

Holiday Expectations Survey Research

Survey Research Results



Sitecore conducted survey research among consumers about the 2022 holiday season.

About the survey

- 1,013 U.S. residents completed a 10-minute survey
- Survey was conducted Aug. 25-29, 2022
- Quotas were set to balance participants by age and gender

- Participants were recruited from an actively managed online panel
- Participants were incented using rewards points offered by their online panel

- Additional results can be found at <https://portal.Advanis.net/sc>
- The survey was conducted in five countries (UK, US, France, Germany, Australia)



Advanis is a member of the Canadian Research Insights Council (CRIC) and confirms that this research fully complies with all CRIC Standards including the CRIC Public Opinion Research Standards and Disclosure Requirements. This research was sponsored by Sitecore and conducted by Advanis. For information about data collection, please contact *Lori Reiser, CAIP* (lori_reiser@advanis.net 519.340.0125)

Key Findings

Regifting, Side Hustling and Cord Cutting: Consumers Are Doing More to Spend Less

While half of Americans (53%) will spend the same amount this year as last year, **many U.S. shoppers say they'll cut back spending.**

To afford gifts this season, shoppers are getting creative and younger shoppers are even giving up things they can live without.

24%

Will purchase fewer gifts



Will sell possessions (15%)
Regift a present (17%)
Take on another job or more hours at work (17%)

22%

Will spend less on gifts



30% Gen Z & 21% Millennials will give up their Netflix subscription



40% Gen Z and 42% Millennials will cut back on personal experiences like dining out



16% Gen Z and 23% Millennials will use buy now, pay later when possible

Key Findings

Online Shopping Will Dominate This Holiday If There's Free Shipping

Despite eased restrictions on in-person shopping, just **1 in 4 plan to shop in store** (22%).

Instead, consumers prefer to shop online mostly because of convenience and the lure of a good deal.

And while buy-one-get one offers and sales are great way to drive online purchasing, **free shipping is the most enticing discount** (45%).

76%

Shop online to get early access to deals and discounts



Shop online to spread out payments / use buy now, pay later features (16%)

22%

Shop online to avoid crowds (and it's quicker/easier (61%)

\$9

The most consumers are willing to pay for shipping

33%

Won't purchase an item that doesn't come with free shipping

35%

Will buy more items to meet free shipping requirements

Key Findings

(Secretly) Shopping 9-to-5: What a Way to Find a Deal

Holiday shopping is a full-time job, and consumers aren't shy about **using the workday to find holiday deals.**

As long as prices are competitive, shoppers will **prioritize "mindful shopping"** by purchasing American-made products and shopping small and black or minority businesses.

62%

Will holiday shop during while at work / during the workday



Have opened secret browsers to holiday shop during work (36%)

4+ hours

The amount of time nearly one in 5 (16%) spend researching gifts before purchasing



Will prioritize buying American made (71%) products and small business (74%)

57%

Will prioritize buying from black or minority businesses

Key Findings

Self Care and Self Loathing? There Is a Fine Line to Treating Yourself

In addition to secretly shopping at work, **consumers are also secretly shopping....for themselves.**

They plan to treat themselves with expensive or luxury items, but they'll also make room for **impulse purchases**, which they admit are often made to **distract or feel better** about what's happening in the world.

30%

Will treat themselves with an expensive or luxury item during the holiday



Concealed gifts bought for self during the holiday (20%)

36%

Hid their gifts because they feel guilty or ashamed for shopping for themselves (36%)

27%

Forgot they purchased an item for themselves until it got delivered

49%

Make impulse purchases to distract themselves or feel better about what's happening in the world

41%

Say they make more impulse purchases during the holidays

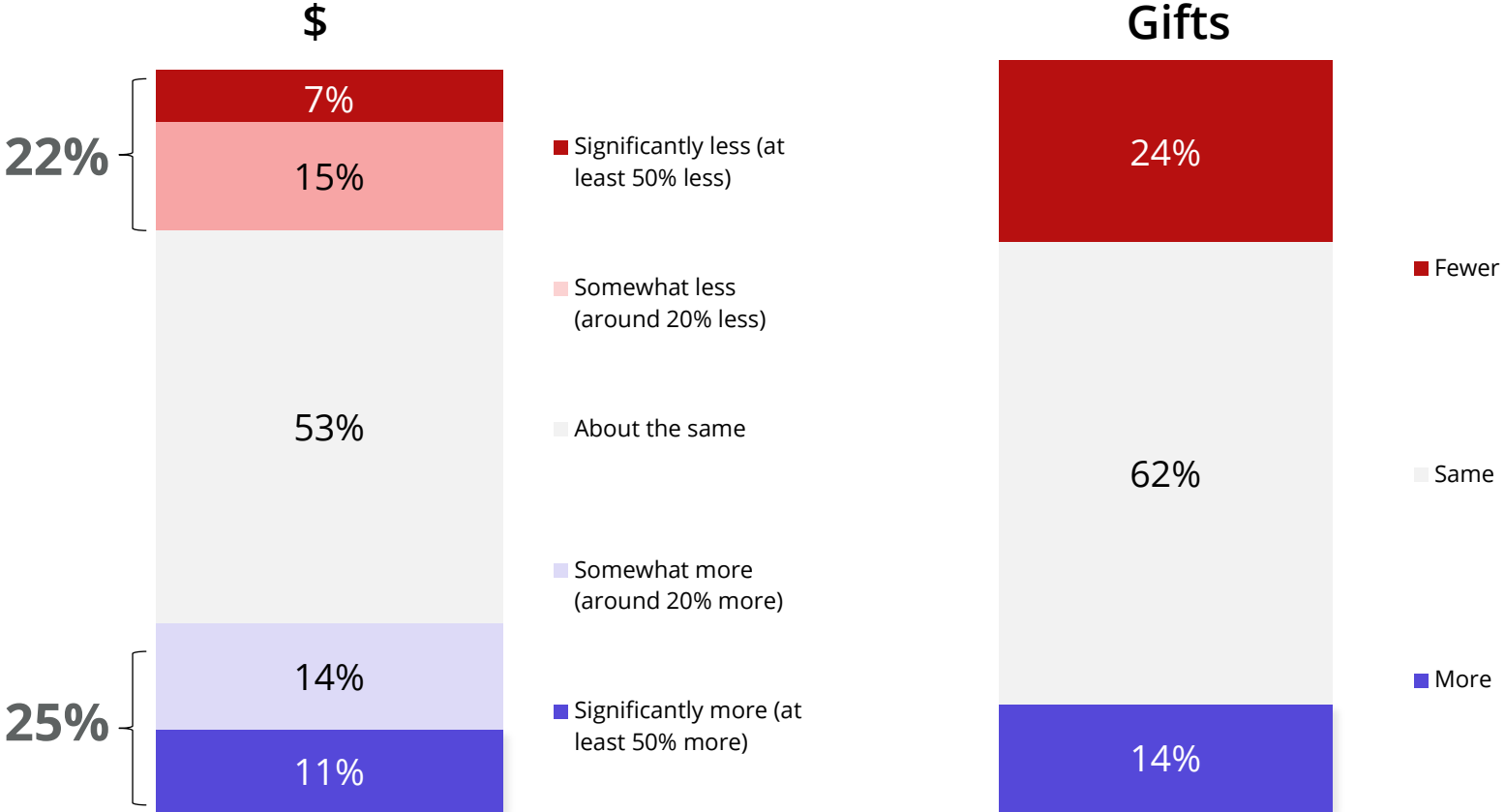


Affordability



Planned Spending & Number of Gifts

Most consumers expect to spend the same (in terms of spend and number of gifts) in 2022, compared to 2021. But, for 1 in 5, they expect to spend less.



