Consumer pulse Holiday 2023 report

Consumer & Retail

October 2023

Executive summary

1 Demographics & household economics

- As with past surveys, our holiday survey aims to reflect U.S. demographics. Our survey of 1,081 respondents is within +/- 3 percent variance compared to the U.S. census across income, region, race & ethnicity and age variables.
- For these consumers, income levels remain resilient, as more than half (58 percent) respondents experienced a change in income and almost all said it was an increase in income.
- 38 percent of the respondents who witnessed a change in income had an increase of up to 10 percent followed by 20 percent respondents whose income increased by 11-20 percent as compared to last year.
- 76 percent respondents who witnessed an increase in income cite the increase was either the result of a promotion or a secondary income source.

2 Consumer spend

- While the consumer still expects the highest YOY increases in spend by category to be for essential categories like groceries and auto, compared to last year, the consumer is also expected to start spending more in discretionary categories like restaurants, apparel and travel.
- And while not a large component of overall payment spend, 26% of consumers site having used buy-now pay later as a payment type. Electronics and appliances, furniture, and apparel are the top three categories purchased using buy-now pay later platform.
- Consumers also continue to seamlessly transition between in-store, online and social based shopping. But the prevalence of social shopping is highest for discretionary categories such as apparel and personal care products.
- Prevalence of artificial intelligence tools for shopping is higher for discretionary categories such as apparel and entertainment / media.

3 Holiday activities

- This holiday season consumers are not expected to increase holiday budgets much, as overall, consumers expect to spend around ~$1,100, up 5 percent over last year
- Significant others, children and parents / in-laws are the individuals most consumers plan to do their shopping for.
- About half (46 percent) of respondents do not expect to change the amount they spend on holiday shopping for others. Of those that expect to spend more, they cite more gifts per person as the reason. For those who expect to spend less, they expect inflation and increased prices to have impacted their decision.
- Gift cards remains a popular gift option with over 50 percent of holiday shoppers plan to purchase gift cards/ (57 percent) and apparel (54 percent).
- Similar to last year, holiday shoppers report a greater affinity towards online shopping (40 percent) compared to in-store shopping (18 percent).
- Mass market retailers (74 percent) is the top retailer that respondents are likely to do holiday shopping, followed by discount stores (56 percent), and department stores (47 percent). However, luxury has gained share compared to last year.
- Importance of Black Friday is similar to last year, while the participation is expected to decline across all other sales events.
- 78 percent shoppers are planning to attend the black Friday sale, with 49 percent expecting more promotions this year; 29 percent respondents are planning to shop on Thanksgiving day.

Executive summary (continued)

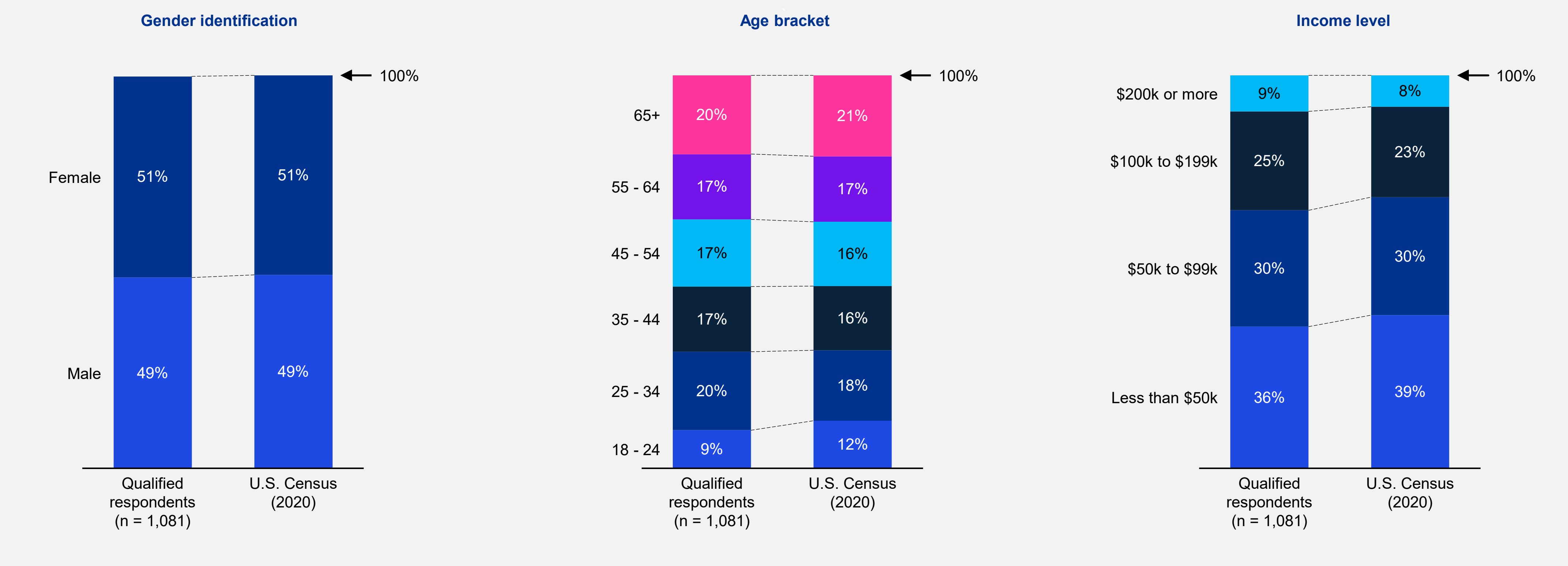
4 Holiday gifting	▪ For consumers, the top gift categories they prefer to receive are gift cards and certificates (54 percent), money (48 percent), and apparel (37 percent). ▪ And 53 percent respondents shop for themselves during holiday with average amount spent expected to increase by 3 percent to $276. ▪ When purchasing gifts, consumers are most concerned about inflation (82 percent), followed by shipping delays (50 percent) and stockouts (40 percent) which is fairly similar to last year
5 Celebration plans	▪ A significant portion of the U.S. population celebrates the holidays with some sort of celebratory meal. – 81 percent of the respondents plan to celebrate holidays with special meal/gathering. This year, 43 percent of consumers plan to spend more in 2023 compared to 2022. ▪ Consumers also plan to attend more gatherings this year compared to last year (5.6 versus 5.2 average total gatherings) and plan to host more gatherings this year compared to last year (2.7 versus 2.5 average total gatherings). ▪ On average, consumers plan to spend $219 on hosting each event. ▪ Respondents expect to host slightly higher number of guests this year (15 vs. 13 last year) and spend more money on gathering with a larger number of people.
6 Holiday travel	▪ Travel plans are on par with last year as duration during Thanksgiving is expected to be similar to last year with ~67 percent respondents primarily planning an extended trip or a trip less than 5 days. But spend on travel is expected to increase. ▪ The average spend on travel is expected to increase by as much as 25 percent in 2023 compared to 2022, with more than 50 percent people spending over $500. ▪ Most respondents (62 percent) considered cost as the most important concern while choosing to travel followed by travel restrictions (40 percent) which impacts the choice of location. ▪ Almost half (46 percent) of the respondents plan to spend higher amount than they spent on a holiday trip last year primarily because they plan to increase the duration of travel.

01

Demographics and household economics

Survey sample is within +/- 3 percent variance compared to 2020 U.S. census demographics. (1 of 2)

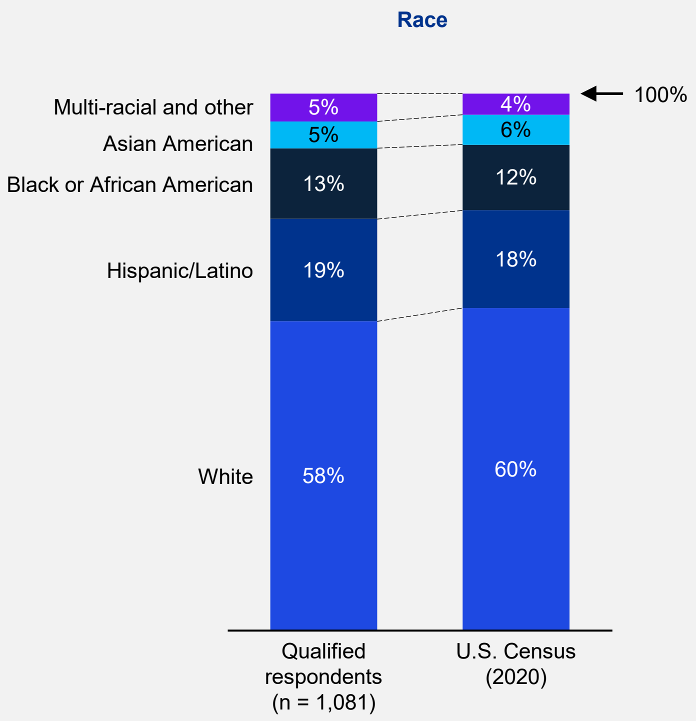
Respondent demographic profile

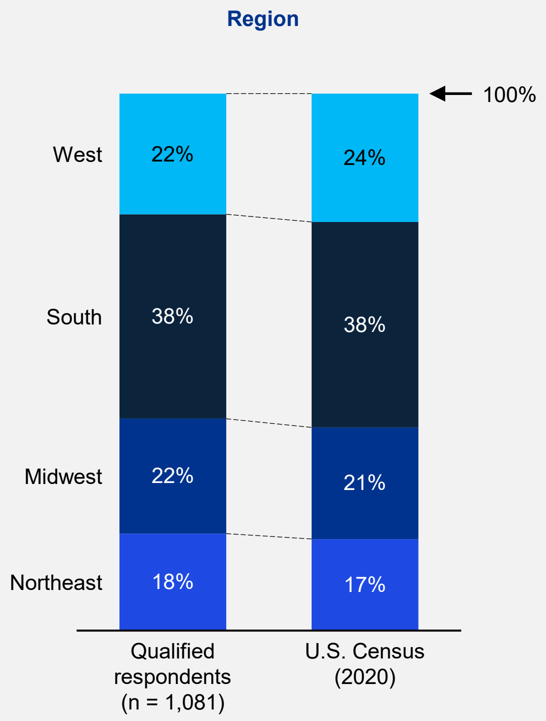


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please select your gender.”, “Please enter your current age.”, and “Please select the annual income range that best describes your total household income in 2023.”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Survey sample is within +/- 3 percent variance compared to 2020 U.S. census demographics. (2 of 2)

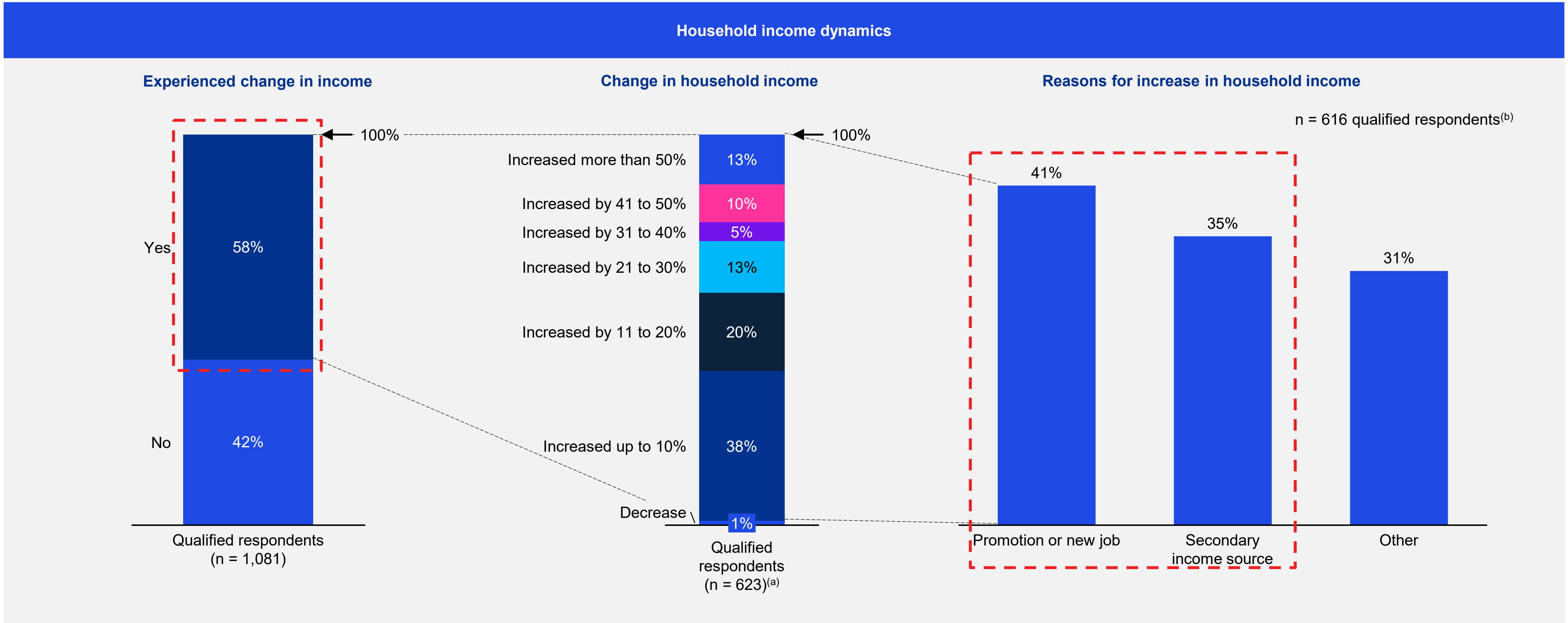
Respondent demographic profile





Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please select the option which best describes your race”, “Are you Hispanic, Latino/a/x, or of Spanish origin?”, and “Please enter your current zip code.”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

More than half (58 percent) respondents experienced a change in income; 76 percent cited promotion or secondary income source as the reason for increase in income.



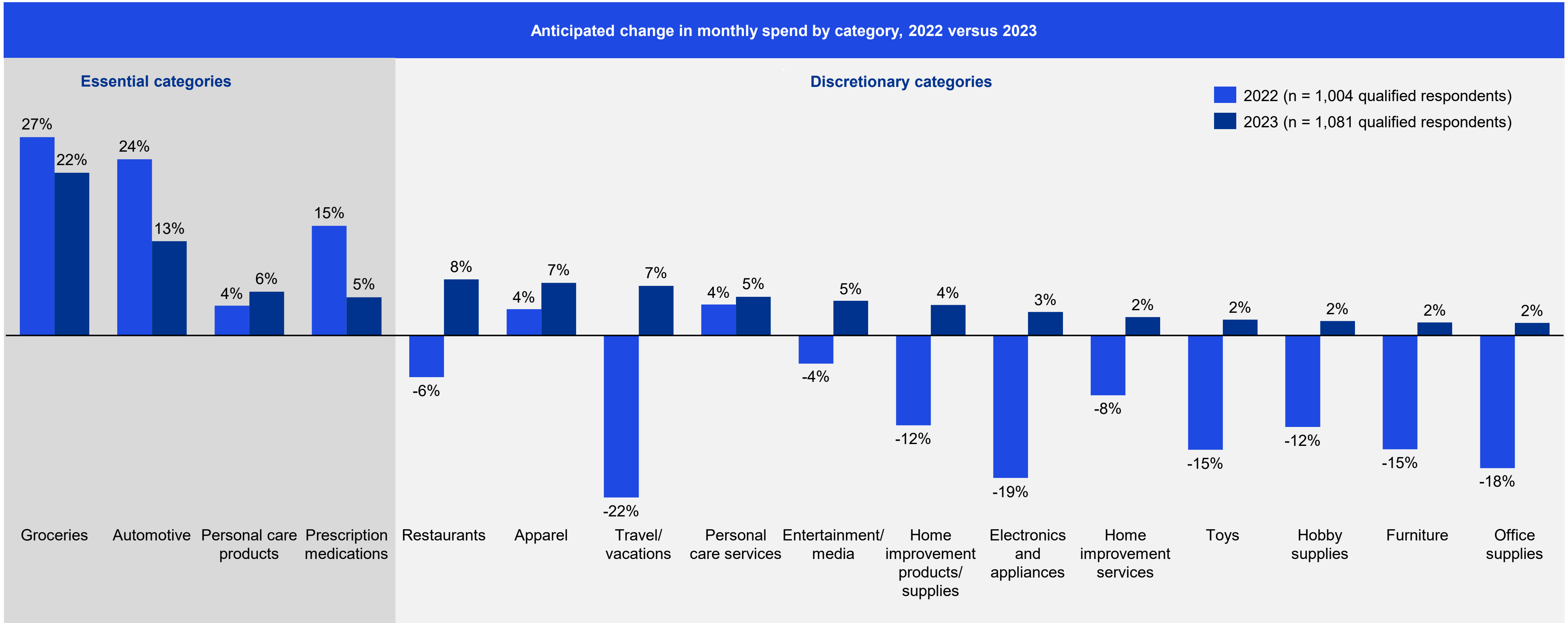
Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Have you experienced a change to your household income in the last year?", "Please estimate the percentage change to your household income between last year (2022) and this year (2023).", and "What impacted the positive change in household income?"; (a) Excludes respondents who did not experience any change in household income in the last year; (b) Excludes respondents who experienced a negative change in household income.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

02

Consumer spend

Discretionary categories are likely to see a reversal with spend increasing compared to a decline last year.

