

10 Holiday Shopping Tips & Trends for 2021

 westwoodgroup.com/insight/10-holiday-shopping-tips-trends-for-2021/



Don't let the global supply chain steal your holiday cheer this year! The holiday shopping season is quickly approaching, and U.S. consumers will face empty shelves and delivery delays for everything from toys and electronics to apparel and home goods. Here's an overview of the supply chain and 10 ways you can prepare for a holiday season like none other.

The supply chain is facing three big problems:

First, there are not enough goods because factories around the globe are shutting down to protect their workers. The vaccination rollout has been uneven across countries, causing production to run behind schedule.

Second, there are not enough ships, planes and trains to ship what has been produced to the U.S., and freight costs have skyrocketed.

Third, there are not enough U.S. workers to load and unload the trucks, run the warehouses and restock the shelves once the goods make it into the country.

Here are 10 ways you can be prepared for the holidays:

1

Ask for a longer list

Ask for three to four choices from your most important family and friends instead of just one request. If a gift is out of stock, you can search for the next item. Seventy-two percent of Americans are choosing alternative products when their preferred product is out of stock, but 16% are waiting for their first choice to become available, and the wait can be weeks or months long.

2

Shop now

This is not the year to wait until the last minute to buy gifts, especially if you have something specific in mind. According to KPMG, 61% of U.S. consumers started their holiday shopping in October, up from 51% a year ago. Toys, board games and pet supplies are in short supply. With the ongoing paper shortage, only 60% of wrapping paper, holiday cards, tissue and ... you guessed it ... toilet paper orders are being fulfilled. While there's no need to clear the shelves, it's a good idea to shop now for what you need.

3

Decorate early

Stores are not receiving seasonal products like wreaths, garlands, ornaments and stockings on time. Many retailers are expecting a single holiday shipment this year instead of two. What you see on the shelves could be all there is for the season. If you buy a live Christmas tree each year, plan to get your tree early and expect it to cost more. To make your tree last longer, recut the base, keep the stand full of fresh water and place your tree away from vents and direct sunlight.

4

Shop in-store

Seventy-eight percent of consumers plan to shop more in-store this year. Use buy online, pick up in store (BOPUS) to reserve your gifts ahead of time and avoid shipping delays. Several retailers are offering curbside pickup to help save you time. For those who enjoy shopping in person, go early to avoid empty shelves.

5

Have a backup plan

If gifts that you order online are delayed or cancelled, have a backup plan in place. Twenty percent of U.S. consumers plan to order more gifts in case their ship literally does not come in on time.

Get creative

Goods worth \$24 billion continue to float off the port of Los Angeles. For delayed gifts, you can buy an inexpensive gift tied to a happy memory to tide over your family member or friend until the real gift arrives; this works especially well for children. For adults, you can print a picture of the gift and wrap it in a box to add some fun to the fact that their gift will be late. To replace a cancelled gift, you can print and wrap an e-gift card for services like a spa treatment, cooking class or time on the golf course. You can also buy concert or movie tickets and return the physical gift once it arrives. As a last resort, chocolate, flowers and wine are traditional gifts that you can pick up on the way to a gathering, so you don't show up empty-handed.

Ship early

Thanksgiving and Hanukkah gifts need to be shipped by Nov. 15. International gifts need to be posted by Dec. 6 and domestic gifts need to be in the mail by Wednesday, Dec. 15, for guaranteed delivery by Dec. 25. The United States Postal Service (USPS) is doing their part, adding 112 new sorting machines and hiring 40,000 seasonal workers this year to ship more than 50 million packages a day, a +35% increase over last year's peak capacity.

Expect fewer deals

The most popular gifts will not go on sale this year. While toys sold at a -30% to -40% discount in recent years, this year expect to pay full price. Board games, electronics, apparel and other categories will also see fewer bargains.

Be kind

There are an unprecedented 10.4 million unfilled job openings in the U.S. economy and quit rates have been at record highs with >15% of employees leaving their jobs over the past six months. Expect workers who do show up to be stretched thin and show them extra kindness even if service is poor. Try to shop on weekdays at off-peak hours and know that some retailers will be limiting their hours for their smaller staff.

Share your holiday cheer

Volunteering, leaving a generous tip, saying “thank you,” helping a neighbor, making a bird seed feeder and giving to charity are all great ways to share your holiday cheer in 2021. One silver lining of 2020 is charitable giving grew +5% year over year to a record \$471 billion. Families that itemize can deduct cash donations to qualified charities up to 100% of their adjusted gross income through the end of this year.

Together, we can make things a little bit brighter for everyone. We hoped you enjoyed Westwood’s overview of our supply chain and smart ways to prepare for the holidays. From all of us here at Westwood, have a merry and bright holiday season. We look forward to seeing you in 2022!

The information contained herein represents the views of Westwood Holdings Group, Inc. at a specific point in time and is based on information believed to be reliable. No representation or warranty is made concerning the accuracy or completeness of any data compiled herein. Any statements non-factual in nature constitute only current opinion, which is subject to change. Any statements concerning financial market trends are based on current market conditions, which will fluctuate. Past performance is not indicative of future results. All information provided herein is for informational purposes only and is not intended to be, and should not be interpreted as, an offer, solicitation, or recommendation to buy or sell or otherwise invest in any of the securities/sectors/countries that may be mentioned.