Deloitte. Insights

2025 Deloitte Holiday Retail Survey

Spirits bright, wallets tight



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Executive summary

2025 marks our 40th year gathering holiday insights, and the retail transformation over that time has been remarkable. Holiday shopping has shifted from crowded malls and print circulars to a world of omnichannel convenience, digital discovery, and artificial intelligence—powered tools. Yet one constant remains: The holidays are when consumer behavior reflects both the realities of the economy and the desire to celebrate.

This year, the season is unfolding against a backdrop of economic uncertainty. Three-quarters of surveyed shoppers (77%) expect higher prices on holiday goods, and over half (57%) expect the economy to weaken in the next six months—the most negative outlook since we started tracking economic sentiment in 1997. Many shoppers across all income groups remain highly attuned to value, with promotions and deals shaping when and where they spend. But it's not just about price. As noted in our recent report "The value-seeking consumer," surveyed shoppers also report seeking quality, trust, and meaningful experiences from the brands they choose. Retailers that can provide high value at both low and high price points this holiday season may be best positioned to attract value seekers.

Younger generations, particularly Generation Z, appear to be reshaping how holiday shopping happens. Not only are they more likely to seek deals (95%), but they're also turning to social media (74%), AI (43%), and influencers for inspiration and product discovery, and are using digital tools to find the best prices. This season, they're planning to spend 34% less than last year, which means it will likely be important to provide shopping experiences that are entertaining, authentic, and seamlessly integrated into the platforms where they already spend time.

For retailers, this holiday season isn't just about offering deals; it's about meeting shoppers where they are (digitally, socially, and emotionally). Winners will likely be those who stand out by providing value, offering seamless technology to reduce friction, and delivering experiences that feel worth the spend. Forty years on, holiday shopping keeps evolving, but the magic of connection and celebration never fades.

Holiday highlights

Spirits bright, wallets tight

\$1,595

average expected holiday spend, versus \$1,778 in 2024, down 10% YoY





They're making a list and AI is checking it twice

33%

of surveyed shoppers plan to use generative AI in their shopping journey, more than double the 2024 figure (15%)

Cheat sheet

Spending trends

Consumers plan to **spend an average of \$1,595, down 10% year over year**, as they prepare for higher prices and an economic slowdown.

The average expected spend on retail categories (\$902 in 2025 versus \$1,043 in 2024) is seeing a steeper decline than experiences (\$694 in 2025 versus \$735 in 2024).

77% expect higher prices on holiday items (versus 69% in 2024), and **57% expect the economy to weaken** in the next year (versus 30% in 2024).

56% are concerned about a **potential recession** in the next six months.

Economic pressures are pushing **Gen Z (down 34% YoY)** and **millennials (down 13% YoY)** to pull back on planned **holiday spending the most**.

Those in the \$100K+ income group account for 60% of expected holiday spending.

Higher-income consumers (\$100K+ income group) value experiences (flat YoY spending) and plan to scale back on retail expenditure.

Shopping journey

1 in 5 plan to **start shopping earlier** compared to last year, driven by the need to spread out purchases and manage personal finances.

4 in 10 surveyed plan to **shop during the promotional events in October**, same as 2024.

Shopping traffic is likely to peak between **late November (77% active shoppers) and early December (76%)**.

70% shoppers plan to **shop during the Thanksgiving week** (versus 68% in 2024), with the \$100K to \$199K income group indicating the highest Intent to participate (77%).

68% plan to use digital tools (for example, social media, gen AI, price comparison, and chatbots) for holiday shopping.

Shoppers plan to spend **56% of their retail holiday budget online and 44% in stores**.

58% consider holiday **gift shopping to be stressful, and 77% usually feel frustrated** while shopping online.

Consumer preferences

Across all income groups, at least 7 in 10 engage in three or more value-seeking behaviors, with women (78%) significantly more likely than men (58%) to do so.

50% of holiday shoppers plan to **spend most** of their budget at **online retailers or mass merchant** retailers.

26% plan to use loyalty points (versus 20% in 2024), as they rely more on rewards to ease holiday expenses amid financial challenges.

64% like getting gifts from a wish list because they are certain they will use them (72% among Gen Z).

38% are considering **buying new luxury gifts**, while **25%** may **buy pre-owned luxury items** as gifts.

47% would buy more **American-made products** if they were clearly labeled or advertised.

Cost concerns are driving **lower average budget for holiday gatherings** (\$252 in 2025 versus \$261 in 2024).

Spending trends



Surveyed consumers plan to pull back spending this holiday season ...