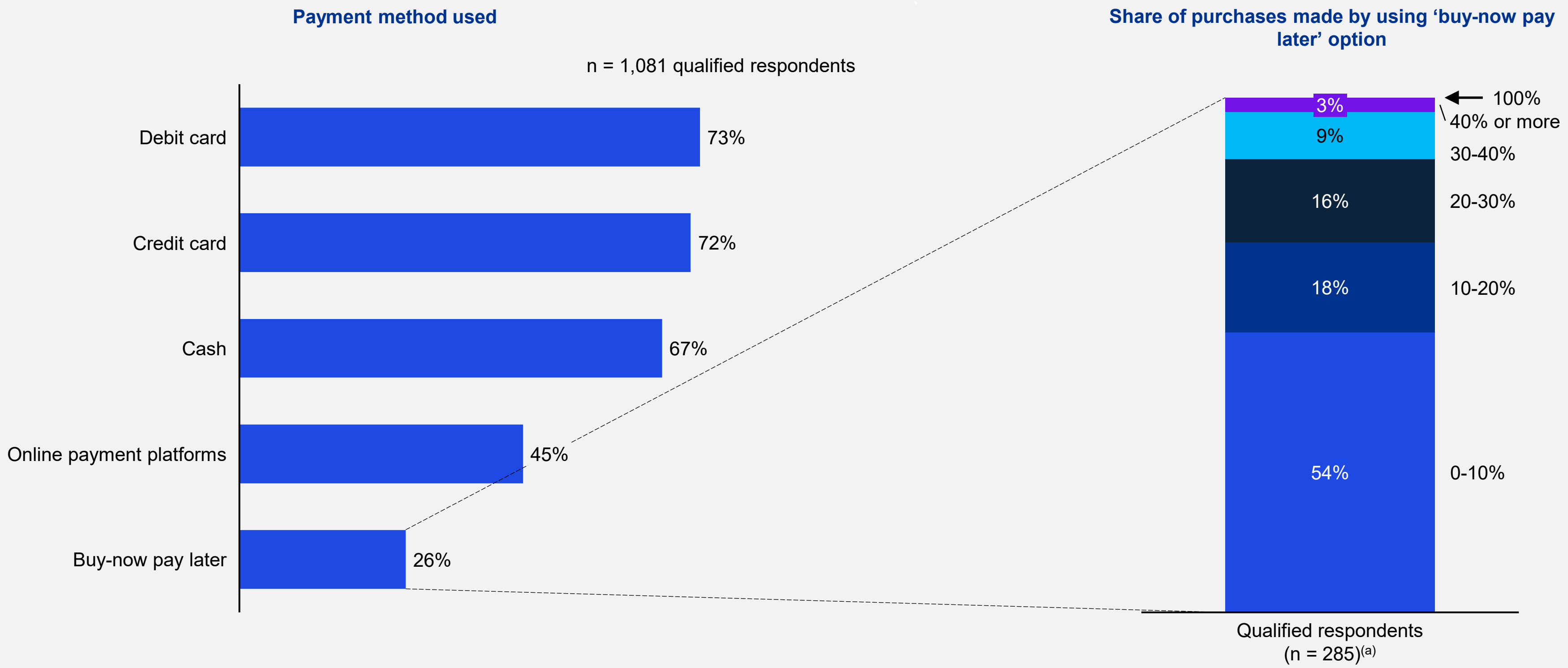


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How much do you think your monthly household spend on each of the following products/services will change in the winter of 2023 compared to winter of 2022?”, and “How much do you think your monthly household spend on each of the following products/services will increase this fall/winter (2022) compared to fall/winter (2021)?”

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023; KPMG Consumer Holiday Survey, fielded September 2, 2022 – September 9, 2022

Buy-now pay later is the least preferred payment method for purchases, contributing to less than 10 percent of purchases for 54 percent of consumers.

Usage preference of payment methods



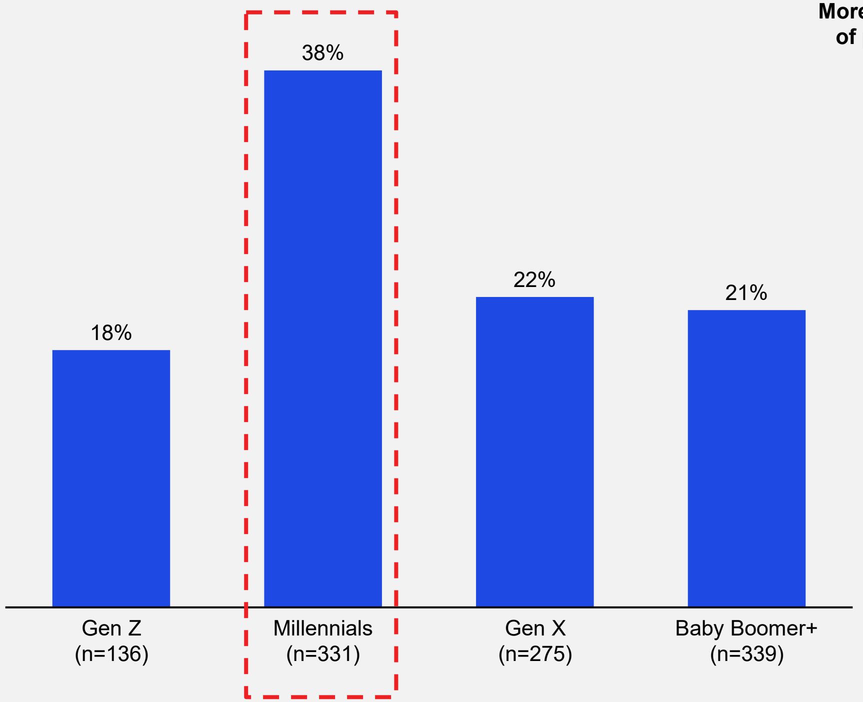
Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How do you typically pay for purchases? Please select the payment methods that you use and rank the selected payment methods from most frequently used to least frequently used.”, and “For what percent of your purchases do you use buy-now-pay-later options?”; (a) n count based on respondents who are users of buy-now pay later option

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

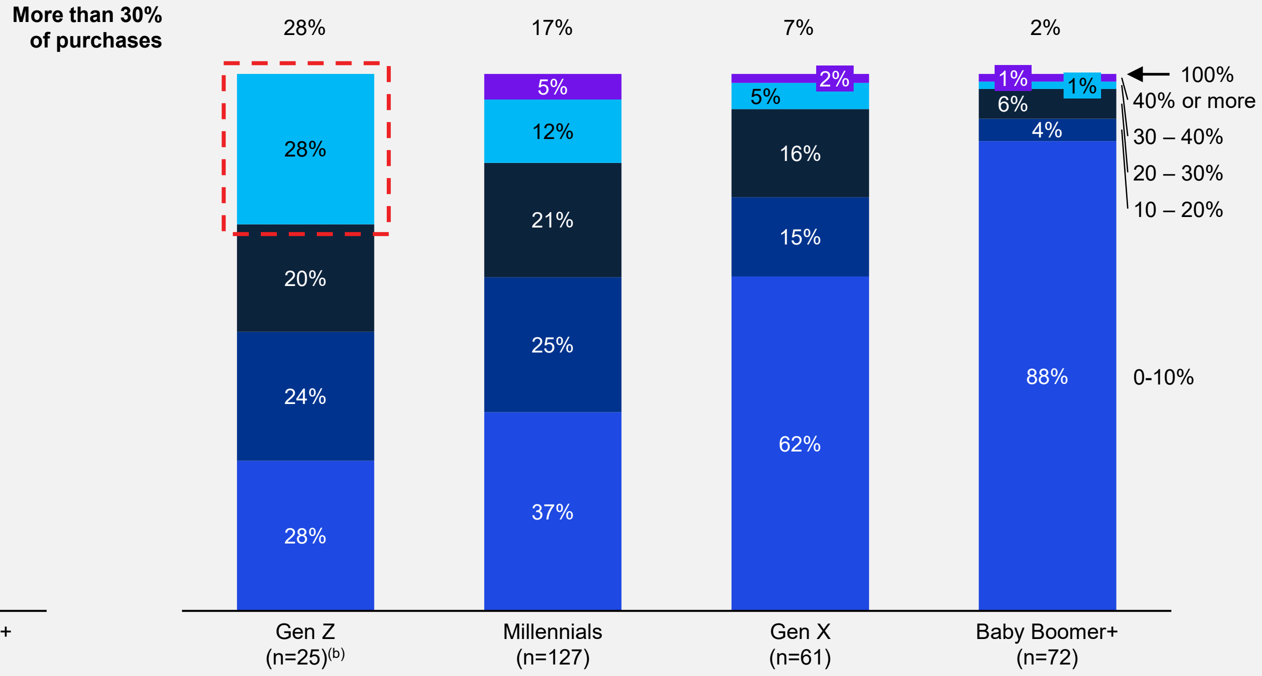
While the popularity of buy-now pay later option is the most among millennials, the share of spend is the highest amongst Gen Z respondents.

Buy-now pay later usage, by generation

Buy-now pay later usage[(a)]



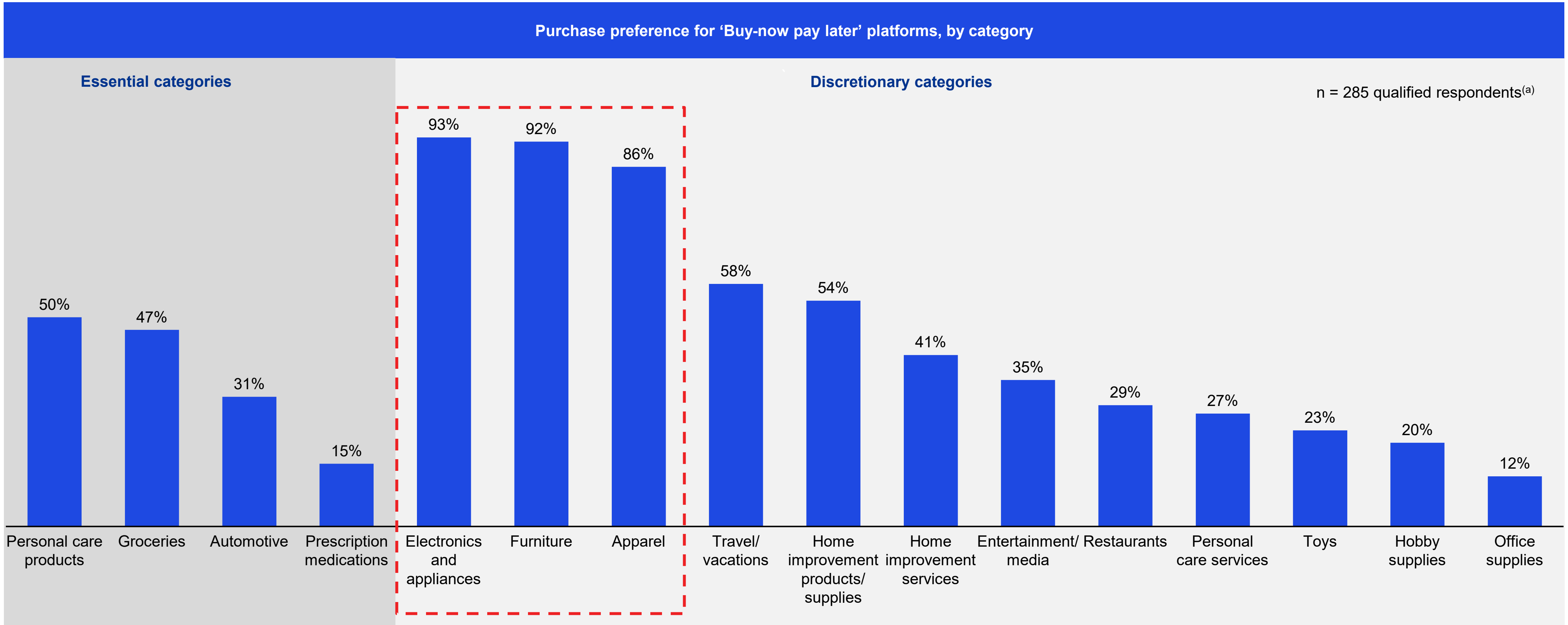
Share of purchase using buy-now pay later[(b)]



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "How do you typically pay for purchases? Please select the payment methods that you use and rank the selected payment methods from most frequently used to least frequently used.", "For what percent of your purchases do you use buy-now-pay-later options?", and "Please enter your current age."; (a) n count based on respondents of a given generation; (b) n count based on respondents who use buy-now pay later option and are of a given generation.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Electronics and appliances, furniture, and apparel are the top three categories purchased using buy-now pay later platform.



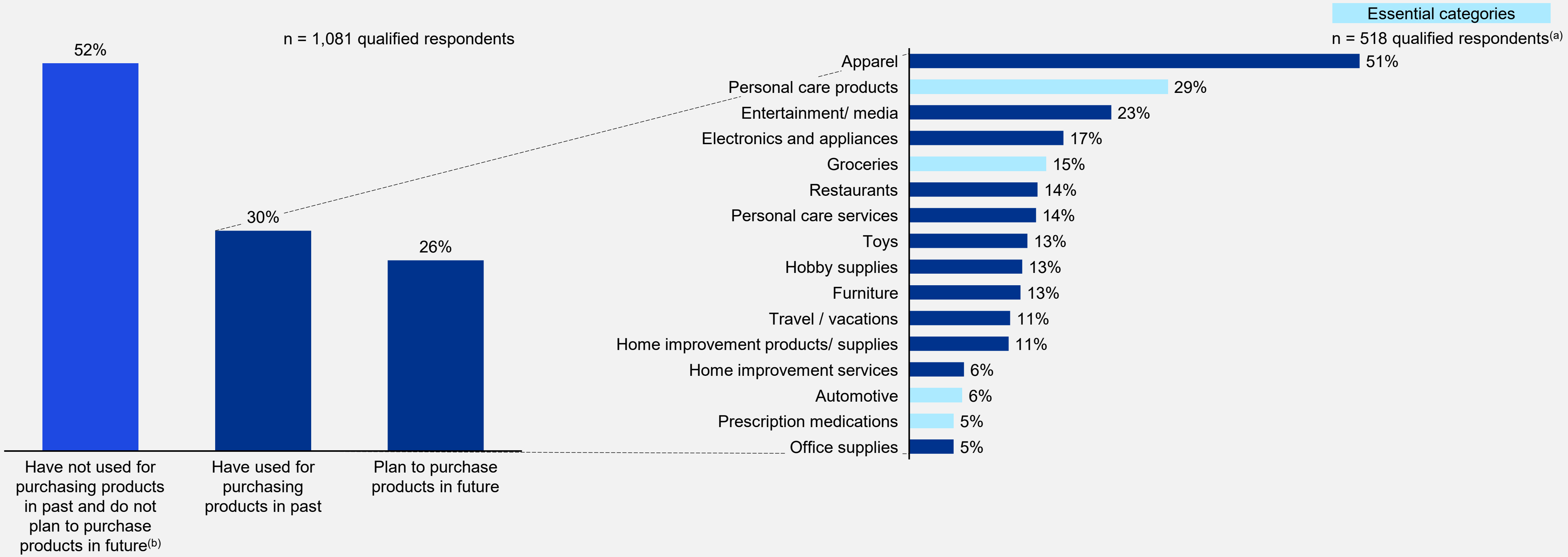
Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Which are the top 3 categories that you have purchased or plan to purchase where you used or plan to use Buy Now Pay Later Platforms (such as Affirm, Afterpay, Apple Pay Later etc.)?"; (a) Based on respondents who are users of buy-now pay later option.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Prevalence of social shopping is higher for discretionary categories such as apparel and entertainment / media.

Prevalence of social shopping

Usage experience | **Categories purchased driven by social shopping**

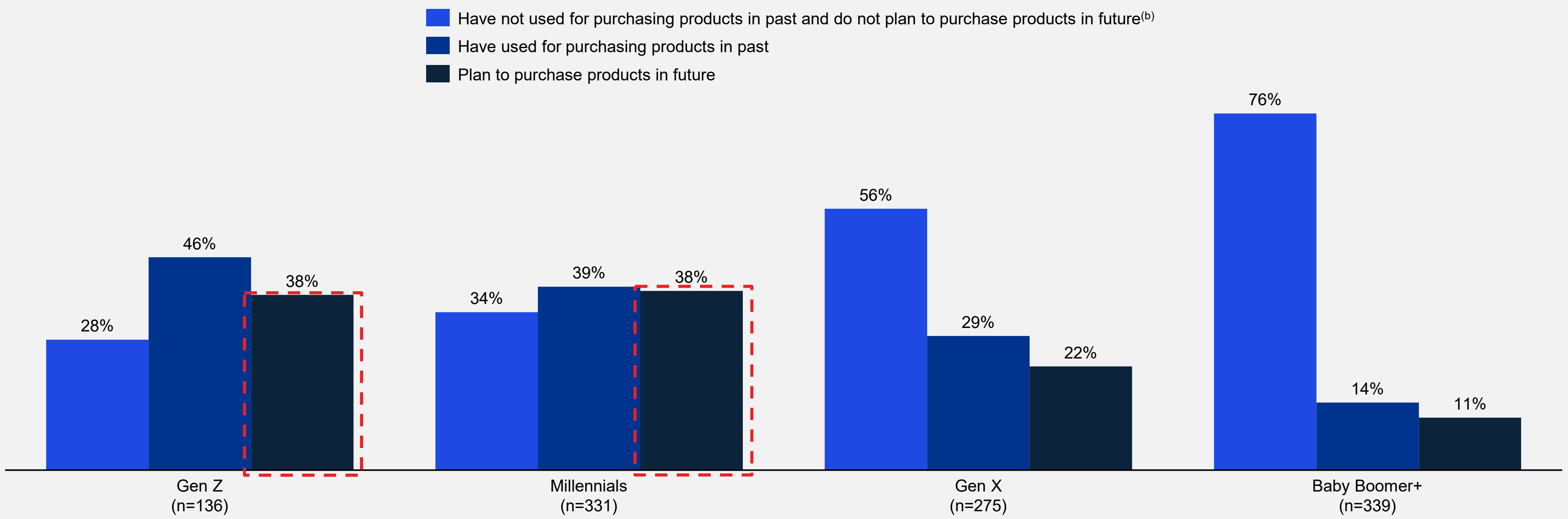


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please indicate your shopping behavior with respect to social shopping (combination of ecommerce and social media, allowing users to directly buy products from platforms like Instagram and Facebook)”, and “Which are the top 3 categories that you have purchased or plan to purchase through platforms such as Instagram, Facebook, TikTok, etc.?”; (a) Based on respondents who have either used social shopping in the past or plan to use it in future; (b) This is an exclusive option i.e., respondents who selected this option were not allowed to select any other option.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Gen Z and Millennials are the major users of social shopping and plan to purchase products driven by social shopping in future.

