

clearpay

2022

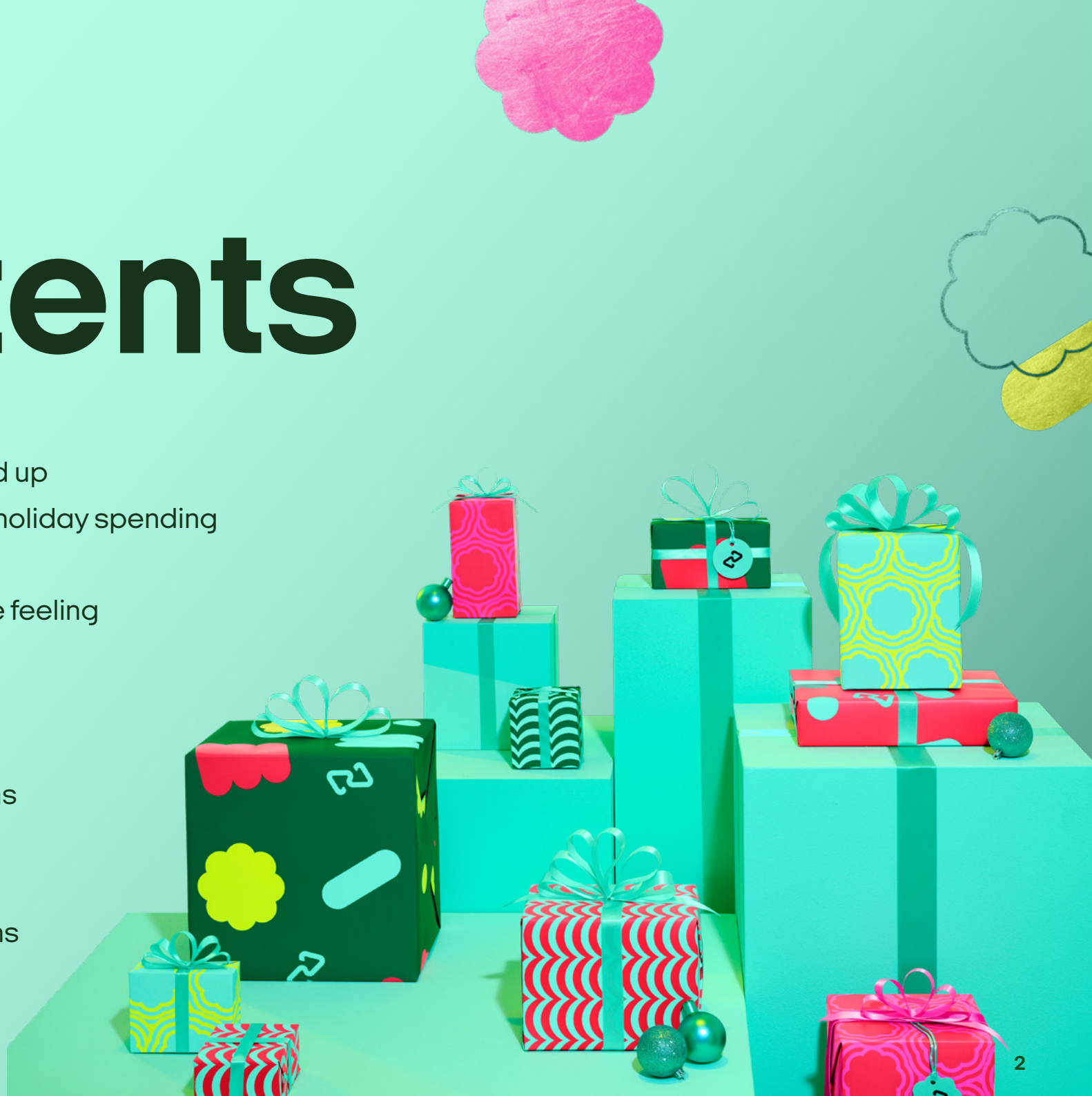
Festive Forecast.

