

RETAIL

Despite weariness about in-store shopping, consumers ready to spend this holiday season

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Christmas shopping will be mostly online in 2020. Image: Dolce & Gabbana

By ELLEN KELLEHER

The pandemic will not deter U.S. consumers from holiday shopping in the coming months, but many are planning to buy more gifts online rather than in-store.

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According to a new study from video ad platforms Unruly and Tremor Video, interest in Christmas shopping remains robust, especially among the wealthiest. As a result, advertisers are being encouraged not to underestimate demand and to go to extravagant lengths to boost online sales channels.

"Two-thirds of our respondents reported being just as or more excited about the holidays this year," said Terence Scroope, vice president of insights at Unruly and Tremor Video, New York. "This simple trend we found in our data may be the most surprising as many advertisers are debating whether or not the 2020 holidays are worth the investment."

The report is based on a survey of 820 consumers across the United States.

Shopping trips from home

Ecommerce's replacement of visits to high-end retailers such as Bloomingdale's and Macy's as the favored method of shopping is a trend that exhibits few signs of reversing given the uncertainty of the coronavirus's course.

According to the study, 41 percent of those polled remain uncomfortable with in-person shopping. This lack of ease with bricks-and-mortar establishments means that more than three-quarters of respondents plan to do at least half of their shopping online this year.



Most Americans will still be stranded at home during the holiday season. Image: Radial

One exception is that people over the age of 55 are the most wedded to visiting stores, with 10.8 percent committed to in-person shopping compared to 1.3 percent of those between 25 and 34.

Companies' advertising must also be tweaked, as over 50 percent of Americans will be marooned at home, watching more television and browsing the internet this winter, per the report. More than a third of respondents also think holiday ads should pay at least lip service to the COVID-19 crisis in their Christmas campaigns.

More than half of the poll's respondents plan to do their holiday shopping in November, just as they did last year, ahead of the Black Friday and Cyber Monday sales. Gift cards and clothing are set to be the most popular purchases.



More shoppers will be spending on wine and spirits. Image credit: Moët & Chandon

Spare funds are set to be spent on Champagne and spirits, with 28.5 percent of participants pledging to throw "much more money" at alcohol this year than last. Budgets will also be tighter this Christmas season, with 41.4 percent of respondents revealing they must be more frugal with expenses.

More than ever, holiday shoppers will be scouting for bargains, with 44.4 percent saying that competitive pricing and offers will be "very influential" in their decisions.

Ecommerce migration

As the holidays get underway, retail stores are trying to woo consumers back by introducing precautionary COVID-19 safety measures.

A new survey, also out this month, from Ultimate Kronos Group (UKG), states that 91 percent of a pool of 302 retailers are "fairly confident" that they will be open and operational on Black Friday. There is an element of caution, here, however as 53 percent of stores revealed that they would voluntarily close their stores in the event of a regional outbreak of COVID-19.

While stores have expanded their pick-up options over the past few years, curbside pick-up has nearly doubled since the 2019 holiday season with 83 percent of stores saying they will offer curbside options this year ([see story](#)).

Retail stores' efforts to lure consumers to the door may be in vain given the acceleration in online shopping.

Once shy about ecommerce, even luxury brands are now diving into the cyber-fray as they look to make up for lost sales at a difficult time.

Traditionally, luxury brands have been cautious about entering e-commerce because it did not fit into what they

thought consumers expected from high-end shopping experiences. However, their reluctance to mine online business has faded away amid the pandemic ([see story](#)).

"We may be seeing an accelerated shift away from bricks-and-mortar shops and retailers are going to have to be ready to pivot accordingly," Mr Scroope added.

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