

2024 Deloitte holiday retail survey

Embracing a season of 'doing' and
discounts



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Executive summary

In Deloitte's 39th annual holiday survey, respondents feel a bit more optimistic and plan to increase their spending by 8% year over year (YoY). Although they're willing to loosen their purse strings this season, they're still on the hunt for deals, with 78% planning to participate in October and November promotional events (versus 61% in 2023). Eight in 10 executives in our retail buyers' survey noted that the planned October promotional events have pulled sales forward, creating a new unofficial start to the holiday season. The early promotional events are expected to be more important than ever with five fewer shopping days this year.

Our [ConsumerSignals](#) data has shown over the last year and a half that consumers surveyed are favoring experiences over goods. The trend is coming through with holiday shoppers as well, as spending on experiences is expected to increase 16% this year, while gift purchases are expected to be relatively flat (-3% YoY). Respondents also plan to spend 9% more on nongift purchases like party apparel and holiday décor. As consumers look to travel, host events at home, or participate in holiday concerts and activities, it may be an important time for retailers to take stock of shifting priorities.

A cost-of-living squeeze continues to weigh on holiday shoppers, and seven in 10 surveyed expect prices to increase again this year on holiday goods. In our annual [back-to-school survey](#), respondents were focused on the necessities and getting them in the most affordable manner. Our holiday survey found similar trends with consumers in all income groups showing value-seeking behaviors such as cutting back on self-gifting (-16 percentage points [PP]), trading down to more affordable retailers (48%), switching to lower-priced brands (62%), or seeking out private labels or "dupe" goods (40%).

The frugal behavior seen throughout the year could be prompting 79% of retail buyers to expect consumers to value lower prices over brand loyalty this holiday season. We explored the loyalty crisis in our [2024 Retail Industry Outlook](#) and the takeaways apply to this holiday season as well. To stand out in this value-focused environment, retailers could consider shoring up loyalty programs and investing in omnichannel experiences to provide the value and convenience that price-wary consumers will likely be looking for.

Holiday highlights

The outlook is merry and bright

After expressing record holiday spending intentions in 2023, respondents are yet again planning to up their purchases, and expect to spend \$1,778 (+8% YoY) this holiday season. The uptick in spend is attributed to a rosier economic outlook (+9 PP), perceived higher prices (70%), and an increase in spend by the \$100K to \$199K income group (+17%).

Experiences are the reason for the season

As respondents contemplate where to spend their holiday dollars, they are prioritizing experiences (+16% YoY) like holiday events and socializing with loved ones, while gifts spending is expected to be relatively flat (-3% YoY), and nongift purchases such as party apparel and decorations continue to gain in importance (+9% YoY).

Sugarplums and deals dance in their heads

With 70% of respondents expecting higher prices this season, all income groups are showing signs of frugality. They're planning to cut back on self-gifting (-16 PP), trade down to more affordable brands (62%) or retailers (48%), and shop promotional events (78% versus 61% in 2023).

Cheat sheet

Spending

Improved optimism and a **focus on experiences (+16% YoY)** are likely to drive the average expected **holiday spend to \$1,778, up 8% YoY**.

The average **spend on retail categories is expected to remain flat** (\$1,043 in 2024 versus \$1,020 in 2023) with gifts relatively flat (-3% YoY) and an uptick in nongift purchases (+9%).

43% are expecting the **economy to improve** next year (versus 34% in 2023).

70% of consumers surveyed **expect higher retail prices**, consistent with 2023 expectations.

The **\$100K to \$199K income group** plans to spend more this season, an uptick of **17% YoY**.

Consumers **are pulling back on self-gifting. Only 32% of respondents plan to buy self-gifts** (versus 48% in 2023).

Preferences

Online retailers (71%) and mass merchants (55%) are expected to be consumers' top locations to shop owing to price and convenience.

Consumers surveyed are **looking for quality (39%), value (37%), and variety (35%)**.

Clothing and accessories are expected to be the top gifts to give while gift cards decline (-12%) and four in 10 plan to give experiential gifts.

Multichannel presence is likely becoming table stakes for retailers; **48% plan to shop on smartphones** while 13% plan to purchase on social media.

25% of respondents are planning to host a holiday gathering, willing to spend **\$261** on average for the event.

Behavior

Across all income groups, at least **40%** are showing five or more signs of **frugal behavior**.

Loyalty may be at risk as consumers expect to trade down to more affordable retailers (48%), switch to lower-priced brands (62%), or seek out knockoff or "dupe" goods (25%).

Early October promotional events are expected to gain ground (**38% versus 24% in 2023**), but the bulk of holiday shoppers (75%) are expected in the second half of November.

68% of respondents plan to shop during **Thanksgiving week** (versus 66% in 2023); intent to participate is highest among Gen Z and millennials (79%).