Sleigh with Clearpay this Christmas season with the latest insights into how Brits will be shopping and spending. Because noel-edge is power.



Contents

03. Methodology
04. Festive findings, wrapped up
05. How inflation will impact holiday spending
06. Festive financials
07. How festive shoppers are feeling
08. Stocking up on ideas
09. Connected commerce
10. No time like the present
11. Where the magic happens
12. Shopping starts early
13. Sleigh with Clearpay
14. Present buying predictions
17. Fun festive facts



We surveyed 1,500 consumers.

This survey was conducted between 29 August and 9 September 2022. Core sample data was nationally representative across age, gender and location, with an additional sample of 500 Gen Z and Millennials.

Gender

52%

Female

48%

Male

Generation

13%

Gen Z (18-24)

27%

Millennials (25-40)

21%

Gen X (41-54)

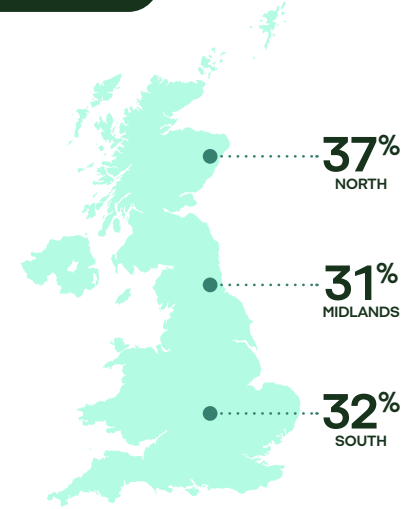
27%

Baby Boomers (55-74)

12%

Post-war (75-99)

Location



Festive findings, wrapped up.

Step up your sales this season with these consumer spending insights.

Shoppers feel the squeeze.

Brits are being heavily impacted by inflationary pressures, and many are making cutbacks and trade-offs.

Making a list, checking the price.

Two in five shoppers plan to spend less this Christmas season, and one in five will be looking to purchase less expensive gifts.

Brits turn to BNPL.

Buy Now, Pay Later (BNPL) services are most popular among Gen Z and Millennial shoppers and those buying more expensive gifts. One in 10 Brits plan to use BNPL to manage their finances and budget during the Christmas season.

Feeling the festive love.

'Tis the season for celebration, and Gen Z, Millennials and Clearpay users are especially excited about the upcoming festive season.

Gift-giving inspo.

Customers will look to family and friends for recommendations, in-store environments, and shopping apps for gift ideas.

Fashion comes first.

Fashion – from clothing to footwear and accessories – is the most popular gift to buy and to receive. Brits are also planning to buy gift cards, beauty and wellness products, and children's toys this festive season.



How inflation will impact holiday spending.

Costs are rising. Here's how shoppers are reacting.

Shoppers are feeling the pinch.

Nearly one in 10 [9%] plan to sign up to a BNPL service like Clearpay to manage their finances.



Making a list, and checking the price.

The rising cost of living means that half of Brits plan to spend less or slightly less than last year. Around one in six shoppers will be on the hunt for more affordable gifts.

TIP

How can you emphasise value? For example, consider offering buy-one-get-one-free offers or free shipping over a certain price point.

Festive financials.

Gift-giving isn't the only spending priority this season.



TIP

Shoppers are especially price-sensitive this year, and will seek out deals outside of Black Friday and Cyber Monday.



Brits love bargains.

More than a third of shoppers say they are always on the lookout for a bargain.

Younger shoppers support small.

Millennials are especially interested in purchasing from small and local businesses, and are keen to discover new and different brands.

How festive shoppers are feeling.

'Tis the season for excitement.

Merry motivations



Merry Z-mas.

Younger shoppers, such as Millennials and Gen Z, are especially excited about the start of the festive season. Why? Many are looking forward to spending time with friends and family [41%], while more than a quarter just want to celebrate. Around one in 10 are looking forward to time out of the office.

