NINTH EDITION | 2024

AUSTRALIAN CHRISTMAS SHOPPING INTENTIONS

THE EVOLVING CHRISTMAS SHOPPER

CPM RETAILsafari

EXECUTIVE
SUMMARY

As we approach the 2024 Christmas season, Australia's retail landscape faces a mix of economic challenges that will shape holiday consumer behaviour and spending. With ongoing cost-of-living pressures driven by an extended period of high inflation and increased interest rates, Australian consumers remain cautious, opting for strategic spending to maximise value.

The Christmas season remains the most vital trading period for the retail sector, offering unparalleled opportunities for brands to capture consumer demand. Despite the current economic environment in Australia, spending intentions for Christmas 2024 reveal a cautiously optimistic outlook, with 76% of Australian consumers planning to spend more or the same as last year. The average spend on Christmas gifts is projected to be $660 per shopper.

Nevertheless, the hunt for bargains will dominate Christmas shopping decisions in 2024. A full 70% of survey respondents are citing sales promotions and discounts as a primary factor in their purchasing decisions for Christmas 2024. Amid economic uncertainties, this year's holiday shoppers will be increasingly deal-seeking and favouring an omnichannel approach, seamlessly moving between online and in-store channels to find the best deals for their gift buying.

Notably, Christmas shopping timelines have shifted over those of previous years, with November now the preferred month for Christmas shopping. For the first time in nine years of running this survey, late November has overtaken December as the peak shopping period. A total of 63% of surveyed consumers plan to complete their Christmas shopping in November, with 37% targeting late November specifically. This shift reflects a growing trend of shoppers capitalising on early sales to manage their budgets and underscores the increasingly dominant role of Black Friday and Cyber Monday sales as the unofficial start of the Christmas retail period.

The 2024 holiday season is set to be more omnichannel than ever, with 89% of consumers intending to mix online and in-store shopping – up 6% from 2023. Online marketplaces remain the preferred format, with platforms like Amazon, eBay, and The Iconic leading the way, closely followed by department stores. This strong omnichannel preference highlights the need for retailers to integrate their physical and digital channels seamlessly, creating a unified shopping experience that meets the evolving demands of Christmas' shoppers.

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2024 CHRISTMAS SHOPPING
TRACKING SURVEY

INTRODUCTION

The CPM-Retail Safari annual Christmas Shopping Intentions Survey provides insights into consumer shopping habits and behaviours ahead of the holiday season.

Now in its 9th edition, the survey builds on data collected annually since 2016 to explore holiday spending sentiments, shopping timelines, and interest in sales events like Black Friday and Cyber Monday. It also examines preferred gifts and shopping channels for the 2024 Christmas season.

This year's report highlights the evolving dynamics of the Christmas season, equipping Australian brands and retailers with essential insights into shifting consumer behaviours and emerging trends shaping the upcoming holiday season.

ABOUT THIS SURVEY

This year's research was conducted in partnership with Swinburne University's CXI Research Group through an online survey held from 25 to 28 July 2024. The survey sampled 500 Australian consumers planning to purchase gifts this Christmas, providing a representative cross-section of the nation's holiday shopping intentions.

RESIDENTIAL LOCATION

NSW 32%	**QLD** 16%	**WA** 9%	**ACT** 3%
VIC 29%	**SA** 9%	**TAS** 3%	**NT** 0%

NT is excluded from this analysis due to insufficient sample size.

GENDER AND AGE

MALE 53%
FEMALE 46%

18-34 31% **35-54** 39% **55+** 29%

1% Other / Prefer not to answer.

Note: The 2018 to 2024 State of Customer Experience surveys have been undertaken by the CXI Research Group, Swinburne University. 2016 and 2017 surveys were undertaken by the ACRS, Monash University.

KEY FINDINGS
CHRISTMAS 2024 SHOPPING INTENTIONS

SPEND

76% intend to spend the same or more this Christmas than last year (vs. 68% in 2023).

Australians plan to **spend an average of $660** on Christmas gifts this year (+10% YOY).

70% of survey respondents report sales promotions and discounts will be the primary factor influencing their Christmas shopping decisions this year.

TIMING

63% of consumers will do their Christmas shopping in November (vs. 53% in 2023).

Late November is the most popular time for Christmas shopping (37%). It has become the peak Christmas shopping period for the first time in nine years running the survey.

67% plan to shop for holiday gifts at key sales events, with **Black Friday (60%) and Cyber Monday (30%)** being the most popular.

FORMATS

89% of consumers plan to use both physical and online channels to shop for Christmas gifts (vs. 83% in 2023).

Online marketplaces are the top choice for Christmas gift buying at 69%, followed by department stores at 59%.

During Cyber Weekend sales events, Aussies are more likely to **shop online** (83%) **than in physical stores** (30%).

SHOPPING LIST

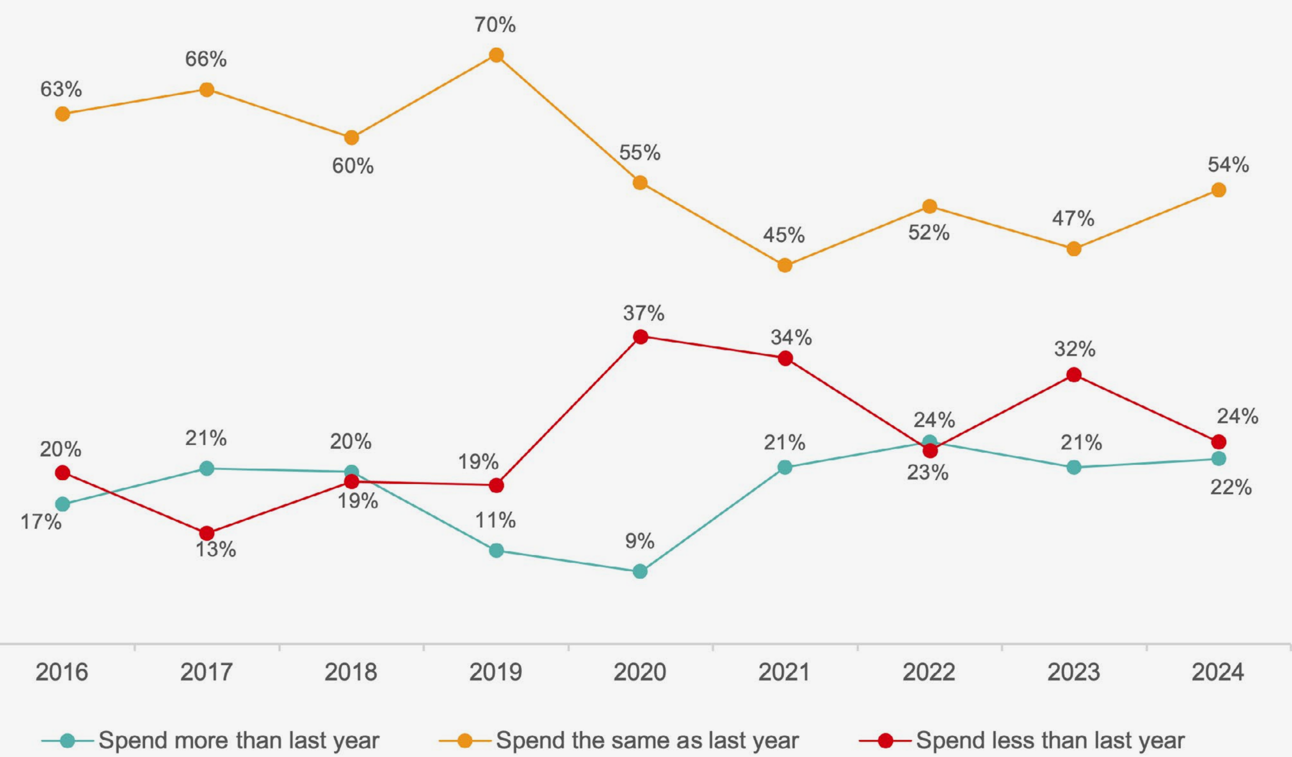
Top gifts for Christmas 2024:
- Clothing and shoes (47%)
- Books (46%)
- Gift cards/Gift certificates (45%)

