## Winter Holiday Shopping - US - August 2015

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

"Retailers have their work cut out for them during the 2015 winter holiday season given that 2014 was touted as one of the strongest in recent years. However, positive economic factors like higher consumer confidence, lower gas prices, and an improvingjob market signal that comping over 2014 is attainable."

- Diana Smith, Senior Research Analyst - Retail \&

Apparel

This report looks at the following areas:

- Signs are positive for a strong winter holiday season
- The endless cycle of deals and discounts
- Consumers are shopping on their own terms

For purposes of this report, "holiday shopping" refers to expected consumer expenditures on holidayspecific items such as gifts, decorations, seasonal candy and other food, greeting cards, and other expenditures. This report focuses on winter holidays (Christmas, Hanukkah, and Kwanzaa) as they represent the bulk of total holiday expenditures.

This report builds on the analysis presented in Mintel's Winter Holiday Shopping - US, August 2014, Holiday Shopping - US, July 2013, 2012, 2011, June 2010, and Holiday Shopping: The Market - US, July 2007.

## BUY THIS REPORT NOW

VISIT: store.mintel.com

CALL: EMEA
+44(0)2076064533
Brazil
08000959094
Americas
+1 (312) 9435250
APAC
+61(0) 282848100
EMAI L: reports@mintel.com

## Winter Holiday Shopping - US - August 2015

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

## Overview <br> What you need to know <br> Definition

## Executive Summary

## The issues

Signs are positive for a strong winter holiday season
Figure 1: Total US retail sales in November and December, at current prices, 2005-15
The endless cycle of deals and discounts
Figure 2: Deal-seeking attitudes and behaviors, April 2015
Consumers are shopping on their own terms
Figure 3: Number of gifts planned to buy online, April 2015
The opportunities
Gift cards remain a hot commodity
Figure 4: Items likely to be purchased as gift vs. desired for self during 2015 winter holiday season, April 2015
Stay nimble to appeal to planners and procrastinators
Figure 5: Planned winter holiday shopping timeline, April 2015
Invigorate the magic of the holidays
Figure 6: Desired holiday shopping improvements, April 2015

## What it means

## The Market - What You Need to Know

$\$ 700$ billion in retail sales estimated for 2015 season
Stronger economy linked to higher consumer confidence
Shopping done online and via mobile devices will increase
Spending more doesn't equate to willingness to pay more

## Market Size

2015 holiday season slated for growth
Figure 7: Total US retail sales in November and December, at current prices, 2005-15
Figure 8: Total US retail sales in November and December as a share of total annual retail sales, 2005-15
Bar was set high in 2014 season
Figure 9: Anticipated average expenditures for winter holidays, at current prices, 2009-14

## Market Factors

People are more positive about personal finances vs. economy at large
Figure 10: Outlook on personal financial situation vs. American economy in coming 12 months, August 2013-September 2014
Higher confidence levels mean potentially higher discretionary spending
Gross domestic product and disposable personal income see gains
Shoppers remain price-sensitive

BUY THIS
REPORT NOW

VI SI T: store.mintel.com
CALL: EMEA +44 (0) 2076064533 | Brazil 08000959094
Americas +1 (312) 9435250 | APAC +61 (0) 282848100
EMAI L: reports@mintel.com

## Winter Holiday Shopping - US - August 2015

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Length of time between major holidays affects anticipated sales forecasts
Tools and technology are changing the retail landscape
Changes in shipping practices can impact retailers and consumers alike

## Key Strategies - What You Need to Know

Being nimble can pay off
Always on deal
Free and fast

## What's Working?

Stronger economy will work in retailers' favor, but opportunity exists to recapture holiday magic In their words

## What's Struggling?

Have Black Friday and Cyber Monday lost their lustre?
Black Friday: In their words
Avoiders
Fanatics

## What's Next?

Above all, online shoppers want free shipping
Figure 11: Desired holiday shopping improvements, April 2015
On demand everything
The Consumer - What You Need to Know
Consumers continue to treat themselves
The holiday season is getting longer
Online shopping will again be dominant
Peer-to-peer reviews and social media can aid in decision making
Purchased and/ or Desired Items
Food and beverages are most commonly purchased items
Gift cards have broad appeal
Figure 12: Correspondence Analysis, items purchased during 2014 winter holiday season, April 2015
Figure 13: Items likely to be purchased as gift vs. desired for self during 2015 winter holiday season, April 2015
'Tis the season to treat myself
Figure 14: Attitudes toward big-ticket items, April 2015
Self-gifting: In their words
I treat myself
Gifts are for others

## When Consumers Plan to Start Shopping

High intention to begin shopping prior to the holidays
Figure 15: Planned winter holiday shopping timeline, April 2015

## Winter Holiday Shopping - US - August 2015

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Black Friday in the red?

## Shopping Behavior and Preferences

All bets are off: Online will be the big winner
Figure 16: Number of gifts planned to buy online, April 2015
Online vs. in-store
Mobile shopping set to take off
Figure 17: Activities consumers planned to do on smartphones vs. tablets for holiday shopping, October 2014
The "right" item can trump price
Figure 18: Preference for product selection versus price, April 2015

## Holiday Shopping I nfluencers

Advertising is a given; it's the go-to-market strategy that matters
Social channels provide inspiration
User reviews can make or break a purchase
So many choices, so little time
Figure 19: Shopping influencers during the holidays, April 2015

## In their words

User reviews
Technology and tools
Mobile couponing
Yes, please
No thanks
Appendix - Data Sources and Abbreviations
Data sources
Sales data
Consumer survey data
Consumer qualitative research
Abbreviations and terms

## Abbreviations

Terms

## Appendix - Market

Figure 20: Total US retail sales in November and December, at inflation-adjusted prices, 2005-15
Figure 21: Anticipated winter holiday expenditures, in current dollars, 2009-14
Figure 22: Consumer confidence and unemployment, 2000-May 15
Figure 23: Real gross domestic product and related measures: percent change from preceding period, 2008-Q1 2015
Figure 24: Real disposable personal income: percent change from preceding periods, 2008-April 2015
Figure 25: US median household income, in inflation-adjusted dollars, 2003-13
Figure 26: Percent of total households, by number of people in household, 2013
Figure 27: Median household income, by race and Hispanic origin of householder, 2013

## Winter Holiday Shopping - US - August 2015

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 28: Length of the holiday shopping season, 2005-15
Figure 29: US all grades all formulations retail gasoline prices (dollars per gallon), 2012-May 2015

## Appendix - Consumer

Correspondence analysis methodology
Additional data
Figure 30: Items purchased during 2014 winter holiday season, April 2015
Figure 31: Likelihood of buying items for self during holidays, October 2014

