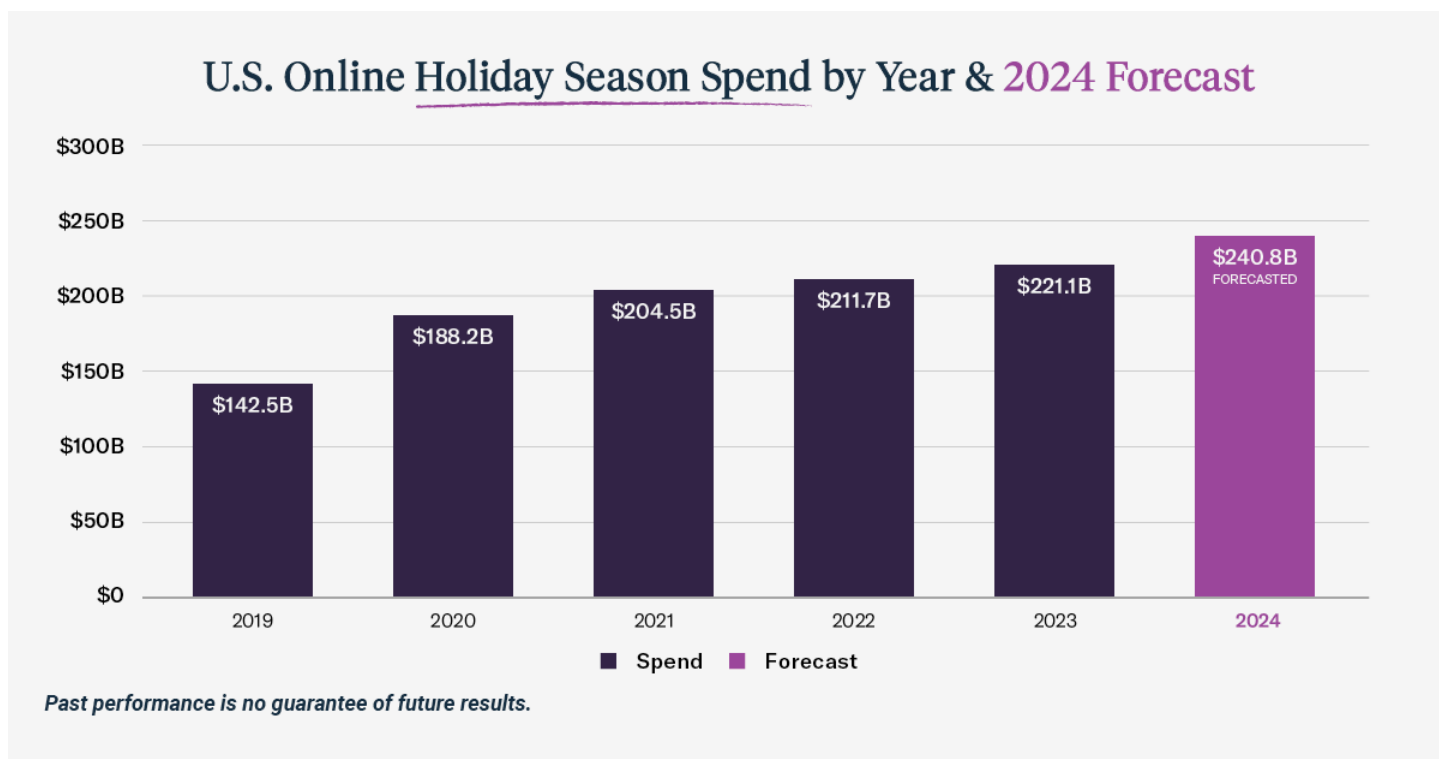


09/12/2024

The Investor and Holiday Shopping: Unwrapping the E-Commerce Surge

Discover record high projections for online holiday shopping, with potential implications for investor portfolios.



Source: RetailTouchpoints.com 10/7/24

New Records:

Online Shopping: A recent analysis by Adobe anticipates a record-breaking online holiday shopping season with projected sales of \$240.8 billion, which, if realized, is an 8.4% year-over-year (YoY) growth in online holiday sales, a testament to the robust engine helping to drive the online and digital economy forward.¹

BNPL: Likewise, BNPL financing solutions are forecast to reach record levels, potentially driving \$18.5 billion in online spend, up 11.4% YoY.² This spend is expected to be driven by mobile shopping and led by millennials and Gen Z.² Notably, November is projected to be the largest month on record for BNPL, at \$9.5 billion, and Cyber Monday the largest day at \$993 million.³

Mobile Devices: Furthermore, shopping via mobile devices "also is expected to hit a new milestone, projected to grow 12.8% YoY to contribute a record \$128.1 billion, which would represent a 53.2% share of online spend this season versus desktop shopping."²

Interestingly, while discounting is anticipated to be a reliable driver of ecommerce growth for retailers, the share of spending consumers direct toward more expensive goods is set to increase by 19% compared to pre-season trends.² This may be due to the sometimes-expensive nature of gift buying especially related to electronics, appliances, and sporting goods.

Let's take a look at the underlying behaviors and potential implications behind these numbers.