Those with \$100k or higher income are planning to spend more this year:

- 32% will spend more
- 23% will buy more gifts

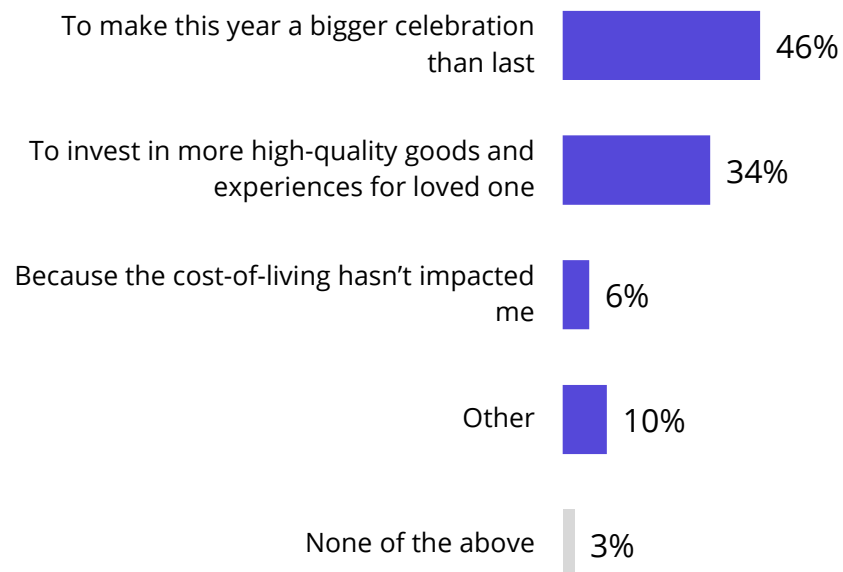
q7t - How will your holiday spending this year compare to the 2021 holidays? Base: US (1,013)
q29 - Do you plan to buy more, fewer or the same number of gifts this year compared to last year? Base: US (1,013)
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Why change spending this Holiday Season?

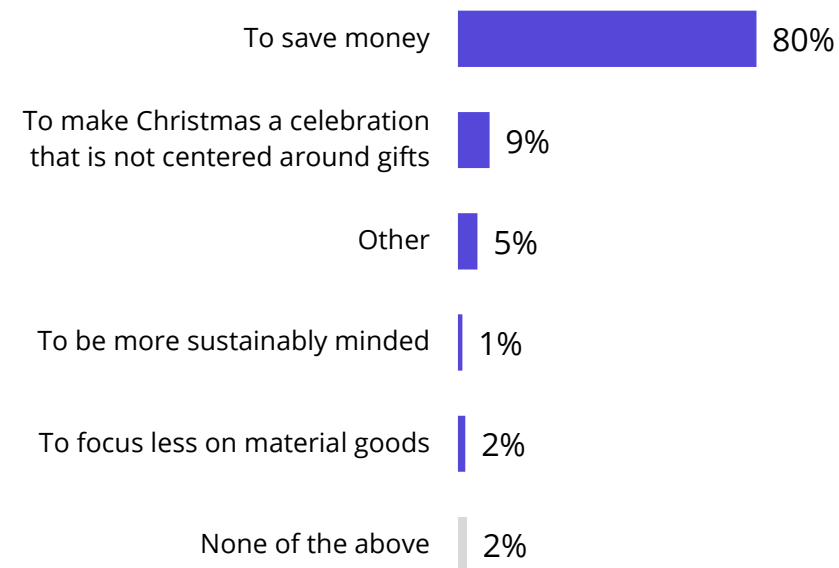


Saving money is the most common reason to purchase fewer gifts, while those spending more want to make it a bigger celebration and want to invest in higher quality gifts.

Buying More (14%)



Buying Fewer (24%)

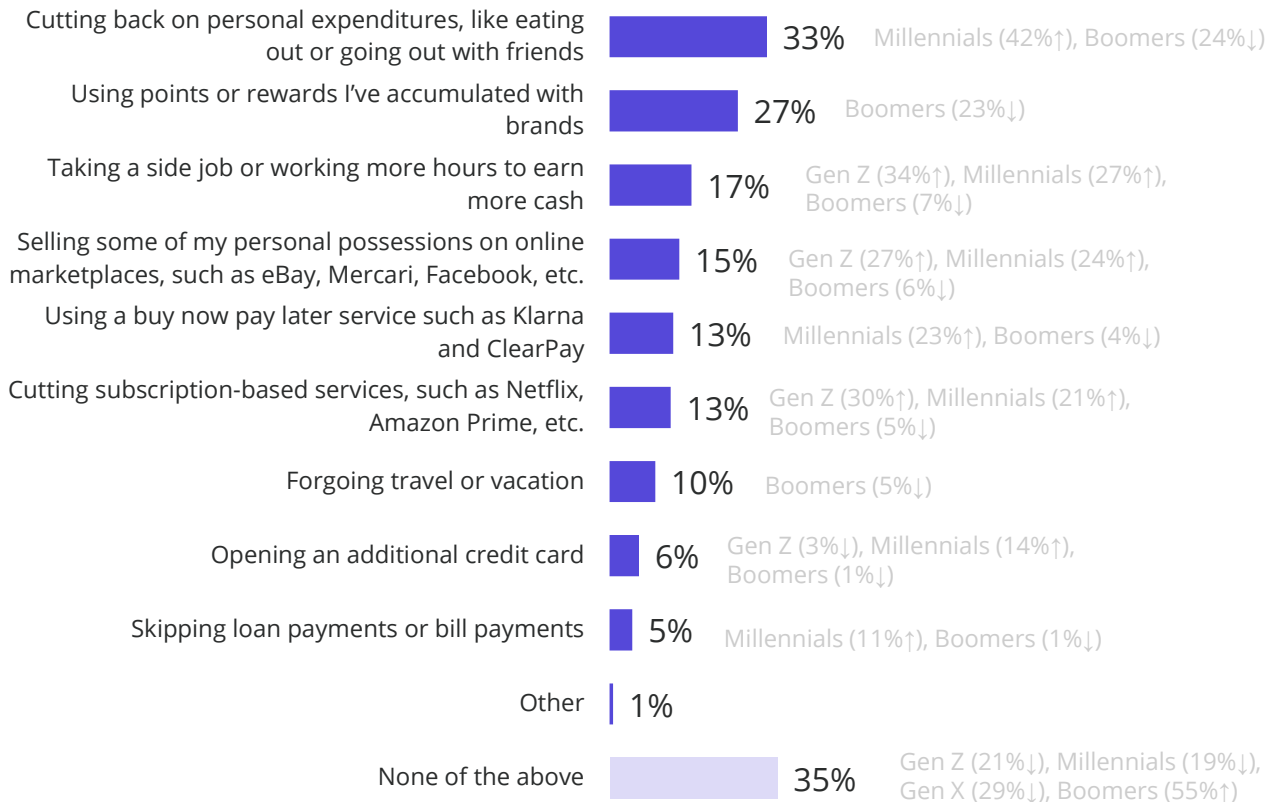


q29a - If fewer, what is the main reason? Base: US (245)
q29b - If more, what is the main reason? Base: US (145)

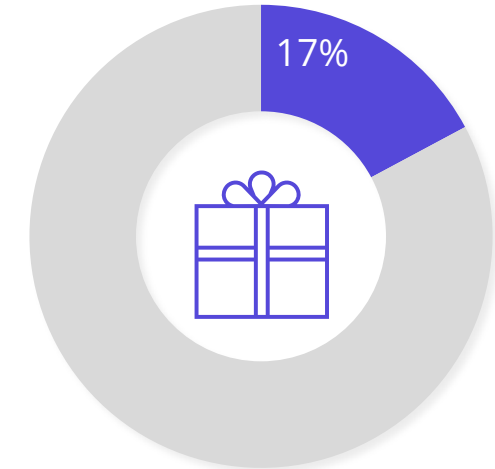
Ways to Afford The Holiday Season

1 in 3 plan to cut back on personal expenses and a bit less plan to dip into rewards points to afford the holidays.

Gen Z also expects (1 in 3) to take a side job/work more hours, sell some personal possessions, or cut back on subscriptions to afford Christmas.



