



Trendspotter: Promos, Loyalty Motivate Holiday Shoppers

While it isn't a new phenomenon, the Christmas creep, coupled with excess inventory and rising prices, has put additional pressure on retailers to entice shoppers with early promotions to get a jumpstart on holiday shopping—and customers are following suit. Despite facing the highest inflation rates in 40 years and record economic volatility, optimism reigns, and consumer confidence continues to rise, heading into the early stages of holiday shopping promotions.

PMG's latest proprietary research offers insight into the state of holiday shoppers as many make plans to shop early, spend more, and remain on the lookout for the best deals throughout the season.

For all inquiries, please connect with us at insights@pmg.com

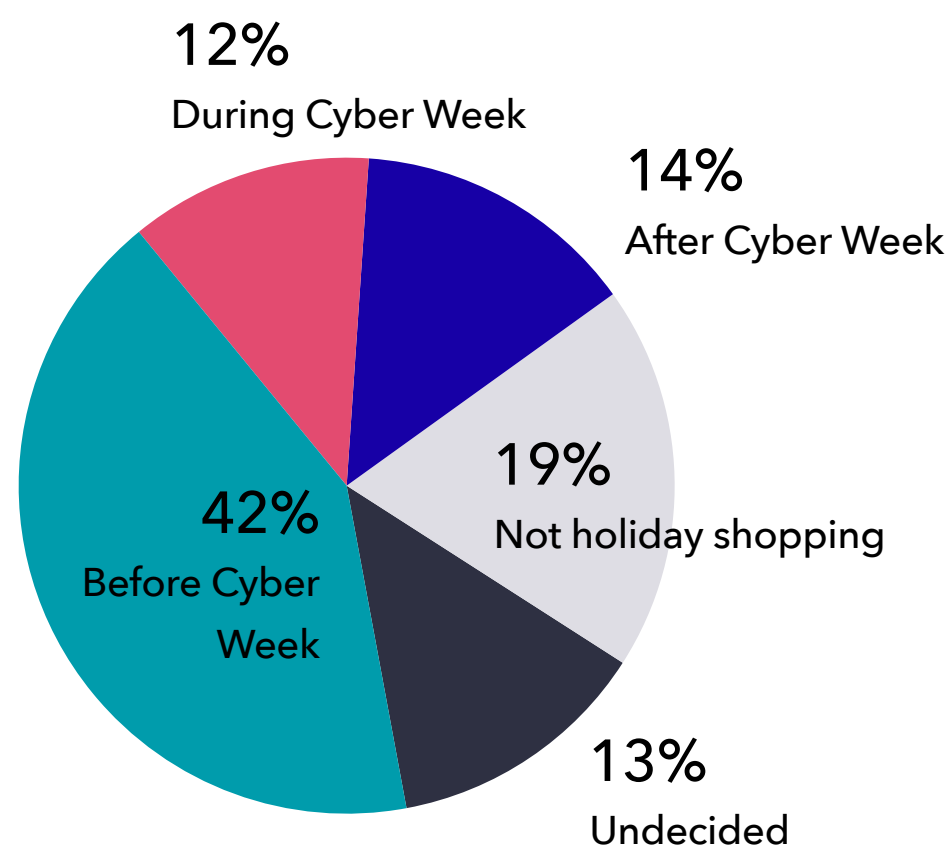
All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 1032 adults. Fieldwork was undertaken between 8th - 13th September 2022. The survey was carried out online. The figures have been weighted and are representative of all U.S. adults (aged 18+).

When Are Shoppers Planning to Buy Holiday Gifts?

Cyber Week (Black Friday - Cyber Monday) historically served as the kick off to the holiday shopping season, but with changing consumer behavior, the desire to shop before Black Friday is only growing.

