December 20, 2017

Holiday Shopping Season Strength Set to Continue Through Super Saturday

Physical Stores: Primary Destination for Consumers' Late Purchases

The following highlights about the final shopping days of the 2017 holiday season, including Super Saturday, are based on a representative sample of 1,020 adults in the U.S., which was conducted between December 14 and 17, 2017 by ORC International on behalf of ICSC.

SECTION A: HOLIDAY SHOPPING UNTIL THE VERY END—MAINLY IN STORES *(p.2)*

- During the final week before Christmas, more than four-fifths (85%) of U.S. adults plan to shop in stores or shopping centers for holiday gifts or other holiday items. *(Chart 1)*
- Nearly half (48%) of adults plan to shop for the holidays on Friday, December 22; over one-third (38%) on Super Saturday, December 23; and about one-quarter (26%) on Christmas Eve. *(Chart 2)*
- On each of the days mentioned above, physical stores will be the most popular channel for shopping. Nearly three-fifths (59%) of those shopping on Friday plan to visit stores only, while 55% of shoppers will solely visit brick-and-mortar locations on Super Saturday, and 61% will head to stores on Christmas Eve. The fewest amount of shoppers intend to only shop online. *(Chart 3)*
- Discount stores (76%) will be the number-one venue among shoppers planning to visit stores on Super Saturday. Other popular locations for this group are traditional department stores (40%), supermarkets/liquor stores (29%) and electronics/office supply stores (28%). *(Chart 4)*
- On Super Saturday, roughly half (48%) of adults *specifically* plan to go to a mall or other type of shopping center. While there, visitors will shop (56%), dine at restaurants (35%) and see a movie (25%). *(Charts 5 and 6)*
- Slightly more than one-quarter (27%) of Super Saturday shoppers plan to use the "click-and-collect" method on that day specifically. More than one-third (37%) of millennials plan to do this. *(Chart 7)*
- The top reasons for shopping in stores or shopping centers for holiday gifts or other related items during the final days before Christmas include ability to physically see/touch/try on merchandise (42%), ability to get items immediately (37%), avoid shipping costs (35%) and to take advantage of deals/promotions available (35%). *(Table 1)*

SECTION B: ADDITIONAL SPENDING STILL TO COME JUST BEFORE THE HOLIDAY *(p.6)*

- Over four-fifths (83%) of adults in the U.S. still plan to spend on holiday gifts and other holiday items, food/beverage groceries, dining, entertainment and personal care services through Christmas. *(Not shown in charts)*
- On average, U.S. adults intend to shell out $240.50 on those goods and services. *(Chart 8)*
- Of that amount, consumers plan to allocate 37% toward holiday gifts and other holiday items. Additionally, 33% of total expenditures among all adults through Christmas will go toward food/beverage groceries, 15% toward dining, 8% to personal services and the remainder (7%) to entertainment. *(Chart 8)*
- Looking at holiday shoppers in particular, nearly three-fifths (58%) of them still plan to buy gifts and other holiday-related merchandise. *(Not shown in charts)*
- This same subset, holiday shoppers, expects to spend another $100.70 on gifts and other related items before the holiday. *(Chart 9)*
- That group is also still planning to buy $41.40 worth of gift cards in particular through Christmas. *(Chart 10)*
- Promotions will play a role in determining the remaining holiday gifts and/or holiday-related items shoppers will purchase. More than one-third (37%) say they will have a significant influence while 40% say they will have a slight influence. *(Chart 11)*

SECTION C: A BUSY HOLIDAY SHOPPING SEASON SO FAR *(p.8)*

- Holiday shoppers indicated already spending an average of $486.80 on gifts and other holiday goods. Included in that amount, $63.40 was in the form of gift cards. *(Charts 12 and 13)*
- Overall, 91% of holiday shoppers already made purchases from retailers with physical stores. More specifically, 79% of them spent money in stores while 51% bought online from traditional brick-and-mortar retailers. *(Table 2)*
- Among shoppers who used the "click-and-collect" method (35%)—buying online and picking up in store—87% of them said they spent additional money at that store/tenant, an adjacent establishment or another unit in the same shopping center. *(Chart 14)*
- About 23% of "click-and-collect" shoppers who bought more while picking up in store said they did so all or most of the time. More than half (56%) indicated they bought more occasionally and 21% said very rarely. *(Not shown in charts)*
- About half (52%) of consumers have spent or plan to spend on seasonal apparel this year. Among them, 27% said they have/ plan to spend more on those items this year than last, while 61% spent/or plan to spend about the same amount. (*Chart 15)*
- The largest share of in-store shoppers has primarily used debit cards (35%) to purchase their items. Credit cards (32%) and cash (30%) were popular as well. (*Chart 16)*

SECTION A: HOLIDAY SHOPPING UNTIL THE VERY END—MAINLY IN STORES

Chart 1:

Significant shares of all generations will shop in stores during the final week before Christmas...