Why shoppers feel the festive love.

Most shoppers give presents to show love and care [55%], with more than half [53%] explaining that they like to "put a smile on someone's face".

17%

Clearpay users are extremely excited about the festive season.

Generosity across generations.

Different generations have different motivations for gift-giving. Older shoppers, especially the post-war generation, love the act of giving itself. They also enjoy offering presents that the recipient would find useful. Gen Z, on the other hand, want to show gratitude and appreciation.

TIP

Think about your target demographic and how you are communicating your products' value to them? Are you emphasising utility or helping customers express gratitude?

Stocking up on ideas.

Discover where Brits get inspiration for their festive purchases.

Inspiration for gifts

45%

Family and friends

44%

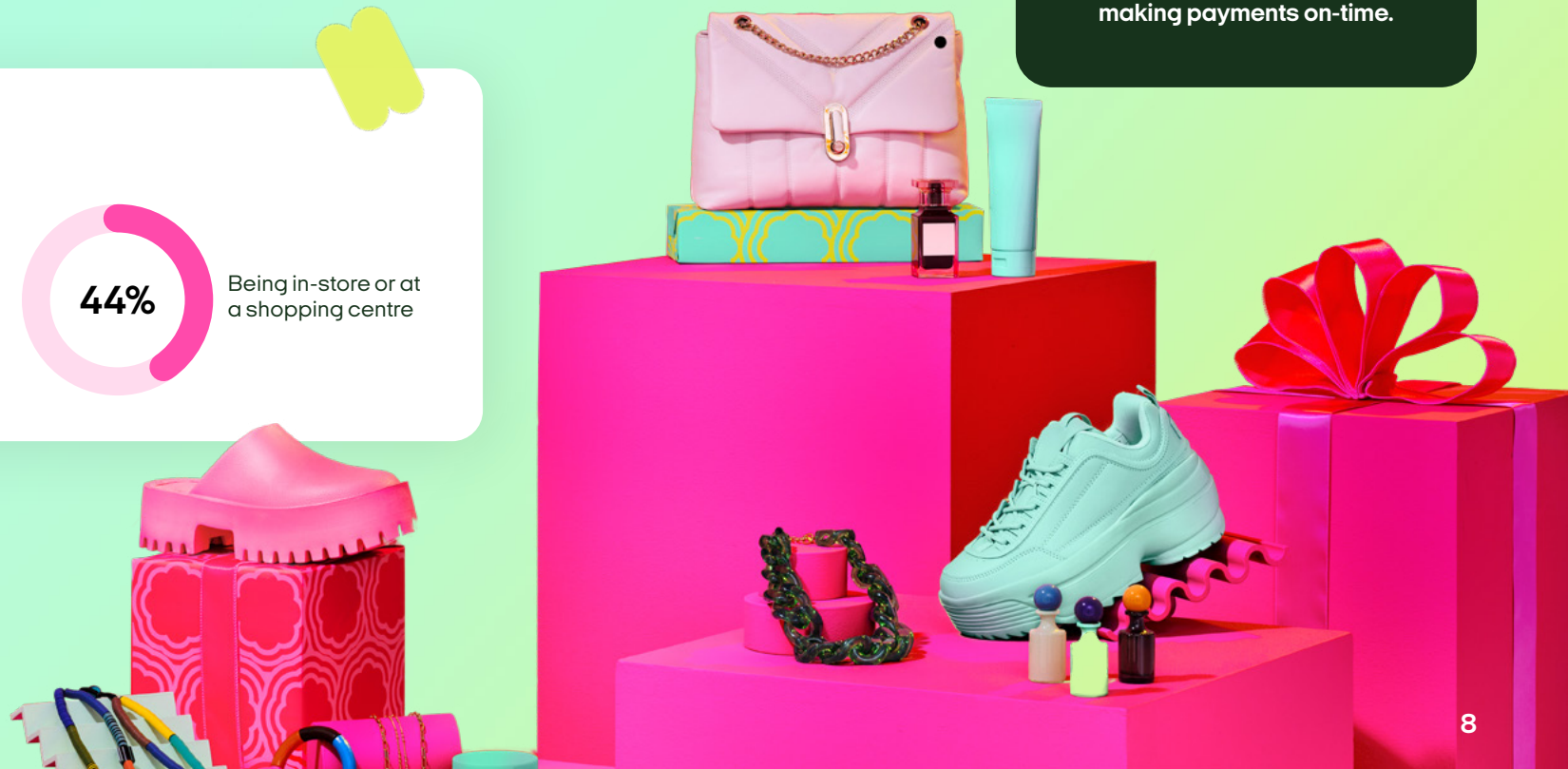
Being in-store or at a shopping centre

Go-to-gift ideas.

When it comes to gift ideas, family and friends are the top source of inspiration [45%] along with simply being in-store or at a shopping centre [44%]. Shopping apps are another important influence, along with shopping catalogues and websites.

TIP

Brits trust recommendations from their friends and family, so consider setting up a referral or loyalty programme to reward customers for sharing the love. For example, Pulse Rewards is a new kind of loyalty programme that rewards Clearpay customers for spending responsibly and making payments on-time.



Connected commerce.

Social shopping.

Social media is a key source of inspiration for younger shoppers, with a sixth [17%] revealing that they get gift ideas from Facebook and Instagram.

Sales drive sales.

