



December Consumer Spending and Saving

A research report prepared for:



December 13, 2010

Research Method



- This research was completed online among a random sample of consumers aged 18+. A total of 2,000 interviews were completed.
- In addition to a general population sample, two sub-groups – Affluents, and Young Professionals were targeted and balanced by the general population.
 - n= 531: Affluents – defined as having a minimum annual household income of \$100,000
 - n= 525: Young Professionals – defined as less than 30 years of age, having a college degree, and a minimum annual household income of \$50,000
- Interviewing was conducted by Echo Research between November 29 – December 3, 2011.
- Overall the results have a margin of error of +/- 2.2 percentage points at the 95% level of confidence.

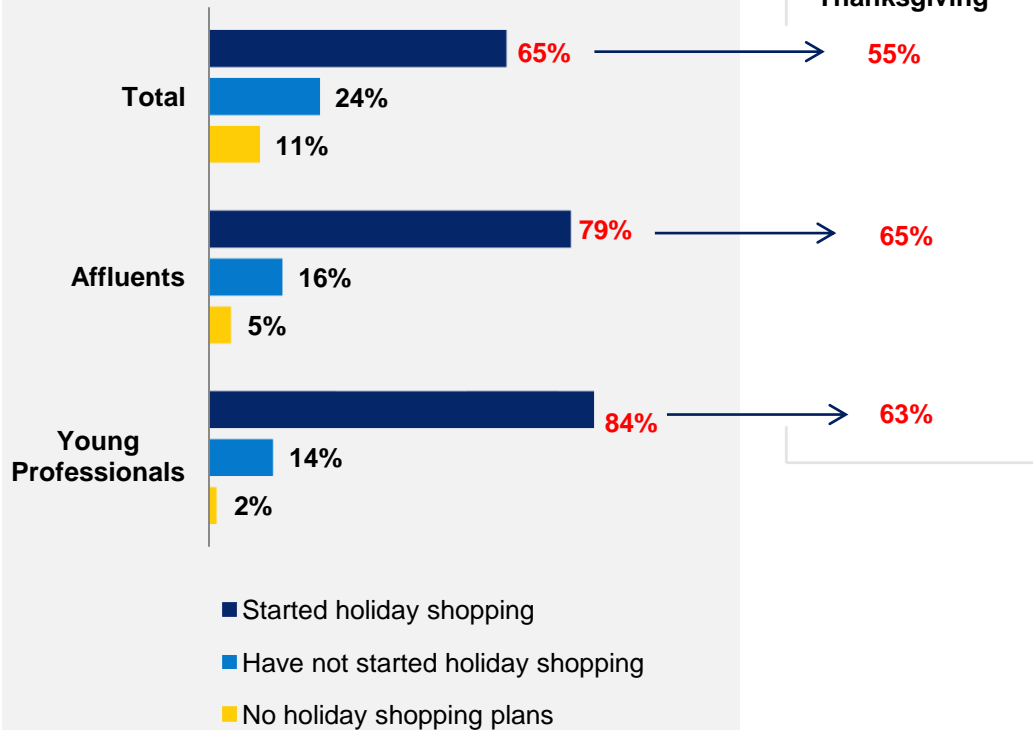
The Final Stretch to Holiday Gift Giving



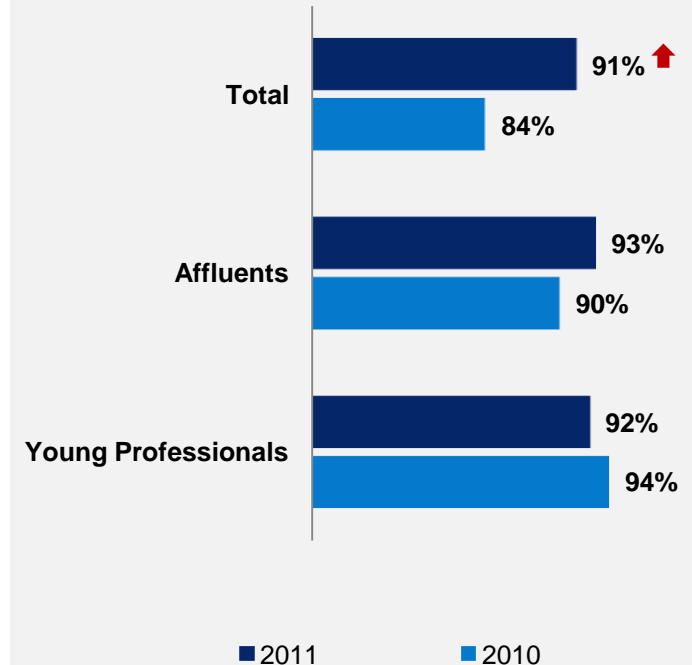
The majority of consumers still haven't finished their holiday shopping.