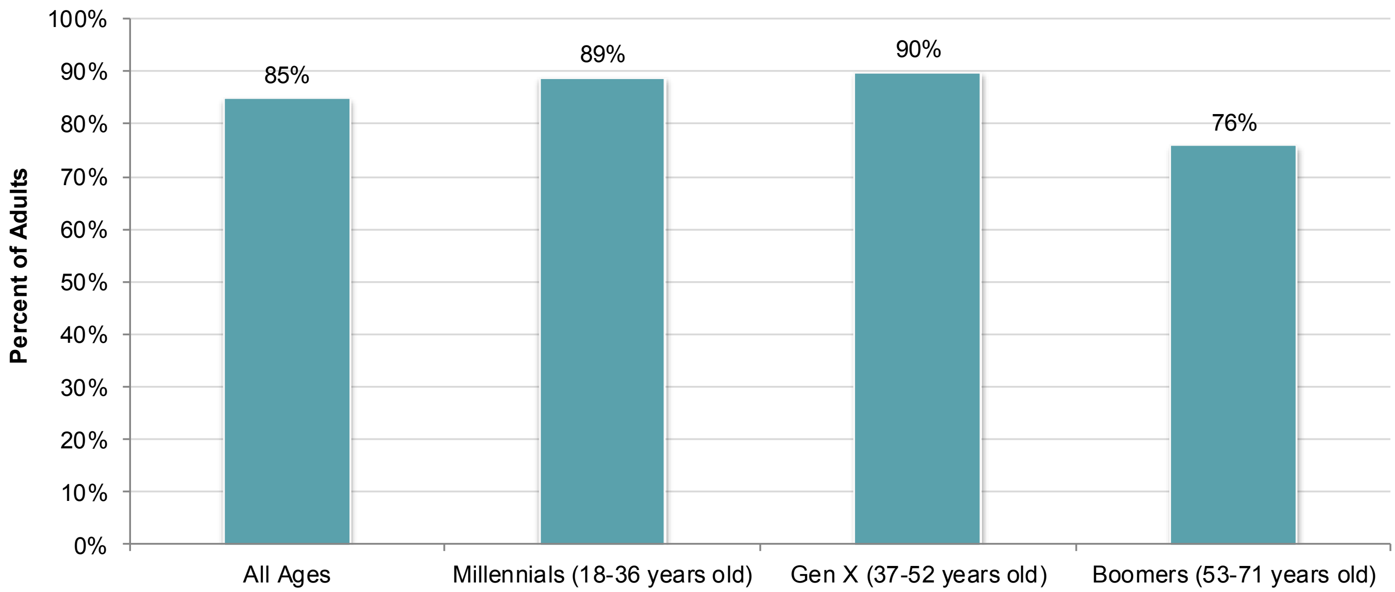


Chart 2:

A significant share of adults plans to shop during the final three days before Christmas. On each of those days, a higher share of millennials intend to shop for holiday-related items, while many fewer Baby Boomers will do the same...

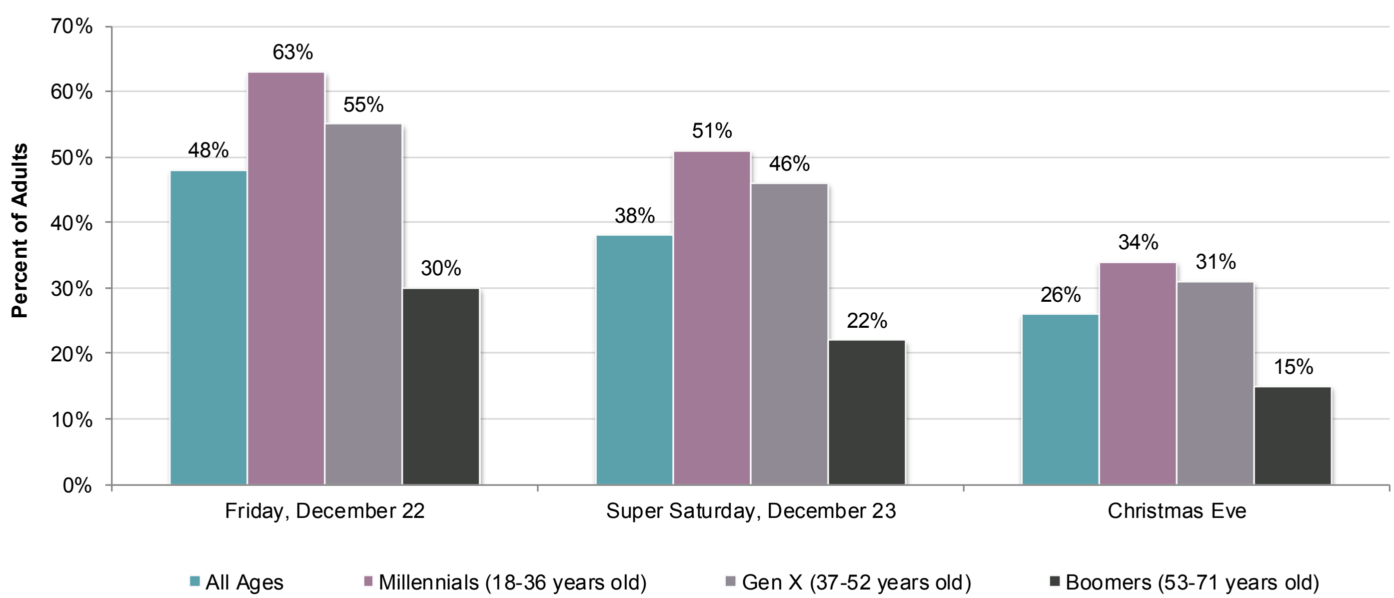


Chart 3:

On each of the final three shopping days before the holiday, a majority of shoppers will shop exclusively in stores. The fewest shoppers will shop online only...