Clothing and shoes are popular with those aged **18-34** (58%), while **books** are popular with those aged **35-54** (56%).

While **gift cards and electronics remain a favoured option**, they've been overtaken by clothing and shoes, and books, as the top holiday gifts this year.

CHRISTMAS
SPENDING PLANS

Q: How will your total Christmas spending this year compare with last year?



KEY INSIGHTS

Over three-quarters (76%) of holiday shoppers intend to spend more or the same as last year (vs. 68% in 2023).

A majority of shoppers (54%) expect to spend about the same as in 2023, marking a 7% increase in consumers sticking to their budget.

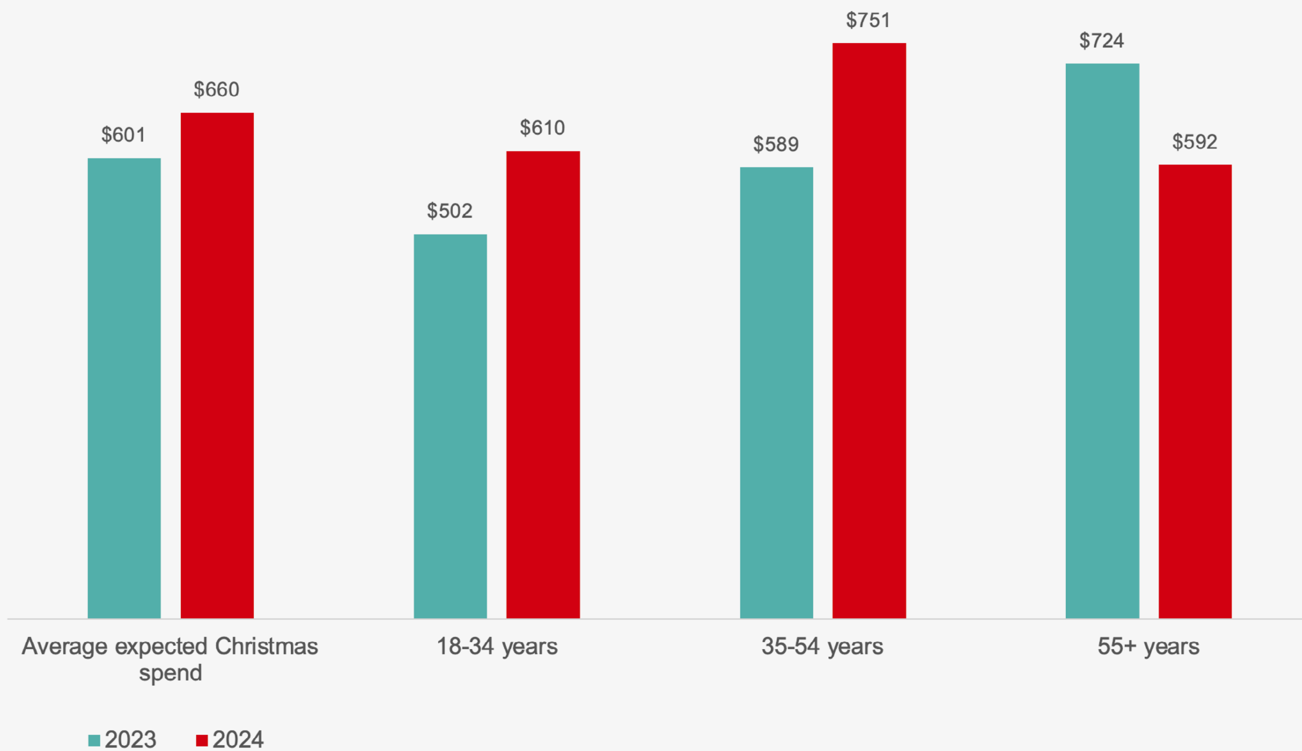
In a positive sign for brands and retailers, across all age groups, the proportion of shoppers intending **to spend less has decreased** by 8% compared to 2023. Meanwhile, a **slightly higher** number of consumers are planning to **increase their spending** this Christmas (+1%).

Looking at Christmas spending intentions by generation, the **younger age group (18-34) continues to lead in increased spending intentions**, with 28% planning to spend more this Christmas (+4%), continuing a nine-year trend.

Note: Sample size = 500

AVERAGE SPEND
ON HOLIDAY GIFTS BY AGE GROUP

Q: What is your expected total spending for Christmas this year?



KEY INSIGHTS

Australians are expected to spend an average of $660 on Christmas gifts this year, up 10% compared to 2023.

2024 Christmas spending trends differ across age groups, with **shoppers aged 35-54** expected to **spend the most on Christmas presents** this year, at an estimated **$751** - 14% more than the national average and 18% increase from 2023.

