

# Holiday Shopping 2022

DEAL OR  
NO DEAL 



## PYMNTS

**PYMNTS** is where the best minds and the best content meet on the web to learn about “What’s Next” in payments and commerce. Our interactive platform is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of this dynamic sector and make news. Our data and analytics team includes economists, data scientists and industry analysts who work with companies to measure and quantify the innovation that is at the cutting edge of this new world.

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## Holiday Shopping 2022



# INTRODUCTION

**B**lack Friday successfully captured holiday spend from consumers on the hunt for deals. However, driving sales will be much harder for the remainder of the season — many deal-hunters have already made their purchases, and many shoppers have smaller budgets. Fewer consumers say they plan to buy any holiday gifts this year.

Deal Or No Deal: The 2022 Holiday Shopping Report, PYMNTS' latest study into how consumers intend to shop this holiday season, reveals that many hope payments and credit options might help stretch tight holiday budgets. We surveyed a census-balanced panel of 3,074 consumers about their plans for the holiday shopping season to learn the role Black Friday played in those plans — and what it means for the rest of the season.

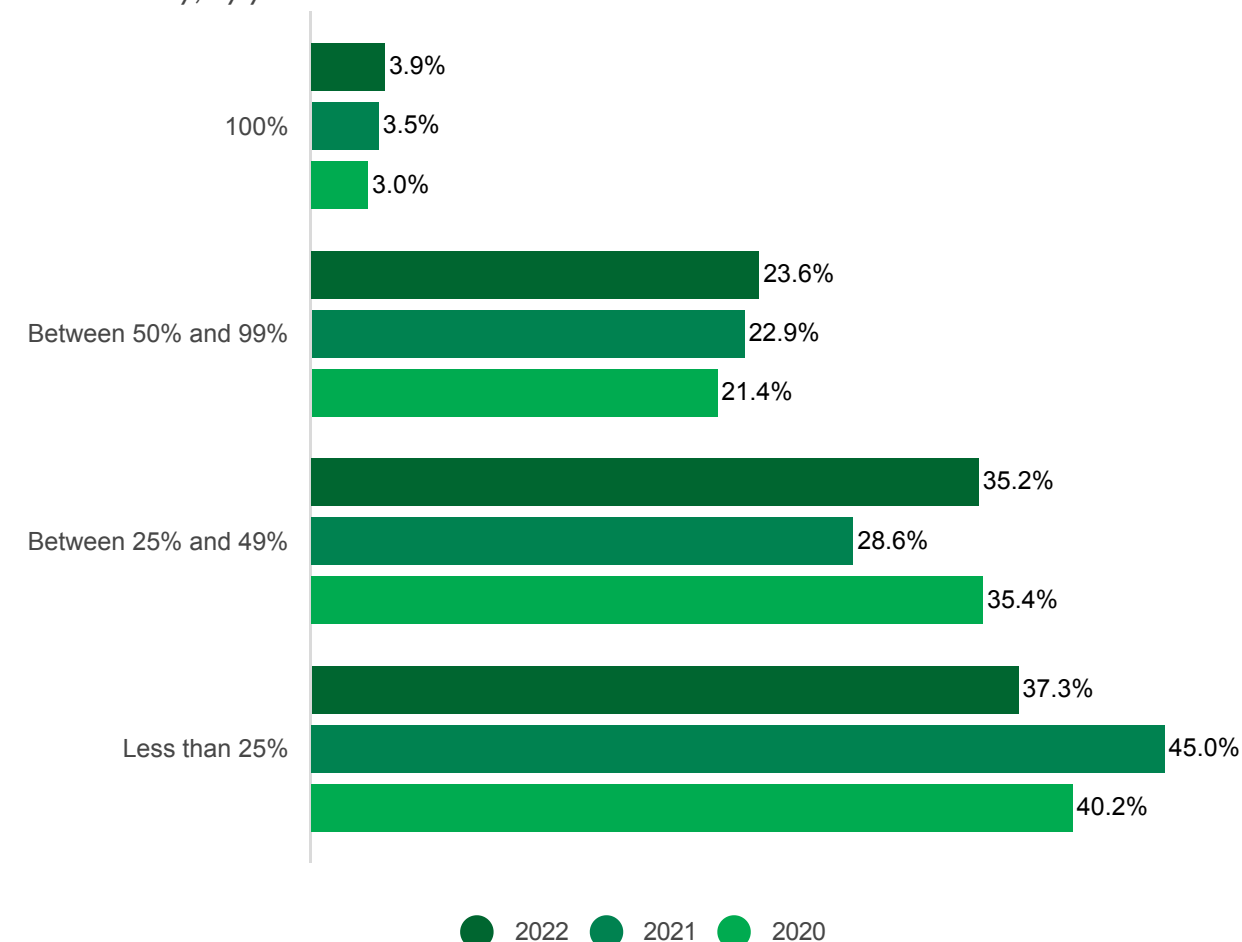
**This is what merchants need to know.**

**TWENTY-EIGHT PERCENT OF ALL HOLIDAY SHOPPERS PLANNED TO SPEND MORE THAN HALF OF THEIR TOTAL HOLIDAY SPEND ON BLACK FRIDAY THIS YEAR – MORE THAN IN 2021 AND 2020.**

In total, 38 million of the consumers who plan to shop for the holidays intended to spend more than half of their holiday budgets on Black Friday. Consumers would rather spend most of their money on a day when they know sales will be available than risk paying more later.

**Figure 1: Consumers' holiday spending plans**

Share of Black Friday shoppers who planned to make select portions of their total spend on Black Friday, by year