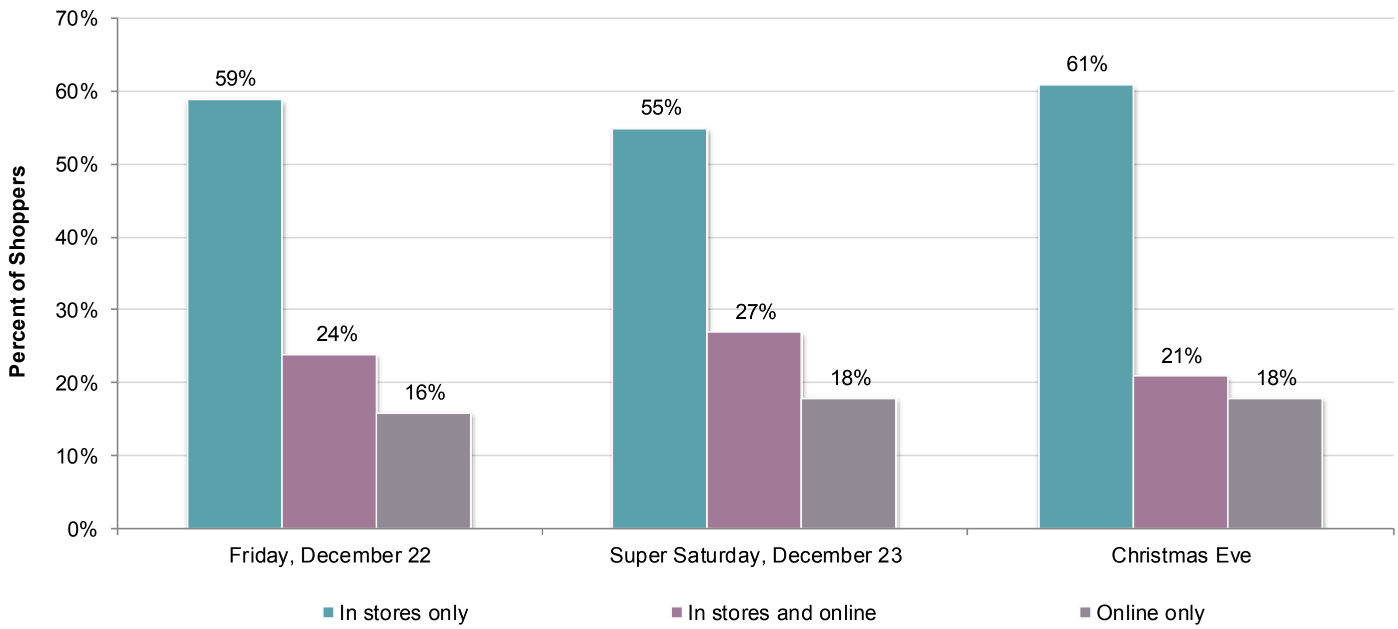


Chart 4:

Discount stores and department stores will be the busiest on Super Saturday. Other popular venues include supermarkets, electronics/office supply stores, dollar stores and apparel stores.

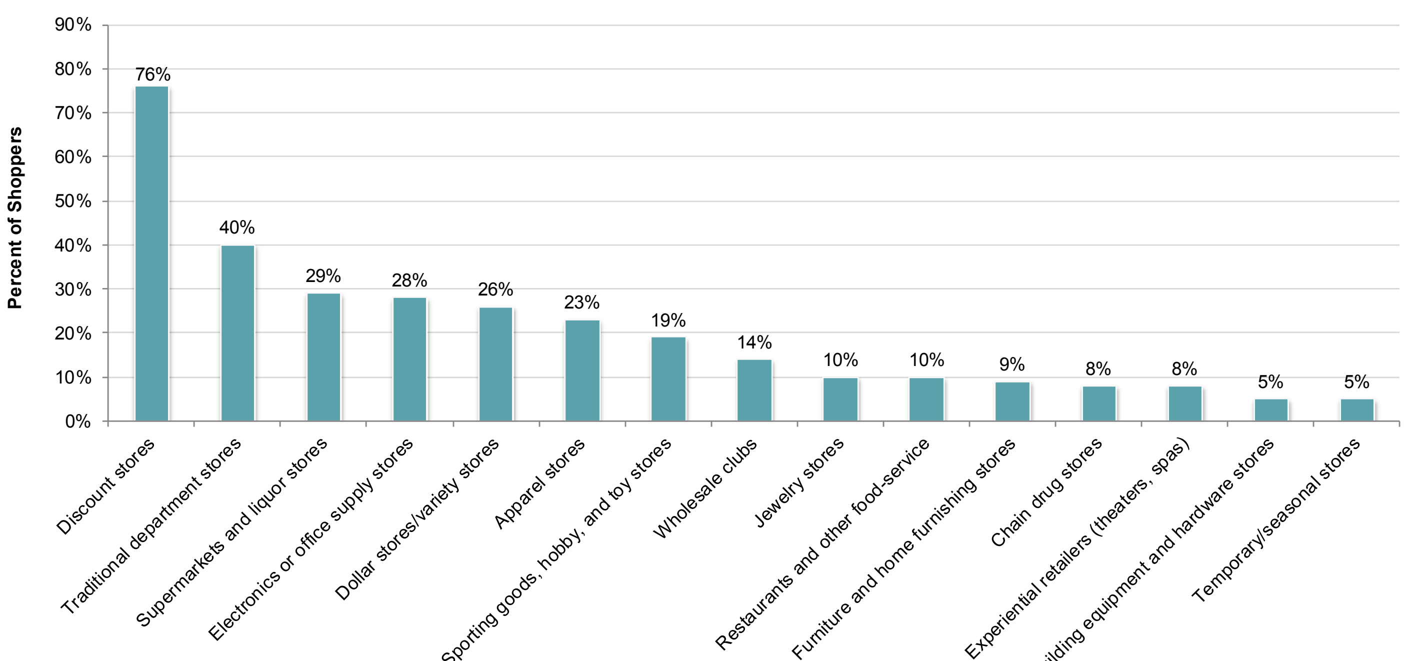


Chart 5:

About two-thirds of millennials are planning to visit a mall or other shopping center on Super Saturday. Half of Gen Xers and slightly less than one-third of Baby Boomers are also expecting to visit those locations...

