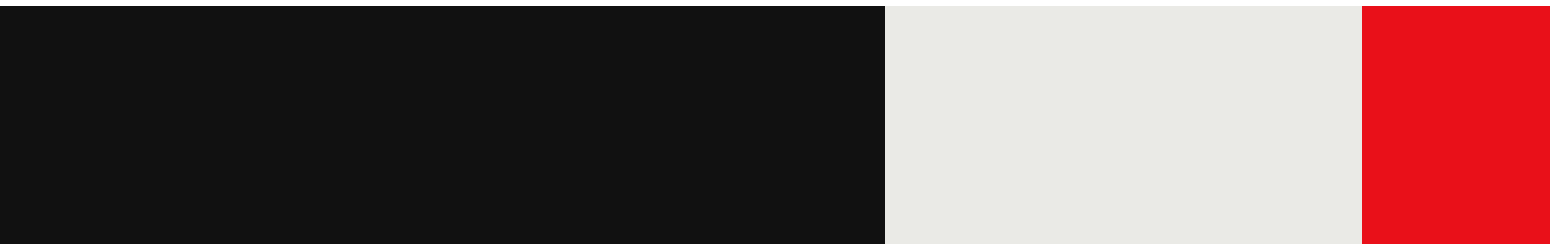



Cost concerns are top of mind for this year's holiday shoppers

Article



The insight: The majority of shoppers—80%—plan to reduce their holiday spending this year, per a survey by Celigo, as inflation and economic pressures continue to weigh on consumers' budgets and confidence.

- Roughly half (49%) expect to spend less than \$1,000 this year on gifts.

Zoom in: Cost continues to be the overriding factor in most shoppers' purchasing decisions. Over three in four (77%) of consumers say they will prioritize value and look for cost-effective options for their holiday purchases.

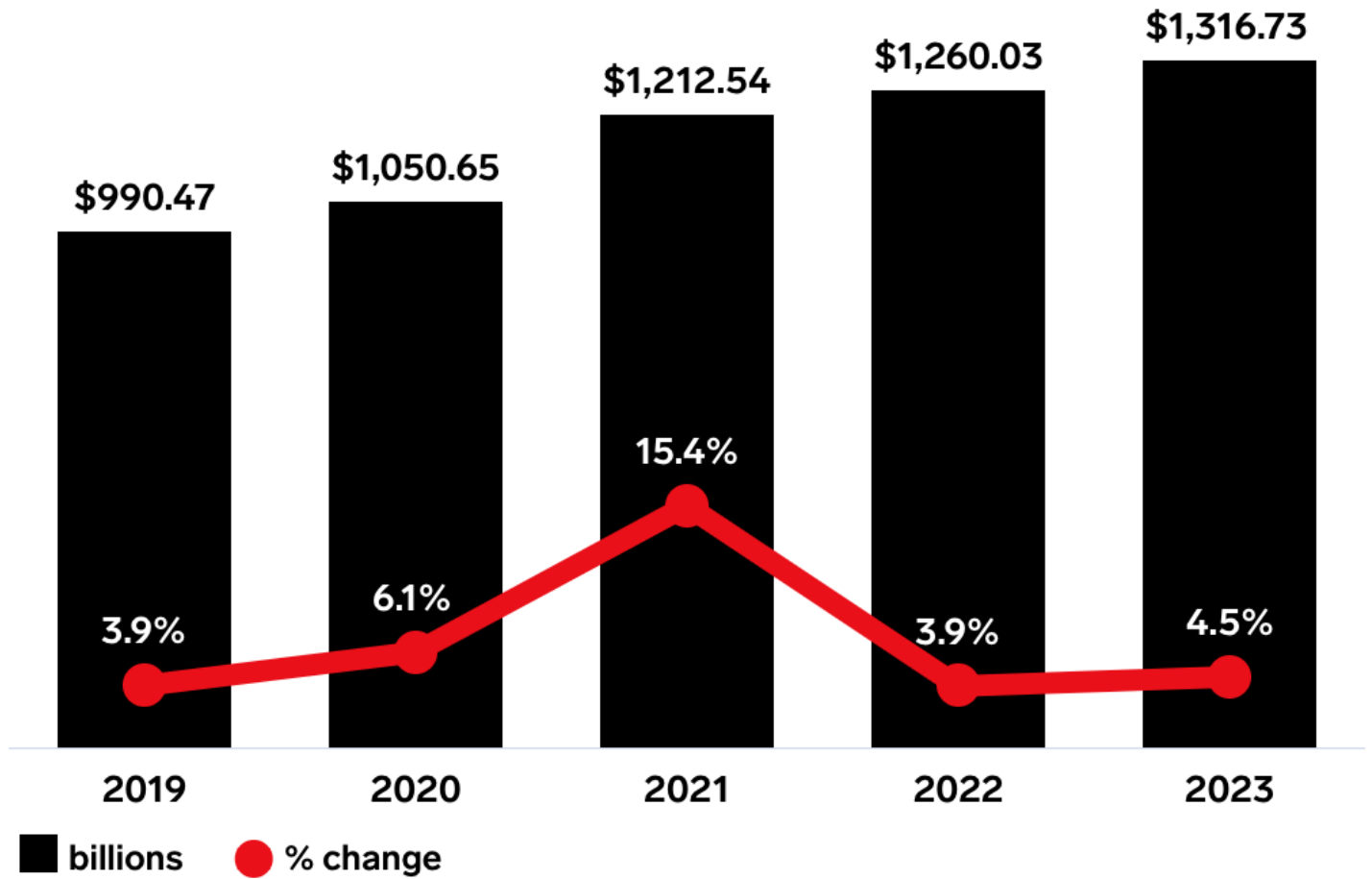
- The emphasis on value is also driving consumers to start their holiday shopping earlier than ever: Eleven percent began in July, per a survey commissioned by Bazaarvoice.
- Almost 50% plan to begin in September, per Celigo, as shoppers look to lock in deals and avoid the holiday rush.
- The proliferation of promotional events prior to Black Friday and Cyber Monday—including **Amazon's** Big Deal Days and similar sales from competing retailers—is reducing the importance of the Cyber Five. Nearly one in three (28%) of shoppers said Black Friday will not be part of their holiday shopping plans, while 26% said the same about Cyber Monday.

The big takeaway: As has been the case for the entire year, retailers will have to lean into value this holiday season to attract price-conscious shoppers.

- As well as keeping prices low, retailers should look for ways to offer more convenience to consumers—such as by expanding click-and-collect capabilities, extending return windows, or allowing flexible payment options such as BNPL—to encourage shoppers to spend.

Holiday Retail Sales

US, 2019-2023



Note: sales are for Nov and Dec of each year; excludes travel and event tickets, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling and other vice goods sales

Source: Insider Intelligence | eMarketer, June 2023

Insider Intelligence | eMarketer