

Sunday 12 September 2021

## **Countdown to Christmas - Australians set to spend over \$11 billion on gifts**

Australians are set to spend over \$11 billion on Christmas presents this year, with a significant proportion to come from online sales, as toys, jigsaw puzzles and boardgames top the list of most popular gifts according to research from the Australian Retailers Association (ARA) in conjunction with Roy Morgan.

Gift buyers are expected to spend an average of \$726 each, with 35-49 years old's the most generous age group. In good news for retailers, most Australians (79%) say they'll spend the same or more than they did last year.

Australians are turning to the internet in a big way - an average of 48% of Christmas presents are likely to be purchased online, with 58% of people saying they'll purchase more or significantly more items online than they did last year.

The most popular gifts are toys, jigsaw puzzles and boardgames, mentioned by 20% of Australians who know what presents they're going to buy, followed by vouchers and gift cards (18%) and clothing, shoes and sleepwear (16%). However, nearly half of Australians (45%) say they are yet to make up their mind about what gifts they'll purchase.

Consumers in NSW are the most generous and forecast to spend an average of \$902 on their Christmas gifts, followed by Tasmanians at \$813, Queenslanders \$705, Victorians \$652, South Australians \$645 and West Australians \$472.

ARA CEO Paul Zahra said Christmas is a critical trading period, when most discretionary retailers make up to two-thirds of their profits for the year.

"The past few months have been a uniquely challenging time for most retailers, in particular small businesses navigating extended state-imposed lockdowns and restrictions that have limited their ability to trade. Despite this uncertainty, the good news is that consumer sentiment is upbeat for Christmas and retailers can look forward to healthy trading conditions over the busy festive season," Mr Zahra said.

"Greater freedoms in locked down parts of the country are on the horizon and retailers can't wait to have people back in their shops in the lead up to Christmas.

"Not surprisingly, a significant amount of Christmas shopping is set to be done online this year which is an accelerating trend as a result of the pandemic. Consumers should be mindful of the strain our supply chains are under and make sure they get their online orders in on time to avoid disappointment. We might be in September, but we're already seeing Christmas levels of demand with current online purchases.

"With less than 15 weeks to go, the countdown is now on to the busiest time of year on the retail calendar, and with over \$11 billion set to be spent on gifts this year, retailers look set to share in the Christmas spoils."

Roy Morgan CEO Michele Levine says that despite the current lockdowns of over half of the Australian population, consumers are looking forward optimistically to a bumper Christmas retailing season.

“This special ARA-Roy Morgan Snap SMS survey of over 3,000 Australians shows there is considerable optimism in the community looking forward to a Christmas retailing season that is set to see a record amount spent online,” Ms Levine said.

“NSW Premier Gladys Berejiklian has announced Greater Sydney will start to open up in mid-October as vaccination targets are met and the hope is that there will be a similar opening up in Victoria soon after – just in time for the Christmas retailing season which traditionally fires up in early November.

“In the first week of September, Australians are planning on spending over \$11 billion on gifts for family, friends and colleagues for Christmas this year and with a lack of spending options during lockdown, the chances are this figure will be exceeded as we open up in the months ahead.”

**\*\*This ARA-Roy Morgan Snap SMS survey was conducted with an Australian-wide cross-section of 3,162 Australians aged 18+ on Wednesday September 1 - Thursday September 2, 2021 including 2,362 who plan on buying gifts for Christmas\*\***

#### **About Roy Morgan**

Roy Morgan is Australia’s largest independent Australian research company, with offices in each state, as well as in the U.S. and U.K. A full-service research organisation, Roy Morgan has over 75 years’ experience collecting objective, independent information on consumers. To learn more about Roy Morgan visit our website here: [www.roymorgan.com](http://www.roymorgan.com).

#### **Media Enquiries:**

Dominic Cuschieri

M 0418 224 072

E [Dominic.Cuschieri@retail.org.au](mailto:Dominic.Cuschieri@retail.org.au)