Another shopping cue? A discount. Nearly half [44%] of shoppers reveal that seeing an item on sale would prompt them to purchase, while 28% of Brits – particularly Gen Zs – also point to sales events like Cyber Monday as key prompts.

Bricks-and-mortar matters.

Spotting a product in a shop window would also prompt plenty of shoppers – particularly older generations – to spend [30%], while noticing a sign in a store window would be another key cue [15%].

17% of Gen Z and Millennial shoppers would be prompted to buy a Christmas gift if they noticed that the store offered a BNPL service.

TIPS

- 1 Ensure your Black Friday Cyber Monday (BFCM) marketing speaks clearly to younger shoppers, using the most relevant channels (such as social media), and consider ways to educate older customers about the sales. Showcase products and ensure clear signage at windows to encourage older customers to spend during sales.
- 2 Start planning your festive, in-store displays and ensure that signage encourages shoppers to enter.
- 3 Don't forget to clearly communicate that your store offers Clearpay both online and in-store. If you don't already offer Clearpay, now is the time to start as consumers (especially younger Brits) would use a BNPL service to buy their gifts.

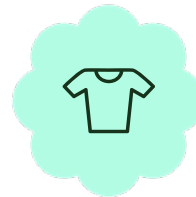


No time like the present.

What and when shoppers are buying this Christmas season – and who they're treating.

Popular presents.

Shoppers say they're mostly likely to gift clothing, footwear and accessories, followed by gift cards and beauty products this festive season.



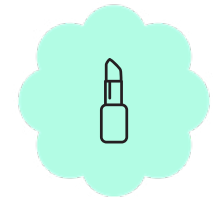
Clothing



Footwear and accessories



Gift cards



Beauty products

Where the magic happens.

Brits plan to head to online marketplaces, department stores and supermarkets to tick off their gift lists.

AVERAGE SPEND

£25-£50

Online is where it's at.

56%

online

44%

in-store

Who gets the gifts?

