



Holiday Shopping 2010

Consumers Celebrate Practicality This Holiday Season

Susan Viamari

Editor, Times & Trends, SymphonyIRI Group

SymphonyIRIGroup

Insight.
Innovation.
Impact.

Methodology

- ❑ Online Survey of 1,000 Respondents
- ❑ Conducted September 2010
- ❑ Nationally Representative Sample
 - Note: Beer, Wine & Spirits findings based on consumers age 21 and over only
- ❑ Detailed findings to be published in mid-October in the *SymphonyIRI Group Point of View: Holiday Shopping 2010*

Measures of Economic Recovery Paint a Muddy Picture

- **The Economy**

- Corporate Profits on the Upswing
- Unemployment Leveling Off?
- Interest Rates Near Zero
- Low Levels of Inflation

- **The Consumer**

- Apprehensive about the Economy
- Conservative in Thoughts and Actions

...But Back-to-School Is Generally Viewed As a Bellwether of Holiday Spending

Back-to-School: The Canary in the Coal Mine

- Purchases Heavily Planned
- Channel Shifting Prevalent
- Price as a Key Driver of Purchase Behavior
- Store Brands A Solid Presence

So, What Are Consumers Planning for Holiday 2010?

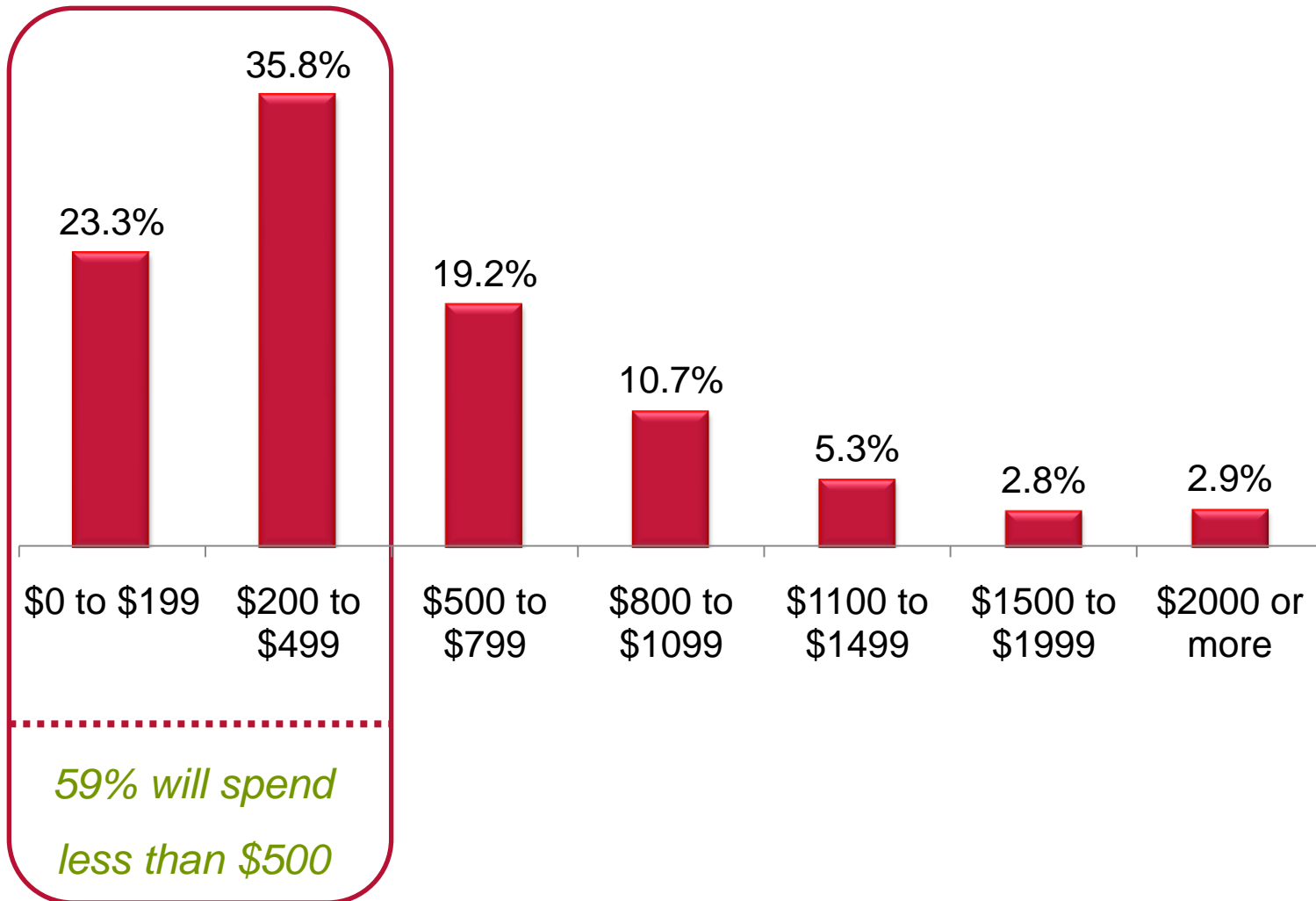


Holiday Gift Giving

Holiday Celebration Related
Food & Beverage Trends

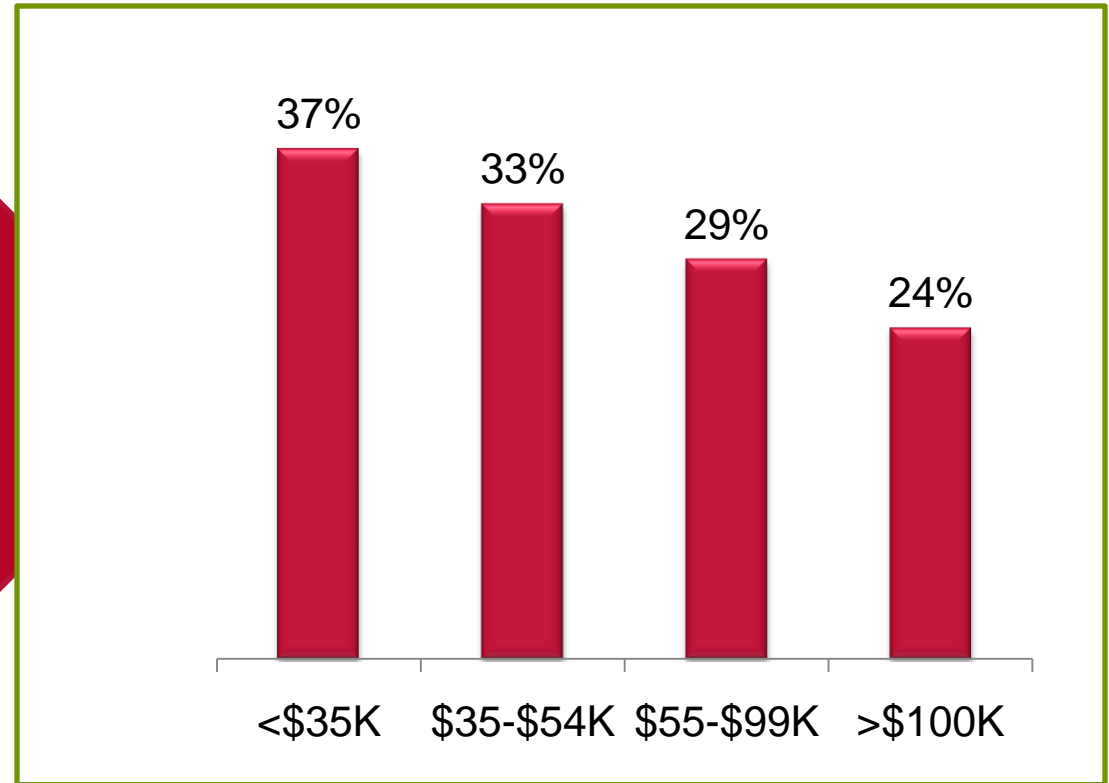


A Majority of Consumers, on Average, Will Spend Less Than \$500 on Holiday Gifts This Year



Consumers Are Planning to Spend Conservatively This Holiday Shopping Season, with Many Making Cut-Backs...