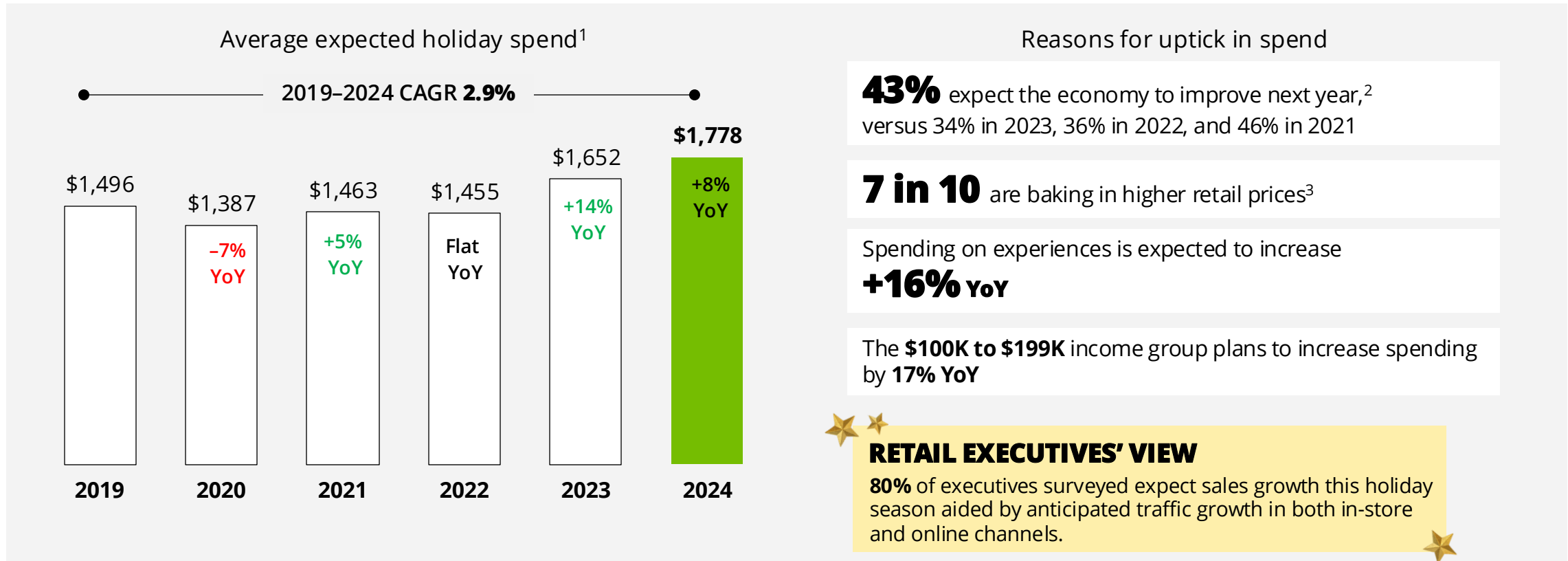
Overall **shopping duration** has been **steady at 5.7 weeks**, but the shopping window for **Gen Z respondents is expected to come in at 4.6 weeks**, versus 5.1 weeks in 2023.

Spending trends



Holiday shoppers are feeling hopeful and plan to boost their spending

Optimism and experiences are expected to drive holiday spending up 8%



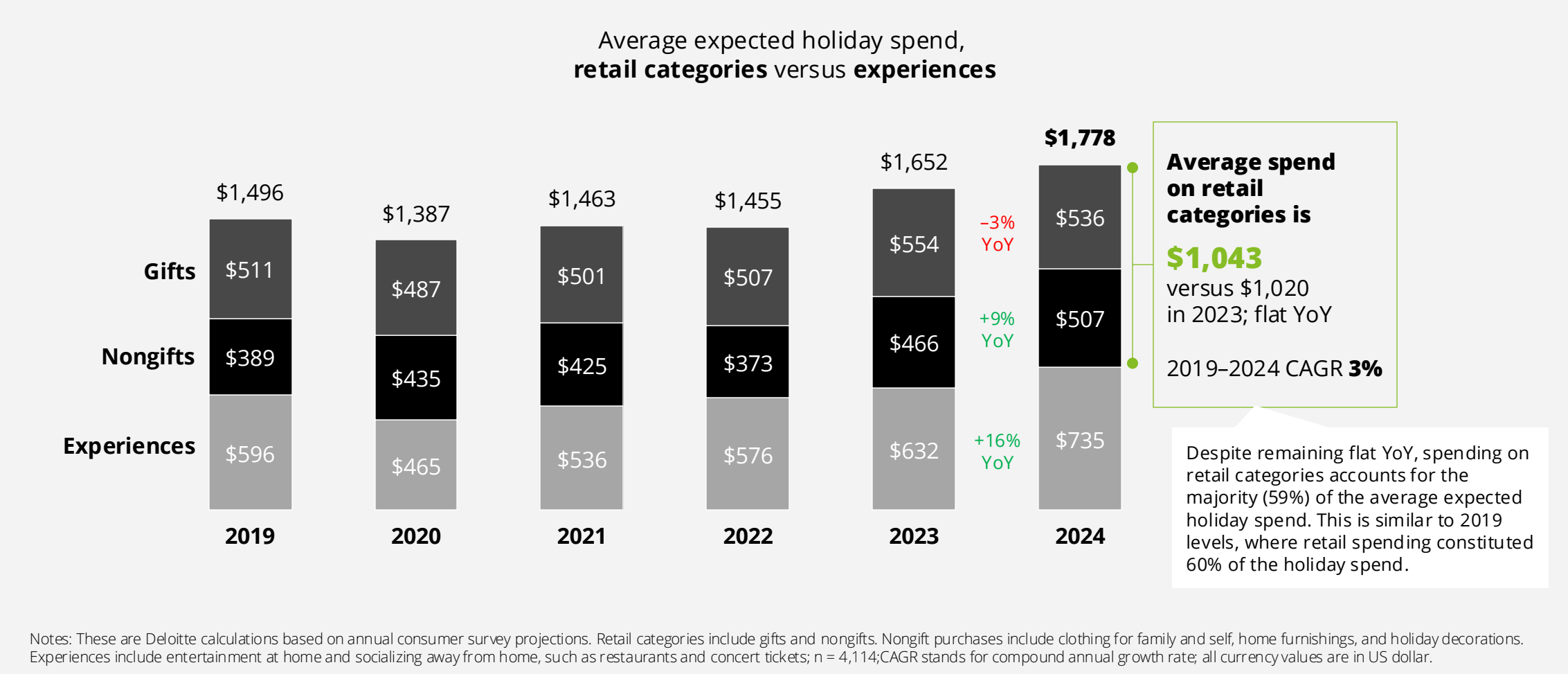
Notes: (1) These are Deloitte calculations based on annual consumer survey projections. Average expected holiday spend includes spending on gifts, nongift purchases (clothing for family and self, home furnishings, and holiday decorations), and experiences (entertainment at home and socializing away from home, such as restaurants and concert tickets) n = 4,114; CAGR stands for compound annual growth rate; all currency values are in US dollar.