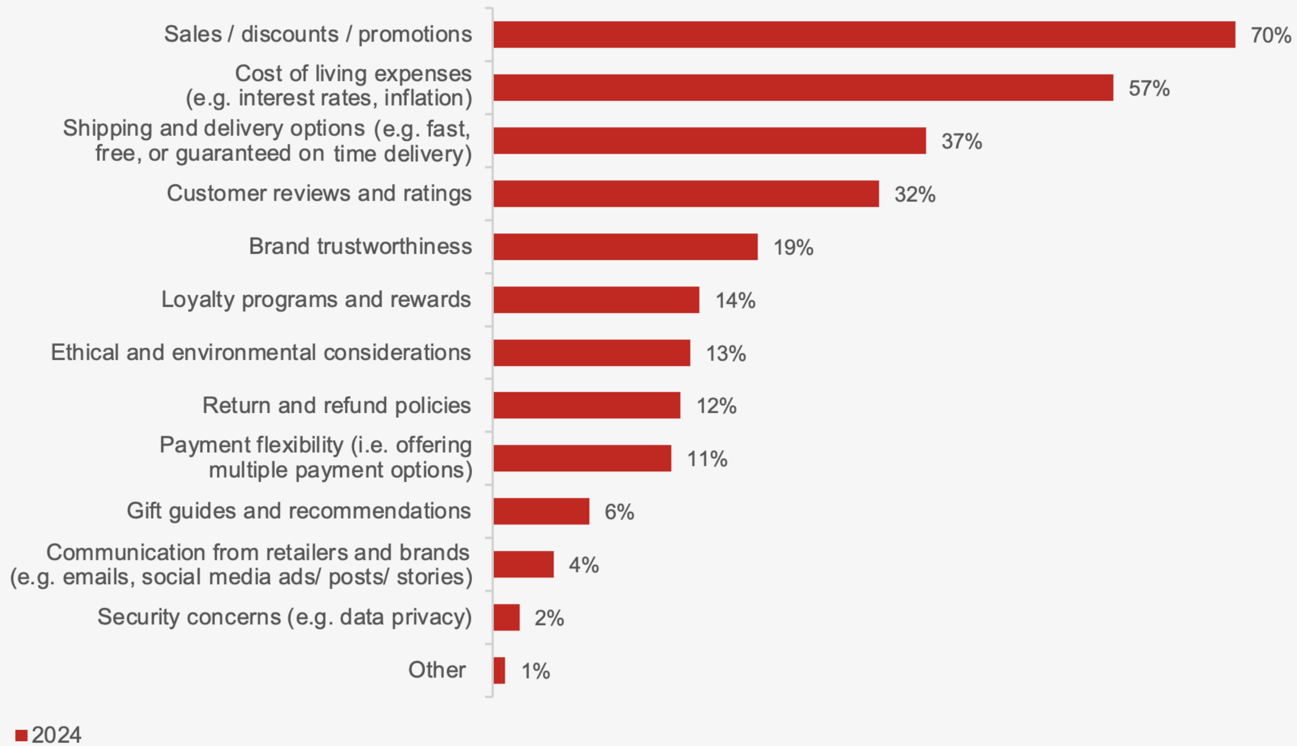
In contrast, **older consumers (55+)** plan to **spend the least**, averaging **$592** on Christmas gifts, down significantly compared to Christmas 2023 (-18%).

One possible reason for the reduced spending of the older cohort may be the higher likelihood of over 55s being retired and on fixed incomes, such as pensions, superannuation or investments, which leaves these older shoppers more susceptible to cost-of-living pressures.

Note: Sample size = 500

KEY DRIVERS
OF CHRISTMAS SHOPPING

Q: Which are the top three factors that will influence your Christmas shopping decisions this year?



KEY INSIGHTS

Our survey results show that for Christmas 2024, consumers are going to be highly price sensitive.

The most significant factor influencing holiday shopping decisions this Christmas season are sales, discounts & promotions, with **70% of respondents** listing this as one of their top three influences.

Strongly related to this, **the second most significant factor is the cost of living**, which is influencing **57% of shoppers across all age groups**. Among those aged 35-54, 65% believe that the cost of living will heavily impact their Christmas shopping choices.

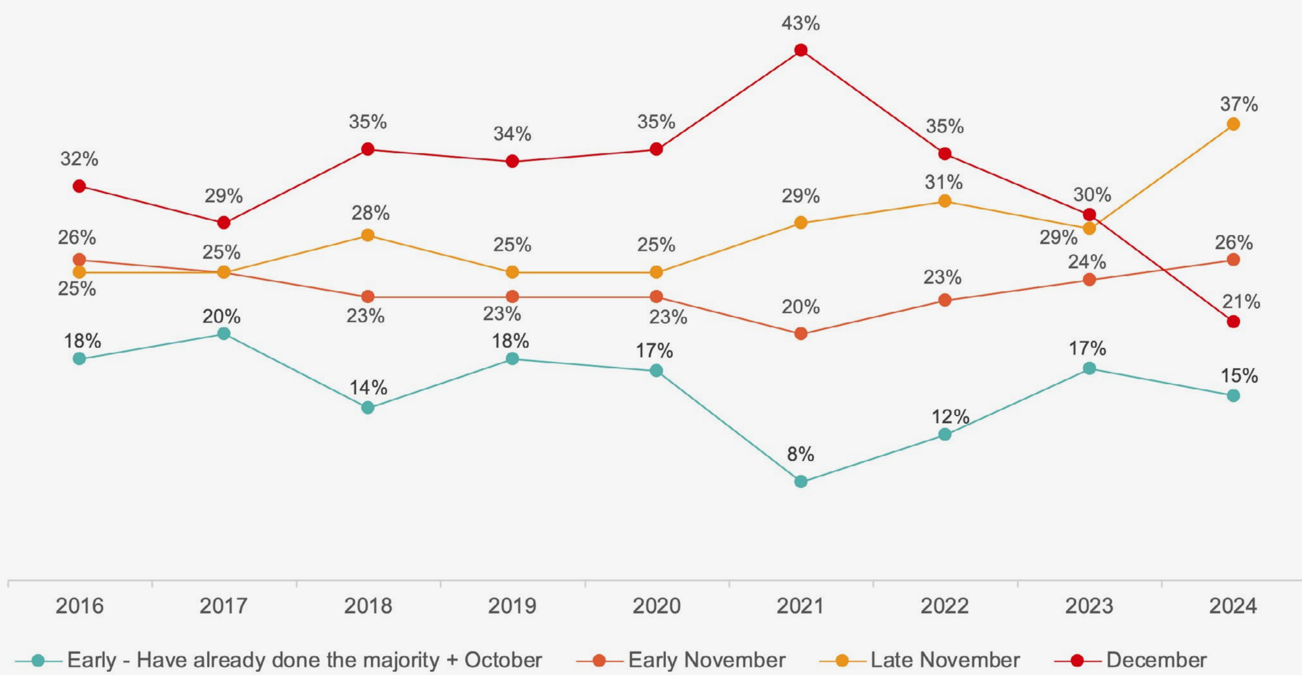
Australians are looking for more than just a bargain during the 2024 holiday season. **Shipping and delivery options** (37%) are also an important factor that will influence shoppers' gift purchases this holiday season.

As cost-of-living concerns grow, this holiday season is shaping up to be fiercely competitive, with shoppers on the hunt for lower prices and discounts.

Note: Sample size = 500

WHEN CONSUMERS
PLAN TO SHOP

Q: During which one of the following time periods do you plan to do most of your Christmas shopping?



KEY INSIGHTS

November remains the most popular month for holiday shopping across all age groups, with **63%** of consumers planning to shop then – up 10% from 2023. Shoppers aged **18-34** show the **strongest preference**, with 70% planning their purchases in November.

