

Christmas Shopping Habits - UK - February 2018

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“It was a remarkably good Christmas given that all the economic indicators suggested that consumers should be becoming more cautious and because the comparison was with a retail boom in the final quarter of 2016. In the event, people were prepared to borrow to cover the fact that real incomes have been falling.”

– **Richard Perks, Director of Retail Research**

This report looks at the following areas:

- **Retailing is becoming more demanding – there’s nowhere to hide**
- **Why online is having such an impact on the high street**
- **Christmas shopping goes mobile**

Demand should have been dampened by a squeeze on real incomes and interest rates going up. But the reality is that it was a fairly strong Christmas with sales up 4.4% according to the ONS with signs that consumers were willing to borrow to cover the gap.

Online has continued to grow although more consumers are using multiple channels with smartphones fast becoming the dominant way to shop for those under the age of 35. Black Friday has continued to grow but the biggest impact of Black Friday has been to undermine consumers’ trust in retailers’ pricing and this has proven seriously damaging at the most important time of year for retail.

Clothing is the most popular Christmas gift, and the category has actually had a relatively good year but it is the smaller retailers that are outperforming the bigger ones at both the value and premium end of the market.

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DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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Data relating to retailer revenues, operating profits and store numbers and size is either sourced directly from companies or through the company's publicly available annual and quarterly financial reports as well as data accessed via Companies House.

Abbreviations

Consumer research methodology

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