Questions: (2) "In your opinion, what is the overall outlook for the US economy in 2025 compared with today?"; (3) "Compared to last holiday season (2023), I expect prices to be somewhat/significantly higher."

Retail executives' view. 2024 Deloitte retail buyers' survey; "What are your company's year-over-year (YoY) sales expectations for the holiday season," and "How do you expect traffic to change at your company YoY?"; n = 45

Experiences are expected to fly high this holiday season

Respondents are prioritizing 'doing' and décor over gifts



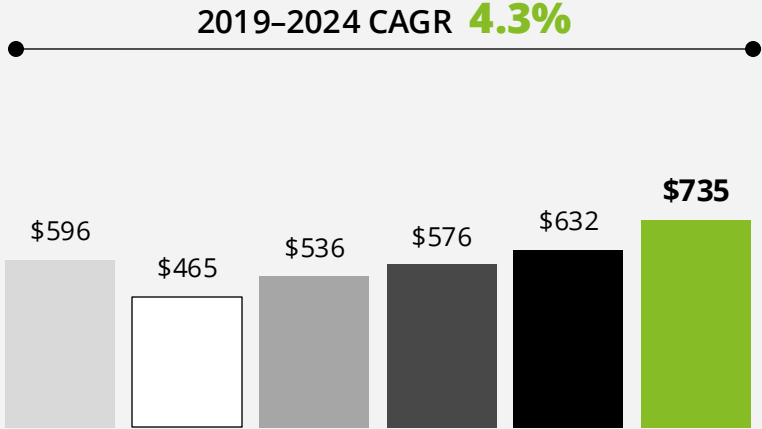
Preferences are evolving, with experiences growing faster than retail categories

After a dip during the pandemic, respondents are seeking out travel, holiday events, and socializing

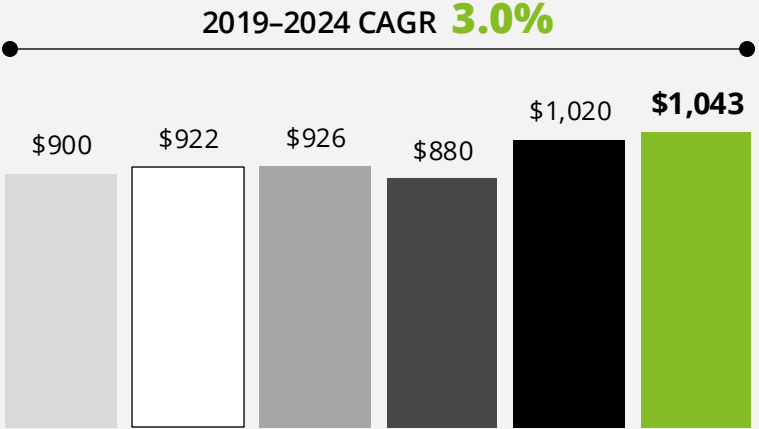
Participation in experiences is inching closer to pre-pandemic levels (83% this year versus 86% in 2019), increasing from the lows of 72% during the pandemic.