Social shopping usage experience, by generation[a]

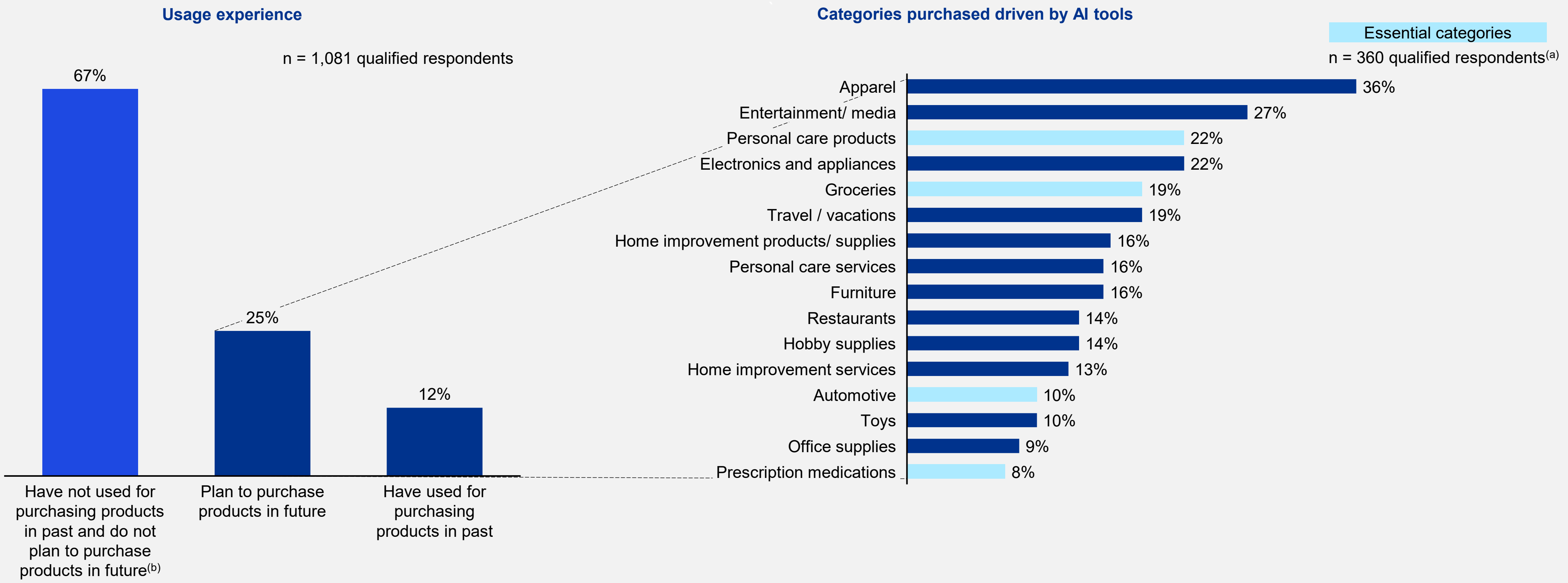


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Please indicate your shopping behavior with respect to social shopping (combination of ecommerce and social media, allowing users to directly buy products from platforms like Instagram and Facebook)", and "Please enter your current age."; (a) n count based on respondents who have either used social shopping in the past or plan to use it in future and of a given generation group; (b) This is an exclusive option i.e., respondents who selected this option were not allowed to select any other option.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Prevalence of artificial intelligence tools for shopping is higher for discretionary categories such as apparel and entertainment / media.

Prevalence of artificial intelligence tools

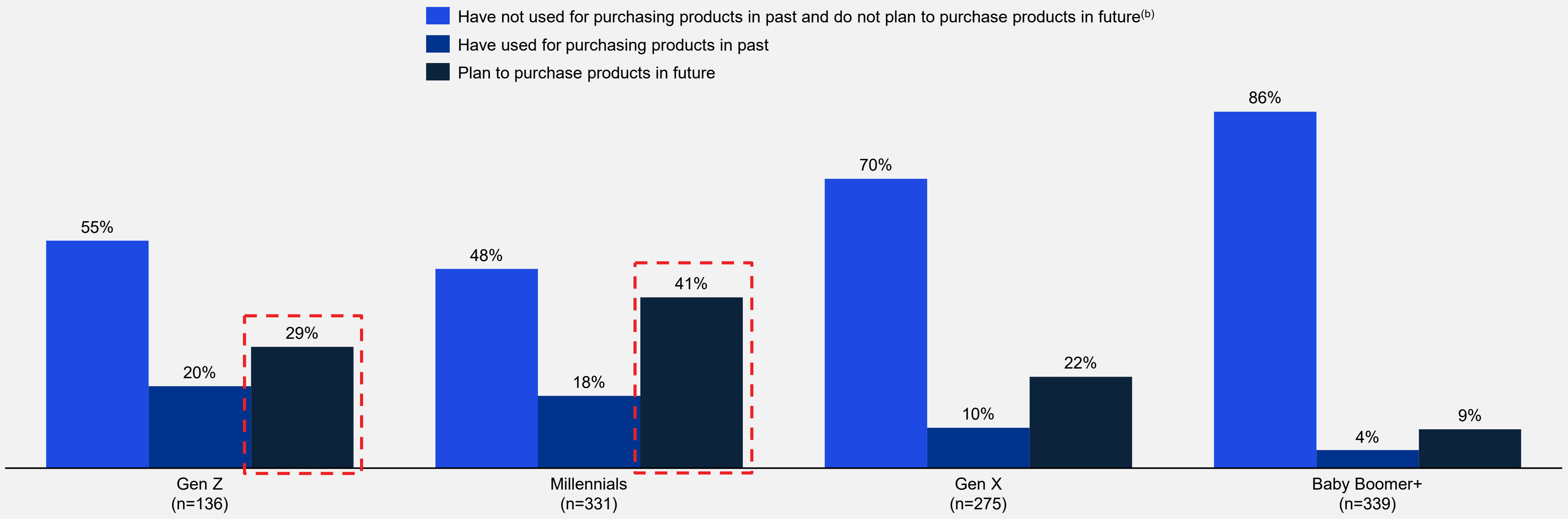


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please indicate your shopping behavior with respect to Artificial Intelligence tools (such as virtual try-on feature, personalized product recommendations, image recognition for shopping)”, and “Which are the top 3 categories that you have purchased or plan to purchase where you would use or plan to use AI tools such as virtual try-on feature, personalized product recommendations, image recognition for shopping?”; (a) Based on respondents who have either used AI tools in the past or plan to use it in future; (b) This is an exclusive option i.e., respondents who selected this option were not allowed to select any other option.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

While most people have not experienced AI tools for shopping, younger respondents are more inclined towards its usage in the future.

Artificial intelligence tools usage experience, by generation[(a)]



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please indicate your shopping behavior with respect to Artificial Intelligence tools (such as virtual try-on feature, personalized product recommendations, image recognition for shopping)”, and “Please enter your current age.”; (a) n count based on respondents who have either used AI tools in the past or plan to use it in future and of a given generation group; (b) This is an exclusive option i.e., respondents who selected this option were not allowed to select any other option.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

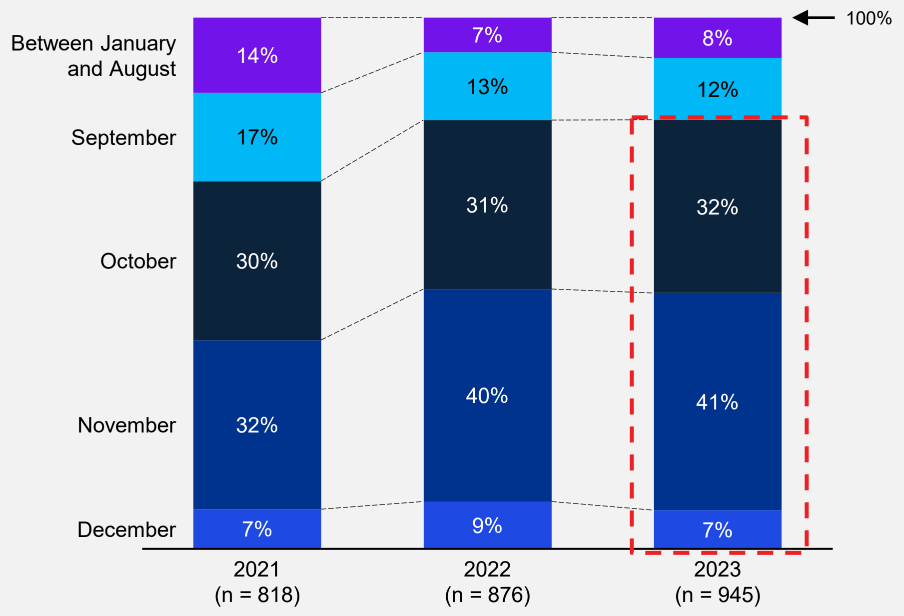
03

Holiday activities

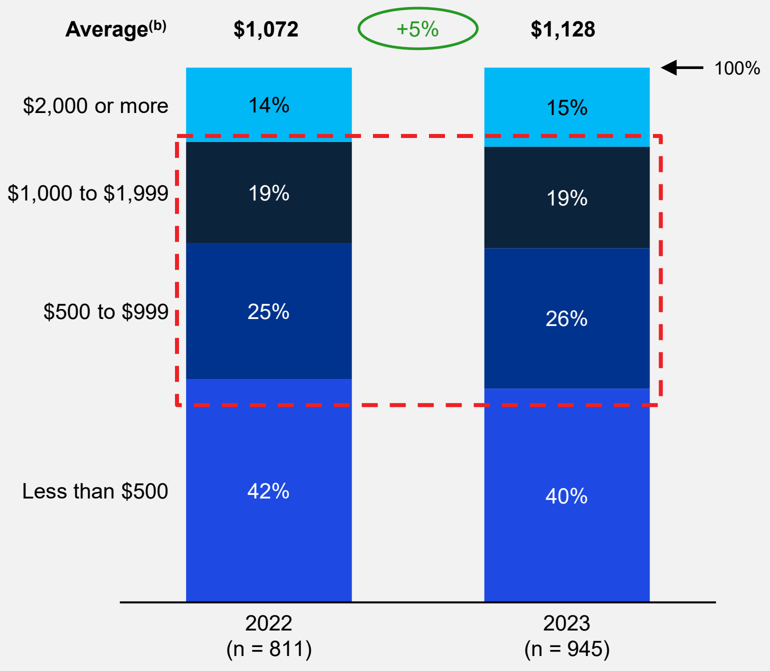
Holiday spend is expected to increase moderately this year, 5 percent while most shoppers expect to do their shopping between October and December.

Holiday shopping plans, 2022 versus 2023

Holiday shopping start date[(a)]



Holiday shopping spend[(b)]

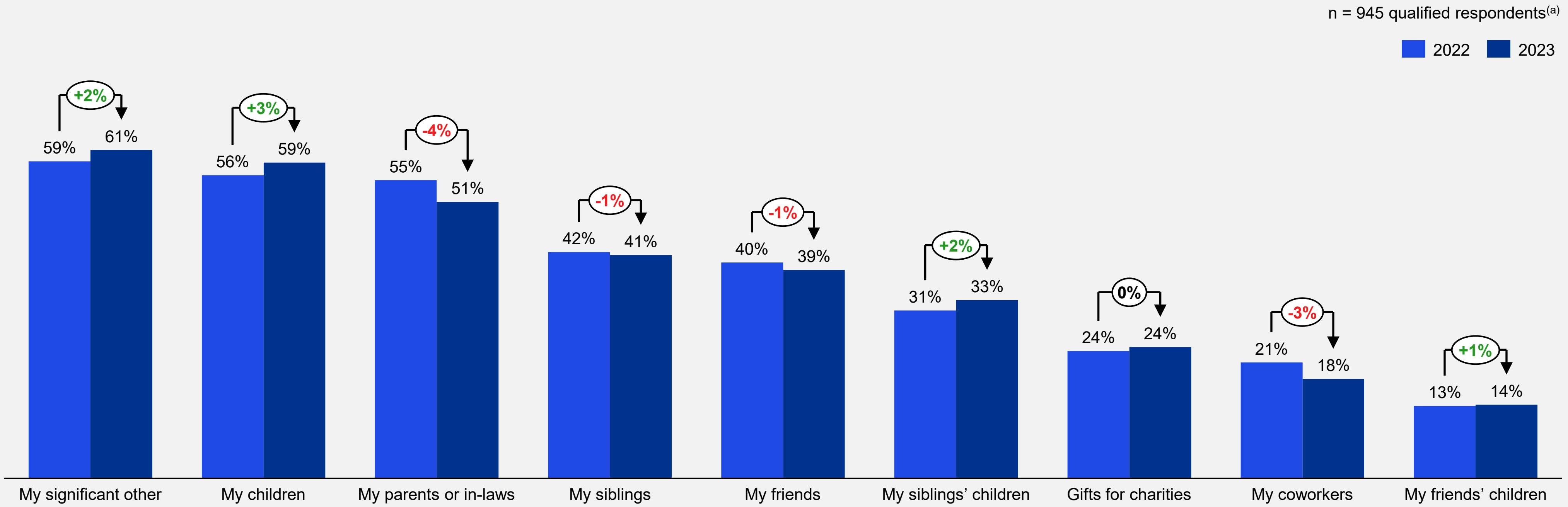


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “When did you or when will you start your holiday shopping?”, “In total, approximately how much did you spend on holiday season shopping last year? And what do you expect to spend this year on holiday shopping?”; (a) Exclude respondents who do not partake in holiday shopping; (b) Refers to anticipated holiday shopping spend with 2022 values based on survey conducted in 2022 and 2023 values based on survey conducted in 2023.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

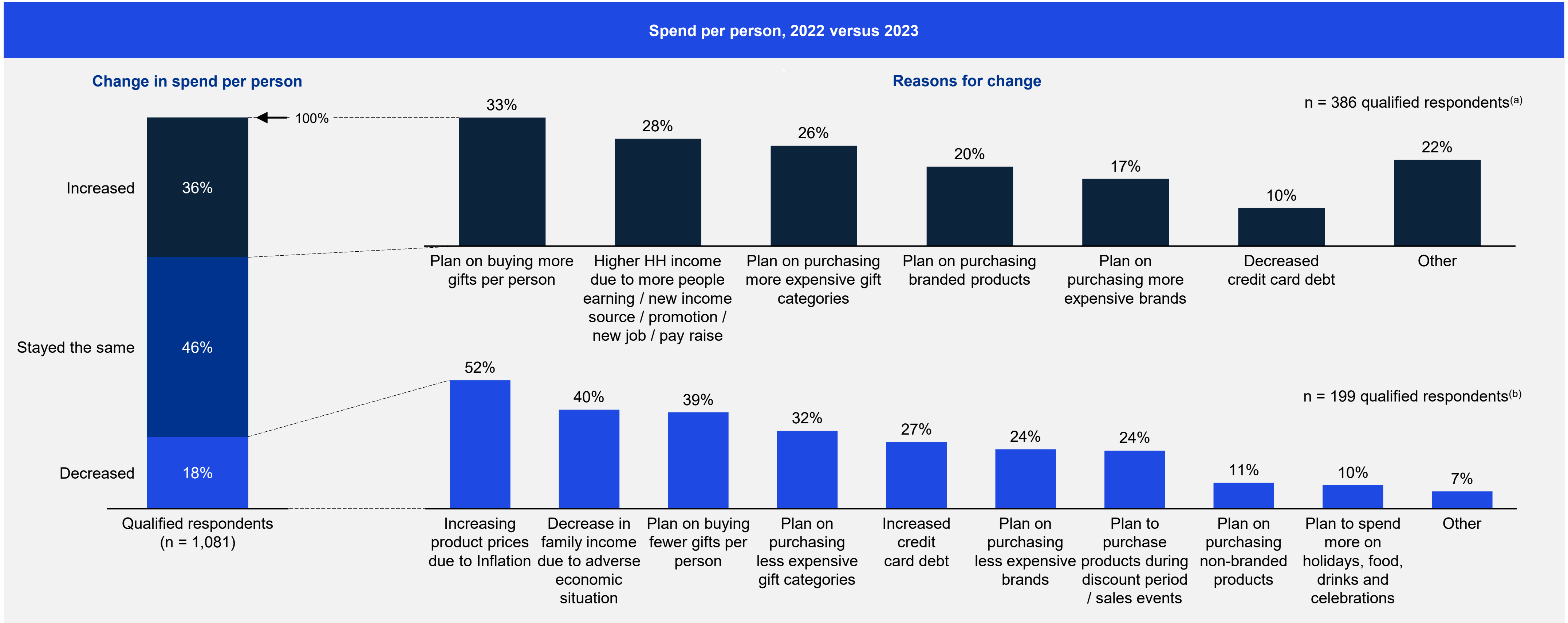
Similar to last year, most consumers plan to purchase gifts for their significant other (61 percent), children (59 percent) and parents or in-laws (51 percent).

Gift recipients, 2022 versus 2023 planned



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Who did you purchase gifts for during the 2022 holidays? Who do you expect to purchase gifts for during the 2023 holiday season?"; (a) Exclude respondents who do not partake in holiday shopping.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

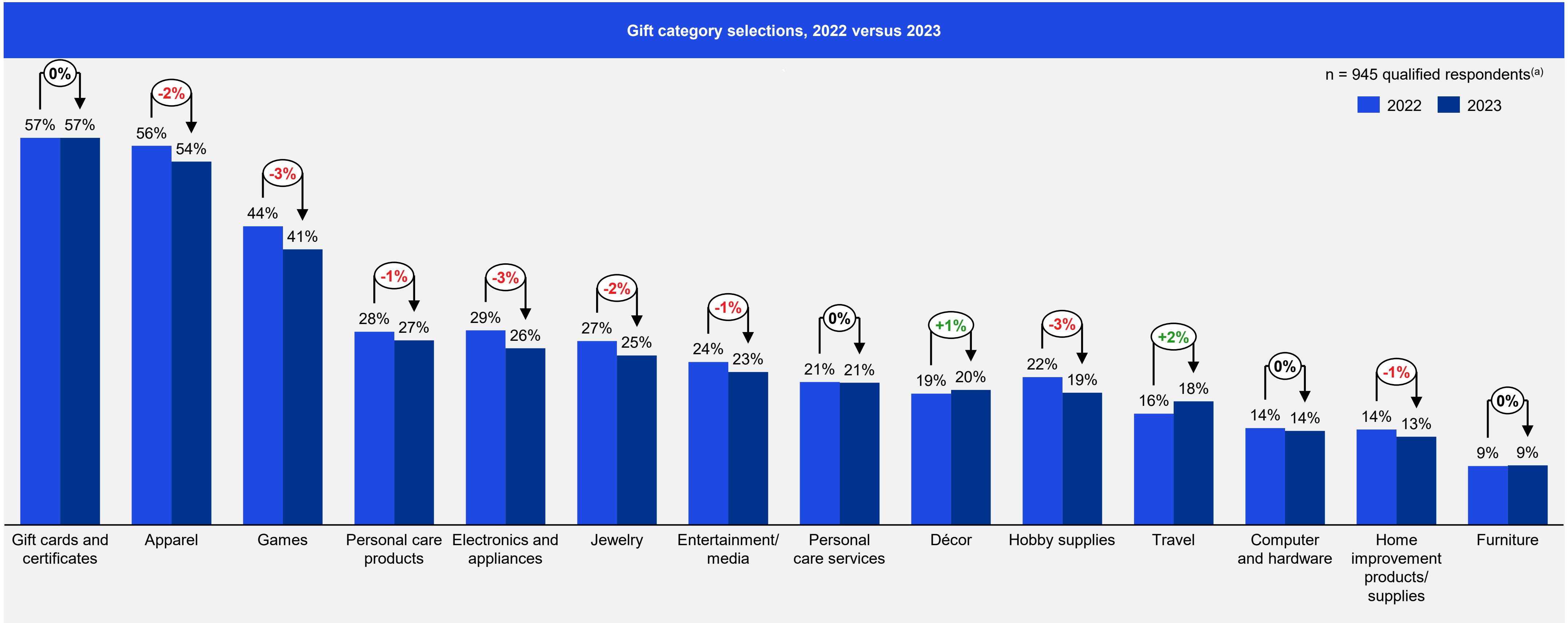
36 percent of consumers plan to increase their spend per person; 18 percent of consumers plan to reduce their spend on holiday shopping for others.