Late November is preferred by 37% of shoppers, compared to 26% for early November, and has emerged as **the peak Christmas shopping period** for the first time in nine years running the survey. This shift may reflect the rising influence of Cyber Weekend sales, now a crucial money-saving element of consumers' Christmas plans, alongside a declining trend in December shopping.

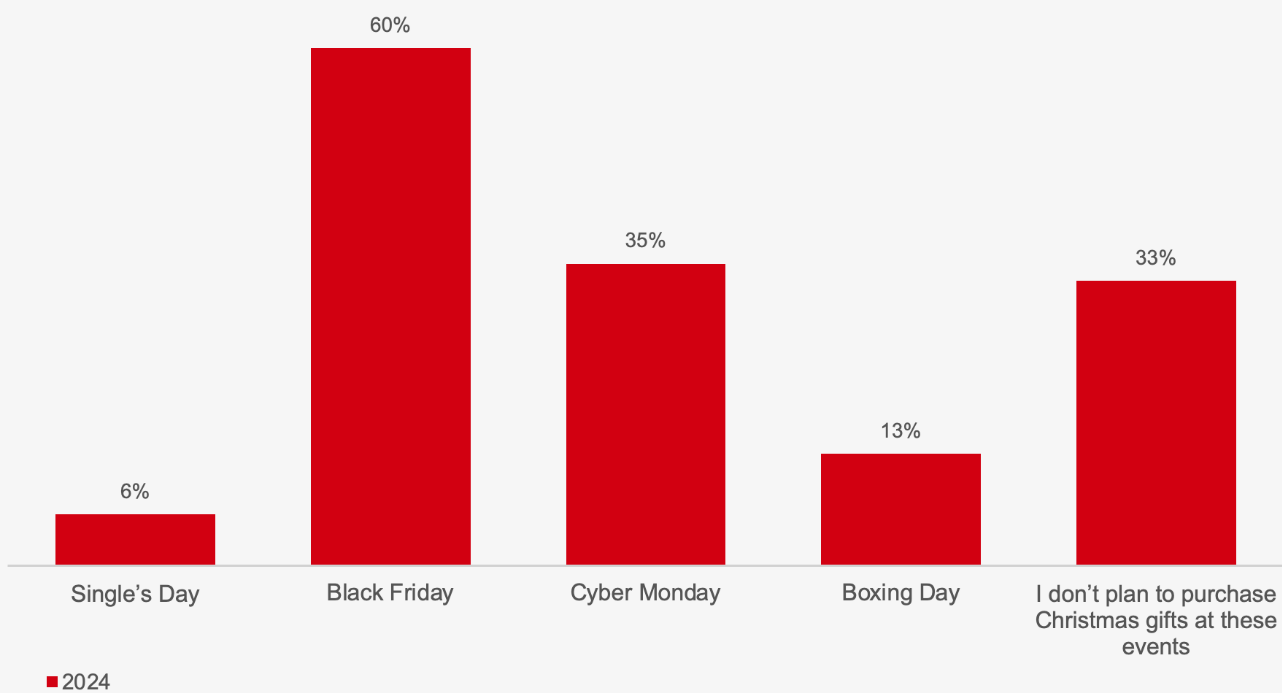
By the end of November, 78% of Australian shoppers will have **completed their Christmas shopping** – a 12% increase compared to the long-term average (2016-2023).

December shopping continues to decline, with only 21% planning to shop during this month, down from a 34% long-term average (2016-2023). Additionally, fewer consumers plan to finish shopping by October, likely waiting for better deals later in the season.

Note: Sample size = 500

SALES EVENTS
CHRISTMAS PURCHASING PLANS

Q: At which of the following sales events do you plan to do your Christmas shopping this year?



KEY INSIGHTS

For Christmas 2024, a majority of Australian consumers will align their gift shopping with sales events.

Two-thirds of Australian consumers (67%) intend to **shop for holiday gifts** during **sales events**. Younger consumers, particularly those aged 18-34, are driving this trend, with 82% intending to shop for gifts during sales events.

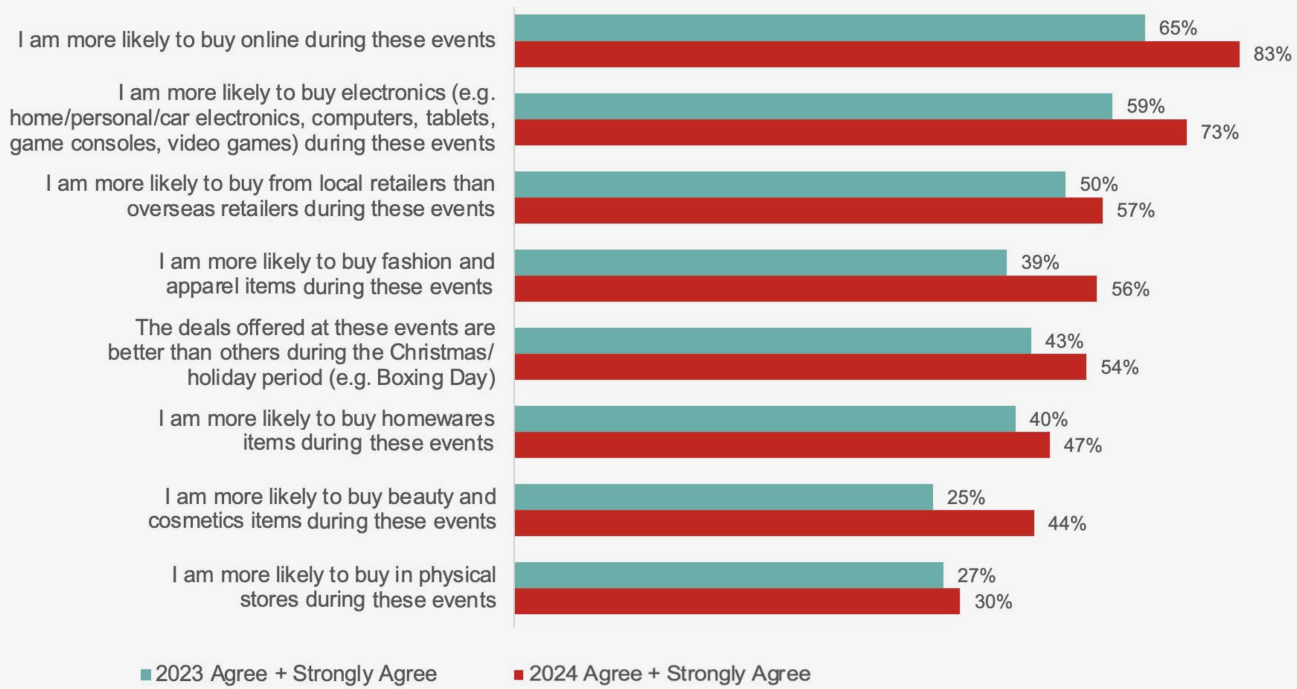
Black Friday emerges as the **most popular sales event for holiday shopping**, with 60% of respondents planning to purchase presents during this event. Cyber Monday follows at 35%, highlighting that Cyber Weekend (Black Friday and Cyber Monday combined) is set to be the leading sales event for Christmas gifts this year.

