



2020 Deloitte pre-Thanksgiving pulse survey
November 2020

Thanksgiving shopping period shifts from in-store events

The Thanksgiving period has long been the unofficial kick off to the holiday shopping season, with families and friends gathering after Thanksgiving or on Black Friday to browse stores for the best doorbuster deals.

This year however, the social nature of the shopping period is being put on hold as COVID-19 cases are on the rise and many states have put new social distancing mandates in place. In Deloitte's Global State of the Consumer Tracker, only 25% of shoppers say they feel comfortable attending in-person events,¹ and consumers across the country have made it clear they plan to avoid crowds this Thanksgiving shopping weekend.

To adjust for these health and safety concerns and to jumpstart the holiday shopping season, retailers added new promotions during the third week of October, around Amazon's Prime Day. Deloitte's InSightIQ data found these new promotions were effective in attracting shoppers, boosting sales during the week by 6% YoY. In addition, many retailers began advertising Black Friday promotions since the beginning of November to give customers plenty of time to adjust to a different holiday shopping environment.

How shoppers respond to a longer promotional period is yet to be seen, but consumers have shown throughout the pandemic that they are taking changes in stride, trying to make the most of the season, and finding ways to reinvent traditions.

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¹ Deloitte, [Deloitte State of the Consumer Tracker](#), November 2, 2020.

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Thanksgiving shopping traditions are put on hold as consumers and retailers look to approach the season safely



Health and safety concerns leading to slightly lower participation and average spend in the period



Retailers have adjusted their promotional cadence to start earlier YoY, in an effort to jump start holiday shopping



Consumers are looking for a great deal and strong safety precautions, driving purchases online

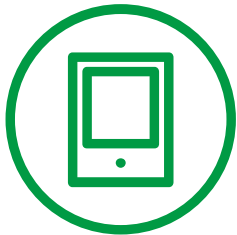
COVID-19 anxieties
changing traditions



Consumer health concerns are on the rise as COVID-19 cases flare, altering Thanksgiving shopping traditions



anxious about shopping in-store during the holiday season due to COVID-19 (vs. 51% in September)



74%
Plan to shop online during the Thanksgiving period to avoid crowds (vs. 62% LY)



65%
Plan to travel less or not at all to meet family/friends this holiday season, compared to last year



61%
Unsure or have no plans to shop together with family/friends in-store during the Thanksgiving period, (vs. 48% LY)




57%
Plan to avoid in-store shopping during the Thanksgiving period to avoid crowds (vs. 42% LY)



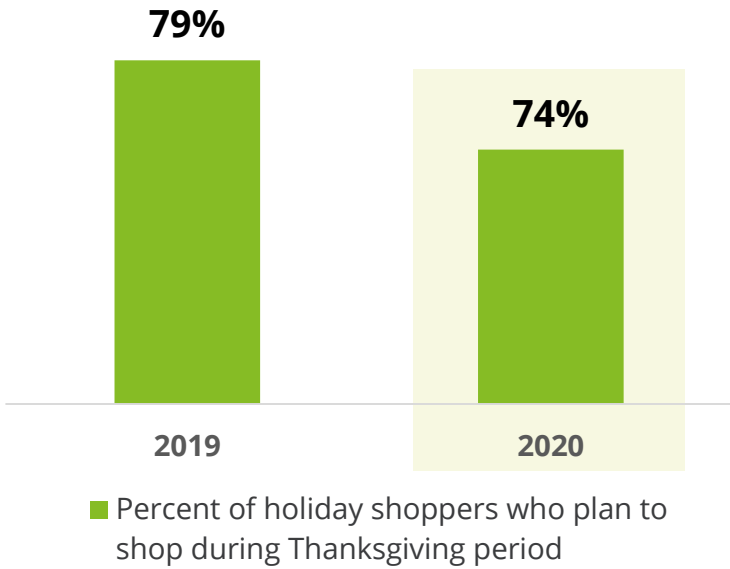
Question: (1) "I'm anxious about shopping in-store during holiday season due to COVID-19" - % Agree/Strongly agree; (2) "I plan to shop online during Thanksgiving period to avoid crowds" - % Agree/Strongly agree; (3) "Do you expect to travel more or less than last year's holiday season to see family and friends?" - % Less or no travel; (4) "Do you expect to shop together with other family members or friends in-store over the Thanksgiving period - including Thanksgiving Thursday through the following Monday?" - % No or unsure; (5) "I plan to avoid shopping in-store during the Thanksgiving period to avoid crowds" - % Agree/Strongly agree (N = 889).

Thanksgiving week spend and participation down slightly YoY, likely due to financial and health concerns



\$401
Average spend
during the
Thanksgiving
period
(Thursday to Monday)
(-3.3% YoY)

Holiday shopper participation during the Thanksgiving period (%)



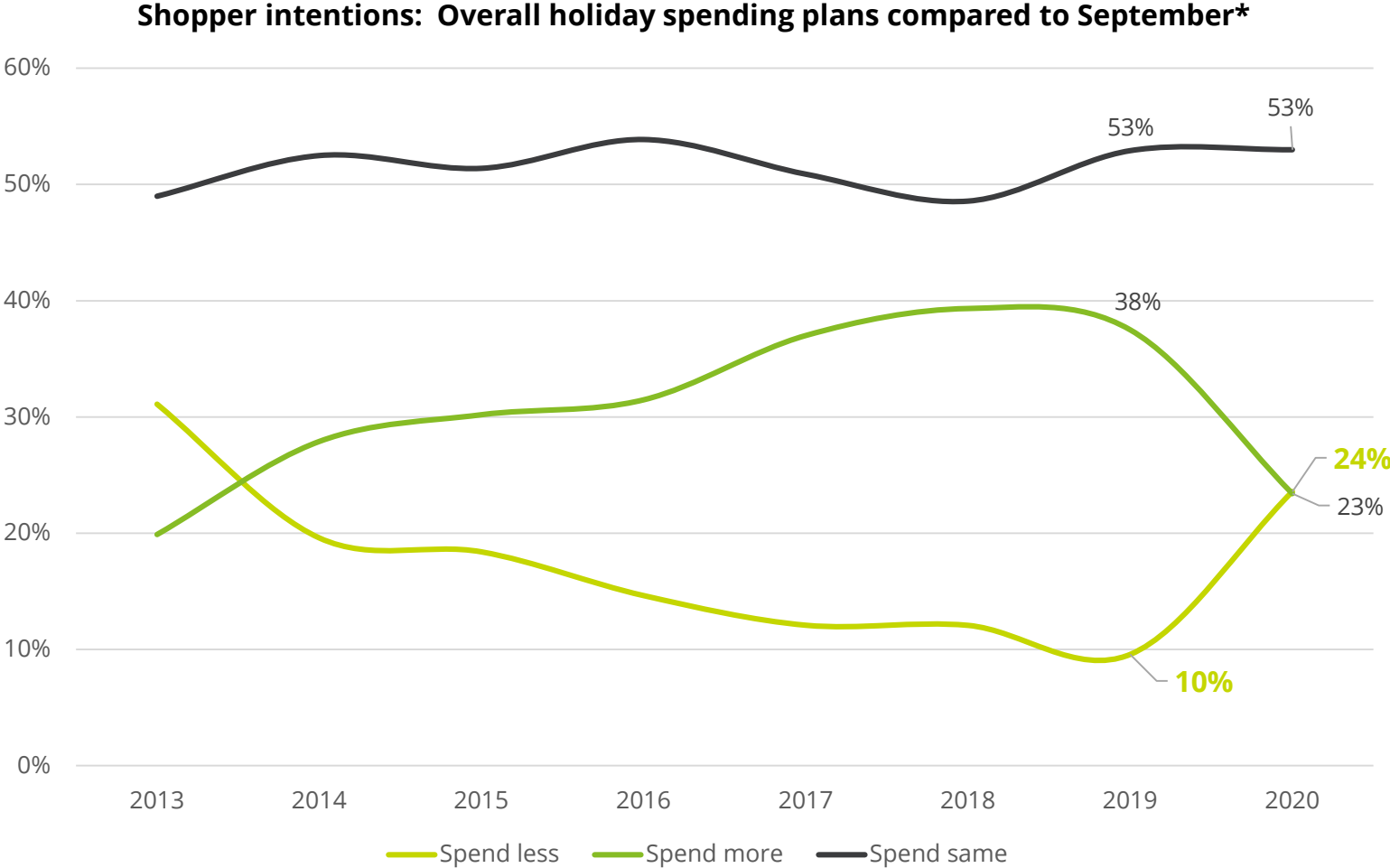
28%
Thanksgiving shoppers **concerned about making upcoming payments** (e.g. rent, mortgage, auto, credit card)

44%
Thanksgiving shoppers **delaying large purchases** that they otherwise would have made

Notes: Thanksgiving period: Five days from Thanksgiving Day to Cyber Monday (November 26 to November 30, 2020). The chart shows budget spent as of survey fielding period (October 29–November 2, 2020). All dollar values are in US dollars.

