



# Adobe Digital Economy Index U.K. E-Commerce Report

Covers Period from  
1 January to 25 June 2025

**Adobe**

# Methodology

The Adobe Digital Economy Index is the only industry report that measures direct consumer transactions online.

Data is aggregated and anonymised to provide a pulse on the digital economy.

- 10s of billions of visits to U.K. retail websites
- 100 million product SKUs
- 18 product categories



# Industry Landscape

Lower levels of consumer confidence, rising in-store costs for essential items and concerns around the future health of the economy, has reduced the online spending power of U.K. consumers.

**UK Retailers Brace For  
Summer Slowdown**

**1**

**Price Sensitive Shoppers  
Opt For Low-Cost  
Alternatives**

**2**

**Retail On The Cusp of  
Generative AI Revolution**

**3**

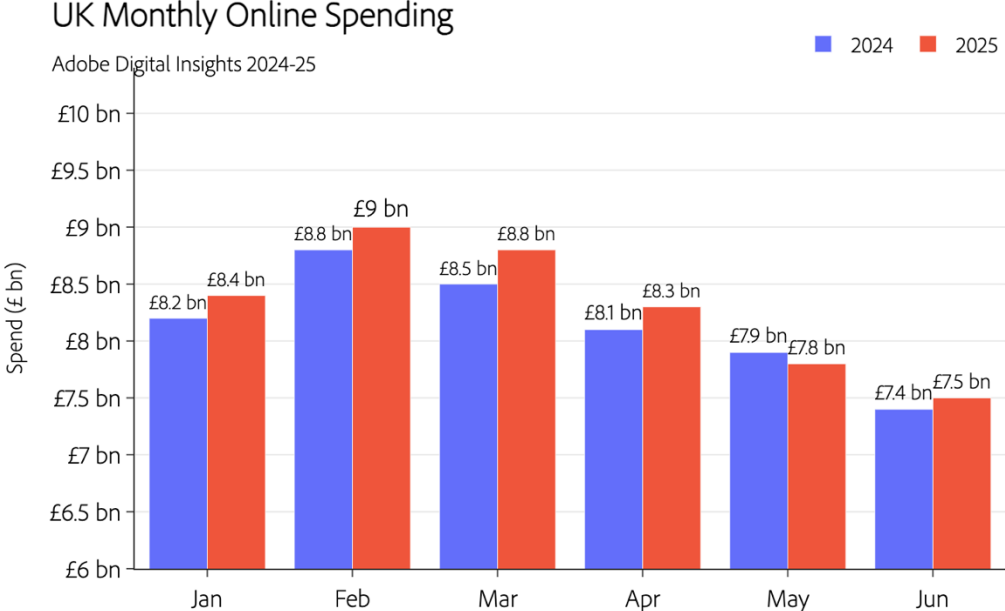
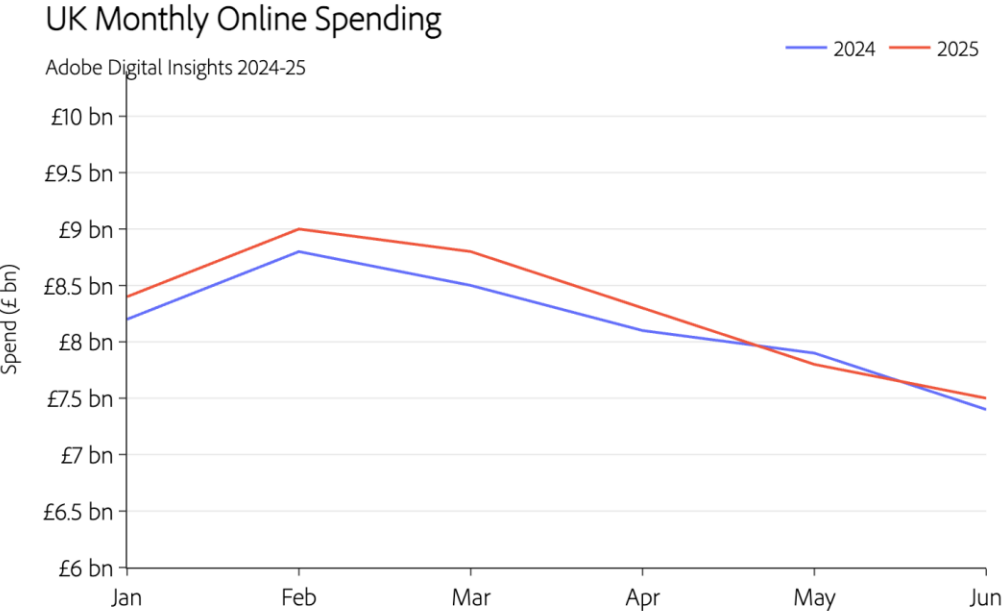
**Major Shopping  
Events Present Major  
Opportunities**