\$1,595

average expected holiday spend,¹ versus \$1,778 in 2024, down 10% YoY

Methodology: Responses were recorded on a 0 to 100 scale and weighted (40%, 30%, 30%) to create a single score, where 0 = very constrained spenders and 100 = highly confident spenders. To ensure comparability over time, scores from 2015 to 2017 were averaged and set to 100, with subsequent years indexed against this baseline.

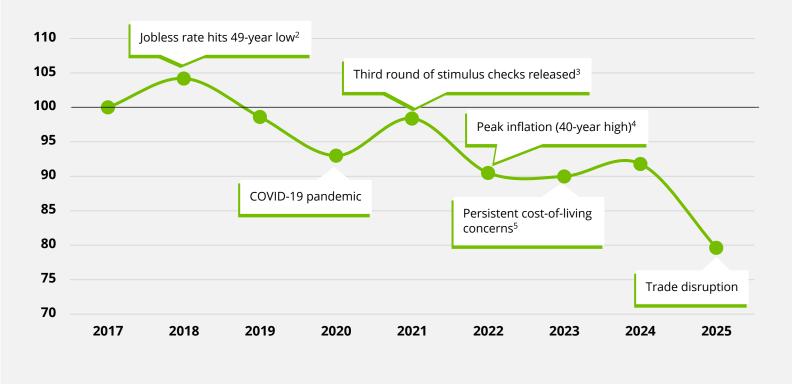
Sources: (1) Deloitte calculations based on annual Deloitte Holiday Retail Survey data; (2) Unemployment rate data, US Bureau of Labor Statistics; (3) Internal Revenue Service press release, "IRS begins delivering third round of economic impact payments to Americans," press release, March 12, 2021; (4) Inflation data, consumer prices for the United States, Federal Reserve Economic Data, accessed Sept. 25, 2025; (5) Stephen Rogers, Nick Handrinos, and Anthony Waelter, "When inflation concerns persist for too long," *Deloitte Insights*, Oct. 21, 2022.

The holiday spending confidence index (HSCI) has fallen this season, signaling that holiday shoppers may adopt a more restrained spending approach than in recent years

HSCI (2015 to 2017 = 100)

Methodology

The HSCI measures consumers' confidence and capacity for holiday spending based on three inputs: expected spending versus last year, household financial situation, and outlook for the US economy



... as they expect higher prices and an economic slowdown

Overall expected spending is down YoY, with retail categories seeing a steeper decline than experiences, continuing a four-year trend



Reasons for lower spend

77% of surveyed consumers expect higher prices on holiday items,¹ versus 69% in 2024

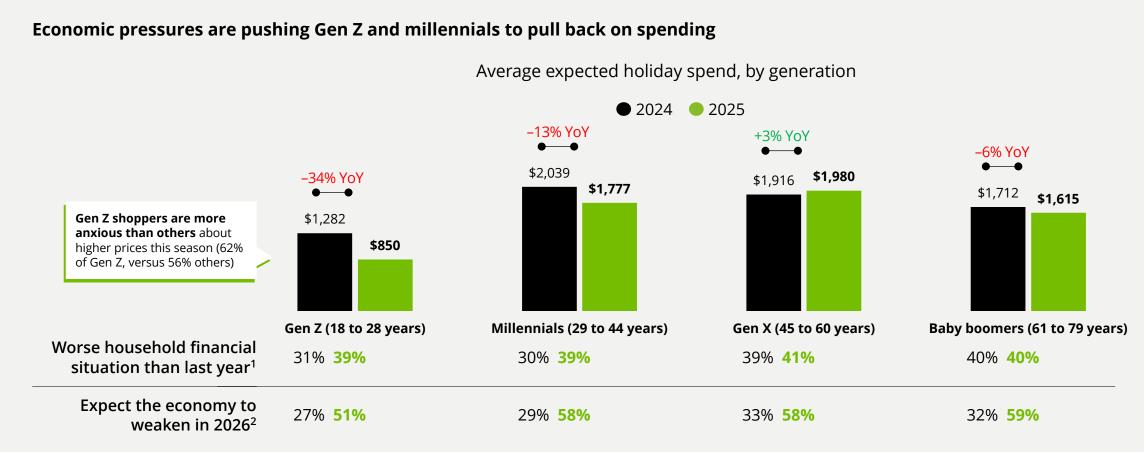
56% are concerned about a potential recession in the next six months**

57% of surveyed consumers expect the economy to weaken in the year ahead, 2 versus 30% in 2024 and 54% in 2008