Question: “Do you expect to do any shopping either online or in-store over the Thanksgiving period—including Thanksgiving Thursday, November 26, 2020, through the following Monday, November 30, 2020?” (N=1,200).

Economic uncertainty caused one quarter of holiday shoppers to reduce their spending plans from September



Top reasons for spending less[^]

(among the 24% who plan to spend less than planned)

47%

economic instability/general concern for the economy

43%

personal decision to spend less on the holidays

41%

worsened personal/household's financial situation

*Question: "How do your overall holiday spending plans compare to just a month or two ago?" (N=1,200).

[^]Question: "What are the reasons you plan to spend less on the holidays than just a month or two ago?" (N=283).

October promotional impacts



Retailers offered new promotions in October in an effort to jump start holiday sales

Prime Day



23%

Holiday shoppers shopped on Prime Day

\$187

Average spend on Prime Day *Lower than customers indicated in September (\$344), as many retailers offered competing promotions*



25%

Holiday shoppers say **deals are better on Prime Day** than during Thanksgiving week

Holiday season



76%

Plan to **spend same/more during the Thanksgiving period**, irrespective of Prime Day shopping; but 24% said they will spend less

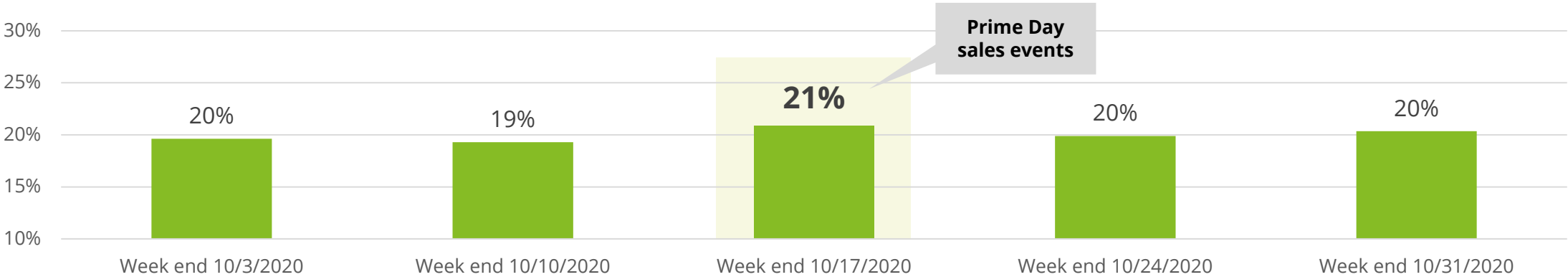
56%

Plan to **purchase earlier** in the holiday season to **avoid stock-outs** on desired items (42% LY)

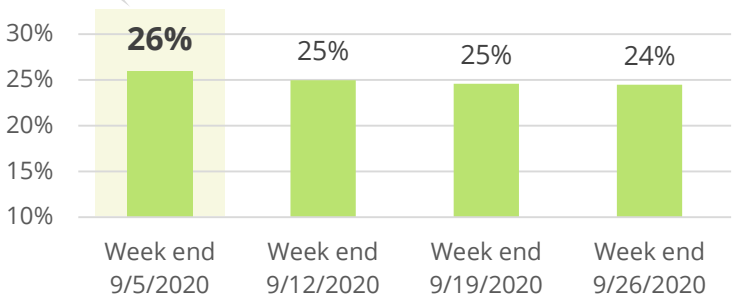
Question: (1) "Did you shop for holiday gifts on Prime Day in this year?" - % Yes; (2) How much did you spend on holiday gifts while shopping on Prime Day this year?"; (3) "Prime Day deals are better than deals on Thanksgiving week (Thanksgiving Day to Cyber Monday)" - % Agree/Strongly agree; (4) "How will holiday gift shopping on Prime Day affect your spending plans for Thanksgiving period?" - % Same or more than last year; (5) "I will purchase earlier in the holiday season to avoid out of stock on desired items." - % Agree/Strongly agree.

Prime Day promotions drove a single week spike in sales, similar to holidays like Labor Day and Independence Day

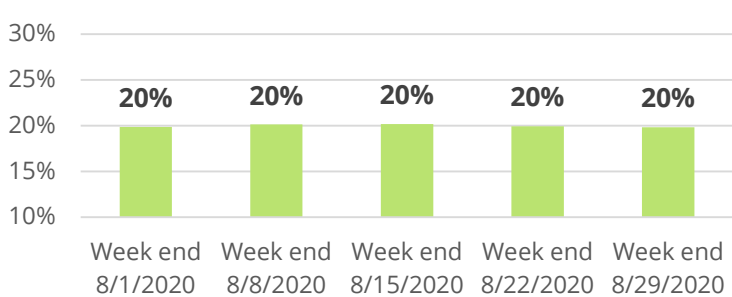
October share of spend by week
(Percent of total monthly spend)



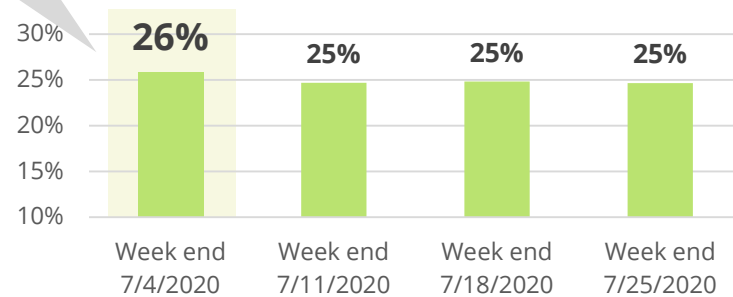
Labor Day
September share of spend by week
(Percent of total monthly spend)



August share of spend by week
(Percent of total monthly spend)



