

The ConnectedEconomy™

Monthly Report



CONSUMERS
RUSH ONLINE
TO SHOP AND
STAY WELL

The PYMNTS ConnectedEconomy™ Monthly Report benchmarks the digital transformation of consumers across the 10 activities that represent their day-to-day lives. Each month, PYMNTS surveys a population-based sample of roughly 2,500 U.S. consumers to measure the use and adoption of digital tools for how they live, work, shop, eat (how and where they buy food), travel, bank, communicate, stay well, have fun and pay/are paid. This work builds on the 15 studies and 18,000 consumers PYMNTS has surveyed since March 6, 2020 and represents the largest and most consistent data set tracking the digital shift accelerated by the pandemic.

PYMNTS.com
WHAT'S NEXT
IN PAYMENTS: **THE**
CONNECTED
ECONOMY™

PYMNTS.com is where the best minds and the best content meet on the web to learn about "What's Next" in payments and commerce. Our interactive platform is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of this dynamic sector and make news. Our data and analytics team includes economists, data scientists and industry analysts who work with companies to measure and quantify the innovation that is at the cutting edge of this new world.

INTRODUCTION

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The digital behaviors of United States consumers in December were influenced by two separate but related events: the holiday season and the rise in the omicron variant.

The first signs of the omicron surge hit the headlines during the final days of November 2021 — just in time to make consumers think twice about how safe it might be to travel and shop in stores for the holidays. PYMNTS’ ConnectedEconomy™ Monthly Report research of 2,548 consumers in December showed that 2.5 million more consumers made retail purchases online in December than in November, but 2.1 million more went online to schedule doctor’s appointments, check medical test results and attend telehealth sessions with medical professionals.

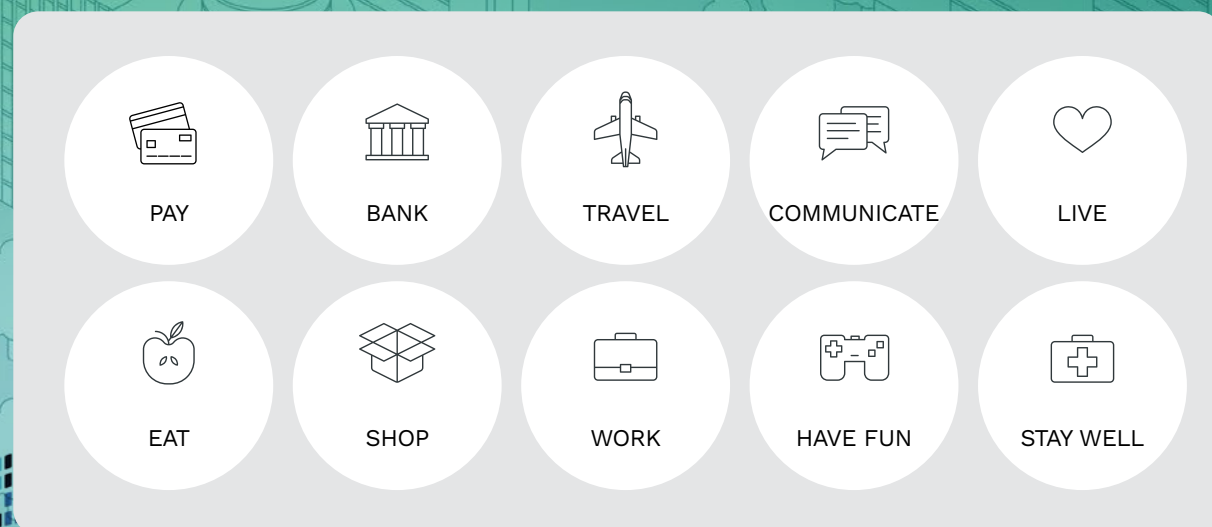
This is what we learned.

THE 10 PILLARS

of the ConnectedEconomy™

Benchmarking consumers' digital behaviors and new routines has been a consistent part of PYMNTS' research since 2016, well before COVID-19 accelerated the shift to digital, but the coming transition from an app-based world to an ecosystem-driven one was abundantly clear.

