

# PULSE OF THE U.S. REPORT

In this issue we focus on consumer and retail trends in the US. We look at the evolution of online retail, in particular the growth in live-stream shopping (a trend more associated with China). We also share some interesting analysis around the value sustainability can offer products, as well as focusing on how TikTok is reshaping influencer marketing in the US. We'd love to hear if you have any feedback on the insights shared here today, do please get in contact.

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## LIVESTREAMING, AS A CHANNEL IS GROWING IN THE US

The Livestream E-commerce sector is experiencing substantial expansion, with the market projected to reach \$31.7 billion by the end of the year, nearly tripling its size from 2021.



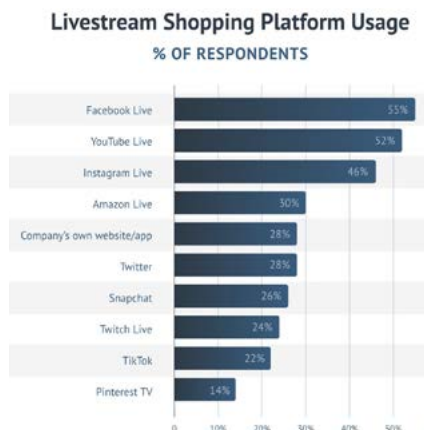
Anticipated growth suggests a further increase to \$67.8 billion by 2026, solidifying its position at over 5% of the overall e-commerce market.

Key platforms dominating this growth include Facebook Live, YouTube Live, Instagram Live, Amazon Live, and individual company apps. Consumer engagement is primarily on social media platforms (64%), video-sharing platforms (53%), online marketplaces (31%), and TV networks (30%).

The adoption of livestream shopping is diversifying across industries, notably in home improvement (41%) and grocery/consumer electronics/general merchandise (37%).

Despite the evident growth, less than a third of U.S. adults are acquainted with live shopping events, with approximately 80% having yet to participate. This suggests considerable untapped market potential in the evolving landscape of livestream e-commerce.

For context, China's live-streaming market is roughly 18 times as large, worth an estimated \$566 billion US dollars in 2023.



## SUSTAINABILITY HAS BEEN PROVEN TO BE GOOD BUSINESS IN THE CONSUMER-PACKAGED GOODS SPACE

McKinsey have published evidence that suggests products making ESG (Environmental, society, governance) related product claims enjoy faster growth than products without.

They conducted analysis of five years of US sales data, from 2017 to June 2022, encompassing 600,000 product SKUs and \$400 billion in retail revenues across 44,000 brands.

It focused on 93 distinct ESG-related claims, such as "cage-free" and "eco-friendly," categorising them into six classifications. The research showed that products making ESG-related claims averaged **28 percent** cumulative growth over the past five-year period, versus **20 percent** for products that made no such claims.

Products that make environmental, social, and governance-related claims have achieved disproportionate growth.

Retail sales growth, US, CAGR 2018-22, %



Less-common claims tended to be associated with larger effects; claims like "vegan" or "carbon zero" demonstrated an 8.5% advantage over their counterparts without, while those with more prevalent claims, e.g., "sustainable packaging" or "plant-based," showed a 4.7% advantage.

The most widespread claims, like "environmentally sustainable," had a smaller growth advantage, yet still enjoyed around 2% higher growth compared to those without, highlighting the differentiation potential of even commonplace claims.



## TIKTOK IS NOW THE ADVERTISING CHANNEL OF CHOICE FOR GEN Z

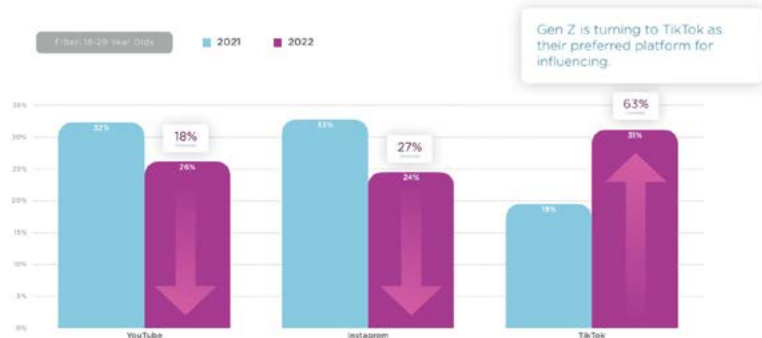
Gen-Z and millennial consumers increasingly view TikTok as the best platform to promote a product through an influencer, ahead of Instagram and YouTube. In a [November 2022 survey](#) of 1,000 US TikTok users, Gen Z respondents said they trusted influencers on TikTok most, compared with those on other platforms.