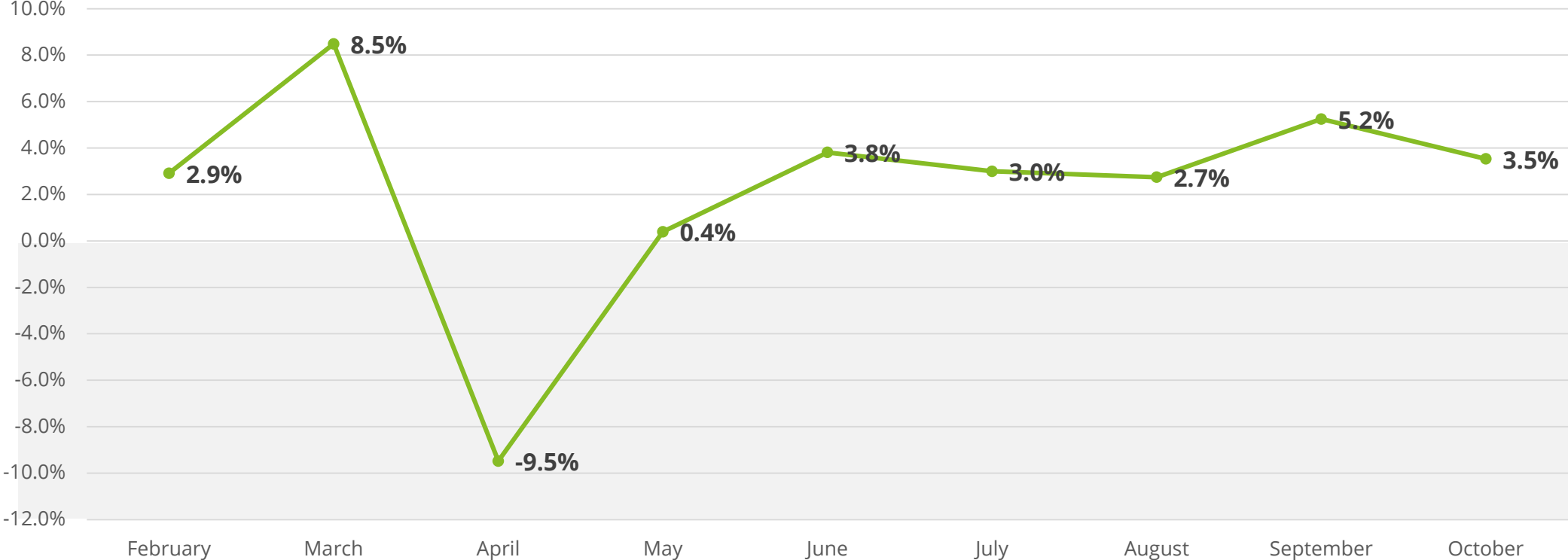
Independence Day
July share of spend by week
(Percent of total monthly spend)



Source: Affinity Solutions Inc., Deloitte analysis.
Note: Weeks aligned to Consistent Retail Calendar; Sectors reflect a representative set of organizations.

October promotional events do not appear to have pulled forward significant holiday spending; October's YoY growth was in line with previous months

YoY change in consumer retail spending
(YoY percent change)

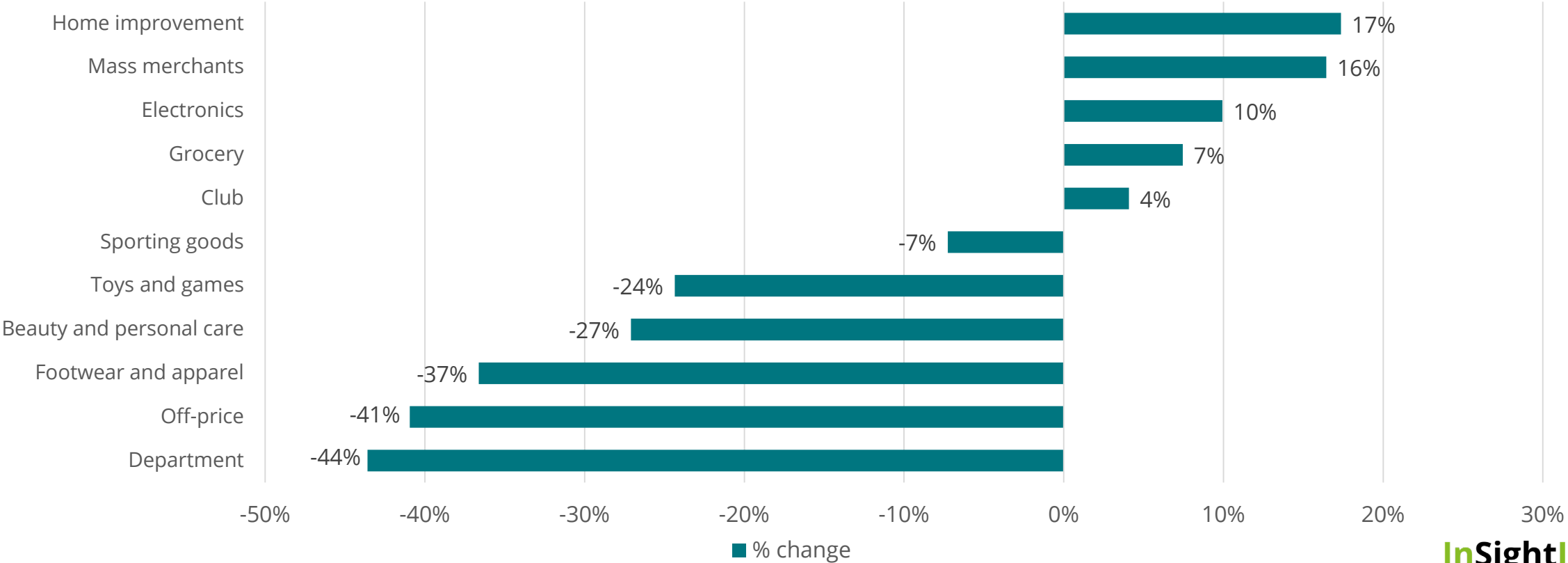


Source: Affinity Solutions Inc., Deloitte analysis.
Note: Weeks aligned to Consistent Retail Calendar; sectors reflect a representative set of organizations.

From the onset of the pandemic, recovery in retail has not been equally distributed across all subsectors—home improvement and mass have been the “winners”

YoY change in consumer spending across retail subsectors

March to October, 2020 vs. 2019



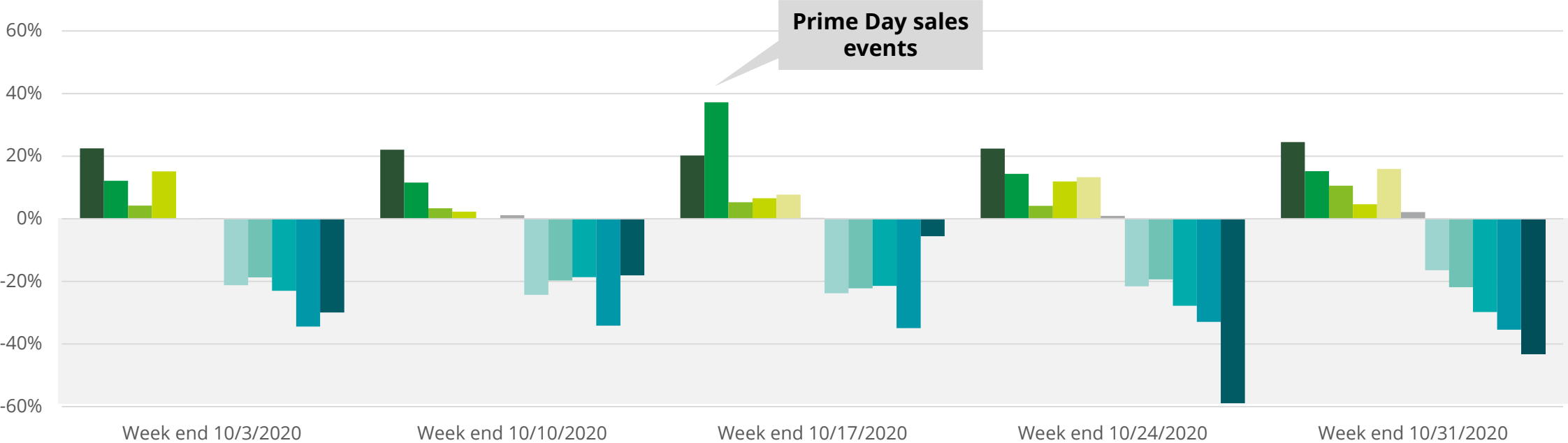
Source: Affinity Solutions Inc.; Deloitte analysis.
Notes: March to October 2020 vs. March to October 2019 subsectors reflect a representative set of retailers within each category; spending reflects both online and in-store transactions.