32%
of consumers
*will spend less
on holiday gifts*



**Prevalence of Holiday Gift Cost-Cutting
By Income Segment**

...Due, Largely, to Concerns Regarding Economic Stability



49%

More Concerned About the Economy

39%

Finances Are Tighter Than Last Year

33%

More Concerned About Their Immediate Financial Future

While Some Consumers Are Making Changes to Their Gift Strategies...



28% *Purchase Fewer Gifts*

16% *Buy More Combined Gifts*

15% *Make Gifts*

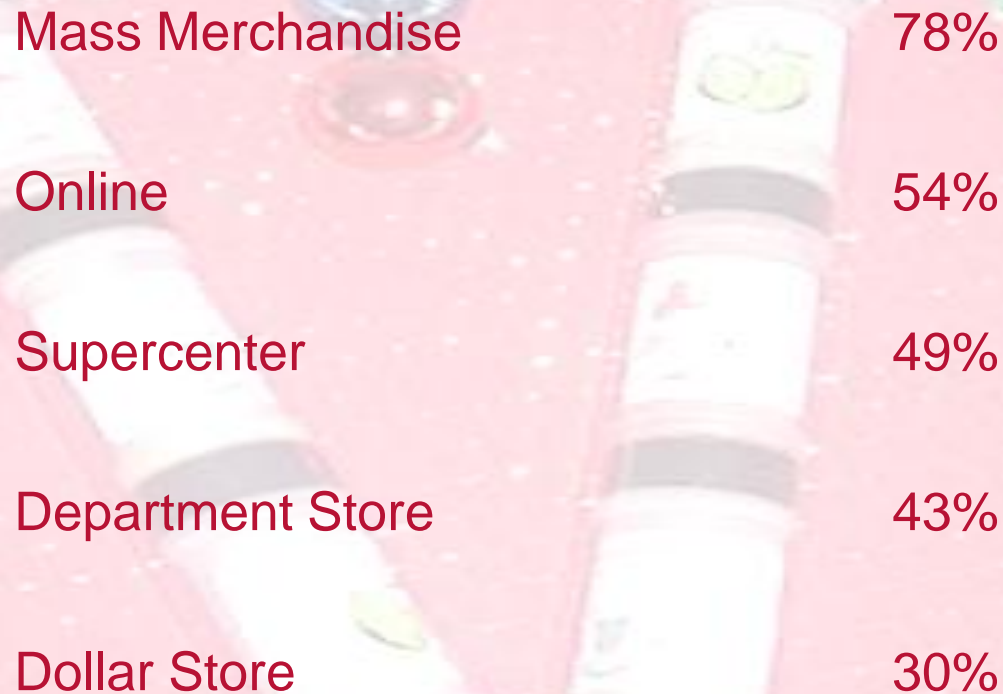
...Others Will Save by Changing The Shopping Process



Influencers of Shopping Kick-Off Timing

- ❑ 46% plan to take better advantage of sales
- ❑ 39% want to ensure desired products are available
- ❑ 39% seek to spread spending out over time rather than making fewer smaller purchases

Consumers Plan to Shop Across A Variety of Channels to Make Their Holiday Gift Purchases This Year