It highlighted that young US consumers are using social media first (especially TikTok), over word of mouth product recommendations.

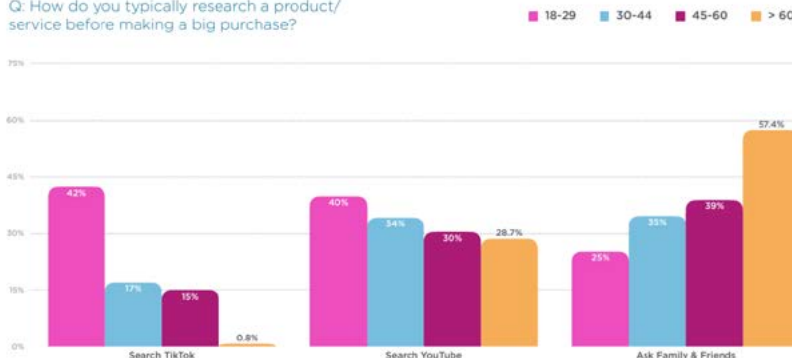
Increasingly, TikTok users are actively buying products they see on the app. According to CouponFollow, 88% of US-based TikTok users surveyed felt a stronger connection with brands discovered on TikTok compared to those found elsewhere. Over the past year, respondents making purchases, bought an average of four items they encountered on TikTok, spending an average of \$150 on these products.

Specifically, within food, [research agency Verve has highlighted TikTok's growing influence](#) on food choices, including the increasing importance of [cultural heritage of food](#) and the authenticity of its origin, more ['wild cooking'](#) in outdoor / natural settings.

Q: In your opinion, what is the best platform to promote a product through an influencer?



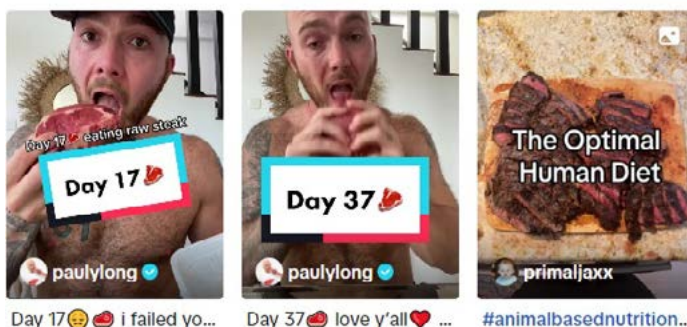
Q: How do you typically research a product/service before making a big purchase?



## TIKTOK IS ALSO DRIVING INTEREST IN THE 'CARNIVORE DIET' TREND IN THE US

The [TikTok carnivore](#) page has garnered over 1.2 billion views, showcasing a rising diet trend where users claim health benefits from avoiding fruits and vegetables. Advocates of the carnivore diet assert that consuming only meat can address various health issues, including obesity, acne, eczema, psoriasis, inflammation, and autoimmune conditions.

A lot of the content on TikTok appears to be developed to generate shares and traffic, with a disproportionate amount of content focused on consuming a variety of different animal's body parts, often raw.



Day 17 🍖 eating raw steak Day 37 🍖 love y'all ❤️ ... #animalbasednutrition...



## COMPETITOR SPOTLIGHT: BEEF CHECKOFF (U.S. BEEF BOARD)

The Beef Checkoff-funded Beef. It's What's for Dinner campaign launched its "Together We Bring More" campaign, celebrating life's milestones and emphasizing how beef enhances meaningful moments.

Using a storytelling approach through various media formats, the three-year campaign highlights beef's eating experience, nutrition, and the process of raising cattle, delivering content across platforms and engaging influencers to showcase the diverse ways beef brings people together.

