

The Final Stretch: Giving and Re-Gifting in 2011

Even with a running start, Americans say they are still checking off their holiday gift lists

NEW YORK, December 15, 2011 –The majority of American consumers say they still haven't finished their holiday shopping, according to the latest American Express Spending & Saving Tracker. While most have already begun shopping (65%)—and over half of them started before Thanksgiving—91% have yet to finish making their purchases, up from 84% at this time last year.

“The holiday shoppers’ rush is more accurately described as a marathon this year, with a longer race to the finish line,” said Pam Codispoti, executive vice president and general manager, Consumer Card Services, American Express.

Two thirds of holiday shoppers (66%) expect to do last minute shopping: 34% say they're waiting for the best deals, while others haven't stashed up enough cash to fund their purchases – as more than one in four (27%) are still saving.

Returning and Re-Gifting, Taboos No More?

Feeling the pressure to give the perfect gift? You may be worrying needlessly, at least according to the majority of consumers. When asked about returns and re-gifting, many seemed to regard these “taboos” as now acceptable practice.

Most consumers say they are not concerned by the prospect of a friend or family member returning a gift. While more than half of holiday gift givers (56%) don't care, most recipients are still unlikely to confess to a loved one that their gift was returned to the store (59%). Three in ten say that if someone were to return a gift they gave, they'd be happy that recipients are “getting what they want and can use.” A notable percentage of Young Professionals, however, said they would be embarrassed (14%) by giving a gift that was returned, if not offended (12%).

Equally surprising is consumer sentiment on re-gifting. While most polled believe re-gifting is acceptable only “sometimes” (58%), the majority of consumers (79%) deem re-gifting socially acceptable during the holiday season, versus only 21% who say “never.” Almost a quarter of consumers—24%—say they re-gifted at least one item they received last season.

Saving Self Gifting for December 26

“Don't expect the holiday shopping marathon to end on Christmas day,” continued Codispoti referring to the significant increase found among shoppers expected to hit the stores again on December 26. Fifty-seven percent of Americans plan to shop the day after Christmas (versus 43% in 2010). Among the reasons to shop on December 26: to take advantage of sales to buy something for themselves (36%) or cash in the gift cards they received (22%).

Old Enough To Give; Never Too Old to Get

The more accepted sentiment around returns and re-gifts may be welcomed news for shoppers, as many are still searching for the perfect gift for their closest loved ones. Most holiday shoppers (27%) list their spouse or significant other as the most challenging to buy for. Children rank second, but it's a challenge parents are happy to contend with year after year. An overwhelming 87% of holiday shoppers say they will buy holiday gifts for their children or grandchildren, no matter how old they are; two thirds will continue buying for other children in their family, like nieces and nephews, indefinitely.

On average, according to adults who expect school aged children (6-17) to buy gifts, age 12 is the appropriate age to start buying for immediate family members. However, most respondents said they don't expect children to purchase gifts until adulthood (52%). According to the 48% of adults who felt children should buy gifts, those purchases are expected to be funded by:

- Full or part-time jobs (29%)
- Allowance (26%)
- Funds garnered from odd jobs or fundraising activity (20%)
- Holiday budget given by adult (18%)

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The American Express Spending & Saving Tracker research was completed online among a random sample of 2000 adults, including the general U.S. population, as well as two sub-groups--the Affluents and Young Professionals. Interviewing was conducted by Echo Research between November 29 and December 3, 2011. Overall, the results have a margin of error of +/- 2.2 percentage points at the 95 percent level of confidence.

Affluents are defined as having a minimum annual household income of \$100,000. Young Professionals are defined as less than 30 years of age, having a college degree, and a minimum household income of \$50,000.

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