

CONSUMER SPEND

sparks holiday cheer

The **Strawhecker Group (TSG)** and the **Electronic Transactions Association (ETA)** surveyed U.S. consumers to understand spending habits, payment preferences, and opinions on emerging payments technologies this holiday season.

SEE LAST YEAR'S EDITION →

Top Trends



78% of respondents plan to **spend the same or more than last year**; 14% higher from last year's poll!



Consumers are worried about supply chain issues and plan to use options like curbside pickup (71%) and delivery services (80%) to **save time**.



BNPL is here, **Pay Later** (BNPL) is now, with 78% of adopters reporting that it is easier to use than ever before; 22% higher than last year's poll!

For many, stress won't be melting away this holiday season...



The following metrics are powered by: **AIM**

...but that isn't stopping them from spending!

The following metrics compare September 2020 to September 2021

- Spending data shows a **14% increase** in total transactions year-over-year!
- Plus, consumers are spending almost **7% more** on their retail eCommerce transactions YOY.



Specific industries have seen significant changes in consumer spending on credit/debit cards since last season...



Grocery
↑ **6%**



Motion Pictures
↑ **471%**



Total Apparel
↑ **32%**

Some Active Lifestyle Spending is Cooling

Retail stores that focus on active lifestyles are having mixed results. Sporting goods stores and bicycle shops have cooled down, with sales decreasing by over 3% YOY.

Meanwhile, spending at sports apparel stores and home supply stores continue to grow, up 21% and 17% YOY, respectfully!

These metrics were sourced from TSG's Acquiring Industry Metrics (AIM) platform which is comprised of nearly half of all card accepting merchants within the U.S.

LEARN MORE ABOUT AIM →

Consumers plan to shop for their gift purchases in many ways

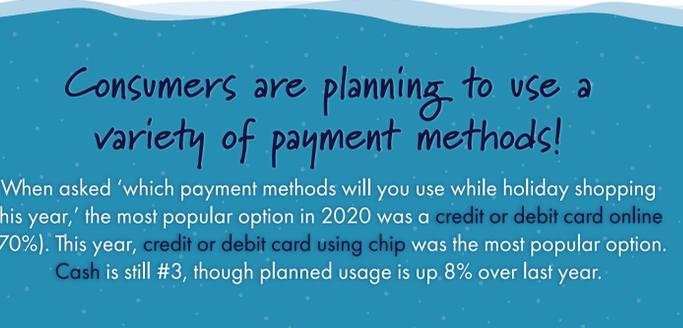
Most consumers (84%) plan to shop online, but almost as many will spend time shopping in-person (72%). When asked where they would be shopping this holiday season, consumers favored the following options:



amazon

Most Popular Online Marketplaces

Consumers like to have options when shopping online, but the most popular marketplaces include Amazon, Walmart, and Target.



Consumers are planning to use a variety of payment methods!

When asked 'which payment methods will you use while holiday shopping this year,' the most popular option in 2020 was a credit or debit card online (70%). This year, credit or debit card using chip was the most popular option. Cash is still #3, though planned usage is up 8% over last year.



The digital payment drop, explained:

Last year, disruption from COVID-19 caused consumers to try more digital options such as payment apps, digital wallets, and contactless technology. This year, these methods remain popular, but preferences have dropped as consumers become more comfortable with cash and in-person shopping again.



Last year's experiments are this year's habits

In 2020, respondents started trying new payment methods. This year, many reported that they will continue using these methods in the future!



To wrap up...

While some shoppers brace for stressful holidays due to supply chain issues, consumer spending is not slowing down. Overall, consumers in the United States plan to **spend more** than in 2020, and shoppers are more comfortable using various payment methods.

The **Strawhecker Group** and the **Electronic Transactions Association** continue to keep a pulse on consumer payment preferences; because no matter how much changes, payments will continue to be the backbone of the global economy.