24%

Children

20%

Partner

13%

Other family relatives

3%

Self-gifting

TIP

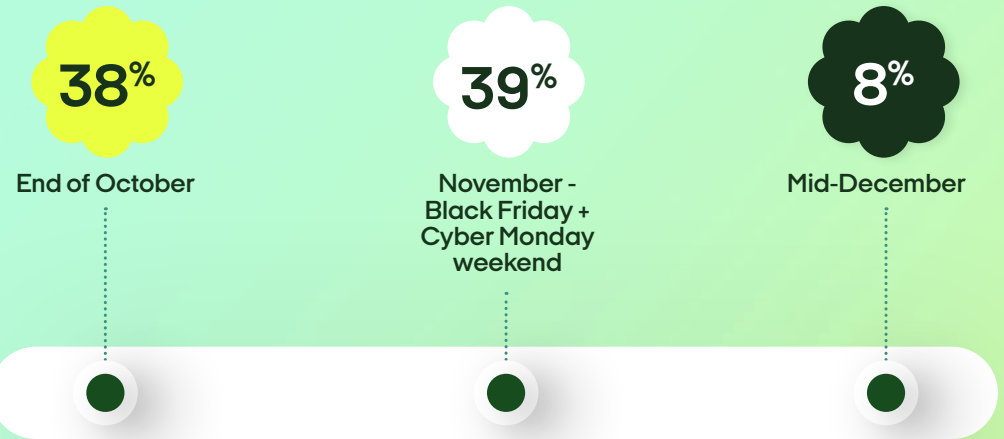
Appealing to omnichannel customers will help deliver long-term value. Integrating in-store with Clearpay is free and seamless, allowing you to access Clearpay's most valuable shopper - the omnichannel shopper.

Shopping starts early.

More than a third of Brits [38%] finished their festive shopping by the end of October. A similar number [39%] will start shopping in November – including during Black Friday Cyber Monday weekend – while just 8% will leave their shopping until mid-December or later.

TIPS

- 1 Timing counts this festive season. Ensure fulfilment centres are prepared and in-store staff are trained early.
- 2 Online shoppers often start purchasing earlier to avoid shipping delays. Finalise your delivery policy as soon as possible and ensure customers have all the information they need about product – from size to fit and delivery – to confidently buy online.



It's all about the timing.

Gen Z are most likely to purchase during Black Friday Cyber Monday [BFCM] sales, while those over 54 are most likely to buy in December.



Sleigh with Clearpay.

Make the most of the festive season by offering BNPL.



Don't miss out on customers.

1 in 10 Brits would use a BNPL service to help with budgeting for larger purchases. This is even more likely for Gen Z and Millennials, with one in five planning to use BNPL for the same reason.

Hello, big spenders.

Shoppers who purchase more expensive gifts are more likely to use Clearpay. That's because they see it as a "safe and secure" way to pay and because it "helps with budgeting".

E-commerce shoppers embrace Clearpay.

Online shoppers are more likely to use BNPL services this festive season [16%] compared to in-store shoppers [6%].