Worst observed since Deloitte began tracking economic sentiment in 1997

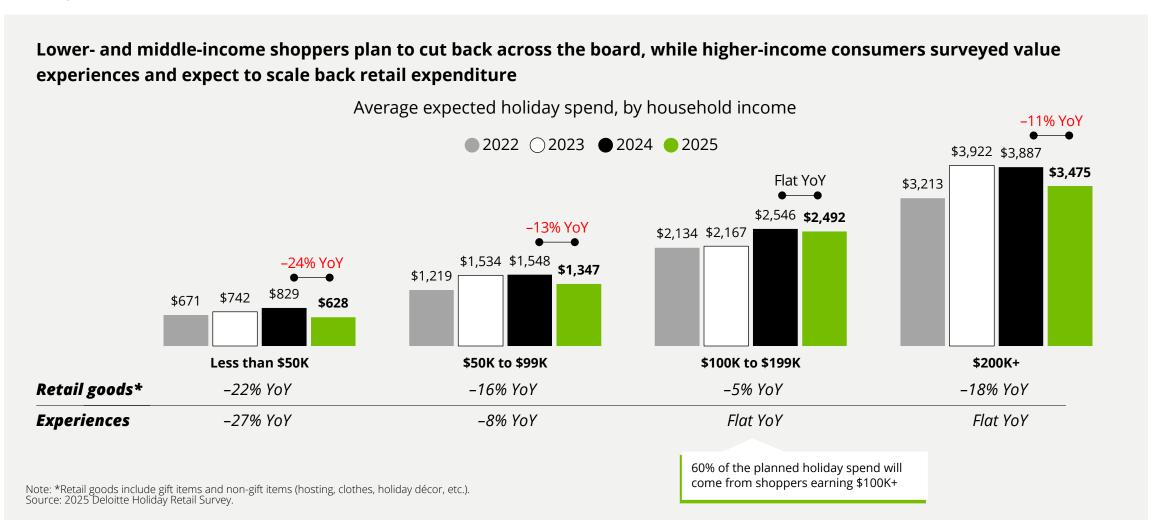
Notes: *Retail goods include gift items and non-gift items (for example, hosting, clothes, holiday décor); average spend is calculated based on annual consumer survey projections; **% agree/strongly agree (n = 4,270). Questions: (1) Compared to last holiday season (2024), I expect prices to be somewhat/significantly higher; (2) In your opinion, what is the overall outlook for the US economy in 2026 compared with today? Source: 2025 Deloitte Holiday Retail Survey.

Younger respondents say they're tightening their wallets



Questions: (1) Thinking about your household's current financial situation, would you say it is ...; (2) In your opinion, what is the overall outlook for the US economy in 2026 compared with today? (n = 4,270 overall, 770 Gen Z, 1,189 millennials, 1,072 Gen X, and 1,105 baby boomers). Source: 2025 Deloitte Holiday Retail Survey.

Planned holiday spending drops across all surveyed income groups after rising for two years



Surveyed shoppers say they'll sacrifice the seasonal extras

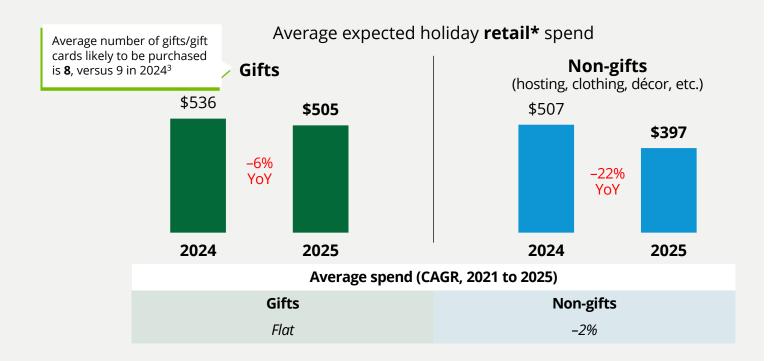
Faced with higher costs, surveyed consumers expect to trim extras but protect holiday traditions

plan to spend less YoY on retail categories¹

Higher cost of living is the top reason why consumers plan to spend less

will cut back most on retail spend if their budget becomes too constrained²

will cut back on other areas (eating out, entertainment, etc.) to budget for holiday²



Notes: Average expected holiday retail spend is calculated based on annual consumer survey projections (n = 4,270). *Retail goods include gift items and non-gift items (hosting, clothes, holiday décor, etc.). Questions: (1) How will your holiday spending compare to last year's holiday season?; (2) If my budget becomes more constrained than expected, I will cut back the most on ... (n = 3,981); (3) What is the total number of gifts, including gift certificates/cards, you expect to buy for others and/or yourself this holiday season? (n = 3,744). Source: 2025 Deloitte Holiday Retail Survey.

