

2024 holiday shopping season: post-peak insights

A closer look at the key takeaways from the 2024 holiday season to help grow your business!



Prepared by C Space



Methodology: Unwrapping the holiday season and identifying key insights



Methodology

To deliver a comprehensive thought leadership report on the 2024 holiday season, FedEx worked with C Space to analyze industry data as well as communities of consumers, small, and medium-sized businesses to get their perspectives.

Sources and references are diligently footnoted to provide transparency and credibility to the insights presented.

Our methodology ensures a rich and nuanced exploration of the 2024 peak season, to highlight key takeaways and trends to consider going into 2025.

This report provides thoughtful and actionable takeaways throughout, empowering readers to leverage these insights and grow your business.

For more information about how FedEx can support your business during peak season and all year, [visit our Small Business Resources Center.](#)



Key Takeaways from the 2024 Holiday Post-Peak Season

Click on a topic below to jump to the insights!

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Advanced-tech shopping:

Consumers and retailers embrace smart-phone based shopping and generative AI, while multi-channel and social commerce redefine the shopping experience

2

Year-round shopping:

Early shopping and promotional events dominate the calendar through the season, followed by a notable spike in after-Christmas sales

3

Budget-conscious buying:

Shoppers delay purchases, seek alternative payment methods, and turn to ultra-affordable platforms amid economic uncertainty

4

The rise of experiences and self-care in gifting:

Consumers prioritize experiences as gifts over material goods, as well as spend more energy on self-gifting and essential purchase behaviors

5

Growing holiday pressures:

Consumers are inundated with marketing efforts, increasing their debt to stay afloat over the holiday season, and leaning into seamless returns quickly following the holidays

6

Shift back to local:

In-store pick up strategies successfully drive higher foot traffic, bringing local consumers back to the storefronts

Advanced-Tech Shopping: Consumers and retailers embrace smart-phone based shopping and generative AI, while multi-channel and social commerce redefine the shopping experience

“A standard search bar is no longer the fastest path to purchase — rather, we must *use technology to adapt to customers’ individual preferences and needs*.”¹

Consumer-focused

54.5% of online purchases were driven by smartphones in 2024, up from 51.1% in 2023²

Mobile usage peaked on **Christmas Day**, with **65%**² of online sales made on smaller screens.



Factors contributing to the increase in smartphone-based shopping include **convenience** and **increased comfort** of online shopping, flexible payment options like **Buy Now Pay Later (BNPL)** and **AI-powered tools like chatbot usage**^{2,3}

Usage of AI-based chatbot services surged by **42%** compared to 2023, with retail site traffic from chatbots surging **1,950% on Cyber Monday 2024** compared to 2023^{4,5}

Merchant-focused

Harnessing technology for growth:

Personalized email subject lines saw **35%** higher open rates, custom landing pages increased conversion rates by **28%**, and segmented campaigns outperformed generic broadcasts by **3x**⁶

20% **YoY revenue growth** was achieved by businesses that integrated SMS with email marketing, highlighting the significant impact of multi-channel marketing on Black Friday Cyber Monday (BFCM) 2024 sales⁶

14% **Traffic driven by social media to e-commerce sites** during the holiday season saw an 8% increase YoY⁷

Advanced-Tech Shopping: Consumers and retailers embrace smart-phone based shopping and generative AI, while multi-channel and social commerce redefine the shopping experience



How can you implement advanced technology shopping strategies?



Leverage AI-powered personalization

Consider implementing AI tools that analyze customer data to deliver personalized experiences. This includes using AI to customize email marketing campaigns, tailor product recommendations, and create personalized landing pages. By doing so, customer engagement may increase as personalized interactions have shown higher open and conversion rates.



Make experience smartphone-friendly

Smartphones are essentially an extension of consumers, and it allows them to make more in-the-moment purchases. Ensure your website is mobile-friendly with a responsive design that adapts seamlessly to various screen sizes. Prioritize fast loading times, intuitive navigation, and easy access to product information and purchase options. Also, consider incorporating flexible payment options like Buy Now, Pay Later (BNPL) services, which caters to the growing demand for convenient and diverse payment options among mobile shoppers.



Develop a robust omni-channel strategy

Enhance customer engagement by integrating SMS with email marketing campaigns to boost communication effectiveness, as businesses have seen a notable increase in revenue through these channels. Furthermore, capitalize on the power of social media by leveraging platforms like YouTube, Instagram, and TikTok to drive traffic and sales through engaging content such as live product demos and curated experiences.