TIP

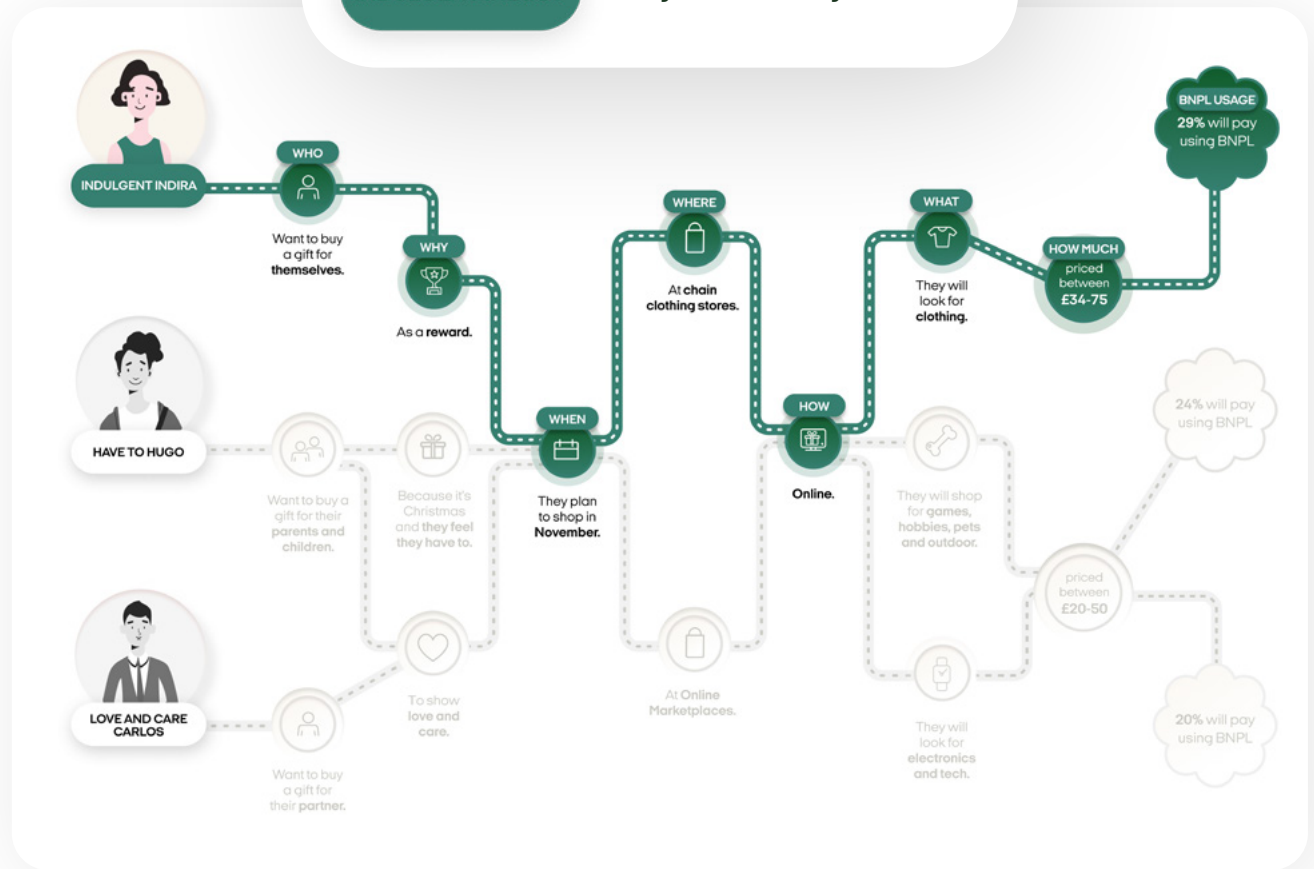
Ensure that Clearpay is clearly displayed on your online store, so customers are aware that you offer it. Head to Clearpay's website for marketing resources to help you promote Clearpay online.

Present-buying predictions.

Want to target specific shoppers this festive season? We took a deeper dive into our data and created three key shoppers and their journeys.

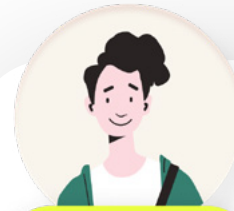


Indira wants to splurge on one person this Christmas... themselves. They're looking to indulge in their own gifts.