Mass merchants and home improvement are poised to take holiday share; traditional gift giving sub-sectors like electronics and sporting goods are also beginning to surge

YoY change in consumer spending by retail subsector

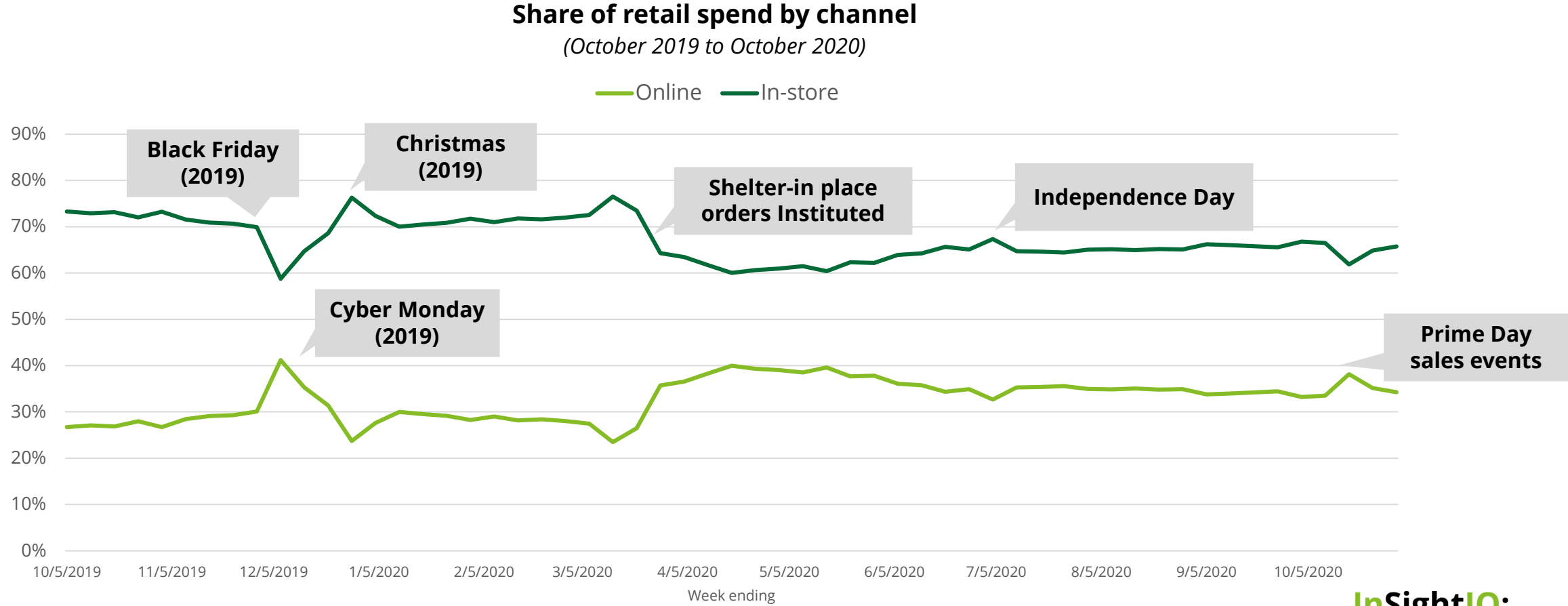
(YoY percent change)

■ Home improvement ■ Mass merchants ■ Club ■ Sporting goods ■ Electronics ■ Grocery ■ Footwear and apparel ■ Off-price ■ Beauty and personal care ■ Department ■ Toys and games



Source: Affinity Solutions Inc.; Deloitte analysis.
 Note: Weeks aligned to Consistent Retail Calendar; sectors reflect a representative set of organizations.

The pandemic drove a dramatic shift in spending online; as COVID-19 cases surge again, we expect the trend to continue for the Holiday period



Source: Affinity Solutions Inc.; Deloitte analysis.
Note: Weeks aligned to Consistent Retail Calendar; sectors reflect a representative set of organizations.

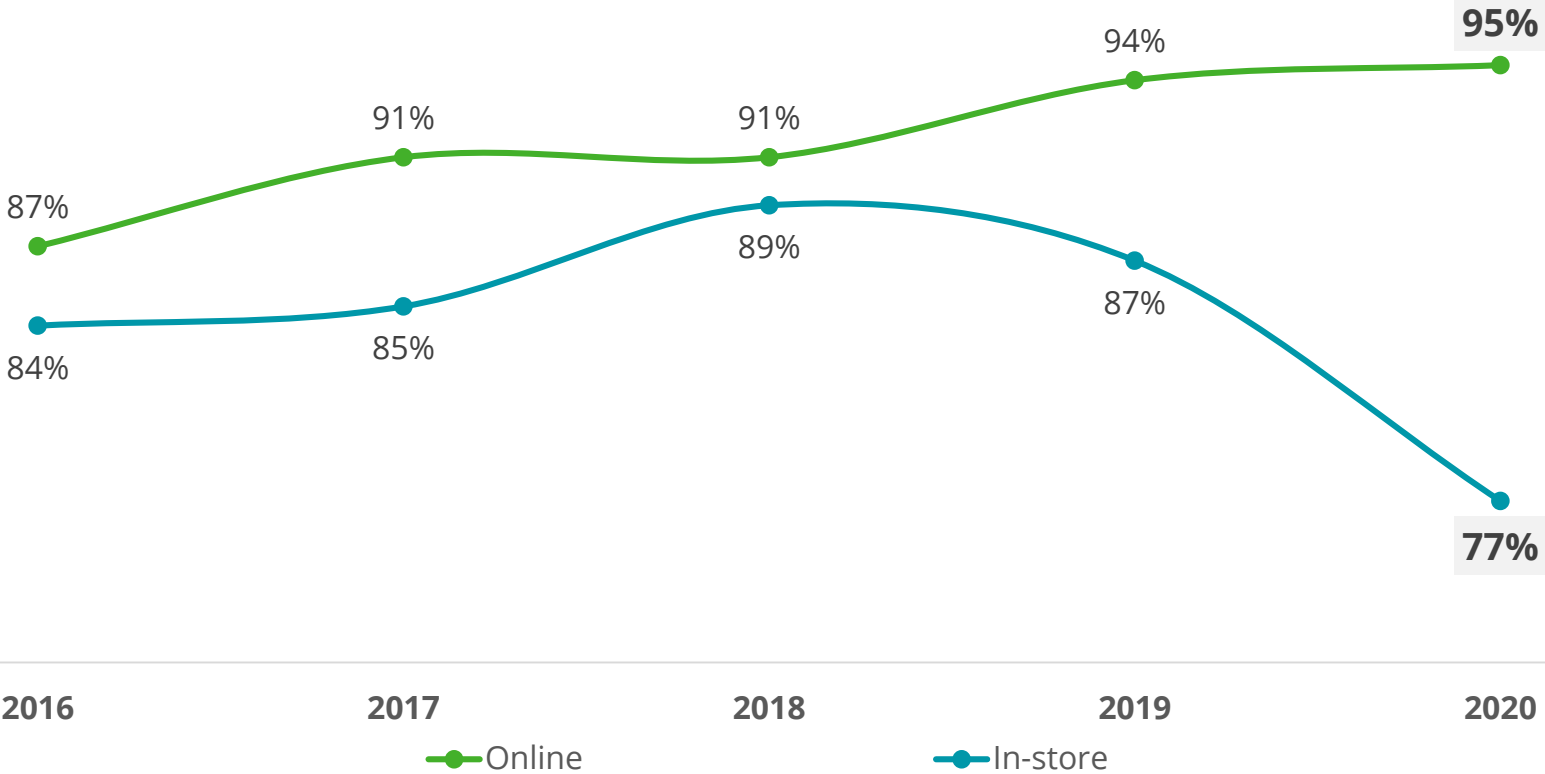
Thanksgiving Day
through Cyber Monday:
Channel preferences



Consumers are avoiding crowds and pulling back from in-store shopping

Thanksgiving period: Shopper participation (%) by channel

(Among all Thanksgiving period shoppers)



