

The New York Times

Media Decoder

Behind the Screens, Between the Lines

DECEMBER 3, 2010, 5:00 PM

Surveys: Christmas Spending May Not Be So Jolly

By STUART ELLIOTT

Although the Christmas shopping season is off to a strong start, some surveys of consumers are flashing red lights rather than green ones as to what the mood among retailers and marketers might be on Dec. 26.

A survey by the Chicago office of Ogilvy & Mather Worldwide, part of WPP, conducted in partnership with Communispace, a researcher, found that consumers remained budget-minded as they shopped for holiday purchases.

Seventy-eight percent of respondents said the recession was not over, and only 7 percent said it was; the rest, seemingly throwing up their hands, replied, "I have no idea."

Fifty-one percent of respondents said it would take two or three additional years for the economy to recover. The next highest percentage of respondents, 38 percent, said it would take — wait for it — "at least 10 years to fully recover from this recession."

Asked about their Christmas spending plans, 38 percent of respondents said they would spend about the same amount as last year, followed by 28 percent who said "a lot less" and 23 percent who said "a little bit less."

Only 2 percent said they would spend "a lot more," and 9 percent said "a little more."

More than half of respondents, 56 percent, said the economy inspired them to rethink how they give gifts. Asked to describe what they are doing, they offered these comments: buying less expensive gifts, setting a budget, trimming their gift lists, scaling back the number of gifts they are giving and making gifts rather than buying them.

A survey by StrategyOne in New York, part of Daniel J. Edelman, also found widespread belief that the recession was not over. (Economists have officially declared it is, but they hastened to add that the economy remained quite weak.)

Seventy-nine percent of respondents to the StrategyOne survey said the recession was continuing, while only 10 percent rated the economy as good or excellent and 8 percent said the economy would be "much better" by next year.

In the StrategyOne survey, 39 percent of respondents said they were concerned enough to spend less for Christmas than last year. Fifty-two percent said they would spend about as

much as in 2009.

A survey on this subject by Venables Bell & Partners, an ad agency in San Francisco, found that 48 percent of respondents said they planned to spend less this year on holiday presents. Forty percent said they would, if they could, do away with gift-giving altogether.

And 90 percent of respondents said they were fine with “regifting,” getting a gift from someone who had received it as a gift previously.

Not all surveys are as downbeat about the holiday shopping season. The New England Consulting Group is forecasting an increase in sales of almost 3 percent compared with the same period last year — almost twice as much as most other forecasters have predicted.

The consulting company, based in Westport, Conn., attributed its forecast to the high volume of price-cutting and deal-making by retailers, a longer holiday shopping season and an increase in places to shop like so-called pop-up stores.

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