10

HOLIDAY SHOPPING

10.1 Valentine's Day

The National Retail Federation (www.nrf.com) assesses Valentine's Day spending per person and total spending as follows:

	Per Person	Total
• 2017:	$136.57	$18.2 billion
• 2018:	$142.56	$19.6 billion
• 2019:	$161.96	$20.7 billion
• 2020:	$196.31	$27.4 billion
• 2021:	$164.76	$21.8 billion

Fifty-two percent (52%) of people celebrated Valentine's Day in 2021. Gifting was as follows:

- Candy: 54%
- Greeting card: 44%
- Flowers: 36%
- Evening out: 24%
- Gift card: 21%
- Clothing: 20%
- Jewelry: 18%

10.2 St. Patrick's Day

The National Retail Federation assesses St. Patrick's Day spending per person and total spending as follows:

	Per Person	Total
• 2017:	$37.92	$4.4 billion
• 2018:	$39.65	$5.9 billion
• 2019:	$40.18	$5.6 billion
• 2020:	$42.96	$6.2 billion
• 2021:	$40.77	$5.1 billion

Seventy-nine percent (49%) of people celebrated St. Patrick's Day in 2021.

St. Patrick's Day activities in 2021 were as follows:

- Attend a private party: 13%
- Attend a party at a bar/restaurant: 10%
- Host a party: 8%
- Attend a parade: 6%

10.3 Easter

The National Retail Federation assesses Easter spending per person and total spending as follows:

	Per Person	Total
• 2017:	$151.91	$18.4 billion
• 2018:	$150.05	$18.2 billion
• 2019:	$151.25	$18.1 billion
• 2020:	$175.85	$21.7 billion
• 2021:	$179.70	$21.6 billion

Seventy-nine percent (79%) of people celebrated Easter in 2021.

Easter activities in 2021 were as follows:

- Cook holiday meal: 59%
- Visit family and friends in person: 43%
- Watch television: 43%
- Plan an Easter egg hunt: 31%
- Go to church in person: 28%
- Visit family and friends virtually: 24%
- Go to church virtually: 22%
- Exchange gifts: 19%
- Shop online: 17%
- Shop in a store: 13%

10.4 Mother's Day

The National Retail Federation assesses Mother's Day spending per person and total spending as follows:

	Per Person	Total
• 2017:	$186.39	$23.6 billion
• 2018:	$179.77	$23.1 billion
• 2019:	$196.47	$25.0 billion
• 2020:	$204.78	$26.7 billion
• 2021:	$220.48	$28.1 billion

Mother's Day gifts purchased in 2021 were as follows:

- Greeting card: 72%
- Flowers: 68%
- Gift card: 47%
- Clothing/accessories: 40%
- Jewelry: 35%
- Housewares/gardening: 26%
- Personal service: 25%
- Book/CD: 23%
- Electronics: 20%

Forty-nine percent (49%) gifted a special outing such as dinner, brunch or another activity.

10.5 Father's Day

The National Retail Federation assesses Father's Day spending per person and total spending as follows:

	Per Person	Total
• 2017:	$134.75	$15.5 billion
• 2018:	$132.82	$15.3 billion
• 2019:	$138.97	$16.0 billion
• 2020:	$148.58	$17.0 billion
• 2021:	$174.10	$20.1 billion

In 2021, 75% of people celebrated paternal figures in their life on Father's Day. Of those celebrating, 50% bought gifts for their own dad, 26% bought for a husband, and 11% bought for a son.

Father's Day gifts purchased in 2021 were as follows:

- Greeting card: 59%
- Clothing: 49%
- Gift card: 45%
- Personal care: 28%
- Book/CD: 26%
- Electronics: 25%
- Home improvement tool: 24%
- Sporting goods: 22%

Forty-six percent (46%) gifted a special outing such as dinner, brunch or another activity.