95%
plan to shop **online**
\$239 avg. spend

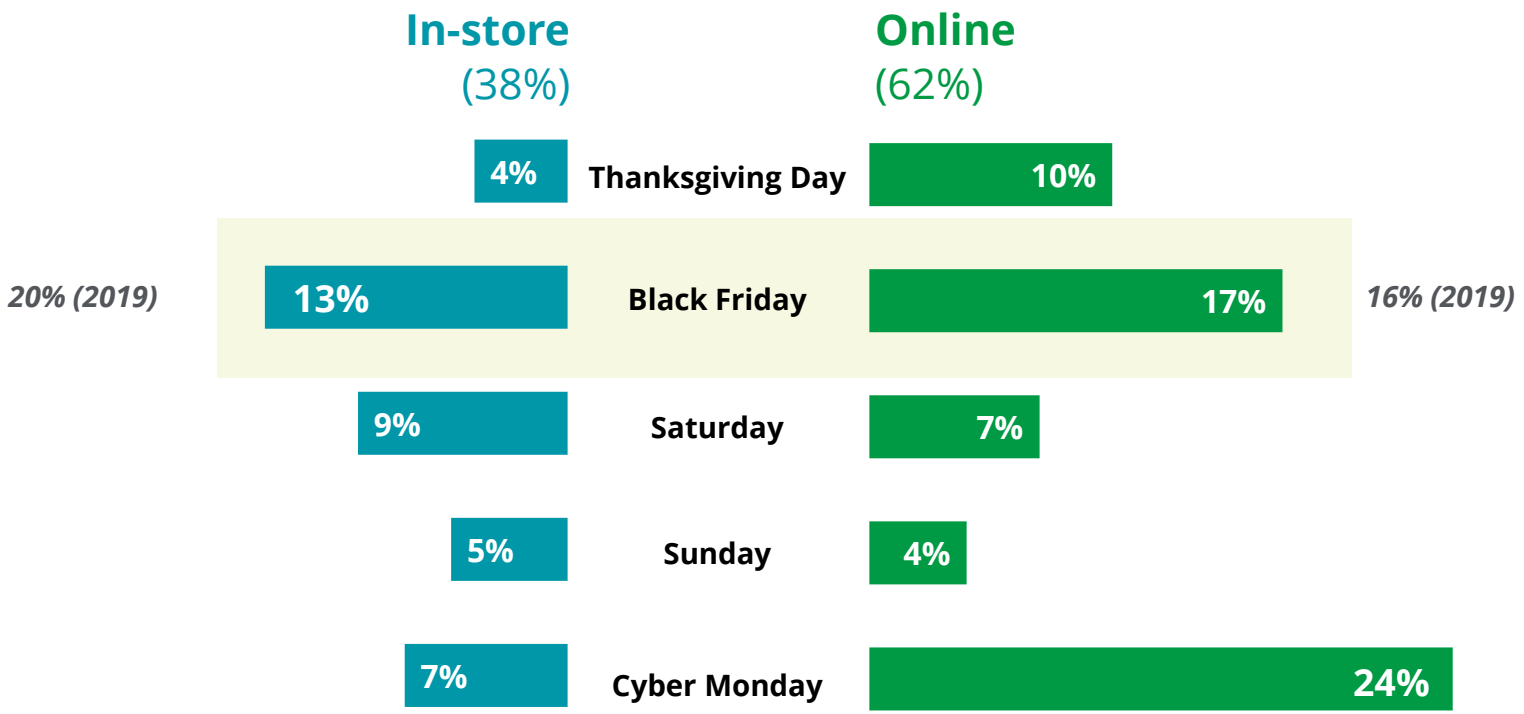
77%
plan to shop **in-store**
\$149 avg. spend



Note: All dollar values are in US dollars.
Question: "Which of the following channels will you use for shopping during the Thanksgiving period (Thanksgiving Thursday through the following Monday)?" (N=889).

In terms of share of shopping budget, in-store Black Friday spend expected to fall, while Cyber Monday likely to remain the biggest sales day

Thanksgiving period shopping budget: Share by day and channel*
(Online and in-store spend)



More context

Thanksgiving Day: Store closures causing a pull back in in-store participation

Black Friday: Shopping event sees channel switch for the first time: More shoppers spending online as **74%** want to avoid crowds and half expect better deals online (vs. 43% LY)

Weekend: Increase in participation in-store and online as customers avoid Black Friday crowds and expect prolonged promos

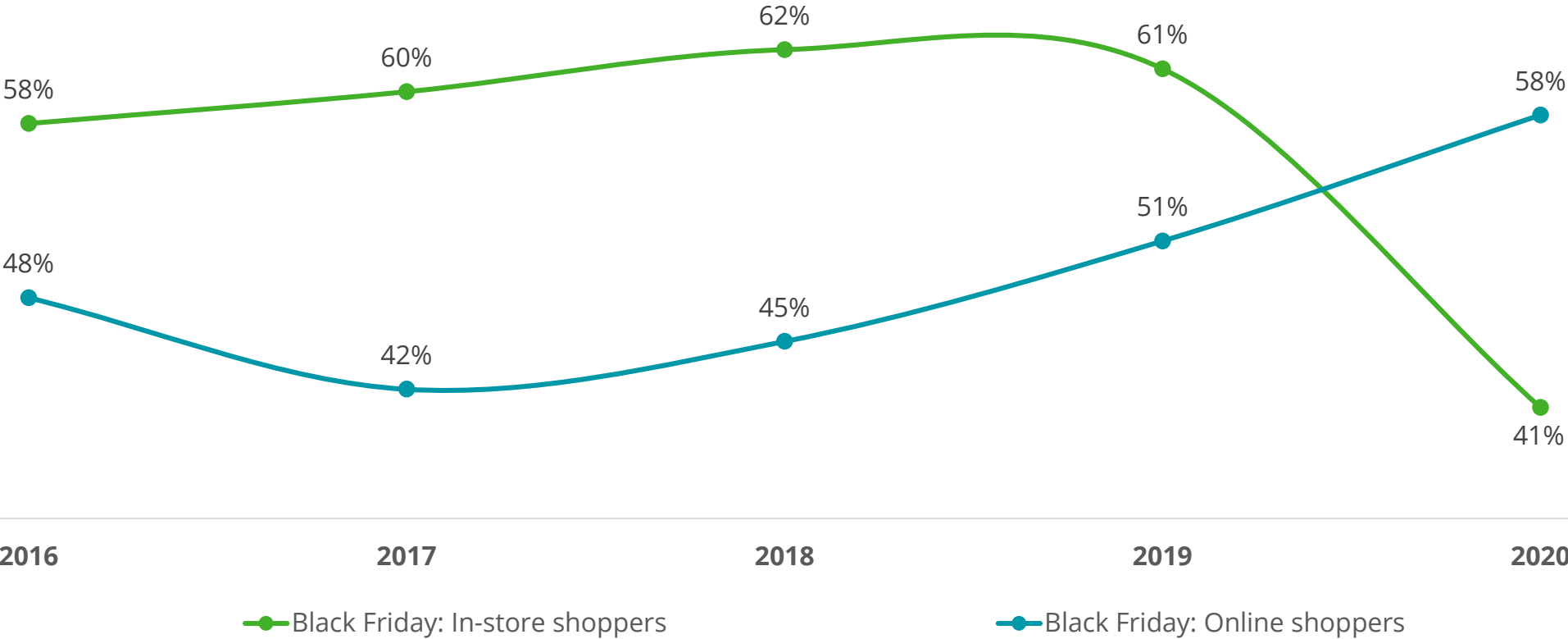
Cyber Monday: Still garners the largest share of consumers' budgets; **42%** believe the best deals of the season are on Cyber Monday (vs. 38% LY)

Note: * Recalculated without "Other" channel (e.g. catalog).
 Question 1: "On what days do you expect to shop in-store or online?" (N=889).
 Question 2: "Out of your plan to spend in-store or online during Thanksgiving period, how much do you plan to spend shopping in-store or online on following days (on nongrocery items)?" (N=889).