Source: PYMNTS

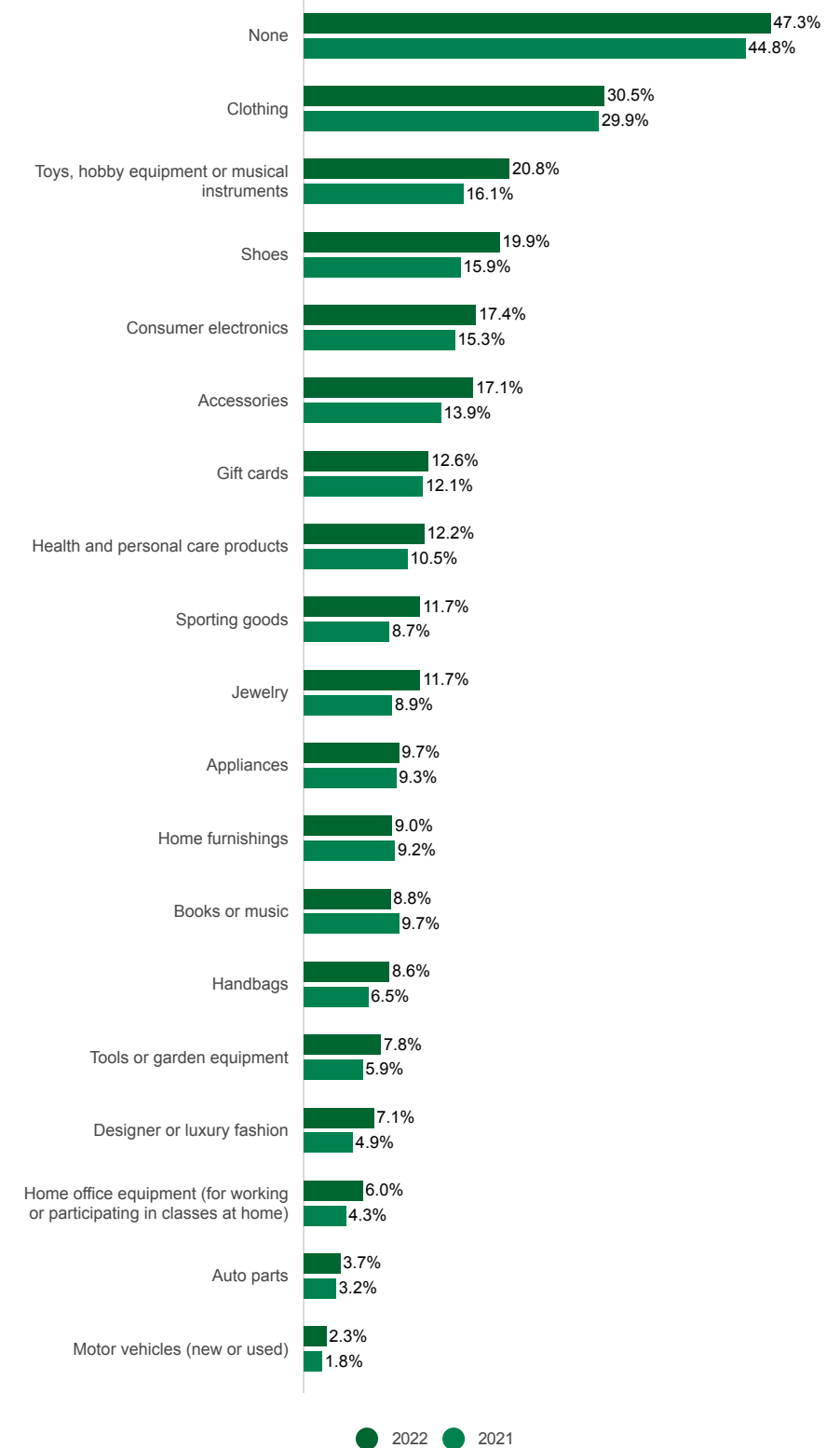
Deal Or No Deal: Holiday Shopping 2022, December 2022

N = 1,595: Respondents who made purchases on Black Friday, fielded Nov. 25, 2022 – Nov. 26, 2022

## BLACK FRIDAY DEALS PROMPTED CONSUMERS TO BUY MORE THAT DAY, LEAVING LESS TO SPEND IN THE WEEKS BEFORE CHRISTMAS.

The average Black Friday shopper bought items across 4.3 categories this year, compared to the 3.5 average last year, with clothing being the most common type of Black Friday purchase. Black Friday shoppers bought more of nearly every type of product than last year, with books and music being the only exception. With many holiday shoppers choosing to shop on Black Friday for the bulk of their purchases, merchants will have a more difficult time capturing any remaining spend.

**Figure 2: The types of purchases consumers made on Black Friday**  
Share of consumers who made purchases across select categories, by year



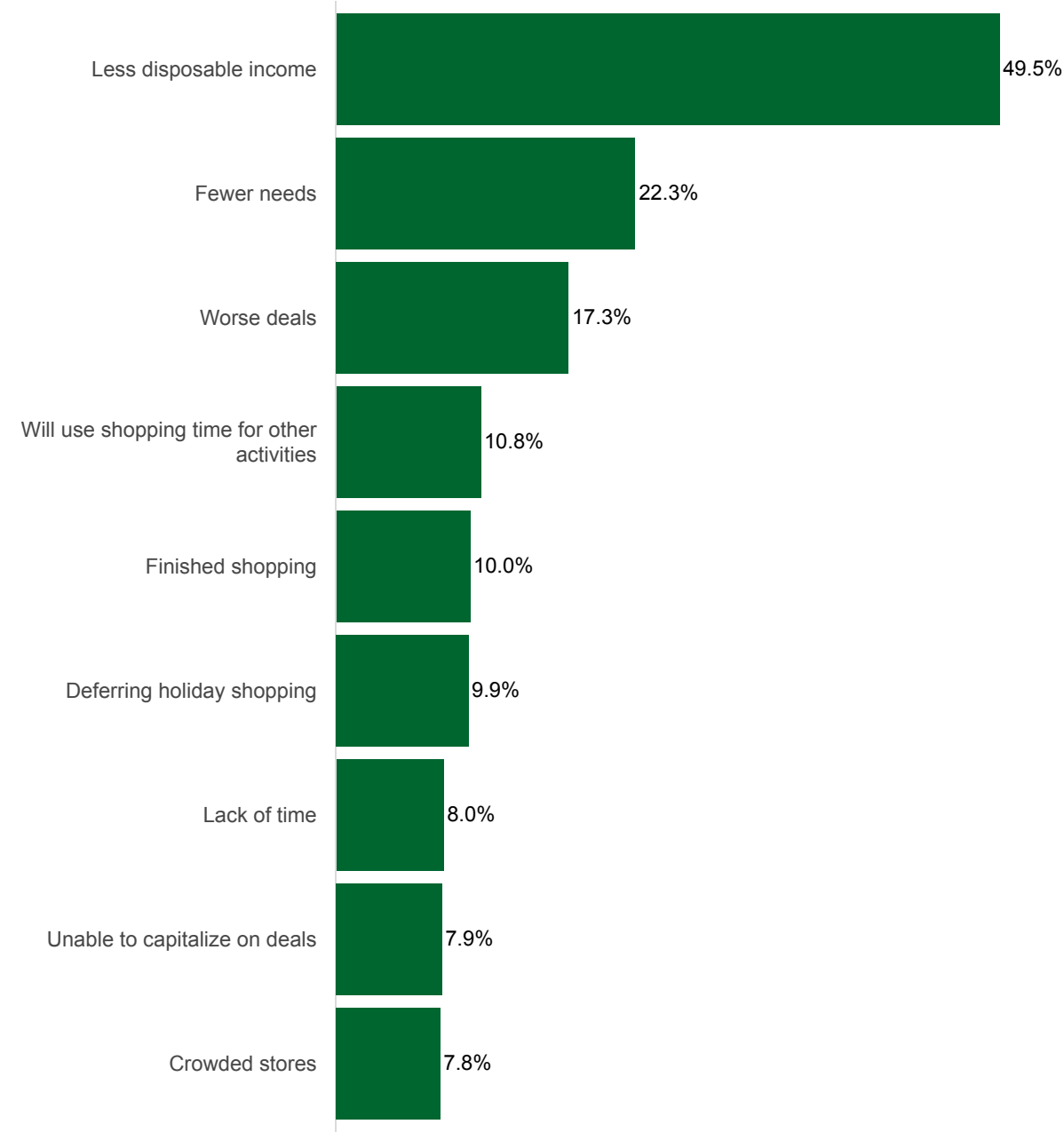
Source: PYMNTS  
Deal Or No Deal: Holiday Shopping 2022, December 2022  
N = 3,074: Whole sample, fielded Nov. 25, 2022 – Nov. 26, 2022

**HALF OF U.S. CONSUMERS ARE CUTTING BACK ON HOLIDAY SPENDING BECAUSE THEY DON'T HAVE THE MONEY TO SPEND.**

Fifty percent of consumers who are cutting back on holiday spending this year say they do not have the money to spend — twice as much as any other reason. Just 22% of holiday shoppers who are cutting back say it's because they have fewer needs, and just 17% say it's because they are seeing less attractive deals.

