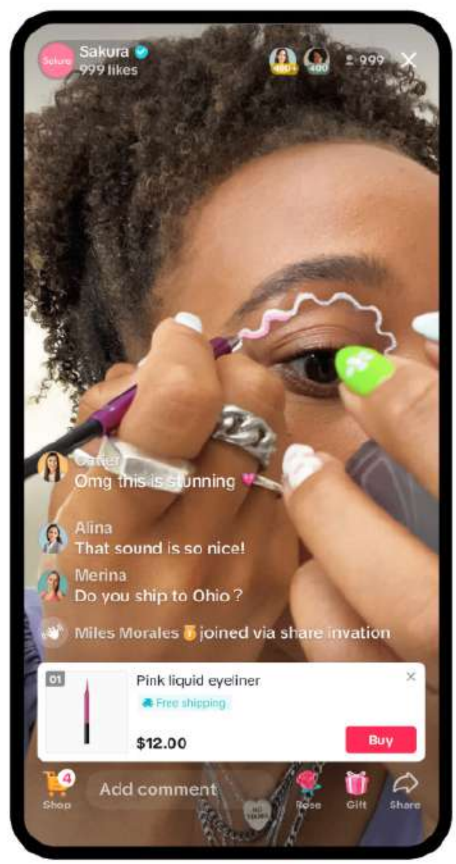
As digital habits evolve, understanding where consumers engage with ads is essential for brands looking to maximize impact. Our research highlights video-driven platforms as the top product awareness drivers, **with video ads (54%), Facebook (47%), and YouTube (45%) leading the way. Streaming TV (40%), Instagram (33%), and TikTok (32%)** also play significant roles in shaping product discovery. With Millennials and Gen Z driving these shifts, brands must focus on high-impact digital channels to stay ahead and capture consumer attention where it matters most.

Top Spots for Product Awareness in 2025



Millennials and Gen Z, whose combined economic influence is projected to exceed $44 trillion by 2030, are at the forefront of reshaping retail advertising strategies, favoring innovative channels and devices that align with their digital-first lifestyle.[1]

For these mobile-first consumers, social media platforms, especially TikTok, have revolutionized their buying habits, turning short-form videos into discovery engines and driving the rise of social commerce. Seamlessly blending browsing and buying across channels and devices, they expect frictionless shopping experiences that integrate physical stores, mobile apps, and e-commerce. Brands must meet consumers where they now shop by staying attuned to the top advertising spots that offer the greatest visibility to today's audiences.



Source: TikTok

Video Ads Lead Product Discovery

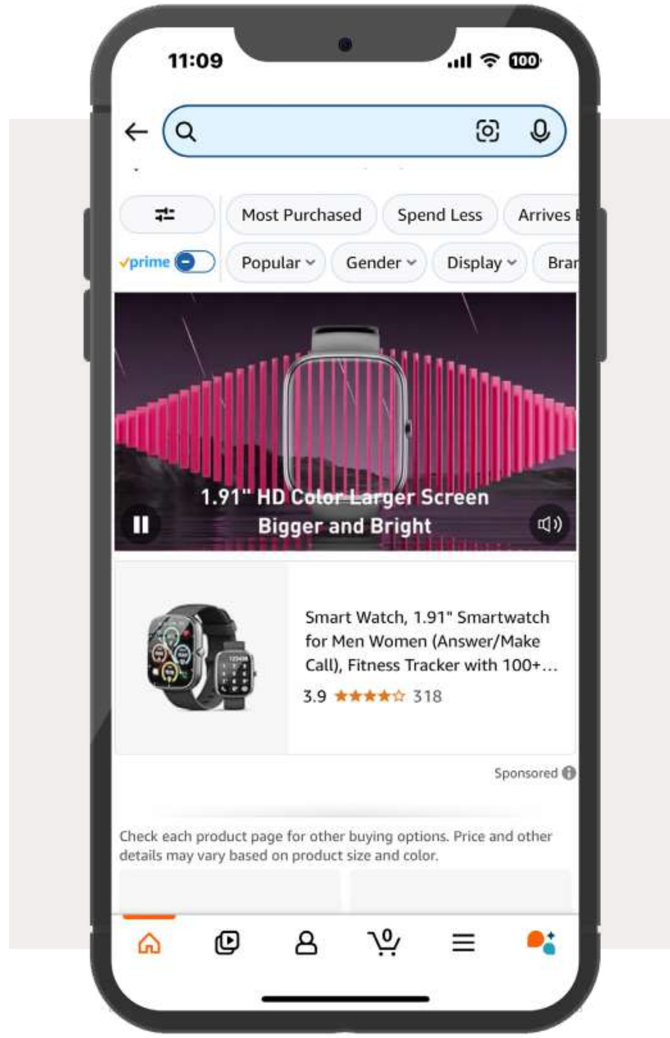
Video ads remain the dominant format for generating product awareness, with 54% of consumers reporting video as their primary way of discovering new products. Across platforms, video advertising captures attention and conveys messaging more effectively than static formats:

Facebook leads with 47% of consumers citing it as a top source for video ads.

