Affirm predicts ‘slow shopping’ trend to accompany increased consumer spending this holiday season

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New Affirm research reveals over 50% of consumers plan to finish their holiday shopping on or after Black Friday and nearly 70% are planning to spend the same or more on holiday shopping this year

Research also highlights the positive impact of 0% APR financing on purchasing decisions

SAN FRANCISCO--(BUSINESS WIRE)--Oct. 24, 2024-- Consumers are not holding back on holiday spending this year – but they are taking a more deliberate approach to the purchases they make, according to new research from Affirm (NASDAQ: AFRM), the payment network that empowers consumers and helps merchants drive growth.

The study, conducted by Talker Research on behalf of Affirm, reveals the growing trend of "slow shopping," with nearly three in four consumers (73%) saying they have adopted this approach for the holiday shopping season. Additionally, three in five consumers (60%) say they have started their shopping earlier, making more frequent, smaller trips, and being mindful of what they buy this year.

When asked why, consumers pointed to value and intention. More than one in two consumers (53%) say they “slow shop” to ensure they are only purchasing items they truly want, and more than one in three (36%) say it helps them take more time to research their purchases and compare different brands and styles. At the same time, more than half (51%) say they are using “slow shopping” to take advantage of more deals and promotions, a need Affirm is directly addressing through its exclusive 0% APR offers.

"Every year, we see consumers starting their holiday shopping earlier, but this time it’s different—they are also taking their time. Over 50% plan to finish their purchases on or after Black Friday,” said Vishal Kapoor, Affirm’s SVP of Product. “With just 27 days between Thanksgiving and Christmas this year, expect consumers to use this time to carefully weigh their options and hunt for the best value from retailers, including more flexible ways to pay offered via longer payment terms and unique credit offers.”

Consumers may be pacing their holiday spending, but they are not cutting back. Nearly 70% of consumers (68%) plan to spend the same or more than they did last year – fully aware of higher costs. Over one in three (34%) cite inflation as the reason they expect to pay more for the same number of gifts.

Against this backdrop, budgeting and affordability are among consumers’ top priorities this holiday season. Key findings show that:

- Over half of consumers (55%) prioritize finding value for money and hunting for the best deals.
- Half of consumers (50%) consider 0% APR financing options to be just as, if not more, valuable than traditional discounts.
- Over half of consumers (53%) are using pay over time options to make the cost of a purchase more affordable, closely followed by the ability to help them budget (52%).

"With the majority of consumers (65%) setting a holiday shopping budget this year, many will seek flexible and transparent payment options like Affirm,” Kapoor added. “This holiday, consumers can find exclusive deals for as low as 0% APR when they use Affirm at checkout, including via digital wallets, and can rest assured that they’ll never be hit with late or hidden fees.”

Survey methodology

This random double-opt-in survey of 2,000 general population Americans was commissioned by Affirm between September 24 and October 2, 2024. It was conducted by market research company Talker Research, whose team members are members of the Market Research Society (MRS) and the European Society for Opinion and Marketing Research (ESOMAR).

About Affirm

Affirm’s mission is to deliver honest financial products that improve lives. By building a new kind of payment network – one based on trust, transparency and putting people first – we empower millions of consumers to spend and save responsibly, and give thousands of businesses the tools to fuel growth. Unlike most credit cards and other pay-over-time options, we show consumers exactly what they will pay up front and never charge any late or hidden fees. Follow Affirm on social media: LinkedIn | Instagram | Facebook | X.

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