Top Channels for Holiday Gift Shopping
% of Consumers

A Vast Majority of Gift Purchases Will Be Preplanned

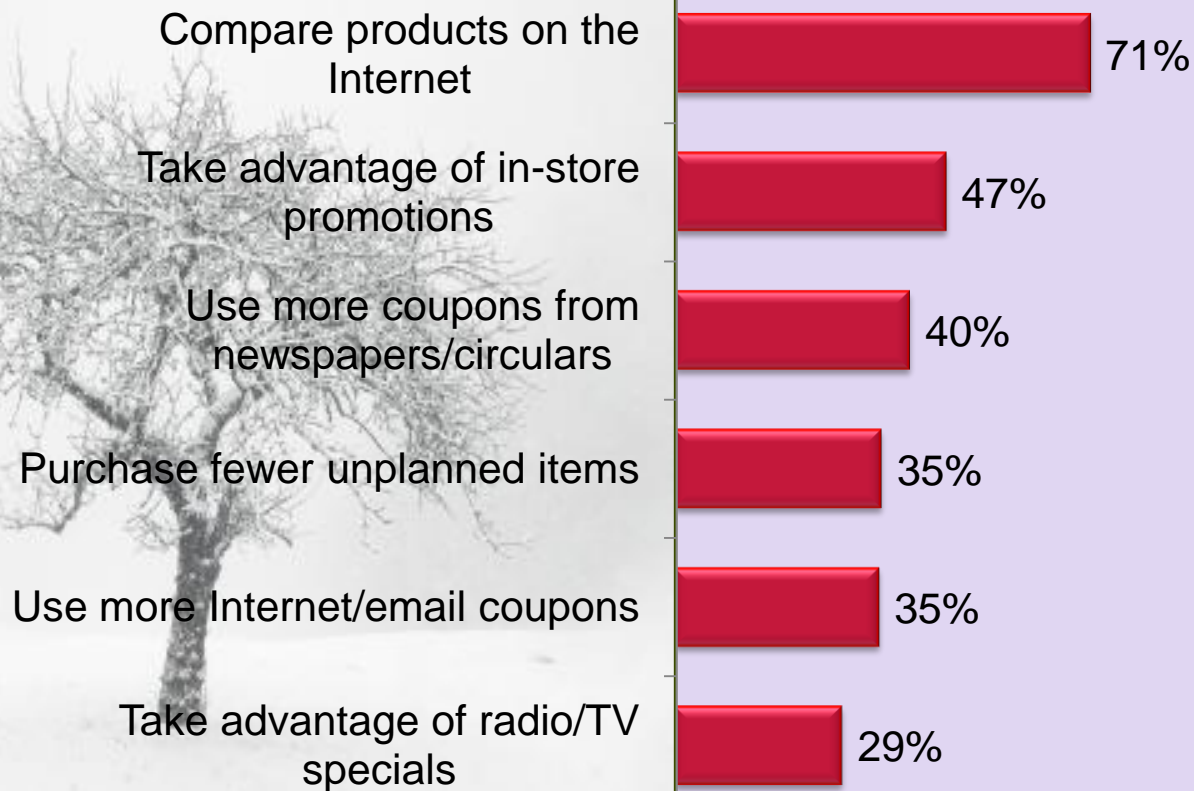


83%

of consumers

*will make a gift shopping list
with the same or
increased frequency
versus previous years*

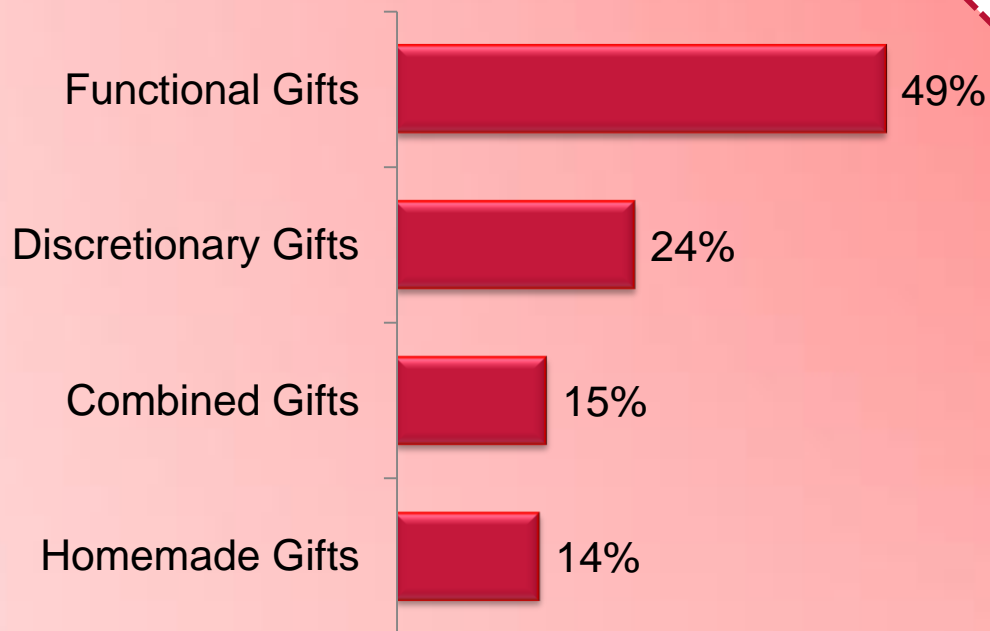
And A Wide Range of Saving Strategies Will Be Embraced