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "On average, how much did you spend per person in 2022? And how much do you plan to spend per person in 2023?", "What are the reasons for decreasing the spend per person in 2023?", and "What are the reasons for increasing the spend per person in 2023?"; (a) Based on respondents who plan to increase the spend per person; (b) Based on respondents who plan to decrease the spend per person.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

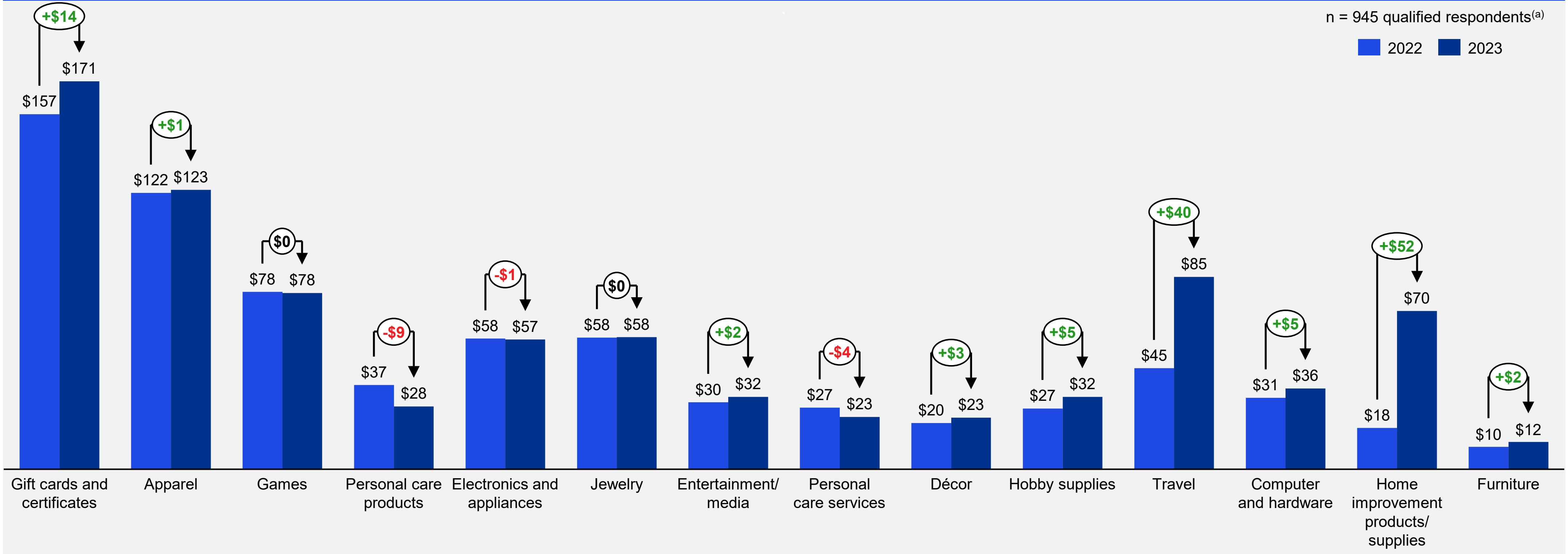
Over 50 percent of holiday shoppers plan to purchase retail gift cards / certificates (57 percent) and apparel (54 percent) as gifts.



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How much do you typically spend on the following categories as part of your holiday shopping purchases?”; (a) Exclude respondents who do not partake in holiday shopping.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

On average, holiday shoppers continue to spend the most on gift cards / certificates ($171) and apparel ($123) compared to the other gift categories.

Gift category spend, 2022 versus 2023

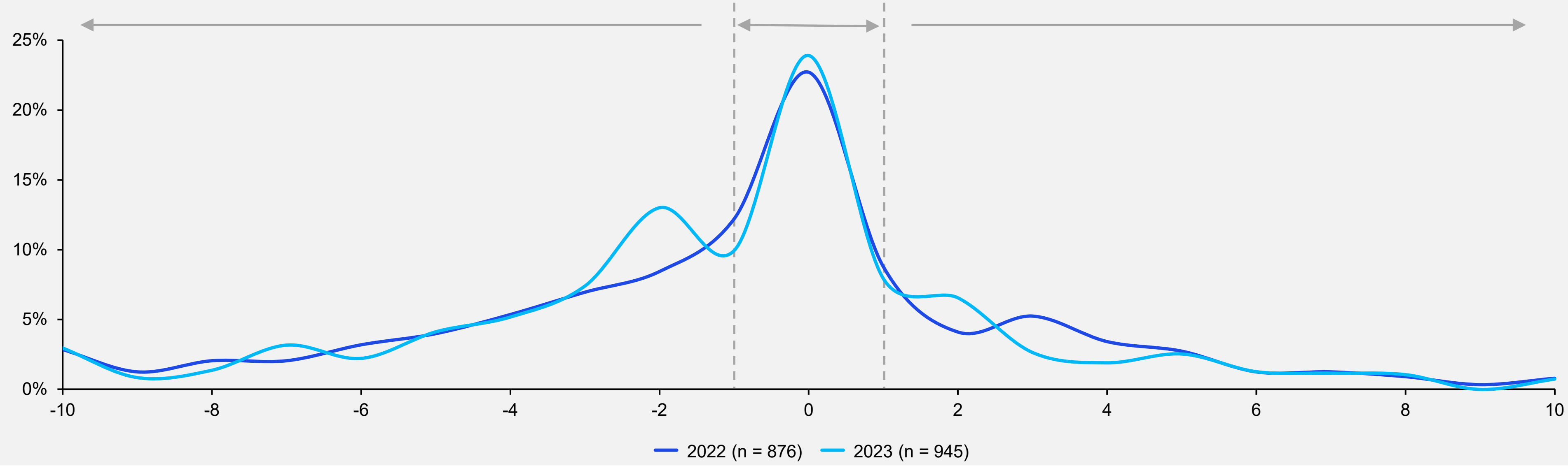


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How much do you typically spend on the following categories as part of your holiday shopping purchases?”; (a) Exclude respondents who do not partake in holiday shopping.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Similar to last year, holiday shoppers report a greater affinity towards online shopping (40 percent) compared to in-store shopping (18 percent).

Shopping channel preference (online versus in-person)[a]

	Online shopping affinity	Neutral	In-store shopping affinity
2023	40%	42%	18%
2022	36%	44%	20%
Variance	+4%	-2%	-2%

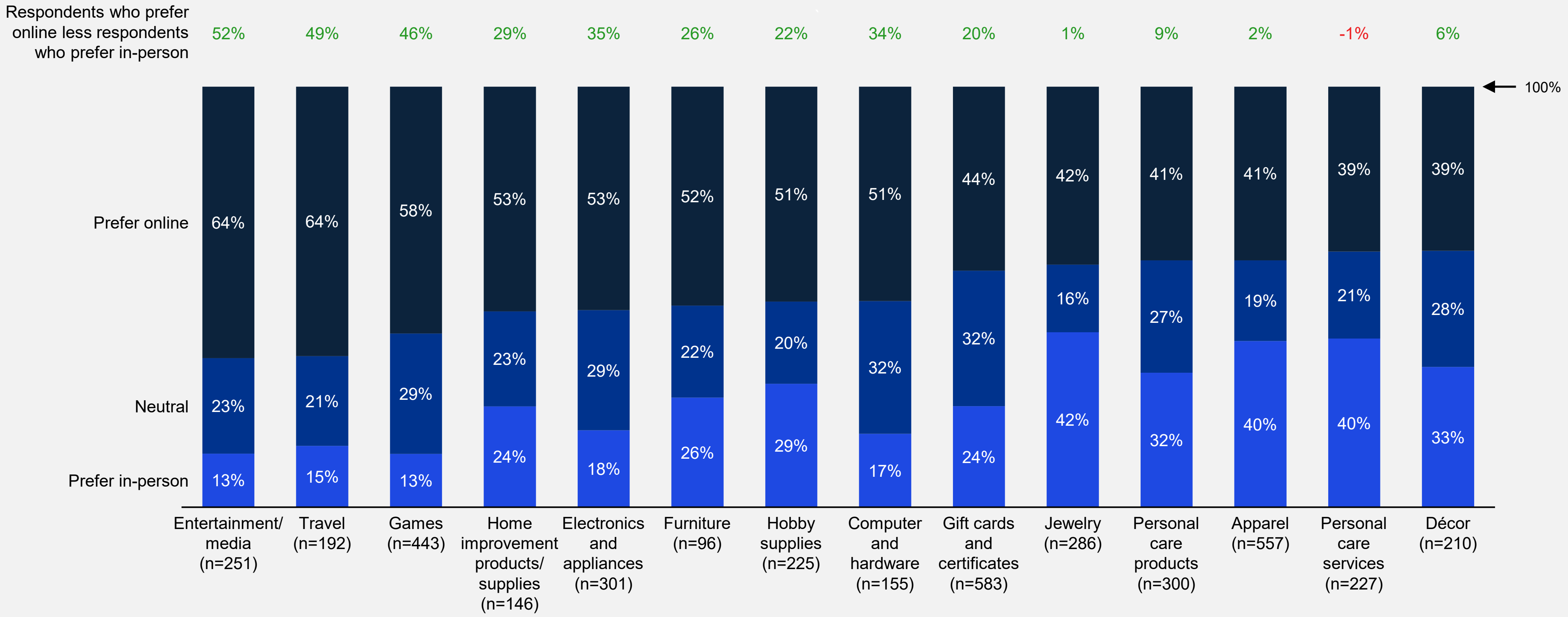


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "On a scale of 0 to 10 please indicate how much you enjoy in-person shopping, 0 being not at all and 10 being a lot?", and "On a scale of 0 to 10 please indicate how much you enjoy online shopping, 0 being not at all and 10 being a lot?"; (a) Exclude respondents who do not partake in holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Consumers have a higher preference for online shopping than in-person in all categories except personal care services where the preference is almost the same.

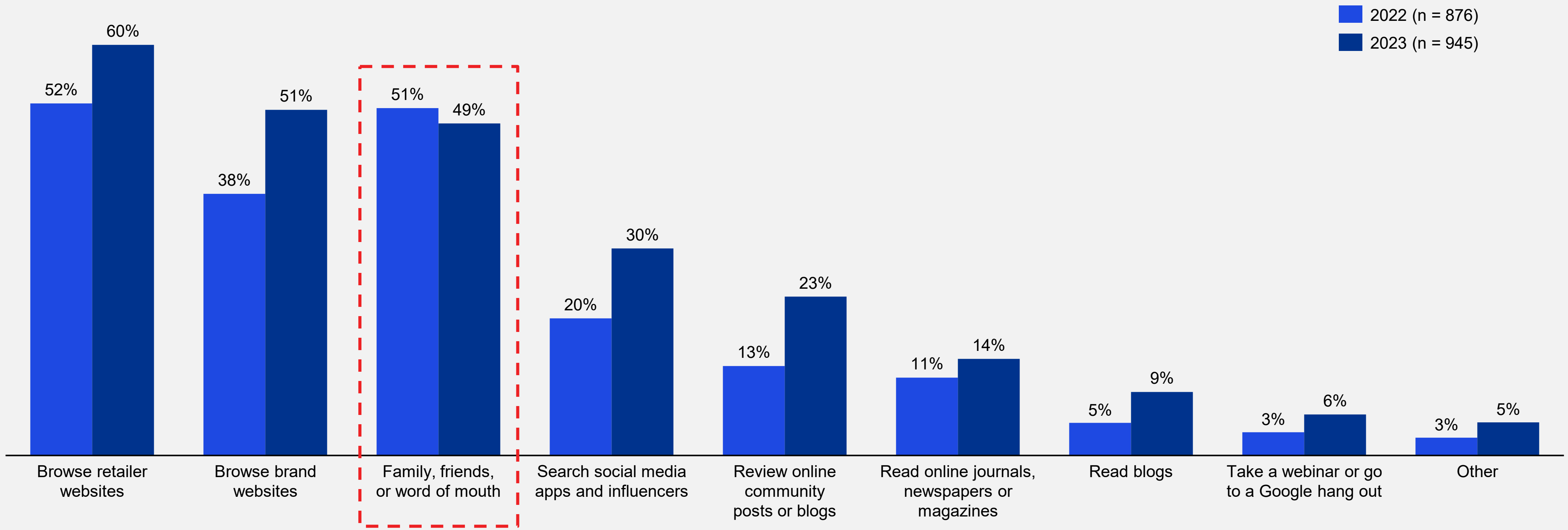
Consumer channel preference by category



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please select the statement that best describes your opinion on online versus in-person shopping.”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

People are more inclined towards researching brand and retailer websites for holiday shopping and relying less on word of mouth in 2023 compared to 2022.

Consumer holiday shopping research[(a)]



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “When researching holiday shopping purchases what forms of digital research do you do?”; (a) Exclude respondents who do not partake in holiday shopping.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

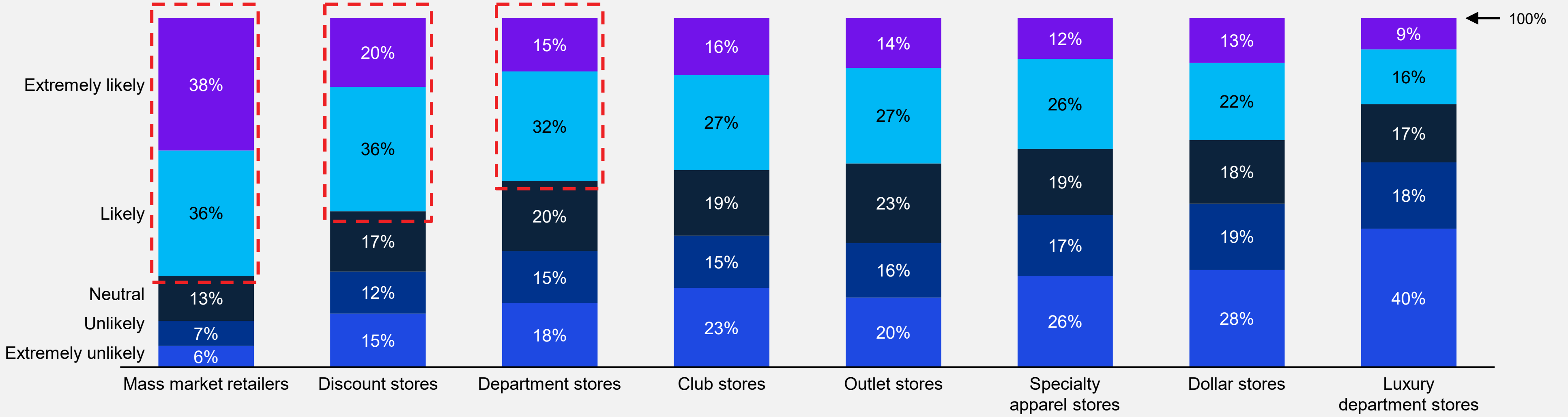
Mass market retailers (74 percent) is the top retailer that respondents are likely to do holiday shopping followed by discount stores (56 percent), and department stores (47 percent).

Shopping preference by retailer type

n = 945 qualified respondents[b]

		Mass market retailers	Discount stores	Department stores	Club stores	Outlet stores	Specialty apparel stores	Dollar stores	Luxury department stores
Likelihood share[a]	**2023**	74%	56%	47%	43%	41%	38%	35%	25%
	2022	72%	56%	42%	37%	38%	33%	34%	17%
Variance		+2%	0%	+5%	+6%	+3%	+5%	+1%	+8%

More consumers plan to shop at luxury department stores and club stores than last year

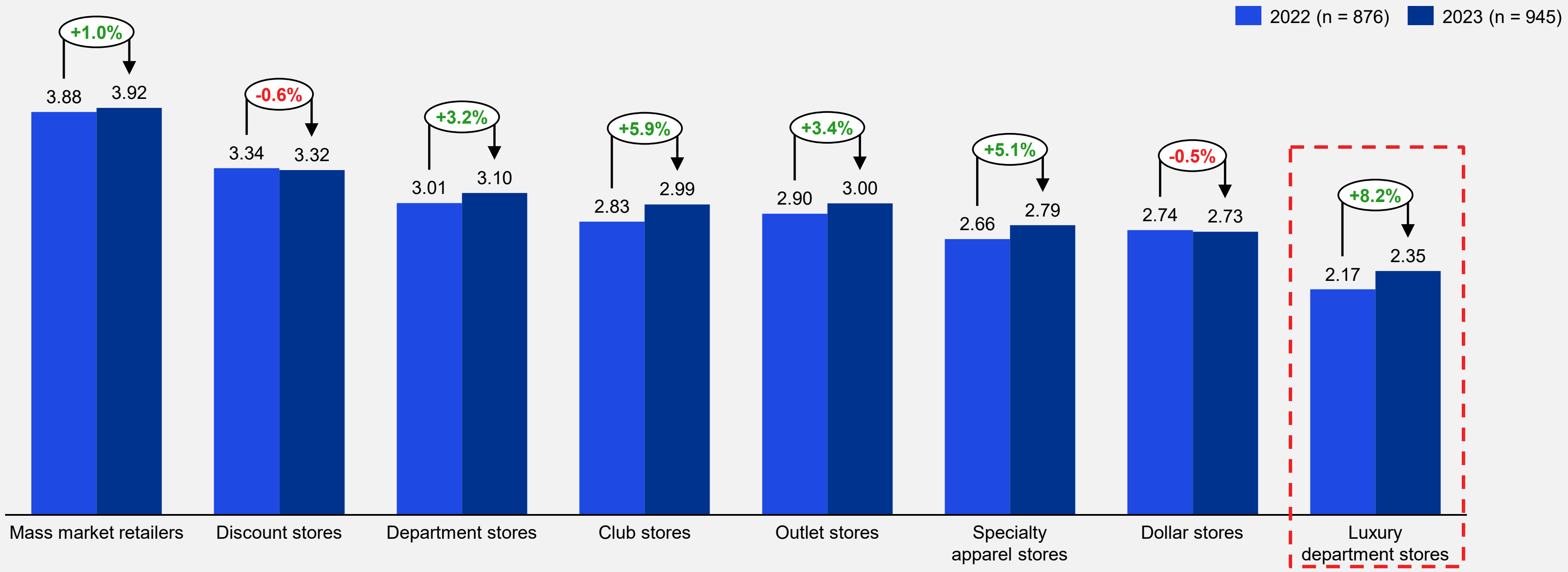


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "At which of the following retailer types are you likely to do this season's (2023) holiday shopping?"; (a) Sum of top two boxes i.e., likely and extremely likely; (b) Exclude respondents who do not partake in holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Holiday shoppers are increasingly shifting towards luxury department stores compared to last year.