Re-gifting

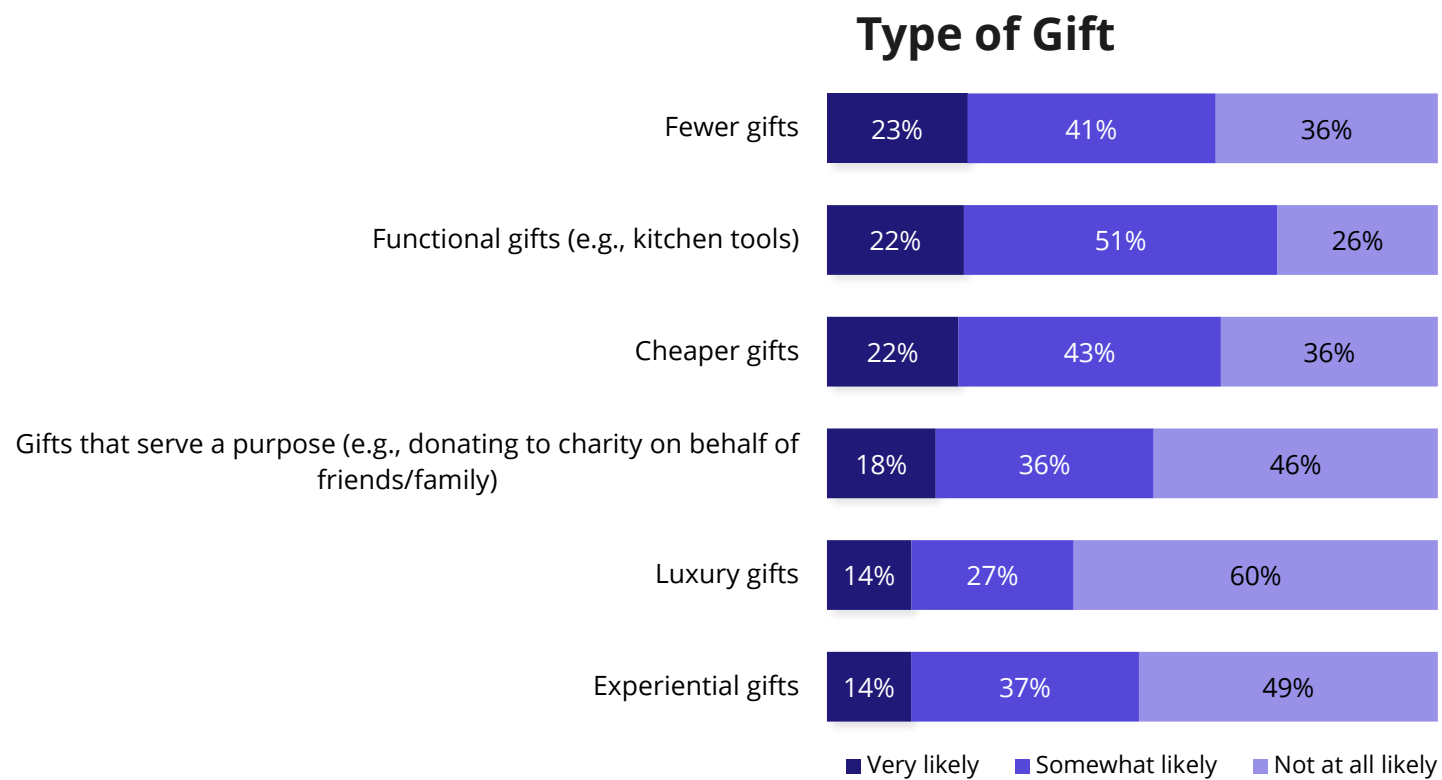


Few people will re-gift a present this year

q4 - Will you be looking at any alternative ways to be able to afford spending more during this year's holiday season? Base: US (1,013)

q30 - Do you plan to re-gift presents this year to save on costs? Base: US (1,013)

There is a modest likelihood that 2022 will be the year of fewer, functional, and cheaper gifts. Luxury and experiential gifts are less likely, with only 4 in 10 likely to buy luxury. (Among people with \$100k or higher income, ¼ are very likely to buy experiential gifts).

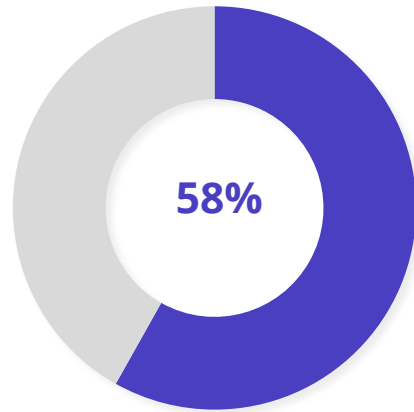


q9 - Will the type of gifts you plan to purchase this year change compared to 2021? Please rate by likelihood Base: US (971, 946, 966, 927, 869, 914)

Nearly 6 in 10 U.S. shoppers say that the pandemic changed the way they spend money.

In those that said their spending was changed, 9 in 10 U.S. shoppers agree that they are now more cautious about the purchase they make, and many are stocking up their favorite items.

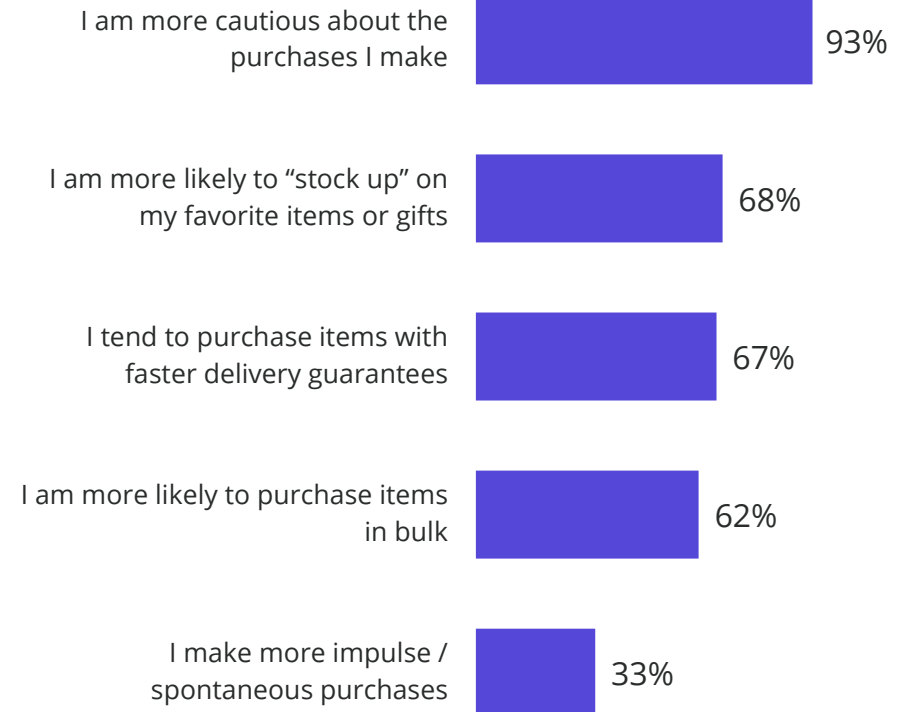
Pandemic Spending



Changed the way you spend money.



Changed Purchases



us2 - Has the pandemic changed the way you spend money? Base: US (1,013)

Us3_a to e - When it comes to how the pandemic has changed the way you make purchases, to what extent do you agree with the following statements? Base: US, change by pandemic (589)