Stepped-Up Shopping Strategies

% of Consumers Citing Intention to Leverage the Strategy More in 2010 vs 2009

Consumers Are Approaching Gift-Giving from A Very Practical Perspective This Year



Primary Gift Types
as % of Consumers

66%
of consumers



*will give
gift cards*

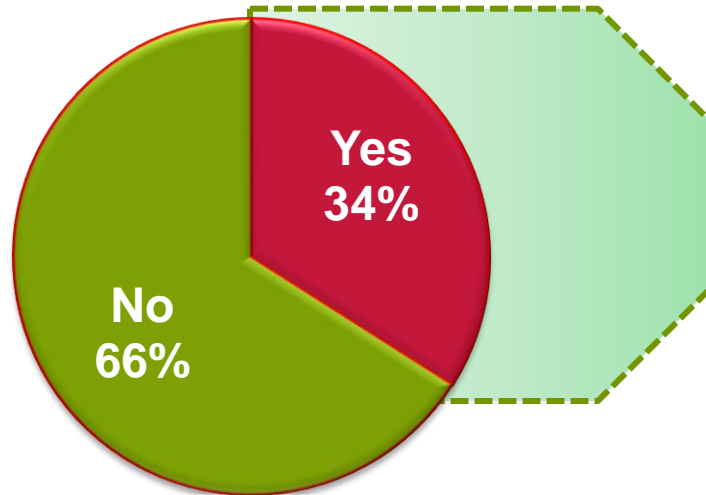
Many Consumers Intend to Shy Away from Credit Cards in Favor of Liquid Cash Forms



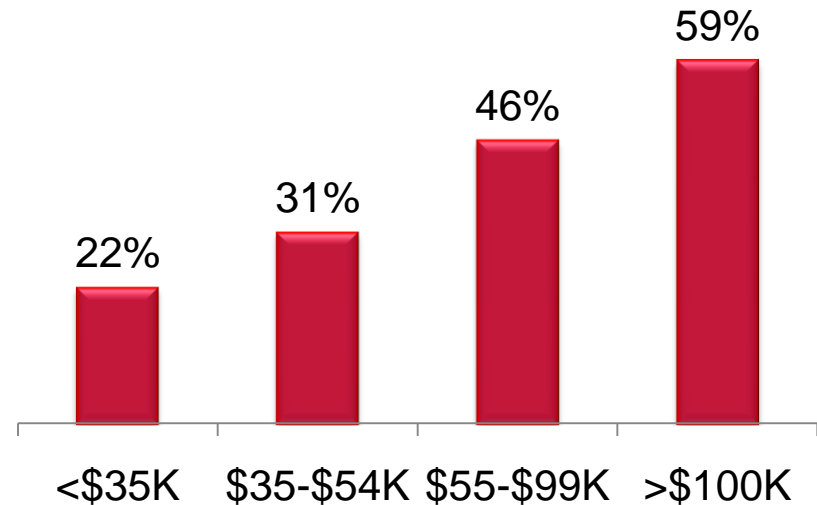
25%
of consumers
*will use a credit card
less this year*

- 20% will use cash more
- 18% will use debit card more

Holiday Tipping Will Remain A Tradition for Many, But Will Be Much More Prevalent Among Higher-Earning Households