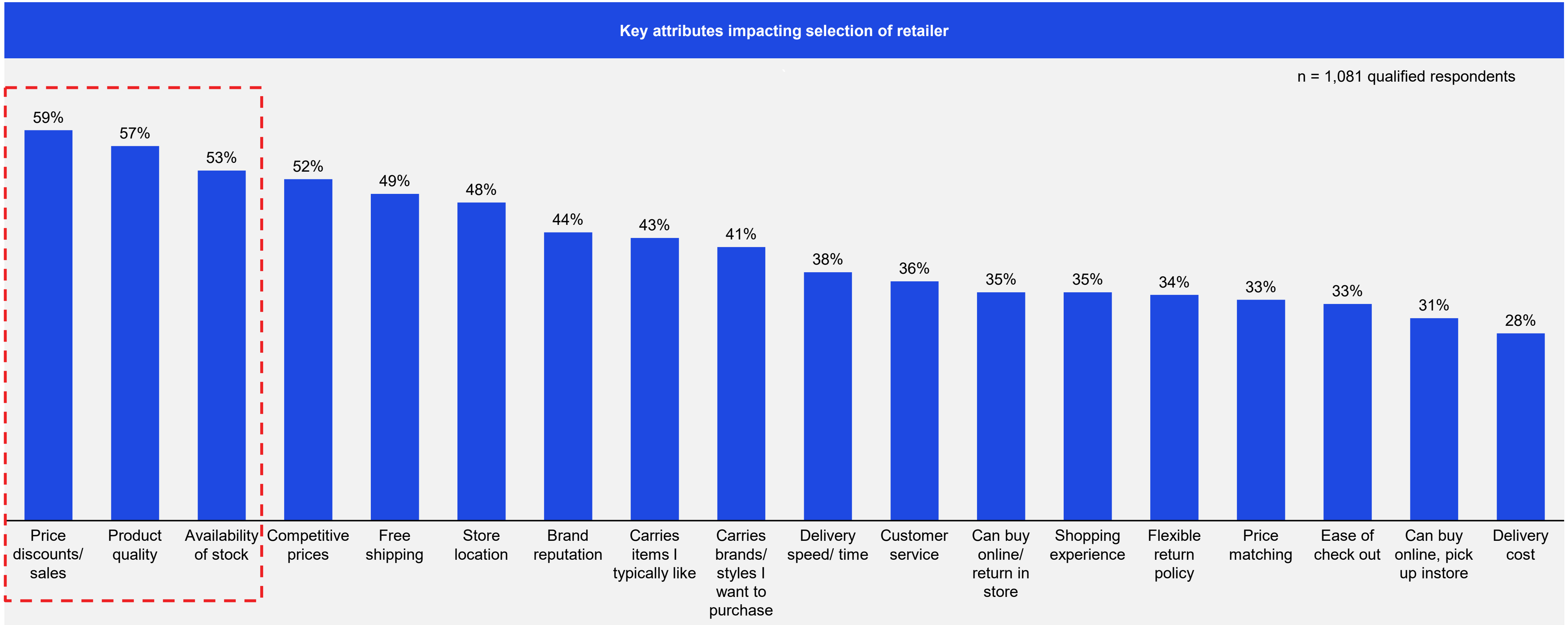
Shopping preference by retailer type(a)(b)



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "At which of the following retailer types are you likely to do this season's (2023) holiday shopping?", and "At which of the following retailer types are you likely to shop this holiday season (2022)?"; (a) Exclude respondents who do not partake in holiday shopping; (b) Bar total represents weighted average where 'Extremely unlikely' was weighed 1 and 'Extremely likely' was weighted 5.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

While price is the most important attribute impacting retailer selection, product quality and availability of stock are the next most important attributes impacting the selection of retailers.



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “When selecting a [insert categories] retailer during your holiday shopping, what attributes do you think will be most important, select up to five?”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

For electronics, jewelry, furniture, gift cards, personal care, and home improvement products, attributes like product quality and stock availability are more important than price.

Key attributes impacting selection of retailer, by category

	Apparel	Hobby supplies	Entertainment/ media	Games	Electronics and appliances	Computer and hardware	Jewelry	Furniture	Décor	Gift cards and certificates	Personal care services	Personal care products	Home improvement products/ supplies	Travel
n[(a)] =	**557**	**225**	**251**	**443**	**301**	**155**	**286**	**96**	**210**	**583**	**227**	**300**	**146**	**192**
Price discounts/sales	45%	44%	35%	45%	39%	34%	41%	25%	45%	26%	33%	36%	34%	39%
Competitive prices	34%	32%	35%	34%	33%	30%	28%	22%	28%	16%	27%	35%	27%	33%
Price matching	14%	13%	17%	16%	17%	25%	12%	21%	11%	10%	14%	20%	21%	20%
Free shipping	37%	34%	24%	33%	37%	27%	28%	24%	28%	21%	18%	26%	33%	20%
Store location	25%	25%	21%	21%	20%	23%	22%	22%	27%	35%	33%	27%	25%	17%
Ease of check out	12%	11%	18%	15%	14%	15%	13%	16%	16%	22%	13%	15%	16%	22%
Flexible return policy	20%	19%	18%	12%	20%	23%	20%	20%	20%	11%	13%	17%	23%	17%
Product quality	43%	40%	31%	38%	41%	32%	45%	29%	36%	20%	39%	50%	37%	23%
Carries items I typically like	25%	24%	22%	21%	17%	20%	28%	22%	30%	20%	19%	23%	21%	16%
Carries brands/styles I want to purchase	24%	17%	20%	19%	22%	31%	19%	26%	21%	22%	18%	27%	16%	13%
Can buy online, pick up in-store	15%	17%	17%	19%	15%	25%	14%	17%	17%	10%	19%	16%	19%	14%
Can buy online/return in store	18%	16%	13%	17%	16%	19%	14%	18%	15%	11%	15%	15%	18%	14%
Delivery speed/time	19%	21%	23%	25%	22%	21%	17%	31%	19%	16%	15%	19%	14%	20%
Availability of stock	32%	37%	27%	39%	38%	28%	33%	36%	33%	32%	21%	29%	31%	15%
Delivery cost	12%	17%	15%	18%	16%	14%	14%	31%	11%	8%	11%	14%	28%	10%
Shopping experience	15%	15%	19%	12%	17%	19%	18%	28%	23%	17%	23%	12%	17%	23%
Customer service	16%	17%	24%	14%	17%	24%	22%	28%	19%	17%	30%	18%	24%	28%
Brand reputation	24%	25%	23%	21%	31%	33%	26%	34%	20%	28%	30%	32%	24%	28%

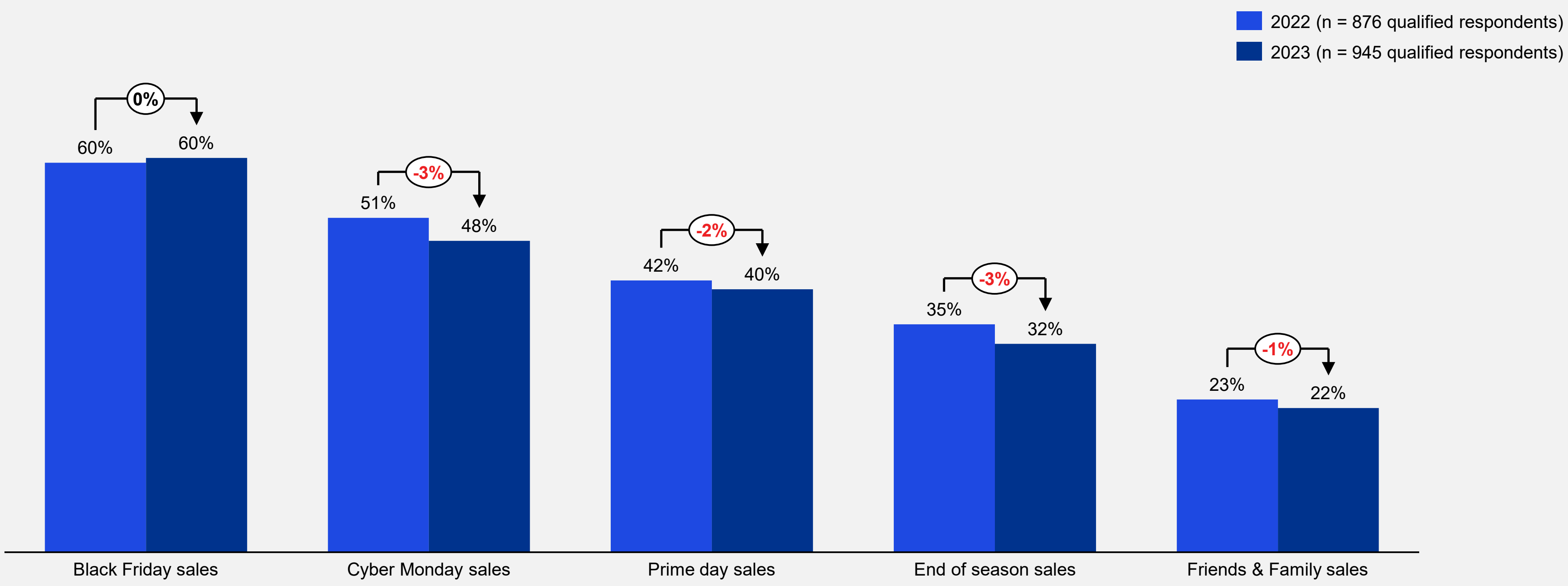
Highest Lowest

Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “When selecting a [insert categories] retailer during your holiday shopping, what attributes do you think will be most important, select up to five?”; (a) Based on respondents who purchase products in the given category during holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Importance of Black Friday is similar to last year, while the participation is expected to decline across all other sales events.

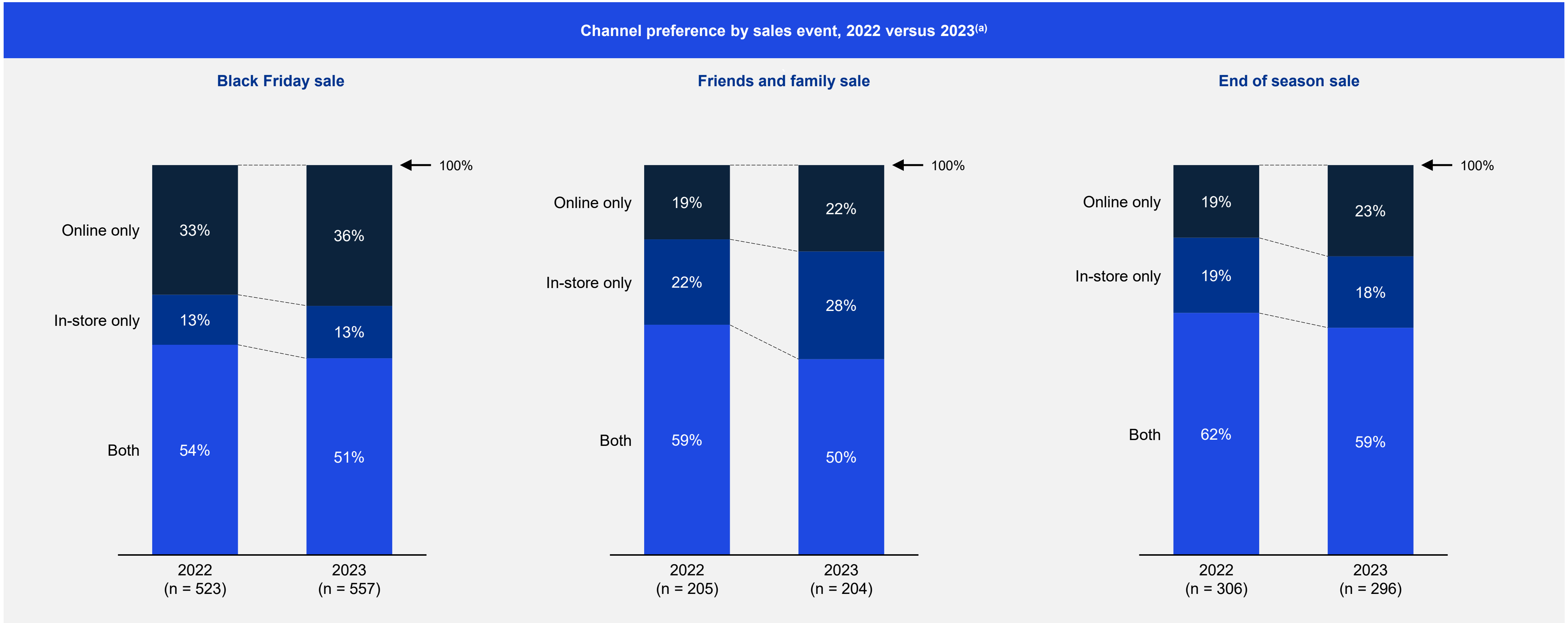
Shopping plans by sales event, 2022 versus 2023[a]



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "During your holiday shopping season, what sales events are most important to you?", and "Of the following sales, how do you plan on shopping (e.g., in-person versus online)?"; (a) Exclude respondents who do not partake in holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

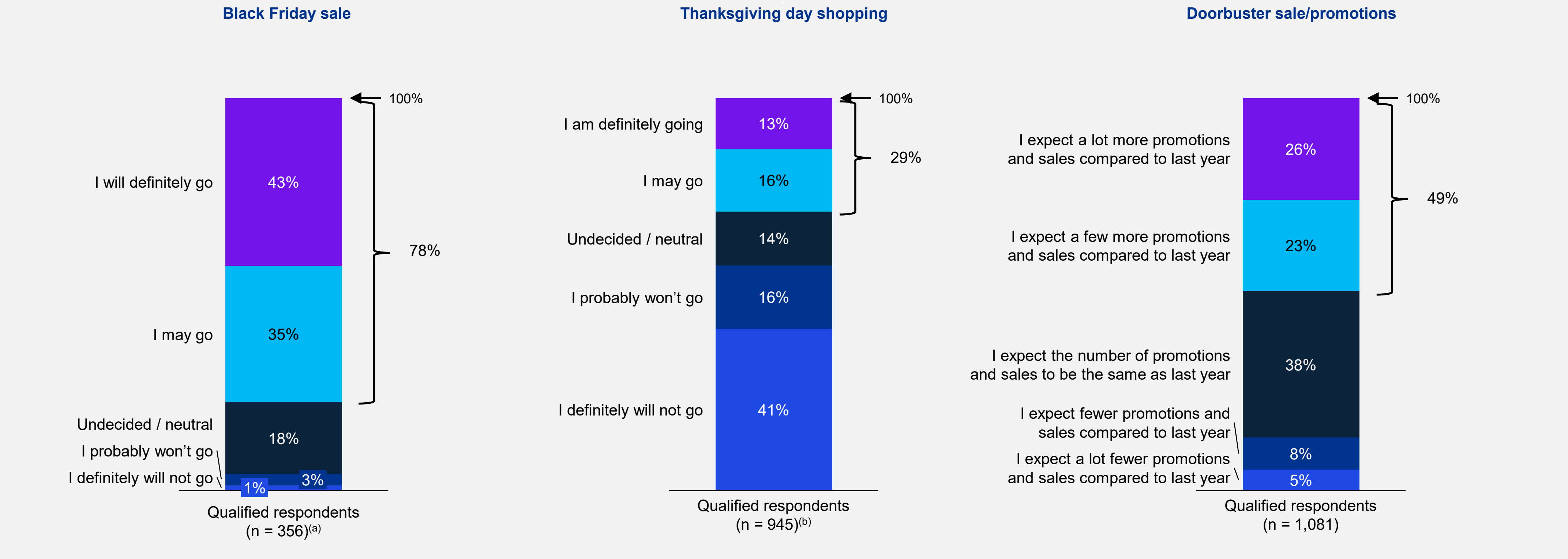
Shoppers have a higher preference for online shopping during Black Friday sale (36 percent), compared to the other sales event.



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Of the following sales, how do you plan on shopping (e.g., in-person versus online)?"; (a) Based on respondents who consider the said sale event important.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

78 percent of shoppers are planning to attend the Black Friday sale, with 49 percent expecting more promotions this year; 29 percent of respondents are planning to shop on Thanksgiving day.