From presents to presence, experiential gifts are expected to gain ground

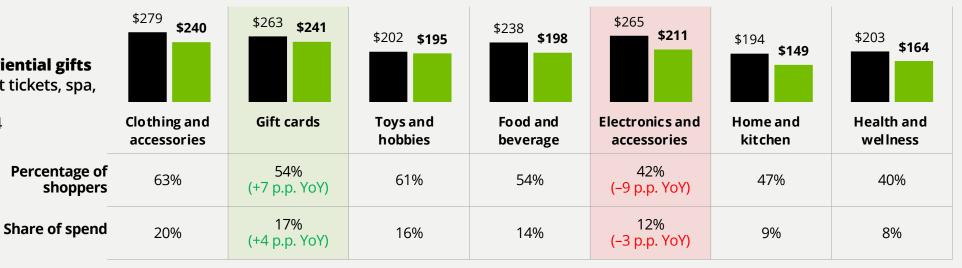
Holiday retail budgets are tilting toward gift cards, with electronics losing share

Average expected holiday spend by gift categories¹

2024 2025

plan to give experiential gifts (restaurants, event tickets, spa, etc.),1

versus 39% in 2024



Notes: Category-level averages are based on the number of shoppers who plan to purchase the category. Therefore, the sum of category averages would not equal the average expected retail spend (\$902). P.p. stands for

Question: (1) Which of the following do you plan to buy as a gift this holiday season? (n = 3,867 (2024); n = 3,981 (2025)). Source: 2025 Deloitte Holiday Retail Survey.

Shoppers get savvy about stretching their holiday dollars

All income groups are expected to make frugal trade-offs and seek creative ways to save money

Value-seeking behavior*

7 in 10

across all income groups are engaging in three or more value-seeking behaviors*

By gender:



78% Females



58% Males

Dealseeking

Gen Z and millennials (95%) are most likely to seek deals **75%** plan to shop during the October and Thanksgiving week deals (+7 p.p. YoY)

49% say getting a great deal (coupons, promotions) is the top attribute when selecting where to shop

49% add items to wish lists or online carts and wait for deals

77% *Trade-offs*

65% will shift brands if the preferred one is too expensive

50% will shop at more affordable retailers over preferred ones

26% would compromise on brand names or labels if necessary

73%

Reuse, reduce, recycle

54% plan to reuse/repurpose wrapping, bags, and containers from last year

52% will consider regifting items they don't like/want

34% plan to send fewer holiday cards

Gen Z (67%) and millennials (55%) are most likely to make DIY gifts

49%

DIY gifts

39% will consider making handmade gifts instead of buying ones

29% plan to make homemade food items as gifts (sauces, baked goods, charcuterie, etc.)

Note: *% agree/strongly agree (n = 3,981). Source: 2025 Deloitte Holiday Retail Survey.

Shopping journey



An earlier start may stretch the holiday shopping season

This is the highest amount observed in the last five years

of shoppers' budget is likely to be exhausted by the end of October,1 versus 20% in 2024

1 in 5 plan to start shopping earlier compared to last year²

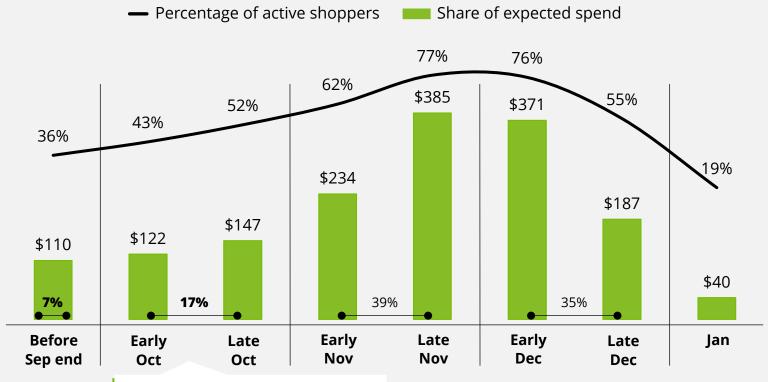
Reasons for shopping earlier:

1 in 2 holiday shoppers are spreading out purchases over time to manage budgets*

Note: * % agree/strongly agree (n = 3,981). Questions: (1) What percentage do you plan to spend during the following months? (2) When do you plan to start your holiday shopping this year compared to last year? (3) What holiday shopping events are you likely to participate in? (for all questions n = 3,981, unless specified otherwise) Source: 2025 Deloitte Holiday Retail Survey.

