'Tis the Season: Consumers Will Turn Online to Holiday Shop During the Pandemic

Shopkick survey finds majority of holiday shoppers will make more online purchases than usual, but many plan to host normal holiday gatherings

REDWOOD CITY, Calif. -- August 11, 2020 -- While 2020 has been a year full of change, one familiar feeling is setting in -- the holiday season will be here before we know it. With states shutting down for a second time due to an uptick in COVID cases, more consumers plan to shop online (a 16 percent increase compared to last year), but nearly half (45 percent) expect to host the same amount of friends and family at this year's holiday gatherings.

<u>Shopkick</u>, a leading shopping rewards app, surveyed nearly 17,000 American consumers to gain insight on when, where and how they will be shopping this holiday season. The survey uncovered how much shoppers plan to spend, and how they think the current health and economic crises will impact their behaviors.

Key findings include:

- Online Occasion: While online shopping is beloved by many year-round, it will be especially useful this holiday during the pandemic. The majority of shoppers (67 percent this year vs. 51 percent in 2019) expect to make their holiday purchases online to avoid crowds and exposure. Of those shopping online, 65 percent plan to purchase gifts via Amazon, followed by big box retail sites like Target.com and Walmart.com (18 percent), and department store sites like Macys.com and Kohls.com (six percent).
- Amazon and Etsy and eBay, oh my: For those planning to shop at online-only retailers, 72 percent plan to find gifts on Amazon, followed by Etsy (56 percent), eBay (43 percent), Wayfair (39 percent), and Overstock (32 percent).
- **Spend Trend:** Sixty-three percent expect to spend a similar amount of money as last year on their holiday shopping (ranging from \$301 to \$600), however, 23 percent expect to spend less than last year. Meanwhile, 14 percent expect to spend more.
- Add Free Shipping to the List: Last year, low prices were the most important incentive
 for shoppers, but with more shopping online this year, the majority of consumers (54
 percent) are most incentivized by free shipping. Just 24 percent believe low prices are
 most important.
- BOPIS with a Bow: With the help of "buy online, pick up in-store" (BOPIS), making holiday purchases is more convenient than ever. Just 17 percent of consumers say they will not be taking advantage of BOPIS this year, compared to nearly half (44 percent) who say they will.

- More Clothes, Fewer Toys: This year, 25 percent of gift-givers plan to spend most of their budget on apparel, beating out last year's top category - electronics. Following closely behind, 21 percent plan to spend most of their budget on electronics, toys and video games.
- Early Bird Gets the Gift: Shoppers are still itching to cross off their holiday lists early this year. With nearly identical results to 2019, 34 percent plan to get their shopping done before Thanksgiving, 27 percent plan to shop between Black Friday and Cyber Monday and 17 percent expect to shop on Black Friday.
- **Gifts and Gatherings:** Considering the surge in COVID-19 cases, it is no surprise that nearly 50 percent of Americans plan to host fewer friends and family at this year's holiday gatherings. However, 45 percent of Americans expect to host the same number of people, with five percent even planning for larger holiday celebrations.

"As the most important season for retail quickly approaches, there is rising concern about the impact the COVID-19 crisis could have on consumer shopping behaviors," said Dave Fisch, general manager of Shopkick. "Our data shows that holiday shoppers are already preparing for the season in new ways. With less of a focus on the experiential holiday activations that have dominated years past, brands and retailers must step up their omnichannel and e-commerce capabilities to be successful through the end of the year and beyond."

This survey was conducted between June 25 and July 1, 2020.

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About Shopkick, Inc.

Shopkick, a Trax company, is a leading shopping rewards app, bringing moments of joy to everyday shopping - both on- and off-line. For brands and retailers, Shopkick provides high consumer engagement along the entire path to purchase. The company's unique pay for performance model has been proven to deliver high ROI, while driving incremental traffic, product engagement, and sales. Some of its leading brand and retail partners include Kraft-Heinz, Barilla, GE, Kellogg's, TJ Maxx and Unilever, among others.

Shopkick is available for free on iPhone from the App Store and for Android from Google Play. For more information, please visit www.shopkick.com.

Press Contact:

Angelena Lufrano for Shopkick

shopkick@thekeypr.com

(510) 517-2842