**Figure 3: Why some consumers plan to spend less this holiday season**

Share of holiday shoppers planning to spend less this holiday season for select reasons



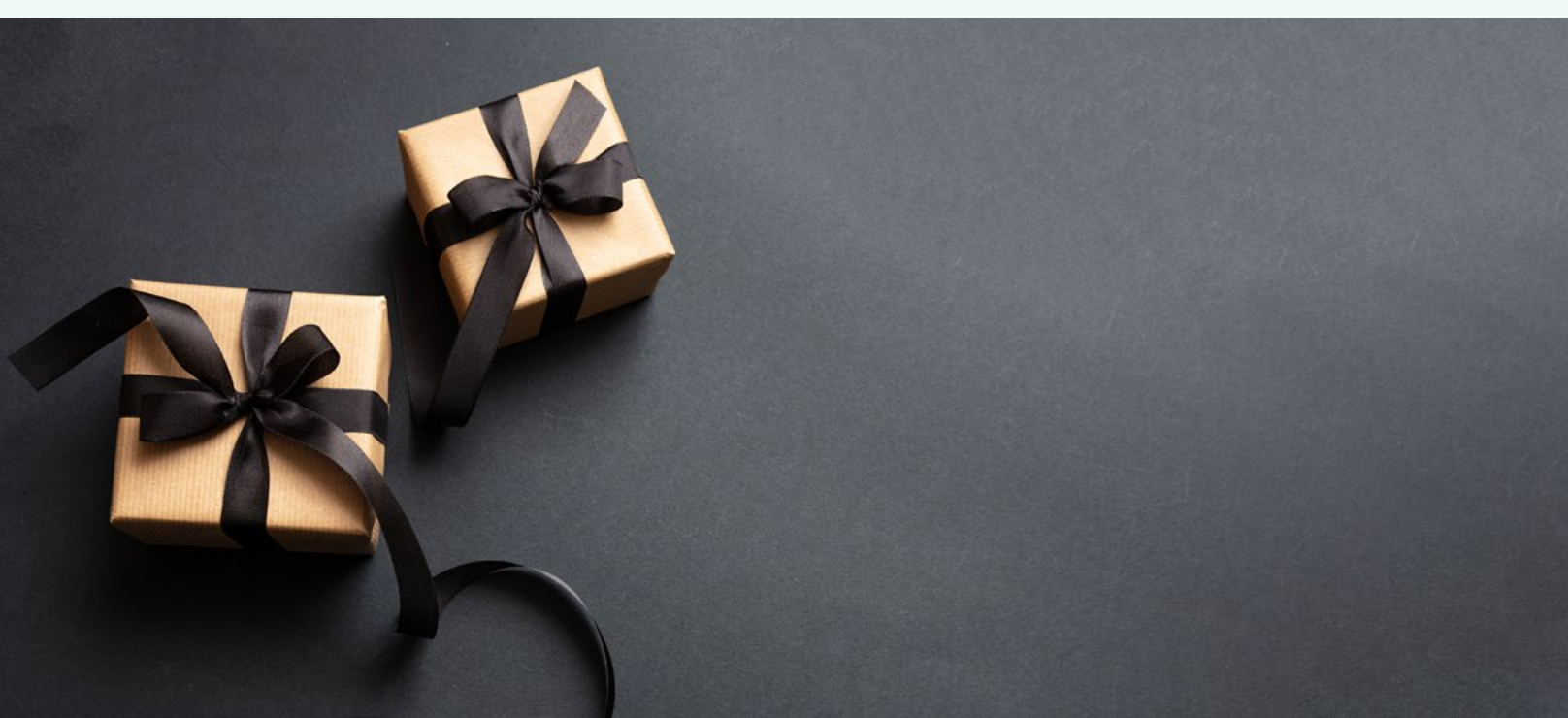
Source: PYMNTS

Deal Or No Deal: Holiday Shopping 2022, December 2022

N = 944: Respondents that expect to spend less this holiday season, fielded Nov. 25, 2022 – Nov. 26, 2022

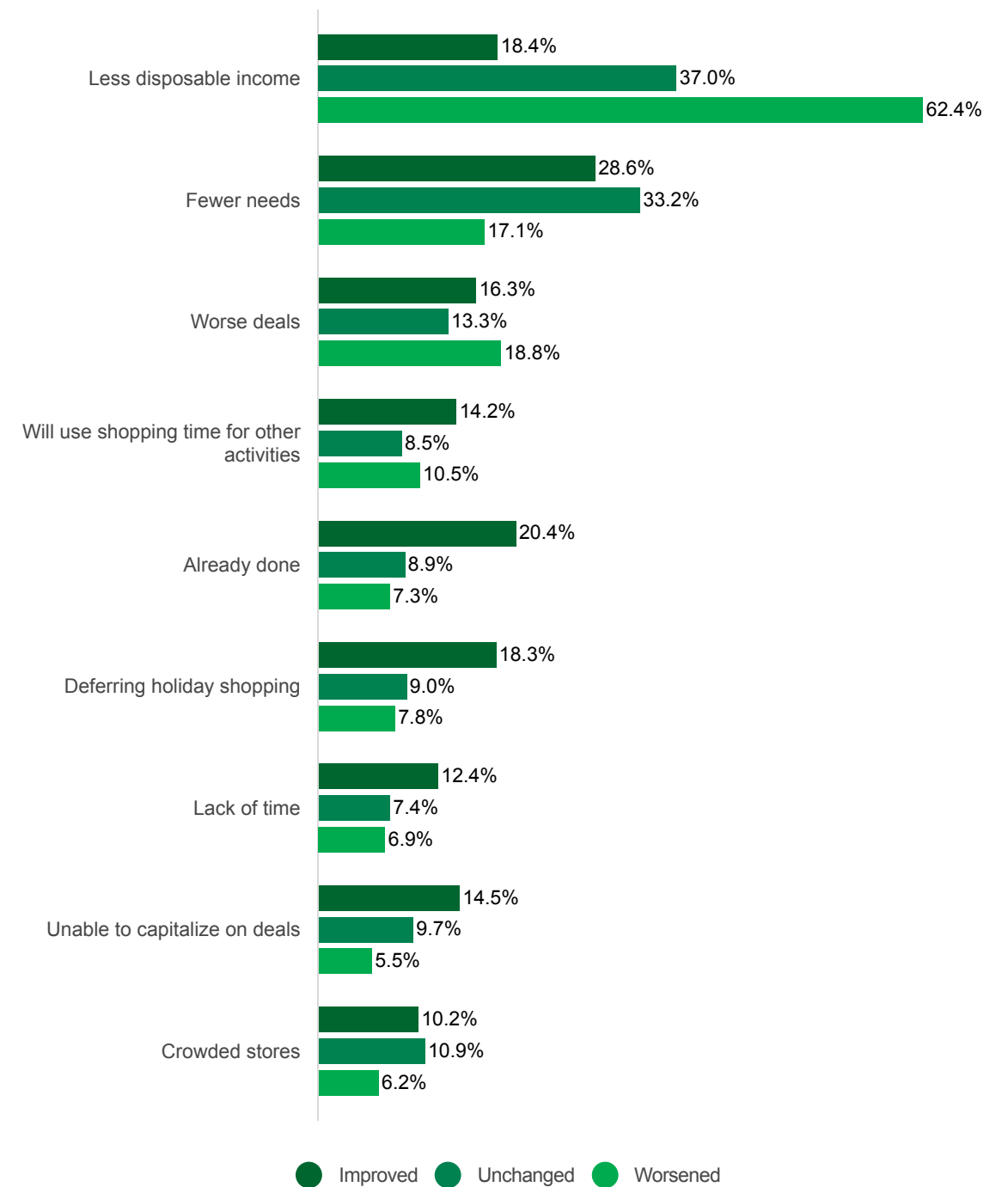
Cutting back on spending is an especially high priority for consumers whose incomes have trailed behind price increases. Among those whose incomes have not kept up with inflation, 62% intend to spend less on holiday shopping because they simply do not have the money for it. This share drops to 37% for those whose incomes have kept up with inflation and 18% for those whose incomes have increased faster than inflation.