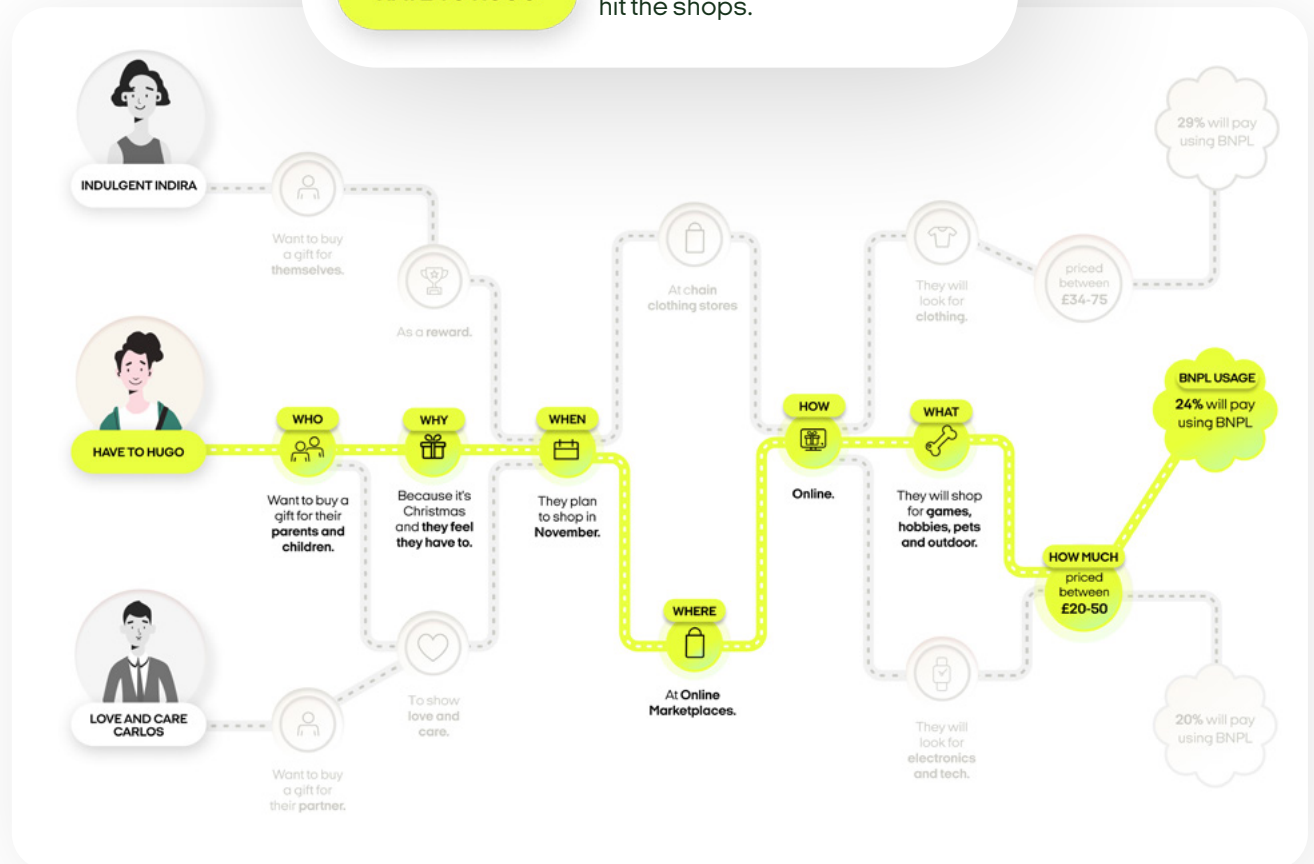
Present-buying predictions.

Want to target specific shoppers this festive season? We took a deeper dive into our data and created three key shoppers and their journeys.