**4**

# UK Retailers Brace For Summer Slowdown

# UK online spend continues to follow yearly trends, but slow growth is a concern.

- Online spending in the first half of 2025 has reached £49.7 billion, up £0.8 billion (1.6%) on the same period in 2024 and a decrease in spending in May.
- UK consumers spent £7.5Bn online in the period from 1-15<sup>th</sup> June, up just 1.4% on the same period in 2024.
- Our data indicates a more cautious consumer who is more mindful in their spending habits, with retailers now bracing themselves for a potential summer slowdown.



# Price Sensitive Shoppers Opt For Low-Cost Alternatives

# Shoppers are trading down across categories.

## Methodology:

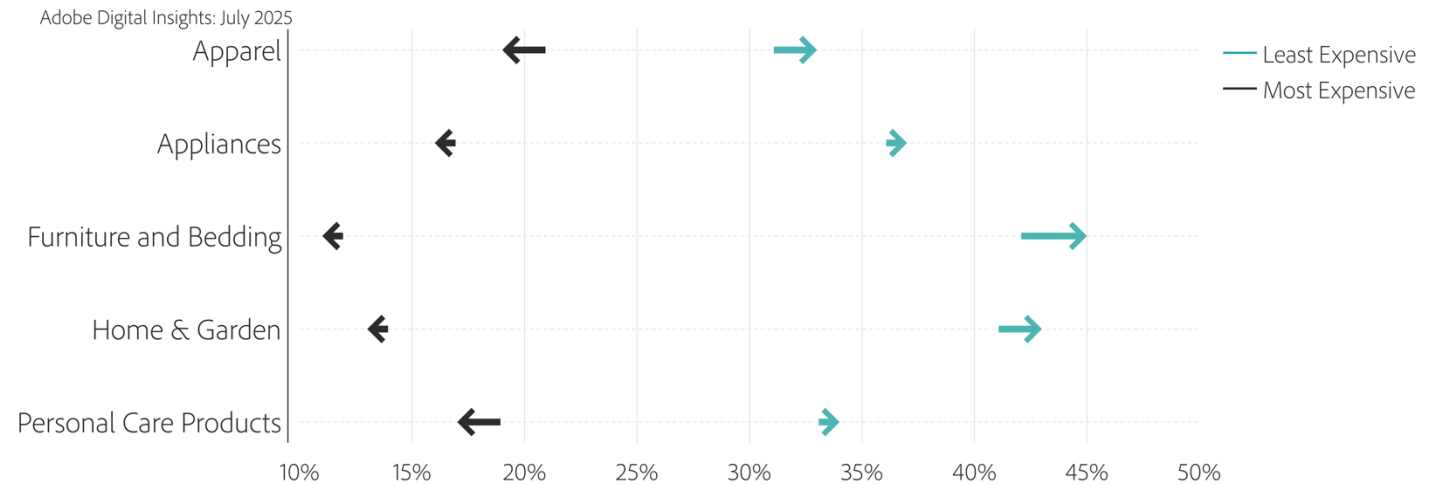
For categories tracked by Adobe, prices were separated into 4 quartiles from the highest to lowest prices. Shares of units sold in the most expensive and least expensive quartiles were totaled from January to June 2025 and compared to the same period in 2024.

## Findings:

Shares of the cheapest goods purchased increased across major categories:

- Apparel (up 4.9%)
- Appliances (up 2.6%)
- Furniture & Bedding (up 7.3%)
- Home & Garden (up 4.2%)
- Personal Care (up 3.1%)