THE INFLATION CRISIS IS FORCING HOLIDAY SHOPPERS TO TIGHTEN THEIR BELTS, PUTTING ADDED PRESSURE ON MERCHANTS TO SWEETEN THEIR HOLIDAY DEALS.



**Figure 4: Why consumers with different financial situations plan to spend less this holiday season**

Share of holiday shoppers planning to spend less this holiday season for select reasons, by how their income has changed compared to inflation



Source: PYMNTS

Deal Or No Deal: Holiday Shopping 2022, December 2022

N = 944: Respondents that expect to spend less this holiday season, fielded Nov. 25, 2022 – Nov. 26, 2022

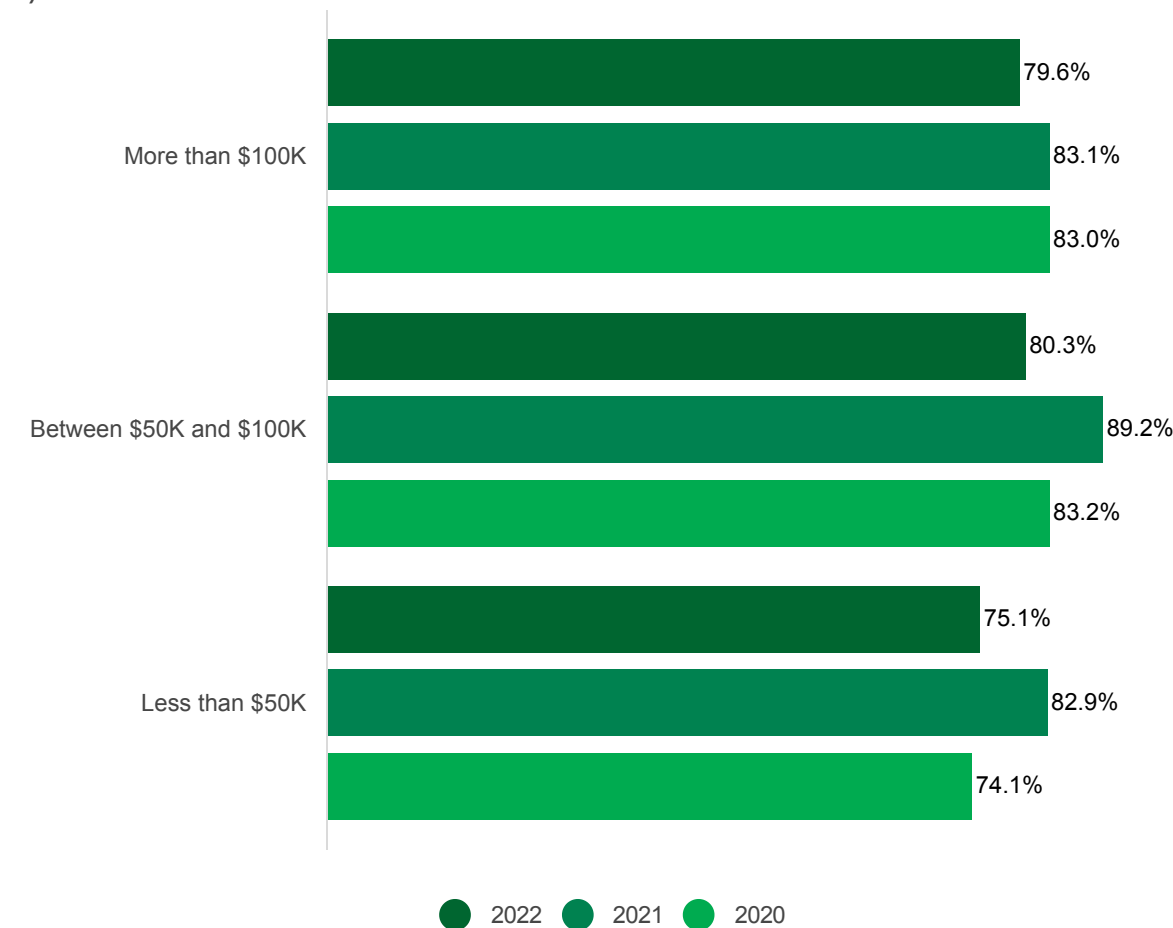
**COMPETITION TO WIN OVER HOLIDAY SHOPPERS WILL BE FIERCER THAN IN YEARS PAST BECAUSE THERE WILL BE FEWER SHOPPERS TO WIN OVER.**

Fifty-six million consumers plan to skip holiday shopping entirely this year — six million more than during the height of the pandemic in 2020.

A large portion of the consumers planning to skip holiday shopping are in the lowest income bracket, but one-quarter of low-income consumers also plan to opt out, as do 20% of middle and high-income consumers. High-income and middle-income consumers are even more likely than low-income consumers to cut back compared to how they shopped at the height of the pandemic.

**Figure 5: How many consumers plan to shop for the holidays**

Share of consumers in different income brackets planning to shop this holiday season, by year