YouTube follows closely at 45%, capitalizing on its vast library of content and tailored ad delivery.

Streaming TV captures 40%, reflecting its dual role in entertainment and brand exposure.

Video ads is inherently captivating, giving brands a powerful medium to tell compelling stories and connect with viewers on a deeper level. What makes video ads even more effective is their native integration into social feeds, where short, engaging clips blend seamlessly with the organic content consumers are already watching. By leveraging video advertising, brands can capture attention more effectively, foster genuine connections with their audience, and build lasting brand awareness.



How Consumers Become Aware of New Brands or Products

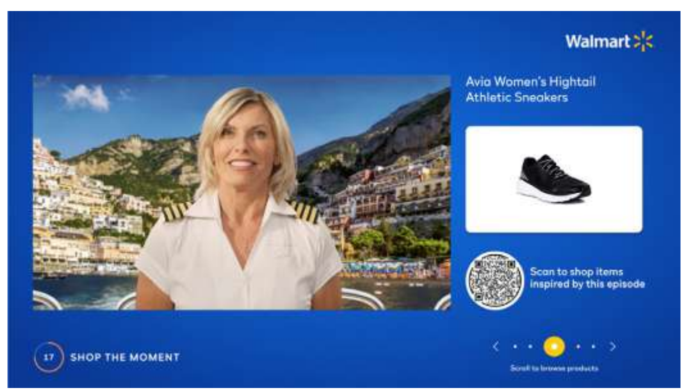
Streaming TV	48%
Search engine	47%
Social media	45%
Product detail page	29%
Marketplace	28%
Emails	26%
SMS messaging	9%
Gaming sites	8%
Audio	5%

Streaming TV Leads in Advertising Visibility

Streaming TV has surged ahead as the top channel for advertising visibility, with **48% of consumers** citing it as where they most frequently encounter ads.

The growth of ad-supported streaming services and the popularity of connected TV devices have made this a primary avenue for reaching consumers. Streaming platforms are a win-win for both viewer and brand, offering rich, immersive video experiences that combine broad audience reach with precise targeting capabilities, making them highly effective for brand messaging.

Retail media and streaming TV are converging, with partnerships leveraging rich retail data to enhance streaming ad performance. Take Amazon and Walmart, who are expanding into upper-funnel channels like Prime Video and Vizio.



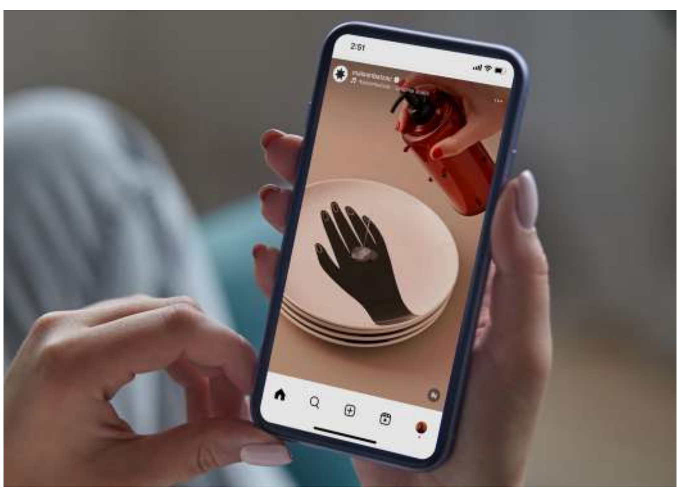
Source: Walmart

[1] *eMarketer*

Search Remains a Key Discovery Channel

Close behind streaming TV, **47% of consumers highlight search results as a top location for encountering ads.** Search advertising remains integral to the customer journey, serving as a critical touchpoint for consumers actively exploring products or services.

With nearly a **third (29%) of shoppers** intending to explore and shop while searching for brands, investing in highly targeted search ads that leverage dynamic keyword optimization, AI-driven bidding strategies, and real-time consumer intent signals can drive greater engagement and conversions.