The Digital Buying Surge: Understanding the Projections

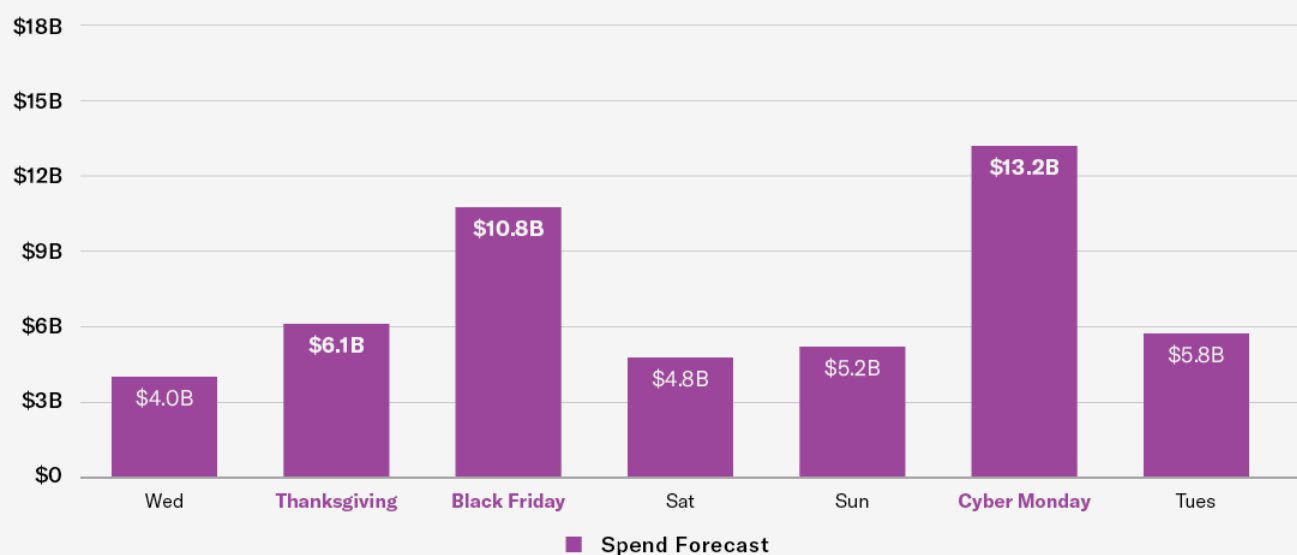
These forecasts aren't just numbers, we believe they are a signal of the accelerating shift in consumer buying behaviors, amplified by the pandemic and cemented by the convenience and efficiency of online shopping. The growth of the past years and the projected 8.4% growth in online sales this year underscores a critical trend: consumers are increasingly favoring digital platforms for their holiday purchases.

Looking Ahead: The implications for Investors' portfolios:

These predictions not only highlight the trend of online and digital consumerism but also prompt us to consider the potential investment implications.

The late fall and early winter months serve as a pivotal period for the retail industry, marked by major online shopping days such as Black Friday, Cyber Monday, and Singles' Day. Once again, Cyber week (Thanksgiving to Cyber Monday) is anticipated to reign supreme and Cyber Monday is anticipated to be the year's biggest single online shopping day, projected to drive a record \$13.2 billion in online spend, which would be a 6.1% increase YoY.² These key dates not only signal the onset of the holiday shopping season but also represent significant opportunities.

Cyber Week Online Spend Projections



Past performance is no guarantee of future results.

Source: RetailTouchpoints.com 10/7/24

The growth of online shopping may present a multifaceted opportunity for investor portfolios. As e-commerce continues to carve out larger segments of the retail market, companies well-positioned within this space—ranging from online retailers and e-commerce platforms to logistics and payment processing firms— may stand to benefit, potentially offering attractive returns to investors.

The shift towards digital consumerism influences stock valuations and sector performance, potentially making e-commerce a significant factor in portfolio diversification and risk management strategies. Moreover, the ability of a company to adapt and thrive in the online shopping ecosystem may be a key indicator of its long-term resilience and growth potential, thereby influencing investor decisions. As such, we believe, the rise of online shopping not only reflects changing consumer behaviors but also underscores its increasing relevance in shaping informed portfolio decisions in the digital age.

Conclusion

As we head into the holiday shopping season, the spotlight on e-commerce shines brighter than ever, underscoring the transformative power of e-commerce and digital buying in shaping modern consumer behavior.

The projected surge is not just a reflection of changing consumer preferences but a potential call to action to re-evaluate portfolio composition.

Related ETFs

- [IBUY: Amplify Online Retail ETF](#)
- [IPAY: Amplify Digital Payments ETF](#)

¹<https://business.adobe.com/resources/holiday-shopping-report.html>

²<https://www.retailtouchpoints.com/topics/consumer-trends/adobe-predicts-8-4-growth-in-online-holiday-sales-driven-by-discounting>

³ <https://news.adobe.com/news/2024/09/092524-adi-holiday-forecast>

Carefully consider the Fund's investment objectives, risks, charges, and expenses before investing. This and other information can be found in the Fund's statutory and summary prospectuses, which may be obtained at [AmplifyETFs.com](https://amplifyetfs.com). Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

Amplify ETFs are distributed by Foreside Fund Services, LLC.