PYMNTS accelerated its research efforts in early March 2020, and it now has more than 18,000 observations documenting the shift to digital since the start of the pandemic. PYMNTS' landmark study of 15,000 U.S. consumers, published in June 2021, was intended to further document their digital habits and routines as well as their interest in participating in connected ecosystems to streamline the management of their digital lives.



The ConnectedEconomy™ persona groups

FINANCIAL WELLNESS SEEKERS:

Financial wellness seekers represent 22% of the adult U.S. population and are principally interested in an ecosystem that makes it easier to manage their financial, banking and payments activities.

INFORMATION SEEKERS:

Information seekers represent 13% of the U.S. adult population and are interested in a single ecosystem to aggregate relevant data related to travel, shopping (for retail products and food) and entertainment.

CONVENIENCE SEEKERS:

Convenience seekers represent 15% of the U.S. adult population and are interested in a single ecosystem to aggregate all or most of the 10 activities that represent their day-to-day lives.

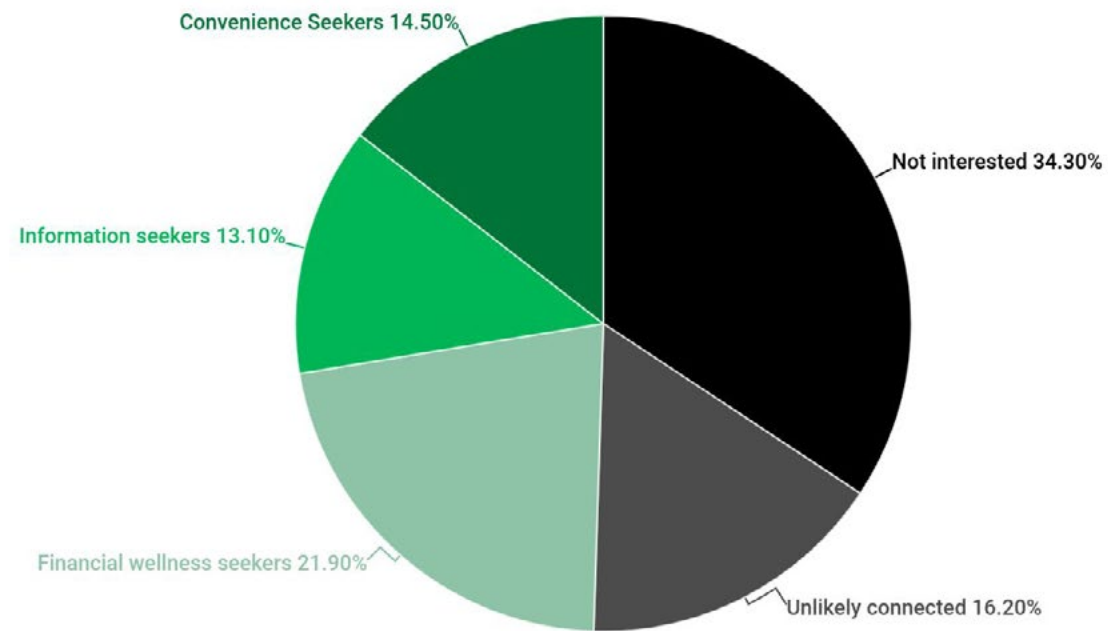
UNLIKELY CONNECTED:

Unlikely Connected consumers are those who are only slightly interested in an ecosystem for aggregating their data.

UNCONNECTED:

The unconnected consumers, who make up 34% of the population, are the least likely to want to consolidate their online activities into a single ecosystem.