Social Ads Create Demand—But Brands Must Stay Agile

Social media has become the epicenter of product discovery, with 45% of consumers identifying it as the top source for uncovering new trends and products. Platforms like Facebook, YouTube, and TikTok dominate this space, creating an unparalleled opportunity for brands to inspire and engage shoppers with compelling visual storytelling.

Social ads are no longer just about selling products; they are about shaping perceptions and sparking curiosity. TikTok, for instance, thrives on authenticity, with creators showcasing products in relatable, everyday contexts that resonate with viewers. This approach has turned casual scrollers into impulse buyers—55% of TikTok users admit to making unplanned purchases after watching videos.[1]

Yet, for a platform that has previously offered so much potential to brands, the recent TikTok ban has introduced a wave of uncertainty, forcing many to rethink their strategies and recognize that unexpected challenges could become the norm. TikTok's future continues to hang in the balance, with President Donald Trump signing an executive order delaying the ban by 75 days.[2]

Brands that advertise on social media also benefit from a halo effect: after encountering a product ad, consumers often head to Amazon or other marketplaces within 48 hours to explore and purchase. This highlights the importance of maintaining a consistent presence across multiple platforms, ensuring that your products remain discoverable wherever consumers decide to act.

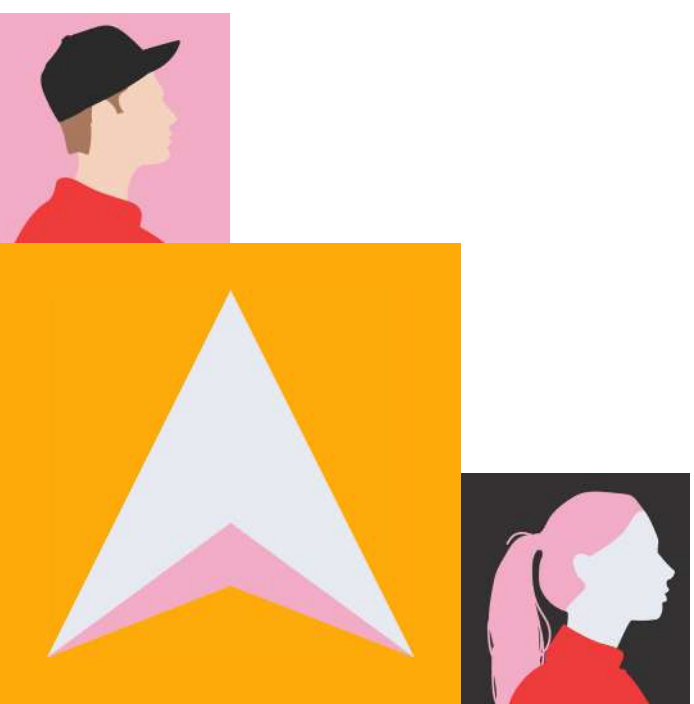
[1] *Statista*
[2] *BBC*

Livestream Shopping: The New QVC for a Digital Generation

Live shopping is taking e-commerce by storm, blending entertainment and instant purchasing to create a uniquely engaging retail experience.

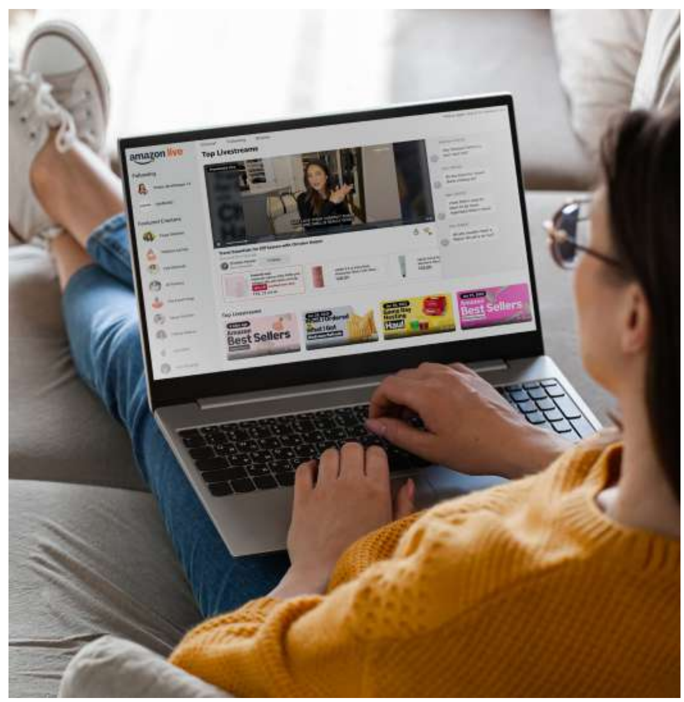
In 2025, **24% of shoppers have made purchases through livestreams,** a number expected to grow as platforms and brands refine their offerings.