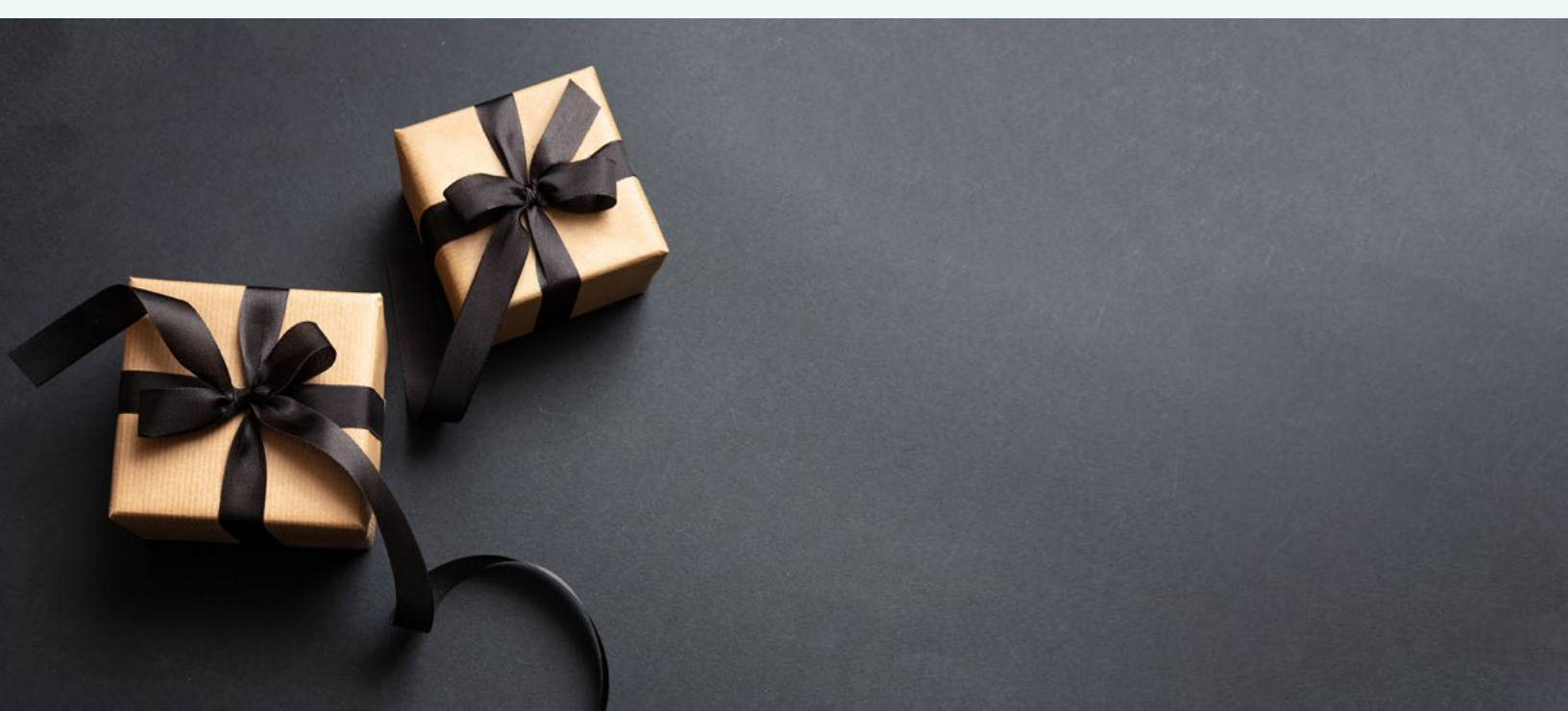
● 2022 ● 2021 ● 2020

Source: PYMNTS

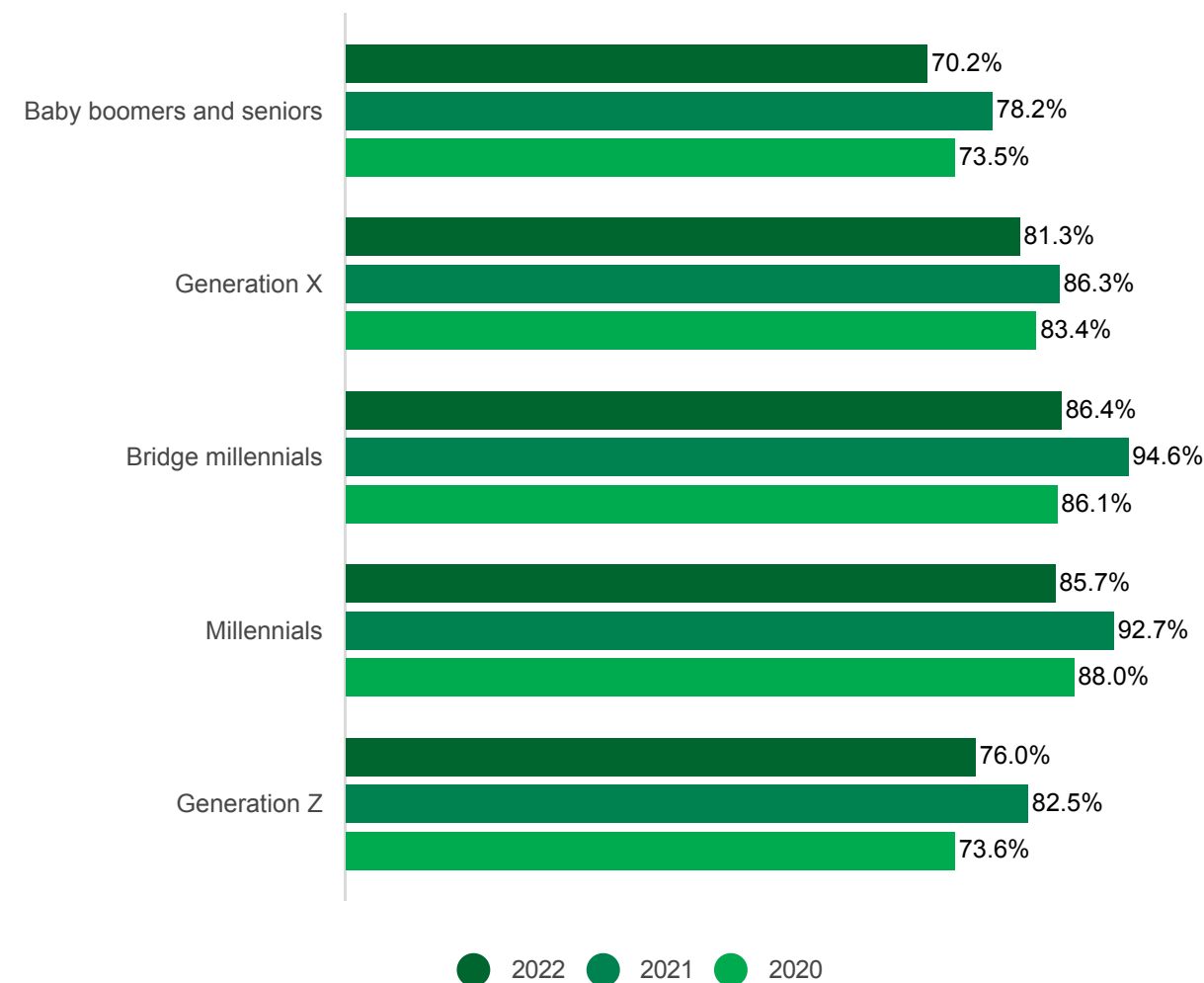
Deal Or No Deal: Holiday Shopping 2022, December 2022  
 N = 3,074: Whole sample, fielded Nov. 25, 2022 – Nov. 26, 2022

The drive to roll back holiday spending is evident across generations. Millennials, Generation X, baby boomers and seniors are all less likely to shop this year than they were even in 2020.

**25%**  
 OF GEN Z CONSUMERS  
 PLAN TO SKIP HOLIDAY SHOPPING  
 THIS SEASON ENTIRELY.



**Figure 6: The number of consumers planning to shop for the holidays**  
 Share of consumers in different generations planning to shop this holiday season, by year



Source: PYMNTS  
 Deal Or No Deal: Holiday Shopping 2022, December 2022  
 N = 3,074: Whole sample, fielded Nov. 25, 2022 – Nov. 26, 2022