Figure 1: How consumers fit into the five connected persona groups
 Share of consumers expressing varying degrees of interest in integrating select areas of their lives into a super app



Source: PYMNTS.com

Table 1: How consumers in different demographics fit into the five connected economy persona groups
 Share of consumers in different demographic groups who express various degrees of interest in integrating select areas of their lives into a super app

	Sample	Convenience Seekers	Information seekers	Financial wellness seekers
Average	40.3%	54.0%	35.2%	49.7%
I do not live paycheck to paycheck	35.8%	46.7%	32.3%	41.0%
I live paycheck to paycheck but am comfortably paying my bills each month.	42.0%	55.8%	36.9%	49.5%
I live paycheck to paycheck and have difficulty paying my bills each month.	47.7%	58.9%	38.5%	58.4%
More than \$100K	46.5%	58.5%	36.4%	52.7%
\$50K-\$100K	43.3%	55.9%	35.9%	56.8%
Less than \$50K	32.9%	42.8%	32.2%	38.2%
College	48.4%	62.3%	37.6%	57.6%
HS	37.4%	47.3%	33.7%	44.9%
Baby boomers and seniors	23.5%	33.9%	25.9%	25.0%
Generation X	39.7%	48.7%	37.1%	47.3%
Bridge millennials	52.5%	64.1%	43.0%	58.7%
Millennials	57.6%	62.1%	42.4%	67.6%
Generation Z	55.6%	49.5%	32.9%	65.1%

Source: PYMNTS.com



PART I:
Staying well, online

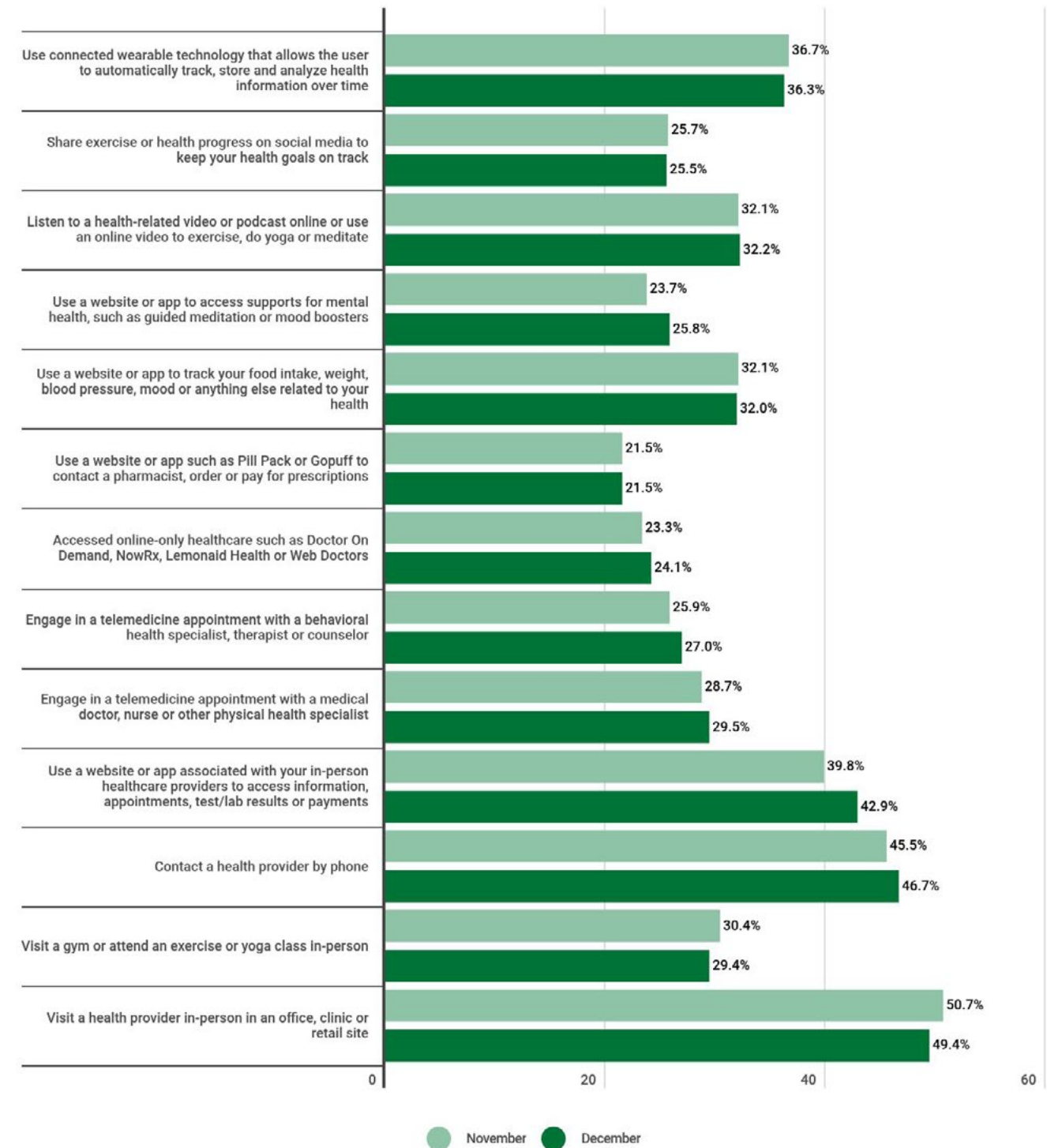
Consumers avoided in-person doctor visits, instead choosing telehealth or other virtual medical appointments as omicron cases began to surge. Seventy-five million patients received their healthcare online in December 2021, up 2.9% from November 2021.