Online Shopping



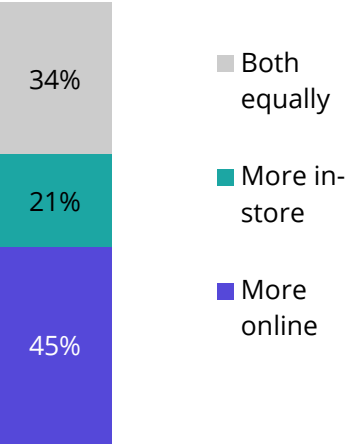
Online vs. In Person



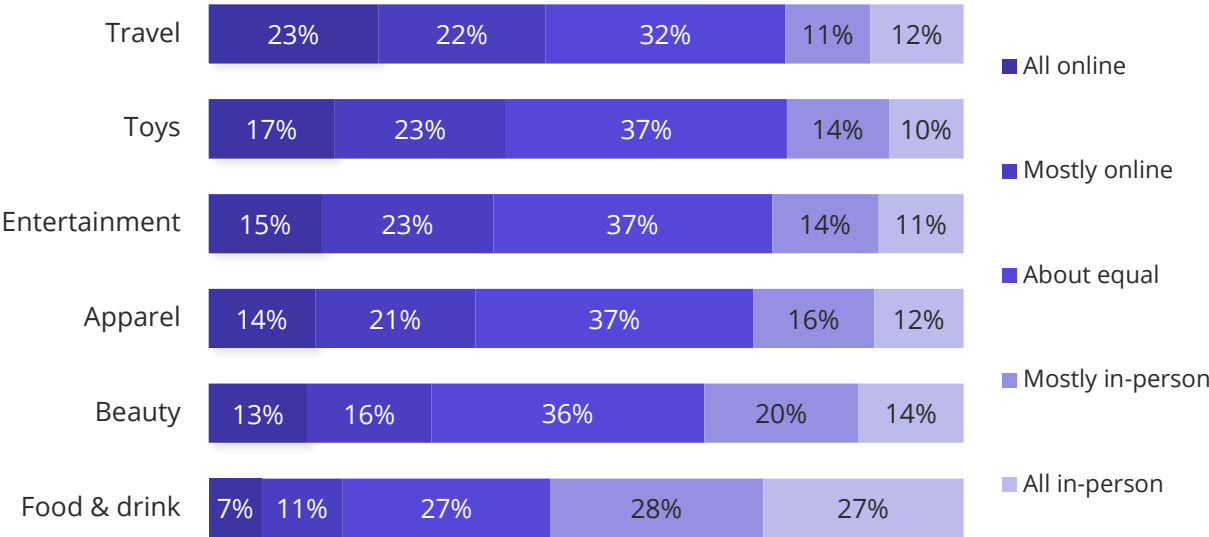
Despite eased restrictions on in-person shopping, online shopping continues to dominate, in all categories except food & drink and to some extent beauty.

Millennials say that all or most of their shopping will be online, while Gen Z still enjoys the in-person shopping experience.

Where Planning to Shop



Categories of Holiday Shopping



q20 - Where do you plan to shop more this holiday season – in-store or online? Base: US (1,013)
 q24 - Thinking specifically about different categories of holiday shopping, how much do you plan to do online this year? [e2 from 2021 US Consumer Survey] Base: US (1,013)

Online vs. In Person



Quick, easy, shopping, and more convenience are reasons that U.S. residents prefer to shop online. They also use online shopping to avoid crowds, though this isn't specifically due to Covid or other illnesses.



As in 2021, early discounts and deals are highly valued by U.S. shoppers, though the importance of this is significantly higher in 2022.

Priorities for Purchases



q25_top3 - Please rank which of the following would be your top priorities when considering purchases from online brands this holiday season [e10 from 2021 US Consumer Survey] Base: US (1,013)

Black Friday



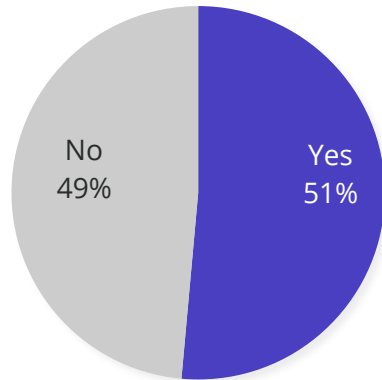
Black Friday

Just over half of U.S. shoppers said that they shopped on Black Friday last year. A slightly higher number plan to do so this year. We expect to see significant numbers of in person shoppers as well as those looking for deals online.

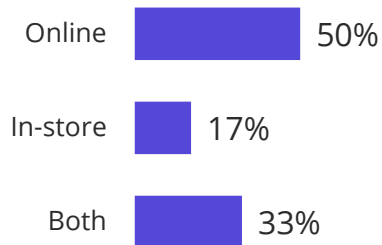
The top reasons for shopping on Black Friday relate to getting good deals and having fun.

Those avoiding Black Friday say that the deals aren't good, or that they are cutting back, or that items are unavailable.

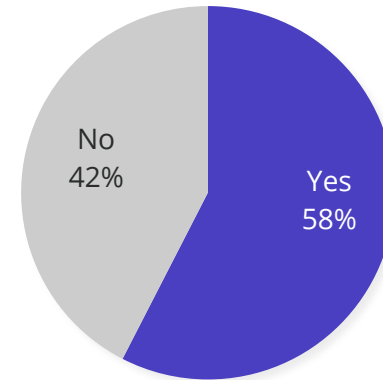
Shopped on Black Friday 2021



Shopping Where?



Planning to Shop on Black Friday 2022



- Items sell out too quickly on Black Friday / aren't accessible for me to purchase (22%)
- I am cutting back on holiday gift shopping this year (20%)
- Black Friday no longer offers good deals (19%)

- Black Friday offers better deals and prices for buying gifts (73%)
- Black Friday shopping is fun (42%)
- It will help me avoid the rush around last-minute holiday shopping (34%)

q18 - Did you shop for gifts on Black Friday in 2021? Base: US (1,013)

q19 - Are you planning to shop for gifts on Black Friday this year? Base: US (1,013)

q19a - Where are you planning to shop on Black Friday? Base: US who plan to shop (583)

q19b - Why are you planning to shop on Black Friday? US who plan to shop (583)

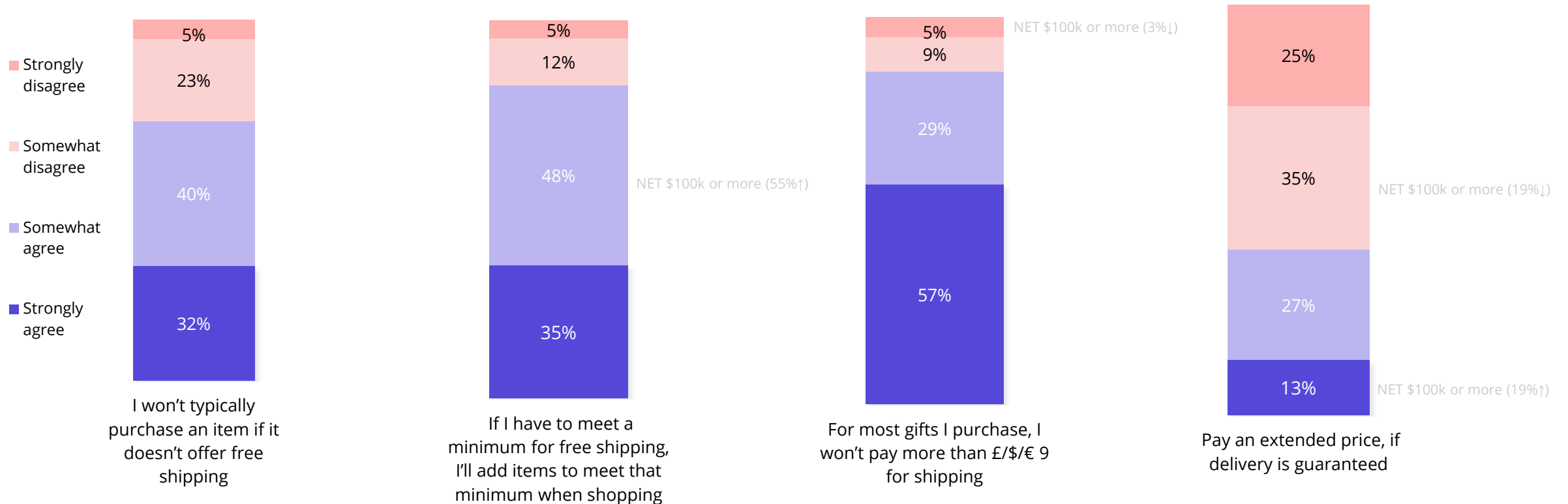
q19c - Why are you not planning to shop on Black Friday? [f10 from 2021 US Consumer Survey] US who do not plan to shop (430)

Shipping



Shipping

For most, \$9 represents a firm maximum shipping cost. Higher-income shoppers are very likely to say that they will meet free-shipping minimums by adding to their cart, or will pay extra to guarantee delivery, two things that lower-income shoppers cannot afford to do.



q8us3 - When it comes to shipping, do you agree with any of the following? Base: US (1,013)
 Callouts: What was your total household income in 2021 before taxes (in \$)? Base: US, excludes 'prefer not to say' (990)
 Arrows indicate significance at the 95% level and the direction of change.

Free shipping, in consumers' minds, is as powerful as a significant cash discount on sale items.