Year-Round Shopping: Early shopping and promotional events dominate the calendar through the season, followed by a notable spike in after-Christmas sales

Early shopping events now dominate the holiday calendar, with nearly one-third of consumers beginning their shopping between July and October 2024.¹

Retailers are matching consumer energy by offering early discounts, promotions, and flexible payment options through the season; major retailers like Amazon, Target, Walmart, and Best Buy launch early sales events in July.

Brands launching campaigns by Early November noticed:²

40%

Increase in purchase decision time

35%

Rise in pre-Black Friday/Cyber Monday engagement rates

22%

Rise in email open rates for early launchers

18%

Decline in cart abandonment rate for early bird shoppers

For quite a few, Cyber Monday marks ‘last call’ for great deals, as they are comfortable making their purchases far earlier in the season.

WATCHOUT!

32% of consumers mention the deals during Cyber 5 (5-day period between Thanksgiving and Cyber Monday) are now WORSE due to the early start of deals and promotions throughout the season.³

After-Christmas shoppers are not to be ignored!

Despite the early shopping shift, 65% of consumers also plan to shop between Christmas and New Year’s, to take advantage of:



Clearance Sales



Gift Card Redemptions



Year-Round Shopping: Early shopping and promotional events dominate the calendar through the season, followed by a notable spike in after-Christmas sales



How can you adapt your strategy to align with holiday shopping shifts?



Capitalize on early shopping trends and enhance promotional strategies

Consider initiating holiday marketing and sales campaigns as early as July to potentially increase customer engagement and reduce cart abandonment rates; consider tiered discounts for early bird shoppers to maintain interest throughout the season.



Emphasize value where deep discounts cannot be implemented

Given consumer disappointment with Cyber 5 deals, if deeper discounts cannot be offered focus on emphasizing the overall value of products and services, like excellent features and superior customer service. Where possible, consider bundling products or offering added-value services for free during the holiday period.



Optimize your post-holiday sales opportunities

Don't overlook the after-Christmas shoppers – prepare by developing robust sales strategy to take advantage of gift card redemptions and clearance shoppers while ensuring they feel they've made the best financial decision by waiting; extend holiday promotions through the New Year to maintain engagement.

Economic uncertainty and post-election anxiety led to a cautious approach for some consumers, many setting strict budgets and prioritizing essential purchases.



73%

Engaged in 'Slow Shopping'¹

Budget-conscious consumers delay purchases, seeking more time to price compare amidst financial constraints; **31% admit waiting in hopes the deals will be better closer to the holidays.**²



↑ 9.6%

YOY Surge in Buy Now, Pay Later Use³

Consumers, largely Millennials and Gen Z, **don't miss out on Cyber 5 thanks to BNPL platforms** that help them manage cash flow, avoid interest, and access higher ticket one-time grabs.



90%

Turn to Deals and Sales for Purchases²

With price more important than ever, consumers are shopping **smarter than ever**; most turn to retailer websites (63%) and email notifications (62%) to discover the best deals.²

Ultra affordable e-commerce platforms outperformed this year, with sales soaring since the 2023 holiday season.⁵

↑ 229.9% TikTok Shop

↑ 18.9% Temu

↑ 17.4% Shein

“Chinese marketplaces like Temu have rapidly gained popularity among Americans over the past year. Amazon has attempted to compete with the launch of Amazon Haul, but **small businesses face the biggest threat. Their prices and product variety simply can't match those offered by Temu and Shein.**”⁴

Budget-Conscious Buying: Consumers delay purchases, seek alternative payment methods, and turn to ultra-affordable platforms amid economic uncertainty



How can you win budget-conscious consumers in 2025?



Embrace flexible payment options

Buy Now, Pay Later (BNPL) and other alternative payment methods can attract budget-conscious shoppers who don't want to be left behind during the major holiday deals events. By integrating these platforms, you may encourage high-value purchases without immediate financial strain.



Enhance price comparison tools and transparency

As consumers shop smarter and prioritize price comparison and deal hunting, providing robust tools to facilitate easy comparison could be a game-changer, and clear communication about upcoming events through email and social media may capture deal-seeking customers.



Leverage data-driven personalization for deals and discounts

With so many consumers turning to deals and sales with purchases, personalizing discounts and offers could improve customer retention and conversion rates.