While most have already begun shopping (65%), and over half of them started before Thanksgiving (55%), nine in ten have yet to finish making their purchases (91% vs. 84% this time last year).

Started Holiday Shopping



Not Finished Holiday Shopping



Q.1 Did you begin your holiday shopping? BASE: Total respondents

Q.2. Percent of Holiday shoppers who completed any shopping before Thanksgiving Base: Total Holiday Shoppers

Q.5 Have you completed your holiday shopping? BASE: Total Holiday Shoppers

↑↓ Significantly HIGHER/ LOWER in 2011 versus 2010



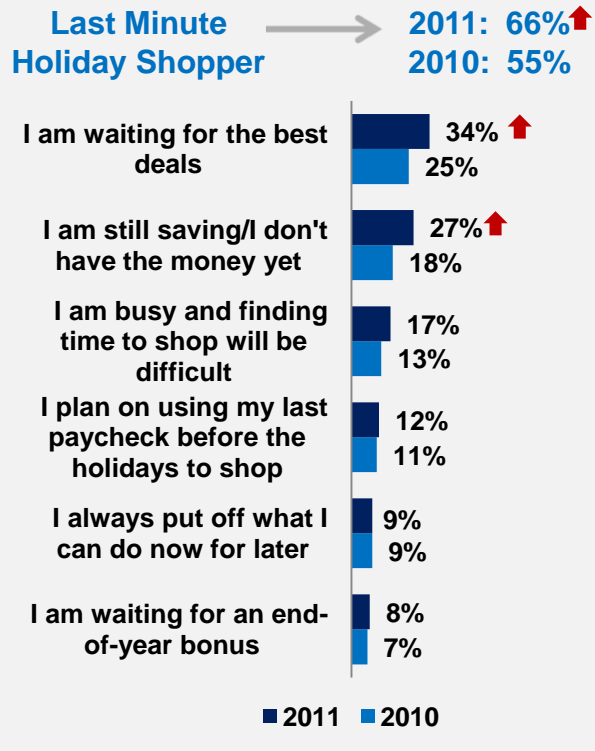
Last Minute Shopping Leads to Smart Spending



Two thirds of holiday shoppers expect to do last minute shopping (66% - up from 55% this time last year) and the top reason indicates smart consumer spending.

More than one third of holiday shoppers will finish up their shopping at the last minute due to waiting for the best deals (34% - vs. 25% 2010), while others are still saving/ don't have the money yet (27% - vs. 18% 2010).

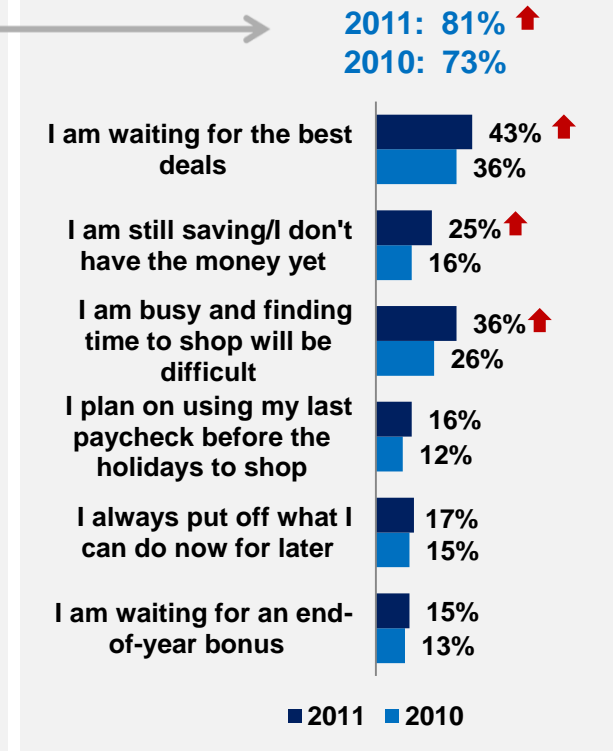
TOTAL



AFFLUENTS



YOUNG PROFESSIONALS



Q.6 Which of the following are reasons you would go holiday shopping at the last minute this year?
BASE: Total Holiday Shoppers