UK YTD Share of Units Sold by Category 2025 v. 2024

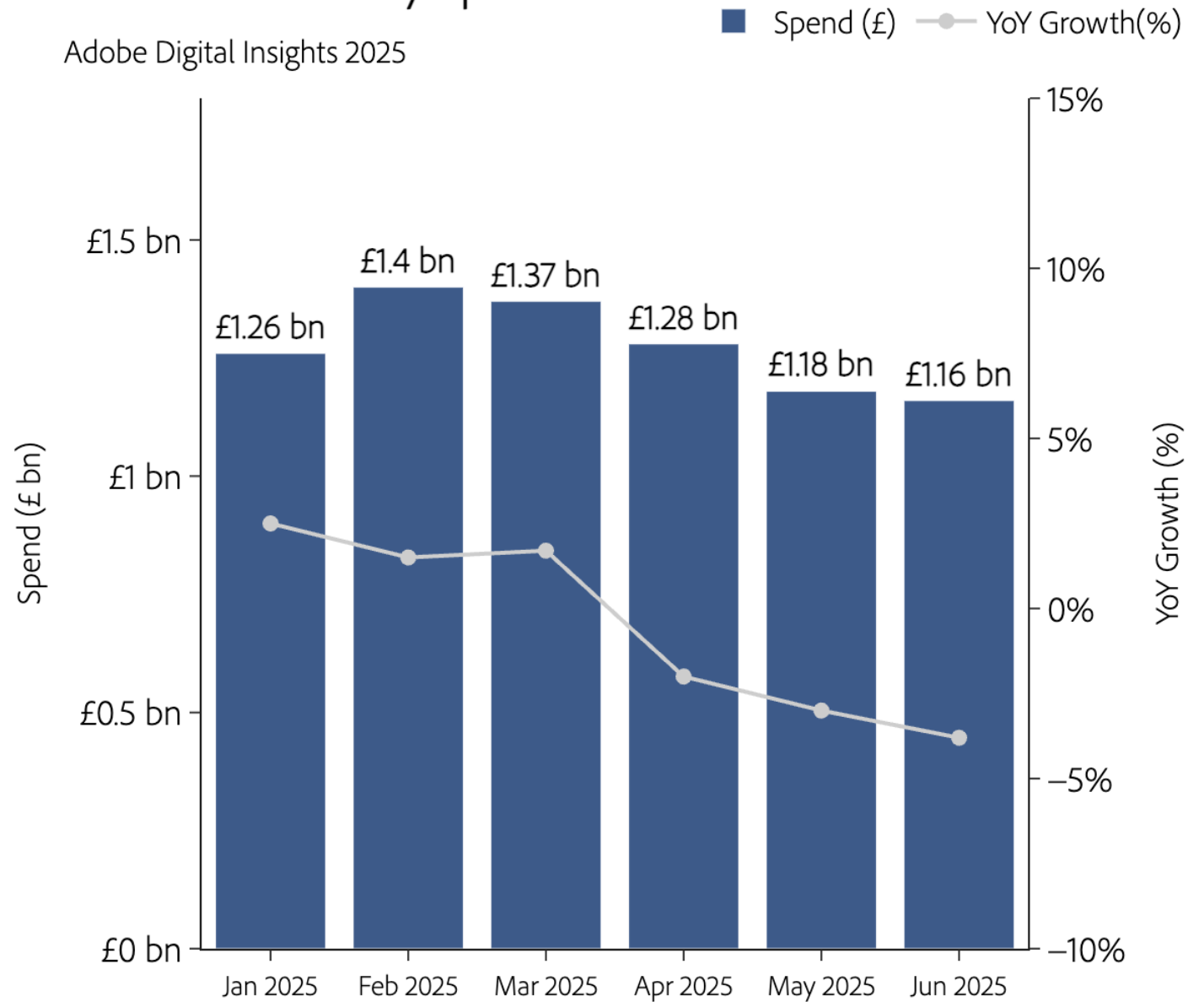


**Buy Now Pay Later (BNPL) usage stabilises after three years of steady growth.**

Growth of BNPL, slowed in H1 2025, with low levels of growth in January – March, and declining year-on-year usage in April, May and June.

