

# THE FINANCIAL SERVICES ROUNDTABLE



## *Financing America's Economy*

To: Representatives of the Financial Services Roundtable, GAC, Public Affairs Council, Research Council, All Staff

### **Fast Facts: HOLIDAY ELECTRONIC SHOPPING**

*Electronic shopping is only possible through electronic financing. For thousands of years, people shopped with fiat currency at brick and mortar facilities. Now, you can purchase something while sitting in your home. Electronic shopping is the result of years of financial services and merchant investment in call centers, payment systems, fraud-prevention, and innovative technology.*

**FACT:** Cyber Monday was the heaviest online spending day in history and the first to surpass \$1 billion threshold, according to comStore. On November 29, 2010, consumers:

- Spent \$1.028 billion (16% more than 2009)
- Conducted 17.1 million online transactions (6% more than 2009)
- Shopped online in record numbers - 9 million consumers (4% more than 2009)

**FACT:** For the four-day Thanksgiving weekend, 33.6% of shopping was online according to a survey by the National Retail Federation. This is a 15.2% increase from 2009.

**FACT:** The average amount spent online per customer was \$121.67 over the four-day Thanksgiving weekend, according to the National Retail Federation.

- On Cyber Monday – this increased to \$194.89, according to Cometrics.

**FACT:** For the holiday season-to-date, \$13.55 billion has been spent online -- 13% more than last year, according to comStore.

**FACT:** Cards remain a major way to finance the holidays: 27.6% of shoppers will charge their gifts this year and 43% will use debit cards. Another 25.7% will use cash, the National Retail Foundation survey found.

- For electronic shopping, nearly all purchases are done with cards.

Holiday spending tips from the Consumer Federation of America are attached. If you have questions or comments, please do not hesitate to contact Abby McCloskey, Director of Research at the Financial Services Roundtable, at [abby@fsround.org](mailto:abby@fsround.org), or Scott Talbott, Senior Vice President of Government Affairs, at [scott@fsround.org](mailto:scott@fsround.org).

*Happy holidays – from financial services companies everywhere.*

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### *Holiday Spending Tips*

The **Consumer Federation of America (CFA)** and the **Credit Union National Association (CUNA)** suggest the following tips to keep holiday debt under control:

**Make a budget, and a list:** Right now, decide how much you can afford to spend and stay within that budget.

**Comparison shop:** Compare prices at different stores. The easiest way to do this is to compare prices online.

**Pay off debts quickly:** Don't borrow more than you can repay in several months.

**Plan for next year by opening a Holiday account:** Create a savings account for next year's gifts and put away small amounts over time.

**See what's in your supply drawer:** You may have more wrapping paper, ribbons, unused cards and gift boxes stored away from last season than you realize.

**Shop after Christmas for next year's Presents:** You can find some great bargains right after the holidays. Then tuck those gifts away until next season.

**Be Smart About Gift Cards:** Read the fine print. New rules that took effect in August significantly restrict gift card expiration dates and fees. But those who give or receive a gift card should still read the fine print.

**Pay attention to the return policy:** Keep your receipt.

**Find low- or no-cost ways to celebrate.** Draw names to limit the number of people for whom you purchase gifts.

*Consumer Federation of America [www.consumerfed.org](http://www.consumerfed.org)*