

There's little consensus among holiday forecasts

Article



The situation: Retail industry expectations for the 2024 holiday season are all over the map.

- **Craig Johnson**, president of Customer Growth Partners, told WWD he expects a “so-so performance” with sales growing 2.5% year over year (YoY) to 3.5% YoY.
- Salesforce forecast a modest 2% gain in the US market and predicts a “competitive, intense” season as consumers sharpen their focus on price.
- Coresight Research projects sales from October through December will grow 4% YoY with **Shein, Temu, and TikTok Shop** grabbing share from domestic retailers.

Our forecast is far more optimistic as we expect sales to rise 4.8% YoY in November and December, with ecommerce sales growing 9.5% YoY.

An uncertain landscape: The wide array of forecasts reflects an unusual environment shaped by lingering inflation effects, potential interest rate cuts, and a volatile election season.

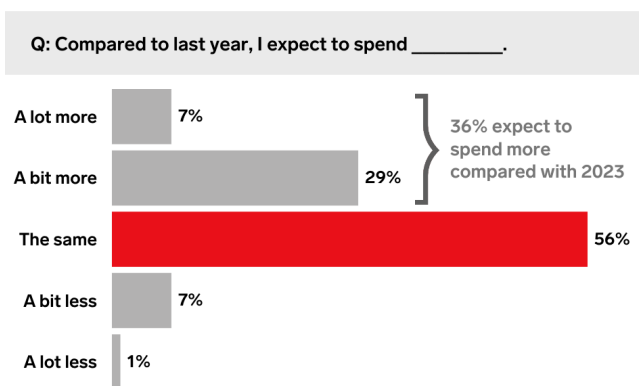
- Our bullishness stems from several economic indicators that point to a relatively healthy economy with fair **GDP growth**, a relatively solid (albeit softening) labor market, and waning inflation. Consumer confidence also ticked up in August, per **The Conference Board**, and will likely continue to rise if and when the Fed cuts interest rates.
- Even as shoppers grow increasingly focused on value, few plan to cut back on holiday spending this year. **Ninety-two percent of US consumers plan to spend at least as much as last year, including 36% who expect their holiday expenditures to increase**, per a Basis Technologies survey.

Our take: We expect consumers will seize upon opportunities to stretch their budgets as they hold out for value and hunt for deals. Some may also turn to credit and flexible payment options.

Go further: Read our [US Holiday Shopping 2024](#) report.

More Than Half of Consumers Expect to Maintain Holiday Spending and Over a Third Anticipate Increases

% of US internet users, May 2024



Note: n=2,000 ages 16+
Source: Basis Technologies in collaboration with GWI, "2024 Holiday Shopping Trends," July 11, 2024

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