## UK BNPL Monthly Spend

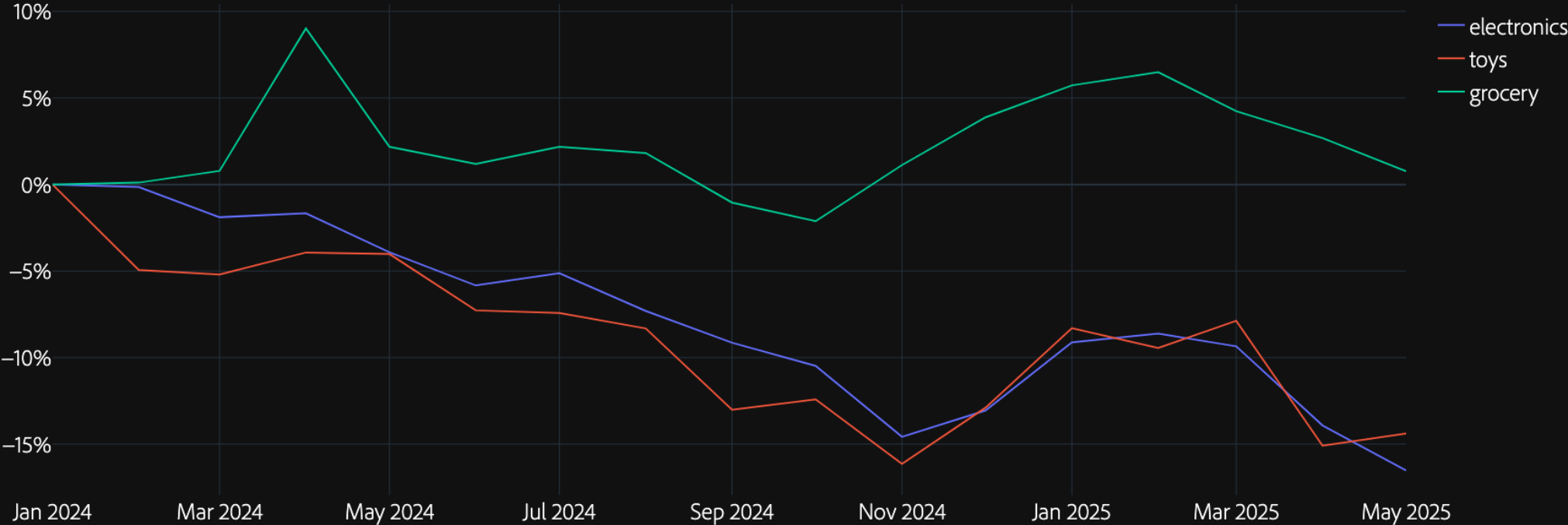
Adobe Digital Insights 2025



# Persistent inflation in online prices of essential items puts pressure on online prices of non-essentials to stay low

UK Cumulative Online Inflation: Jan 2024 - May 2025

Adobe Digital Insights 2025



# Retail On The Cusp of Generative AI Revolution

# Generative AI's Shopping Boom: A Trend That's Here to Stay

AI-driven referrals began their surge in the UK in August 2024 and are continuing to increase rapidly, **growing on average by more than 29% each month.**

In June 2025, AI-led traffic saw nearly a **1,200% increase over August 2024.**

Growth is expected to continue with **35% of consumers reporting already using AI for online shopping** while 47% plan to use it this year\*.

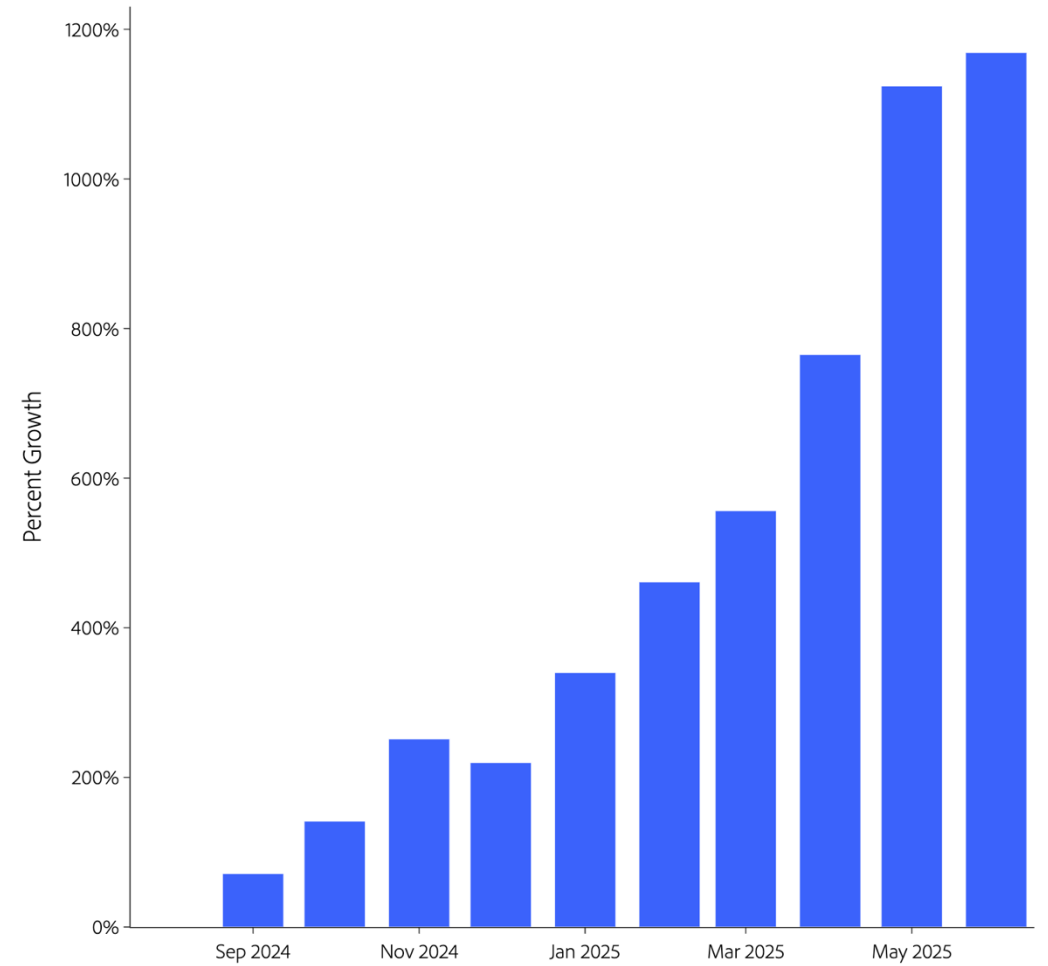
AI platforms are positioning themselves as a central tool in consumer decision-making, bridging the gap between product and brand discovery and purchase, with research and product recommendations among the top reported uses of AI in Retail.

