

# Holiday Shopping 2015

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Source: Research conducted for Synchrony Financial by Rothstein-Tauber, Inc., 2015.

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# Research design

## Methodology

- Self-administered online survey
- Sample from national panel
- Field dates: September 18 – September 28, 2015.



## Participants

- 1,401 Total Respondents
  - 701 Synchrony Bank Cardholders
  - 700 Synchrony Bank Non-Cardholders

Ages 18+, participate in shopping decisions for their household, have a credit card, and purchase gifts for family, friends.



## Objectives

- Gather consumer insights on the upcoming holiday shopping period
  - Outlook, plans and preferences
  - Budgeting
  - Payment selection
  - Timing



# Holiday plans



Households are more confident than they were in 2014. Optimism is highest among those ages 25 to 34.



Only 16% report they expect to spend less this year on holiday shopping. Money management remains a strong focus. 53% set a budget for holiday spending and 25% expect to use layaway.



Intended use of credit is high for holiday purchasing. 69% report they expect to use some credit and 19% expect to use only credit for their holiday purchases.



15% expect to open a new credit card to take advantage of holiday sales this year and 12% of them expect to open a retailer credit card.



Rewards and points, free shipping and better data security are key drivers of card selection. The importance of chip enabled cards on card selection is up 12 points since last year, now at 19% respectively.



76% of participants report they *always* comparison shop to ensure the best price. Ages 18 to 24 and 65+ are the lowest at 72% and 68% respectively.



Social media is an important shopping tool: 41% report they use social media for product reviews, ratings and to look for additional savings opportunities respectively.

# Holiday plans



Synchrony Cardholders compared to non-Cardholders anticipate greater holiday spend, and report they are also more likely to splurge on their holiday gifts.



Holiday shopping is a multi-channel experience. In-store dominates for holiday shopping but majority agree holiday shopping online is easier. The most important reasons to shop online include free shipping, price and convenience.



Deals remain essential for holidays: 54% expect to make a purchase on Black Friday, 55% on Cyber Monday. Black Friday still viewed as offering the best deals.



Channel consistency not realized yet. 45% report the online channel offers the best deals overall. Perceived disparity higher for younger shoppers (60% for ages 25 to 34 and 58% for 18 to 24).



Gift Cards an important part of holiday spending. 69% reported they received gift cards last year and 56% used all of them. 56% expect to purchase gift cards as holiday gifts this year.



In line with the value of convenience, free gift wrap for online orders perceived as more valuable than the service being offered in-store.



Newspapers including circulars are still a valuable source for customers to learn about sales. 51% report they typically learn about holiday sales via the newspaper.

# Tender and channel use: 2015 vs. 2014

*Expected use of Retailer Cards for holiday shopping up 6 percentage points*

Tender and channel	2015 (1,401)*	2014 (1,004)*	Difference
Saved for holiday purchases and will not use credit	31%	30%	+1
Expect to use credit for holiday purchases	69%	70%	-1
Pay for purchases the same way as in 2014	80%	78%	+2
Expect to use credit to pay for holiday purchases	82%	NA**	NA
Expect to use Retailer Credit Card to pay for holiday purchases	37%	31%	+6
<u>Share of holiday shopping expected in store or online</u>			
In store	52.9	54.6	-1.7
Online	47.1	45.4	+1.7

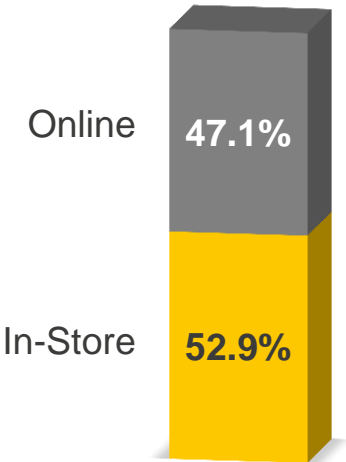
\*Number of participants surveyed

\*\*Cannot trend the credit net as Tender list was changed in 2015 to include Debit and Prepaid cards.

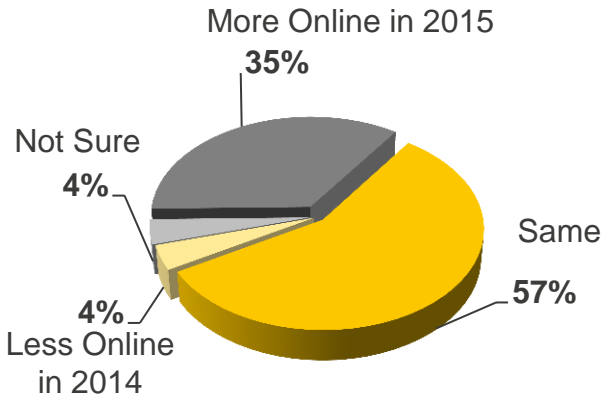
# Anticipated share of holiday shopping online: 2015 vs. 2014

*In store purchases continue to generate a greater share of Holiday Shopping. 35% anticipate they will be shopping more online this year.*

**Share Of Holiday Shopping**



**Amount Of Online Shopping Vs. Last Year\*\***



Online share by age	
18 – 24	47.5%
25 – 34	51.6%
35 – 49	50.2%
50 – 64	46.5%
65+	38.5%

Online share by subgroup	
SYF CH	47.5%
NCH	46.7%

The online share of holiday shopping is greatest among ages 25 to 49

# WILL CONSUMERS START SHOPPING EARLIER THAN LAST YEAR?



Note: 2% Unsure

# HOW DO SHOPPERS LEARN ABOUT HOLIDAY SALES?