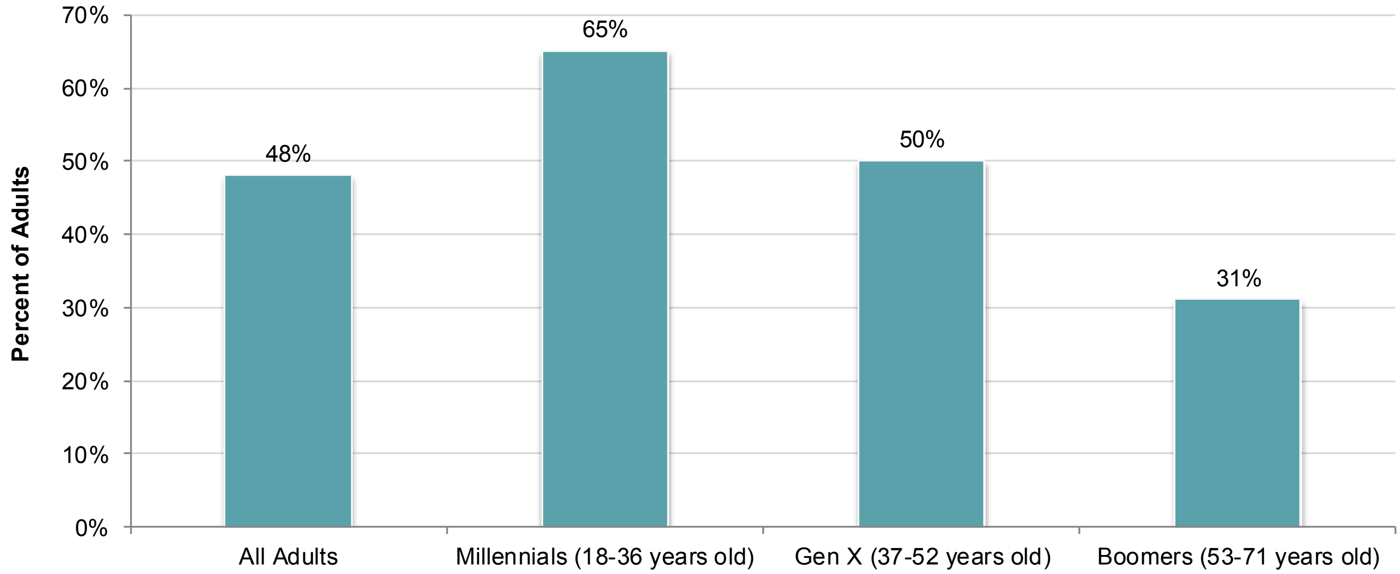


Chart 6:

Shopping will be the most popular activitiy among shopping center visitors, but many will also take advantage of other experiential activities such as dining, seeing a movie and having their child's picture taken with Santa...

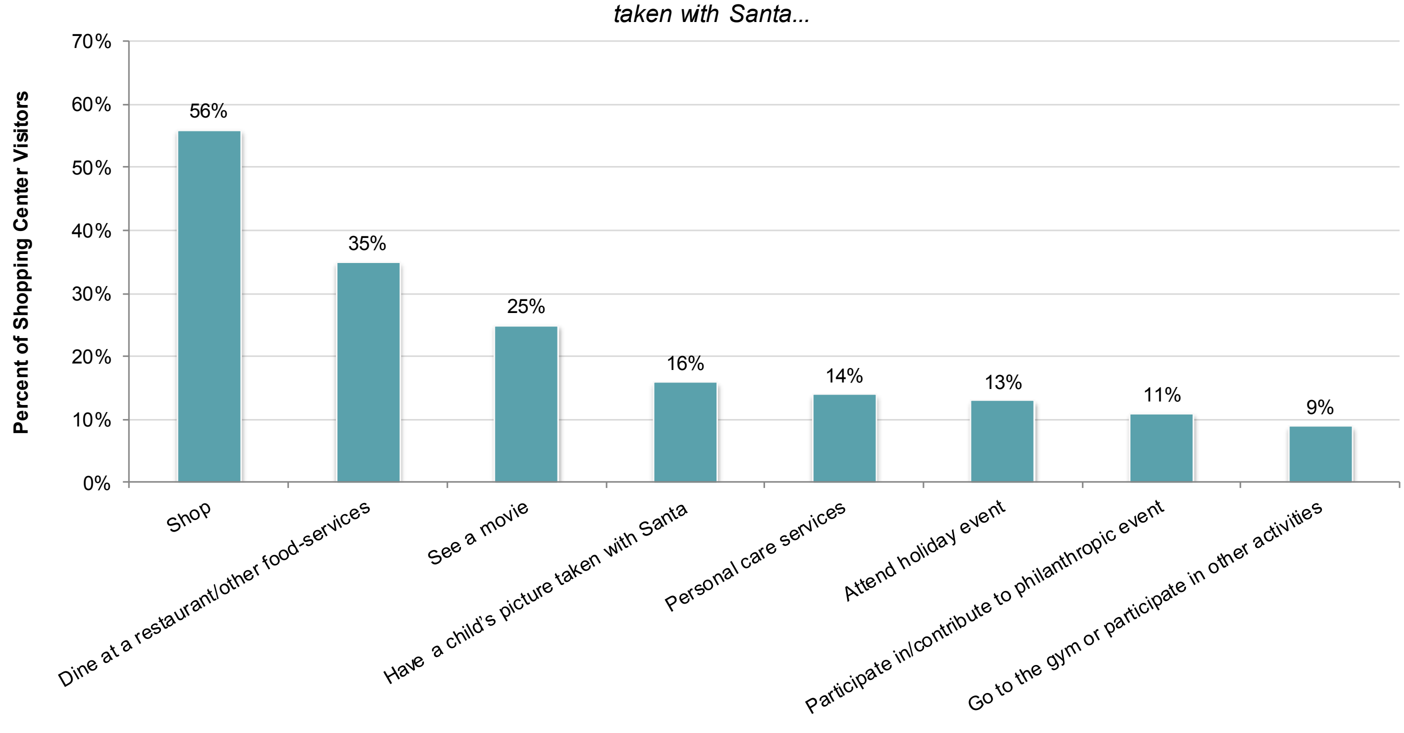


Chart 7:

On Super Saturday alone, roughly one-quarter of shoppers intend to use "click-and-collect". More than one-third of millennials intend to make purchases online and pick up in stores...