↑↓ Significantly HIGHER/ LOWER in 2011 versus 2010



Most Difficult Person to Buy for this Holiday Season

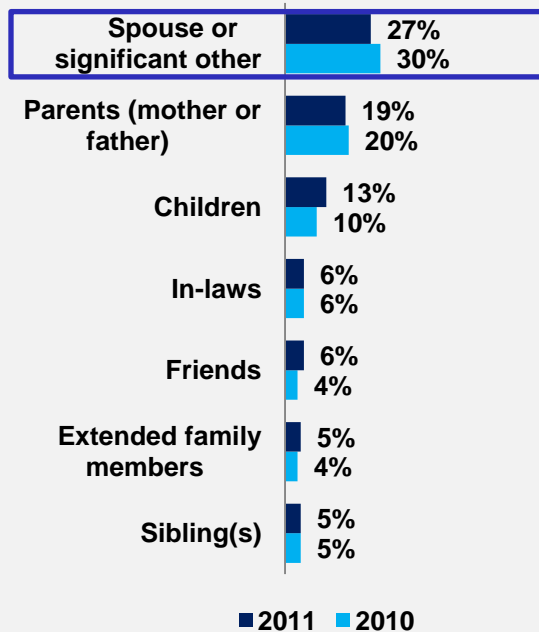


Most holiday shoppers list their spouse or significant other as the most challenging to buy for this holiday season.

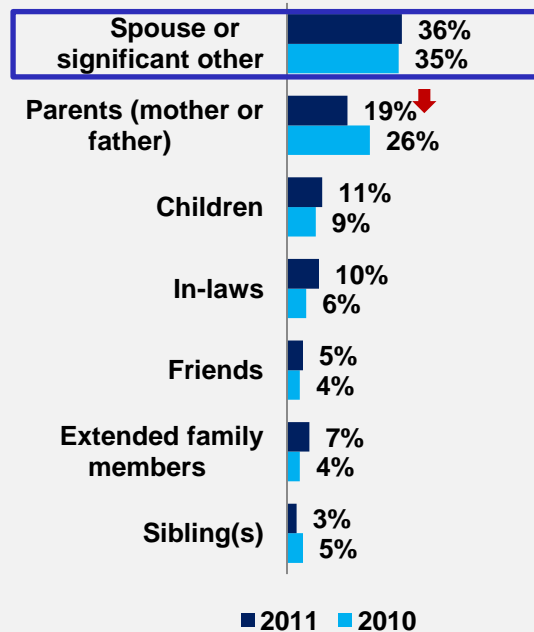
More than one in four holiday shoppers among the general population (27%) and over a third among Affluents (36%) say the most difficult person to buy a gift for is their spouse/significant other this holiday season.

However, Young Professionals are most challenged in buying for their parents (31%).

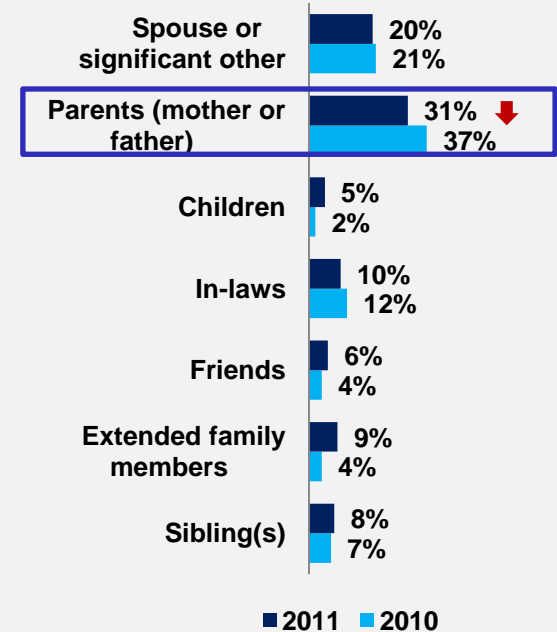
TOTAL



AFFLUENTS



YOUNG PROFESSIONALS



Responses less than 5% not shown above

Q.8 Who is the MOST difficult person to shop for? BASE: Total Holiday Shoppers

↑↓ Significantly HIGHER/ LOWER in 2011 versus 2010



Decision to Buy Holiday Gifts for Children



An overwhelming 87% of holiday shoppers will never stop buying holiday gifts for their children or grandchildren, while two thirds (66%) will continue buying for other children in their family indefinitely.