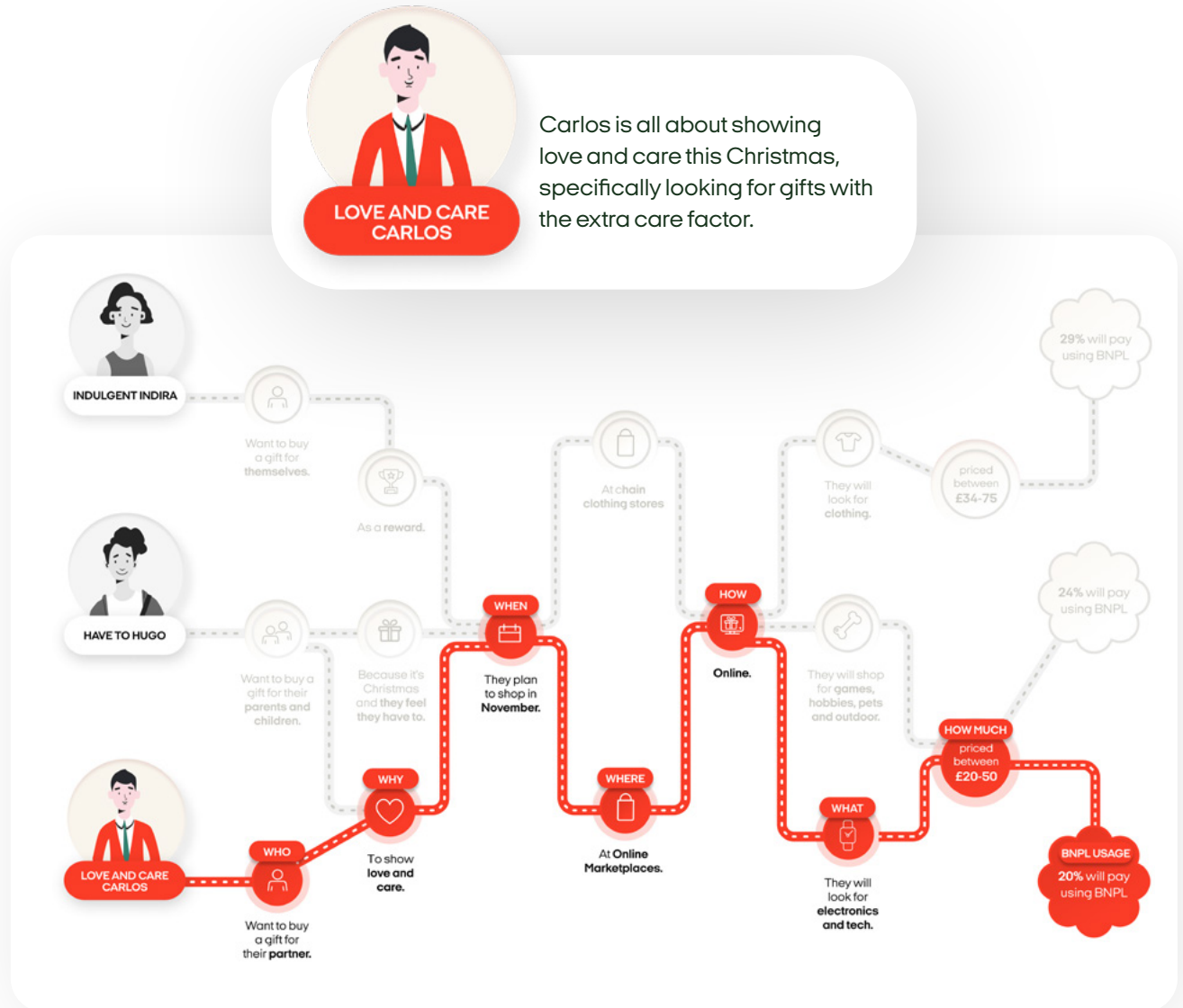
HAVE TO HUGO

Hugo will be out holiday shopping, but only because it is expected. It is the pressure of gift giving that is making them hit the shops.



Present-buying predictions.

Want to target specific shoppers this festive season? We took a deeper dive into our data and created three key shoppers and their journeys.



Fun festive facts.

Understand shoppers' mindsets this Christmas season.

Family time.

Brits are most keen to spend time with family and friends this festive season [46%], while one in seven [13%] want to eat festive food. One in 10 are most looking forward to giving gifts.

Fashion first.

'Tis the season to get dressed up... and, in fact, seven in 10 Brits would most like to receive fashion or clothes this holiday season.

Memorable experiences.

Tickets to an event is another popular present. Three in five Brits say they'd love to receive this as a Christmas present.

A very merry menu.

Whatever you do, don't serve Christmas pudding or parsnips this festive season – Christmas (or plum) pudding is the least liked festive food, with 39% of Brits giving them the thumbs down, followed by parsnips and mince pies. Meanwhile, roast potatoes, however, are almost universally loved.

Wishing you a very **merry** sales season!

It would be rudolph us not to wish you a happy Christmas! We hope you sleigh your sales targets and delight your customers this festive season!

