



CardRatings Finds More Than 70% of Shoppers will Spend the Same Amount or More on Holidays This Year Despite Pandemic

December 8, 2020

COVID-19 wreaks havoc on American economy but not holiday shopping spirit

Foster City, CA – December 8, 2020 – After 10 months of the coronavirus pandemic wreaking havoc on the American economy, a new [CardRatings.com](#) survey shows consumers are determined to move forward with their normal holiday shopping budgets. The credit card ratings site polled 1,000 Americans nationwide about how they plan to pay for holiday gifts and if COVID-19 has affected their shopping in its second annual holiday survey. The analysis shows American shoppers will not let the pandemic upend their typical holiday spend.

Pandemic Not Affecting Financial Spend on Presents

- Nearly 3 out of 4 shoppers surveyed plan to spend *more* or the same amount as last year on holiday shopping (72%)
 - 51% of respondents plan to spend about the same
 - 21% expect to spend more on holiday shopping
- Less than one-third indicate they will spend less per person this year compared to 2019 (28%)
- The average total gift amount per person is about \$133

The shoppers surveyed plan to spend an average of \$710 this year and the majority report they do not feel pressure to spend beyond their means (73%). However, about 27% of respondents say they do feel pressure. While this is slightly less than last year's survey, which found one-third felt pressured to spend beyond their means, it's more than one out of four shoppers.

"What we don't want to see is consumers spending more than their bank accounts allow. One way to curtail this is to create a budget in advance," remarks Jennifer Doss, an editor for CardRatings. "We want consumers to shop smart: stick to a budget, use a shopping portal like Rakuten and pay with the [best credit cards](#) for their lifestyle. That way they'll get the most out of their rewards."

How Consumers Plan to Pay for Holiday Gifts

- About 37% of respondents will pay with a debit card
- The same amount plan to use their credit cards (37%)
- Only 14% will open a new credit card to pay for presents, down 9% from last year
- Just 17% plan to pay with cash, which could be a reflection of the increase in online shopping
- Merely 2% report they will pay for gifts using paper checks
- Around 7% of respondents plan to use gift cards to pay for gifts

Recession Will Not Delay Holiday Credit Card Debt Payoff

The majority of respondents, 66%, expect to pay off their debts throughout the holiday season; this means consumers who use their credit cards to finance gift purchases will not carry a balance into the new year and will not have to resort to high interest loans to pay it off. Unfortunately, 17% of respondents who usually pay off their credit card balance expect to carry one this holiday season and pay it off over time.

"That number is about the same as last year's analysis. While shoppers can use their credit cards to rack up rewards, they may want to find out how long it will take to pay off those Christmas presents before they swipe their cards. We have a credit card payoff calculator where they can figure out how long it will take in three simple steps."

When Consumers Shop for the Holidays

- Most people surveyed start shopping in November (35%)
- October is the next most popular month (15%)
- Only 12% wait until December to shop
- About 3% started last January and 1% started in February or March

For the complete survey analysis visit the [COVID-19 pandemic will not dramatically affect holiday gift spending. CardRatings survey reveals.](#)

Survey Methodology

In November 2020, CardRatings commissioned Op4G to conduct surveys among 1,000 holiday gift-givers nationwide. All participants self-reported demographic and personal information.

Jennifer Doss is available to discuss the survey analysis in greater depth. She can expand on how shoppers can use [credit cards for cash-back rewards](#) and how to pay off credit card debt.

About CardRatings

CardRatings is owned and operated by QuinStreet, Inc. (Nasdaq:[QNST](#)), a leader in providing performance marketplace technologies and services to the financial services and home services industries. QuinStreet is a pioneer in delivering online marketplace solutions to match searchers with brands in digital media. The company is committed to providing consumers with the information and tools they need to research, find and select the products and brands that meet their needs. CardRatings is a member of QuinStreet's expert research and publishing division.

CardRatings innovated online credit card ratings and has been offering independent ratings and reviews of credit card offers since 1998. The website collects and maintains data on more than 700 credit card offers and carefully compiles objective lists of the top credit cards by card type, making it easy for consumers to find the right card to fit their needs. Sign up for the bimonthly newsletter [here](#).

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