Sales events, particularly the Black Friday and Cyber Monday four-day shopping period, will play a key role in shaping Christmas shopping behaviours this year as many consumers hold out for the best possible prices for their holiday purchases.

Note: Sample size = 500

CYBER WEEKEND
HOLIDAY SHOPPING TRENDS

Q: Thinking about this year's Black Friday and Cyber Monday sales events and your Christmas shopping, to what extent do you agree or disagree with the following statements?



KEY INSIGHTS

In an environment where shoppers are prioritising good deals to make their Christmas shopping dollar go further, Australians are increasingly being drawn to pre-Christmas bargains, with **54%** saying that **Cyber Weekend deals are better** than those of other holiday sales events like **Boxing Day**, an 11-point increase over 2023.

Online is the dominant channel for Black Friday and Cyber Monday sales events, **with 83% of respondents indicating they will be more likely to shop online, vs 30% being more likely to shop in physical stores**.

In terms of purchases, **electronics** remain the top Black Friday and Cyber Monday choice for 73% of respondents, up 14% on 2023. This is followed by fashion and apparel (56%, up 17% on 2023).

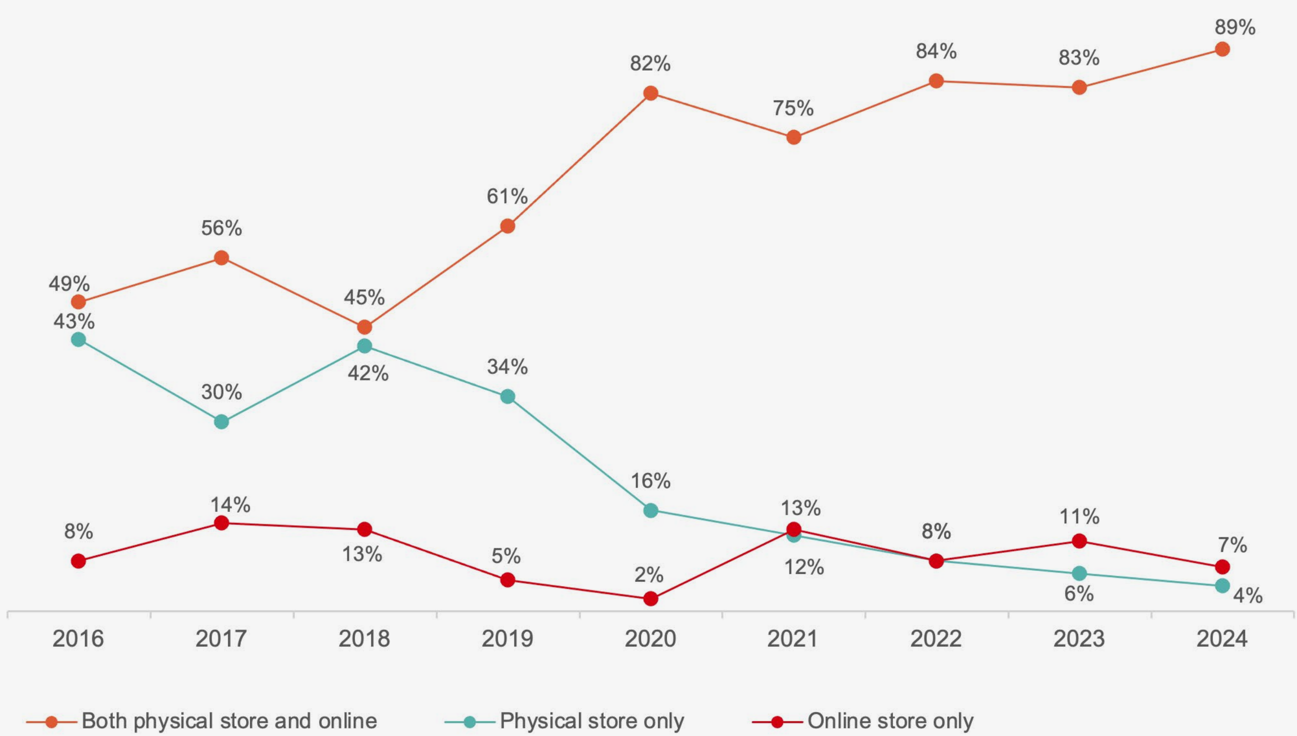
The likelihood of respondents purchasing beauty and cosmetics **rose 19 points** from 2023's results to 44%.

In good news for local retailers, a majority of consumers (57%) show a preference for **buying from local retailers** rather than from overseas.

Note: Sample size = 336 respondents planning to purchase Christmas gifts at sales events

SHOPPER
CHANNEL PREFERENCES

Q: What proportion of your Christmas shopping do you plan to complete through the following channels?



KEY INSIGHTS

The 2024 Christmas shopping season is set to be more omnichannel than ever.

Across all age groups, Australian shoppers are increasingly taking an omnichannel approach when shopping for holiday gifts, with **89%** of respondents **intending to shop both online and in-store for their Christmas gifts** (up 6% from 2023).

After a pandemic-driven surge in 2021, online-only shopping is stabilising, returning to pre-COVID levels, with only 7% of shoppers exclusively using online channels this year, down from 11% in 2023.

