Consumer Optimism Remains Strong Despite Economic Headwinds, Per 2022 Holiday Spending Report From ACI Worldwide

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Annual ACI Holiday Spending Report reveals surge in use of mobile devices, digital wallets and buy now, pay later (BNPL) payment methods during 2022 holiday season, as shoppers sought out cheaper, more convenient alternatives

- *eCommerce transactions increased 21%, as fraud attempts decreased by 0.5% during holiday season Q4 2022 versus 2021*
- *BNPL transaction values increased by 87% during Black Friday versus 2021, as it became the go-to payment method for shoppers concerned with inflation*
- *Mobile devices saw a surge in volume of transactions, with 36% of Black Friday eCommerce traffic via mobile devices*
- *More consumers opted for delivery channels such as BOPIS or Click and Collect, helping shoppers save on delivery costs, as volume of transactions experienced a 25% increase Q4 2022 versus 2021*

MIAMI--(BUSINESS WIRE)--Jan. 30, 2023-- Despite a challenging economic environment, the 2022 holiday shopping season exceeded projections, according to eCommerce intelligence from ACI Worldwide (NASDAQ: ACIW), a leading global provider of real-time digital payments solutions, which analyzes millions of eCommerce transactions on an annual basis to assess year-over-year growth. From October through December 2022, eCommerce transactions saw a 21% increase, beating estimates by 6%.

Consumers spent more on gaming and travel, as both sectors saw a significant uptick in transaction volumes during Cyber Weekend 2022. The gaming sector experienced a 153% increase in transaction value, and the travel sector experienced a 57% increase. Meanwhile, the retail sector experienced a 4% increase in volume over Cyber Weekend, driven by general retail, which saw a 14% increase, and sports and athletic sales, which experienced a 13% increase in transaction volume.

“Consumers upped their spending this holiday season despite increasing economic pressures,” explained Basant Singh, head of merchant segment, ACI Worldwide. “While inflation accounted for much of the year-over-year rise in holiday spending, our data shows a steady uptick in transactions, with many consumers buying goods and services via mobile devices, and in many cases using digital wallets as a preferred payment method. We expect to see these trends continue in 2023.”

Mobile shopping surged on Black Friday

Consumers used their smartphones to make key purchases as deals dropped over Cyber Weekend. In total, mobile devices drove a 17% increase in transaction volume throughout the course of the weekend. 36% of all transactions were processed via mobile devices during Black Friday. Cyber Monday played an equally significant role in driving the uptick in mobile usage, with transaction volumes over smartphone devices soaring by 43% in comparison to last year.

eCommerce shopping is becoming more secure

Fraud attempts decreased by 0.5% during the Q4 holiday shopping season. Mobile fraud attempts saw a decline of 0.6%, and eWallets saw fraud attempts declining by 0.8%. Merchants are increasingly investing in better fraud management and prevention capabilities, as many now look at fraud prevention as a revenue generator. As a result of added security measures by eWallet providers (i.e., biometric authentication, encryption, etc.), this category saw the biggest decline in fraud attempts.

Venturing in-store to save costs

Data from ACI finds that shoppers actively sought out Buy Online, Pick-Up In-Store (BOPIS) options as a cheaper alternative to shipping and waiting for products to deliver. Transaction values for BOPIS increased by 18%, with the average ticket value (ATV) increasing by 26%, or $26.

Buy now, pay later options continue to lure holiday shoppers

The go-to payment method for Black Friday — BNPL — rose by 87%, with the ATV increasing by 42%, or $57.

For high-value products, credit and debit cards were the top choice. Transactions for credit and debit cards experienced an 8% increase, with the ATV climbing by 43%, or $49. eWallets saw a comparable increase in transaction volumes, rising by 32%.

“Use of digital wallets during the last holiday season signals a broader trend that we expect to play out in the year ahead,” added Singh. “Consumers, especially younger shoppers, are embracing digital wallets as a mainstream payment method. More than half of consumers (52.7%) used a digital wallet in 2021, according to our data. This represents a 33% increase over the last five years.”

To meet this demand, ACI recently launched its ACI Wallets, an integrated network that gives merchants in 70+ countries the ability to connect to a single hub offering 200+ global and regional digital wallets. The integrated wallet is part of ACI’s payments orchestration platform for global eCommerce.

To learn more about ACI Worldwide, please visit: https://www.aciworldwide.com/.

About ACI Worldwide
ACI Worldwide is a global leader in mission-critical, real-time payments software. Our proven, secure and scalable software solutions enable leading corporations, fintech companies and financial disruptors to process and manage digital payments, power omni-commerce payments, present and

process bill payments, and manage fraud and risk. We combine our global footprint with a local presence to drive the real-time digital transformation of payments and commerce.

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