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Backgrounder

First Annual Christmas Shopping Survey
December, 2007

Executive Summary

- Agency Research Consultants' first annual Christmas shopping survey attracted 202 survey participants from December 1st to 19th, 2007.

- 76% of survey respondents reported shopping in malls during the holiday season, while 40% mentioned that they did at least some of their shopping online.

- 31% stated they started shopping in Early December. Perhaps not surprisingly, women were more likely than men to shop early with 39% of women starting their shopping before Halloween or picking up gifts throughout the year.

- On average, survey participants reported 7 adults on their shopping lists, while the average number of children was considerably fewer at 3. Respondents were also more likely to be spending more on gifts for adults than they did for children.

- Overall, 45% spent more than $500 on gifts at Christmas.

- The majority of those surveyed (54%) indicated they would be spending the same amount as last year. There were distinct patterns, however, with those with lower annual household incomes more likely to be spending less compared to last year than those with higher incomes.

- The majority of respondents (62%) indicated that the strength of the Canadian dollar compared to the US was either not a factor for them at all or that they had never shopped in US stores and were not about to do so now.

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Introduction

Agency Research Consultants' first annual online survey about Christmas shopping was part of a series of local issues surveys aimed at gathering information from Victoria and area residents on topics of importance to the community. Participants were asked to discuss their experiences and thoughts about Christmas shopping, including where they shopped, who they were buying for, how much they were spending, and whether the strength of the Canadian dollar was influencing them to shop in the US.

The survey was administered online via the Agency Research Consultants website at www.agencyresearch.ca and collected opinions from local residents from December 1-19, 2007. A total of 202 persons completed the survey. Invitations to participate in the survey were distributed through our own list of past survey participants, posted online at several local community boards (i.e. KidsinVictoria.com, Craigslist Victoria), via invitation cards passed out on Victoria streets, and supported by advertising in local print media. As this survey was conducted online and respondents self-selected to participate (a non-random sample), no claims can be made on the ability to extrapolate to the population. However, all efforts were made to distribute the invitations through various methods and to as wide a group of individuals as possible to best ensure representativeness. The discussion and tables presented in this report are from a select number of the questions included on the survey.

Survey Results

Survey participants were asked to select the locations where they typically shopped for Christmas gifts. Shopping malls were the most popular response selected by 76% of all survey respondents. The second most popular location was department stores (including big box stores and outlet malls) chosen by 63% of all participants. Although not the most popular option, online sources was cited by 40% of participants and also represented a significant, and likely growing, source for holiday purchases (See Table 1, below). Interestingly, there was very little variation in online shopping by age and gender.

Table 1: Locations for Christmas Shopping

	N	%
Shopping malls	153	76%
Downtown shops	100	50%
Department stores	127	63%
Independent stores (not downtown)	77	38%
Craft fairs, farmer's markets, or trade shows	45	22%
Online	80	40%
I make handmade gifts	41	20%
Don't purchase or make any Christmas gifts	4	2%
Other	5	2%

Respondents were most likely to indicate they started their Christmas shopping in early December (31% started shopping at this time). A total of 34% of respondents indicated they liked to get an early start on their holiday gift buying and began shopping either in the early fall or distributed their shopping throughout the entire year. Perhaps not surprisingly, women were more likely to be early shoppers with 39% of women starting their holiday shopping before Halloween compared to only 22% of men (See Table 2, below).

Table 2: Start time of Christmas shopping by gender

	Men	Women	Overall
I shop all year round	12%	18%	16%
Early fall (September or October)	10%	21%	18%
November	25%	24%	24%
Early December	40%	27%	31%
Late December	12%	10%	10%
Christmas Eve	2%	0%	1%

When asked who they were shopping for, the results indicated respondents were shopping more for adults than children. On average, survey participants reported 7 adults on their shopping lists, while the average number of children was considerably fewer at 3. One third of those surveyed indicated they only had one or two children to shop for, while 43% indicated the number of adults on their list was between 6 and 10.

Table 3: Number of adults and children on shopping lists

	Adults	Children
0	1%	20%
1-2	13%	33%
3-5	32%	28%
6-10	43%	16%
11-20	10%	2%
More than 20	1%	1%

As shown in Table 4, not only were participants more likely to be shopping for adults, but they were also more likely to be spending more on them. The largest percentage of respondents (37%) indicated that they spent between $51 and $100 on a gift for an adult family member, while for a child in the family the largest group of respondents (31%) spent between $21 and $50. Overall, 31% of participants reported that they spent a total of $501 to $1000 altogether on Christmas gifts. An equal percentage spent between $201 and $500, while 14% spent over $1000.

Table 4: Typical cost of a gift for family and overall spending

	Adults	Children	Overall
$0-20	6%	18%	2%
$21-50	30%	31%	7%
$51-100	37%	29%	4%
$101-200	15%	12%	10%
$201-500	10%	10%	31%
$501-1000	1%	1%	31%
Over $1000	1%	0%	14%

Christmas spending is often used as an indicator of the strength of an economy. Even though Victoria is experiencing a period of relatively strong growth, the majority of those surveyed (54%) indicated that they would be spending the same amount as last year. When these results are explored further by annual household income, however, the picture changes slightly. Those with household incomes under $50,000 were more likely to report spending less, while those who were earning over $50,000 were more likely to be spending more. Since this is not an indicator of overall spending, but rather a comparison to the previous year this provides some evidence of the effect of a widening income gap. Table 5, below shows the results of this question by annual household income.

Table 5: Comparison to last year's Christmas spending by income

	Under $50,000	$50,000 - $99,999	$100,000 or more	Overall
Considerably more	6%	5%	4%	5%
Somewhat more	8%	21%	21%	17%
About the same as last year	46%	55%	64%	54%
Somewhat less	27%	13%	11%	17%
Considerably less	13%	6%	0%	8%

With the Canadian dollar hovering near par with the American dollar throughout the holiday season, there has been considerable speculation that this will drive shoppers to the US. Survey participants were asked to indicate the level of influence the strength of the Canadian dollar had on their spending. The majority of respondents (62%) indicated that this was either not a factor for them at all or that they had never shopped in US stores and were not about to do so now. A further 31% indicated that this was either a moderate or minimal influencing factor, while only 7% indicated that this was either a strong or very strong factor.

Table 6: Influence of the strength of the Canadian dollar on US spending

	N	%
Very strong influence	2	1%
Strong influence	12	6%
Moderate influence	20	11%
Minimal influence	38	20%
No influence at all	94	50%
I have never shopped at any US sources, nor do I plan to this year	24	12%

Demographics

The results for age, gender and income are presented below.

Table 7: Demographics

Gender	N	%
Man	54	30%
Woman	134	70%
Age	**N**	**%**
Under 25	21	11%
25-34	62	33%
35-44	41	22%
45-54	33	17%
55-64	25	13%
65 or over	8	4%
Income	**N**	**%**
Under $25,000	18	11%
$25,000 - $49,999	36	22%
$50,000 - $99,999	82	50%
$100,000 - $149,999	25	15%
$150,000 - $199,999	2	1%
$200,000 or above	1	1%

Conclusion

Agency Research Consultants' first annual survey on Christmas shopping has provided a snapshot into the holiday gift buying patterns of local residents. As we have seen in this survey, however, Christmas shopping is not merely a reflection of festive spending it is a window that can provide broader insight into the local economic picture.

Agency Research Consultants is dedicated to providing information on important local issues. Watch for our January survey on the local labour market at www.agencyresearch.ca.

For more information about the survey results contained in this report, or about our upcoming surveys, please contact us at info@agencyresearch.ca or by calling 885-0289.