10.6 Halloween

The National Retail Federation assesses Halloween spending per person and total spending as follows:

	Per Person	Total
• 2017:	$ 86.13	$ 9.1 billion
• 2018:	$ 86.79	$ 9.0 billion
• 2019:	$ 86.27	$ 8.8 billion
• 2020:	$ 92.12	$ 8.0 billion
• 2021:	$102.74	$10.1 billion

An estimated 65% of people celebrate Halloween or participate in Halloween activities in 2021, up from 58% in 2020 and comparable with 68% in 2019 before the

Covid-19 pandemic. Eighty-two percent (82%) of households with children celebrated Halloween; 55% of households without children did so.

The ways in which people celebrated Halloween in 2021 were as follows:

- Hand out candy: 66%
- Decorate house/yard: 52%
- Dress in costume: 46%
- Carve a pumpkin: 44%
- Host/attend a party: 25%
- Take children trick-or-treating: 25%
- Dress pet: 20%
- Visit haunted house or attraction: 18%

Halloween spending by category in 2021 was as follows:

- Costumes: $3.32 billion
- Decorations: $3.17 billion
- Candy: $3.00 billion
- Greeting cards: $0.66 billion

11

BACK-TO-SCHOOL SHOPPING

11.1 Market Assessment

The back-to-school season typically is the second-biggest consumer spending event for retailers – behind the winter holidays – and can account for up to 15% of retailers' annual sales. It is sometimes used to gauge the health of the upcoming holiday shopping season.

According to the National Retail Federation (NRF, www.nrf.com), total back-to-school (K-12) and back-to-college spending have been as follows:

	Back-to-School	Back-to-College	Total
• 2010-2011:	$21.4 billion	$45.8 billion	$ 67.2 billion
• 2011-2012:	$22.8 billion	$46.6 billion	$ 69.4 billion
• 2012-2013:	$30.3 billion	$53.5 billion	$ 83.8 billion
• 2013-2014:	$26.7 billion	$45.8 billion	$ 72.5 billion
• 2014-2015:	$26.6 billion	$48.4 billion	$ 75.0 billion
• 2015-2016:	$25.0 billion	$43.1 billion	$ 68.1 billion
• 2016-2017:	$27.4 billion	$48.6 billion	$ 76.0 billion
• 2017-2018:	$29.6 billion	$54.2 billion	$ 83.8 billion
• 2018-2019:	$27.5 billion	$55.3 billion	$ 82.8 billion
• 2019-2020:	$26.2 billion	$54.5 billion	$ 80.7 billion
• 2020-2021:	$33.9 billion	$67.7 billion	$101.6 billion
• 2021-2022:	$37.1 billion	$71.0 billion	$108.1 billion

Back-to-school and back-to-college spending per household have been as follows:

	Back-to-School	Back-to-College
• 2010-2011:	$606.40	$ 835.73
• 2011-2012:	$603.63	$ 808.71
• 2012-2013:	$688.62	$ 907.22
• 2013-2014:	$634.78	$ 836.83
• 2014-2015:	$669.28	$ 916.48
• 2015-2016:	$630.36	$ 899.18
• 2016-2017:	$673.57	$ 888.71
• 2017-2018:	$687.72	$ 969.88
• 2018-2019:	$684.79	$ 942.17
• 2019-2020:	$696.70	$ 976.78
• 2020-2021:	$789.49	$1,059.21
• 2021-2022:	$848.90	$1,200.32

11.2 K-12 Student Spending

The National Retail Federation assessed back-to-school spending for the 2021-2022 academic year at $848.90 per household, distributed by category as follows (change from previous year in parenthesis):

- Electronics and computer-related equipment: $295.65 (8%)
- Clothing and accessories: $253.46 (8%)
- Shoes: $161.04 (8%)
- School supplies: $138.75 (6%)

11.3 College Student Spending

The National Retail Federation assessed back-to-college spending for the 2021-2022 academic year at $1,200.32 per household, an 8.4% increase from the previous year. By category, spending per student was assessed as follows (change from previous year in parenthesis):

