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ever, according to Adobe Inc.

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By Spencer Soper, Bloomberg News (TNS)

U.S. shoppers spent \$11.3 billion on Cyber Monday, a robust showing that suggests steep discounts attracted inflation-stung shoppers.

Spending increased 5.8% from a year ago, making it the biggest online shopping day ever, according to Adobe Inc., which compiles the data. Adobe adjusted its online

spending forecast for November and December slightly upward based on higher-

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the right call this season to drive demand through heavy discounting,” said Vivek Pandya, lead analyst at Adobe Digital Insights. “It spurred online spending to levels that were higher than expected, and reinforced e-commerce as a major channel to drive volume and capture consumer interest.”

Adobe said the surge in consumer spending online during the Cyber Five was driven by demand, not simply inflation. The firm said prices across 18 product categories it tracks have been almost flat in recent months. Adobe doesn't adjust its data for inflation but said that, even if online price gains were factored in, “there would still be growth in underlying consumer demand.”

Hot items included Legos, drones and digital cameras. Discounts were steeper compared with a year earlier. For instance, electronics had mark-downs that peaked at 25%, according to Adobe, which tracks 1 trillion visits to retail websites and monitors sales of more than 100 million products.

Conflicting economic indicators have made this year's holiday season difficult to predict. Unemployment remains low, but interest rates are rising and lofty prices have made inflation top of mind. Adobe doesn't adjust its forecast for inflation, but said the slow rate of growth isn't entirely inflation-driven because prices for many consumer goods, particularly electronics, have dropped from a year ago.

Big sale days like Black Friday and Cyber Monday have been gradually losing their cachet as shoppers spread their spending over longer periods. Black Friday online spending rose 2.3% to \$9.12 billion and was better than anticipated, Adobe said. The total for November and December combined is set to reach \$210.1 billion, up 2.8% from last year, according to the firm.

Shoppers less concerned about Covid-19 returned to stores for more of their shopping, which blunted online sales growth, according to Adobe. Overall Black

Friday spending—both online and in store—was up 12% from a year earlier,

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“Consumers probably look for deals in an inflationary environment, but this is also good news about the strength of U.S. consumption,” said Branded Group Chief Executive Officer Pierre Poignant.

Cyber Monday “isn’t worth waiting for anymore” since most retailers just rebrand their Black Friday deals as Cyber Monday deals, said Kristin McGrath, a shopping expert at the deal-monitoring website BlackFriday.com. Retailers offered bargains on counter-top kitchen appliances and electronics, which will likely be discounted even further after Christmas for those not in a rush, she said.

“Anything they don’t sell will be marked down again,” she said. “So you only have to buy it now if you want to give it to someone as a gift.”

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