Respondents are starting earlier than ever, but the majority of expected spending will occur between late November and early December

Share of expected spend, by shopping periods¹



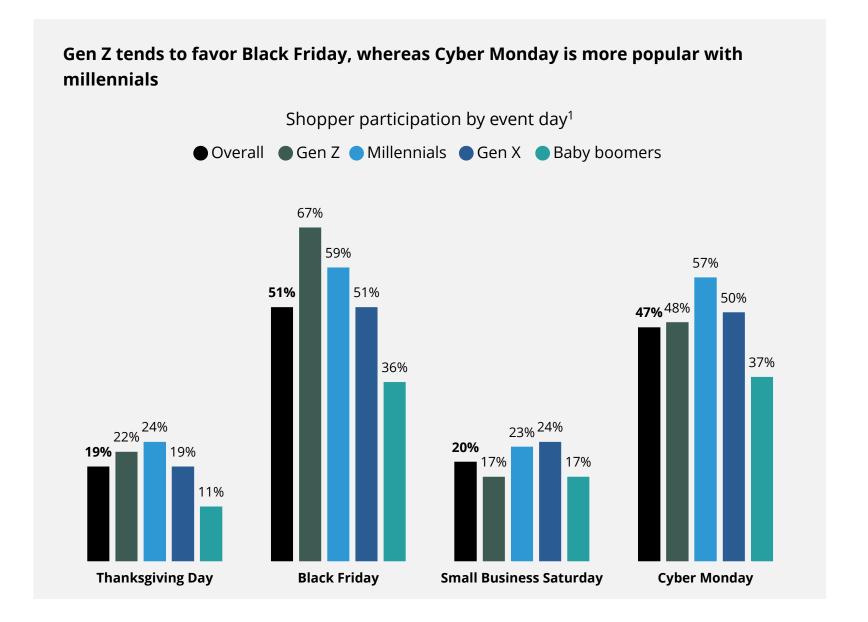
4 in 10 surveyed plan to shop during the October promotional events,³ same as 2024

Turkey, pie ... and peak shopping expected during Thanksgiving week

of holiday shoppers plan to shop during the Thanksgiving week,1 versus 68% in 2024, up 23 p.p. over the last five years

The \$100K to \$199K income group has the highest intent to participate in Thanksgiving week events (77%)1

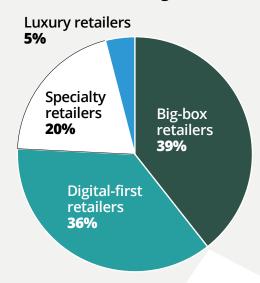
Question: (1) What holiday shopping events are you likely to participate in? (n = 3,981 overall; n = 703 Gen Z; n = 1,115 millennials; n = 1,010 Gen X; n = 1,029 baby boomers). Source: 2025 Deloitte Holiday Retail Survey.



Big-box and digital-first retailers are expected to capture the bulk of holiday budgets

As consumers seek value, online retailers and mass merchants may hold mindshare

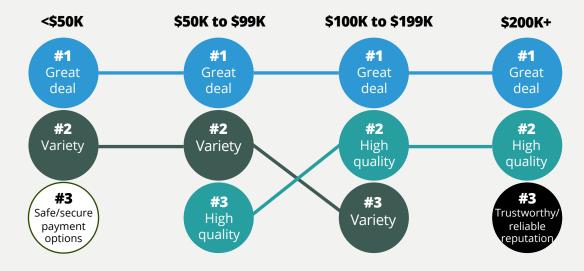
Holiday shoppers plan to spend most of their budget at ...1



Mass merchants and online retailers are where shoppers plan to spend the most this holiday season

of surveyed consumers plan to use loyalty points for holiday purchases (up from 20% in 2024), reflecting greater reliance on rewards to manage costs²

Top three attributes while selecting a retailer, by household income³



Questions: (1) Where do you anticipate spending the most money this holiday season?; (2) Which payment options will you likely use for your upcoming holiday purchases?; (3) Which are the most important attributes for you when selecting a retailer during holiday shopping? (for all questions, n = 3,981, unless specified otherwise). Source: 2025 Deloitte Holiday Retail Survey.

Shoppers blend channels, but online baskets are expected to be bigger

Average share of planned **retail** holiday spend, by channel¹

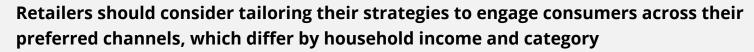
online (56%)

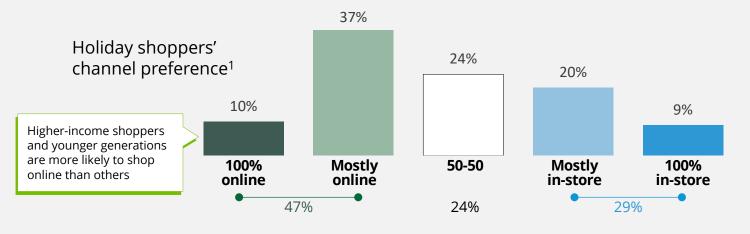
71% of holiday shoppers are willing to wait longer for delivery if it means lower/no shipping costs

