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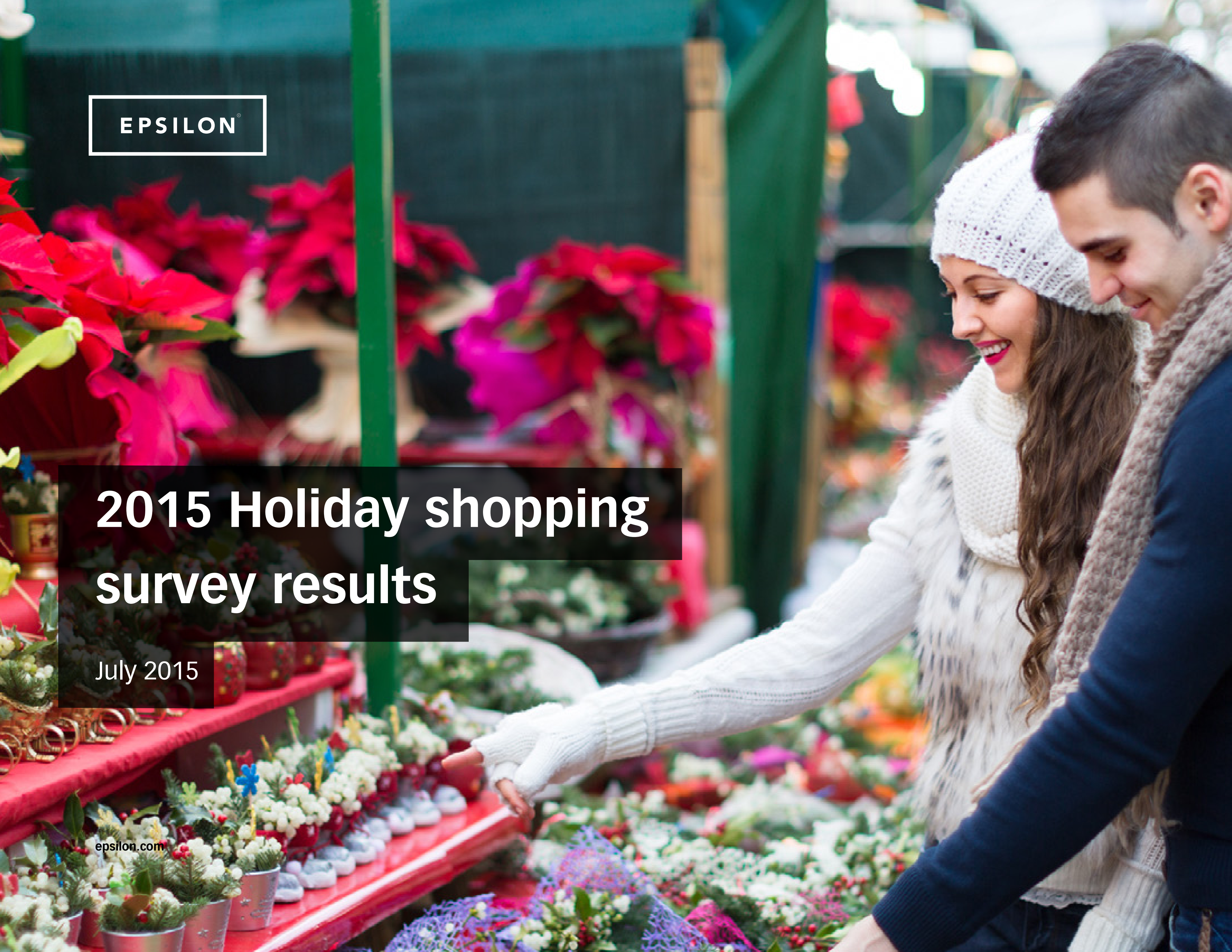


2015 Holiday shopping survey results

July 2015

epsilon.com

Nothing says holidays and mistletoe like blazing sun and beach trips, right?

The reality is that shoppers are already thinking about their holiday purchases and retailers are well underway in their holiday planning. For example, Amazon Prime Day got everyone who wasn’t already ready, in the mood to buy.

The pages of this ebook will provide you with insights to understand the shopping plans and habits of your customers. After reviewing this research you will be armed with the intelligence to insure that your bottom line can enjoy “happy holidays.”

We recently conducted a survey of our Shopper's Voice® customers and discovered what is on their minds for 2015. The following pages detail the results of the survey.

Highlights

- Nearly one-in-five (18%) respondents already started their winter holiday shopping as of this June.
    - Of these, over one-third (36%) did their shopping within the first quarter of the year, while one-fourth did so in April and May.
    - Well over half (56%) plan to do their holiday shopping in October and November, 74% in September, October, or November.