The Rise of Experiences and Self-Care in Gifting: Consumers prioritize experiences as gifts over material goods, as well as spend more energy on self-gifting and essential purchase behaviors

2024 saw a marked shift toward spending on experiences rather than tangible goods during the holidays, reflected by a **16% YOY increase** in holiday spending on travel, dining, and other memorable activities.¹



65%

Of consumers favored gifting 'experiences' this holiday season over tangible items.²

Self-gifting/essentials purchasing also boomed this year, especially among Gen Z and Millennials; **personal indulgence and the chance to take advantage of deals fueled 42% of consumers to self-purchase.**³

53%

Of consumers purchased items via holiday deals for themselves that were NOT related to holiday gift-giving.⁴

“ *Yes, I took advantage of holiday deals to purchase essentials and treat myself. I restocked household items, personal care products, and groceries, and bought items I'd been eyeing, like kitchen gadgets and cozy throw blankets.* **”**

How can you align with new ways to gift?

Consider expanding product lines to bundle physical items with experiences, such as offering access to a cooking class with the purchase of new kitchen gadgets.

Optimize holiday deal strategies to include essentials that will appeal to those self-gifting, like household goods, personal care products, and other daily necessities.

Develop targeted marketing to highlight self-care and personal indulgence and use messaging that encourages self-gifting alongside traditional holiday gift-giving.

Collaborate with local influencers that will resonate with young audiences and drive engagement; focus on authentic storytelling around experiences or self-gifting.

Growing Holiday Pressures: Consumers are inundated with marketing efforts, increasing their debt to stay afloat over holiday season, and leaning into seamless returns quickly following the holidays



Debt levels rise, with over one-third of consumers accumulating debt during the 2024 holiday season.¹

Inflation, overspending/impulse purchasing, and a general sense of missing out on all the available sales and deals contribute to increased holiday debt year over year, especially among Millennials, Gen Z, and parents with young children.

42% of consumers note regret around their holiday spending, with 60% of those in debt reporting significant stress levels throughout the season.²

Despite ongoing financial strain, consumers continue to take part in holiday gift giving and lean into seamless returns from retailers when dealing with post-holiday regret. Beyond regret, new habits like *bracketing* and *wardrobing* contribute to increased returns.

Deal fatigue was present this year, with 67% of consumers overwhelmed by marketing in November and 81% overwhelmed in December.³

Excessive messaging with limited personalization led to disengagement, with 45% of consumers willing to unsubscribe once they receive irrelevant emails.⁴

How can you reduce consumer pressure?

Emphasize the benefits flexible payment options have, like interest-free installments or deferred payments, to try to ease consumer concerns and reduce barriers to purchase.

Develop content to educate consumers on smart spending during the holiday and help them get the most out of purchases with your business – become a trusted advisor.

Embrace seamless and customer-friendly returns as a competitive differentiator, while leveraging enhanced security to combat against fraudulent actions.

Consider investing in AI tools to create highly personalized marketing campaigns to focus on clear value and dynamic, relevant content.

The 2024 holiday season was marked by a significant shift back toward *local* retailers, fueled by the need for quicker access to products and the appeal of supporting local businesses.

71%

Of consumers preferred supporting local retailers, even at a premium.¹

Local Searches are Effective:

Local Google searches often resulted in store visits within 24 hours, resulting in purchase 28% of the time.¹

↑ 7.5%

YOY growth in Buy Online, Pickup In Store (BOPIS), Reserve Online, Pickup In Store (ROPIS), and curbside pickup.¹

Convenience Dominates:

The surge in these local pickup options can be attributed to the overall convenience and speed offered.²

“The 2024 holiday season confirmed that **consumers value connection, trust, and the tangible benefits of shopping locally**. The data shows a clear and sustained shift toward local retail as a preferred choice. Consumers increasingly demanded the flexibility to browse and buy on their terms, and **local retailers were quick to respond with omnichannel strategies that bridged the gap between digital and physical commerce.**”

How can you embrace the shift toward local?

Implement or enhance BOPIS and ROPIS options to cater to the growing demand for flexible shopping, ensuring a seamless integration between online and in-store.

Optimize for local search to capture the attention of consumers looking to support local businesses and encourage visits through targeted local advertising and promotions.

Foster loyalty, engagement, and trust by building a strong community presence via local partnerships, community events, and marketing local values.



Thank you.

Review additional thought leadership reports from FedEx for more insights and growth opportunities for your business.



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