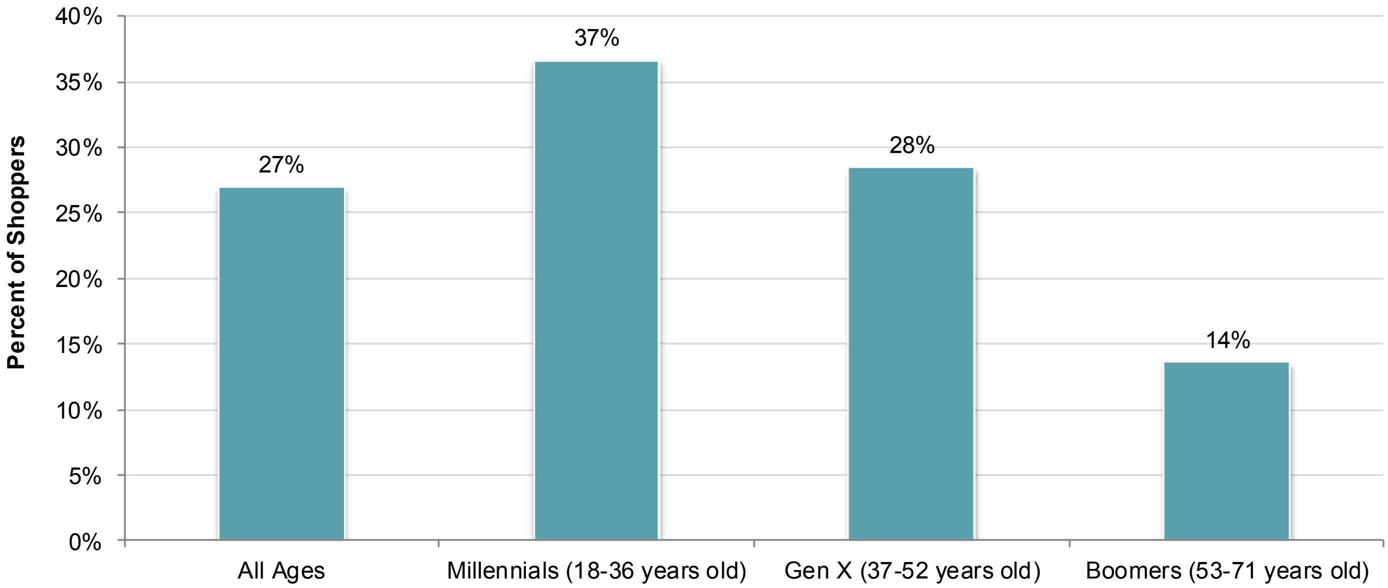


Table 1:

Being able to interact with products and shipping-related concerns are the top reasons for shopping in stores the week before Christmas…

Percent of Holiday Shoppers Who Will Spend In Stores				
	All Holiday Shoppers	Millennials (18-36 years old)	Generation X (37-52 years old)	Baby Boomers (53-71 years old)
Ability to physically see, touch or try on the merchandise	42%	39%	38%	50%
Ability to get the item(s) immediately/Time delivery issue when shopping online	37%	36%	39%	35%
Avoid shipping costs	35%	34%	38%	31%
To take advantage of the large number of deals/promotions available	35%	29%	33%	43%
Sales or items I want are only available in store	34%	30%	35%	37%
Convenience of one-stop shopping	29%	24%	32%	35%
Ability to browse/ease of buying specific items	29%	28%	25%	33%
Good customer service and helpful store employees	21%	21%	21%	21%
It is a fun social activity to do with friends and family for the holidays given the atmosphere/store décor	19%	21%	18%	18%
Regardless of sales/promotions, prices are generally cheaper in stores	15%	19%	8%	14%
Pick up what I purchased or reserved online in-store	14%	20%	10%	12%
Special events at the store or shopping center (fashion shows, cooking lessons, etc.)	11%	17%	12%	4%

SECTION B: ADDITIONAL SPENDING STILL TO COME JUST BEFORE THE HOLIDAY

Chart 8:

Consumers still expect to spend significantly during the final week before the holiday. Gen Xers plan to spend the most, about 32% more than Baby Boomers and 41% more than millennials...

Chart 9:

Holiday shoppers also intend to spend more on holiday-related merchandise during this final week. Having already spent the most on holiday gifts and other holiday items, the youngest shoppers will spend less than older shoppers...

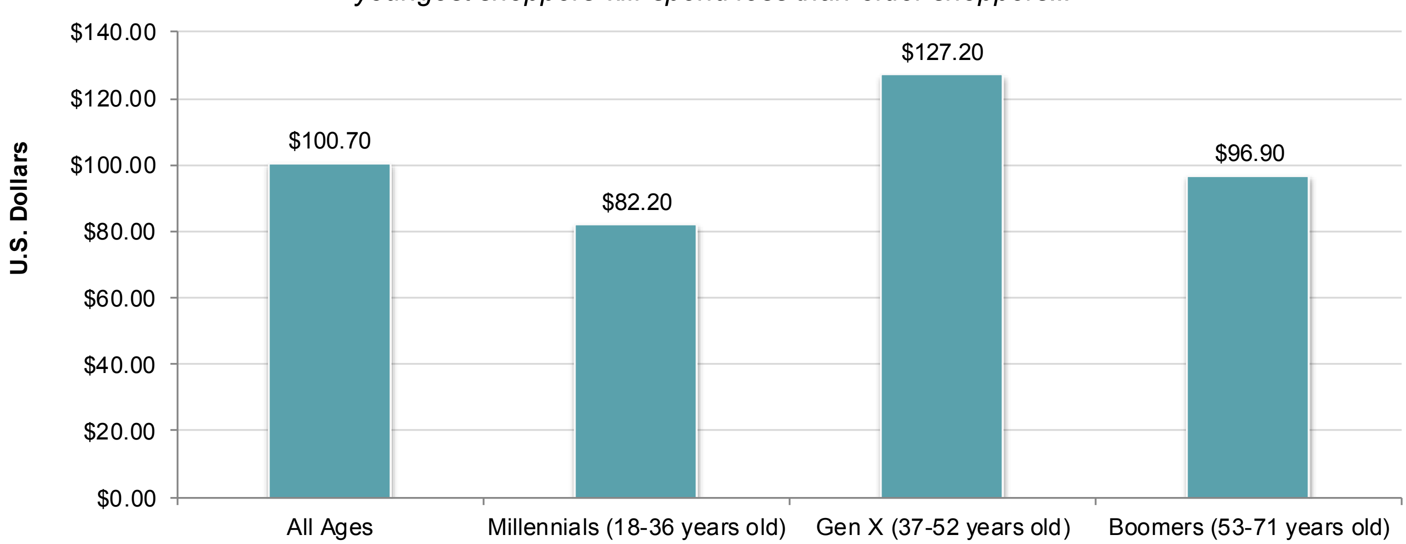


Chart 10:

With time running out, gift cards remain a popular option among holiday shoppers. This group intends to spend an additional $41 on those before Christmas...