Announcements from GenAI platforms such as Google Gemini, ChatGPT and Anthropic, around new shopping specific features will drive usage and conversion higher as they become widely available.

*Source: Independent survey, commissioned by Adobe, of 2000 marketers. Survey conducted in March 2025.*

Growth in AI-Driven Visit Share (Retail)

Adobe Digital Insights; August 2024 - June 2025



# AI Conversions Surge, Closing the Gap with Non-AI Sources

AI-driven traffic to retail websites is rapidly closing the conversion gap, that non-AI referrals deliver.

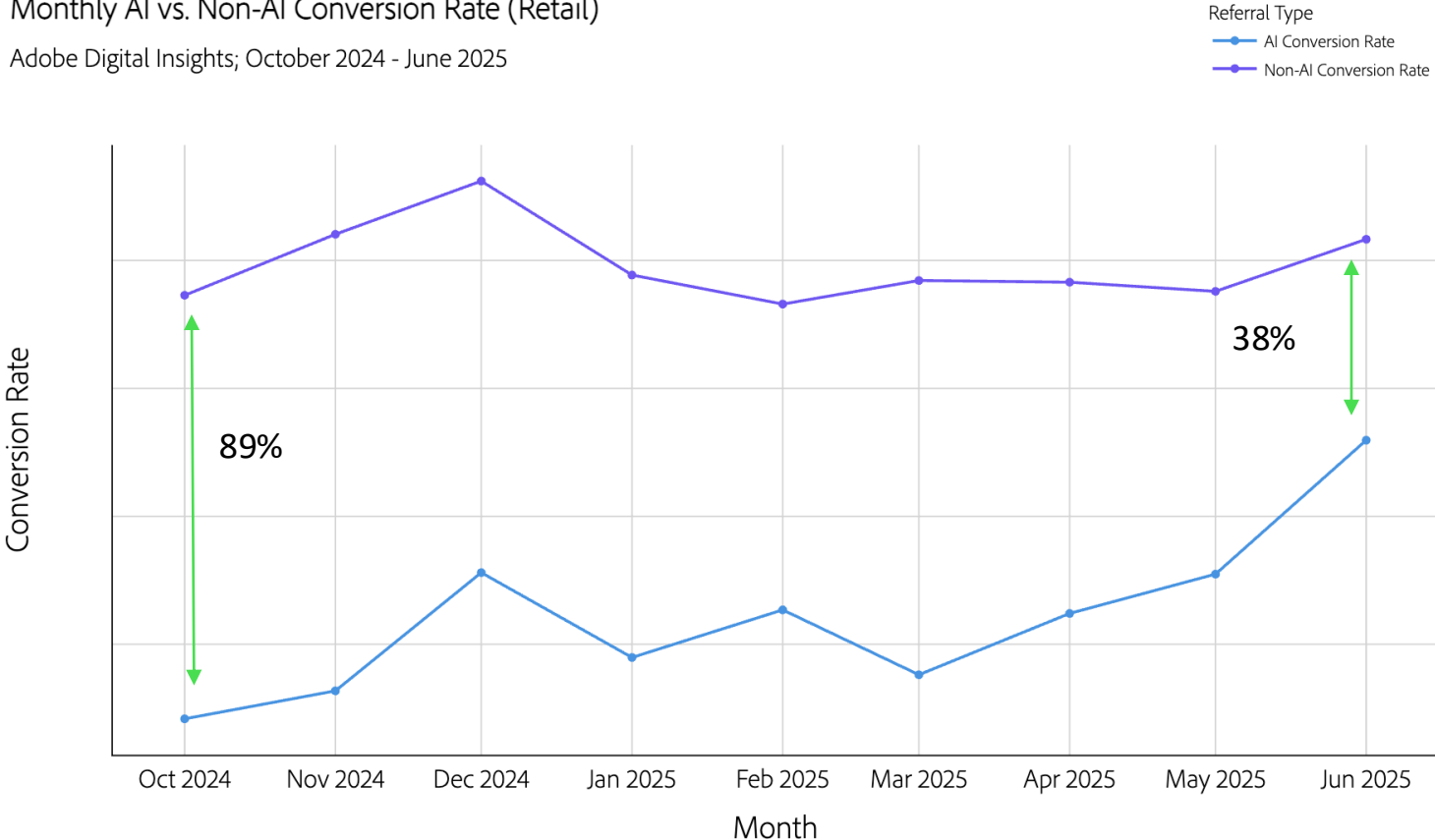
In October 2024 the conversion from **non-AI sources** was **89% higher** than AI-driven sources. In **June 2025** the gap has decreased to **38%**.