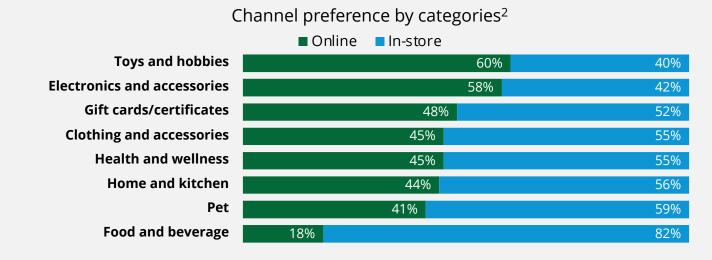
in-store (44%)

Questions: (1) What percentage of your total holiday budget do you expect to spend ...?; (2) I would rather purchase the following items online than in-store ... (for all questions, n = 3,981, unless specified otherwise).

Source: 2025 Deloitte Holiday Retail Survey.







The gift shoppers want most: Less stress ...

surveyed consider holiday gift shopping stressful,* higher among Gen Z and millennials (61%)

People find it most stressful to shop for...¹

67% Someone who "has everything"

33% Parents or in-laws

31% Teens or young adults

23% Gift exchanges

18% Children

Notes: * % agree/maybe; ** % agree; *** % agree/strongly agree (for all statements, n = 3,981).

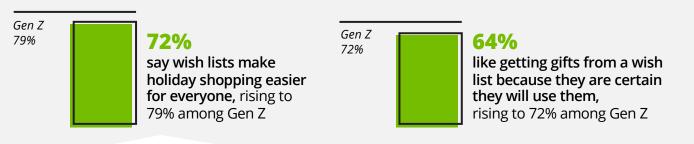
Questions: (1) Which types of gifts do you find most stressful to shop for?; (2) What could retailers do to make the experience easier for you? (for all questions, n = 1,724). Sources: 2025 Deloitte Holiday Retail Survey.

Retailers may win loyalty by easing stress with curated gift ideas, wish lists, and tools that simplify the shopping journey

How can retailers make the holiday shopping journey less stressful for shoppers?²



Wish lists are recognized as a useful solution**



67% say wish lists are not impersonal or impolite. However, only 28% plan to purchase gifts off of friends' or families' wish lists hosted on retailers' sites; the figure is higher among Gen Z (35%) and millennials (36%).***

... and less friction with online shopping

77% usually feel frustrated while shopping online²

83% Gen Z

82% Millennials

78% Gen X

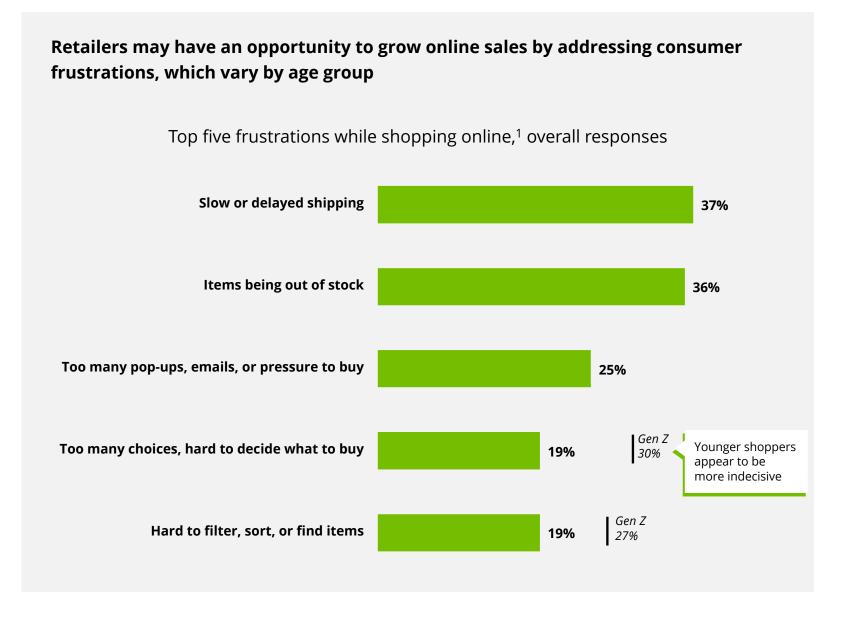
69% Baby boomers

Security concerns matter too;

77% are concerned about porch piracy, and 50% take precautions to avoid theft while shopping online*

Note: * % slightly/somewhat/very concerned (for all questions, n = 3,981, unless specified otherwise). Questions: (1) What, if anything, frustrates you most when shopping online during the holiday season?; (2) What, if anything, frustrates you most when shopping online during the holiday

Source: 2025 Deloitte Holiday Retail Survey.