Q.11a How old will the children in your family be when you stop buying them holiday gifts? Illustrated above is the % would never stop buying holiday gifts for their children.

BASE: Total Holiday Shoppers (not applicable responses were filtered out of base)

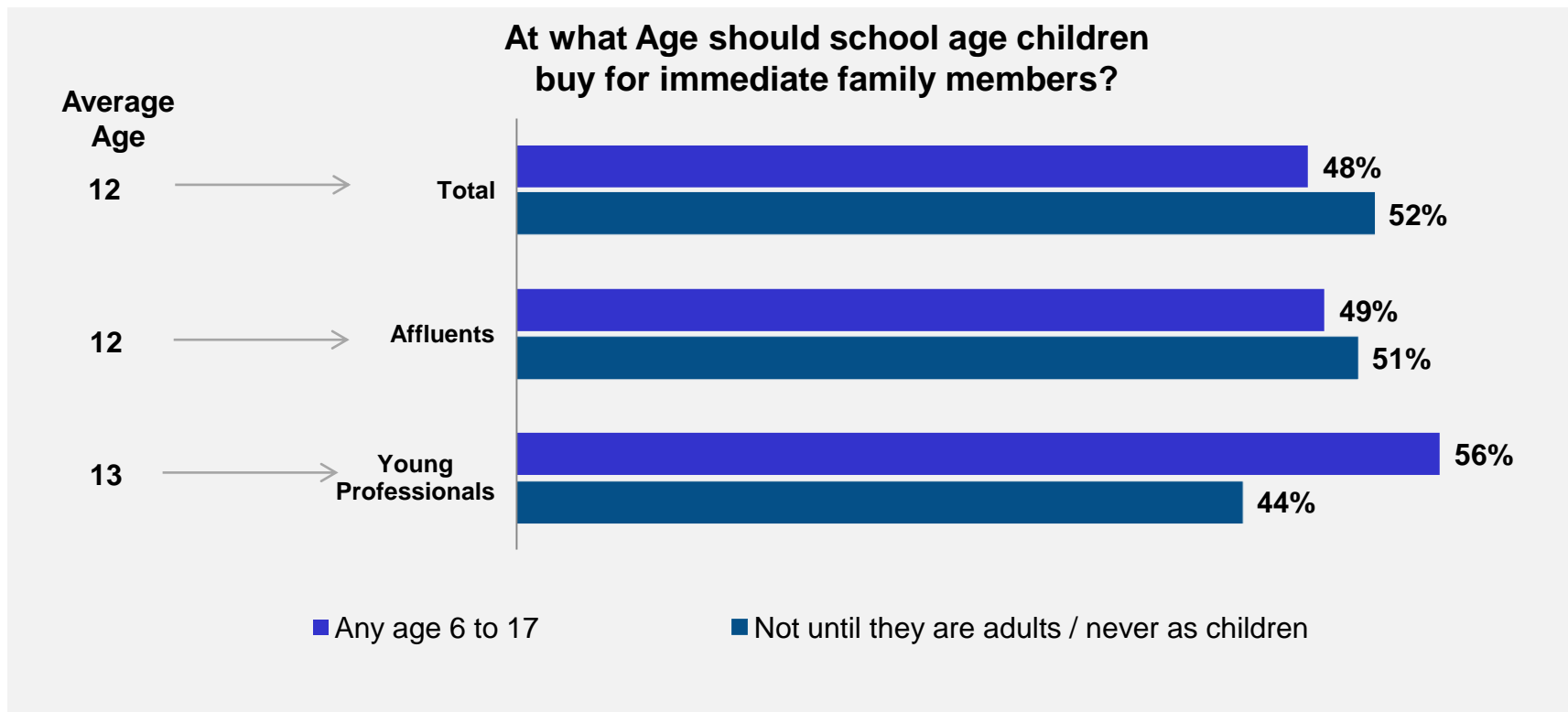


School Age Children Expected to Buy Holiday Gifts for Immediate Family Members



Fewer than one half (48%) of holiday shoppers expect school age children, 6 to 17, to buy holiday gifts for their immediate family members, while 52% don't expect gifting to commence until adulthood.