- Holiday gifts are most frequently (at over 90%) purchased for immediate family members such as Sons/Daughters and Spouses/Partners.
    - Spending is also highest for these folks – on average $100 for Sons/Daughters and $93 for Spouses/Partners. It's also relatively high for Grandchildren at $81.

- Planned spending for the majority (71%) of shoppers will be About the Same as last year, while one-fifth claim their spending will be Lower.
    - The average amount planned to be spent on gifts this holiday season is $554.

- As for the types of gifts planned to be purchased, Clothes is #1 by far as 71% say they'll be purchasing them.
    - Clothing apparel tends to skews Younger and Female; however, it's still the most commonly purchased item across all age groups and by Males.

- Toys are the next most commonly purchased item at 55%, especially among those under 45 years (69%).

Highlights (cont.)

- Electronics and Books are in the following tier of gifts to be purchased at 43% and 42% respectively.
  - Women are more likely to purchase ALL types of gifts items with the exception of Electronics and Sports Equipment which skew more Male.
- Three-quarters (74%) of respondents plan to purchase Gift Cards, most often For a Specific Store (i.e. valid at only one store) at 64%.
  - Over half of gift cards are for Food and Beverage.
  - Those For Multiple Stores are much less popular at 19%.
- In terms of how the gifts will likely be purchased, At the Store (90%) and Online (83%) are most anticipated.
  - The latter being on a Computer instead of a Tablet or Smartphone.
- Compared to last year, At the Store will be About the Same (80%) as will Online on a Computer (63%).
  - Purchasing via Mail, Phone, and Tablet is anticipated to be much Lower.
- Regarding online shopping, Amazon is the only retailer that respondents anticipate spending More than last year.
  - Spending on other websites including Mass Merchandisers and Department Stores is expected to be Less.
- The most popular ways to shop for holiday gifts is by Looking at a Product Online and then Purchasing it in Store (58%) OR Looking at a Product in Store and then Purchasing it Online (53%).
- Of the 24% who Interact with Virtual Bulletin Board Sites, the majority (83%) Click on Posts to Learn More About Ideas and 74% Click on Posts to Learn More About Where to Buy it.
  - Effectively 33% Click on a Post and Make a Purchase.

Highlights (cont.)

- As for the days shopped for holiday gifts, last year 31% shopped on Black Friday and 32% did so on Cyber Monday, while this year slightly more (at 33% and 34% respectively) plan to do so on those very same days.
  - Notably 46% of respondents Didn't Do Any Shopping around the Thanksgiving Holiday or Christmas Eve, and a similar number (44%) don't plan to this year as well..
- Nearly half (48%) of those Under 45 plan to Regularly Use Online Sites or Emails to find better deals.
  - 86% will Regularly/Occasionally use these sources to do this.
- Females are much more deal-oriented when it comes to holiday shopping as 79% plan to Use Coupons Received By Mail, 72% Do Price Comparisons Online, 70% Print and Use Coupons Received By Email or 67% Coupons Found Online.
  - The key practice that Men do is Do Price Comparisons Online, which 66% of them do.
- TV Advertising, Email from Brands, and Newspaper Adverts are considered to be most influence purchasing.
- Family or Friends tend to most impact the decision to buy holiday gifts as compared to Online Reviews, Colleagues or Social Media.
- If having to choose only one way to purchase an item from Catalog Sent in the Mail, the most common method would be to purchase it Online (42%) followed by At the Store (24%).
- Cash and Debit Cards are the payment methods that most respondents expect to implement when making their holiday gift purchases.
  - The next most popular method is using a Visa (51%).
- Online Shopping is more likely to happen during the early Evening vs. In Store which skews towards Morning.

Highlights (cont.)

- The majority (79%) of respondents are a member of some type of Loyalty Program.
  - Of these, one-third are Much More Likely to Shop at stores where they can earn points for this program and 41% are Somewhat More Likely to Shop.
  - More than half of them are Not Connected Social Media to these brands/ companies on.

- If forced to choose one promotion, Free Shipping, Dollars Off Total Purchase, and Percentage Off Total Purchase are the most compelling promotions; while Earning Loyalty Points is the least motivating.
  - Similarly, Free Shipping, Dollars Off Total Purchase, and Percentage Off Total Purchase are most likely to persuade one to make a purchase.

- Two-thirds of respondents have a Smartphone, 55% a Tablet.
  - Among those with a Smartphone, 84% have Received In-Store Beacons. 37% are Not Interested in them and another 30% think they Sound Interesting and What to Find Out More about them.

Have you started shopping for this holiday season?