Average expected holiday spend on **experiences** versus **retail categories**

2019 2020 2021 2022 2023 2024



Experiences



Retail categories

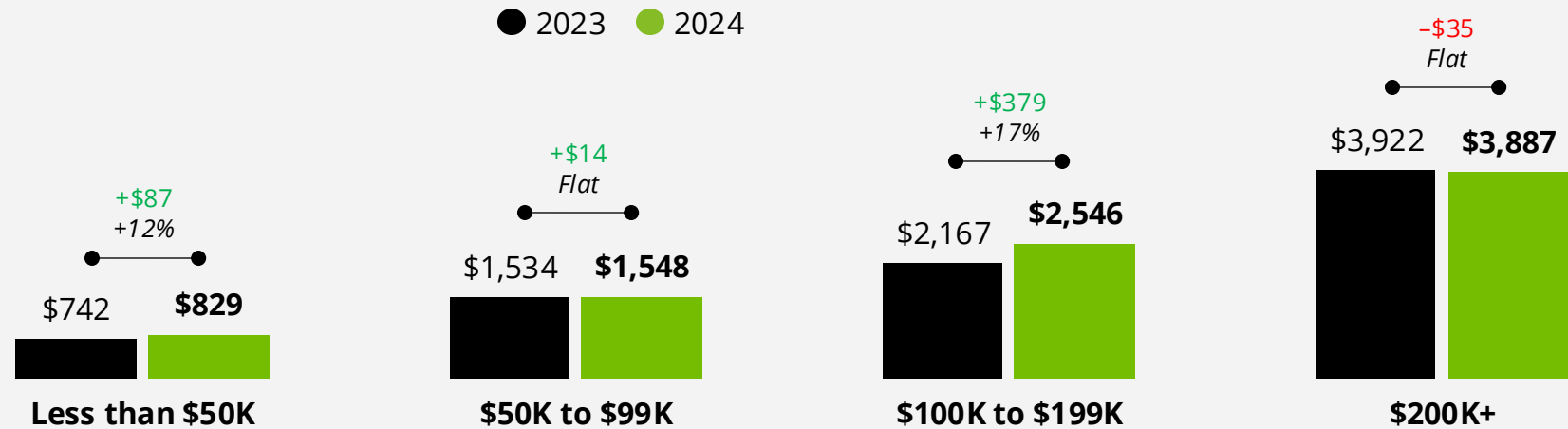
Share of spend: \$735 includes spending on experiences at home (37%) and away from home (63%).

Notes: These are Deloitte calculations based on annual consumer survey projections. Retail categories include gifts and nongifts. Nongift purchases include clothing for family and self, home furnishings, and holiday decorations. Experiences include entertainment at home and socializing away from home, such as restaurants and concert tickets; n = 4,114; CAGR stands for compound annual growth rate; all currency values are in US dollar.

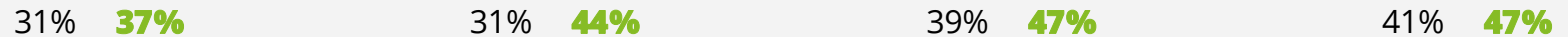
The \$100K to \$199K income group is expected to give spending a surge

All income groups are showing signs of frugality despite optimism about the economy

Average expected holiday spend, by household income¹



Expect the economy to improve next year³



Across all income groups, at least 40% of respondents are showing five or more signs of frugal behavior²

Notes: (1) These are Deloitte calculations based on annual consumer survey projections. Average expected holiday spend includes spending on gifts, nongift purchases (clothing for family and self, home furnishings, and holiday decorations), and experiences (entertainment at home and socializing away from home, such as restaurants and concert tickets) (2) These are Deloitte calculations based on annual consumer survey projections. Value-seeking behaviors include adding items to online carts or wish lists and waiting for prices to drop, shifting brands or retailers if the preferred one is too expensive, shopping for private labels or dupes, drawing names with friends or family to save money, sending fewer holiday cards, shopping during October and November sales events, and cutting back on self-gifts when on tight budgets; n = 4,114; all currency values are in US dollar. Question: (3) "In your opinion, what is the overall outlook for the US economy in 2025 compared with today?"

Holiday shoppers' bargain-hunting behavior may challenge loyalty

7 in 10

shoppers surveyed expect higher priced compared to holiday goods in 2023,¹ a response that has been consistent since 2022

75% plan to shop during at least one promotional event,³ versus 61% in 2023

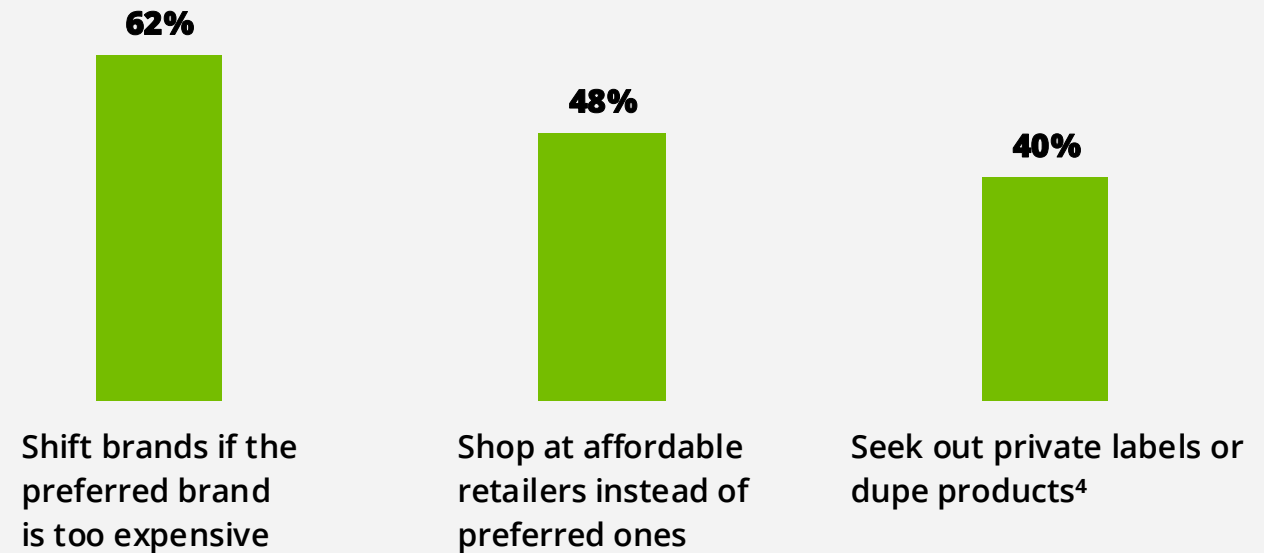
Question: (1) "Compared to last holiday season (2023), I expect prices to be somewhat/significantly higher" (n = 4,114).