The noticeable change we observed in consumer behavior between November and December 2021 is how they obtained their healthcare. Our research shows that 2.1 million more U.S. consumers accessed healthcare products and services online in December than they did just one month earlier. Also, 2.8 million fewer consumers attended in-person medical appointments in December than in November 2021. This shift in consumer behavior noticeably coincides both with the first surge in omicron infection rates and the holiday travel season.

Five percent more consumers (7 million) reported using sites, apps and other digital channels to access this type of information in December than in November.

Figure 2: How consumers obtained their healthcare

Share of consumers having engaged in select health-related activities in the last 30 days, November versus December



Source: PYMNTS.com

PART I:
Staying well, online

Among all demographic groups, millennials are the most likely to use nearly every type of online healthcare service.

The only exception is online mental health and counseling services, which are most likely to be used by Generation Z consumers.

Millennials in particular find digital-first healthcare appealing. They are the most likely of any demographic age group to obtain healthcare-related products and services online, with 46% of them (13 million) doing so in December. This compares to just 27% of Generation X and 13% of baby boomers and seniors.

Millennials also access a broader range of healthcare products and services online than other generations. They are the most likely to have accessed nearly every type of healthcare product or services online, with mental health counseling and other behavioral services being the only exception. Generation Z is the most likely to have obtained their mental and behavioral health services online, though just barely: 40% of them used websites and apps to access mental health, and 41% used sites and apps to attend digital appointments with mental health professionals in December 2021. Among millennials, 38% used websites and apps to engage in mental health-related activities, and 40% attended a telehealth appointment with a mental health professional during December.

Table 2: How consumers in different generations obtained their healthcare

Share if consumers having engaged in select health-related activities in the past 30 days, by generation

	Baby boomers and seniors	Generation X	Bridge millennials	Millennials	Generation Z
Use connected wearable technology that allows the user to automatically track, store and analyze health information over time	18.4%	31.7%	50.0%	53.4%	49.3%
Share exercise or health progress on social media to keep your health goals on track	6.4%	20.3%	37.8%	40.7%	40.4%
Listen to a health-related video or podcast online or use an online video to exercise, do yoga or meditate	10.2%	27.5%	47.7%	51.0%	50.4%
Use a website or app to access supports for mental health, such as guided meditation or mood boosters	5.3%	18.5%	33.6%	38.1%	39.7%
Use a website or app to track your food intake, weight, blood pressure, mood or anything else related to your health	11.3%	26.3%	46.3%	50.4%	45.4%
Use a website or app such as Pill Pack or Gopuff to contact a pharmacist, order or pay for prescriptions	4.8%	15.6%	32.3%	35.3%	31.6%
Accessed online-only healthcare such as Doctor On Demand, NowRx, Lemonaid Health or Web Doctors	6.6%	18.9%	33.2%	36.2%	34.8%
Engage in a telemedicine appointment with a behavioral health specialist, therapist or counselor	7.1%	22.1%	36.9%	40.4%	41.1%
Engage in a telemedicine appointment with a medical doctor, nurse or other physical health specialist	12.3%	25.0%	37.1%	41.4%	39.7%
Use a website or app associated with your in-person healthcare providers to access information, appointments, test/lab results or payments	30.4%	37.2%	46.1%	47.8%	46.8%
Contact a health provider by phone	35.9%	40.4%	51.8%	52.7%	53.9%
Visit a gym or attend an exercise or yoga class in-person	10.9%	24.3%	38.3%	45.2%	46.5%
Visit a health provider in-person in an office, clinic or retail site	46.8%	47.3%	55.3%	57.7%	52.5%