Digital tools may help drive discovery as gen Al adoption doubles

plan to use digital tools (social media, gen Al, price comparison, chatbots, etc.) for holiday shopping¹

50% will read online reviews before making holiday shopping decisions (like where to buy, what to buy, etc.)¹

Notes: *% agree/strongly agree (for all questions, n = 3,981, unless specified otherwise); ** Calculations are based on those who plan to use social media (n = 2,350) or gen AI (n = 1,297). Questions: (1) Which of the following digital tools, if any, do you plan to use to help you make holiday shopping decisions?; (2) How do you plan to use social media to assist in your holiday shopping?; (3) Do you plan to use generative AI in any of the following ways for your holiday shopping needs. Source: 2025 Deloitte Holiday Retail Survey.

Social media leads holiday inspiration, while Gen Z and millennial respondents are early adopters of gen Al



plan to use **social media**²

74% Gen Z

67% Millennials

53% Gen X

48% Baby boomers

3 in 10 have purchased something on social media in the last six months; retailers can sway younger shoppers to make impulse purchases while browsing*

Top three uses of social media:**

54% Browse product/gift ideas

46% Discover promotions/deals

36% Watch reviews/demos/unboxings

Social media users plan to spend **25%** more than others²



plan to use gen Al³

43% Gen Z

40% Millennials

30% Gen X

22% Baby boomers

26% say they feel more comfortable using gen Al now than six months ago

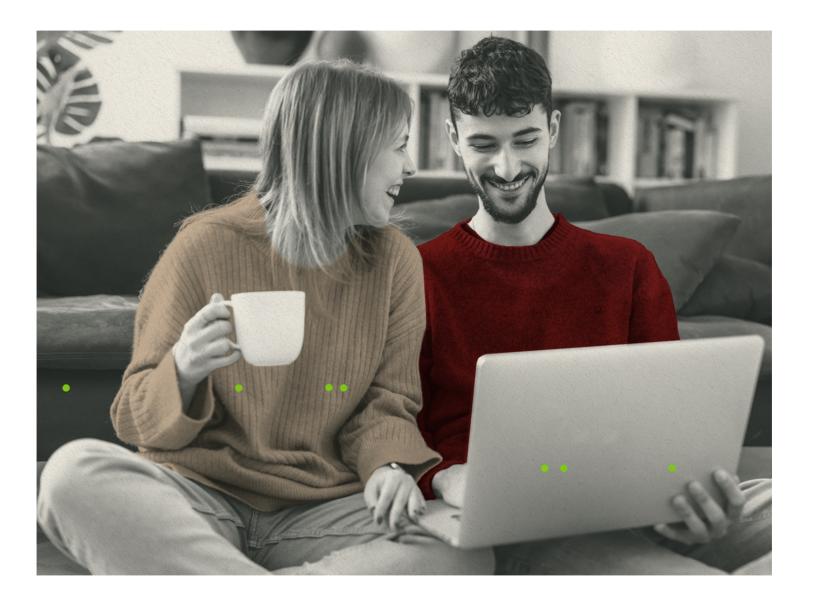
Top three uses of gen Al:**

56% Compare prices/find best deals

47% Read summary of reviews

33% Generate shopping lists

Consumer preferences



Luxury gifting holds steady, driven by younger shoppers

44%

will consider purchasing luxury goods as gifts this holiday season,1 same as 2024

2024 2025

61% 57% Gen Z

58% 50% Millennials

41% 43% Gen X

26% 30% Baby boomers

38% are considering buying **new** luxury gifts, while 25% may buy pre-owned luxury items as gifts¹

Note: *% agree/strongly agree (n = 1,738). Questions: (1) Do you plan to buy luxury products as gifts this holiday season? (n = 3,981); (2) Which luxury products are you likely to purchase as gifts this holiday season? (n = 1,738). Source: 2025 Deloitte Holiday Retail Survey.

Despite plans to spend less than last year, some consumers continue to prioritize luxury purchases they see as a worthy investment