Notes: (2) Percentage who agree/strongly agree (n = 3,867); (3) These are Deloitte calculations based on annual consumer survey projections (n = 3,867). Promotional events include October sales, Black Friday, Cyber Monday, and more; (4) Dupes are not counterfeit consumer products, but rather nonbranded products that imitate function and design of pricier goods.

Retail executives' view. 2024 Deloitte retail buyers' survey. "To what extent do you agree or disagree with the following statements about your company?" Percentage who agree/strongly agree (n = 45).

Expectations of higher prices could prompt consumers to seek out alternatives

Holiday shopping behaviors likely to put loyalty at risk²



RETAIL EXECUTIVES' VIEW

80% of executives surveyed say their company expects private label sales to grow faster than national brand sales this holiday season.

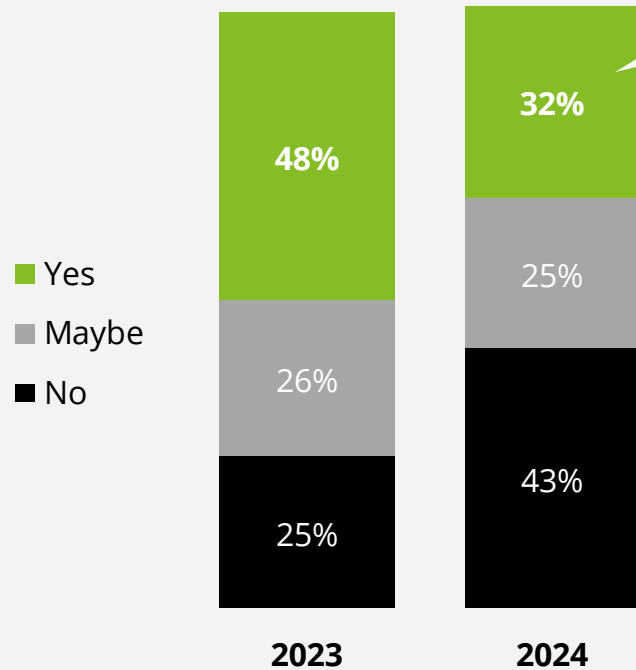
76% believe most consumers will value lower prices over brand loyalty.



Self-gifting may shrink

The younger generations are more likely to splurge on themselves this holiday season

Percentage of respondents planning to self-gift¹



One in five plan to buy luxury products as gifts for themselves.²

49% surveyed said they would cut back on self-gifts if their budgets became too constrained³

\$250

Average budget for self-gifts⁵

Planning to self-gift by generation:

- 47%** Gen Z
- 43%** Millennials
- 27%** Gen X
- 17%** Baby boomers
- 13%** Seniors

Top categories for self-gifting:⁴

- 63%** Clothing and accessories
- 34%** Electronics and accessories
- 32%** Health and wellness
- 22%** Experiences

Intent to self-gift with experiences is highest among millennials (32%)

Questions: (1) "Do you expect to buy a gift/gifts for yourself this holiday season?" (n [2024] = 3,867; n [2023] = 4,102); (2) "Do you plan to buy luxury products as gifts this holiday season?" (n = 2,214); (3) "If my budget becomes more constrained than expected, I will cut back the most on ..." (n = 3,867).

Note: (4) These are Deloitte calculations based on annual consumer survey projections. Average is calculated for those who chose "yes" or "maybe" for intent to self-gift (n = 2,214).

Respondents plan to wrap up clothing and food while gift cards drop in favor

Stockings may be stuffed with experiences such as restaurant gift cards, spa services, and events