Black Friday shopping event likely to see channel switch for the first time—more shoppers going online than to the stores

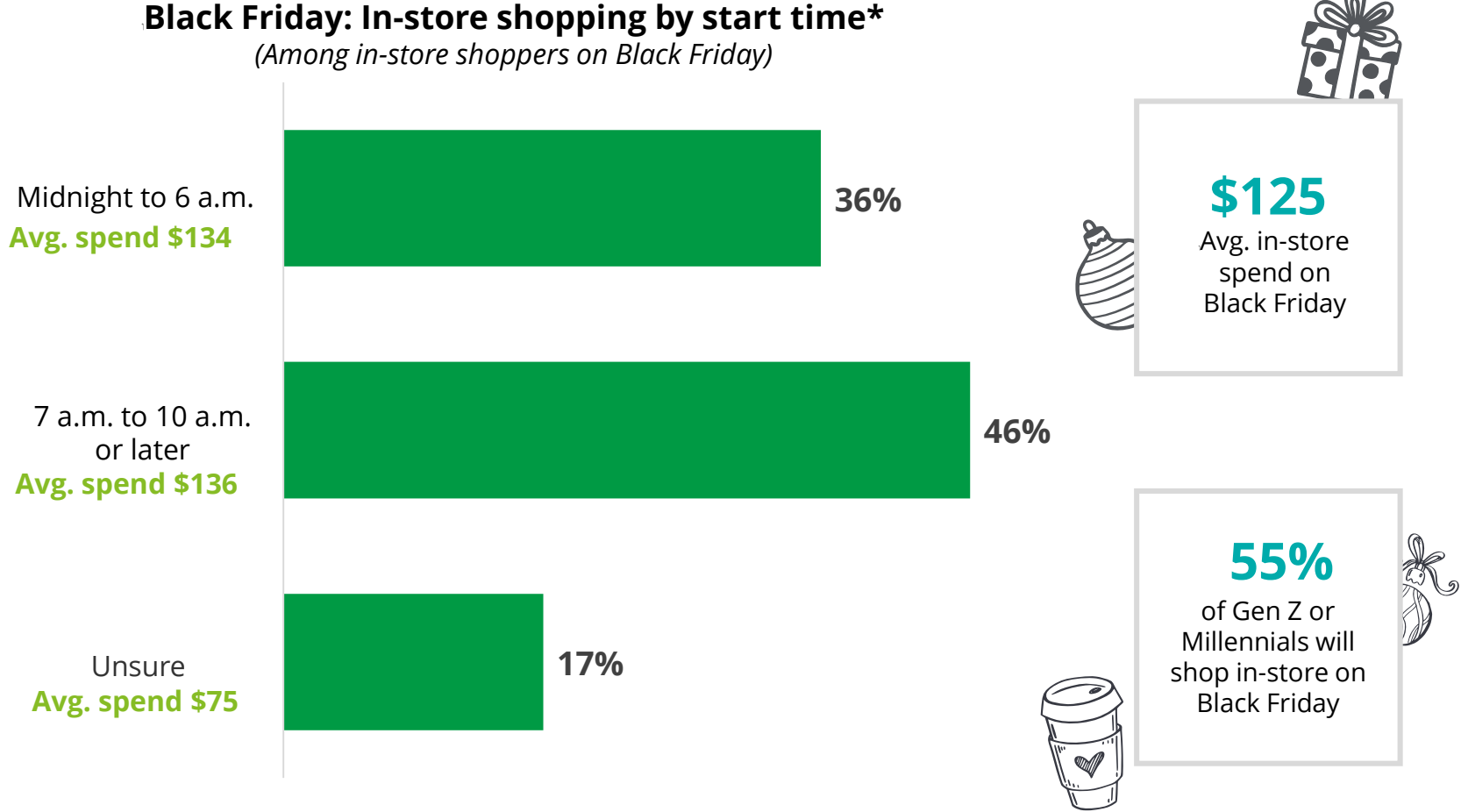
Share of Black Friday shopper by channel

(Among all Thanksgiving period shoppers)



Question: "On what days do you expect to shop in-store or online?" (N=889).

Those that plan to shop Black Friday in-store are skipping early morning doorbusters in favor of later start times



Top reasons for shopping in-store on Black Friday

(Among in-store shoppers on Black Friday)

- 73%** To take advantage of sales or best deals of the season
- 46%** Enjoy shopping with family/friends or as part of Black Friday ritual
- 27%** Overall excitement of the day
- 23%** I prefer shopping in-store rather than online

Notes: *In-store shoppers on Black Friday who are "Unsure" about start time (17%) not shown in the graph. All dollar values are in US dollars. Question: (1) "What time do you expect to go to the store on the Friday after Thanksgiving day ('Black Friday')?" (n=368). 2) "Why will you be shopping in-store on Black Friday?" (N = 368).

How retailers can win



Consumers who haven't started shopping can be lured in by safety precautions, potentially leading to a higher spend

1/3 of holiday shoppers

have not yet started their gift shopping*

32% of Thanksgiving shoppers

are undecided on which retailer to visit for specific category purchases during the period

42% of Thanksgiving shoppers

get information about shopping deals via emails, giving retailers an opportunity to highlight safety precautions as well as promos

Boosting spend to win

When comparing total Thanksgiving period spend, those who feel anxious shopping in-store spend less (\$386) than customers who don't (\$477)

56%

of Black Friday shoppers buy something for themselves while shopping for others (*vs. 47% of non-Black Friday shoppers*)



Notes: *Budget spent as of survey fielding period (October 29–November 2, 2020). Thanksgiving period: Five days from Thanksgiving Day to Cyber Monday (November 26 to November 30, 2020). All dollar values are in US dollars.







Question: "Do you expect to do any shopping either online or in-store over the Thanksgiving period—including Thanksgiving Thursday, November 26, 2020, through the following Monday, November 30, 2020?" (N=1,200).

Great deals and safety precautions win for the Thanksgiving period and Black Friday; Cyber Monday shoppers also want convenient delivery and return policies

Thanksgiving period
(Thursday through Monday)

-  **Better deals/lower prices, incl. more ads** (47%)
-  **COVID-19 safety precautions, incl. crowd control** (23%)
-  **Product availability/avoid stock-outs** (13%)
-  **Convenience-centric planning, incl. assistance, checkout, and timings** (10%)
-  **Free or fast delivery and return options** (4%)
-  **Online deals and offerings, incl. comparability with in-store** (3%)

Black Friday

-  **Better deals/lower prices, incl. more ads** (35%)
-  **COVID-19 safety precautions, incl. crowd control** (30%)
-  **Online deals and offerings, incl. comparability with in-store** (10%)
-  **Ease of checkout, incl. more cash registers, assistance, and pickup** (10%)
-  **Product availability/avoid stock-outs** (11%)
-  **Organized store layout/product aisles/store timings** (5%)

Cyber Monday

-  **Better deals/lower prices, incl. more ads** (49%)
-  **Free or fast delivery and return options** (23%)
-  **Product availability/avoid stock-outs** (12%)
-  **Website experience/layout, incl. checkout convenience** (12%)
-  **Websites secure/capable of handling high traffic** (4%)