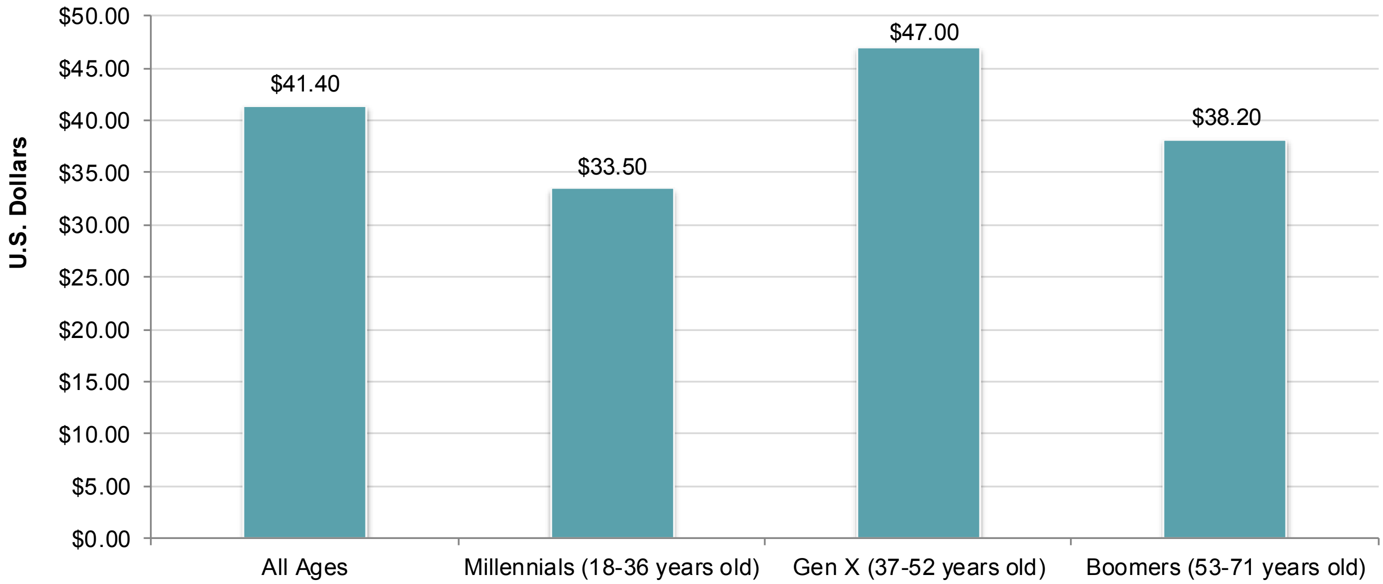
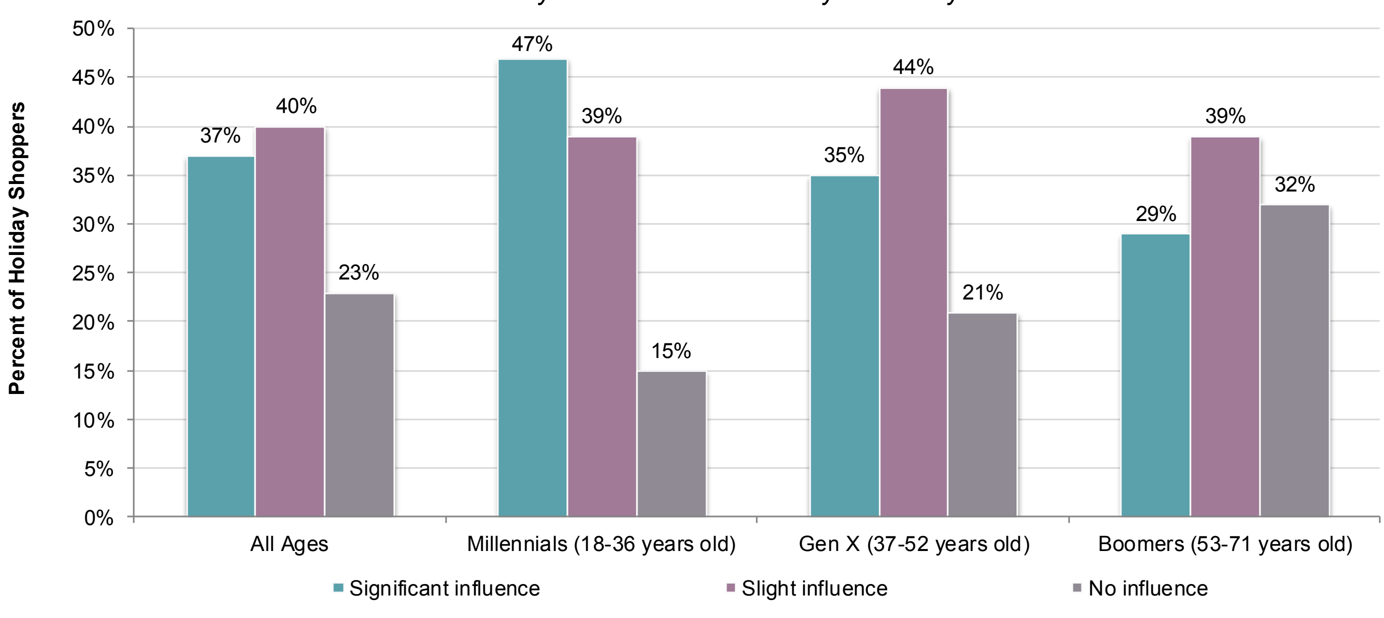


Chart 11:

Promotions will play a significant role in influencing the remaining holiday merchandise purchases. More than three-quarters (77%) indicated being persuaded to some extent by the deals. Baby Boomers are least likely to be swayed...



SECTION C: A BUSY HOLIDAY SHOPPING SEASON SO FAR

Chart 12:

So far this season, spending among holiday shoppers on gifts and other holiday-related merchandise has been strong. Millennials have indicated spending the most up until now, however Gen Xers and Baby Boomers are not far behind...