Have you started holiday shopping	%
Yes	18
No	82

Total # responders = 3,025

When did you **begin** or **plan to begin** your holiday shopping?

Began shopping	%
December of last year (December 2014)	23
January, February or March 2015	36
April or May 2015	25
June 2015 (this month)	15

Total # responders = 539

Plan to begin shopping	%
June/July	4
August	6
September	18
October	25
November	31
December – first two weeks	14
December – last two weeks	2

Total # responders = 2,486

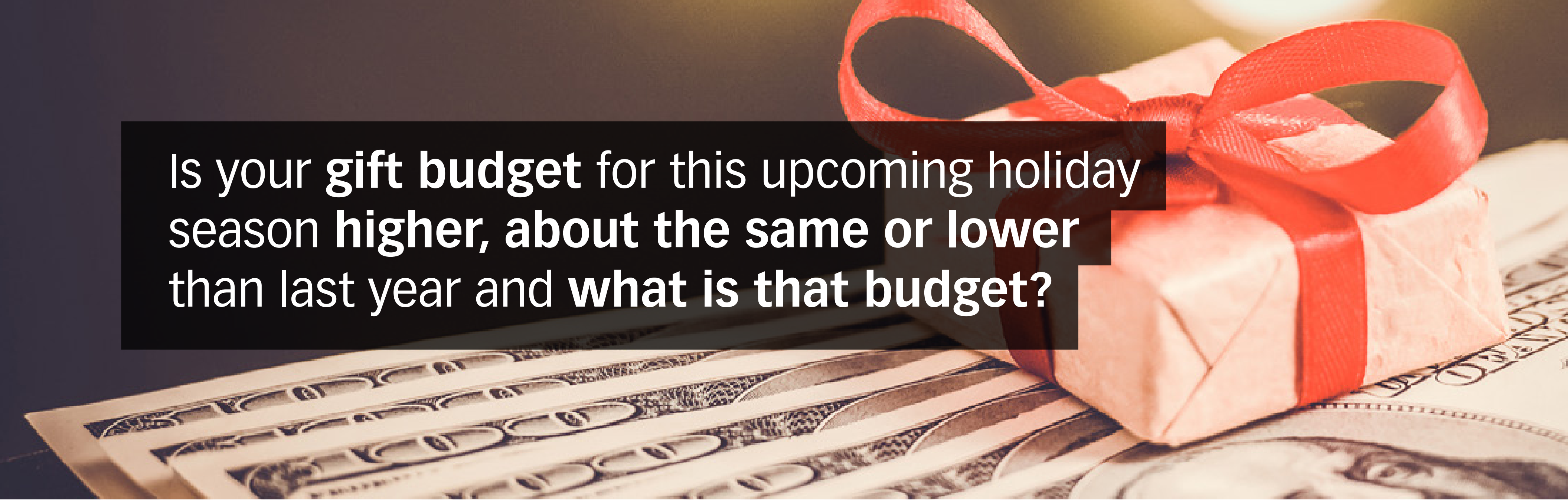
Who have you bought for or **plan to buy for** this holiday season and **how much do you think you will spend** on each person?

Who	**%**
Son/daughter	96
Spouse/partner	92
Parents/grandparents	86
Grandchildren	84
Other family members (e.g. cousins, aunts)	70
Friends – adults	67
Pets	64
Colleagues/co-workers	47
Friends - children	44
School/daycare teachers	35
Service personnel (e.g. mail carrier, trash collector)	32
Coaches (e.g. sports, music)	14

Total # responders = 3,025

How much (mean)	**$**
Son/daughter	99.70
Spouse/partner	92.80
Parents/grandparents	63.60
Grandchildren	81.30
Other family members (e.g. cousins, aunts)	49.50
Friends – adults	35.40
Pets	28.60
Colleagues/co-workers	29.20
Friends - children	32.00
School/daycare teachers	27.10
Service personnel (e.g. mail carrier, trash collector)	27.80
Coaches (e.g. sports, music)	29.40

Total # responders = 3,025



Is your **gift budget** for this upcoming holiday season **higher, about the same or lower** than last year and **what is that budget?**

Gift budget	**%**
Higher than last year	9
About the same as last year	71
Lower than last year	20

Total # responders = 3,025

Budget (mean = $554)	**%**
Under $50	3
$50 to $100	6
$101 to $200	9
$201 to $300	14
$301 to $400	11
$401 to $500	18
$501 to $1,000	25
More than $1,000	13

Total # responders = 3,025

What **types of gifts** have you and will you be buying this holiday season?