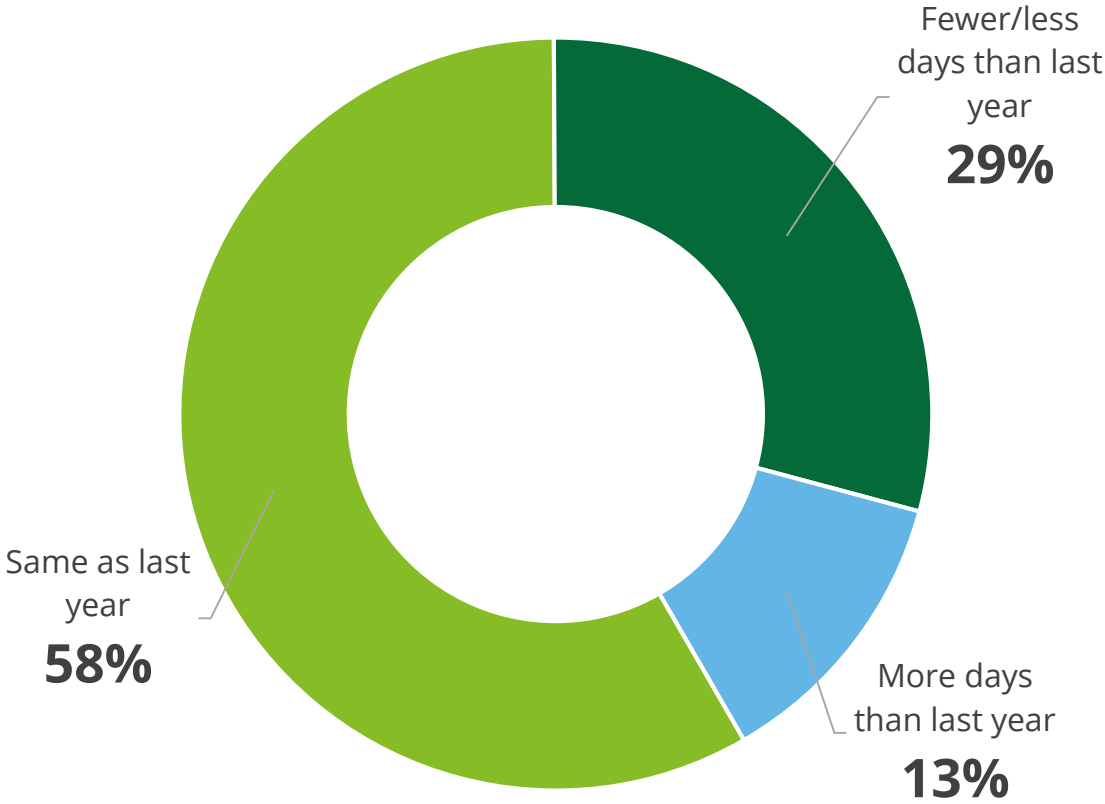
Question: "What can retailers do to make your Black Friday/Cyber Monday/Thanksgiving period shopping better?" (N=1,200).

Thanksgiving Day
through Cyber Monday:
Shopping preferences



Nearly a third of holiday consumers plan to spend fewer days shopping this year, mostly due to COVID-19 exposure concerns

Change in holiday shopping duration, compared to last year



Reasons for shorter shopping duration
(Among shoppers spending less days than last year)

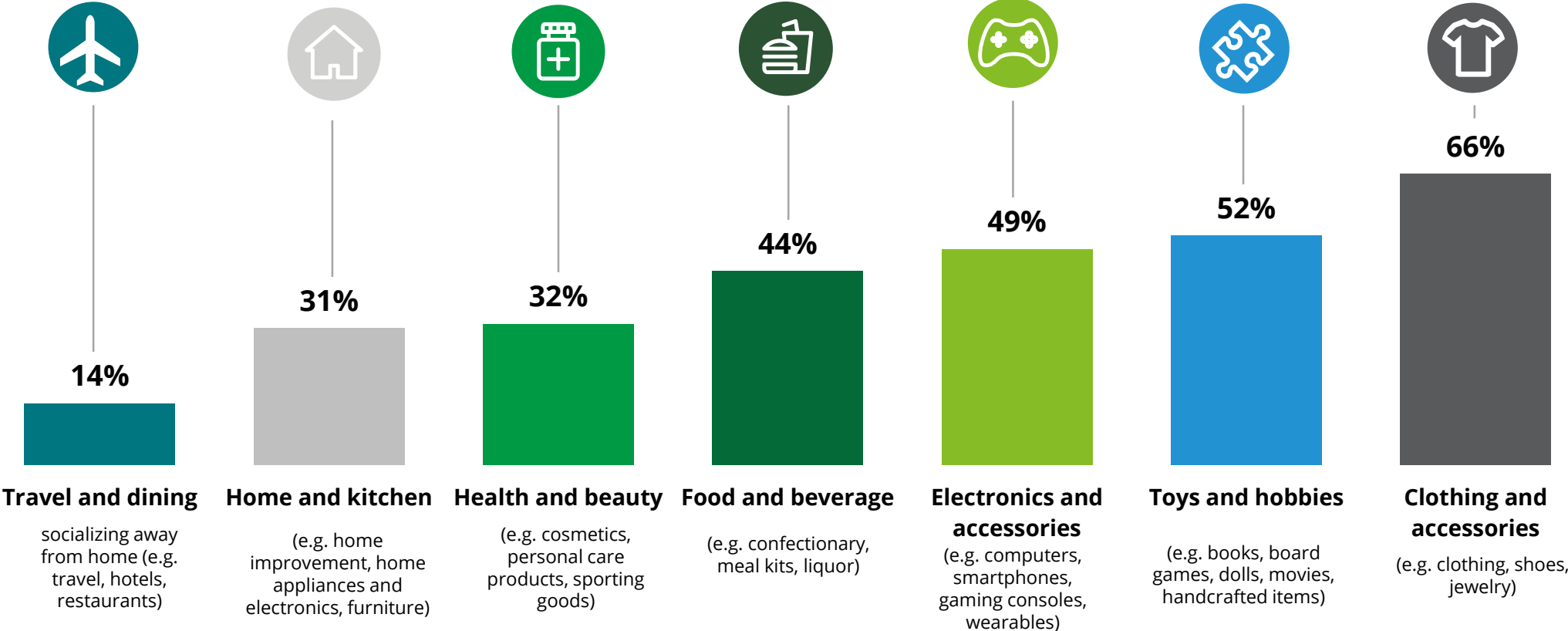


Question: (1) "How much time will you need to complete your holiday shopping this year?"; (2) "What are your reasons for having a shorter holiday shopping duration or window than last year?"

COVID-19 changing social traditions, but share of spend for gift items such as clothing, electronics, and toys remain steady

Share of shoppers buying in each category

(Among all Thanksgiving period shopping)