“On Sale” Deals



q8us2 - When it comes to purchasing items “on sale,” what deal is most likely to prompt you to purchase an item? Base: US (1,013)

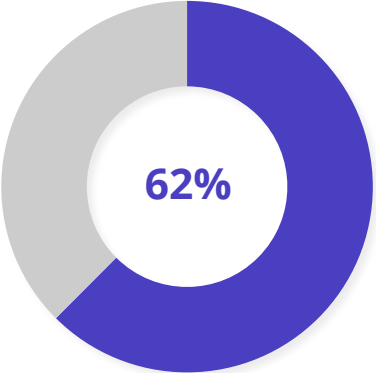
Shopping Trends



Clandestine Shopping

Nearly 2 in 3 workers admit they've holiday shopped during the workday, and of those who have done so, 1 in 3 have used a secret browser. Millennials are more likely to do both.

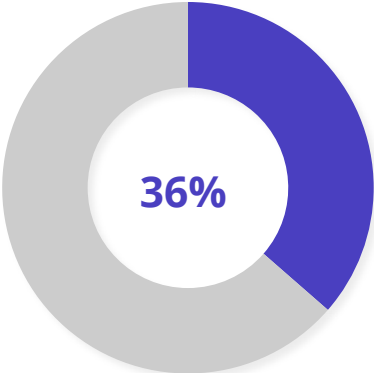
Shopping at work



Millennials (73%↑)

Have shopped during the workday or while working.

Secret Browser



Millennials (49%↑)

Opened a secret browser on work computer to shop.

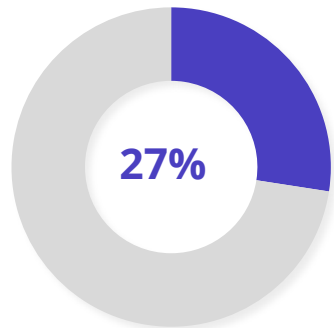
q8us5 - Do you, or have you ever done, holiday shopping during your workday or while you were working? Base: US, full or part-time employed (501)

q8us6 - Have you ever opened a secret browser on your work computer so your employer wouldn't find out you were shopping during the workday? Base: US, full or part-time employed and have shopped at work (313)

Hiding Gift Purchases

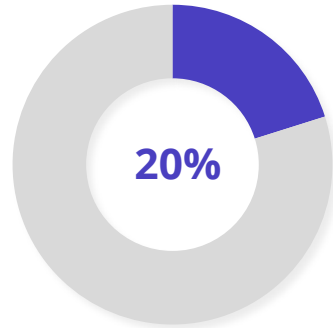
1 in 4 U.S. shoppers say that they have purchased an item for themselves and forgot they purchased it until it got delivered/ showed up at their doorstep. 1 in 5 U.S. shoppers have hidden gifts they purchase for themselves during the holidays and nearly 1 in 3 have hidden security camera footage so their purchases wouldn't be seen -- with the top reasons being that they did not want others seeing what they purchased and felt guilty that were buying items for themselves.

Forgetting Purchases



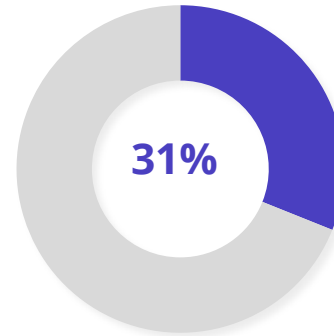
Forgot purchased an item for yourself until it got delivered.

Hide Purchases



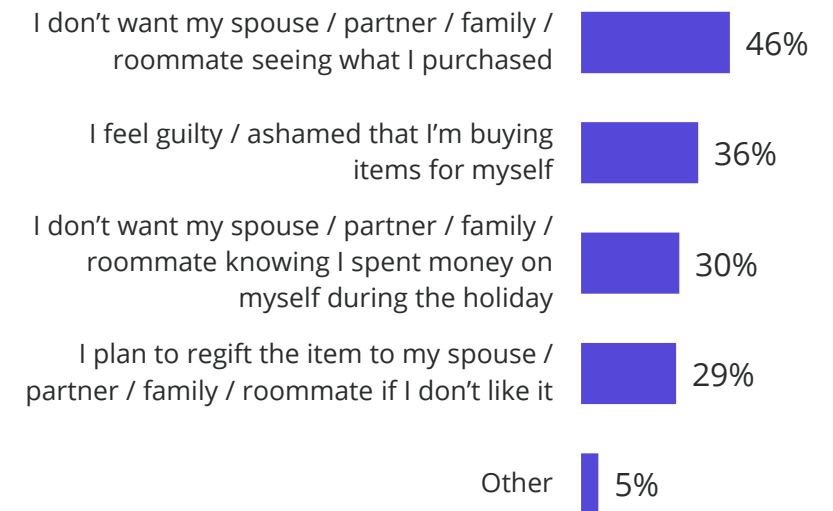
Concealed gifts bought for self during the holiday.

Hide Security Footage



Have hidden video footage or moved security cameras to hide delivered packages.

Reasons for Hiding Gifts



us13 - Have you ever purchased an item for yourself and forgot you purchased it (until it got delivered / showed up on your doorstep)? Base: US (1,013)

us14 - Will you hide or conceal any gifts you buy yourself during the holiday? Base: US (1,013)

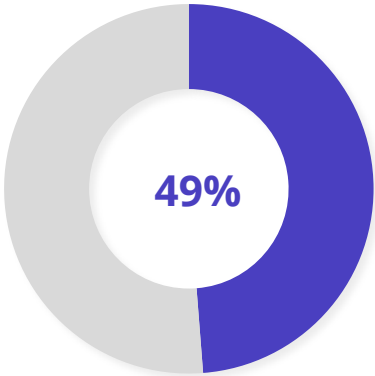
us17 - Have you hidden video footage or moved cameras from your security system to hide packages that were delivered to your home? Base: US, has products installed (470)

us15 - Which of the following describe why you will hide or conceal gifts you buy yourself during the holiday? Base: US, hide gift (204)

Spontaneous Purchase

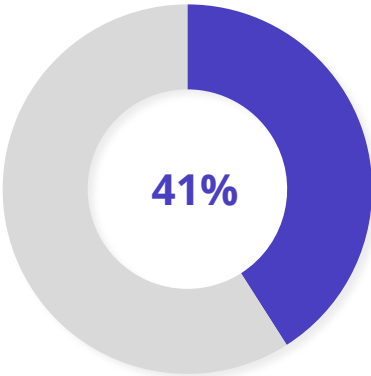
Nearly half of U.S. shopper indicated that they have made impulsive / spontaneous purchases to distract themselves or make themselves feel better about what's happening in the world. Two in 5 shoppers make more spontaneous purchases during the holidays.

Spontaneous Purchases to Distract



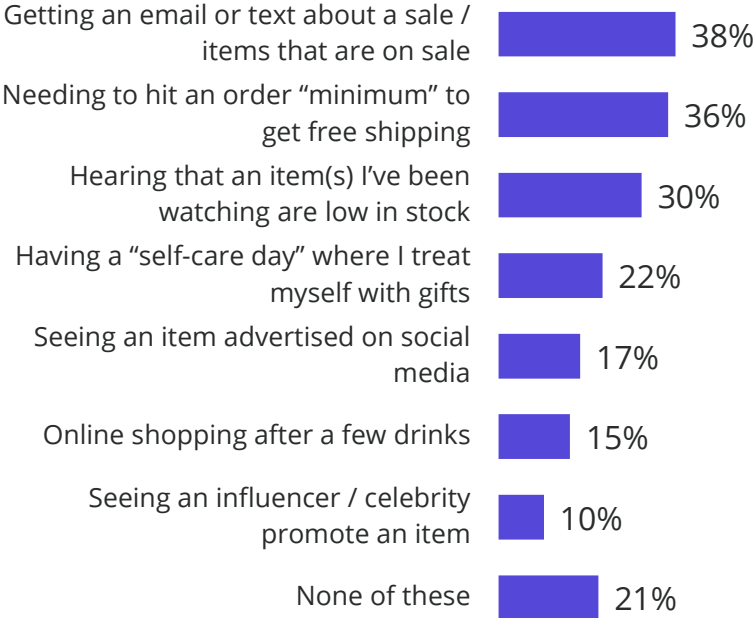
Make spontaneous purchase to distract or make feel better about what is happening in the world.