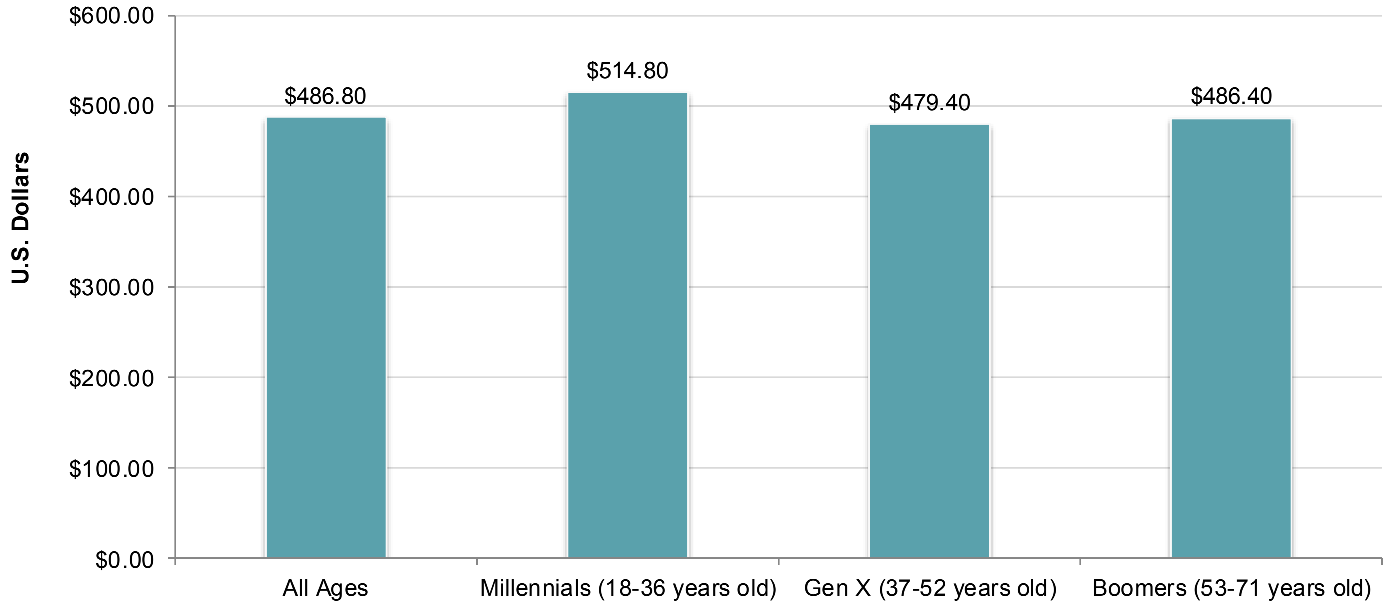


Chart 13:

Roughly 13% of total holiday shopper spending so far has been on gift cards. Baby Boomers have spent more on gift cards than millennials or Gen Xers so far this season...

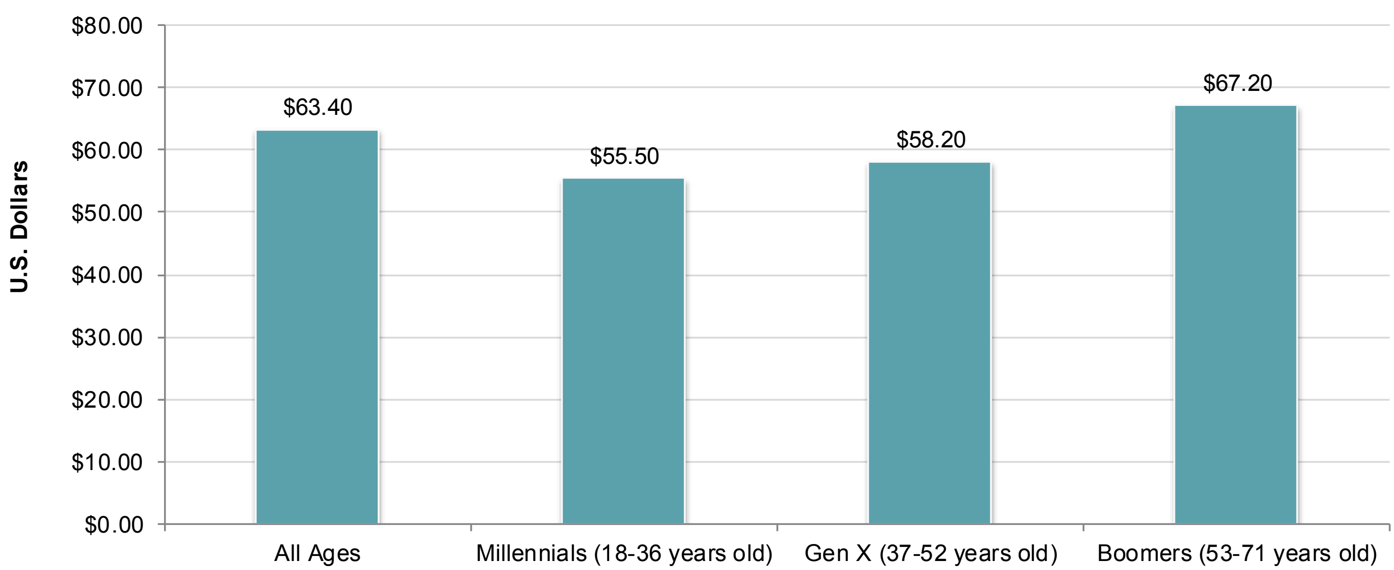


Table 2:

So far this season, more than nine of 10 (91%) holiday shoppers have already made purchases from brick-and-mortar retailers, either in stores or online. This year, ordering online and picking up in store (35%) is as popular as having the items shipped (35%)...

	All Ages		Millennials (18-36 years old)		Generation X (37-52 years old)		Baby Boomers (53-71 years old)	
Physical Stores / Establishments	**91%**	**79%**	**92%**	**82%**	**93%**	**82%**	**88%**	**76%**
Online Retailers with Physical Stores		**51%**		**58%**		**56%**		**42%**
…Ship to Home		35%		42%		36%		27%
…Pickup in Store		35%		42%		40%		25%
Pure Online Retailers		**57%**		**58%**		**63%**		**55%**
…Amazon		54%		54%		59%		52%
…All Other Pure Online Retailers		17%		20%		21%		13%
Other Sources (catalogs, phone orders)		**16%**		**16%**		**15%**		**15%**

Chart 14:

Significant shares of "click-and-collect" shoppers bought additional items in stores while picking up online purchases. Though not as many Baby Boomers did so, the three-quarters of them who did, are much more than in the past...