The increase is likely driven by broader adoption of built-in search, higher consumer familiarity with Assistants, and increased consumer trust in AI.

As AI platforms continue to improve and evolve, and AI adoption continues to grow, AI referrals could soon rival or surpass traditional channels in conversion efficiency, reshaping how consumers shop.

Monthly AI vs. Non-AI Conversion Rate (Retail)

Adobe Digital Insights; October 2024 - June 2025

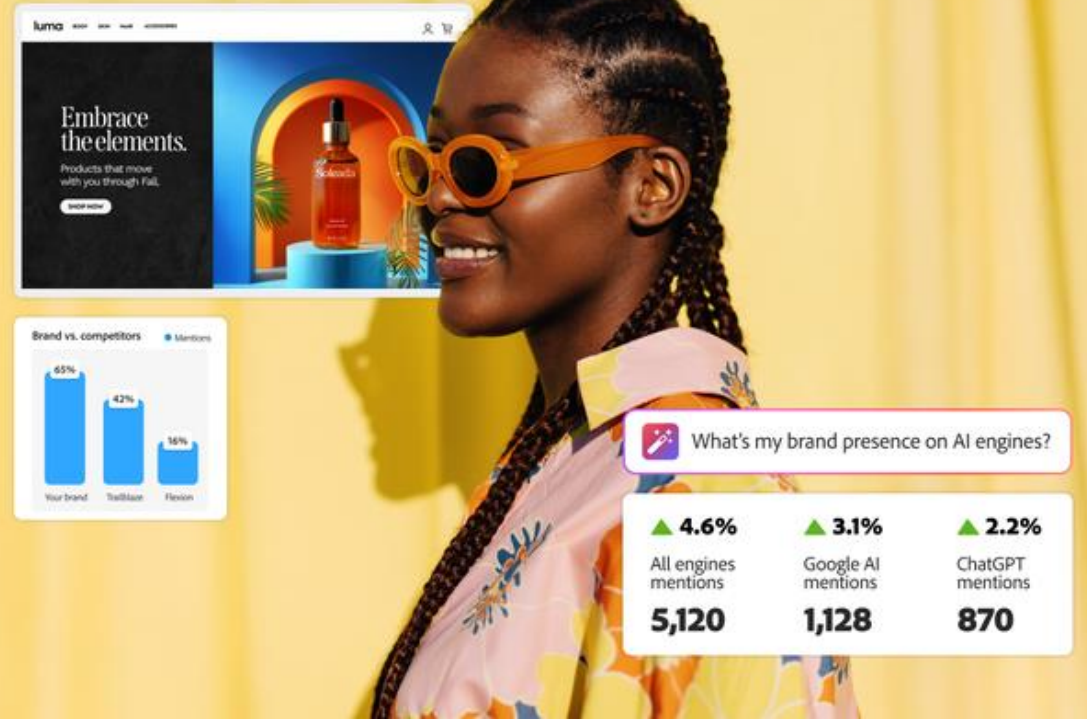


# New Opportunities for Retailers: Consumer Adoption of AI

Shoppers are increasingly turning to generative AI search and assistants for brand discovery:

- 76% of consumers have used AI assistants at least once, with more than 1-in-4 (27%) using them regularly and 11% using them every day.
- More than a third of UK consumers (35%) have used AI assistants when shopping online, while almost half (47%) plan to use it this year.
- Shoppers arriving to retail sites from AI assistants spent 23% longer on-site than non-AI sourced traffic.
- As product research is a top use-case in retail, and how our ADI data shows the conversion gap between AI and non-AI referrals is closing, AI as part of the shopping experience for consumers presents a huge opportunity for retailers.

Source: Independent survey, commissioned by Adobe, of 2000 marketers. Survey conducted in March 2025.



