

7 Industries That Bucked Inflation and Surged in 2022

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It was a tough year for most industries. CEOs in sectors across an array of business sectors — from restaurants and furniture stores to motor vehicle and parts dealers — wrangled with market volatility, supply chain woes and inflation.

And yet a handful of industries bucked the negative trends and actually prospered in 2022. Let's have a look at the sectors that surged in the past year — or at least picked up steam.

Cloud Computing

“The remote work trend has exploded in popularity over the previous ten years, but since the pandemic hit the world in 2020, its adoption has accelerated,” said Simon Brisk, CEO of Click Intelligence.

“Cloud computing solutions are stepping in to help firms and remote workers with day-to-day operations. Within the next six years, it’s anticipated that the global cloud computing market will grow to [roughly \$1.25 trillion] in value. As a result, between now and 2028, it would see a compound annual growth rate of around 19.1%. Salesforce, Zoom Video Communications and Veeva Systems are some of the top stocks in the cloud computing industry.”

Specialty Trades

“Specialty trade contractors such as electricians, plumbers and HVAC specialists have seen strong demand over the past several years as the housing market boomed and Americans began spending more time working and socializing at home, inspiring demand for home improvement,” said Ben Johnston, the COO of Kapitus.

“Even as higher interest rates slow the housing market, specialty trade contractors remain in demand to perform existing home renovations and maintain our aging housing stock. These contractors have largely been able to pass on the higher cost of labor and materials to their customer base, resulting in higher revenue and sustained margins.”

Financial Sector

“When inflation was through the roof in 2022, the financial sector seemed to prosper in these uncertain times,” said Spencer Reese, the CEO of Military Money Manual. “It includes banks, insurance and investment companies. The reason that the financial industry remained stable was due to the introduction of new rules and regulations. This influx of change took place after the 2007-2008 financial crisis. Due to the presence of such clauses, this sector is much more robust as compared to previous years. Banks now hold more capital as compared to risk-weighted assets. This change was implemented due to tighter underwriting standards.”

Leona Bass, marketing director at LoanAdvisor, adds that organizations had to hire financial analysts to rework their budgets to stay in business during the pandemic.

“Banking and financial literacy have been critical in assisting businesses to continue operating even when operations have been halted due to a crisis,” Bass said. “Because of the country’s political stability and pro-business environment, Singapore’s financial services industry has grown steadily. Over 5,200 positions are available in the financial industry, with 96% of them for PMET roles like risk management, compliance, relationship management, and financial analysis.”

Fintech

“The fintech industry’s sudden growth is directly attributed to consumers’ change of behaviors during the pandemic, which encouraged many people to shift to the cashless payment method,” said Adam Garcia, founder of The Stock Dork.

“Limited face-to-face interactions have propelled companies in the financial sector to embrace digitalization in their commercial transactions to ensure they remain accessible to their audience. Many businesses have invested in software that lets them accept digital currencies in lieu of physical cash.”

Healthcare

“Healthcare is expected to be the fastest-growing industry, with a projected growth rate of 7.5%,” said Kreisel Jaquish, marketing manager of Hellovein. “The aging population is the primary driver of this growth, as the need for healthcare services increases with age.”

Electric Vehicle

“One industry that is growing is the EV industry (electric vehicle manufacturing and related industries like battery design, battery production, battery charging equipment and battery recycling),” said John Boyd, principal of The Boyd Company, Inc.

“Over the past year, companies have announced \$13 billion in EV manufacturing in the U.S. — this is more than triple the investment in 2020. Much of this has to do with the new federal incentives — including tax credits to make EV cars more affordable for buyers and billions of dollars to build an EV charging infrastructure throughout the United States. This new federal infusion of dollars is transformative and similar to our nation’s investments to create the interstate highway system in the 1950s and to our federal government investments in developing the internet in the 1980s that lead to our digital economy today.”

International Travel

“Towards the end of 2022, particularly at the start of Q3, the international business and leisure travel markets started to rebound and reached 67% of its peak in 2019,” said Prasad Gundumogula, CEO of public travel-tech company Mondee.

“The wholesale airfare market was definitely hit by the pandemic and inflation impacted leisure travel but not as much as it has affected sectors like retail. Almost every industry across the board struggled or is struggling with either inflationary or supply chain issues, but Q3 really marked a milestone for industries who were able to fight against these pressures and make a strong comeback before year end.

“To validate this, our Q3 net revenue growth indicates a significant improvement in international travel compared to the same quarter in 2019,” Gundumogula continued. “The travel market at-large is making a significant rebound and reaching beyond 2019 levels and we can anticipate Q4 to be a good quarter for the travel industry simply because, with restrictions easing, business travel has resumed and is steady, and leisure travel is expected to pick up given people are keen to go on vacation and trips outside of North America after such a long period of time.”

Black-Owned Businesses

Though not an industry so much as a category, this is worth highlighting.

“The success of Black-owned businesses in 2022 was notable,” said E.L. Forestal, founder of FindBlackTherapist.com. “They managed to buck the inflation and supply chain issues through their determination and resilience to succeed. This was largely due to the rise in consumer demand for products created, marketed, or supplied by Black-owned businesses. The increased visibility of these businesses offered them a platform to market their products and services to a larger audience, resulting in increased sales.”