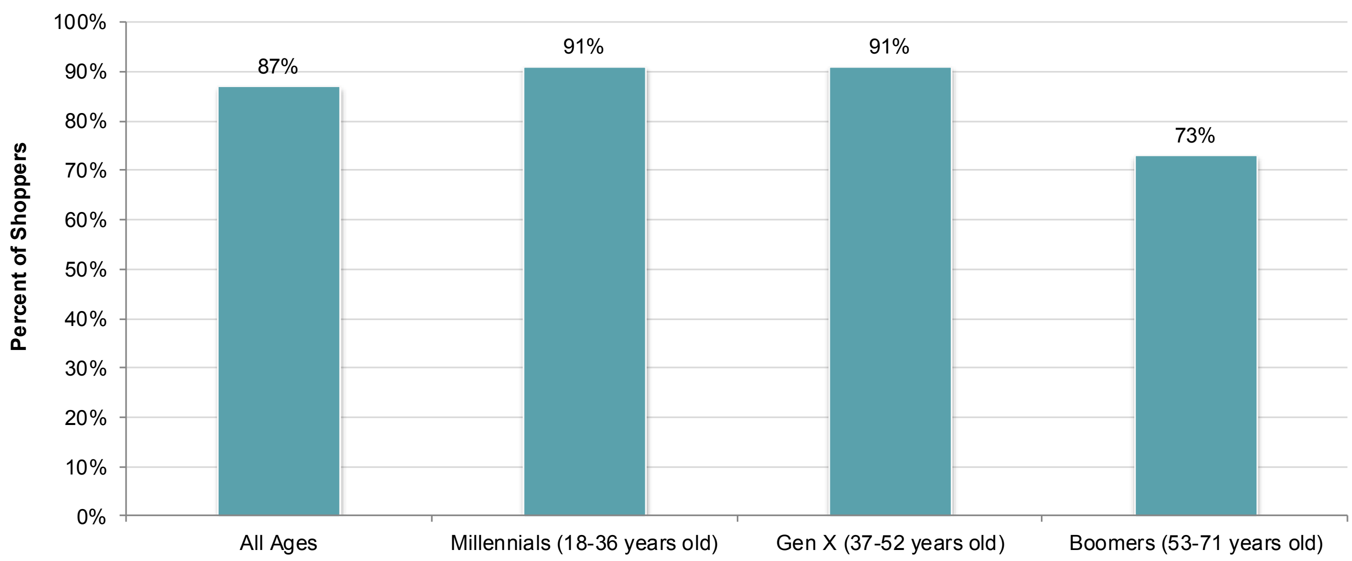


Chart 15:

Overall, 88% of adults who already bought or intend to buy seasonal apparel, plan to spend the same as or more than they did on those items in 2016. A greater share of millennials plans to purchase more compared with Gen X and Baby Boomers...

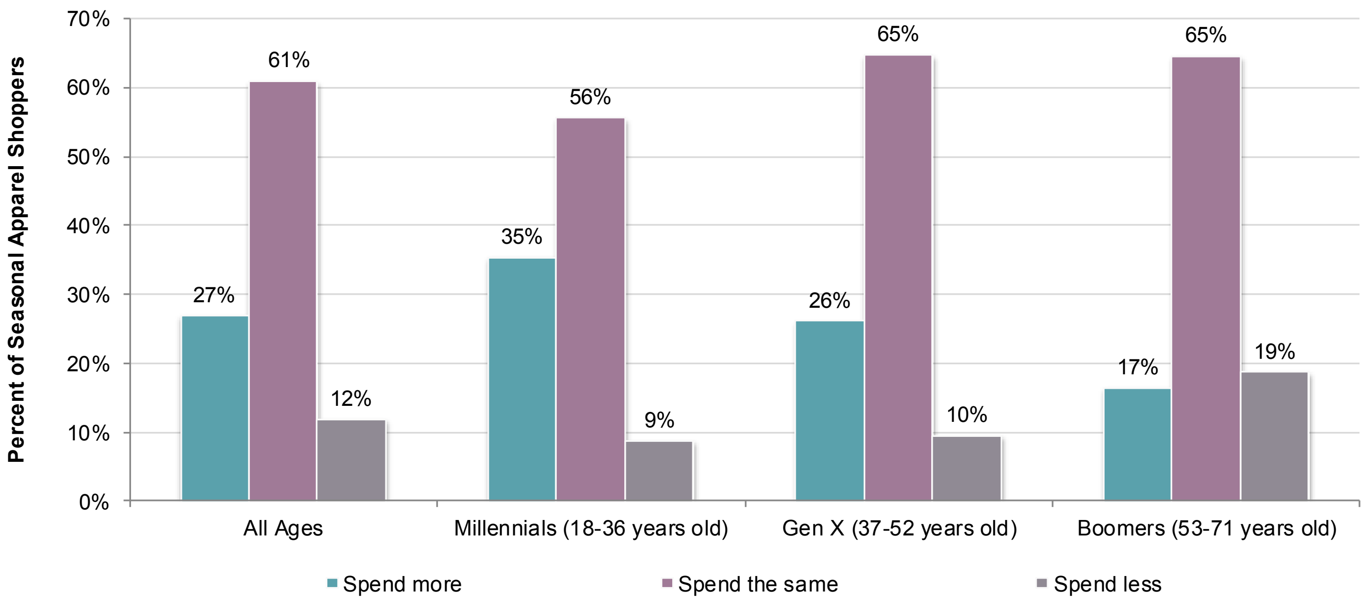


Chart 16:

Debit cards have been the most popular payment method used in stores so far this holiday season, especially among millennials and Gen X. Credit cards and cash (both preferred by Baby Boomers) closely follow..