Shoppers plan to buy luxury gifts for ...¹

26% Self

39% Others

Categories for luxury purchases²

57% Clothes and shoes

37% Jewelry and watches

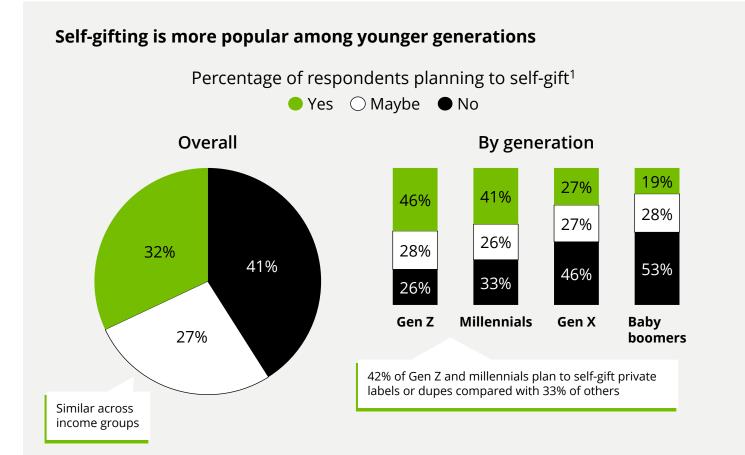
37% Beauty/personal care

36% Bags and accessories

16% Furniture and home accessories

Many Gen Z (46%) and millennials (40%) say gift inspiration comes more from digital content versus in-store, compared to 21% others*

As budgets tighten, only a third of respondents are certain they want to self-gift this season



average budget for self-gifts,² up 5% YoY

However, if budgets are constrained, 50% would cut back on self-gifts first

Top categories for self-gifting³

59% Clothing and accessories

32% Electronics and accessories

29% Experiences

Questions: (1) Do you expect to buy a gift/gifts for yourself this holiday season? (n = 3,981); (2) How much of your total holiday budget, excluding entertaining at home, will you spend on gifts for yourself? (n = 2,346); (3) Which products are you tempted to purchase for yourself as a holiday gift? (n = 2,346). Source: 2025 Deloitte Holiday Retail Survey.

Made in America matters, but price is still the deciding factor

29%

plan to seek out American-made products this holiday season*

19% Gen Z

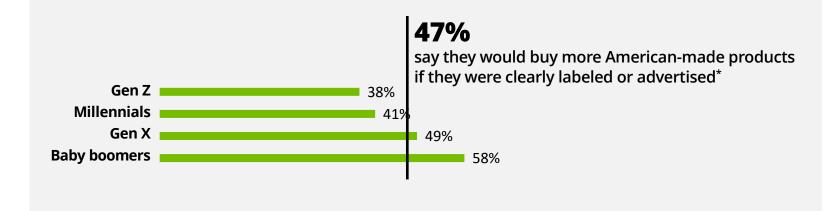
Millennials 26%

31% Gen X

38% Baby boomers Older shoppers surveyed show the most interest in American-made products, and retailers may sway them with clear messaging

Some holiday shoppers find American-made products expensive





Note: * % agree/strongly agree (n = 3,981). Source: 2025 Deloitte Holiday Retail Survey.

Hosting holiday gatherings holds strong despite pinched budgets

respondents plans to host a holiday gathering,1

similar to 2024

8 in 10

say hosting a holiday gathering is an important part of their tradition²

Respondents who plan to host are cutting back their expected spending and looking for help from their guests

average budget for the holiday gathering,² versus \$261 in 2024 (-3% YoY)

By generations

\$198 Gen Z

\$270 Millennials

\$275 Gen X

\$251 Baby boomer

willing to pay more for items/services that make hosting easier,* versus 70% in 2024

are concerned about the costs associated with hosting,* versus 44% in 2024

As a result ...

plan to ask guests to bring food or beverages to share the cost.* same as 2024

Note: *% agree/strongly agree (n = 1,028). Questions: (1) Are you planning to host a holiday gathering this season? (n = 4,270); (2) What is your budget for the holiday gathering? (n = 1,028). Source: 2025 Deloitte Holiday Retail Survey.

About the survey

Consumer survey

Timing

August 27 to September 5, 2025

Sample

The survey was rolled out to 4,270 consumers in the United States and has a margin of error of plus or minus one to two percentage points for the entire sample.

Methodology

The surveys were developed by Deloitte and conducted online by independent research companies.

Thank you

The authors would like to thank Sanjay Mallik Vadrevu, Rithu Thomas, Sabrina Pietryga, and Negina Rood for their contributions to this survey.

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Deloitte. Insights

Deloitte Consumer Industry Center

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About the Deloitte Retail practice

The retail industry is transforming at lightning speed, and retailers are being forced to find ways to grow profitably while also meeting rising consumer expectations. Today's customers don't just expect the retail industry to operate efficiently, but empathetically too. They are buying into better and are demanding that brands share their values around purpose, inclusion, trust, transparency, and innovation.

Leaders in this rapidly shifting industry should have better insight, better innovation, and a better connection to their customers. That's why they turn to Deloitte. Driven by a relentless pursuit of innovation and the pulse of the consumer, Deloitte helps many of the world's leading brands in the retail sector align with their customers' values, create lasting competitive advantages, build enduring customer relationships, and shape the future of the industry. https://www.deloitte.com/us/en/Industries/retail/about.html

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