Spontaneous Holiday Purchase



More impulsive/spontaneous purchases during the holidays

Prompt Spontaneous Holiday Purchase



us1 - Do you ever find yourself making impulse purchases / buying things spontaneously to distract yourself or make yourself feel better about what's happening in the world? Base: US (1,013)

us4 - Do you make more impulsive / spontaneous purchases during the holiday? Base: US (1,013)

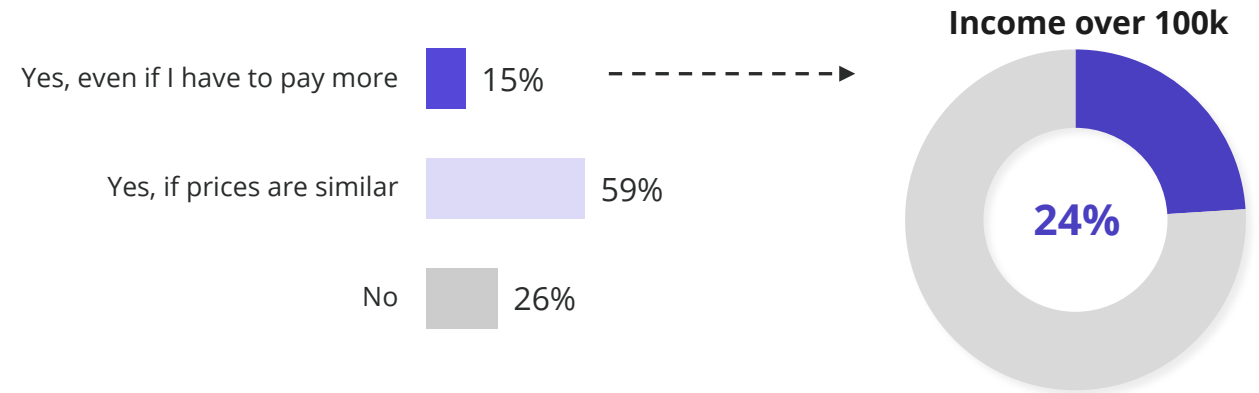
us5 - Which of the following would likely prompt you to make a spontaneous purchase during the holiday? Base: US (1,013)

Mindful Shopping

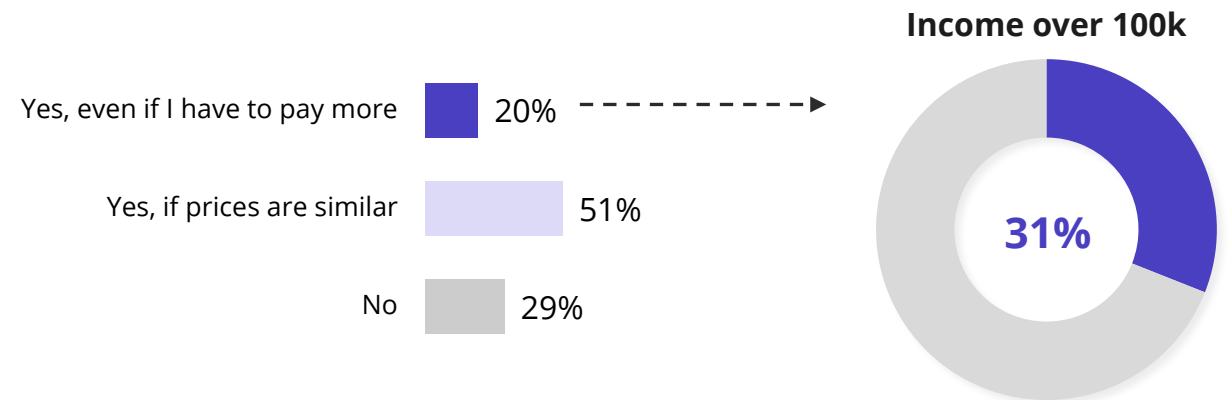
As long as prices are competitive, U.S. consumers will prioritize American-made products and small businesses.

Gen Z and Millennials are more likely than other ages to shop local, but the best target may be consumers with the highest income – at least 1 in 4 of those whose income is over \$100k will pay more for local goods or those sold by small businesses.

Prioritize Local or Small Businesses



Prioritize American Made Products



q8us7 - Will you prioritise shopping with local or small businesses this holiday season? Base: US (1,013)

q8us9 - Will you actively seek out or prioritize buying American made products this holiday season? Base: US (1,013)

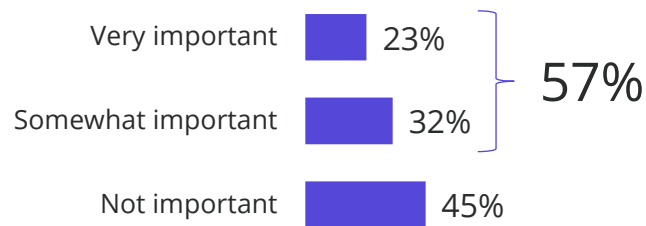
Black-owned & minority-owned products & services



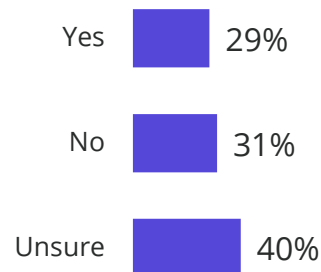
57% of U.S. consumers say that it is important that Black and minority owned products and services are available (62% in 2021), though most are unsure if they recognize these products in market.

If prices are competitive, 57% will shop with black-owned and minority-owned businesses and products – this sentiment is highest among Gen Z and Millennials, lowest among Boomers.

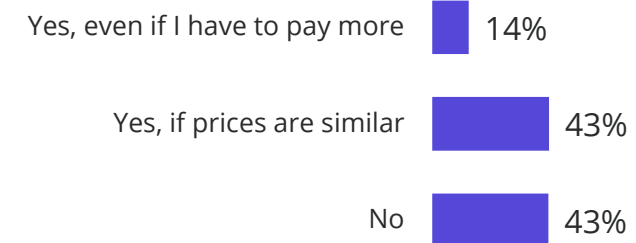
Importance of Black-owned & minority-owned products & services being available



Are you seeing more Black-owned & minority-owned products & services available?



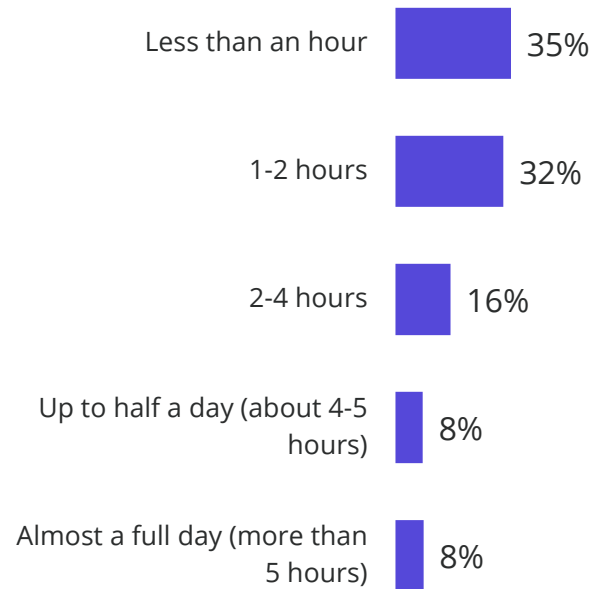
Willingness to Spend on Black-owned & minority-owned products & services