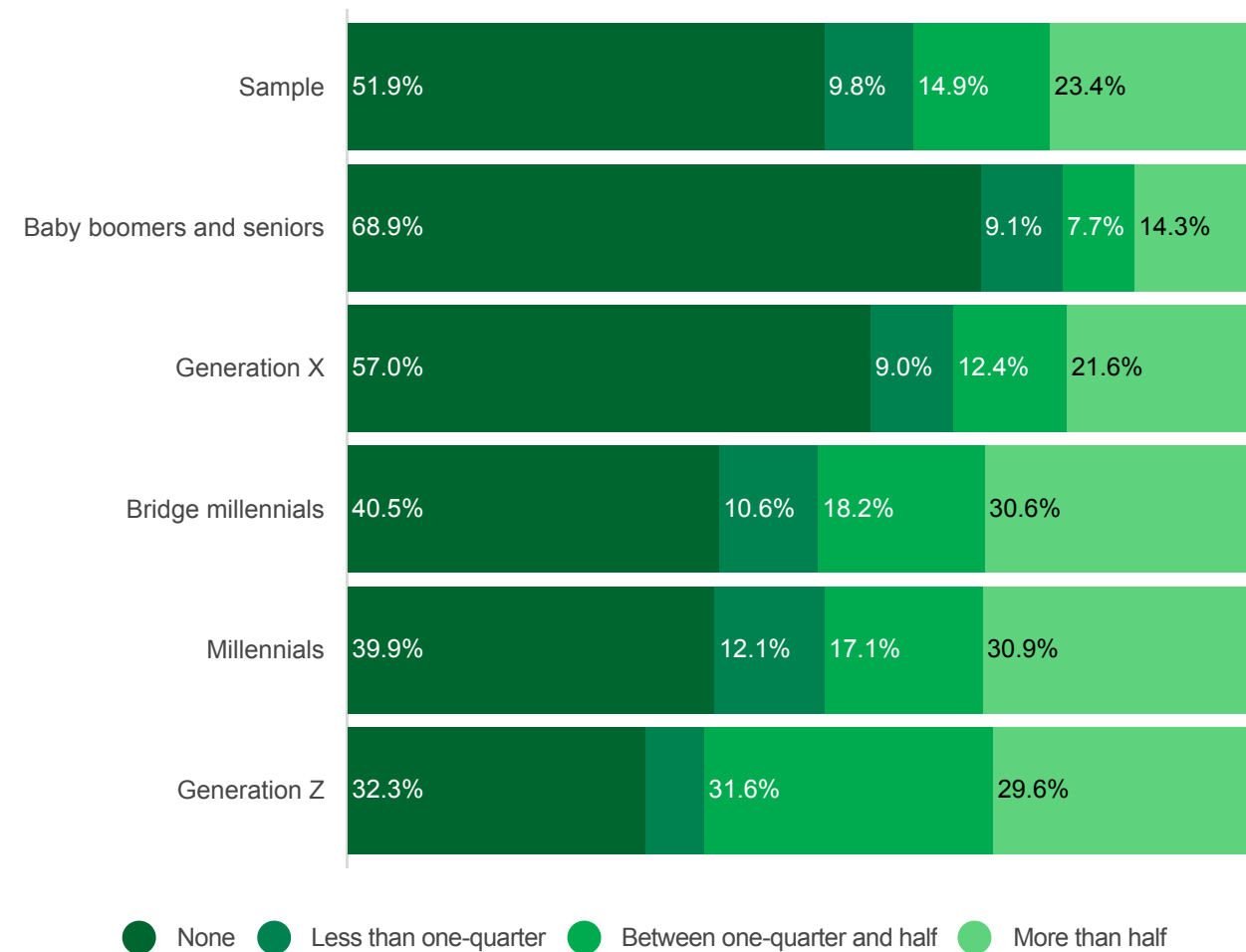
## NEARLY HALF OF ALL U.S. CONSUMERS PLAN TO FINANCE AT LEAST SOME OF THEIR HOLIDAY PURCHASES IN 2022.

In other words, roughly 98 million U.S. consumers are planning to pay for at least one holiday purchase using a credit card, a loan or buy now, pay later (BNPL) options. Moreover, 23% of holiday shoppers — or 48 million consumers — intend to use these methods to finance more than half of their holiday purchases.

Demand for financing options is highest among millennials and bridge millennials, 31% of whom plan to finance more than half of their holiday purchases this year. Generation Z is not far behind — 30% of that group plan to finance at least half of this year’s holiday purchases.

**Figure 7: Different generations’ plans to finance holiday purchases**

Share of consumers planning to finance different shares of their holiday purchases this year, by generation



Source: PYMNTS

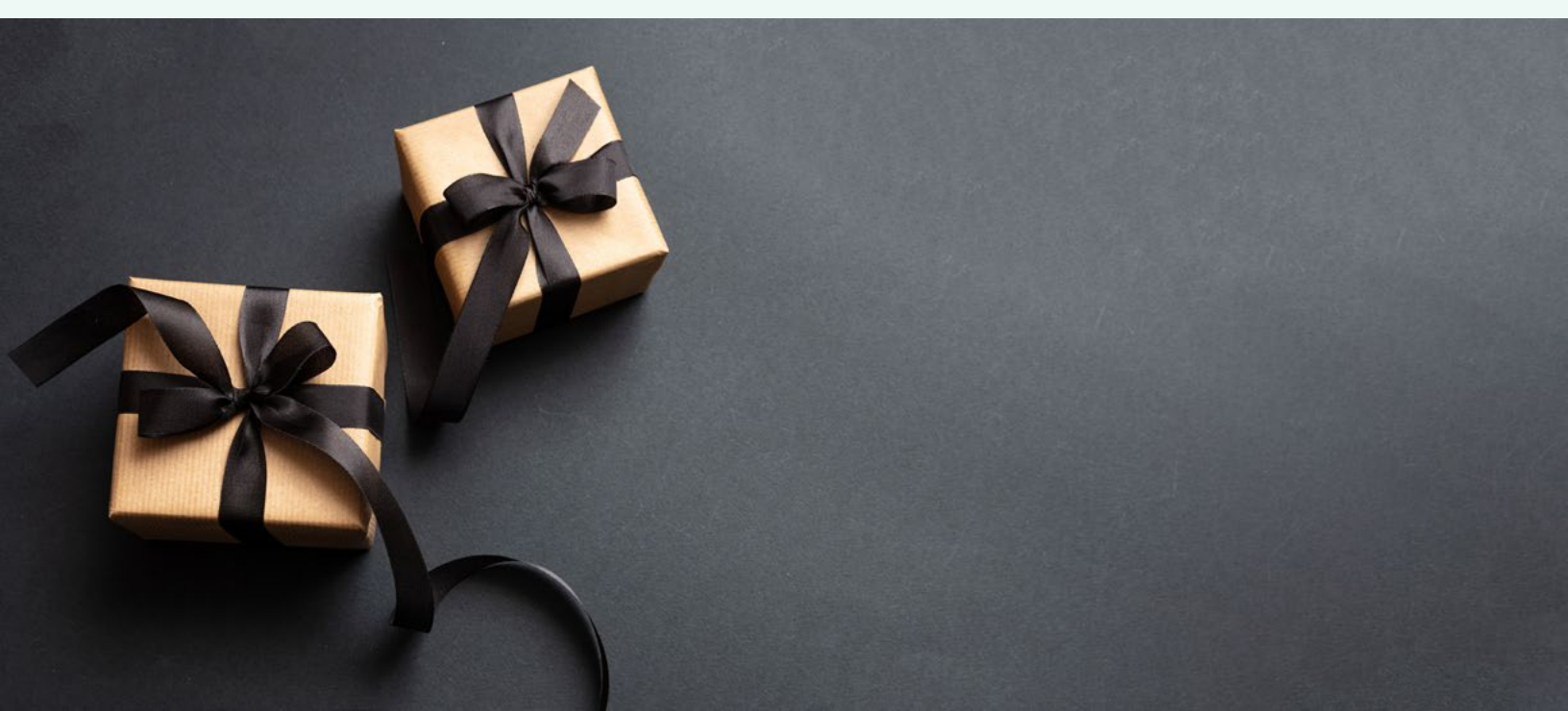
Deal Or No Deal: Holiday Shopping 2022, December 2022

N = 2,439: Consumers planning to shop this holiday season, fielded Nov. 25, 2022 – Nov. 26, 2022

Perhaps counterintuitively, demand for financing options is also significantly high among consumers whose incomes have increased faster than inflation, 37% of whom intend to finance at least half of their holiday purchases this year.