Event based shopping expectations

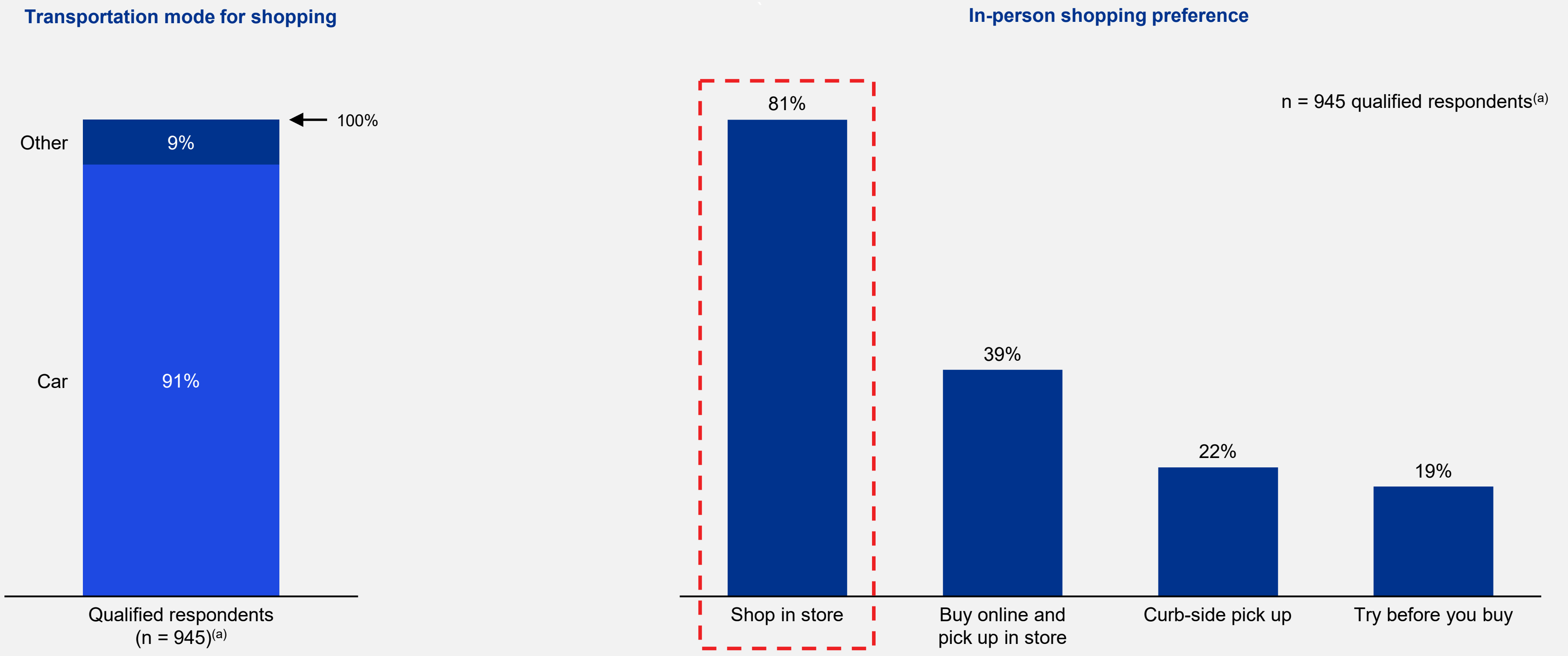


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Do you plan on going into stores for Black Friday sales?", "Do you plan on going shopping on Thanksgiving Day?", and "Do you expect there to be "doorbuster sales" and promotions this year?"; (a) Based on respondents who plan to attend black Friday sale in-person or both online and in-person; (b) Exclude respondents who do not partake in holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Most shoppers travel by car (91 percent) to their shopping destination and have higher preference to shop in store over pick-up options.

Holiday shopping transportation and preference

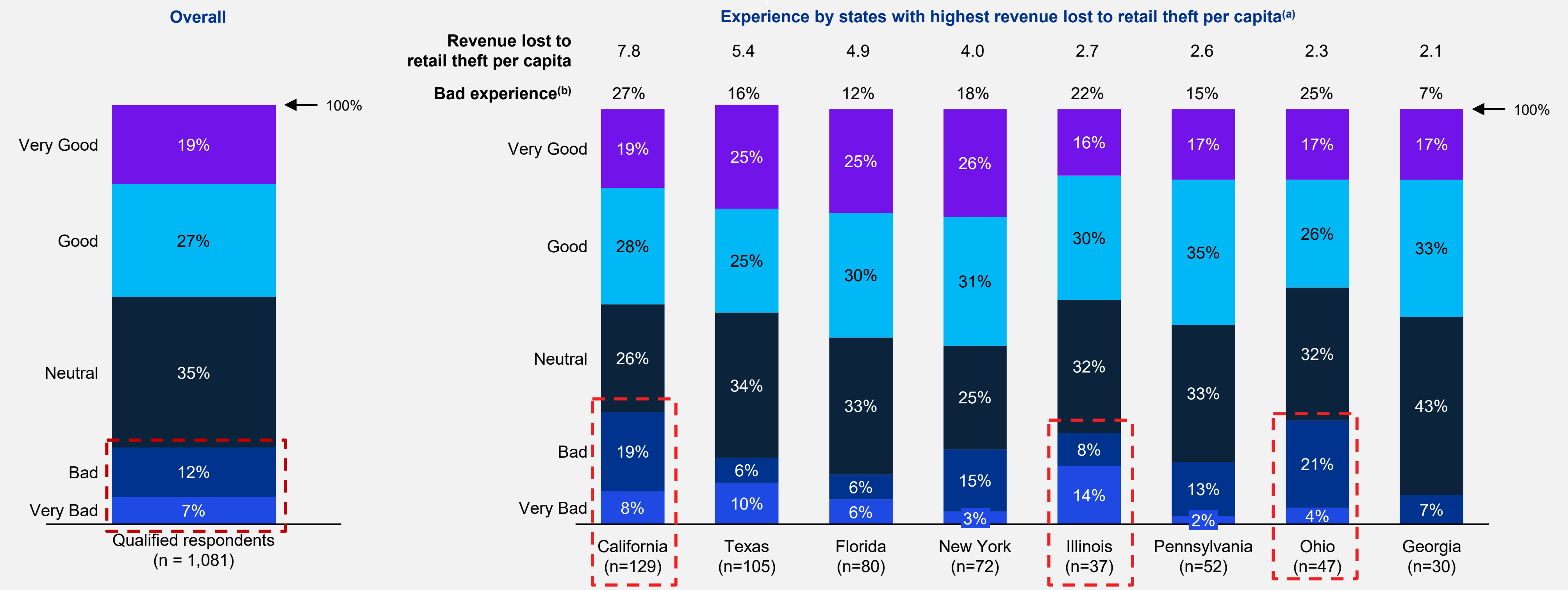


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "What mode of transportation do you use most often when shopping for the holidays?", and "Please indicate all the ways in which you plan to shop in-person."; (a) Exclude respondents who do not partake in holiday shopping.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Respondents in California, Illinois and Ohio (among the top states with revenue lost to retail theft per capita) consider stores with locked cases/shelves have a bad impact on the shopping experience.

Shopping experience in-stores with locked cases/ shelves



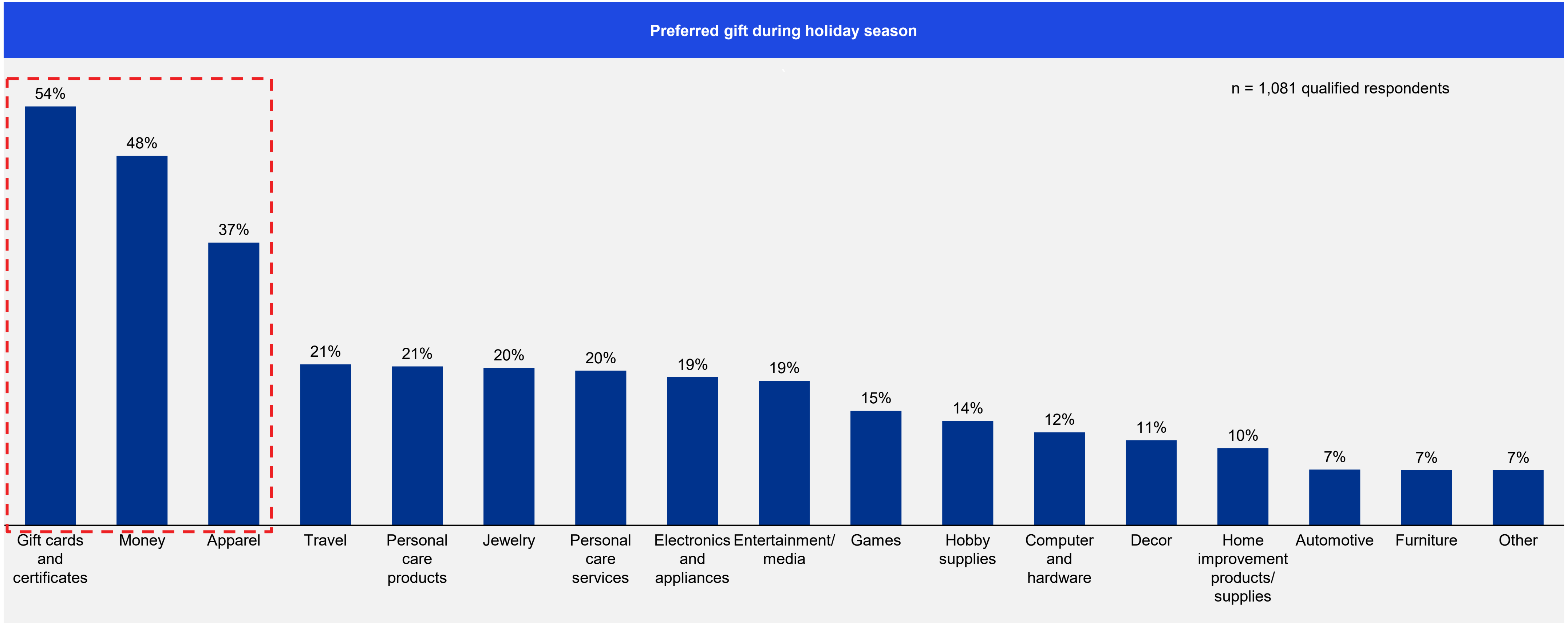
Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How would you define your experience of shopping in stores that are using locked cases/ shelves to prevent incidents of retail theft?”, and “Please enter your current zip code”; (a) n count based on respondents from the given state; (b) Based on sum of bottom two boxes, i.e., bad and very bad.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023, Shoplifting Statistics (2023): Retail Theft Data by State (capitaloneshopping.com)

03

Gifting and shopping for self

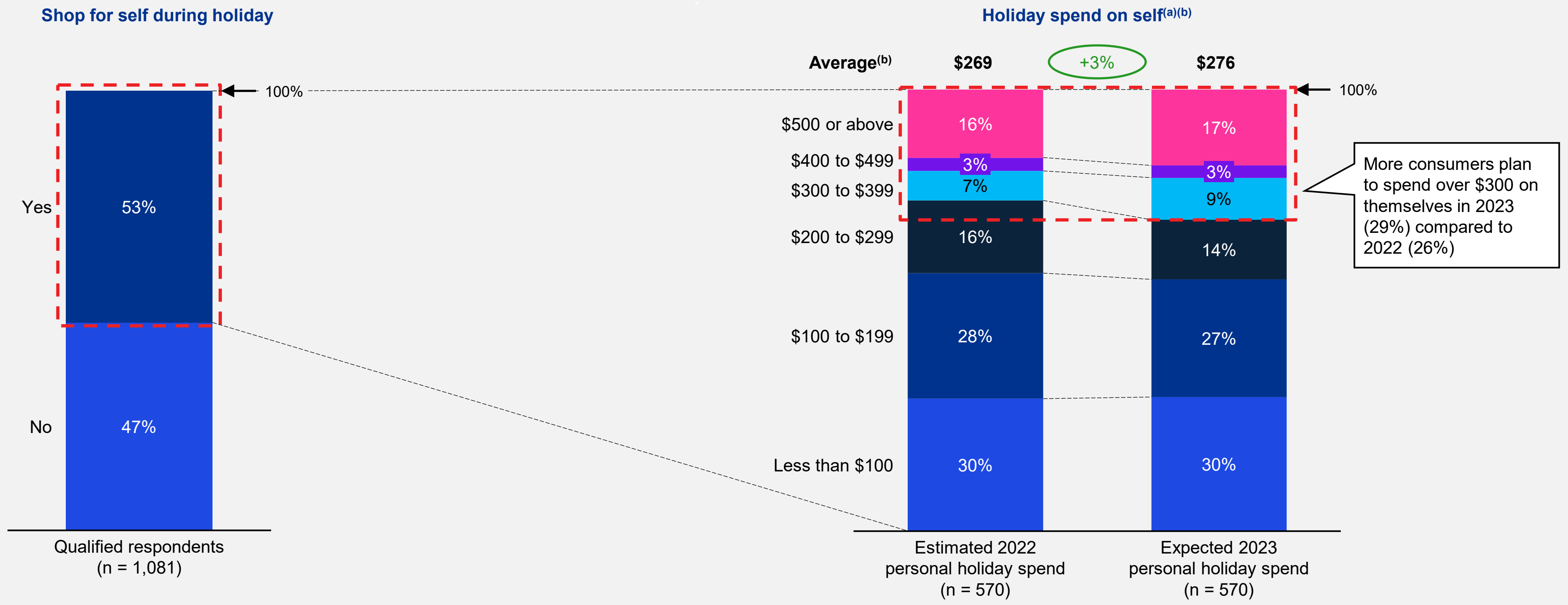
Gift cards and certificates (54 percent), money (48 percent), and apparel (37 percent) are the top three categories of gifts that the respondents prefer to receive.



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Which of the following items would you prefer to receive as a gift during the holiday season?”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

53 percent respondents shop for themselves during holiday with average amount spent expected to increase by 3 percent to $276.

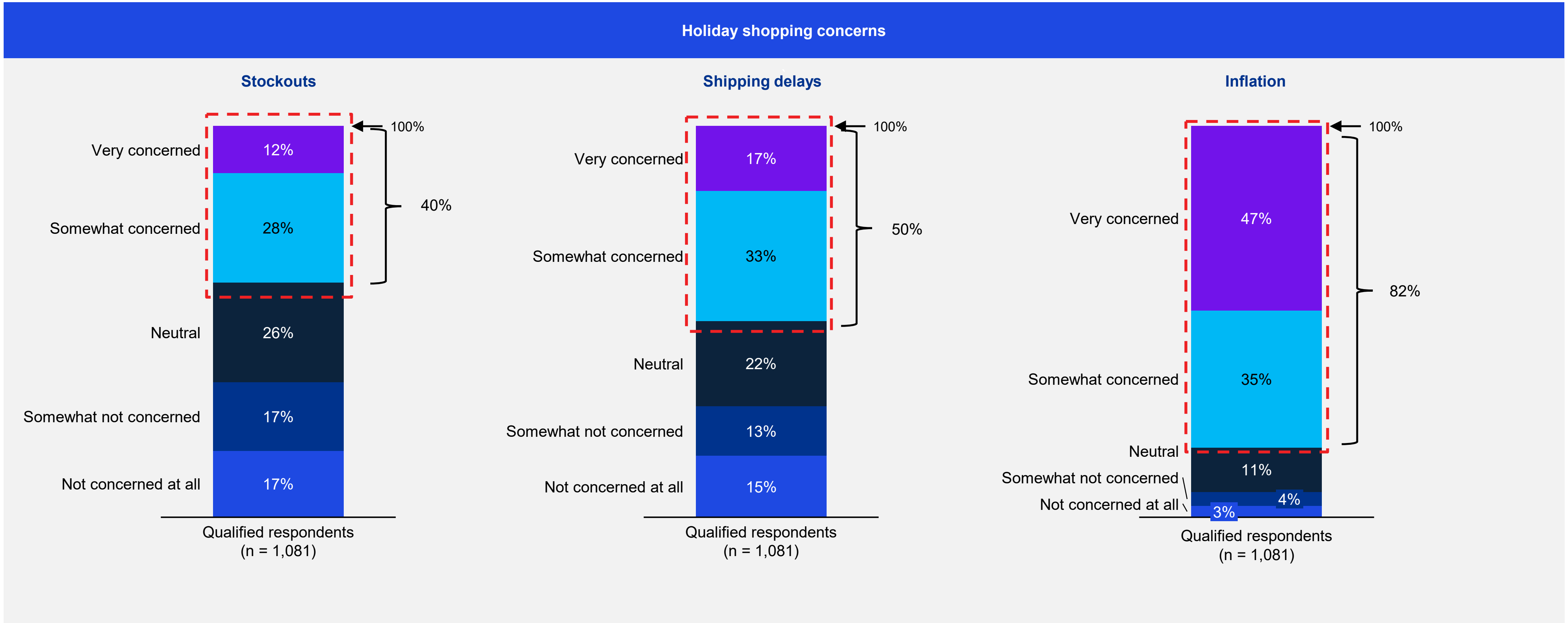
Shopping and spending on self



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Do you purchase items for yourself during the holiday season?", and "Approximately how much did you spend on yourself during the 2022 holiday season? How much do you expect to spend on yourself during the 2023 holiday season?"; (a) Exclude respondents who do not purchase items for self during holiday season; (b) Excludes 0 and outliers based on standard deviation.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

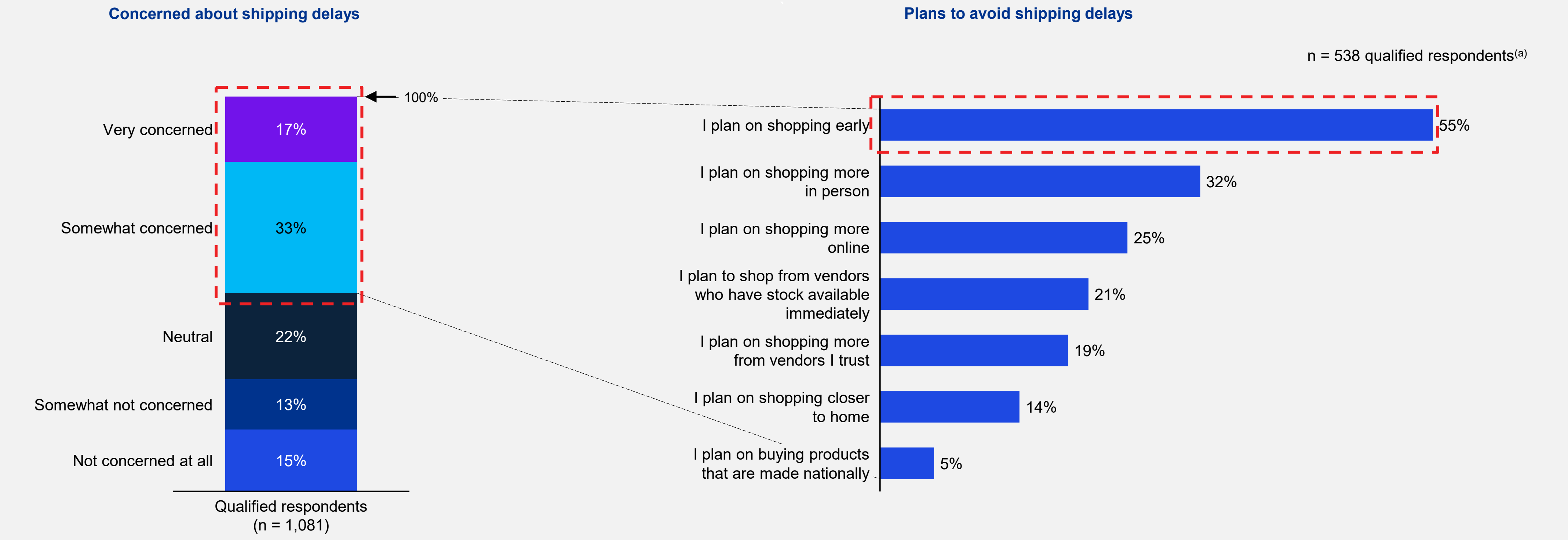
Consumers are the most concerned about inflation (82 percent), followed by shipping delays (50 percent) and stockouts (40 percent).