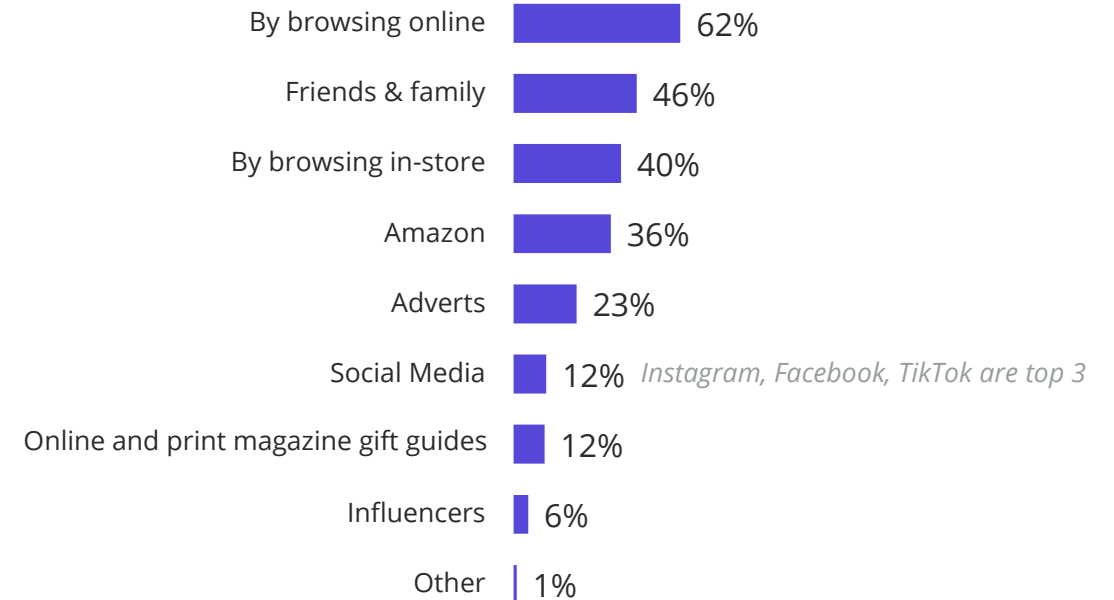
Sources of Inspiration for Gifts

Browsing online is the most popular way to getting gift inspirations this holiday season, and nearly 1 in 5 will spend more than 4 hours researching gifts.

Gift Researching



Sources of Inspiration (% rated in top 3)



q8us1 - If you have a specific gift in mind, how long will you spend researching and comparing prices for that item before you buy it? Even if you spend time over several days coming back to an item... Base: US (1,013)

q23 - Where are you going to get gift inspirations from this holiday season? Base: US (1,013)

Callout: q23a - Which social media platforms are you going to get gift inspirations from this holiday season?

How Retailers can make Christmas memorable



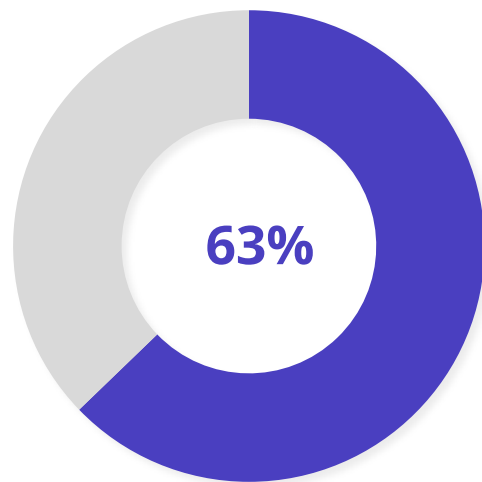
Extending opening hours and delivery windows are important ways that retailers can help make Christmas memorable this year – making it easy for consumers to avoid crowds.



q31 - Other than being mindful on the cost, what else could retailers do to help make Christmas more memorable this year? Base: US (1.013)
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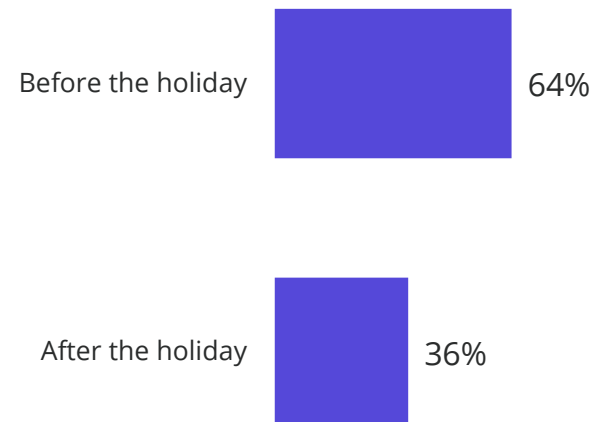
Nearly 2 in 3 U.S. shoppers will wait until the holidays to splurge on items for themselves and are more likely to shop before / during the holiday than after.

Holiday Splurge



Wait until the holidays to splurge on items for self.

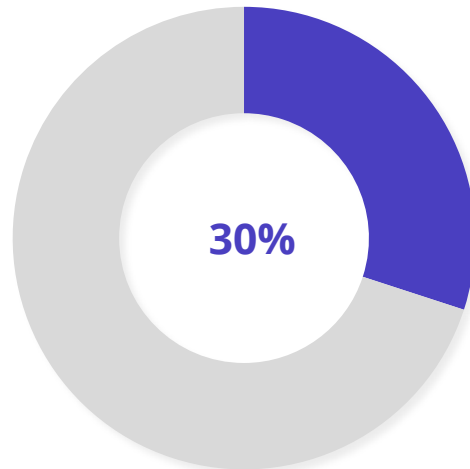
Shopping for Self



us9 - Will you wait until the holidays to splurge on items you want for yourself? Base: US, buy gift for self (430)
us10 - Are you more likely to shop for yourself before/during the holiday or after the holiday? Base: US, buy gift for self (430)

Nearly 1 in 3 U.S. shoppers are more likely to “treat themselves” and buy more expensive item(s) during the holidays. Clothing, handbags, and accessories are the top item that US shoppers are planning to splurge on.

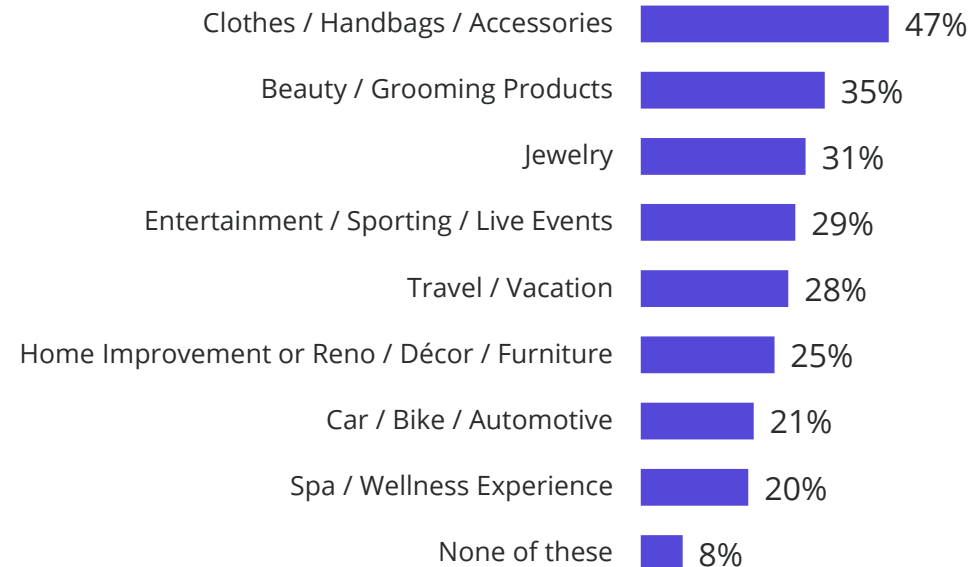
Treat Yourself



More likely to buy expensive items for self during the holidays.



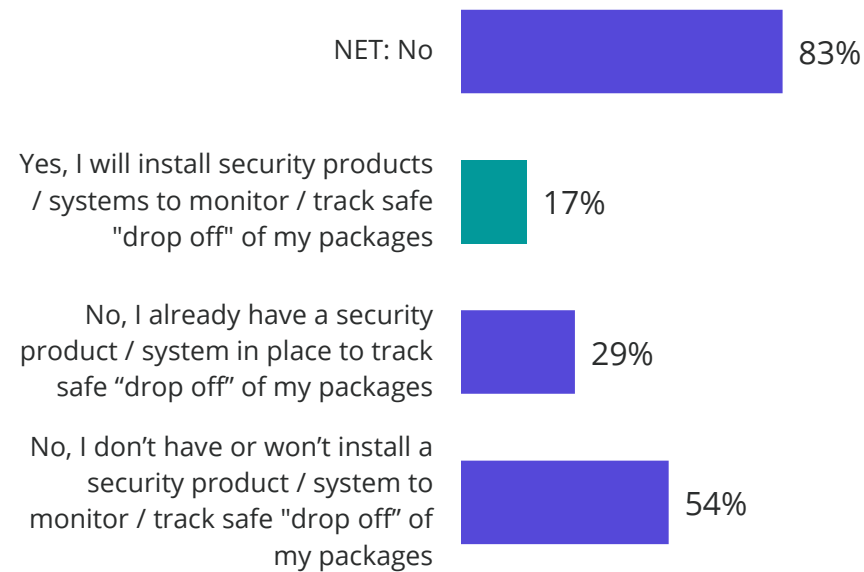
Items to Splurge on



us11 - Are you more likely to “treat yourself” and buy yourself a more expensive item(s) during the holiday? Base: US (1,013)
us12 - What items are you planning to splurge on and purchase for yourself this year? Base: US, treat yourself (304)

About 1 in 5 U.S. shoppers plans to install security products or systems this holiday season to ensure packages are kept safe at their home.