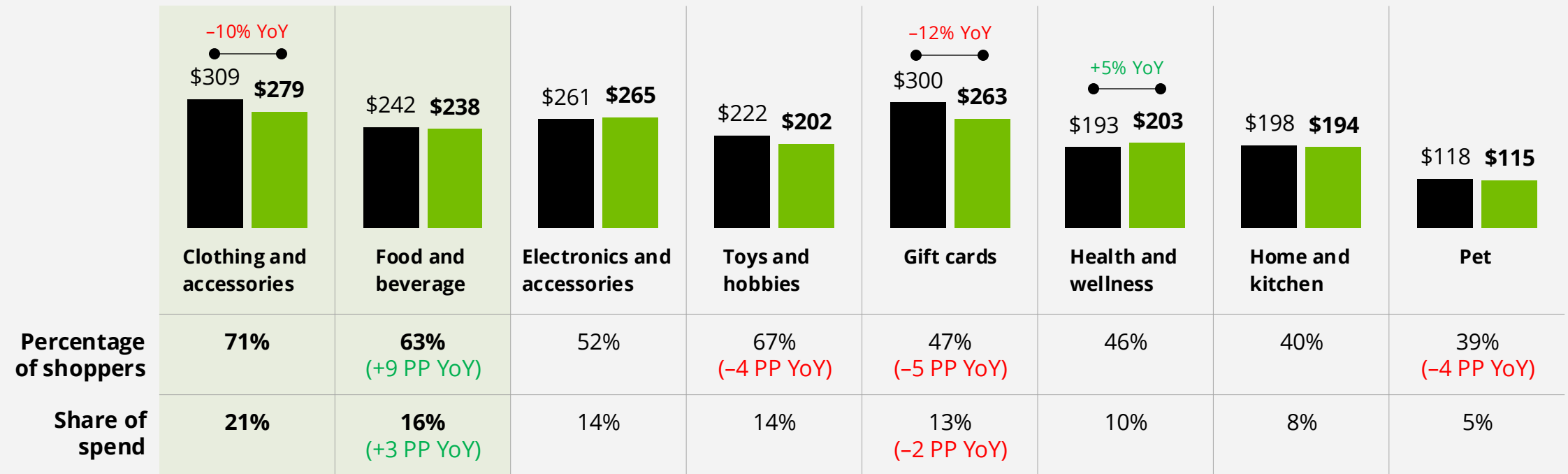
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Average number of gifts/
gift cards likely to be purchased,²
versus 8 in 2023

Average expected holiday spend by gift categories¹

● 2023 ● 2024

39% plan to give experiential gifts (such as event tickets, restaurants, spa, etc.)¹



Questions: (1) "Which of the following do you plan to buy as a gift this holiday season?" (n [2024] = 3,867; n [2023] = 4,102) (2) "What is the total number of gifts, including gift certificates/cards, you expect to buy for others and/or yourself this holiday season?" (n = 3,649).

Notes: Category-level averages are based on the number of shoppers who plan to purchase the category. Therefore, the sum of category averages would not equal the average expected retail spend (1,043); PP refers to percentage points.

Consumer preferences



'Tis the season for early deals

38%

surveyed plan to shop during the promotional events in October,¹ versus 24% in 2023

RETAIL EXECUTIVES' VIEW

78% say the rise in retailers' promotional events in early October is pulling holiday sales forward.

Questions: (1) "What holiday shopping events are you likely to participate in?" (n = 3,867); (2) "What percentage do you plan to spend during the following months?" (n = 3,867).

Note: (3) These are Deloitte calculations based on annual consumer survey projections (n = 4,114).

Retail executives' view: 2024 Deloitte retail buyers' survey. "To what extent do you agree or disagree with the following statements about your company?" Percentage who agree/strongly agree (n = 45).

The bulk of holiday spending is expected to occur in late November despite heightened interest in October promotional events



Respondents are drawn in by discounts

68%

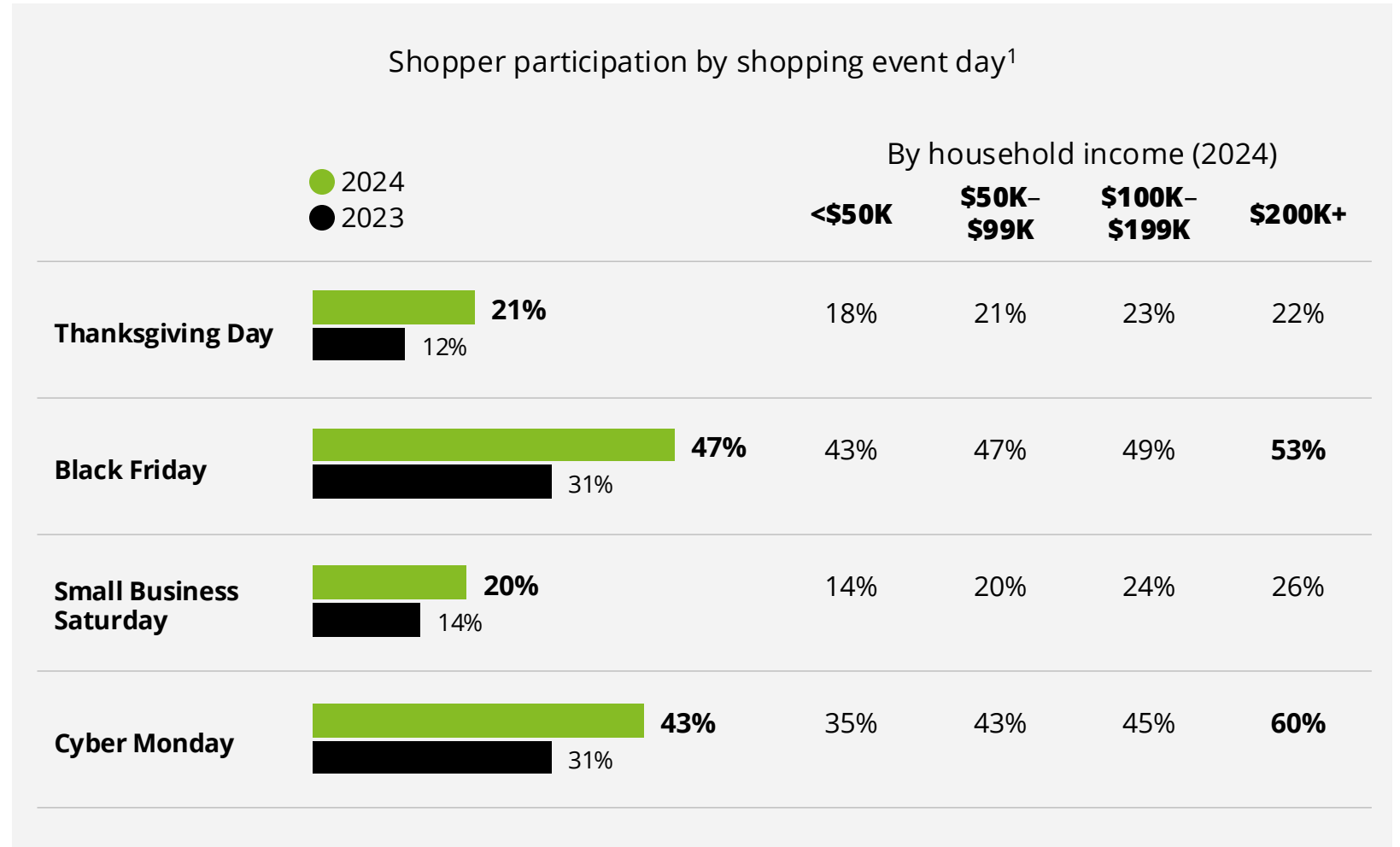
of holiday shoppers plan to shop during the Thanksgiving week,¹ versus 66% in 2023, 49% in 2022, 47% in 2021, and 53% in 2020