Prevalence of Holiday Tip-Giving
as % of Consumers



Prevalence of Holiday Tip-Giving
By Income Segment



Holiday Gift Giving

Holiday Celebration Related Food & Beverage Trends



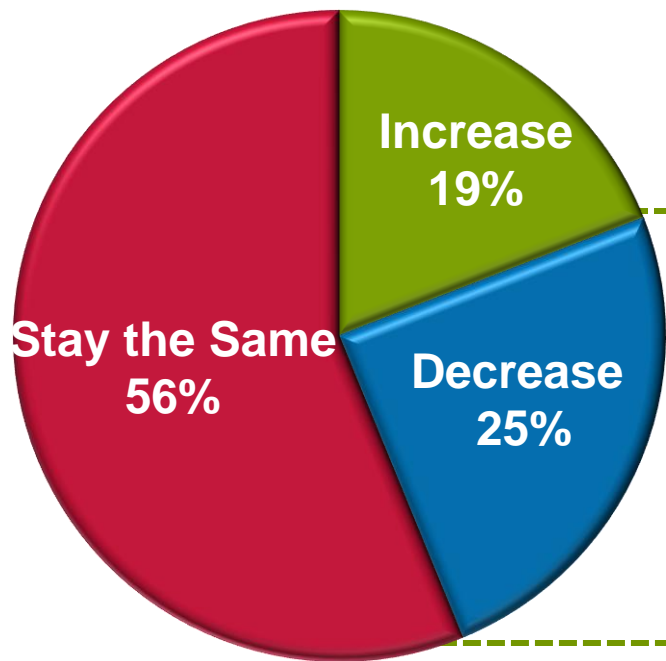
Holiday Celebrations Will Be Merry But Moderate in 2010

65%
of consumers

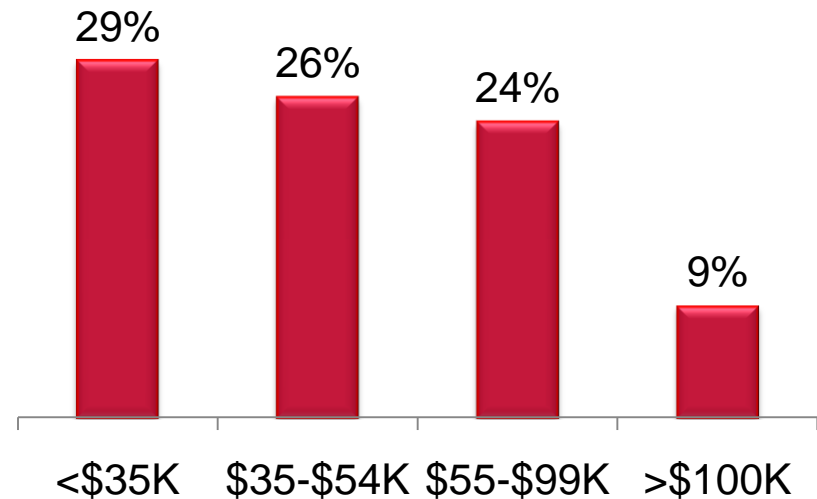
*will aim for simple
elegance at holiday
celebrations this year*



For One-Quarter of Consumers, This Translates to Reduced Holiday Celebration-Related Food & Beverage Expenses versus 2009