Source: PYMNTS.com

PART I:
Staying well, online

Financial wellness seekers and convenience seekers are digital-first healthcare enthusiasts.

These groups are 50% more likely than the average consumer to obtain healthcare online.

Financial wellness seekers stand out for their appetite for digital-first healthcare. They are the most likely of the three major connected consumer persona groups to access their health-related products and services online, with 45% (24 million) having done so in December 2021 alone. This compares to 26% of information seekers who did the same.

Convenience seekers also are avid digital healthcare enthusiasts, also at 45%. The difference, however, is that while financial health seekers are more likely to attend telehealth appointments and use online-only healthcare services, convenience seekers are more likely to use digital channels to schedule, pay for and manage in-person appointments. For example, 48% of financial wellness seekers attend digital health appointments, compared to 43% of convenience seekers. By contrast, 60% of convenience seekers use apps, websites and other digital channels to schedule and pay for their in-person appointments compared with 57% of financial wellness.

Convenience seekers also are notably more likely to wear trackable devices, watch health-related videos and attend virtual health classes, whether yoga or spin classes or how-to health guides on YouTube.

Table 3: How consumers in different generations obtained their healthcare

Share of consumers having engaged in select health-related activities in the last 30 days, by persona group

	Sample	Convenience Seekers	Information seekers	Financial wellness seekers
Health digital engagement	32.0%	32.2%	42.9%	36.3%
Visit a health provider in-person in an office, clinic or retail site	49.4%	59.2%	45.4%	64.1%
Contact a health provider by phone	46.7%	55.2%	40.7%	62.5%
Visit a gym or attend an exercise or yoga class in-person	29.4%	42.8%	25.7%	44.9%
Use a website or app associated with your in-person healthcare providers to access information, appointments, lab results or payments	42.9%	60.1%	38.7%	57.2%
Use connected, wearable technology that allows the user to automatically track health information	36.3%	55.6%	41.3%	48.5%
Listen to a health-related video or podcast to exercise, do yoga or meditate	32.2%	52.4%	33.9%	47.5%
Use a website or app to track your food intake, weight, blood pressure or mood	32.0%	47.4%	32.3%	48.0%
Engage in a telemedicine appointment with a physical health specialist	29.5%	43.3%	22.1%	47.7%
Engage in a telemedicine appointment with a behavioral health specialist	27.0%	43.1%	19.2%	41.9%
Share exercise or health progress on social media to keep your health goals on track	25.5%	42.6%	20.3%	39.4%
Use a website or app to access supports for mental health, such as guided meditation or mood boosters	25.8%	41.0%	22.4%	39.7%
Access online-only healthcare	24.1%	38.2%	16.8%	40.7%
Use a website or app to contact a pharmacist, order or pay for prescriptions	21.5%	33.0%	12.6%	36.5%

