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# New Coresight Research Study Unwraps Eight Insights for Retailers to Consider this Holiday Gifting Season

*Top factors influencing shoppers' purchases are product price, timing of promotions, shipping costs, and free returns*

**STAMFORD, Conn. – October 4, 2022** – Coresight Research's annual survey of U.S. holiday shoppers commissioned by GiftNow reveals eight key themes retailers should expect - and prepare for - to have a successful Holiday season. *US Holiday Gifting: Decoding Shopper Plans Amid Increasing Uncertainty* unwraps when consumers will start shopping for gifts, the impact of inflation and the influence of pricing and promotions on gift shopping, gifts shoppers prefer to give and receive, the importance of the online channel and key challenges that shoppers face when shopping for gifts like shipping and delivery, and much more.

Coresight Research's survey found the holiday shopping window is expanding, starting earlier, and ending later than last year. Consumers will use this extended shopping window to keep close tabs on product prices, deals and discounts, shipping costs, and free returns. As a result, retailers must lean into promotions and think about how to best deliver great value on the shelf and online. Promotions will not only help drive sales among value-oriented and budget-conscious consumers but also address inventory challenges coming out of the summer.

"We forecast the full year gifting market to see slight growth, four percent, this year to \$462.8 billion," said Deborah Weinswig, CEO and Founder of Coresight Research. "Our analysis of the survey data also reveals shoppers will spend more on shopping for gifts on average versus last year. Specific to the holidays, we estimate the average gift shopper will spend around \$580—a jump of 7% year-over-year, with very few shoppers expecting to spend less than \$300. The expanded shopping window and appetite for certain products,

especially luxury ones, will drive higher spending, despite inflation, which is impacting product prices.”

Below are eight key takeaways from Coresight Research’s annual survey of U.S. holiday shoppers:

1. Inflation will impact gift shopping for most Americans: More than two-thirds (71%) of holiday gift shoppers expect inflation to negatively impact their gifting budget. Rising prices are making the majority of consumers wary about holiday gift spending. Shoppers expect to purchase around eight gifts on average, marginally lower than last year’s nine, but will spend around \$40 higher on average, an increase of 7% year-over-year, which can be partially attributed to the rise in prices driven by inflation.
2. Despite inflationary concerns, shoppers are upbeat about gifting: The U.S. personal gifting market offers \$72 billion in incremental opportunity over the three years leading to 2025. Coresight Research estimates the U.S. personal gifting market to grow 4% year-over-year and reach \$462.8 billion in 2022. More than half (55%) of all American gift shoppers surveyed expect to spend more than \$500 on gifts this holiday season.
3. Pricing will be the biggest influence on gift purchasing: Product pricing and deals/discounts will influence shoppers’ gift purchase decisions the most; reverse shipping is important too. Since 82% of gift shoppers cited product price as either very influential or extremely influential on their purchase decision and 77% cited the same degree of influence for deals and discounts, retailers must focus on providing the best value to shoppers as price and promotions take center stage.
4. There will be a long holiday shopping window in 2022: Almost one-quarter of survey respondents said they would start their holiday gift shopping in September or sooner—younger generations are driving this trend. The proportion of respondents who cited shopping for gifts as early as October registered an 8-percentage points increase compared to last year. More shoppers expect to continue their holiday gift shopping through mid-to-end December versus last year, a 16-percentage points increase.
5. Gift cards top the list of preferred gifts for shoppers to receive: Nearly six in 10 shoppers would like to receive physical gift cards this holiday season, topping the list of desired gifts—and nearly six in 10 expect to buy physical gift cards. Other gifting categories that shoppers expect to purchase include apparel, footwear and accessories (64%); toys and games (59%); and electronics (43%). On the other hand, gifting categories which shoppers would like to receive this holiday season include apparel (45%), footwear and accessories (45%); experiences (e.g., tickets to a movie/event) (33%); and digital gift cards (31%).

6. The online channel will remain strong for gift shopping: The rebound of physical retail does not undermine the importance of online gift shopping. A significantly larger proportion of respondents—42% versus 28%—expect to spend about half (40-60%) of their total budget online versus last year. The proportion of overall spending versus last year, which shoppers expect to spend online, remains strong across most product categories. Around nine in 10 shoppers expect to spend the same or larger proportion of their spending online on buying digital gift cards versus last year. Other popular categories include experiences like tickets to a movie, home goods and kitchen furnishings, electronics, toys or games, and beverages.
7. Timely delivery of gifts is the topmost concern when purchasing gifts online: Products arriving later than expected emerged as the topmost concern when shopping for gifts online. Half of all respondents cited products arriving later than expected among top three pain points when purchasing gifts online. Additional key pain points in purchasing gifts online include the inability to touch and feel the product, differences in products compared to online images/descriptions, and anxiety about whether the recipient will like their gift.
8. Innovations in digital gifting can alleviate challenges in shopping online: Enabling gift recipients to have an input on delivery and sizing and fit before the gift is shipped can substantially elevate the digital gifting experience. Enabling recipients to add their preferences to gifts can substantially alleviate shopper anxiety when shopping for gifts. Services that shoppers believe can improve the overall digital gifting experience include the ability for the recipient to acknowledge receipt of the gift, input their delivery preference, customize the gift before it ships, and choose between a few products.

“Coresight Research’s *US Holiday Gifting* study includes invaluable insights for retailers to make this year’s holiday season a success despite inflation and overall uncertainty,” said John Grech, Chief Commercial Officer, GiftNow. “As consumers start shopping earlier and create a balance of purchasing in-store and online, omnichannel execution and the gift experience will be essential. Whether they give or receive the gift, consumers expect digital gifting to be easy and personalized.”

To learn more about the Coresight Research study, watch this [on demand webinar](#) and email [hello@giftnow.com](mailto:hello@giftnow.com) to obtain a copy of *US Holiday Gifting: Decoding Shopper Plans Amid Increasing Uncertainty*.

GiftNow, a holistic Gift Experience Management (GXM) omnichannel solution is well positioned to help retailers capitalize on opportunities in the gifting market. With GiftNow’s purpose-built GXM platform, gifters can send personalized digital gifts and gift cards in seconds and recipients can exchange or modify their items before they ship, benefiting gift givers, recipients, corporate gifting programs and retailers. GiftNow is used by premium specialty and department retailers across the U.S.

## **Coresight Research Study Methodology**

This study is based on the analysis of data from an online survey of about 800 U.S. consumers (aged 18+) who typically purchase gifts for the holiday season and who plan to do so this year. Coresight Research surveyed only omnichannel shoppers (respondents who plan to purchase holiday gifts both in-store and online).

## **About Coresight Research**

Coresight Research is a research and advisory firm specializing in retail and technology. Established in 2018 by leading global retail analyst Deborah Weinswig, the firm is headquartered in New York, with offices in London, Lagos, Hong Kong, Shanghai and Mangalore (India). The firm provides data-driven analysis and strategic advisory to clients including retailers, brands, enterprise technology companies, accelerators and more. In addition to being renowned for its breadth and depth of research, Coresight Research is known for its expertise in the China market, helping clients with market entry and cross-border e-commerce strategies. Coresight Research is also known for its Innovator Intelligence platform, consisting of a vast network of technology entrepreneurs that it actively cultivates through events, mentorship, and regularly updated report coverage. For more information, visit [www.coresight.com](http://www.coresight.com).

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