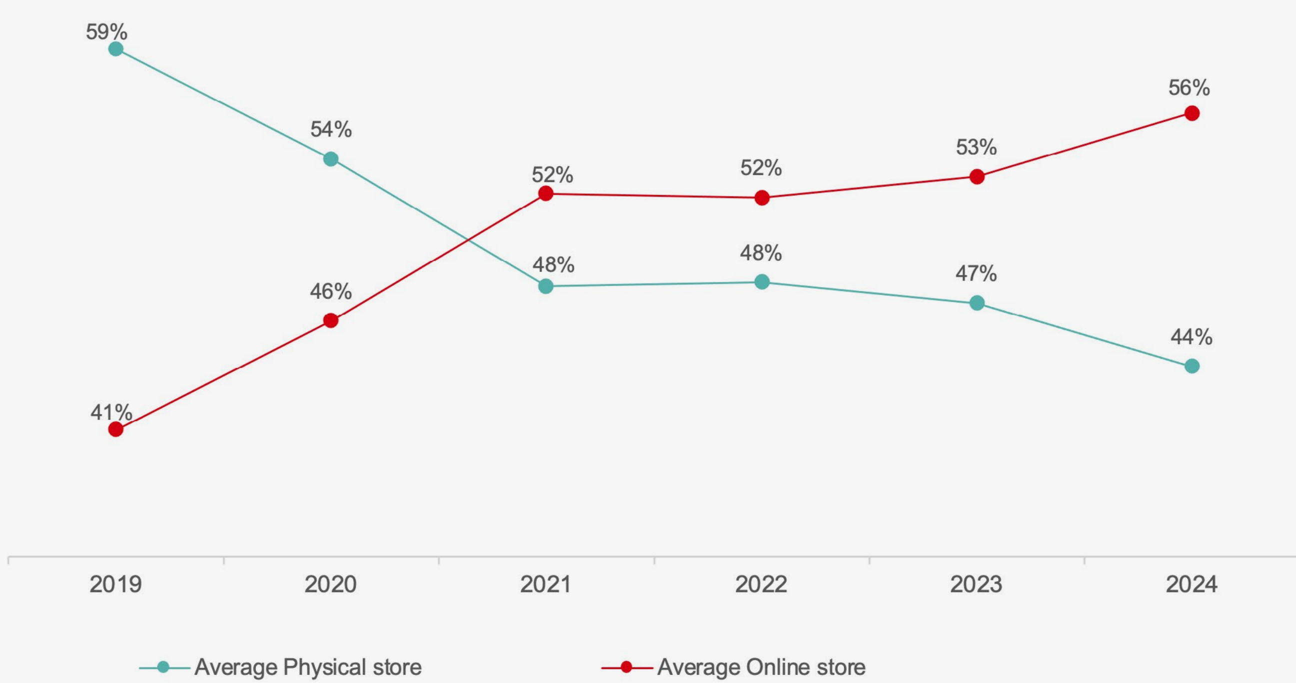
As consumers embrace multiple channels for their gift shopping this Christmas, physical store-only shoppers continue a long-term decreasing trend. In 2024, just 4% of respondents plan to shop solely in physical stores, a sharp drop from the long-term (2016-2023) average of 24%.

These data show an **enduring post-2020 shift in Australia towards omnichannel shopping** for Christmas, underscoring **the importance of an integrated omnichannel strategy** for brands and retailers this holiday season.

Note: Sample size = 500

SHOPPER
CHANNEL PREFERENCES

Q: What proportion of your Christmas shopping do you plan to complete through the following channels?



KEY INSIGHTS

For Christmas 2024, the proportion of physical store and online purchases among omnichannel shoppers shows notable shifts compared to 2023.

Of the 89% of shoppers planning to use an omnichannel approach for their Christmas shopping, 56% of purchases are expected to occur online, while 44% will occur in physical stores. This marks a small 3% increase in online shopping and a corresponding 3% decline in physical store use from last year.

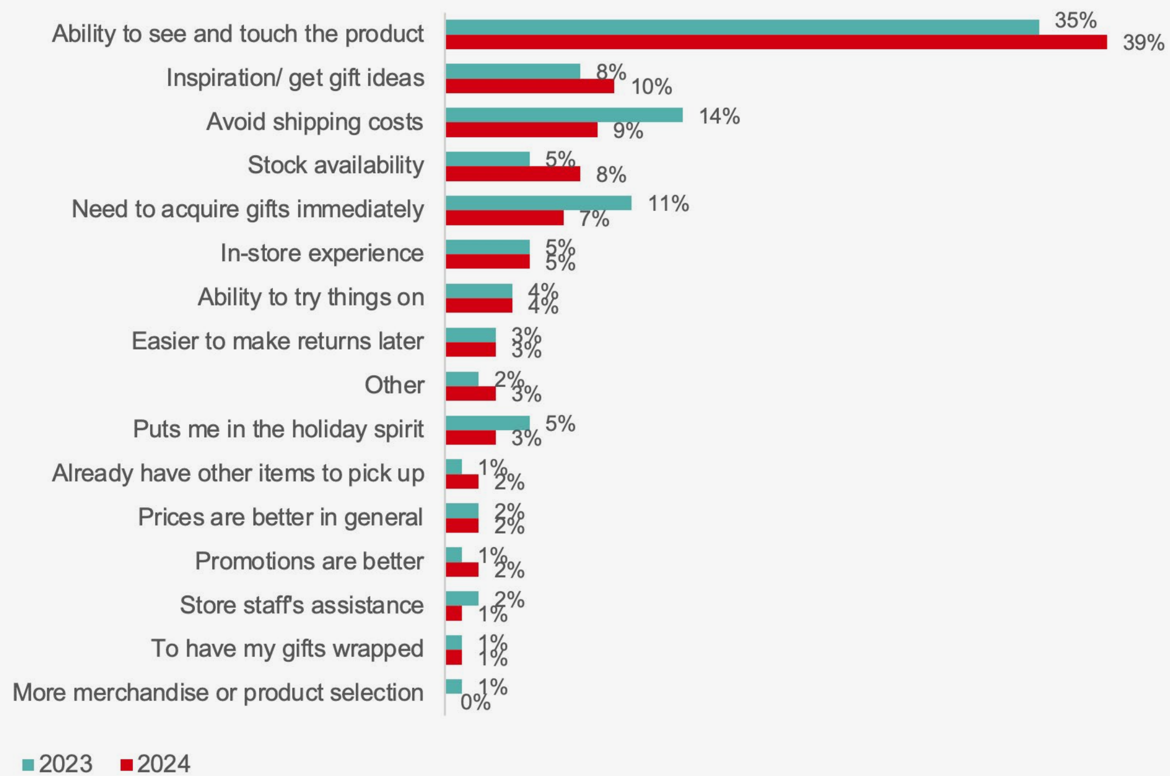
When combining physical store-only shoppers and omnichannel shoppers, **44% of Christmas shopping is expected to occur in physical stores.**

Despite a small decline in physical store shopping for Christmas gifts, and the dominance of omnichannel shopping, physical stores remain a key component of Australians' holiday shopping plans.

Note: Sample size = 443

TOP REASON
FOR SHOPPING IN STORE

Q: What is your main reason for shopping in a physical store this Christmas?



KEY INSIGHTS

For Christmas 2024, the main reasons for shopping in a physical store this are **largely unchanged from last year.**

By a large margin, the ability to see and touch products remains the primary reason consumers choose in-store shopping over online.