Source: PYMNTS.com

PART II:
The “Digital December” retail rush

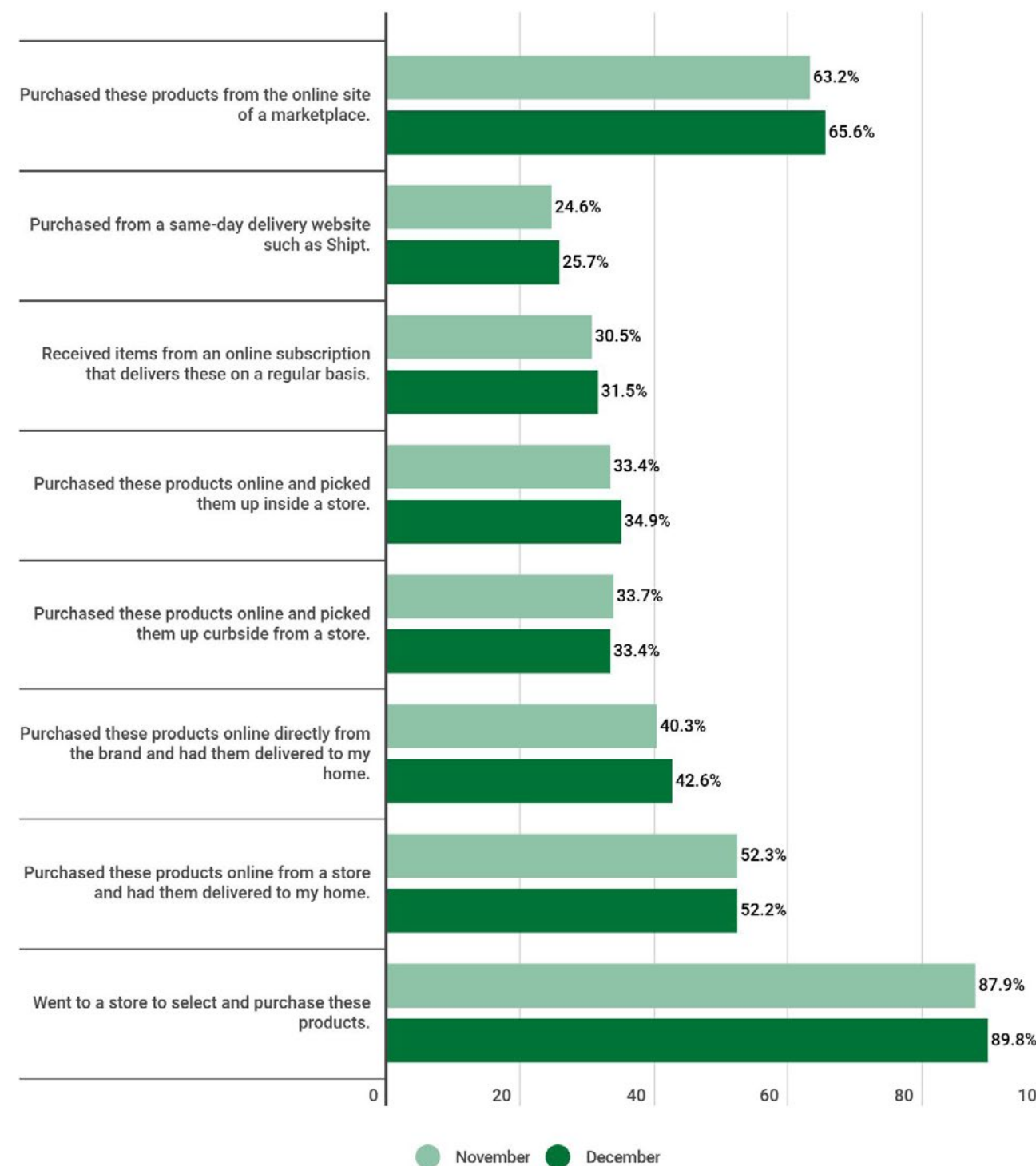
Ninety-seven million consumers made retail purchases online in December 2021 as they rushed to finish their holiday shopping, up 2.6% from November.

The biggest increase was in the number of consumers buying products directly from brands and digital marketplaces.