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How concerned are you about stockouts or shortage of goods in stores?”, “How concerned are you about shipping delays?”, and “How concerned are you with rising prices?”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Half of the respondents are concerned about shipping delays with 55 percent of these respondents planning to shop early to avoid the delays in shipment.

Concern with shipping delays and plans to avoid shipping delays



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "How concerned are you about shipping delays?", and "Do you plan on changing your shopping behavior to avoid shipping delays?"; (a) Exclude respondents who are neutral or not concerned about shipping delays.

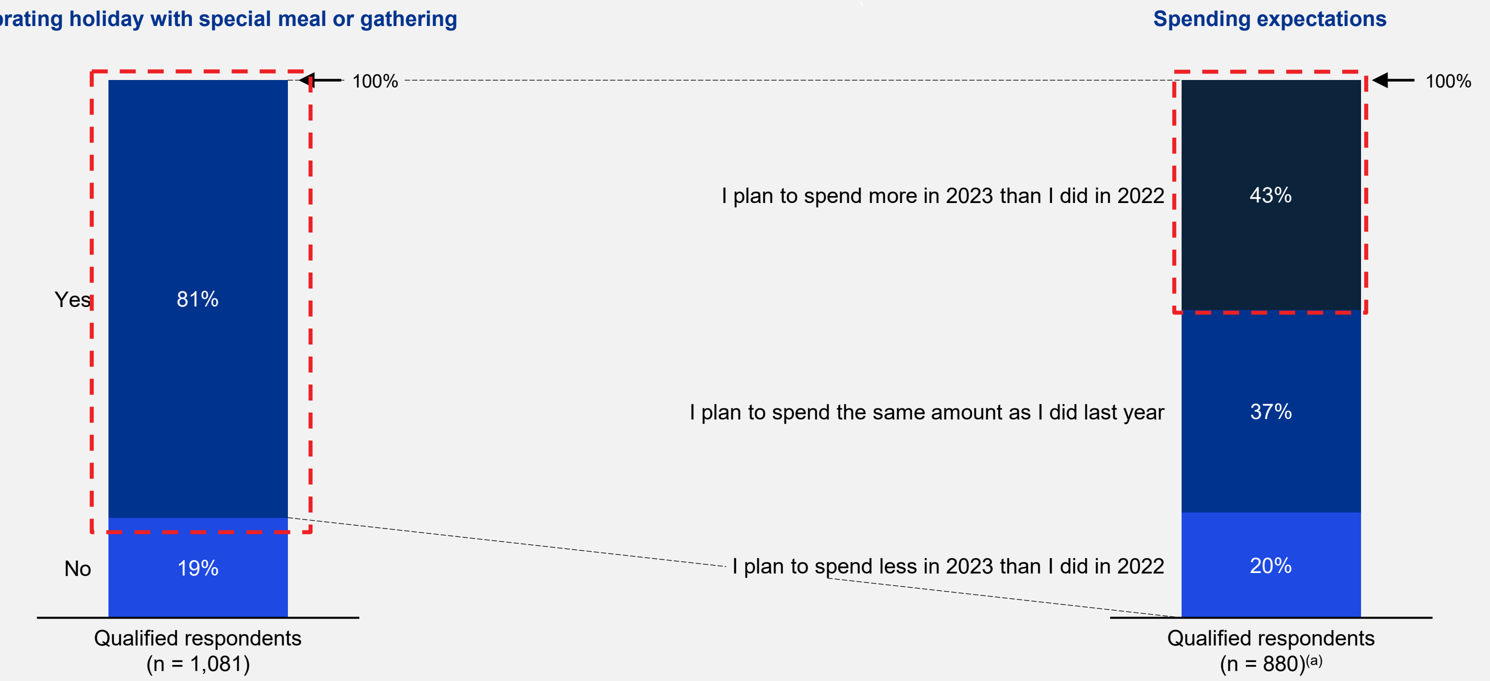
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

03

Holiday celebration plans

81 percent of the respondents plan to celebrate holidays with a special meal or gathering; 43 percent of respondents that plan to have a special meal expect to spend more in 2023 compared to 2022.

Holiday celebrations and events attended

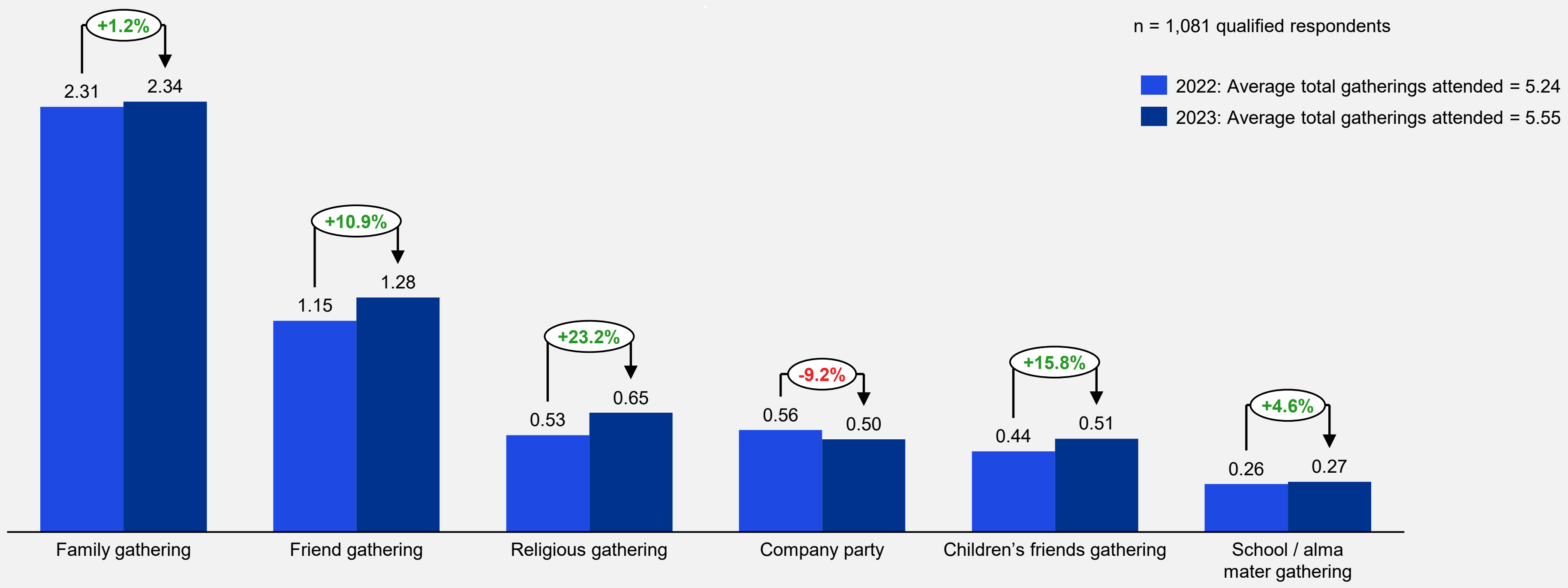


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Do you plan on celebrating the holidays with a special holiday meal or gathering this year (2023)?”, and “Do you expect to spend more, less, or the same during the 2023 holiday season compared to last year’s 2022 holiday season?”; (a) Exclude respondents who do not plan on celebrating the holidays with a special meal or gathering this year.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

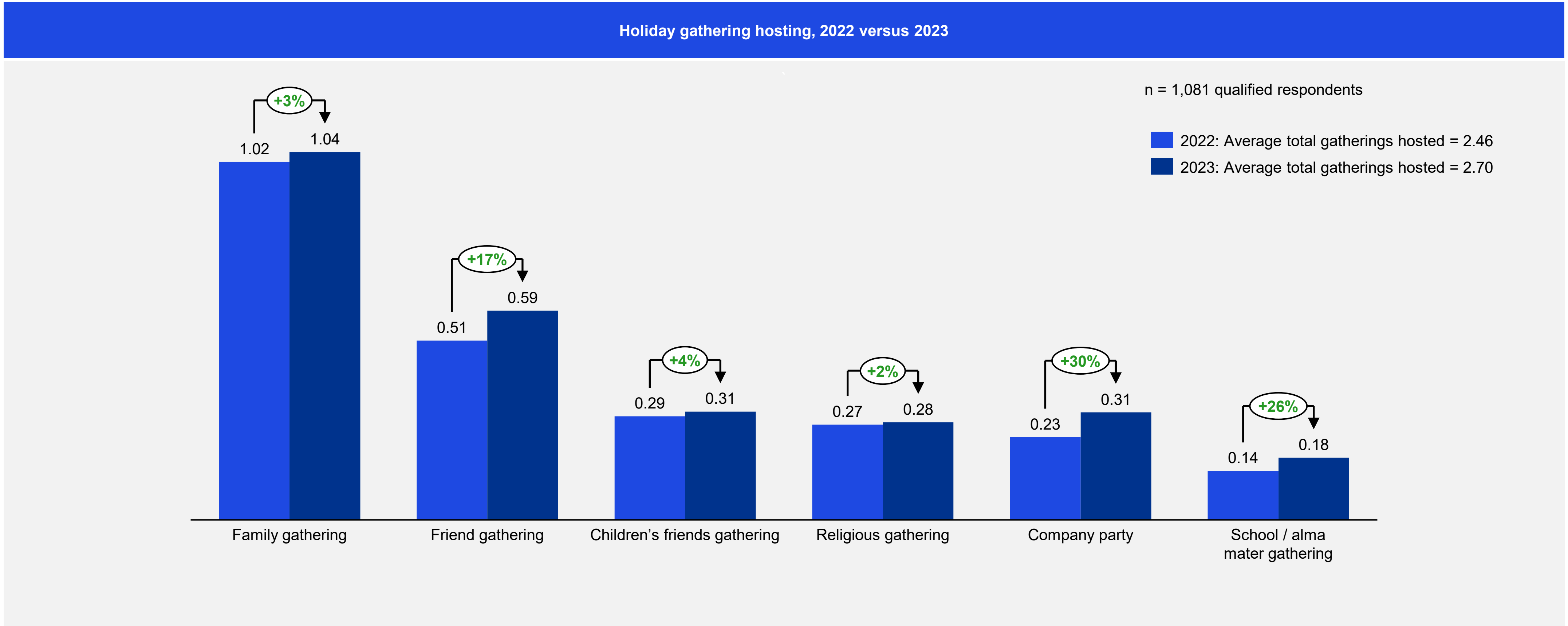
Consumers plan to attend more gatherings this year compared to last year (5.6 versus 5.2 average total gatherings).

Holiday gathering attendance, 2022 versus 2023



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "For the following occasions, how many events did you attend as a guest last holiday season (2022)? How many do you expect to attend this year (2023) as a guest?"
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

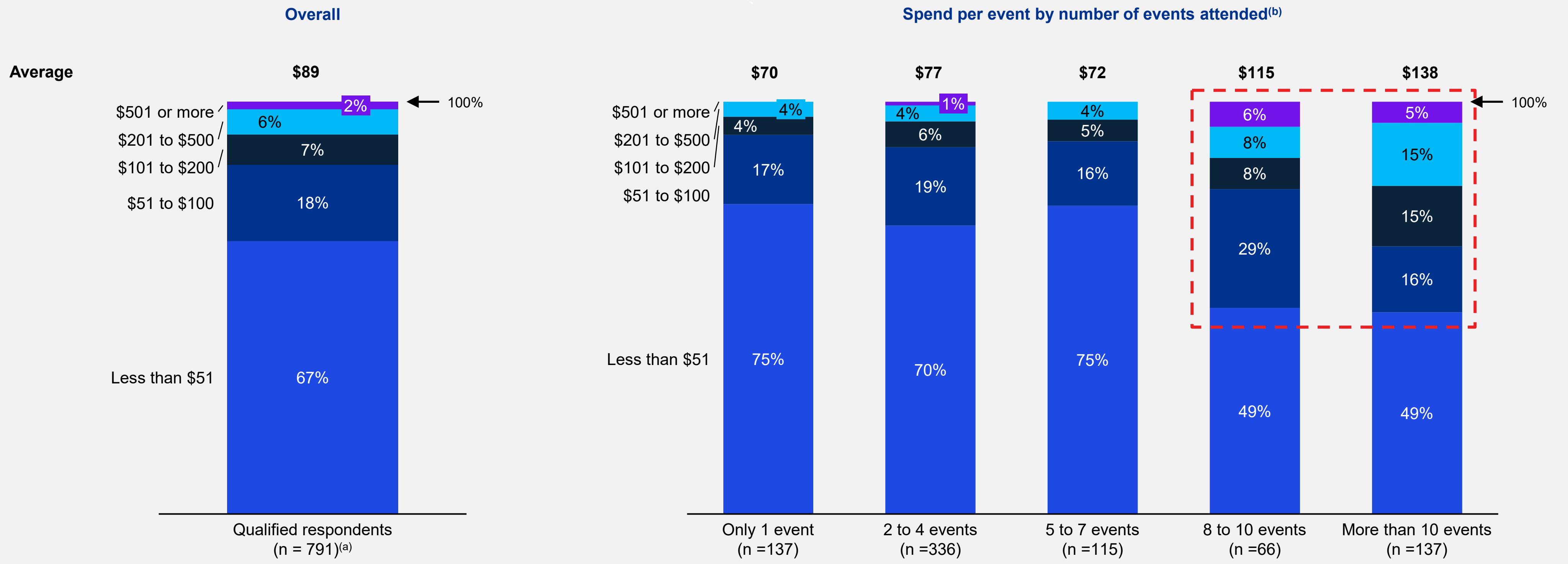
Consumers plan to host more gatherings this year compared to last year (2.7 versus 2.5 average total gatherings).



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “For the following occasions, how many events did you host last holiday season (2022)? How many do you expect to host this year (2023)?”
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Consumers plan to spend on average $89 per attended event; consumers who are planning to attend more events are inclined to spend more per event than those attending selected events.

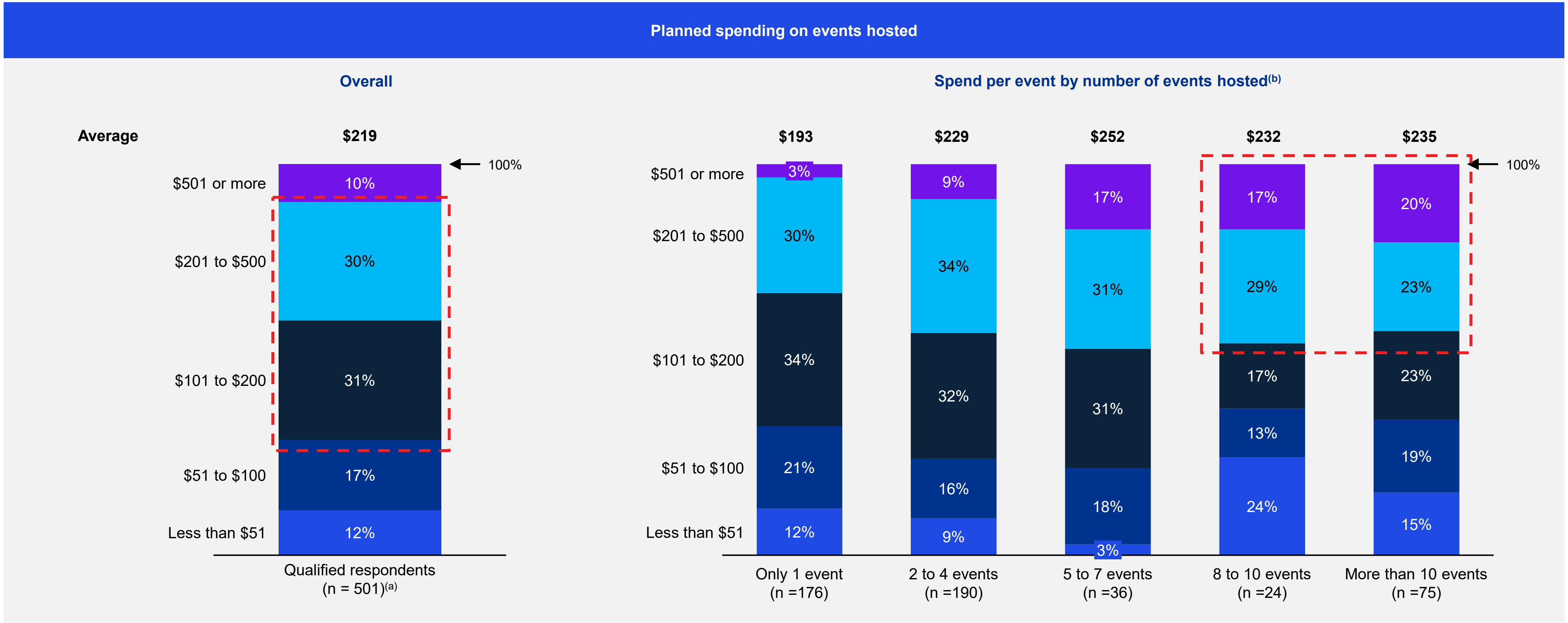
Planned spending on events attended



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "For the following occasions, how many events did you attend as a guest last holiday season (2022)? How many do you expect to attend this year (2023) as a guest?", and "On average, how much do you plan on spending per attended event as a guest?"; (a) Exclude respondents who do not plan to attend any event as a guest; (b) n count based on respondents who plan to attend the given number of events.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Consumers plan to spend $219 on hosting each event; those who are planning to host more events are keeping a bigger budget per event than the others.