Amazon Live has emerged as a leader, with 54% of live shopping participants turning to the platform. Its evolution into a modern-day QVC showcases the potential of livestreams to drive impulse purchases and foster deeper connections with consumers. Whether it's showcasing the latest beauty products or demonstrating new tech gadgets, Amazon Live enables brands to provide real-time product demonstrations, answer questions, and build trust.



Other platforms are also embracing the live shopping trend. Walmart and Target have ventured into livestreams, offering curated events that mirror the convenience and personalization of Amazon Live. Meanwhile, TikTok and Instagram have turned influencers into live shopping heroes, blending entertainment with commerce in a way that resonates with younger audiences. Even disruptors like Shein have adopted live shopping as a core strategy, leveraging their massive reach to drive real-time engagement and sales.

For brands, live shopping represents a golden opportunity to combine storytelling, community-building, and commerce. Agencies and production companies are now specializing in creating high-quality livestream events, enabling retailers to deliver professional, polished experiences that captivate audiences.



The Future of Retail: AI as Your Digital Concierge

5

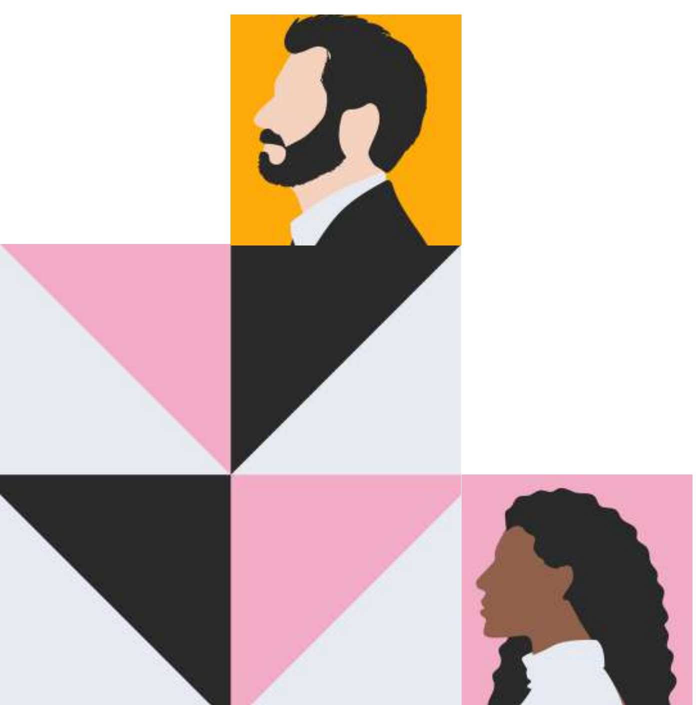
The Future of Retail: AI as Your Digital Concierge

The Next Frontier in Customer Purchase Journeys

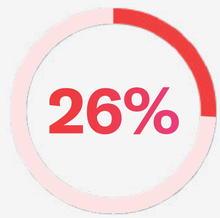
Artificial intelligence is the new engine driving a retail revolution. From curating hyper-personalized recommendations to harnessing predictive analytics, AI is reshaping how consumers discover, evaluate, and purchase products.

AI Adoption: The Next Wave of Engagement

While AI has gained traction, its adoption among consumers is still in its infancy. **Over half (61%) of consumers have not yet adopted AI tools, revealing untapped potential for brands and retailers to educate and inspire usage.** Not surprising, younger demographics are early adopters, with Gen Z and Millennials leading the charge in leveraging AI for smarter shopping experiences. This signals a pivotal opportunity: invest in intuitive AI tools now to build trust and familiarity among consumers as adoption scales.



AI as a Shopping Guide



of consumers use **ChatGPT for product recommendations**

Although not built for product discovery, ChatGPT has become the AI tool of choice for over a quarter of consumers as they ask prompts like “compare x product features” and “find the best deals”. By contrast, platforms like Amazon’s Rufus, built to help with product decisions, see just 13% engagement for similar purposes, reflecting a gap in how these tools integrate into broader consumer behaviors. Even Google’s Gemini had higher adoption - coming in at 18%.