Type of gift (shown in percentage)	Total	Gender		Age				Income			Location	
		Male	Female	Under 45	45–54	55–64	65+	Under $50k	$50k–$99k	$100k+	Urban	Rural
Clothing	71	58	75	79	71	68	64	66	74	78	70	74
Toys	55	43	58	69	48	54	44	54	55	61	53	59
Electronics	43	47	43	56	45	35	32	37	49	52	42	46
Books	42	31	45	47	37	43	39	38	42	48	43	41
Jewelry	35	31	36	38	35	32	34	32	34	44	35	34
DVD's	34	30	35	43	37	31	19	34	38	33	32	37
Home décor	26	21	28	31	26	24	20	25	28	26	24	28
Gift baskets	25	18	27	27	27	23	18	27	25	24	24	26
Shoes	21	15	22	32	20	14	9	20	23	24	21	21
Spa/pampering	16	10	17	21	16	12	9	13	17	22	16	15
Sports equipment	15	17	14	18	13	13	12	10	15	25	14	15
Small appliances (e.g. toaster)	12	12	12	10	15	13	14	11	12	14	12	13
Furniture	3	3	3	3	3	2	2	2	3	2	3	3
Large appliances (e.g. dishwasher)	2	2	1	1	2	1	2	2	1	2	2	2

Total # responders = 3,025

Do you plan to buy **gift cards** this holiday season? If so, what **type**?

Bought or plan to buy gift cards (shown in percentage)	Total	Gender		Age				Income			Location	
		Male	Female	Under 45	45–54	55–64	65+	Under $50k	$50k–$99k	$100k+	Urban	Rural
Yes	74	63	77	77	76	75	69	70	75	79	75	73
No	26	37	23	23	24	25	31	30	25	21	25	27

Total # responders = 3,025

Type of gift card	%
For a specific store (e.g. only valid at one store)	64
For food or beverage	55
General gift card that can be used anywhere (e.g. almost like a credit card)	39
For entertainment (e.g. movies)	39
For multiple stores (e.g. valid at various stores from the same company)	19
For a mall (e.g. can be used anywhere at the mall)	8

Total # responders = 2,235

Are you likely to **purchase gifts in each of the following ways** this holiday season?

Likelihood to purchase in this way. Checked "Very likely or somewhat likely (Top 2 box)" (shown in percentage)	Own tablet	Own smart phone	Gender		Age				Income			Location	
			Male	Female	Under 45	45–54	55–64	65+	Under $50k	$50k–$99k	$100k+	Urban	Rural
At the store	90	92	87	91	92	93	90	88	89	91	91	89	92
Online on a computer	77	77	70	72	79	75	71	62	65	78	86	72	72
Online on a tablet	51	37	27	31	41	30	26	21	22	34	44	31	30
By mail	39	38	33	38	34	41	38	35	36	37	42	37	37
Online on a cell phone/smartphone	29	33	20	24	38	20	13	9	19	27	30	23	23
Net: by phone	17	17	18	17	12	17	18	23	16	15	18	18	15
Net: online	83	82	74	77	84	78	76	66	69	83	88	76	77
By calling from a cell phone/smart phone	13	14	14	11	11	14	12	11	11	11	15	13	10
By calling from a landline	9	7	11	9	4	8	11	17	9	8	9	10	8