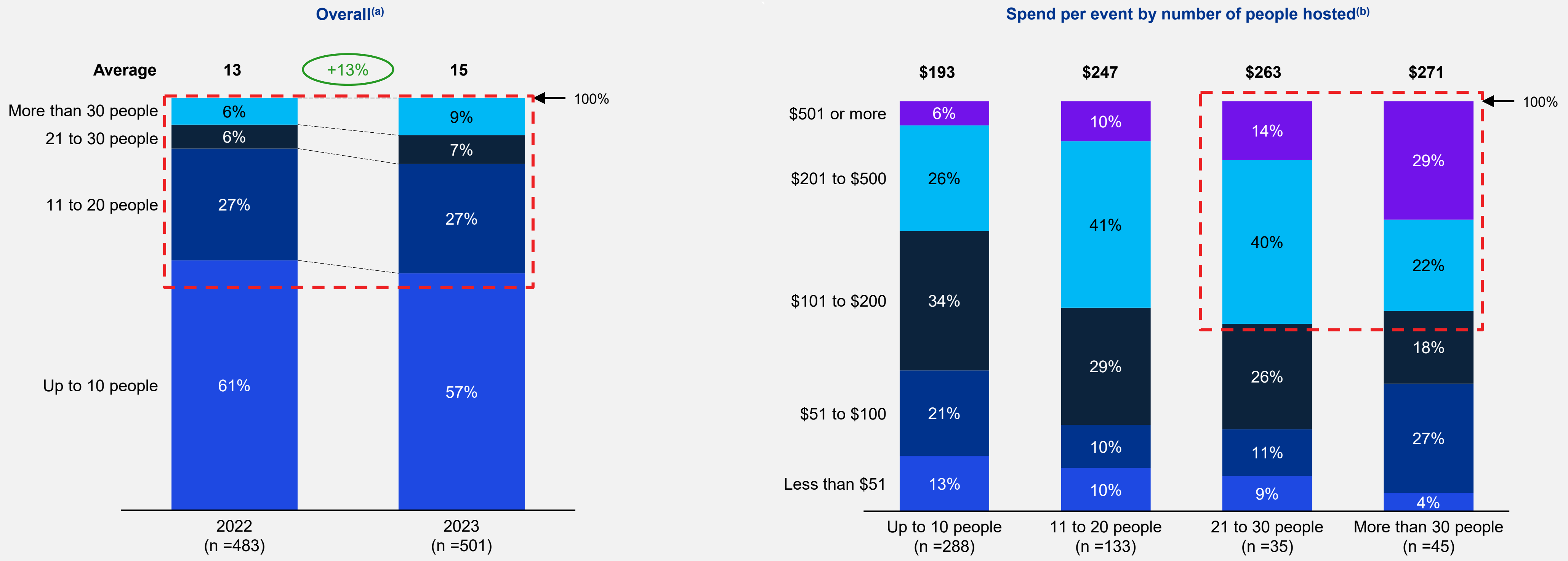


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “For the following occasions, how many events did you host last holiday season (2022)? How many do you expect to host this year (2023)?”, and “How much do you plan on spending on your hosted holiday meal/gathering?”; (a) Exclude respondents who do not plan to host any event this holiday season; (b) n count based on respondents who plan to host the given number of events.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Respondents expect to host slightly higher number of guests this year (15 vs. 13 last year) and spend more money on gathering with a larger number of people.

Number of people hosted at holiday gathering/ meals



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “How many people did you have at your holiday gathering/meal last year (2022)? How many people do you expect this year, 2023?”; and “How much do you plan on spending on your hosted holiday meal/gathering?”; (a) Exclude respondents who do not plan to host any event; (b) n count based on respondents who plan to host given number of people.

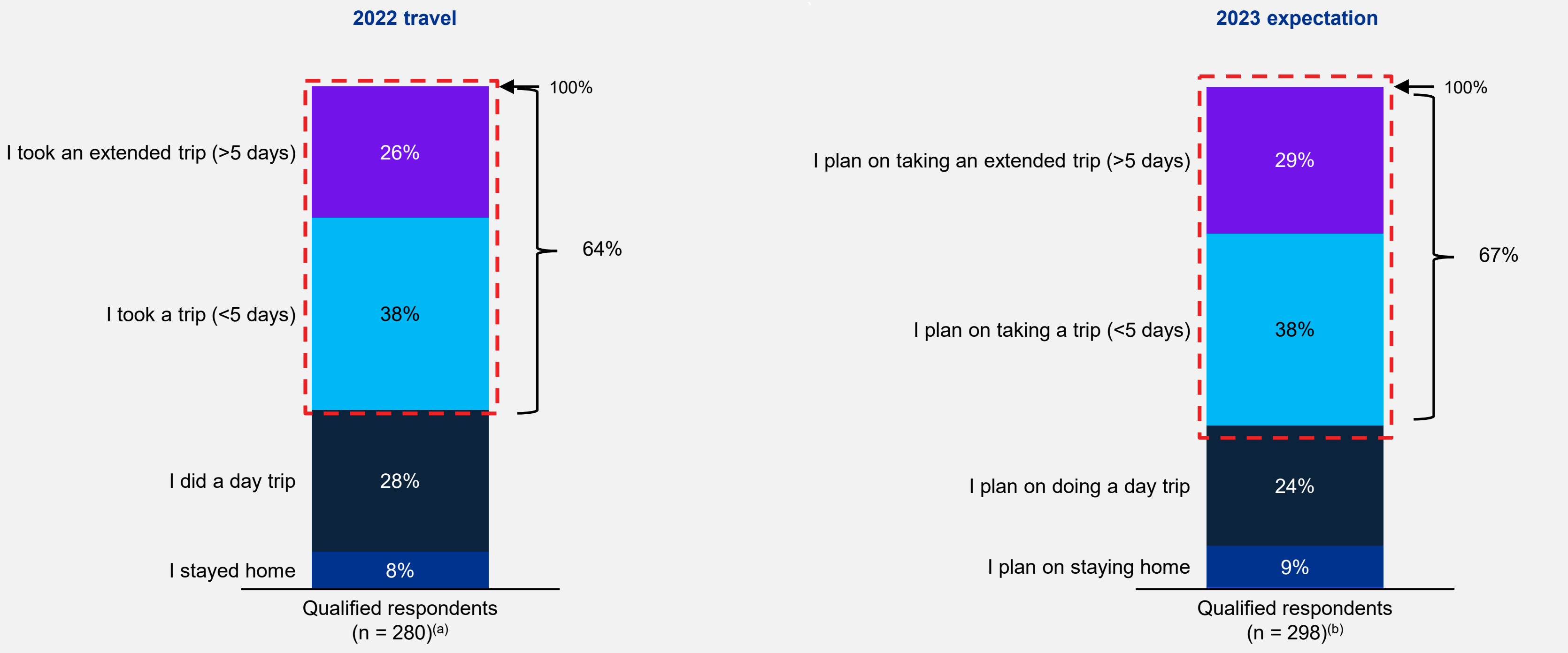
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

04

Holiday travel

Travel duration during Thanksgiving is expected to be similar to last year with 67% percent of respondents primarily planning an extended trip or a trip less than 5 days.

Traveling during Thanksgiving

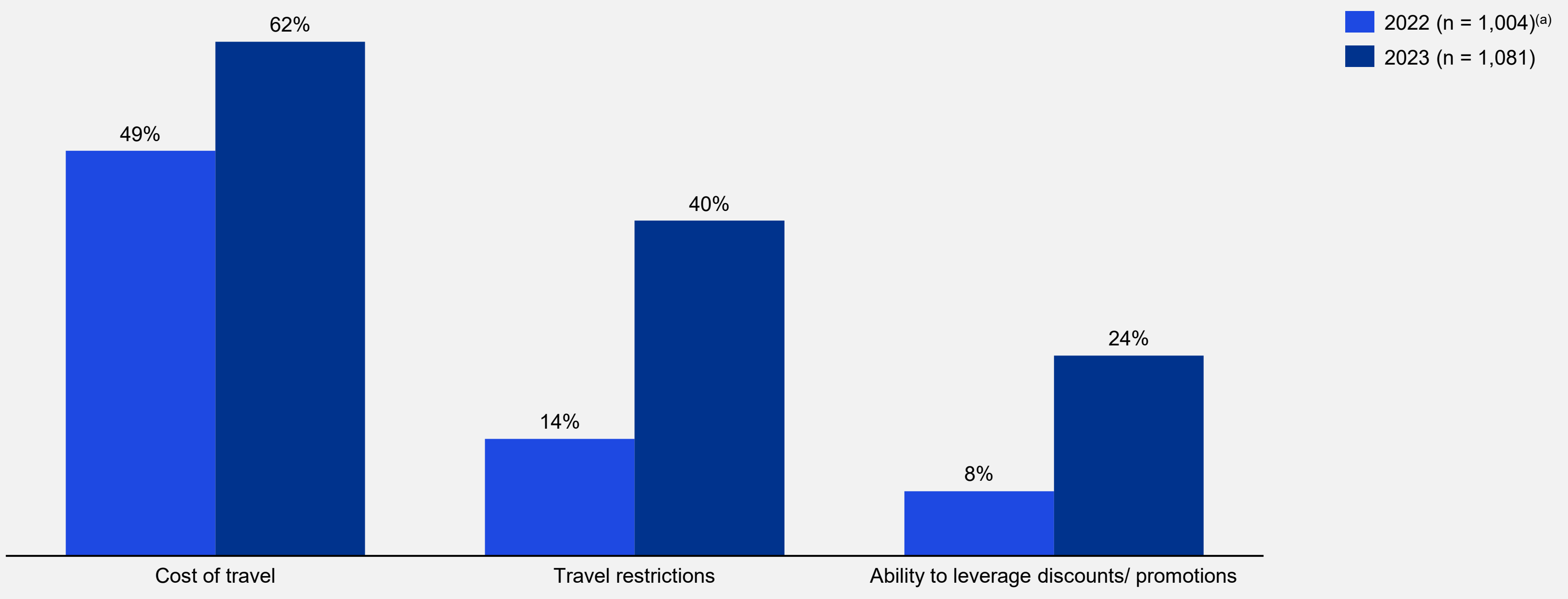


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Do you plan on traveling for Thanksgiving (2023)?”, and “Did you travel last thanksgiving (2022)?”; (a) Based on respondents who travelled during last Thanksgiving; (b) Based on respondents who plan to travel this Thanksgiving.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Most respondents (62 percent) considered cost as the most important concern while choosing to travel, followed by travel restrictions (40 percent) which impacts the choice of location.

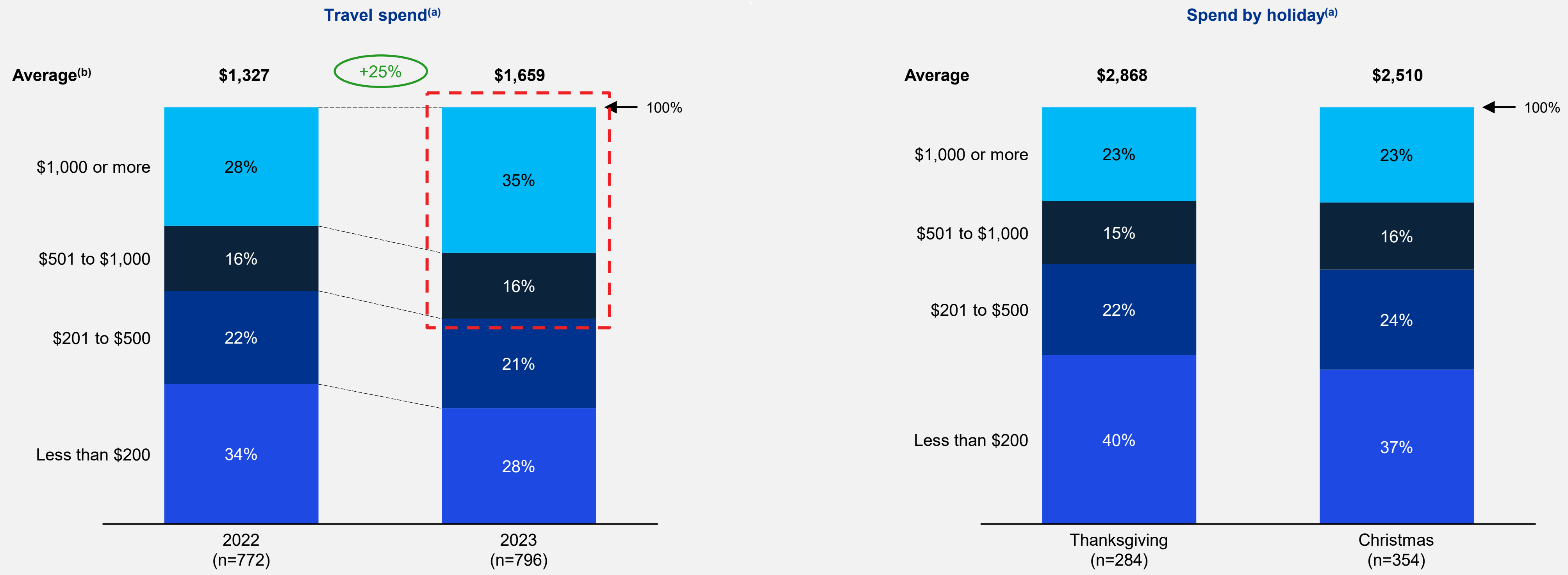
Concerns when choosing to travel



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, “Please select your biggest concerns when choosing to travel.”; (a) In the 2022 survey, respondents also selected other options such as ‘COVID-19 variants’, ‘Airport delays’, and ‘Other’.
Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

The average spend on travel is expected to increase by as much as 25 percent in 2023 compared to 2022, with more than 50 percent of people spending over $500.

Travel spend

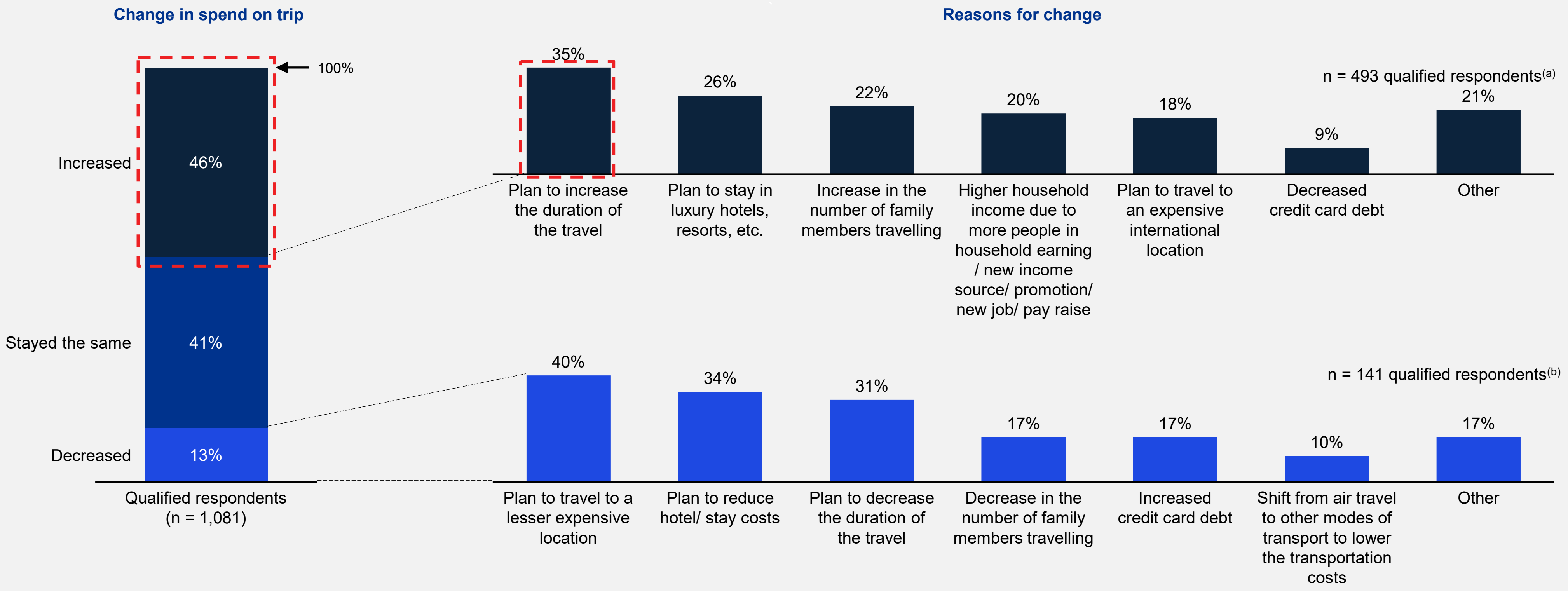


Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Please estimate how much you plan to spend on your next trip this year, please estimate how much you spent on average on a similar trip last year", and "Please select the annual income range that best describes your total household income in 2023."; (a) n count exclude respondents who do not plan to spend on travel; (b) Average exclude respondents who do not plan to spend on travel or outliers set to an upper limit of ~$26,000.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

Almost half (46 percent) of the respondents plan to spend a higher amount than they spent on a holiday trip last year, primarily because they plan to increase the duration of travel.

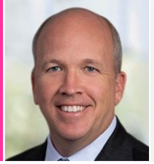
Change in spending on trips and reasons



Note(s): KPMG conducted a survey of 1,081 consumers across the United States and asked, "Please estimate how much you plan to spend on your next trip this year, please estimate how much you spent on average on a similar trip last year", "What are the factors leading to increased spend on travel this year?", and "What are the factors leading to decreased spend on travel this year?"; (a) Based on respondents who plan to increase the spend on trip; (b) Based on respondents who plan to decrease the spend on trip.

Source(s): KPMG Consumer Pulse Survey, fielded Sep 5, 2023–Sep 12, 2023

U.S. KPMG Consumer & Retail leadership team



Matt Kramer
National Sector Leader,
Consumer & Retail

Duleep Rodrigo
National Advisory Leader
Consumer & Retail

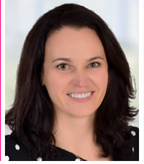
Sam Ganga
Consulting Industry Leader
Consumer & Retail

Frank Petraglia
Deal Advisory Leader
Consumer & Retail

Elizabeth Miller
Retail Audit Leader

Asad Chaudry
Consumer Goods Audit Leader

Brian Campbell
Tax Industry Leader
Consumer & Retail



Julia Wilson
Partner, Strategy
Research Lead

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- 550 U.S. partners and performance improvement professionals
- 3,500 global network of Performance Improvement practitioners
- 24,000 team members globally
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