For brands, this highlights a critical opportunity: instead of solely relying on proprietary AI bots, businesses should focus on ensuring their products are surfaced and recommended on widely used, third-party AI platforms. These platforms are shaping how consumers discover and evaluate products, offering brands a new way to meet shoppers where they are. By optimizing product data, leveraging AI-compatible content, and tapping into the personalization algorithms of leading AI tools, brands can position themselves as trusted, go-to options in an increasingly competitive digital landscape.

Personalization at Scale: AI's Competitive Advantage

AI's ability to hyper-personalize the shopping experience is one of its most transformative capabilities. Personalized recommendations—powered by algorithms that analyze past behaviors, preferences, and purchase patterns—have become a cornerstone of effective e-commerce.

62% of parents and younger shoppers report **being drawn to personalized product suggestions**

Brands like Amazon and Netflix have mastered personalization, using AI to present curated recommendations that increase engagement, time spent on their platforms, and overall spending.

By integrating AI-driven personalization into marketing and customer service strategies, brands can not only enhance discovery but also foster deeper connections with their target audience. For example, Sephora's AI-powered skincare consultations and Nike's AI-driven product customizations have set new benchmarks for personalization in retail.

Source: Nike

Consumer Hesitation: Bridging the Trust Gap

Despite the promise of AI, consumer hesitancy remains a key barrier to widespread adoption. Concerns over data privacy and security loom large, with 72% of consumers expressing reservations about how their data is used in AI-driven applications.[1]

Brands must address these concerns head-on by prioritizing transparency and emphasizing the value AI provides. For example:

Explainable AI: Offering consumers clear insights into how recommendations are generated can foster trust and increase adoption.

Opt-in Personalization: Allowing shoppers to control the level of personalization they receive can alleviate privacy concerns while maintaining engagement.

Retailers that actively build trust through ethical AI practices will position themselves as leaders in a space where credibility is increasingly paramount.

[1] *User Testing*

The Road Ahead: Adapting to New Consumer Expectations

As consumer behavior evolves, brands must adapt strategically to shifting priorities. Inflation remains a top concern, with nearly half of consumers ranking it as their biggest purchasing influence—outweighing deals and budget constraints. **Price dominates decisions, with 83% of shoppers prioritizing it above all else.** In this landscape, brands must go beyond discounts, reinforcing value at every touchpoint through pricing, advertising, and product positioning.

Consumers are more informed than ever, with **79% comparing prices before making a purchase and an overwhelming 87% beginning their product searches on Amazon**—underscoring the critical role of visibility and competitive pricing in driving conversions. The brands that succeed will be those that capture attention early and embed pricing transparency into their messaging, ensuring that consumers recognize their products, clearly understand their value, and encounter compelling, competitive prices at key decision-making moments. Whether through AI-driven recommendations, dynamic promotions, or well-placed advertising across search, social, and marketplace platforms, brands must strategically integrate pricing and product value into their messaging to stay top of mind.

With 62% of shoppers—particularly younger consumers and parents—using AI for purchase guidance, expectations for hyper-personalized, relevant offers continue to rise. To stay ahead, brands must leverage real-time insights to ensure that pricing, promotions, and product availability remain dynamically aligned across all consumer touchpoints—keeping offers timely, relevant, and actionable.

More than ever, advertising, pricing, and product strategy must function as a unified system to meet today's consumer expectations.

Pricing cannot be static—it must flex with demand signals, competitive shifts, and promotional opportunities. Advertising, in turn, should no longer operate in isolation – it must work alongside pricing adjustments and product positioning to create a seamless, compelling, contextually relevant consumer experience. Advertising should play an active role in driving awareness and guiding purchase decisions—reinforcing relevance and urgency through personalized, strategically placed campaigns. **With streaming TV now the top advertising channel (48%) and video ads ranking as the most engaging format (54%),** brands must ensure that messaging, offers, and promotions are not only visually compelling but also seamlessly integrated into the consumer's journey—whether they are researching, considering, or ready to buy.

Winning in 2025 requires agility. Brands that align messaging, product mix, and promotions with consumer expectations—across social, marketplaces, and retail—will maximize engagement, build loyalty, and drive long-term growth. As inflation remains a dominant force, brands that prioritize price transparency, real-time promotions, and seamless advertising integration won't just capture attention—they'll shape the future of commerce.

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> - Mark A., E-Commerce Specialist

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