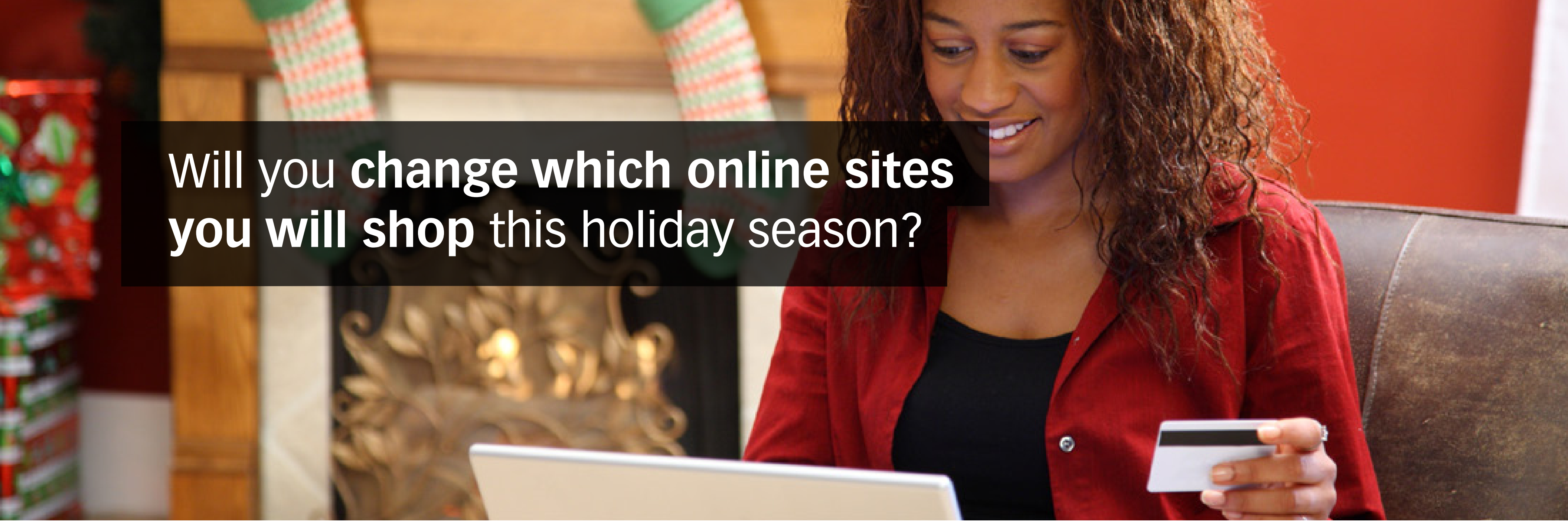
Total # responders = 3,025

Will you change the **ways in which you purchase gifts** this year compared to last year?

How gifts will be purchased	%
At the store	
More than last year	9
About the same as last year	80
Less than last year	9
By mail	
More than last year	5
About the same as last year	62
Less than last year	24
By calling from a landline	
More than last year	1
About the same as last year	51
Less than last year	36
By calling from a cell phone/smartphone	
More than last year	2
About the same as last year	53
Less than last year	33

Total # responders = 3,025

How gifts will be purchased	%
Online on a computer	
More than last year	16
About the same as last year	63
Less than last year	15
Online on a tablet	
More than last year	8
About the same as last year	53
Less than last year	28
Online on a cell phone/smartphone	
More than last year	6
About the same as last year	52
Less than last year	29



Will you **change which online sites you will shop** this holiday season?

Website	%
Amazon.com	
More than last year	20
About the same as last year	57
Less than last year	16
Ebay.com	
More than last year	4
About the same as last year	50
Less than last year	32
Etsy.com	
More than last year	3
About the same as last year	44
Less than last year	37

Total # responders = 3,025

Website	%
UncommonGoods	
More than last year	1
About the same as last year	44
Less than last year	38
Target.com	
More than last year	5
About the same as last year	53
Less than last year	29
Walmart.com	
More than last year	9
About the same as last year	58
Less than last year	22

Website	%
Department store websites	
More than last year	6
About the same as last year	57
Less than last year	24
Specialty store websites	
More than last year	7
About the same as last year	55
Less than last year	25
Online toy stores	
More than last year	4
About the same as last year	49
Less than last year	31

Are you likely to **shop for holiday gifts in following ways**?

Likelihood to shop this way Checked “Very likely or somewhat likely (Top 2 box)” (shown in percentage)		**Own tablet**		**Own smartphone**	
	Total	**Yes**	**No**	**Yes**	**No**
Look at a product online and then go to a store to buy it	58	61	53	62	48
Look in store for a product and go online to find the best deal	53	60	45	59	42
Get a catalog by mail and go online to buy the product	45	50	39	49	37
Look at a product in store and then order it online	42	49	33	48	30
Get information by email about a product and order it online	38	42	33	41	31
Look at a product online, go to a store to see it and then buy it online	37	43	30	42	27
Get information by email about a product and go to a store to buy it	32	34	29	33	29
Get a catalog by mail and go to the store to buy the product	29	31	27	30	27
Get a catalog by mail and send an order in by mail to buy the product	17	16	19	15	21

Total # responders = 3,025

Do you think you will **use online sites and/or emails** to learn about deals when looking for gifts for the holiday?

Use online sites and/or emails to learn about deals (shown in percentage)	**Total**	**Gender**		**Age**				**Income**					**Location**	
		Male	**Female**	**Under 45**	**45–54**	**55–64**	**65+**	**Work-ing**	**Not work-ing**	**Under $50k**	**$50k–$99k**	**$100k+**	**Urban**	**Rural**
Net: Yes	88	85	89	93	91	89	79	93	83	83	93	94	88	89
Yes, regularly	37	29	39	48	35	34	24	41	33	35	39	48	37	36
Yes, occasionally	41	43	40	38	46	43	40	43	38	37	44	42	40	42
Yes, rarely	11	13	10	7	10	12	15	9	12	11	10	5	11	10
No, do not plan to use online sites and/or emails to learn about deals	12	15	11	6	9	11	20	7	17	16	6	6	12	11

Total # responders = 3,025

How often do you **interact with sites like Pinterest/Instagram for gift ideas and/or shopping**?*

How do you interact with virtual bulletin board sites	%
Click on the post to learn more about the idea	83
Click on the post to find out where to buy	74
Follow what you see others have posted	64
Post an idea of your own	34
Click on the post and make a purchase	33

Total # responders = 958

*of those likely to use Pinterest or Instagram

Did you **shop on the following days** last year and **do you plan to shop these days** this year?