- Electronics or computer-related equipment: $306.41 (4%)
- Clothing and accessories (excluding shoes): $158.98 (7%)
- Dorm or apartment furnishings: $164.38 (27%)
- Food items: $123.01 (11%)
- Shoes: $ 99.57 (9%)
- Personal care items: $ 94.03 (8%)
- School supplies: $ 83.56 (no change)
- Gift cards: $ 97.50 (20%)
- Collegiate branded gear: $ 72.87 (12%)

11.4 Retail E-Commerce Spending

eMarketer (www.emarketer.com) assessed back-to-school/college retail e-commerce spending as follows (change from previous year in parenthesis):

- 2017-2018: $22.32 billion (13.4%)
- 2018-2019: $25.36 billion (13.6%)
- 2019-2020: $28.92 billion (14.1%)
- 2020-2021: $36.42 billion (25.9%)
- 2021-2022: $41.26 billion (13.3%)

11.5 Market Resources

2021 Back-To-College Survey, Deloitte, July 2021.
(www2.deloitte.com/us/en/insights/industry/retail-distribution/back-to-college-survey.html)

2021 Back-To-School Survey, Deloitte, July 2021.
(www2.deloitte.com/us/en/insights/industry/retail-distribution/back-to-school-survey.html)

Back-to-Class Data Center, National Retail Federation, September 2021.
(www.nrf.com/insights/holiday-and-seasonal-trends/back-school/back-class-data-center)

Back-To-School 2021, National Retail Federation, July 2021.
(www.nrf.com/insights/holiday-and-seasonal-trends/back-school)

16

CLICK-AND-COLLECT

16.1 Overview

Click-and-collect, also called 'buy online and pick up in-store' (BOPUS or BOPIS), has increased in popularity for several years.

According to a pre-pandemic survey by the National Retail Federation (www.nrf.com), adults used click-and-collect for the following reasons (percentage of respondents):

- To avoid paying for shipping: 64%
- Need item right away: 37%
- Received a promotion to try it: 36%
- Had to go to store anyway: 31%
- More secure than having items delivered to home: 23%
- Wanted to see the item in person: 20%

The click-and-collect method for online shopping boomed in 2020 and 2021 as many consumers were reluctant to shop in stores because of the coronavirus.

> **"The coronavirus pandemic led to outsized increases in click-and-collect sales and user adoption in 2020. Click-and-collect sales more than doubled in 2020 and will sustain double-digit growth rates through 2024."**
>
> eMarketer, 3/29/21

16.2 Market Assessment

eMarketer (www.emarketer.com) assesses U.S. click-and-collect sales as follows:

	Click-and-Collect Sales	Change
• 2018:	$ 22.16 billion	75.0%
• 2019:	$ 35.02 billion	58.0%
• 2020:	$ 72.46 billion	106.9%
• 2021:	$ 80.28 billion	9.7%
• 2022:	$ 95.87 billion	19.4%
• 2023:	$113.19 billion	18.1%
• 2024:	$132.76 billion	17.3%
• 2025:	$154.30 billion	16.2%

Growth in click-and-collect sales in 2020 came primarily from an increase in spending by consumers that had already used this delivery method. There were already 116 million people using click and collect two years prior. In 2018, click-and-collect buyers each spent an average of $191.20 using the method. The number of buyers increased only by about 20 million in 2020, but sales increased to an average of $503.80, according to eMarketer, indicating more regular use of the service.

Click-and-collect represented 9.1% of total e-commerce in 2020 and 14.6% in 2021.

