



BkReAysD®

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

**Brand Keys 2017 Holiday Shopping Survey Finds
Increase In Consumer Spend Doubles YOY**

NEW YORK, NY October 30, 2017 – “A robust stock market and high levels of consumer confidence have coalesced to double this year’s increase in anticipated holiday spend,” said Robert Passikoff, founder and president of Brand Keys, Inc. (brandkeys.com), the New York City-based brand loyalty and customer engagement research consultancy. “The result? Generally good economic news has consumers signaling a 4% increase in their holiday spend this year. That works out to an average spend of \$936 per household.”

Earlier & Earlier Shopping = The New Normal for the Winter Holidays

Consumers are making decisions and plan to shop even earlier than previous years. “Retailers have recognized shifts in the consumer shopping paradigm, and will again try to capitalize on them by kicking off Black Friday-like sales even earlier than in previous years,” Passikoff said.

According to 11,625 shoppers who participated in this year’s survey, despite larger spends, consumers have adopted new shopping patterns when it comes to holidays and calendar events, particularly for the Winter Holidays. “This is an incredibly important shift,” said Passikoff. “It means that a ‘season’ that represents nearly 25% of the retail industry’s total sales, is spread out – conservatively speaking – over a 4+ month period of time even though the ‘Winter Holidays’ have traditionally been defined as the 61 days of November and December. It may work that way on the calendar, but not in successful retailers’ marketing strategies!”

Black Friday Turns Gray, December Is More Seasonal and Traditional

Consumers have been holiday shopping earlier and earlier. Last year 41% of consumers reported shopping *before* Black Friday. This year that number has increased significantly, with just over half the consumers (51%) reporting they had *already* shopped or intended to do so *before* Black Friday, a shopping period that has become known as ‘Black November.’ “Super Saturday has overtaken Black Friday in actual sales,” noted Passikoff. “So while Black Friday represents a retail *raison d’être*, it is fast becoming a relic of 20th century retailing.”

“Marketers have taught – and consumers have learned – that deals abound year-round,” Passikoff pointed out. “This has resulted in earlier shopping *and* the knowledge that deals are

likely to only get better as Christmas approaches.” As a result, a smaller percentage of consumers (20%, down 5% YOY) have indicated they are actually shopping on Black Friday. Twenty-nine percent (29%) of respondents indicated that they *will* holiday shop in December, the largest specific shopping period identified by consumers in this year’s Brand Keys survey.

“Deals notwithstanding, shopping on Black Friday and in December itself has become more of a traditional, seasonal thing families can do together,” noted Passikoff. “It’s a habituated behavior that grabs consumers when Jack Frost nips at their noses and Santa Claus is coming to town, despite the fact that 71% of their shipping has already been completed!”

When it came to time periods consumer will holiday shop, they reported the following (percentages in parentheses indicate changes from 2016 data):

Before September:	6% (+2%)
September:	7% (+2%)
October:	16% (+5%)
November (before Black Friday):	22% (+1%)
Black Friday	20% (- 5%)
December:	29% (- 5%)

Where They’ll Shop

Virtually all consumers interviewed (98%) are buying online again this year. “It’s no secret that brick-and-mortar retailers have had more difficult times engaging customers over the past five years,” said Passikoff. “They’ve been trying to forestall the online assault with ‘better’ reward programs and low-lower-lowest pricing schemes, but consumers are on to all that. Online has become the default venue for browsing, promotions, price checking and, ultimately, buying holiday gifts.” Consumers again intend to use multiple venues, to shop this year:

<u>Store Type</u>	<u>2017</u>	<u>% change from 2016</u>
Discount Department Stores	95%	---
Specialty & Apparel Stores	75%	+30
Traditional Department Stores	73%	- 10
Electronics	25%	+ 5
Price Clubs	24%	+ 4
Sporting Goods Stores	18%	- 2
Outlet Stores	15%	+ 5

Catalogues (8%), are down again another 2% from last year. “If a consumer can pull up the same content on a computer, a tablet or a smartphone, they regard hard-copy as redundant,” Passikoff remarked.

What They’ll Buy

Consumers indicated the following categories where money was going to be spent. Changes from last year appear in parentheses:

Clothing and Accessories	85%	(+5%)
Personal Care Products/Spa	55%	(+5%)
Electronics/Phones/Computer	48%	(- 2%)
Kitchen/Cookware	45%	(+3%)
Toys	30%	(+10%)
Food and Wine	26%	(+6%)
Jewelry	25%	(+5%)
Books	15%	(+ 5%)
Sporting Goods	10%	(- 2%)
Home Décor	10%	(+ 5%)
Tools	10%	(-----)

Gift Cards Are (Again) Ubiquitous

Gift cards have become as universal as ending greetings in one form or another, with nearly everyone indicating they’ll buy at least one this year (95%).

Value, Convenience and Shopping Ease Are the Best Retailer Gifts

Just as in holiday seasons past, value is paramount for all platforms. Consumer expectations regarding outreach and convenience are up again. Expectations for shopping experience for brick-and-mortar retail, are also up again” Passikoff said. “Retailers that can provide a sense of consumer comfort, confidence and shopping ease will see better bottom lines.” Free shipping and returns, order online-pickup-in-store or ship-to-store options will have holiday shoppers’ attentions again this year.

Brand Keys (brandkeys.com) is the only research consultancy that specializes in customer loyalty and consumer emotional engagement metrics that accurately predict future consumer behavior. These measures enable companies and brands to anticipate shifts in what has become a more digitally driven and rapidly changing marketplace.

Contact: VISIBILITY
Len Stein
Cell: 914 527 3708 // Lens@VisibilityPR.com