Days shopped in 2014	**%**
Thanksgiving	17
Black Friday (day after Thanksgiving)	31
Cyber Monday (Monday after Thanksgiving)	32
Christmas Eve	13
None of the above	46

Total # responders = 3,025

Days plan to shop in 2015	**%**
Thanksgiving	15
Black Friday (day after Thanksgiving)	33
Cyber Monday (Monday after Thanksgiving)	34
Christmas Eve	10
None of the above	44

Total # responders = 3,025

Are you **likely to do each of the following** when gift shopping for this holiday season?

		Gender		Age				Income			Location	
Likely to do the following Checked "Very likely or somewhat likely (Top 2 box)" (shown in percentage)	**Total**	**Male**	**Female**	**Under 45**	**45–54**	**55–64**	**65+**	**Under $50k**	**$50k–$99k**	**$100k+**	**Urban**	**Rural**
Use coupons received by mail	74	57	79	77	76	76	70	69	76	80	73	75
Do price comparisons online	70	66	72	80	72	70	56	64	76	78	71	70
Print and use coupons received by email	67	53	70	74	69	66	56	57	73	79	67	66
Print and use coupons found online	64	51	67	69	67	65	54	57	70	73	63	65
Do price matches at the store	60	52	62	65	62	61	52	57	61	61	59	62
Go directly to brand sites to look for coupons	53	41	56	62	56	50	38	48	57	59	52	54
Go to online deal sites to look for coupons	53	43	56	64	56	50	36	47	60	63	52	55
Read reviews on a smartphone while shopping at the store	31	26	33	49	30	21	11	26	35	42	31	32

Total # responders = 3,025

What **type of advertising** do you feel will mostly influence the types of gifts you might buy this holiday season?

Type of advertising	**%**
Television advertisement	22
Email sent directly from a brand	22
Advertisements in the newspaper	19
Advertisements received by mail	12
Advertisements on a brand's website	6
Advertisements in a magazine	4
Online banner advertisements when searching	3
Text sent directly from a brand	2

Total # responders = 3,025

What or who influences your decision to buy holiday gifts?

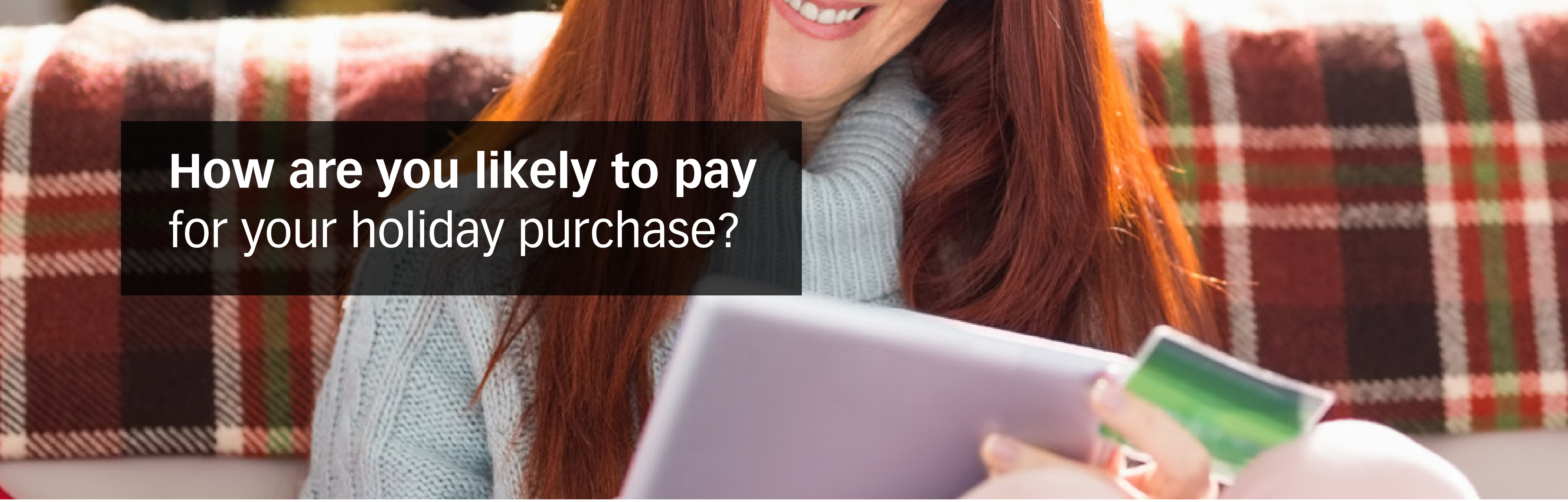
What or who influences your purchase decision **Checked "A lot of influence or some influence"**	**%**
Family or friends	42
Reviews posted online	19
Colleagues	12
Facebook	6
Pinterest	4
Discussion forums	4
Instagram	1

Total # responders = 3,025

How would you most likely make a purchase after **receiving a catalog**?