16.3 Comparison Of Delivery Methods

Among online shoppers who utilized delivery, eMarketer compared e-commerce delivery in February 2020, prior to the pandemic, and in February 2021, as follows (percentage of respondents):

	February 2020	February 2021
• Delivered to home/work:	91%	90%
• Picked up at store:	18%	28%
• Picked up curbside (without leaving car):	7%	23%
• Delivered to locker at store location:	4%	3%

“Of the nearly $200 billion in new e-commerce spending in 2020, $37.4 billion came from click and collect. Even though click and collect was only 9.1% of total retail e-commerce, it accounted for nearly 20% of e-commerce’s growth.”

eMarketer, 3/29/21

16.4 Market Leaders

According to eMarketer, multichannel retailers accounted for 64% of click-and-collect sales in the U.S. in 2020, as follows (change from 2019 in parenthesis):

	Sales (Growth)	Pct. of E-Commerce Sales
• Walmart:	$15.10 billion (109.3%)	32.7%
• The Home Depot:	$10.82 billion (116.5%)	61.2%
• Best Buy:	$ 7.79 billion (147.9%)	43.3%
• Target:	$ 6.08 billion (192.0%)	37.2%
• Lowe's:	$ 4.44 billion (157.0%)	61.0%
• Macy's:	$ 1.31 billion (101.0%)	n/a
• Nordstrom:	$ 0.88 billion (74.7%)	n/a

17

SUBSCRIPTION E-COMMERCE

17.1 Overview

A survey by YouGov (www.yougov.com) found that between 15% and 20% of U.S. adults were currently signed up for retail subscription services. The survey reported categories used by adults for various types of retail subscription services as follows (percentage of respondents):

	Currently Subscribed	Past Subscriber
• Health & hygiene products (e.g., razors, shampoo):	10%	10%
• Household goods (e.g., paper towels, laundry detergent):	8%	7%
• Beauty & cosmetics products (e.g., makeup, skincare):	8%	12%
• Groceries & meal kits:	7%	11%

FutureBuy 2021, by GfK (www.gfk.com), found that 23% of U.S. adults are trying and will likely continue to shop via subscription services, up from 16% the prior year. Subscription shoppers by generation are as follows:
- Generation Z: 22%
- Millennials: 34%
- Generation X: 24%
- Baby Boomers: 13%

"One segment of ecommerce that retailers can look further into is subscriptions – an especially helpful retail model for replenishment items."

eMarketer, 7/30/21

17.2 Market Assessment

eMarketer (www.emarketer.com) assesses subscription e-commerce sales as follows (change from previous year in parenthesis):

- 2019: $16.49 billion (26%)
- 2020: $23.25 billion (41%)
- 2021: $27.67 billion (19%)
- 2022: $32.65 billion (18%)
- 2023: $38.20 billion (17%)

17.3 Market Leaders

Ranked by number of subscribers, the following are the top subscription e-commerce services (source: McKinsey & Company [www.mckinsey.com]):

- Amazon Subscribe & Save
- Dollar Shave Club
- Ipsy
- Blue Apron
- Birchbox
- Sephora Play!
- Harry's
- BarkBox
- JustFab
- HelloFresh

Among men, Dollar Shave Club is the top subscription service; Amazon Subscribe & Save ranks #1 with women.

Cratejoy, a subscription marketplace, offers over 1,800 types of subscription boxes. The site reports selling 30,000 subscriptions monthly and gets more than 3 million monthly page views. Over 80% of merchants have their own website and use Cratejoy to supplement sales.

17.4 The Subscription Customer

According to McKinsey & Company, compared with the general U.S. population, e-commerce subscribers are more likely to be 25-to-44 years old, to have incomes from $50,000 to $100,000, and to live in urban environments in the Northeastern United States. Women account for 60% of subscriptions.

Subscription purchases are as follows:

- Receive a curated selection of different items: 55%
- Subscription or replenishment: 32%
- Membership providing access and VIP perks: 13%

The median number of subscriptions an active subscriber holds is two; 35% have three or more. Male shoppers are more likely than women to have three or more active subscriptions (42% vs. 28%), suggesting that men particularly value automated purchasing and the ability to limit store trips.