On average, holiday shoppers expect school age children to begin buying gifts for immediate family members at 12 years of age.



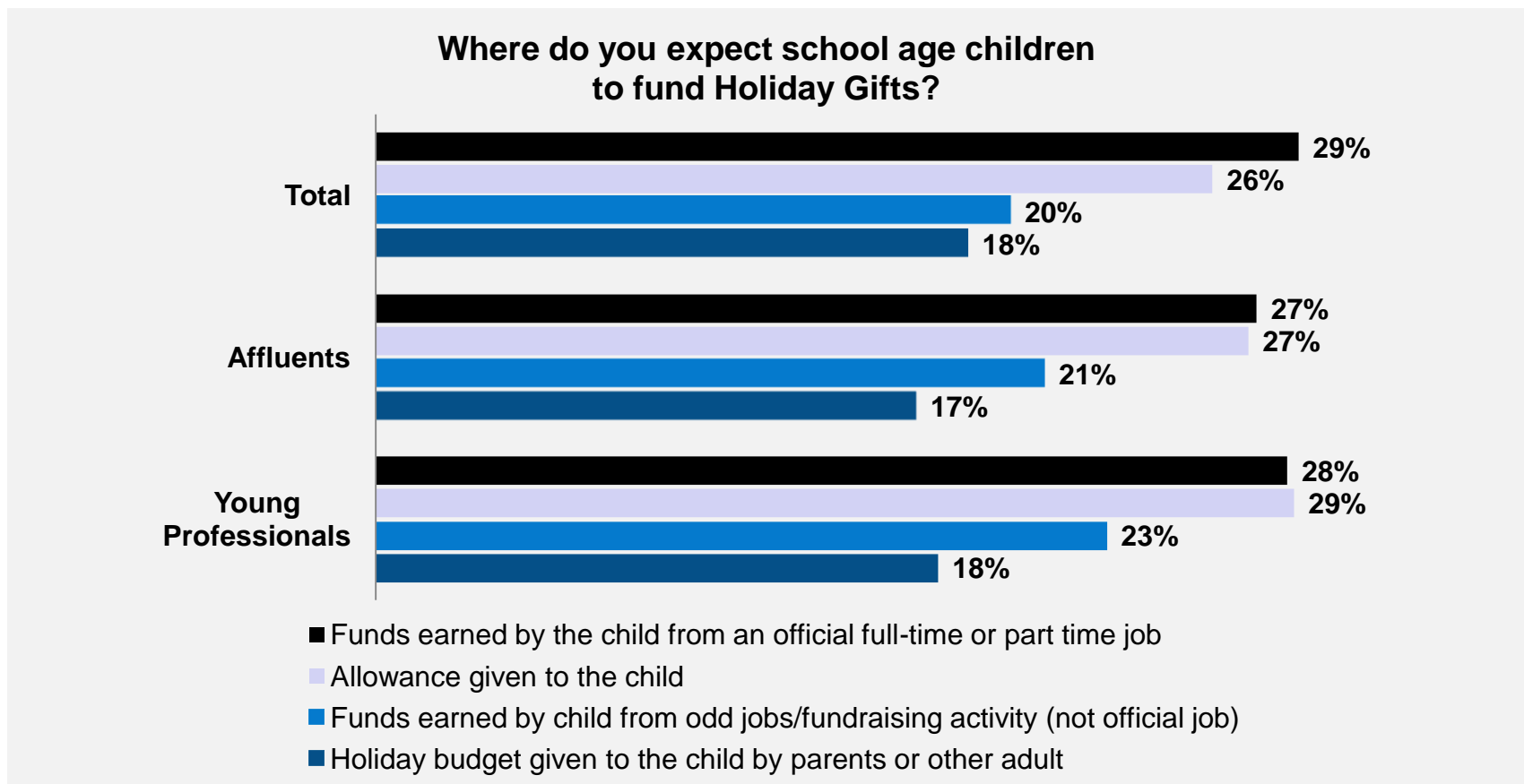
Q.12 At what age do you expect school age children (age 6 to 17) to begin buying gifts for immediate family members? BASE: Total Holiday Shoppers (not applicable responses were filtered out of base)



School Age Children – Primary Source Expected to Fund Holiday Gifts



Just under one in five (18%) consumers felt that 15-17 years old was the appropriate age to begin gifting, and those consumers listed full or part-time jobs as the primary expected funding for holiday gift giving (29%), followed by allowance (26%).



