INFLATION MEANS SAVVIER CONSUMERS

Economic factors are likely to influence:

83% Concerned about rising costs due to inflation
72% Concerned about the affordability of gifts
66% Concerned about changing earning/fixed budget

As of October 18 – 20th half of the consumers had not yet started their holiday shopping. Consumers considering a lower-level gift were more likely to say there was no planning on using BNPL. Without a doubt, Gen Z consumers were more likely to say BNPL is a welcomed option this holiday season. The survey was conducted between October 18, 2022 and October 20, 2022. The survey represents consumers across demographics such as state, gender, age, and household income. The margin error is +/-3.0% at a 95% confidence level.

IN-STORE VS. ONLINE SHOPPING

Generally, consumer behavior remained stable regarding how they do their holiday shopping. Although consumers are very concerned about affordability and inflation, there are signs they are getting in confidence when it comes to more recent payment technologies. However, while some consumers plan on spending about the same as they did last year, overall sentiment towards holiday spending is down. Compared to 78% in last year’s survey, only 60% of consumers expect to spend more this holiday season; another 21% expect spending to stay the same regions and time period were up over 2019.

DOESN'T MATTER
23%
MOST SECURE
35%
EASE OF USE
48%
PLAN TO SHOP ONLY IN-STORE
64%
PLAN TO SHOP ONLY ON-LINE
28%
PLAN TO SHOP IN-VARIOUS
13%

WHICH IS THE PREFERRRED METHOD TO PAY?

Cash
32%
Credit Card
39%
Digital Wallet
10%
BNPL
13%
Credit and debit cards remain the preferred payment methods, and most consumers plan on generally sticking with the same method used in previous years. However, considering the current economy, this year’s consumers may have a different approach to holiday shopping this year.

PAYMENTS TECH DRIVES HOLIDAY SHOPPING

BNP, digital wallets, and eCommerce rise as consumers fill their carts

TSG and ETA surveyed over 1,081 consumers in October to understand their spending habits, payment preferences, and opinions on emerging payment technologies this holiday season. The following are three payment technology trends found from our data:

1️⃣ EASE OF USE CONTINUES TO DRIVE CONSUMER BEHAVIOR & ADOPTION OF PAYMENT TECH

Emerging technologies have gained traction as consumers search for solutions that are easy to use, the one that gives them the best deal, and the most secure one. When deciding which payment method to use, consumers are split relatively evenly between the most popular and newer technologies. According to CLIMATE, powered by TSG, eCommerce spending typically peaks at 80%, 30%, 23%, 18%, 13%, 10%, 9%, 6%, and 3%, respectively, during the week of Christmas.

Consumers exhibited 93% of their shopping would be done online (vs. 84%), contrary to what we expected. Consumers had tried BNPL previously were more likely to say there was no planning on using BNPL. Without a doubt, Gen Z consumers were more likely to say BNPL is a welcomed option this holiday season. According to CLIMATE, powered by TSG, eCommerce spending typically peaks at 80%, 30%, 23%, 18%, 13%, 10%, 9%, 6%, and 3%, respectively, during the week of Christmas.

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