Type of advertising	**%**
Online	57
At the store	24
By calling from a landline	8
By mail	6
By calling from a cell phone/smart phone	4

Total # responders = 3,025



How are you likely to pay for your holiday purchase?

Type of payment Checked "Very likely or somewhat likely (Top 2 box)" (shown in percentage)	%
Cash	65
Debit card	62
Visa	51
MasterCard	35
Store specific credit card	33
Paypal	27
Personal check	19
American Express	13
Other mobile phone payment app	3
ApplePay	2

Total # responders = 3,025

What **time of day** will you most likely do your holiday shopping at a store and/or online?

If shopping at a store	%
9am to 12pm	41
12pm to 3pm	39
3pm to 6pm	28
6pm to 9pm	34
9pm to 12am	8
12am to 9am	4

Total # responders = 3,025

If shopping online	%
9am to 12pm	29
12pm to 3pm	21
3pm to 6pm	20
6pm to 9pm	40
9pm to 12am	29
12am to 9am	10

Total # responders = 3,025

Do you belong to any **reward or loyalty program** (e.g. points/rewards cards)? Are you more likely to **shop at stores where you get points/rewards**?

Belong to reward/loyalty program?	**%**
Yes	79
No	21

Total # responders = 3,301

Likely to shop at stores where get rewards/loyalty points	**%**
Much more likely	33
Somewhat more likely	41
Neutral/don't know	24
Somewhat less likely	<1
Much less likely	1

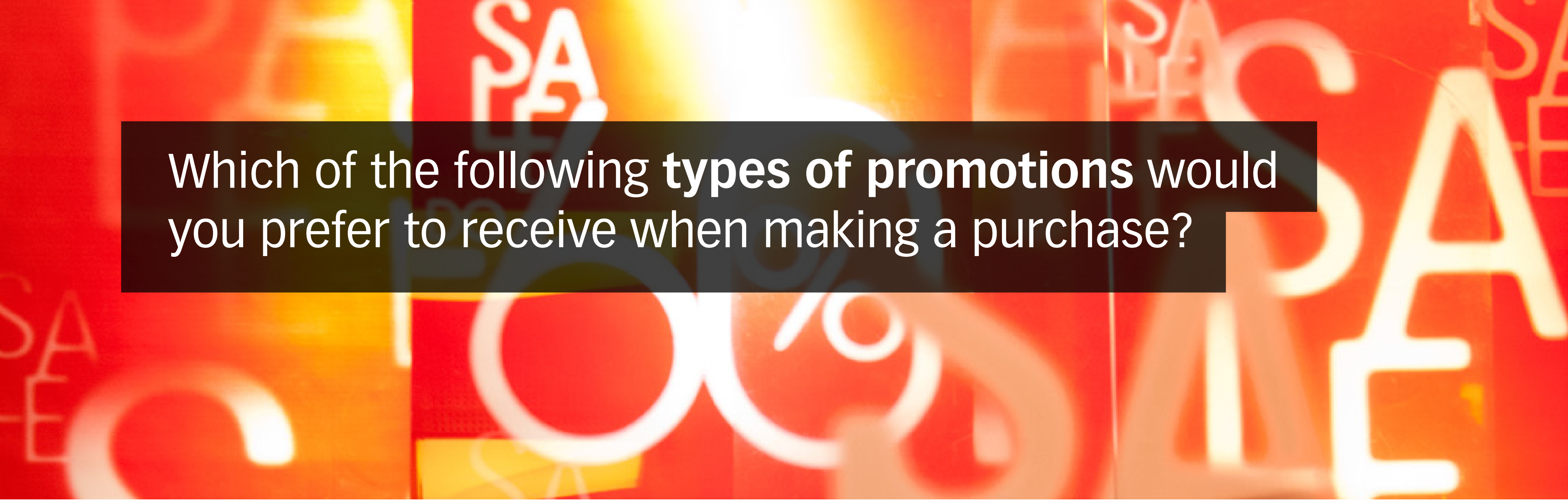
Total # responders = 2,616

Are you **connected with the brands/ companies** that you **have a reward or loyalty card** with on social media sites?*

Connected with brands/ companies through social media	**%**
Yes, I am connected with all or some of the brands/ companies that I have a reward/loyalty card with	31
No, I am not connected with brands/companies that I have a reward/loyalty card	45
Do not have a social media site account	23

Total # responders = 2,616

* of those who have a reward or loyalty card



Which of the following **types of promotions** would you prefer to receive when making a purchase?

