



Press Release

For Immediate Release

IRI Consumer Connect Survey Finds Uncertainty About Presidential Election Leaves Consumers Feeling Cautious as Holiday Shopping Season Approaches

IRI Survey Points to Upcoming Holiday Sales Remaining Steady Compared to Last Year

CHICAGO — Oct. 26, 2016 — IRI® today announced third quarter results from its IRI Consumer Connect™ survey uncovering that nearly two-thirds of U.S. consumers believe their financial health is poised to deteriorate in 2017 regardless of who wins the presidential election this year. Despite relentless campaigning, this remains consistent with their second quarter sentiment. This financial uncertainty is setting the stage for an upcoming holiday shopping season in which 55 percent of all consumers surveyed say they will spend the same as last year this holiday season.

“The uncertainty associated with the presidential election, particularly this unconventional election, is coinciding with the holiday shopping season, adding to concerns about keeping the financial ship afloat during and after the transition in the Oval Office,” said Susan Viamari, vice president of Thought Leadership for IRI. “As a result, consumers are really taking a cautious approach to the holidays this year.”

The survey reveals that 47 percent of consumers already feel that their household finances are strained, and two-thirds of these people feel things will get worse before they get better. As a result, 54 percent of those with strained household finances will spend less on 2016 holiday shopping than they did in 2015, and 34 percent with strained finances say they will spend the same.

Celebrating With Restraint

Consumers still want to make a splash with holiday celebrations; however, the general inclination this year is to put on the best meal possible while keeping costs down. With this less-is-more approach, pre-planning and deal seeking will play a major role in money-saving efforts. Among those feeling their household finances are tight this season:

- **Holiday Dining:** 41 percent will cut back on food and beverage spending, and 34 percent will keep the budget the same as last year. For the general population, 24 percent will cut back, while 57 percent will spend the same on food and beverages.
- **List Making:** 73 percent will prepare a shopping list at home before shopping compared to 69 percent of overall shoppers.
- **Coupon Clipping:** 61 percent will clip coupons from circulars and newspapers, 44 percent from email and 16 percent from social networking sites compared to 55 percent, 37 percent and 14 percent of the overall population, respectively.
- **Deal Seeking:** 31 percent will take advantage of promotions found online compared to 28 percent of the overall population.
- **Brand Buying:** 41 percent will rely on private label solutions to save money compared to 35 percent of the overall population.

Tapping Into Opportunities

“Even though many consumers will be keeping a close eye on holiday expenses this year, there are still opportunities for retailers and manufacturers to drive volume and margin,” added Viamari. “Finding these opportunities, though, is all about getting granular. Retailers really need to invest to know their customers and personalize their offerings.”

By targeting deals and messaging, retailers and manufacturers can dial in on shoppers to drive basket size and margin this holiday season. By addressing programs to high-potential shopper segments, retailers will up the odds of winning:

- **Bulk Purchasing:** 25 percent of those with strained finances say they will purchase products in bulk this holiday season to save money. Select shopper segments are even more inclined to make bulk purchases: households with kids (36 percent), shoppers ages 18-34 (37 percent) and Hispanics (41 percent).
- **Impulse Buying:** 13 percent of those with strained finances will buy additional/unplanned items upon seeing in-store deals compared to 17 percent of the overall population. Those more likely to buy on impulse this season: households earning \$55,000-\$99,000 (21 percent), households earning \$100,000-plus (20 percent) and singles (21 percent).
- **Gourmet Splurging:** 2 percent of those with strained finances will buy gourmet/premium items compared to 9 percent of the overall population. Meanwhile, 11 percent of younger boomers, 10 percent of males and 12 percent of white-collar workers will splurge on gourmet items as they prepare their holiday celebrations this season.

“Retailers and CPG manufacturers really need to be savvy this holiday season,” concludes Viamari. “We are firmly planted in a time of change, and consumers are concerned about what the new year will bring, so they are adjusting their budgets accordingly. Retailers and manufacturers that help shoppers keep these holiday resolutions will enjoy the bounties of the season.”

About the IRI Consumer Connect Survey

The **IRI Consumer Connect™** survey is a new quarterly survey designed to gauge consumers’ financial confidence and understand how their financial situations are impacting the way they shop for, purchase and consume CPG products. It is an online survey of more than 2,200 nationally representative respondents. The Q3 2016 survey was fielded the first half of October. For more information about customizing the research for a particular category or industry, please contact IRIMarketing@IRIworldwide.com.

About the IRI Partner Ecosystem

IRI fundamentally believes that delivering differentiated growth for clients requires deep, highly integrated partnering with a variety of best-of-breed companies. As such, IRI works closely with a broad range of industry leaders to create innovative joint solutions, services and access to capabilities to help its clients more effectively compete in their various markets and exceed their growth objectives. IRI is committed to its partnership philosophy and continues to actively enhance its ecosystem of partners through alliances, joint ventures, acquisitions and affiliations. The IRI Partner Ecosystem includes such companies as **Adobe, The Boston Consulting Group, comScore, Experian, GfK, Gigwalk, Ipsos, Kantar Shopcom, MasterCard Advisors, MaxPoint, Millward Brown Digital, Mu Sigma, Oracle, SPINS, Univision** and others.

About IRI

IRI is a leading provider of big data, predictive analytics and forward-looking insights that help CPG, OTC health care organizations, retailers and media companies to grow their businesses. With the largest repository of purchase, media, social, causal and loyalty data, all integrated on an on-demand, cloud-based technology platform, IRI helps to guide its more than 5,000 clients around the world in their quests to remain relentlessly relevant, capture market share, connect with consumers and deliver market-leading growth. A confluence of major external events — a revolution in consumer buying, big data coming into its own, advanced analytics and automated consumer activation — is leading to a seismic shift in drivers of success in all industries. Ensure your business can leverage data at www.iriworldwide.com.

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