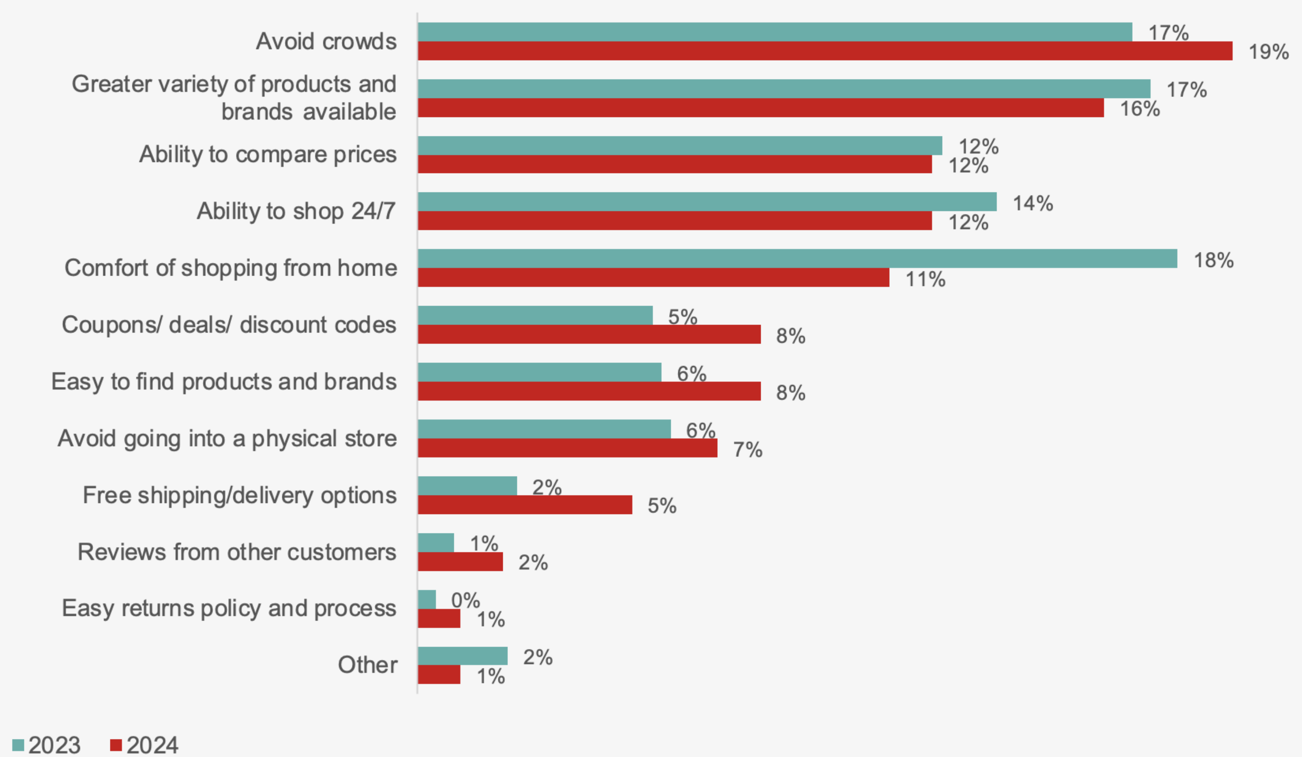
Holiday shoppers are also motivated by the opportunity to **get inspiration and gift ideas**, which has risen by 2% to become the second most important reason. Meanwhile, **avoiding shipping costs**, which ranked second in 2023, has dropped by 5%, now placing third.

As consumers head to physical stores for their holiday gift shopping, they expect these spaces to **inspire them** and offer the **tangible experiences** that online shopping cannot provide. Capitilising on these insights, brands and retailers can take full advantage of the opportunity to **provide shoppers with the consumer experiences they are looking for**; ones that will build and reinforce their loyalty and **keep them coming back**.

Note: Sample size = 464

TOP REASON
FOR SHOPPING ONLINE

Q: What is your main reason for shopping online this Christmas?



KEY INSIGHTS

Unlike the one dominant reason for shopping in-store, the **reasons given for shopping online are much more diverse**.

Avoiding crowds is the top reason Australians will shop online for Christmas gifts this year, with **19% of consumers citing it as their primary motivation**.

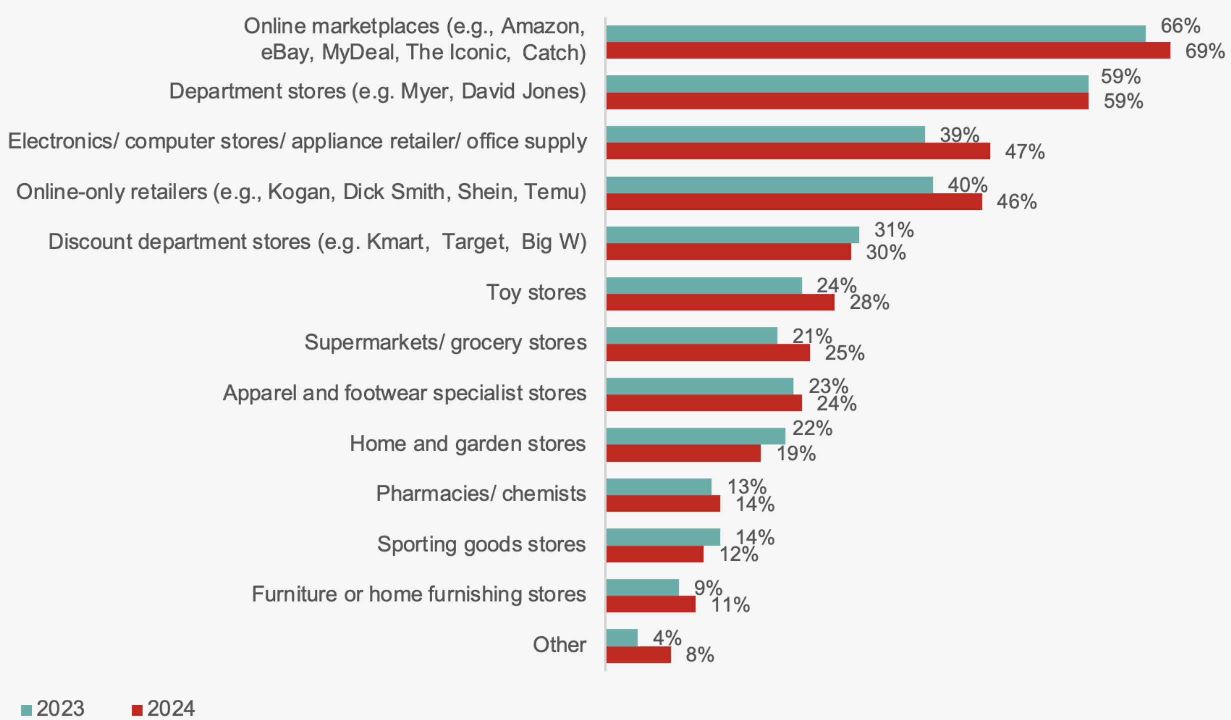
The next four most cited reasons – **variety of products; price comparisons; 24/7 shopping; and shopping from home** – can be summarised as 'convenience' factors. Online shopping offers a range of convenience-oriented benefits (e.g. efficiency, comfort) to time-poor shoppers that physical stores will struggle to match. Having said that, with almost 9 in 10 Australians identifying as omnichannel shoppers, brands and retailers can benefit from a consistent and seamless experience between their physical stores and online channels.

The most significant shift from last year is the **drop in importance of the 'comfort of shopping from home'**, decreasing from 18% to 11%, and falling from first to fifth place.

Note: Sample size = 479

CHRISTMAS
SHOPPING FORMATS

Q: At which of the following shopping formats do you plan to buy Christmas gifts?