Early shopping intent is largely driven by:

- Shoppers 18-34 (54%)
- Parents with kids <18 (60%)

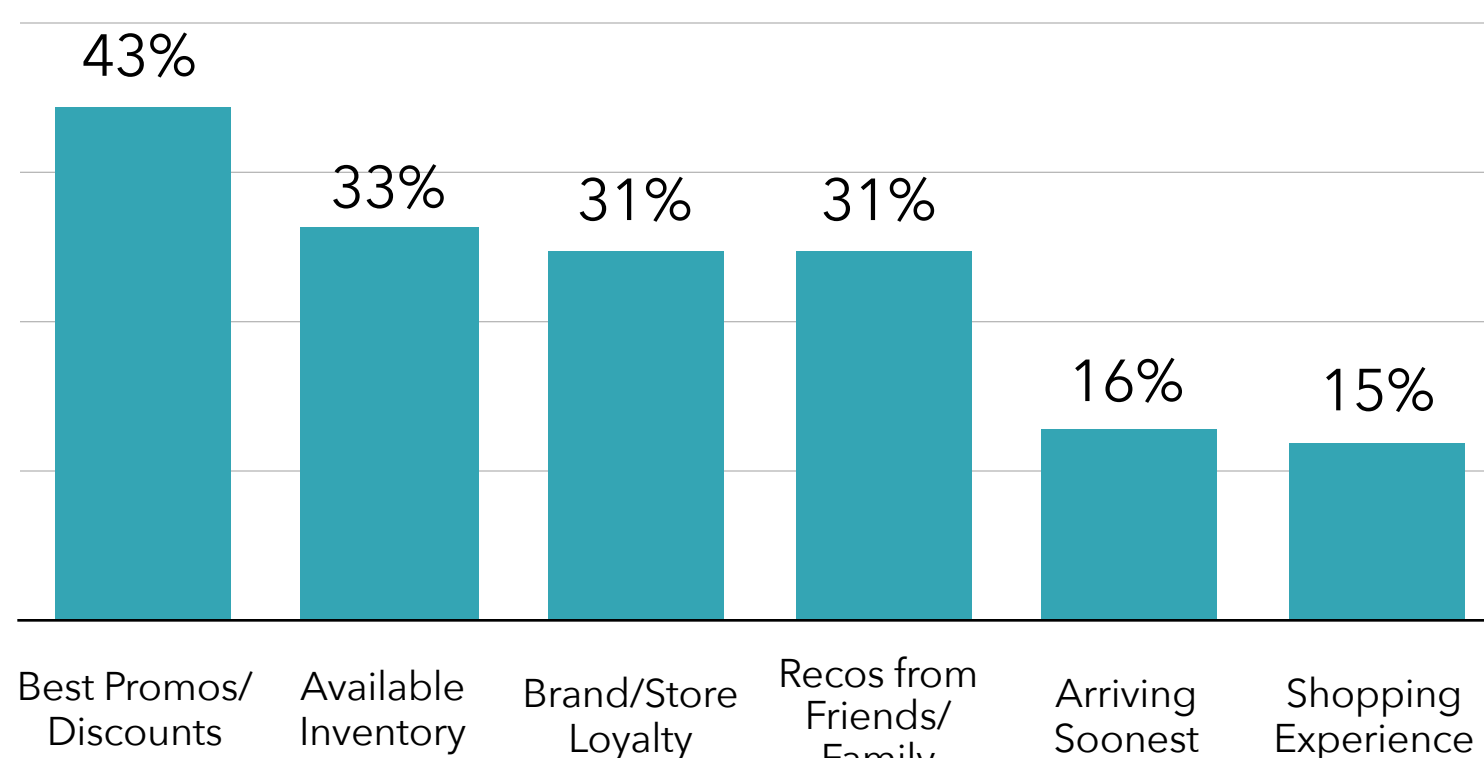


What Factors Inform Holiday Purchase Decisions?*

When asked what their top 3 factors for shopping were, shoppers showed they are price-sensitive, but also heavily influenced by brand relationships (either their own or those of their friends and family).

