

The holiday shopping season is starting earlier than ever

Article

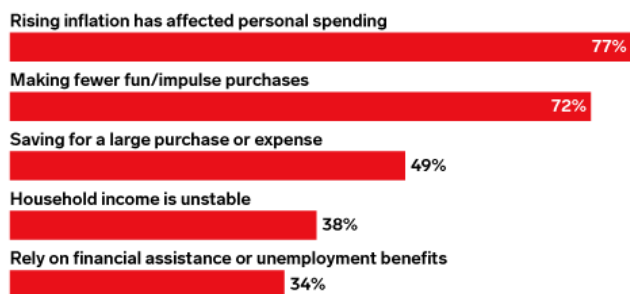
The trend: A large share of consumers aren't planning to wait until they stash away their Halloween decorations before they begin shopping for the holidays.

- Amazon's new [Prime Fall Season Event](#), which is expected to take place next month, will likely spur many to kick off their holiday shopping earlier than in years past.

- Some consumers have already started. **Twenty-five percent of shoppers either began their holiday shopping last month or plan to begin shopping in September**, [per](#) Bankrate. Another 25% expect to begin in October, while only 40% plan to start shopping in the final two months of the year.
- Consumers' desire to snag holiday gifts before prices rise** is the top reason that 37% of US shoppers (and 42% worldwide) plan to start buying gifts earlier this year, [according](#) to Salesforce.
- Retail sales excluding auto and gas for the extended holiday season that runs from Oct. 11 to Dec. 24 are expected to rise 6.2% year-over-year (YoY)**, [per](#) MasterCard SpendingPulse, and 17.1% over the same period in 2019. Over the extended period, the forecast expects retail ecommerce sales to rise 4.5% YoY and offline sales to jump 8.0%, both slightly outpacing the respective 4.2% and 7.9% expected in each category in the final two months of the year.

How Economic Indicators Are Influencing US Consumers, May 2022

% of respondents



Source: Jungle Scout, "Consumer Trends Report: Q2 2022," June 23, 2022

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Get ready: Throughout the pandemic, many consumers began their holiday shopping early to avoid their orders arriving late, and several retailers expect those trends to continue.

- "We expect the holiday buying still will be starting in the month of October as it did in the pandemic years," said **Macy's CEO Jeff Gennette** last month during the company's earnings call. The retailer is leaning into the trend by kicking off its **Bloomingdale's** 150th anniversary celebration, which will run through the holiday season and feature special events and luxury designer collaborations.
- Similarly, **Build-A-Bear Workshop** has already launched its Halloween and seasonal product lines because "consumer demand has continued to lean into these purchases earlier," said CEO

Sharon Price John during the company's earnings call.

- The shift in spending should help retailers and delivery providers by smoothing out the flood of holiday purchases that requires companies like **UPS** and **FedEx** to boost their delivery capacity. That could also reduce the need for retailers to add additional in-store and warehouse workers as well as provide them leeway to make adjustments if sales fall short early in the season.

Differing opinions: While many retailers are prepping for an early start to the holiday sales season, others expect consumers to revert to their pre-pandemic habits of waiting until mid- to late-November (or even December) to begin shopping.

- **Tillys** CEO **Michael Henry** expects “normalized holiday shopping patterns” to return, and **Best Buy** CEO **Corie Barry** said the retailer’s “hypothesis is you're going to see a holiday that starts to look a little bit more like what we saw pre-pandemic” as consumers hold out for the best deals.

The big takeaway: With inflation at the forefront of many consumers' minds, **retailers would be wise to try to use early promotions to pull holiday sales forward.** Doing so can help them avoid further swelling their inventory while also reducing the need for the typical end-of-season mad dash to capture sales.