Online marketplaces were key in helping these last-minute shoppers make their year-end purchases, with 4% (5 million) more consumers shopping on digital marketplaces in December than in November. Also, 6% (5 million) more consumers bought products directly from brands and had them shipped to their homes than in November. Overall, 2.5 million more consumers shopped online in December than in November as they rushed to squeeze in the last of their holiday shopping.

Figure 3: How consumers shopped for retail items

Share of consumers having shopped for retail items in select ways in the last 30 days, compared to the previous month



Source: PYMNTS.com

PART II:
The “Digital December” retail rush

Millennials were six times more likely than baby boomers and seniors to use same-day delivery services such as Shipt at the end of the 2021 holiday shopping season. This makes for the largest generational gap we observed in any type of retail shopping method.

Just as with healthcare, millennials are more likely to shop online for retail products than other generational groups, using every available shopping channel to make retail purchase in larger numbers than other consumers. Our research shows that 59% (40 million) millennials bought at least one retail item online in December 2021, whether they made their purchase on digital marketplaces to be delivered or picked up their online purchases curbside.

Baby boomers and seniors were far and away the least likely of all age groups to shop online, regardless of the digital channel. One digital shopping channel showed an especially large gap in usage between baby boomers, seniors and millennials: same-day delivery aggregators and apps such as Shipt and Shoprunner. Millennials were six times more likely than baby boomers and seniors to buy retail items from these apps and aggregators, making for the largest age gap in digital engagement across any retail shopping channel.

Table 4: How consumers in different generations shopped for retail items

Share of consumers having shopped for retail items in select ways, by persona group

	Baby boomers and seniors	Generation X	Bridge millennials	Millennials	Generation Z
Purchased these products from the online site of a marketplace.	49.6%	64.7%	73.0%	76.0%	69.6%
Purchased from a same-day delivery website such as Shipt.	6.1%	20.5%	38.1%	41.3%	36.4%
Received items from an online subscription that delivers these on a regular basis.	14.5%	27.2%	39.2%	43.9%	40.7%
Purchased these products online and picked them up inside a store.	16.4%	31.6%	47.1%	51.4%	41.1%
Purchased these products online and picked them up curbside from a store.	13.8%	29.9%	46.9%	50.8%	43.9%
Purchased these products online directly from the brand and had them delivered to my home.	26.1%	39.1%	49.3%	54.8%	52.8%
Purchased these products online from a store and had them delivered to my home.	34.6%	51.8%	61.3%	63.8%	61.7%
Went to a store to select and purchase these products.	86.6%	91.0%	91.4%	91.5%	89.3%

