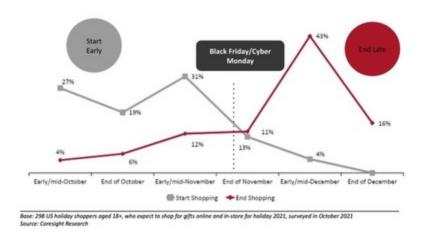


# Unpacking Holiday Gifting: Coresight Research Study Reveals Digital Gift Shopping Challenges and Untapped Opportunities for Retailers and Brands

Seven in ten shoppers expect to purchase at least 40 percent of their gifts online and expect more innovation in the online gift-shopping experience.

STAMFORD, Conn., Nov. 16, 2021 /PRNewswire/ -- A new Coresight Research study on American shopping trends for the holidays, *Unpacking Holiday Gifting: Shoppers' Plans and Retail Opportunities*, found an increased focus on e-commerce and a longer holiday shopping season for 2021—trends that the research firm expects to continue into 2022 and beyond. The study, sponsored by <a href="GiftNow">GiftNow</a>, a Synchrony solution, found that retailers may need to adjust e-commerce strategies to capitalize on these trends, which only accelerated in the wake of COVID-19, or they will risk missing out on holiday gift revenues. Coresight Research recommends that retailers offer early discounts and promotions, improve the online experience, promote demand-directed innovations, and provide a seamless omnichannel experience.



American shopping habits continue to be influenced by COVID-19 this holiday season. Consumers remain cautious about searching for gifts at malls, with Coresight Research data showing that 64 percent of U.S. shoppers have shifted some gift purchases online due to the pandemic. Online channels accounted for 20 percent of holiday sales in 2020, with e-commerce sales surging 32.5 percent year over year, according to Coresight Research analysis of U.S. Census Bureau data.

Retailers should note that shoppers also expect a more connected and seamless digital

gifting experience as they take their gift lists online. This trend is significant, as the gift shopping journey is distinct from the one experienced when shopping for oneself. The majority of shoppers believe that digital gifting innovations—such as the ability for the recipient to acknowledge the gift receipt (cited by 76 percent of respondents), input their delivery preferences (74 percent) and even select or customize their gifts before shipping (71 percent)—would improve the overall gifting experience. Moreover, shoppers expect a seamless experience even after placing the order, such as readily available and updated delivery-tracking details.

"COVID-19 has altered shoppers' behavior, preferences, and propensity to spend, and online is the clear destination of choice for gift giving in 2021 and beyond," said Deborah Weinswig, CEO and Founder of Coresight Research. "We expect online sales to comprise around 21 percent of total sales in the fourth quarter of 2021. However, innovation in digital gift cards and personalization and customization options for the recipient are yet to pick up pace and have the potential to enhance the online gift-buying experience substantially."

Americans are shopping earlier and more often this holiday season. Coresight Research's study found that almost 50 percent of shoppers started holiday shopping in October, representing a change from the traditional start of the holiday season: Black Friday and Cyber Monday. Some retailers have started holiday shopping promotions as early as October. Furthermore, nearly 60 percent of holiday shoppers expect to continue shopping until December, demonstrating the opportunity for last-minute gifting and shoppers' increased appetite for deals. Retailers can benefit from early shoppers continuing to make impulse purchases or being attracted by deals throughout the holiday season even after buying their planned gifts.

Physical gift cards top the list of gifts that shoppers would like to receive this holiday season. Additionally, enhancing the digital delivery of gift cards—a perennial favorite gift for the holidays—with digital gift wrapping and personalized videos and messages helps retailers better serve last-minute shoppers. Digital gift cards also provide a possible solution for shipping delays and stock availability issues. This may become even more critical as we move further into the holiday season, given supply chain challenges and the increased frequency of items being out of stock.

"Retailers and consumers alike are realizing that empowering the gift shopper in the gift selection and delivery process can be a critical step in the digital gifting experience," said Pari Raccah, General Manager for GiftNow at Synchrony. "GiftNow enables retailers to better tap into this growing online marketplace, with innovative personalization options that also help retailers stem shipping surcharges and costly returns while making it easier to gift in categories like apparel, footwear and personal care. Enhanced digital gifting is a win-win-win for the gifter, the recipient, and the retailer."

Other findings from the Coresight Research study include the following:

- **Demand for gifting will be high.** Half of all survey respondents plan to purchase at least nine gifts, and more than seven in ten plan to spend at least \$300 on holiday gifts.
- Online gifting is not going away: 90 percent expect to purchase as many or more gifts online in 2022 compared to this year.
- Post-pandemic shopping priorities include value and convenience. Shoppers

have a new set of expectations, with shipping costs topping the list of what shoppers consider either more or much more important since COVID-19, along with free or flexible returns policies and the option to track gift shipment and receipt.

To obtain a copy of *Unpacking Holiday Gifting: Shoppers' Plans and Retail Opportunities*, please email <a href="mailto:kevin.payne@giftnow.com">kevin.payne@giftnow.com</a>.

GiftNow, a holistic Gift Experience Management (GXM) omnichannel solution is well positioned to help retailers capitalize on opportunities in the gifting market. With GiftNow's purpose-built GXM platform, gifters can send personalized digital gifts and gift cards in seconds and recipients can exchange or modify their items before they ship, benefiting gift givers, recipients, corporate gifting programs and retailers. GiftNow is used by premium specialty and department retailers across the U.S.

### Coresight Research Study Methodology

This study is based on the analysis of data from an online survey of 298 U.S. consumers (aged 18+) who typically purchase gifts for the holiday season and who plan to do so this year. Coresight Research surveyed only omnichannel shoppers (respondents who plan to purchase holiday gifts both in-store and online).

### **About Coresight Research**

Coresight Research is a research and advisory firm specializing in retail and technology. Established in 2018 by leading global retail analyst Deborah Weinswig, the firm is headquartered in New York, with offices in London, Lagos, Hong Kong, Shanghai and Mangalore (India). The firm provides data-driven analysis and strategic advisory to clients including retailers, brands, enterprise technology companies, accelerators and more. In addition to being renowned for its breadth and depth of research, Coresight Research is known for its expertise in the China market, helping clients with market entry and cross-border e-commerce strategies. Coresight Research is also known for its Innovator Intelligence platform, consisting of a vast network of technology entrepreneurs that it actively cultivates through events, mentorship, and regularly updated report coverage. For more information, visit <a href="https://www.coresight.com">www.coresight.com</a>.

# **About Synchrony**

Synchrony (NYSE: SYF) is a premier consumer financial services company. We deliver a wide range of specialized financing programs, as well as innovative consumer banking products, across key industries including digital, retail, home, auto, travel, health and pet. Synchrony enables our partners to grow sales and loyalty with consumers. We are one of the largest issuers of private label credit cards in the United States; we also offer co-branded products, installment loans and consumer financing products for small- and medium-sized businesses, as well as healthcare providers.

Synchrony is changing what's possible through our digital capabilities, deep industry expertise, actionable data insights, frictionless customer experience and customized financing solutions.

For more information, visit www.synchrony.com and Twitter: @Synchrony.

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