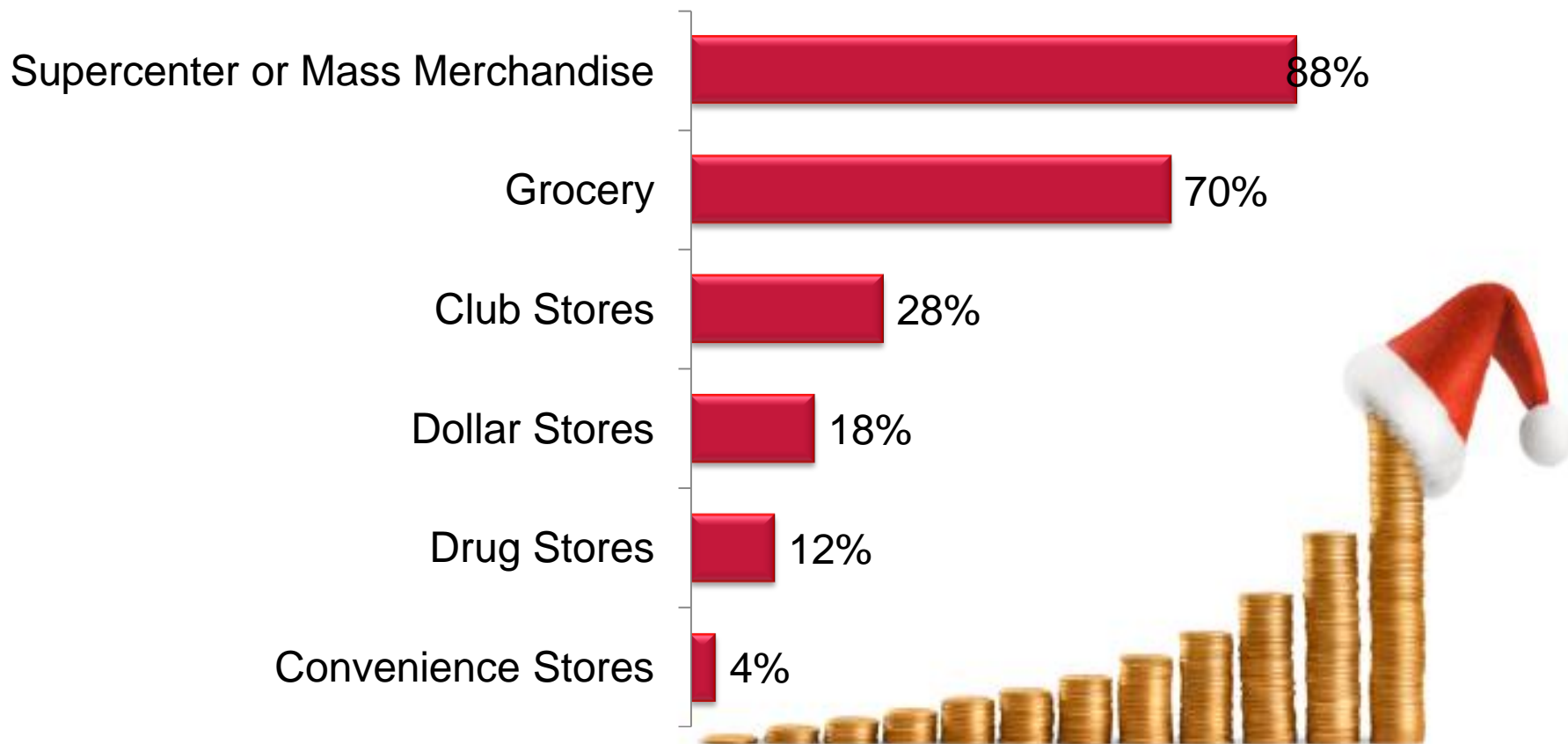


Planned Holiday Celebration Related Food & Beverage Budget versus 2009
% of Consumers



Prevalence of Holiday Celebration Cost-Cutting
By Income Segment

Store Selection Will Play A Key Role in Money-Saving Strategies; Consumers Plan to Shop Across Channels to Save



Holiday Celebration Related Food & Beverage Channels
% of Consumers Shopping the Channel

A Vast Majority of Food and Beverage Purchase Will Be Preplanned...

90%
of consumers

*will make a shopping list
with the same or
increased frequency
versus previous years*