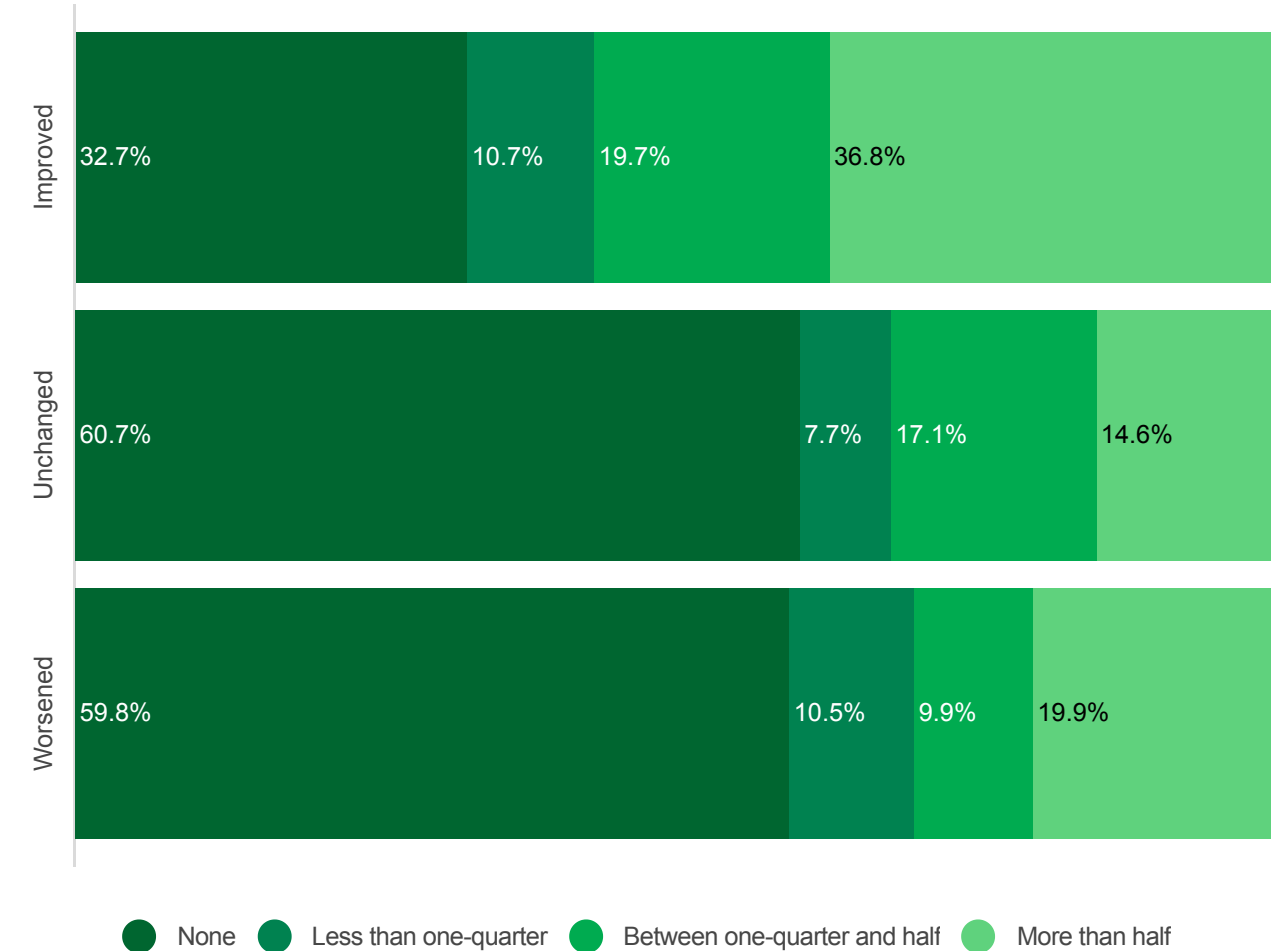
71%

OF HOLIDAY SHOPPERS WHO SAY THEIR INCOMES HAVE NOT KEPT UP WITH INFLATION **PLAN TO FINANCE THEIR PURCHASES** VIA CREDIT, LOANS OR BNPL OPTIONS THIS SEASON.



**Figure 8: Consumers' plans to finance holiday purchases**

Share of consumers planning to finance different shares of their holiday purchases this year, by how their incomes changed compared to inflation