Top influential factors are:

- Best Promos/Discounts (43%)
- Available inventory (33%)
- Brand/Store loyalty (31%)



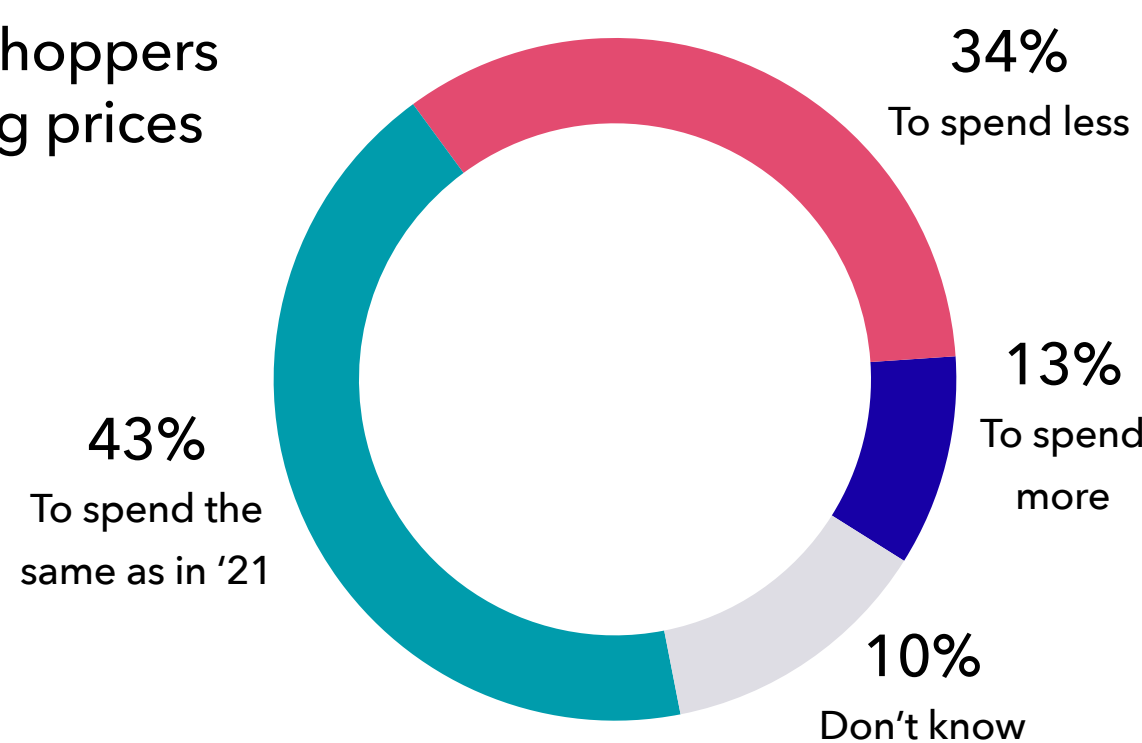
*Top 6 factors listed

How Much Do Shoppers Plan to Spend This Year?

When looking at holiday wallet share, most (43%) of shoppers show no signs of adjusting their budgets despite rising prices and economic uncertainty.

Increases in wallet share are largely driven by:

- Shoppers 18-34 (21%)
- Parents with kids <18 (20%)
- Shoppers with HHI of \$80K+ (17%)



“The retail landscape has shifted in favor of the consumer, with consumer expectations quickly adapting to news that retailers are planning to promote early and deeply to clear inventory,” said Tim Lardner, VP of strategy at PMG. “As holiday browsing begins in earnest, we’re observing strong traffic to ecommerce sites by customers who are on the hunt for value and softer conversion for full-priced messaging. Retailers that are in a position to capitalize early by taking advantage of lower media costs and delivering value to customers—in messaging, via loyalty, or via discount—starting early may have a leg up on this year’s holiday push.”