Not shown: other/ not sure

Q.13 What do you expect the primary source of paying for holiday gifts to be for a child age *(AGE)*? BASE: Total Holiday Shoppers expect children age



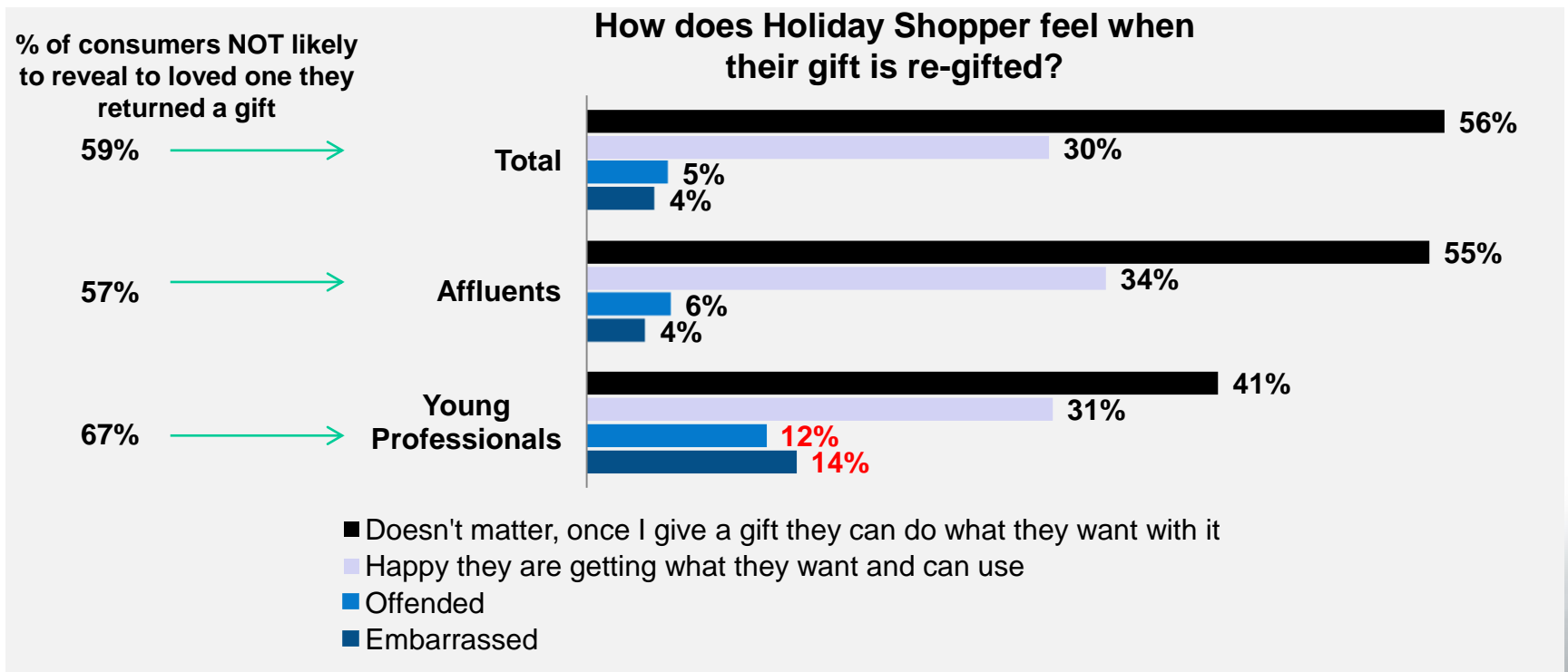
The Pressure of Giving the Perfect Gift this Holiday



When asked about re-gifting, many consumers who set out to holiday shop this season say they are unconcerned by the prospect of their gift recipient *returning* a gift.

More than half of holiday shoppers among the general population and the Affluents say it ‘doesn’t matter, that the recipient can do what they want with the gift; however most consumers are likely to not reveal if they were to return a gift.

A notable percentage of Young Professionals, however, said they would be embarrassed (14%) by giving a gift that was returned, if not offended (12%).