8 in 10

of October promotional shoppers plan to shop during the Thanksgiving week²

Intent to participate in Thanksgiving events is the highest among Gen Z (79%) and millennials (79%).

The younger and higher income groups are expected to participate the most in Thanksgiving week promotions



Question: (1) "What holiday shopping events are you likely to participate in?"

Notes: (2) These are Deloitte calculations based on annual consumer survey projections. Thanksgiving week starts on Thanksgiving Day (Nov. 28, 2024) and ends on Cyber Monday (Dec. 2, 2024); n = 3,867.

Multichannel presence is becoming table stakes for retailers

48% plan to shop on their smartphone²

By generation:

- 58%** Gen Z
- 62%** Millennials
- 47%** Gen X
- 30%** Baby boomers

13% plan to buy gifts on social media³

By generation:

- 20%** Gen Z
- 18%** Millennials
- 12%** Gen X
- 6%** Baby boomers

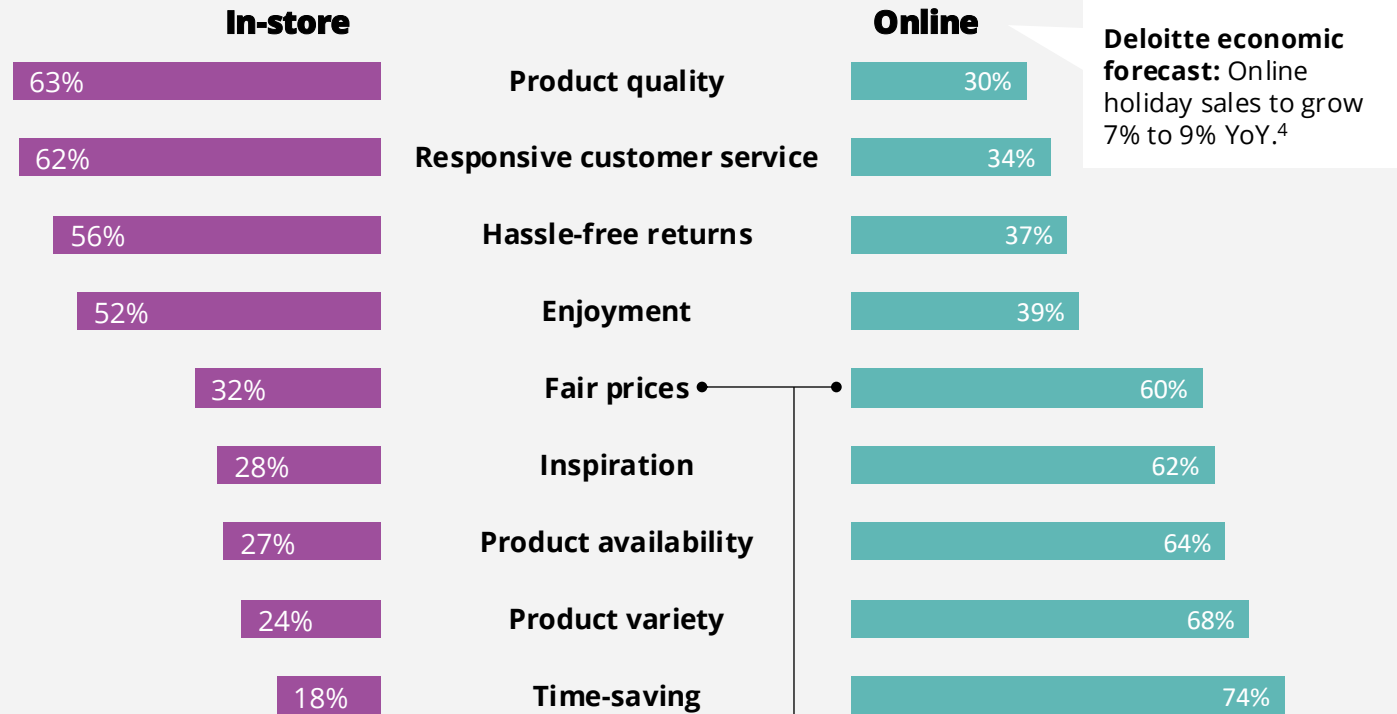
Question: (1) "When shopping for holiday gifts, where are you most likely to find the following conveniences?"