Types of promotions preferred (shown in percentage)	**Total**	**Gender**		**Age**				**Income**			**Location**	
		Male	**Female**	**Under 45**	**45–54**	**55–64**	**65+**	**Under $50k**	**$50k–$99k**	**$100k+**	**Urban**	**Rural**
Free shipping	27	26	27	22	26	31	31	27	24	24	26	27
Dollar amount off total purchase	25	24	25	24	28	23	25	22	27	28	27	22
Percentage off total purchase	24	21	25	27	22	24	22	19	27	32	22	27
Buy one, get one free	13	15	12	13	12	11	12	18	10	7	13	12
Gift card to be used on a future purchase	9	8	9	10	9	8	6	11	8	5	9	8
Loyalty points for future offers/discounts	4	6	3	5	4	4	2	3	5	4	4	3

Total # responders = 3,301

How likely would you be to **make a purchase if offered the following promotions**?

Likely to buy Checked box "Much more likely or somewhat more likely (Top 2 box)"	**%**
Dollar amount off total purchase	86
Percentage off total purchase	84
Free shipping	81
Buy one, get one free	75
Gift card to be used on a future purchase	63
Loyalty points for future offers/discounts	52

Total # responders = 3,301

Have a smartphone	**%**
Yes	67
No	31

Total # responders = 3,301

Have a tablet	**%**
Yes	55
No	45

Total # responders = 3,301

How do you feel about **in-store beacons**? Have you ever received one on your smartphone?*

Feelings about in-store beacons	%
I already participate	8
Sounds great and I would love to participate	9
Sounds interesting and I will look more into it	30
I have some concerns about this new technology	15
I am not interested	37

Total # responders = 2,196

Received in-store beacons	%
Yes, have signed up for this	16
No, have not signed up for this	84

Total # responders = 2,196

*Responses from those who own a smartphone

Demographics

Number in household	%
1	16
2	39
3	18
4	16
5 or more	11

Total # responders = 3,301

Gender	%
Female	77
Male	22

Total # responders = 3,301

Age (Avg age = 51)	%
25 to 34 years	11
35 to 44 years	27
45 to 49 years	13
50 to 54 years	11
55 to 59 years	9
60 to 64 years	7
65 to 69 years	6
70 to 74 years	8
75 years or over	8

Total # responders = 3,301

Demographics (cont.)

Level of education	%
Completed high school	24
Some college	37
Completed 4 year degree	26
Advanced degree	12

Total # responders = 3,301

Employment status	%
Full-time homemaker	14
Working full-time	38
Working part-time	11
Self-employed	4
Retired	25
Not currently working	8

Total # responders = 3,301

Occupation	%
Professional services	28
Management	13
Technical professional	11
Tradesman or laborer	8
Sales or marketing	7
Other	32

Total # responders = 1,734

Demographics (cont.)

Children under age 18 living in home	%
Yes	35
No	63

Total # responders = 3,301

Ages of children in household	%
Under 2 years	14
2 to 4 years	23
5 to 8 years	32
9 to 12 years	40
13 to 15 years	33
16 to 17 years	23

Total # responders = 1,166

Annual household income	%
Less than $25,000	12
$25,000 to $34,999	11
$35,000 to $49,999	13
$50,000 to $74,999	19
$75,000 to $99,999	12
$100,000 to $149,999	10
$150,000 or over	4
Prefer not to answer	18

Total # responders = 3,301

Demographics (cont.)

Urban/rural	%
Urban	58
Rural	41

Total # responders = 3,301

Region	%
South	34
Midwest	29
Northeast	18
West	17

Total # responders = 3,301

About the Methodology

This report on customer insights is based on a Shopper's Voice® survey conducted in June 2015. The online survey was completed by 3,301 U.S. responders in the Shopper's Voice database 25 years of age or older. Results are shown for the total sample and/or by demographic groups. Results were weighted based on age of responder. Weighted total sample sizes from groups within the study are as follows: Total = 3,301; By age: Under 45=1,248, 45-54=790, 55-64=509, 65+=466; By household income: Under $50,000=1,181, $50,000-$99,999=1,037, $100,000 or over=467; By location: Urban=1,904, Rural=1,354.

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