**Adobe LLM Optimizer** helps shape how a brand shows up in GenAI results, driving measurable visibility, qualified traffic, and influence — at every stage of the customer journey.

Adobe LLM Optimizer allows brands to:

- Own their presence within AI search and discovery.
- Turn AI-driven traffic into measurable business growth.
- Optimise and deploy content for higher AI search performance.

<https://business.adobe.com/uk/products/llm-optimizer.html>

**Major Shopping Events**

**Present Major Opportunities**

# Category Specific Events Drive Big Boosts

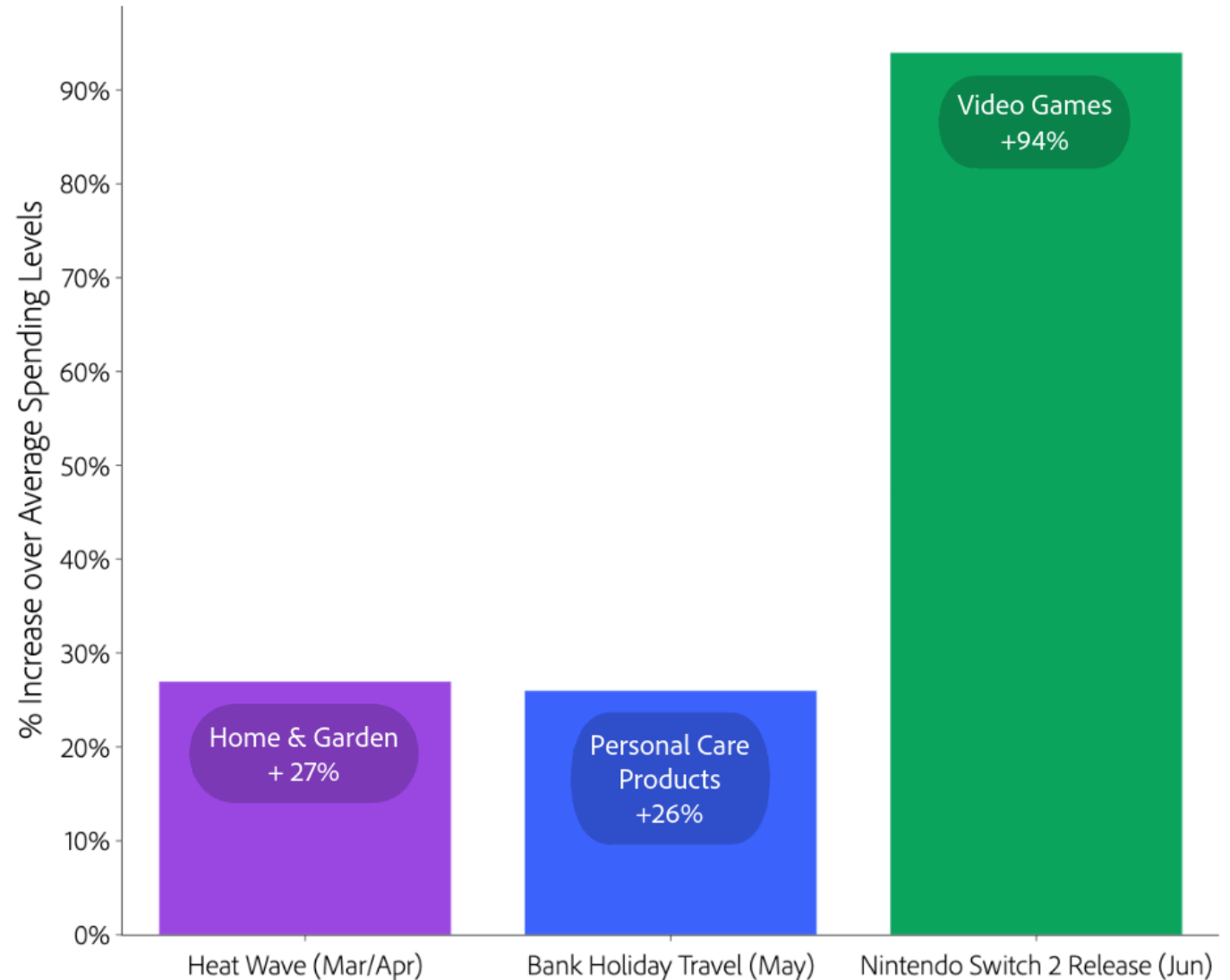
It's not just e-commerce wide events that retailers should be tracking and running promotions against. Each category has its own calendar of events that can drive much needed spending around key moments.