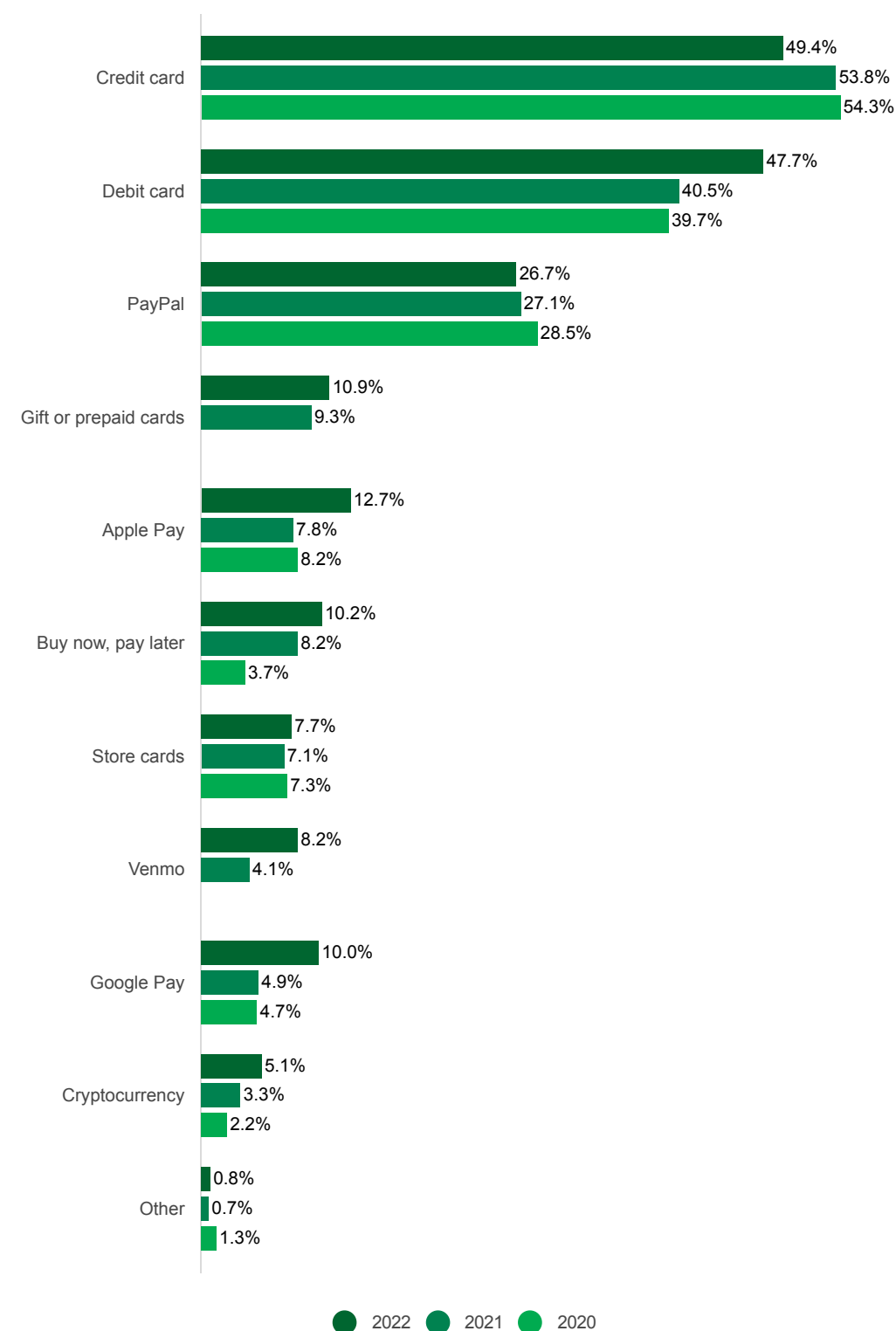


Source: PYMNTS  
 Deal Or No Deal: Holiday Shopping 2022, December 2022  
 N = 2,439: Consumers planning to shop this holiday season, fielded Nov. 25, 2022 – Nov. 26, 2022

**DIGITAL PAYMENTS WILL BE KEY TO DRIVING HOLIDAY SALES FOR THE REMAINDER OF THE SEASON.**  
 14 MILLION MORE ONLINE SHOPPERS AND 9.5 MILLION MORE IN-STORE SHOPPERS PAID VIA DIGITAL WALLET THIS BLACK FRIDAY.

More consumers used digital payments like Apple Pay, Google Pay, Samsung Pay, Venmo and even cryptocurrency on Black Friday 2022 than in the past two years — both online and in-store. In-store use of Apple Pay grew 56% year over year, for instance, and its online use increased 63%, representing 3.9 million more in-store shoppers and 5.6 million more eCom-merce shoppers. Google Pay, Venmo and BNPL options have seen similar increases. To maximize their sales potential, merchants will need to allow holiday shoppers to use these increasingly popular digital payment options.

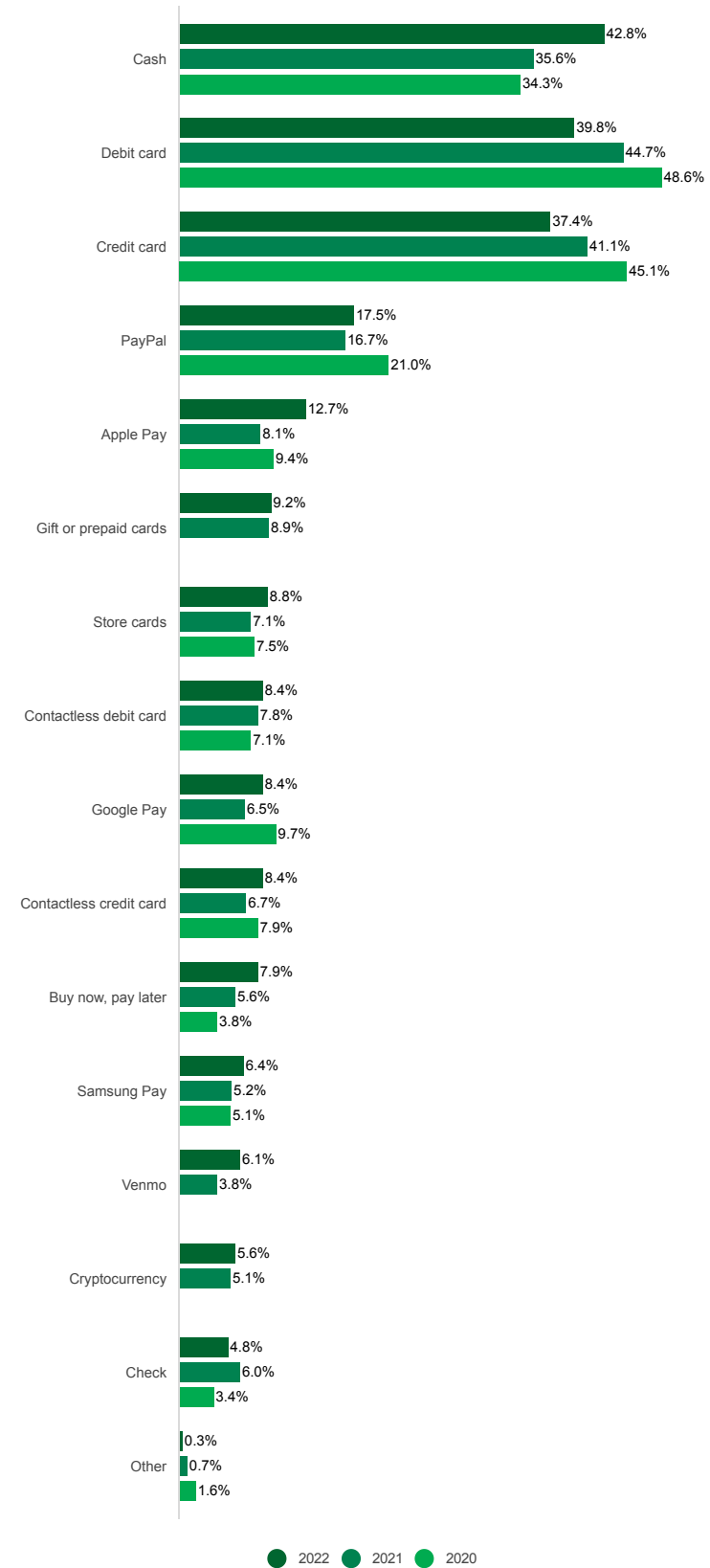
**Figure 9: The methods online holiday shoppers used to pay on Black Friday**  
 Share of online Black Friday shoppers who paid using select methods, by year



Source: PYMNTS  
 Deal Or No Deal: Holiday Shopping 2022, December 2022  
 N = 1,169: Respondents who made online purchases on Black Friday, fielded Nov. 25, 2022 - Nov. 26, 2022

**Figure 10: The methods in-store holiday shoppers used to pay on Black Friday**

Share of in-store Black Friday shoppers who paid using select methods, by year



● 2022 ● 2021 ● 2020

Source: PYMNTS

Deal Or No Deal: Holiday Shopping 2022, December 2022

N = 958: Respondents who made in-store purchases on Black Friday, fielded Nov. 25, 2022 –

Nov. 26, 2022



# CONCLUSION

**M**erchants face an uphill battle to win over a shrinking pool of holiday shoppers. Millions are opting out of the shopping season altogether, and the few who remain have little left to spend. To win their business, merchants will need to provide not only sales, but also the payments and financing options that can help shoppers stick to their limited budgets.

## METHODOLOGY

Holiday Shopping 2022: Deal Or No Deal is based on a census-balanced survey of 3,074 consumers surveyed between Nov. 25 and Nov. 26. The Black Friday series examines how consumers shopped and paid for the items on their holiday wish lists. Fifty-one percent of the 2022 edition survey respondents were female, and 37% of respondents had an annual income of \$100,000 or more. Our respondents were 46 years of age, on average.

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