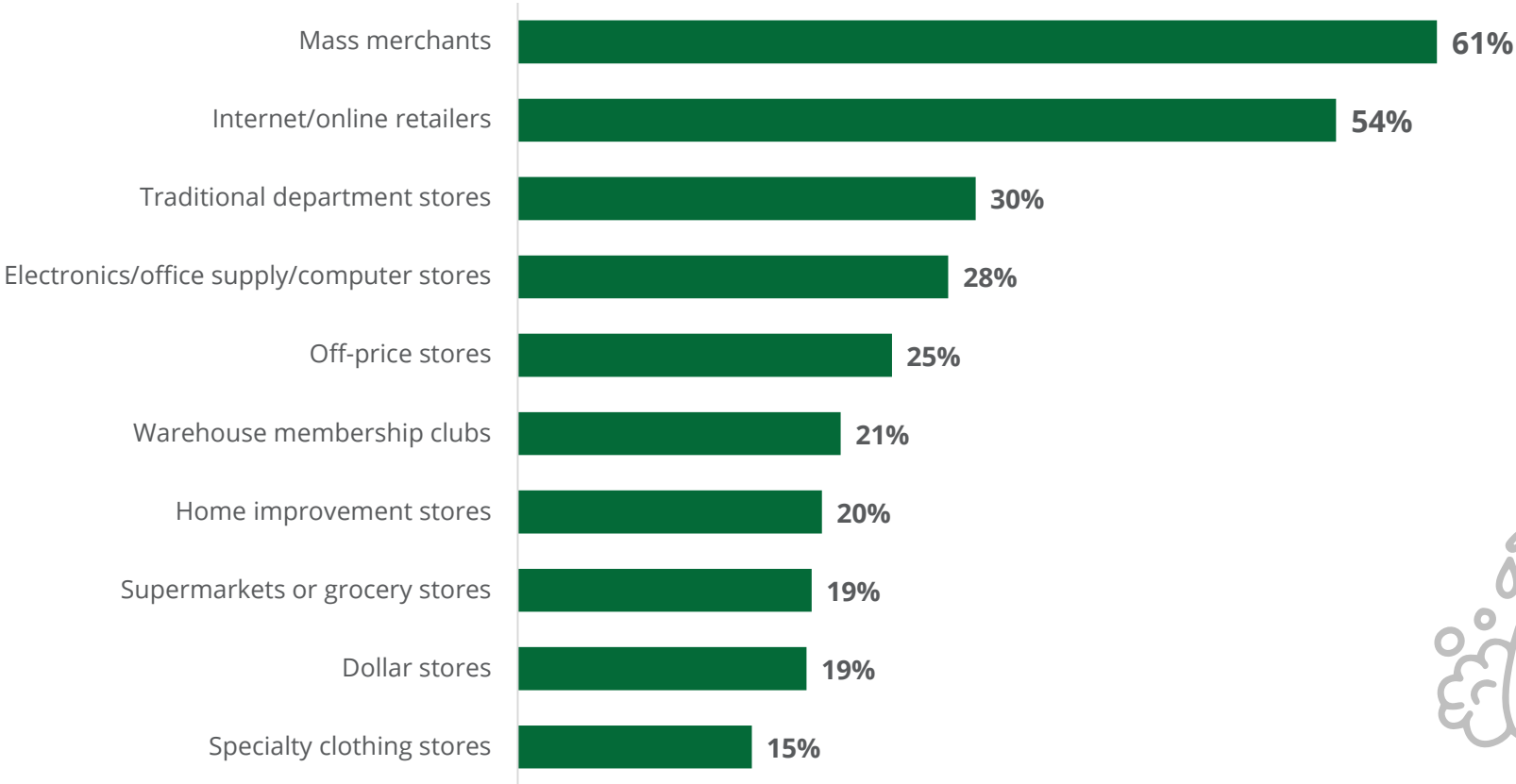


Question: "Which of the following do you plan to buy during this Thanksgiving period (Thanksgiving Thursday through the following Monday)?" (N=889).

Given desire for safety and deals, mass merchants and online retailers dominate as top venues

Top 10 preferred retail venues for Thanksgiving shopping

(Among all Thanksgiving period shoppers)



When people are choosing where to shop, they prioritize:

83%

Getting a great deal

75%

COVID-19 precautions

75%

Quality products

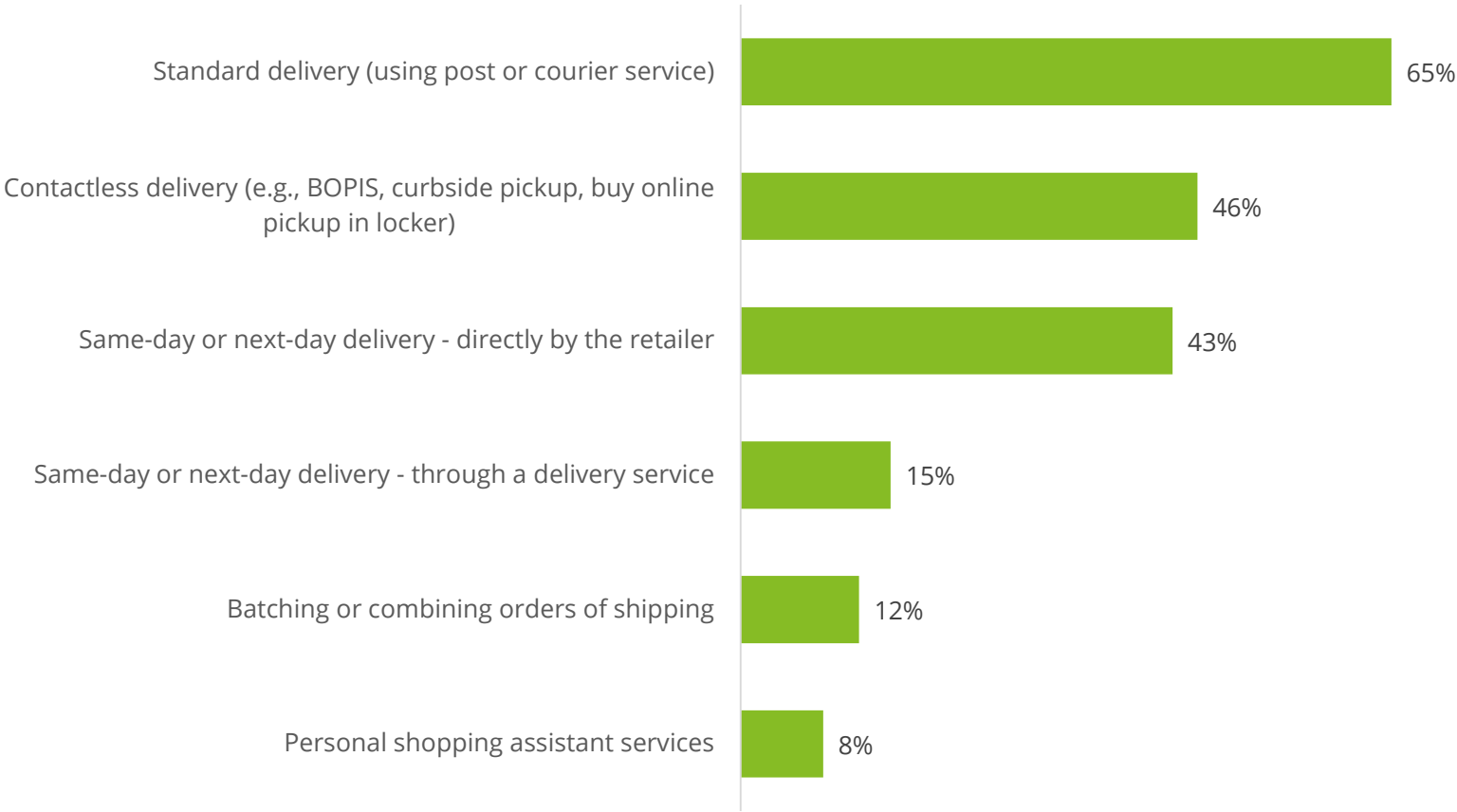
And mass merchants meet the mark



Question: "At which of the following types of retailers will you likely shop during this Thanksgiving period?" (N=889).

Although over half of shoppers find delivery options important, most plan to use standard delivery

Delivery service preferences during the Thanksgiving period



52%
Variety of delivery options
very/extremely important
while selecting a retailer
(vs. 44% LY)

Question: "Which of the following delivery services are you likely to use during Thanksgiving period?" (N=889).



About the survey

The survey was developed by Deloitte and conducted online by an independent research company between October 29 and November 2, 2020. It polled a national sample of 1,200 adults (age 18+) aligned with the US Census for age and household income who plan to shop during the holiday season and has a margin of error for the entire sample of plus or minus three percentage points

About the Deloitte Consumer Industry Center

The Deloitte Consumer Industry Center (the Center) is the research division of Deloitte LLP's Consumer industry practice. It provides a forum for industry insights, thought leadership, and groundbreaking research to help companies in the automotive, consumer products, retail, transportation, and hospitality and services sectors solve their most complex industry challenges.

Deloitte InSightIQ

Deloitte's InSightIQ capability provides access to a fact base of granular & frequent data sources across a broad spectrum of consumer behaviors to develop a deep understanding of consumers. InSightIQ was built with a belief that true consumer insight must come from a holistic approach that starts with an outside-in view and utilizes a broad mix of data sources, moving beyond a singular reliance on traditional survey research to leverage the wealth of data available today. To learn more contact Jeff Simpson, principal, Deloitte Consulting LLP, jesimpson@deloitte.com; or Rob Bamford, senior manager, Deloitte Consulting LLP, rbamford@deloitte.com.

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