Examples from H1 2025 include home and garden spending in unseasonably hot March and April, and the Nintendo Switch 2 launch on 5<sup>th</sup> June boosting growth across the wider video game category compared with normal levels.

- Video Games: June Switch 2 Launch +94% compared to average daily sales in May
- Personal Care Products: May Bank Holiday Travel +26% compared to normal levels.
- Home & Garden: March/April Heatwave +27% compared to Feb.

## UK Event-Driven Online Category Spending Boost - 2025

Adobe Digital Insights 2024



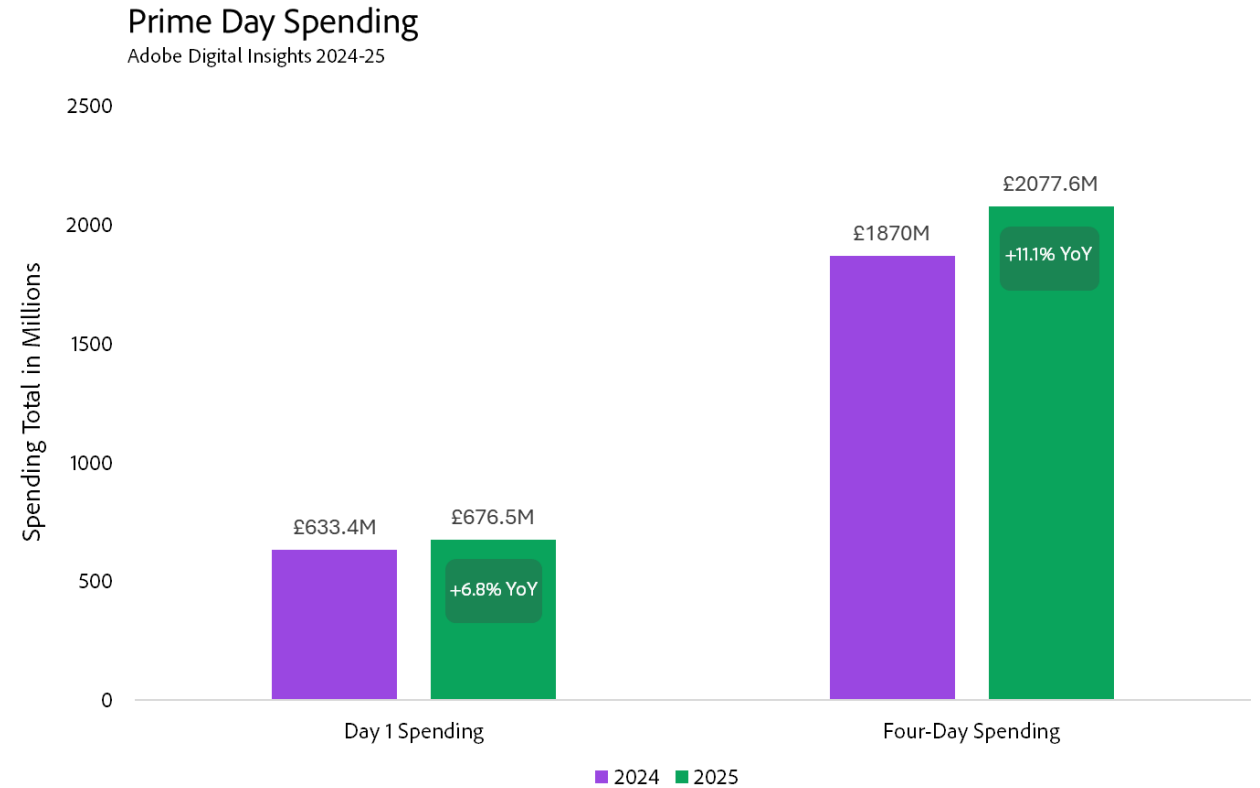
# Prime Day Shopping Provides Boost to UK Retail

July's Prime Day event again proved to be a landmark moment across the e-commerce landscape more broadly.

UK shoppers spent more than £2 billion across the four days, up 11% on 2024, with £676.5 million spent on day one alone, making it the highest spending day of the year so far.

After a disappointing second quarter, Prime Day saw significant uplift in spending in non-essential categories as shoppers seized the moment to take advantage of deep discounts before they disappeared.

- Retailers reduced prices by 14% on average with the largest savings seen in:
  - Apparel – down 18%
  - Televisions – down 18%
  - Electronics – down 17%
  - Home and garden – down 15%
  - Personal care appliances – down 13%
- The largest increases in sales came in:
  - Computers – up 82%
  - Smart home items – up 78%
  - Kids apparel – up 76%
  - Baby toys – up 72%
  - Personal care appliances – up 58%



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