Security Products for the Holidays



Timing of Holiday Shopping



Holiday Shopping Timing



A high proportion of U.S. shoppers have started thinking about the holiday season, with gift browsing and list making. Boomers less likely to be doing all of these in preparation for the holidays.

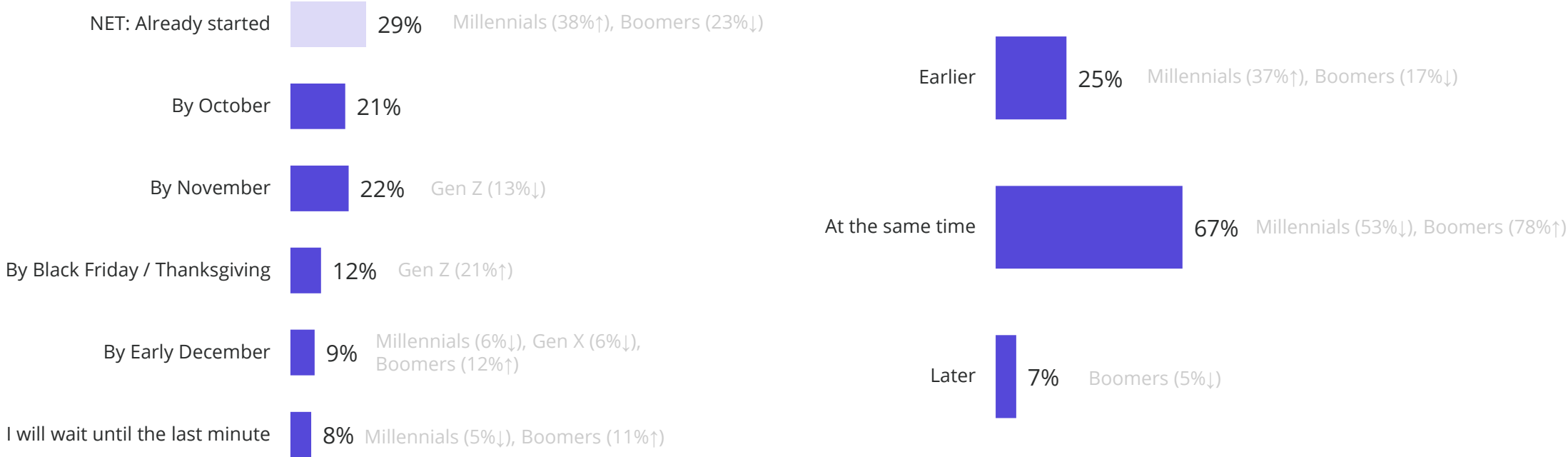
This is higher than we observed in 2021, but it should be noted that in 2021, we fielded the survey in June.



q3 -Have you started doing any of the following for the holidays this year? Base: US (1,013)

Holiday Shopping Timing

Just under 1 in 3 U.S. consumers, particularly those in Gen Z and Millennial age groups, have already started holiday shopping this year. For most, October and November are the most popular times to start shopping, though a significant number of Boomers will wait until December to start shopping. This is not a divergence from the time they shopped last year, though 1 in 4 say they are starting earlier.



q1 us - When did/ do you plan to start your 2022 holiday (e.g., Christmas, Hanukkah, Diwali, New Year's) shopping this year? Base: US (1,013)

q2 - Compared to last year, did/do you plan to start holiday shopping... Base: US (1,013)

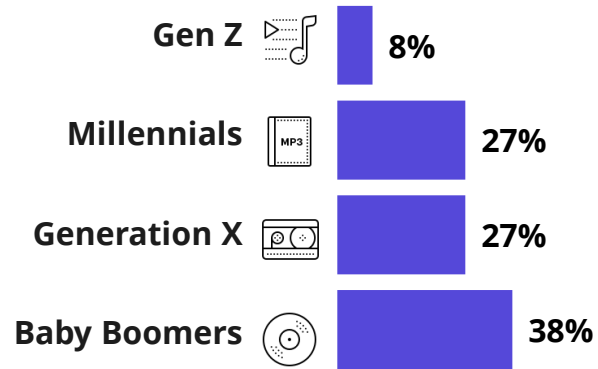
Callouts: S0 (generations, age) - In what year were you born?

Arrows indicate significance at the 95% level and the direction of change.

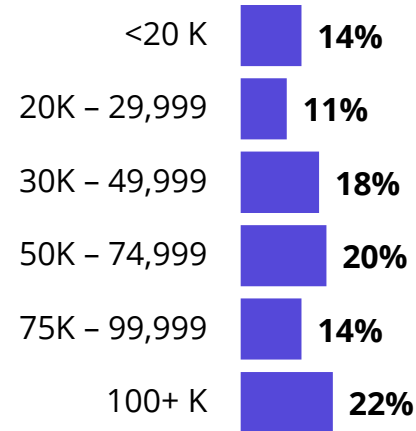
Respondent Profiles



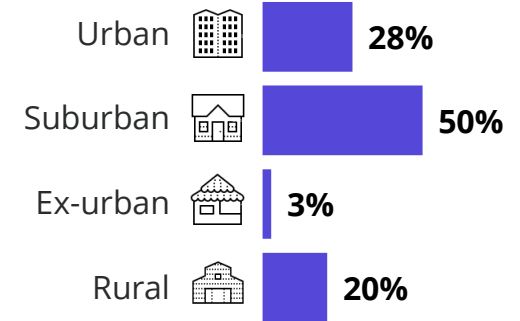
Generations



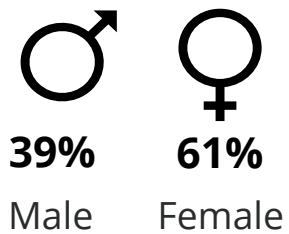
Annual Income



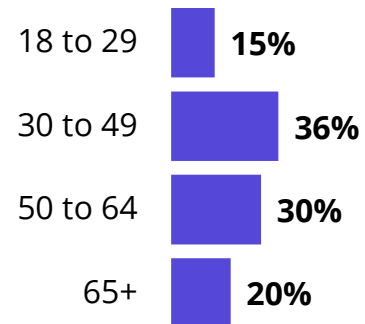
Neighbourhood



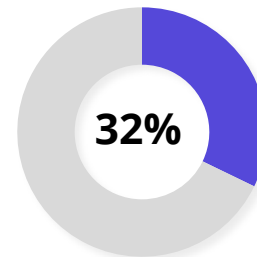
Gender



Age

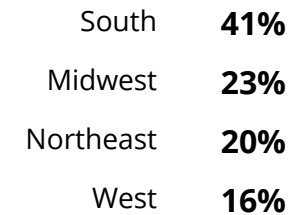


Children at Home



with at least one child at home.

Region



S0 (generations, age) - In what year were you born? Base: US (1,013)

D3 - What was your total household income in 2021 before taxes (in \$)? Base: US, excludes 'prefer not to say' (990)

D5 - How would you describe your neighborhood? Base: US, excludes 'prefer not to say' (1,010)

S2 - How do you identify yourself? Base: US, excludes 'prefer not to say' (1,008)

D4 - Do you have children under the age of 18 living in your home? Base: US, excludes 'prefer not to say' (1,007)

D1US (region) - Where specifically do you live? Base: US (1,012)



Thank you

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