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Major Rise in Online Shopping Will Shape the Holiday Season

46 million people will start holiday shopping by the end of September

NEW YORK – September 17, 2020 – Over seven in ten (71%) holiday shoppers plan to make most of their purchases online this year, significantly up from 51% last year, according to a new CreditCards.com survey. Though the holiday season may feel far off, 46 million people, or 25% of holiday shoppers have already started or plan to start their holiday shopping by the end of September. Click here for more information:

<https://www.creditcards.com/credit-card-news/holiday-shopping-poll-2020/>

Holiday shopping online proves to be even more popular than last year, with the trend being consistent across cohorts. 74% of millennial shoppers (ages 24-39), 70% of Gen Xer shoppers (ages 40-55), and 70% of baby boomer shoppers (ages 56-74) plan to do most of their holiday shopping online. That's an increase across the board from last year, when 50% of millennials, 55% of Gen Xers, and 54% of baby boomers did most of their holiday shopping online.

Similarly, an increase in holiday shopping online is evident across income levels. The higher the income, the more likely that household is to do most of its holiday shopping online: 78% of the highest income households (\$80,000+ annually) plan to mostly shop online this holiday season versus 70% of middle-income households (\$40,000 - \$80,000 annually) and 66% of the lowest income households (under \$40,000 annually). Last year, 58% of the highest-income households, 48% of middle-income households, and 47% of the lowest-income households did most of their holiday shopping online.

“Holiday shopping is going to look very different this year,” said Ted Rossman, Industry Analyst at CreditCards.com. “COVID-19 is accelerating the existing trends towards e-commerce and digital payments. To get the best return, consumers should take advantage of online shopping portals, card-linked offers and credit card rewards programs.”

As to why more consumers are planning to do most of their holiday shopping online, nearly seven in ten online shoppers (69%) cited convenience and more than half (52%) said it is to avoid human interaction. Convenience was a more popular choice amongst shoppers in older cohorts, while millennial shoppers were more likely to say avoiding human interaction spurred them to plan to do most of their holiday shopping online.

	Online holiday shoppers overall	Online millennial shoppers (ages 24-39)	Online Gen Xer shoppers (ages 40-55)	Online baby boomer shoppers (ages 56-74)
Convenience	69%	61%	72%	76%

Avoid human interaction	52%	56%	49%	48%
Better deals/prices	46%	52%	49%	43%
Wider product selection/inventory	44%	44%	46%	43%

To finance holiday shopping this year, the most common payment method will be a debit card (46%), followed by credit cards (39%). Only 15% plan to use cash, which is down from 18% last year. Debit card usage for holiday shopping is up from 42% last year, while credit cards are down from 40%.

Overall, payment method choice this holiday season is influenced by income level. The highest-income households are most likely to pay with a credit card (54%) compared to 39% of middle-income households and 26% with lower incomes. Conversely, cash is preferred by 21% of lower-income households and 12% of middle-income households, while just 9% of the highest-income households are likely to pay mostly cash for their holiday shopping.

While 13% of holiday shoppers already started by the end of August, an additional 12% plan to start in September, 22% believe they'll start in October, 31% think they'll start in November, and 21% will wait until December.

Methodology:

CreditCards.com commissioned [YouGov Plc](#) to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 2,555 adults. Fieldwork was undertaken August 26-28, 2020. 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.

About CreditCards.com:

CreditCards.com is the ultimate credit card destination and the largest marketplace of credit card offers you can find online, along with relevant news, advice, features and user-friendly tools. Our mission is to help consumers seize greater opportunity through smarter spending, and we believe that the right credit card, used the right way, can be a life-changer.

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