Not shown: not applicable

Q.16 If someone were to return a gift you bought for them, how would that most likely make you feel? BASE: Total Holiday Shoppers

Q.22 If you return an item given to you by a loved one, are you likely to tell them the gift was returned? BASE: Total respondents

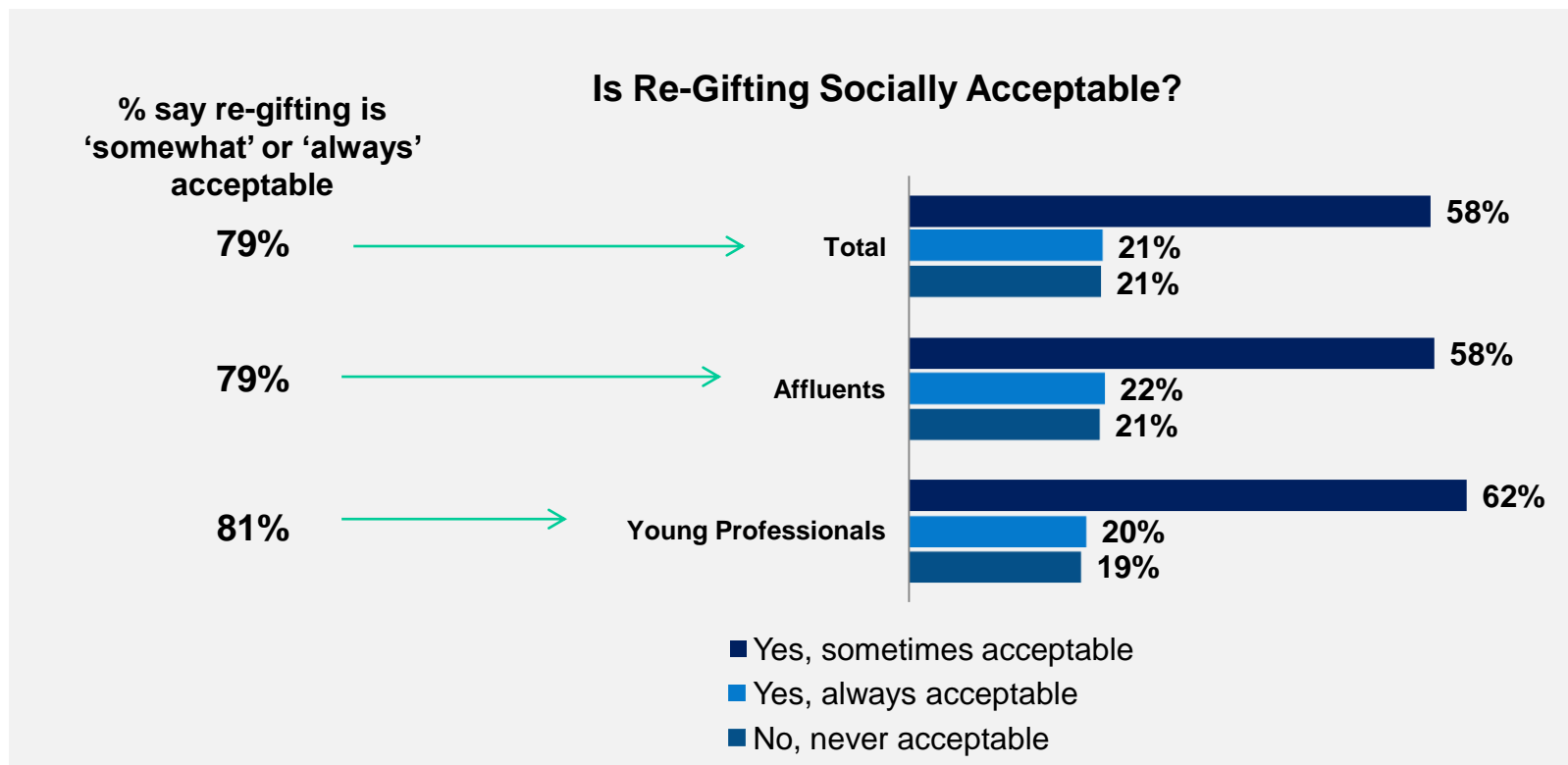


Consumer Sentiment on Re-Gifting



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%—re-gifted at least one item they received last season.



Q.18 Is re-gifting socially acceptable over the holiday gift giving season?
BASE: Total respondents