Source: PYMNTS.com



PART II:
The “Digital December” retail rush

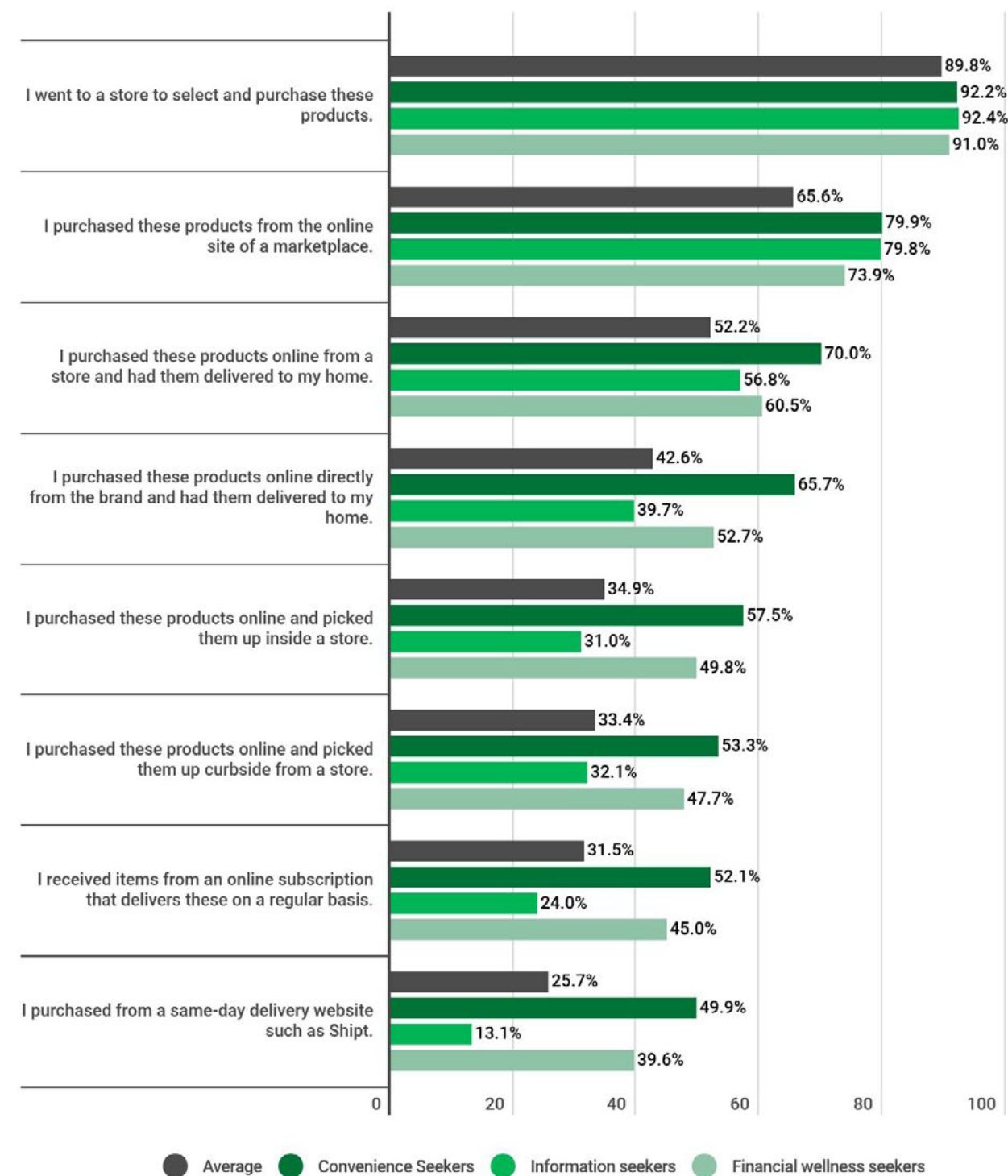
Convenience seekers dominated the last-minute gift-buying rush.

Consumers in this persona group were 50% more likely than the average consumer to have bought retail items online as 2021 came to an end.

Financial wellness seekers, information seekers and convenience seekers all were considerably more likely than the average consumer to have shopped online in December 2021, but not quite so much as convenience seekers: 61% of all convenience seekers (23 million) reported buying at least one retail item online that month, making them 50% likelier than the average to have done so.

Financial wellness seekers were a close second in terms of their online shopping habits, except when it came to digital marketplaces. Information seekers are more likely than financial wellness seekers to have bought at least one retail product on digital marketplaces, with 80% having done so. This compares to 74% of financial wellness seekers.

Figure 4: How consumers in different generations shopped for retail items
Share of consumers having shopped for retail items in select ways, by persona group



Source: PYMNTS.com

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WHAT'S NEXT
IN PAYMENTS:

THE CONNECTED ECONOMY™

The ConnectedEconomy™

Monthly Report

METHODOLOGY

The PYMNTS ConnectedEconomy™ Monthly Report January 2021 is based on a survey of a census-balanced panel of 3,166 U.S. consumers conducted between October 27 and November 8 as a follow-up to a continuing series of studies examining consumers' shift to a more digital way of engaging in everyday activities. Respondents were 47 years old on average, and 51% were female. Thirty-three percent of respondents held college degrees. We also collected data from consumers in different income brackets: 36% of respondents declared an annual income of more than \$100,000, 31% earned between \$50,000 and \$100,000 and 33% earned less than \$50,000. Additional proprietary data from PYMNTS was used for supplementary analysis.

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