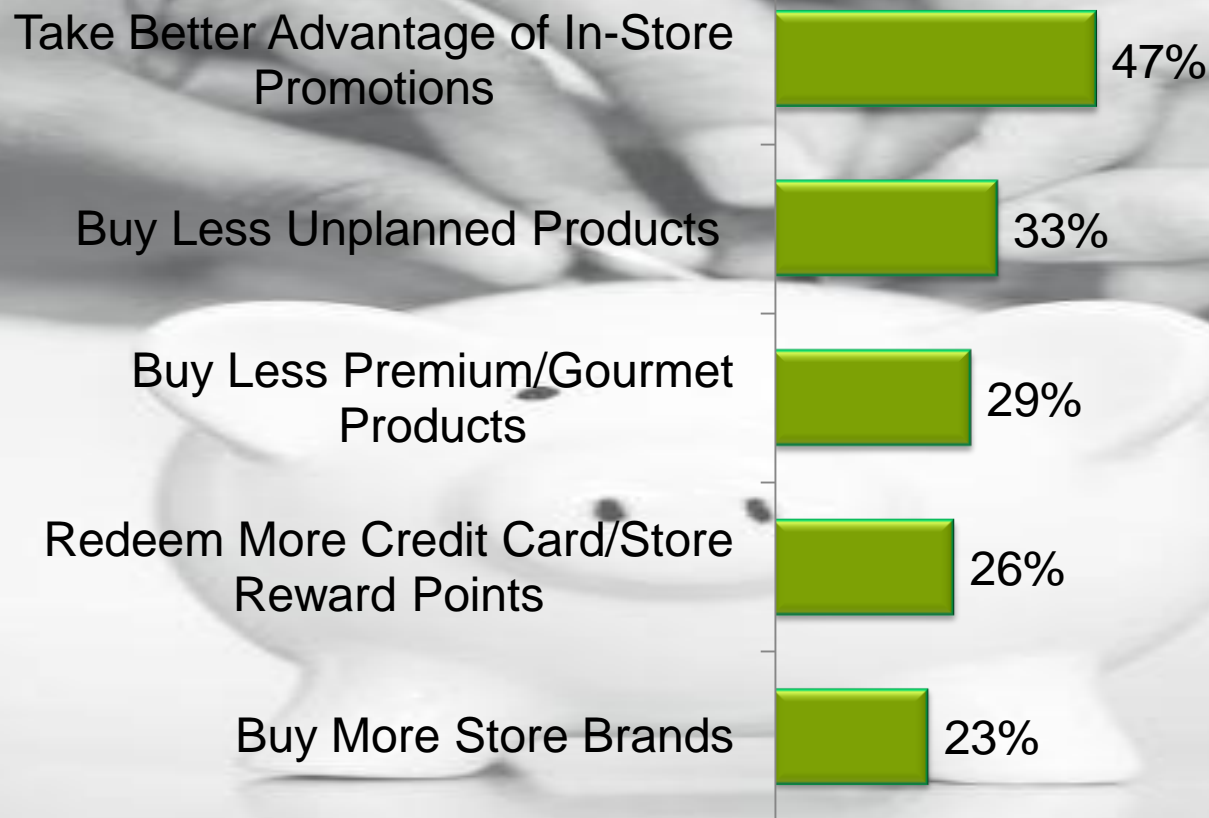
...And Consumers Will Embrace Money-Saving Tools with Increased Fervor

Coupons from Newspapers/Circulars	43%
Coupons from Internet/Email	37%
TV/Radio Promotions	28%
Compare Products on the Internet	27%



Holiday Celebration-Related Food & Beverage Savings Strategies
% of Consumers Using Strategy with Increased Frequency v 2009

In-Store Money-Saving Strategies Are Also Quite Prevalent This Holiday Season



Holiday Celebration-Related Food & Beverage Savings Strategies
% of Consumers Using Strategy with Increased Frequency v 2009

A Vast Majority of Consumers Will Leverage Store Brand Solutions When Creating Their Holiday Celebration Menus

80%
of consumers

will purchase store brand food and beverage solutions

with the same or increased frequency versus previous years

Less expensive than national brand options 82%

Quality is the same as nationally branded solutions 43%

Promotions make store brands even more attractive 32%

Beer, Wine and Spirits Budgets Will Be Mixed...

60%

of consumers*
who plan to purchase
beer, wine and/or spirits
this holiday season

*will budget roughly the
same for 2010 as they
did in 2009*



*Note: Among shoppers over the age of 21

...with Those Cutting Back Slightly Out-Numbering Those Spending More

25%

of consumers*
who plan to purchase
beer, wine and/or spirits
this holiday season

will budget less this year

- ❑ 22% plan to host fewer holiday celebrations
- ❑ 21% plan to purchase less beverage alcohol as gifts
- ❑ 20% plan to attend fewer holiday celebrations

Drivers of B/W/S Budget Cut-Backs
Among Shoppers Over 21 Who Plan to Purchase
Beer/Wine/Spirits This Holiday Season

*Note: Among shoppers over the age of 21

Conclusions

1 Consumers Are Celebrating Practicality

2 Start Holiday 2010 Early

3 Get on “The List”

4 Reinforce at The Moment of Truth

5 Embrace Traditional & New Media Alike