**Late Holiday Shopping 2019: The Final Push**

**Latest Predictions, Projections and Prognostications**

* Since Media Group Online’s Early Holiday Shopping 2019 Profilers, the National Retail Federation (NRF) has announced its forecast for holiday 2019 retail sales (November and December) is a 3.8% to 4.2% increase, which would total approximately $730 billion.
* eMarketer’s projections, which also exclude travel, restaurants and other retail sectors as in the NRF forecast, could result in the first retail holiday shopping season with $1 trillion in total sales.
* The Mastercard SpendingPulse prediction isn’t quite as robust, at +3.1% from November 1 to December 24 (or 3.8% without automotive and gasoline sales), compared to 5.1% during 2018. Coresight Research forecasts a 4.0% increase.

**US Retail Holiday Sales Aim for First Trillion-Dollar Season, October 2019**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Retail Channel | 2018 | 2019 | % Change | % of 2019 Total | % of 2019 Increase |
| Brick-and-mortar/in-store | * $851.09 B | * $872.25 B | * +2.5% | * 86.6% | * 57.2% |
| E-commerce | * $119.54 B | * $135.35 B | * +13.2% | * 13.4% | * 42.8% |
| Desktop and other (includes voice) | * $68.14 B | * $71.06 B | * +4.3% | * 7.1% | * 7.9% |
| Mobile | * $51.40 B | * $64.29 B | * +25.1% | * 6.4% | * 34.9% |
| Total | * $970.63 B | * $1.007 T | * +3.8% | * 100.0% | * 100.0% |

eMarketer, October 2019 (excludes travel and event tickets, payments and food services and drinking places)

**Calendar Conundrum**

* As has been noted in many media reports, this holiday season is very unusual because it is 6 days shorter. Thanksgiving is as late as the calendar will allow, which has led some shoppers to start earlier this year while others are expected to wait until the last minute.
* According to a survey from Profitero, an e-commerce platform company, 25% of shoppers said they started during September, which includes the 45% who planned to start before November; however, 31% couldn’t say when they would start.
* The shortest holiday shopping season possible isn’t particularly good for retailers, especially if a heavy snowstorm occurs during one or more of the crucial weekends. Many retailers plan to promote larger discounts to motivate consumers to shop earlier.

**When Consumers Plan to Start 2019 Holiday Shopping, by Age, October 2019**

|  |  |  |  |
| --- | --- | --- | --- |
| Date | 18–24 | 25–34 | 35+ |
| Before Thanksgiving | * 27.5% | * 37.5% | * 40% |
| Thanksgiving Day (11/28/19) | * 5.05 | * 4.0% | * 4.5% |
| Black Friday (11/29/19) | * 32% | * 21% | * 15% |
| Other November day | * 11% | * 12.5% | * 17% |
| Cyber Monday (12/2/19) | * 5.0% | * 5.5% | * 3.0% |
| Other December day | * 21% | * 24.5% | * 22% |

Tinuiti, October 2019

**Spending: What, When, Where and How**

* Unsurprisingly, numerous credible sources are predicting consumers will spend various average amounts during the 2019 holiday season. NRF forecasts an average of $1,047.83, with consumers 35–44 spending the most, or an average of $1,158.63.
* Deloitte’s prediction is an average of $1,496 per household for all holiday spending, $511 of which will be for gifts. Deloitte also reported “high spenders,” or those spending more than $2,100, account for 60% of all holiday spending, and 65% are older than 40.
* The 1,500 US consumers Accenture surveyed said they would spend an average of $637, with 57% stating they would spend at the same level as 2018, but 28% expected to spend more than last year.

**Americans’ Average Holiday Spending Plans Each October, 2015–2019**

|  |  |
| --- | --- |
| Year | Amount |
| 2015 | * $812 |
| 2016 | * $785 |
| 2017 | * $906 |
| 2018 | * $885 |
| 2019 | * $942 |

Gallup, November 2019

**Brick-and-Mortar Stores Still Sparkle for Shoppers**

* According to Tinuiti’s survey of more than 2,000 online participants during June/July 2019, 31.6% said they would shop in-store during the 2019 holiday shopping season, a 10.9% increase from 2018.
* The Tinuiti survey also revealed most survey respondents, or 44.8% would shop both primary channels, in-store and online, compared to approximately 46% during the 2018 season. Of those consumers who spend the most, 51.4% shop both in-store and online.
* Field Agent’s survey of more than 4,000 US holiday shoppers found 38% of them said they are likely to shop at five or more brick-and-mortar stores for the 2019 holiday shopping season, with 23%, the most, at 3 stores, and 19% said 6 to 10 stores.