KEY INSIGHTS

Online marketplaces continue to be the top choice for Christmas gift buying this year.

The most preferred retail formats for holiday shopping this year are **online marketplaces** such as Amazon, eBay, Catch, and The Iconic (69%), followed closely by **department stores** at 59%.

Notable shifts since 2023 include an **8% increase** in shoppers intending to buy from **electronics, computer, appliance, and office supply stores** (47%) and a **6% rise** in those favouring **online-only retailers** like Kogan, Dick Smith, Shein, and Temu (46%).

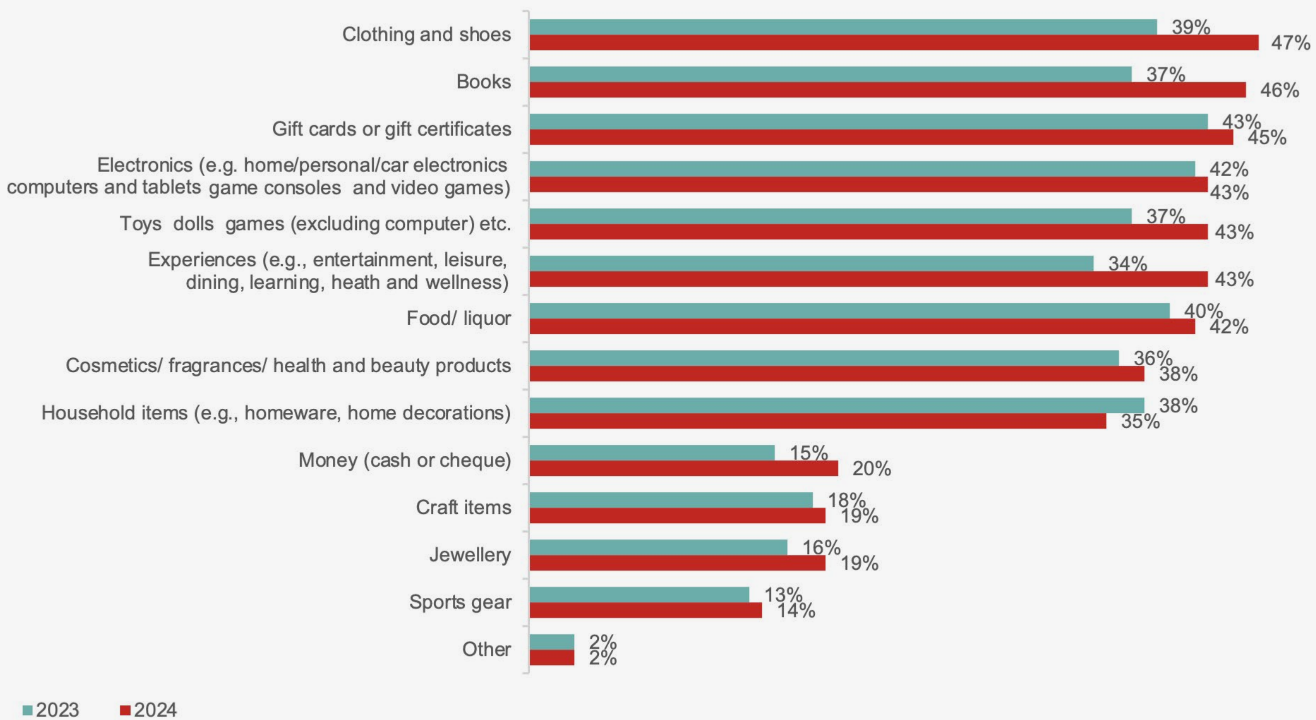
Conversely, sporting goods stores (12%) and furniture or home furnishing stores (11%) remain the least popular formats for holiday shopping.

The 2024 season highlights consumers' strong omnichannel preferences, with many planning to use multiple retail formats for their Christmas gift purchases.

Note: Sample size = 500

PURCHASE PLANS
FOR PRESENTS

Q: Which of the following types of gifts do you plan to buy this Christmas?



KEY INSIGHTS

Top gifts for Christmas 2024:

- Clothing and shoes
- Books
- Gift cards or gift certificates

This year's Christmas shopping lists reveal significant shifts compared to 2023 and previous years.

The biggest change is the increased intention to buy clothing and shoes (+8%), books (+9%), and experiences (+9%) this Christmas.

For the first time in nine years, **clothing and shoes** have emerged as **the most popular gift** choice among consumers, closely followed by books. **Younger shoppers (18-34) are particularly driving this trend**, with 58% planning to purchase clothing and shoes.

While **gift cards and electronics remain a favoured option**, they've been overtaken by clothing and shoes, and books, as the top holiday gifts this year.

Note: Sample size = 498

STRATEGIC RECOMMENDATIONS
WINNING THE 2024 HOLIDAY SEASON

Understanding and adapting to shifting consumer behaviours is essential for retailers and brands aiming to capture Christmas shoppers in 2024. Emphasising attractive deals, engaging customers early, and offering omnichannel convenience are essential strategies for maximising sales and enhancing customer engagement during this critical trading period. Aligning these strategies with current consumer trends will position brands to capture a greater share of the holiday market.

GET AHEAD OF EARLY HOLIDAY SHOPPERS

With November shopping on the rise, early planning and execution are crucial. Brands and retailers should focus on refining their Christmas campaigns now, ensuring that marketing messages, promotions, and product availability meet the needs of early-bird shoppers, especially leading up to Cyber Weekend sales. Timely communication will be essential to grabbing attention among holiday consumers and driving pre-season sales.

APPEAL TO PRICE-SENSITIVE SHOPPERS

As economic challenges continue to shape consumer behaviour, price sensitivity is at an all-time high. This Christmas season will see fierce competition, driven largely by the hunt for discounts and better deals. While competing on price can impact margins, offering additional value through enhanced service experiences, such as in-store brand ambassadors and Virtual Product Advisors can differentiate brands and expand reach, meeting consumers' needs without compromising profitability.

STRATEGIC RECOMMENDATIONS
WINNING THE 2024 HOLIDAY SEASON

OMNICHANNEL SHOPPING REIGNS SUPREME

The 2024 Christmas season underscores strong omnichannel preferences, with many shoppers using multiple retail formats for holiday purchases. Consistent and connected customer experience across all channels is critical to not only meeting holiday consumers' expectations, but also enhances sales opportunities by providing convenience and flexibility.

MAXIMISE CYBER WEEKEND OPPORTUNITIES

The prominence of late November shopping, driven by sales events like Black Friday and Cyber Monday, has reshaped the holiday retail landscape, making this period the new peak shopping season. Retailers and brands of all sizes must prepare both online and physical channels to capitalise on this trend, ensuring readiness for a sales surge that could define the holiday season.

INSIGHTS
BROUGHT TO YOU BY

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If you would like further information regarding the 2024 Christmas Shopping Intentions research, please contact us.

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