

Bankrate

Only 24% of Holiday Shoppers Plan to Spend More Than Last Year

Almost half of holiday shoppers plan to begin by Halloween

NEW YORK - September 5, 2024 - The holiday season is fast approaching and while almost half of holiday shoppers are planning to begin their winter holiday shopping by Halloween (48%), only 24% say they plan to spend more than last year, according to a new Bankrate survey. Furthermore, just over a third of holiday shoppers say inflation will change the way they shop this year (34%). Click here for more information:

<https://www.bankrate.com/credit-cards/news/early-holiday-shopping/>

Comparatively, one third of holiday shoppers (33%) expect to spend less than they did last year, while just over 2 in 5 holiday shoppers expect to spend about the same amount (43%). Younger holiday shoppers are more likely to expect to spend more this year than they did last year compared to older shoppers. Specifically, 40% of Gen Z (ages 18-27) and 31% of millennial holiday shoppers (ages 28-43) expect to spend more versus 19% of Gen Xers (ages 44-59) and 15% of baby boomer holiday shoppers (ages 60-78).

When asked about when they plan to begin their holiday shopping this year, nearly half of holiday shoppers plan to begin shopping before the end of October (48%), including 12% who planned to begin making their purchases before August 31, 13% who planned to begin in September and almost a quarter of shoppers who plan to begin in October (24%), while 37% plan to start in November and 15% in December.

"While some people scoff that the holiday shopping season seems to start earlier every year, getting off to an early start gives you more time to comparison shop for the best deals and spread out the impact of your purchases," said Bankrate Senior Industry Analyst Ted Rossman. "Look to stack discounts. For example, combine a store promotion with a rewards credit card and an online shopping portal. That's three ways to save on the same purchase."

Overall, approximately a third of holiday shoppers say inflation will change the way they shop this year (34%), with more than 1 in 4 shoppers saying they are stressed about the cost of holiday shopping (28%). Only about 3 in 10 plan to have money specifically set

aside/budgeted for holiday shopping (29%). Over 1 in 4 say holiday shopping will place a strain on their budget (28%) and 16% say they feel pressured to spend more than they are comfortable.

Some 42% of holiday shoppers expect to make most of their purchases online this year, while just 23% plan to shop primarily in-person.

Debit cards are projected to be the most popular payment method among holiday shoppers this year (58%), ahead of credit cards (54%), cash (48%) and buy now pay later services (11%; e.g., Affirm, Afterpay, Klarna, etc.). More than a quarter of holiday shoppers are expected to take on debt this holiday season (27%), which includes those planning to use a credit card and pay off the balance over multiple billing cycles and those planning to use buy now pay later services.

Notably, of those who are planning on participating in winter holiday shopping this year, more than 1 in 3 parents with children under 18 are expected to take on debt this holiday season (36%) versus 24% who have adult children (ages 18+) and 25% of non-parents.

"It seems that holiday shoppers will be more frugal this year, as multiple years of high inflation and high interest rates have taken a considerable toll," Rossman added. "With credit card rates near record highs, consider setting aside money from every paycheck between now and the end of the year to create a holiday shopping fund that keeps you out of credit card debt." <https://www.bankrate.com/finance/credit-cards/current-interest-rates/>

Methodology:

Bankrate commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,300 U.S. adults, of whom 1,789 are planning to shop for the holidays this year. Fieldwork was undertaken between August 5-7, 2024. The survey was carried out online and meets rigorous quality standards. It employed a non-probability-based sample using both quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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