**Where Consumers Plan to Shop for the Majority of**

**Their Holiday 2019 Gifts, by Age, October 2019**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Channel | 18–24 | | 25–34 | | 35+ | |
|  | * 2018 | * 2019 | * 2018 | * 2019 | * 2018 | * 2019 |
| In-store | * 23% | * 26.5% | * 25.5% | * 24% | * 30% | * 34% |
| Online | * 27% | * 27.5% | * 26.5% | * 26% | * 25% | * 23.5% |
| Both | * 50% | * 46% | * 47.5% | * 50% | * 45.5% | * 48.5% |

Tinuiti, October 2019

**Challenges and Concerns**

* The tariffs the Trump administration has imposed primarily on Chinese goods have been a concern of retailers for some time, but many analysts think the impact on holiday shopping will be minimal. Some are more worried about consumer confidence.
* According to an AlixPartners survey, 20% of the respondents who said they would spend less during the holiday season said price increases of more than 10% from tariffs would result in them spending even less.
* Kantar, a data analytics company, reported retailers spent 6% less for 2018 holiday season advertising, or $3.7 billion, compared to 3.9% billion for 2017. Although retailers spent half of their holiday ad dollars on TV, total 2018 spending decreased 3%.

**Why the Holiday Shopping Season Is Becoming**

**Less Important to Retailers, 1998 vs. 2018**

|  |  |  |
| --- | --- | --- |
| Retail Sector | 1998\* | 2018\* |
| Clothing/Accessories | * 24.3% | * 22.4% |
| Department stores | * 24.6% | * 23.8% |
| Electronics/Appliances | * 22.6% | * 22.1% |
| General merchandise | * 23.5% | * 20.4% |
| Jewelry | * 33.4% | * 26.7% |
| Sporting goods, hobbies, musical instruments and books | * 24.3% | * 20.4% |

CNBC (Coresight Research), October 2019 \*holiday sales as a share of total annual sales

**New Traditions**

* Sustainability has become an important aspect of retail commerce for consumers and an Accenture survey found 50% would rather not use wrapping paper for gifts and almost 67% said they would have no problem with receiving unwrapped gifts.
* In the same survey, 50% of respondents said they would be acceptable to a slower shipping process to help reduce the negative environmental impact of the current faster shipping, which so many retailers, especially online, tout as a benefit.
* Deloitte’s annual holiday study revealed more consumers are attracted to Cyber Monday (53%) than Black Friday (44%) discounts, with Gen Zers the largest percentage, at 65%, and then Millennials, 61%; Gen Xers, 49%; and Baby Boomers, 47%.

**Likelihood of Consumers Making an Impulse Purchase During the**

**2019 Holiday Shopping, by Age Group, October 2019**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Intention | 18–24 | 25–34 | 35–44 | 45–54 | 55–64 | 65+ |
| Very likely | * 8.5% | * 10% | * 13% | * 10.5% | * 3.0% | * 6.5% |
| Somewhat likely | * 39.5% | * 42.5% | * 41.5% | * 42% | * 48% | * 39% |
| Unlikely | * 28% | * 23% | * 22% | * 23% | * 26% | * 28% |
| Highly unlikely | * 23% | * 22% | * 19.5% | * 21.5% | * 20.5% | * 25% |

Tinuiti, October 2019

**Additional Analysis**

According to the following data from Tinuiti’s 2019 Holiday Shopping Predictions and Behaviors report, younger shoppers and women can be targeted with advertising messages that emphasize budget-saving offers. Ad messages that promote deluxe gift-giving are more likely to motivate men, 35 years of age and older, to spend more.

**2019 Holiday Shopping Season Budget, by Gender and Age Group, October 2019**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Demographic | Less than $50 | $51–$100 | $101–$250 | $251–$500 | $501–$1,000 | More than $1,000 |
| Men (18+) | * 7.0% | * 11.5% | * 21.5% | * 28% | * 18% | * 13.5% |
| Women (18+) | * 7.5% | * 13.5% | * 25% | * 31.5% | * 14.5% | * 8.0% |
| 18–24 | * 15.5% | * 22.5% | * 28% | * 21.5% | * 8% | * 3.5% |
| 25–34 | * 7.0% | * 18% | * 22.5% | * 27.5% | * 12% | * 8% |
| 35–44 | * 9.5% | * 6.5% | * 21% | * 30.5% | * 20% | * 16% |
| 45–54 | * 7.5% | * 11% | * 22% | * 31% | * 16.5% | * 12% |
| 55–64 | * 7.0% | * 12% | * 22.5% | * 31% | * 17.5% | * 8% |
| 65+ | * 6.0% | * 11.5% | * 22.5% | * 31% | * 18% | * 8.5% |

Tinuiti, October 2019

**Please read the other complementary Late Holiday Shopping 2019 Profilers for more information: Online Is On-Target and Gifts and Celebrations.**

*Sources:* National Retail Federation Website, 11/19; eMarketer Website, 11/19; CNBC Website, 11/19; Retail Dive Website, 11/19; *Candy & Snack Today* Website, 11/19; Gallup Website, 11/19; Tinuiti Website, 11/19; Field Agent Website, 11/19; *Forbes* Website, 11/19.

*Updated*: November 2019

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