Notes: (2) Respondents who selected agree/strongly agree; (3) These are Deloitte calculations based on annual consumer survey projections; n = 3,867.

Source: (4) "Deloitte: Holiday retail sales expected to increase 2.3% to 3.3%," press release, Sept. 12, 2024.

Social media and smartphone platforms could be key as young buyers gain purchasing power

The channel where shoppers feel they can best experience these benefits¹



Deloitte economic forecast: Online holiday sales to grow 7% to 9% YoY.⁴

52% add items to wish list/online shopping cart and wait for deals²

Consumers are looking for quality, value, and variety

Top three most important attributes while selecting a retailer:²

- 39%** High quality
- 37%** Getting a great deal
- 35%** Variety of products/styles

Consumers plan to spend the most at:³

- 38%** Online retailers
- 17%** Mass merchant retailers
- 6%** Department stores
- 5%** Supermarkets or grocery stores
- 4%** Local independent retailers
- 4%** Electronics/office supply/computer retailers
- 3%** Warehouse membership clubs

Questions: (1) "Where do you plan to shop for gifts this holiday season?" (multiselect); (2) "Which are the three most important attributes while selecting a retailer during holiday shopping?"; (3) "Where do you anticipate spending the most money this holiday season?"
Notes: (4) Respondents who selected agree/strongly agree; n = 3,867.

Most respondents chose online retailers and mass merchants for price and convenience

Preferred retail formats for holiday shopping¹



29% plan to purchase gifts off of friends'/family's wish lists hosted on retailers' sites⁴

Nongift shoppers are 20% more likely to shop at beauty/cosmetic retailers, specialty clothing retailers, and department stores, compared to others.

Hosting holiday gatherings are a meaningful part of experiences at home

1 in 4

respondents plans to host a holiday gathering¹

8 in 10 say hosting a holiday gathering is an important part of their tradition⁴

Consumers surveyed are willing to spend big on hosting guests, and some more for convenience

\$261

Average budget for the holiday gathering²

10 is the average number of guests invited to the holiday gathering³

70% of hosts are open to spending a little extra on items or services to make the event more convenient⁴

However, holiday hosts show resourcefulness ...⁴

47% plan to ask guests to bring food or beverages to help offset the costs

31% have invited fewer guests this year

Questions: (1) "Are you planning to host a holiday gathering this season?" (n = 4,114); (2) "What is your budget for the holiday gathering?" (n = 1,072); (3) "Thinking about the biggest gathering that you plan to host, how many guests are you expecting for your holiday gathering?" (n = 1,072).
Note: (4) Respondents who selected agree/strongly agree (n = 1,072).

About the survey

Consumer survey

Timing

Aug. 30 to Sept. 6, 2024

Sample

The survey was rolled out to 4,114 consumers in the United States and has a margin of error of plus or minus one to two percentage points for the entire sample.

Executive survey

Timing

June 12 to July 3, 2024

Sample

The survey polled 45 retail industry executives, of which 71% were from retailers with annual revenues of \$15 billion or more, while 93% had annual revenues of at least \$1 billion. The executives included buyers, senior buyers, and buying/merchandising managers who had a medium or high level of involvement in buying and merchandizing for the coming holiday season. The executives were involved in one of the following categories: clothing and accessories, electronics and accessories, health and wellness, home and kitchen, or toys and hobbies.

Methodology

The surveys were developed by Deloitte and conducted online by independent research companies.

Thank you

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Deloitte Consumer Industry Center

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About the Deloitte Retail practice

The retail industry is transforming at lightning speed, and retailers are being forced to find ways to grow profitably while also meeting rising consumer expectations. Today’s customers don’t just expect the retail industry to operate efficiently, but empathetically too. They are buying into better and are demanding that brands share their values around purpose, inclusion, trust, transparency, and innovation.

Leaders in this rapidly shifting industry should have better insight, better innovation, and a better connection to their customers. That’s why they turn to Deloitte. Driven by a relentless pursuit of innovation and the pulse of the consumer, Deloitte helps many of the world’s leading brands in the retail sector align with their customers’ values, create lasting competitive advantages, build enduring customer relationships, and shape the future of the industry. www.deloitte.com/us/retail

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