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Intuit QuickBooks Survey Reveals Consumers Plan to Spend Almost Half of Holiday Budgets with Small Businesses, Representing a $125 Billion Opportunity

Despite Economic Uncertainty, Consumers Plan to Increase Small Business Spend by 42% Year-Over-Year

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- A new Intuit QuickBooks survey shows that 42% of US consumers - or an estimated 109 million people - expect to spend more this holiday season compared to last year, with nearly half of consumers expected to do 50% or more of their shopping at small businesses. These findings and more are highlighted in the QuickBooks Holiday Shopping Report, commissioned by Intuit Inc. (Nasdaq: INTU), the global financial technology platform that makes Intuit TurboTax, Credit Karma, QuickBooks, and Mailchimp.

Overall, total consumer spending at small businesses is expected to jump by 42% compared to last holiday season, as nearly 3 in 5 consumers believe shopping at small businesses offers a less stressful experience than shopping at big retailers. This is true despite volatility in the market and a climate where inflation and interest rates continue to fluctuate.

The survey of 6,500 U.S. adults underscores the optimism among consumers going into the holiday season, shedding light on the opportunities ahead for small business owners and what they can do to capture consumer spending.

Consumers Eager to Increase Small Business Spend

According to the findings, the majority of consumers are in the giving spirit this year, as 94% of respondents plan to buy gifts this holiday season. For many consumers, shopping small will be a priority as they expect to spend roughly $485 at small businesses this season compared to $342 last year.

What's driving this increase in holiday spending and support of shopping small? Work bonuses and savings.

More than a third of respondents (34%) are expecting a holiday bonus and of these, more than two-thirds (69%) say this will encourage them to spend more money at small businesses. Further, nearly three-quarters (70%) of consumers shared that they began saving for their holiday gift shopping in September of this year or earlier.

"Our research shows that consumers want to support small businesses - and plan to spend 42% more with them in total this season compared to last - but there are some key factors that business owners should evaluate in order to maximize their sales and win customers

during the holidays," said Joseph Black, Director of Product Management, Commerce, Intuit QuickBooks. "Small businesses are more likely to gain shoppers by providing seamless checkout experiences, automating their manual backend tasks so they can dedicate more time to their customers, and selling online across multiple sales channels to meet shoppers where they are."

Tailored Solutions to Help Small Businesses Sell More This Holiday Season

The QuickBooks platform helps small businesses better manage their finances and business operations year-round, with a suite of integrated tools ideal for holiday sales planning and management. Intuit Mailchimp, an email marketing and automations platform, helps small businesses find and engage customers across email, social media, landing pages, and advertising. Together, these services can help small businesses stay on top of their seasonal planning, management, and marketing to make the most of the holiday shopping season ahead. Here are some tips small businesses can implement to optimize sales.*

- **Consider a Buy Now, Pay Later (BNPL) Model:** Providing flexibility and the appeal of no interest rates for shorter terms, BNPL has the potential to attract new customers and retain loyal ones. Three in five (60%) consumers plan to use BNPL for holiday shopping this year, and demand for this is especially high among younger Gen Z consumers.
- **Look to provide seamless checkout experiences:** Almost two-thirds (63%) of consumers say they'll shop more with small businesses who offer contactless or mobile payments. To improve customer checkout, small businesses can implement an integrated payments solution like QuickBooks Payments, accepting customers' payments in every way they want to pay with online invoicing, mobile payment apps, and in-person card readers.**
- **Offer holiday discounts to optimize sales:** When possible, small businesses should look to offer special holiday discounts. Ninety-four percent of consumers say they compare prices between small businesses and big retailers, with half saying that finding a better deal at a bigger retailer would make them not buy from a small business. With the help of marketing platforms like Mailchimp, small businesses can turn their marketing data into personalized messaging to reach customers with the right discount at the right time.
- **Encourage consumers to support local retailers:** The report shows that consumers want to support local small businesses, with almost two-thirds (62%) more likely to shop small if the business is in their community. Remind consumers of your local ties and commitment to high quality and service. One way small businesses can do this is through targeted email and social marketing campaigns.
- **Make sure your inventory is available before the busy season:** Last year's earlier-than-ever start to the holiday shopping season is driving consumers to expect more of the same this year. The report reveals that a majority of consumers plan to start shopping in November, and Small Business Saturday (November 25) followed by Black Friday (November 24), are the holidays that will drive the most consumer shopping at small businesses. As the holiday shopping season begins to peak, business owners should ensure they have tools in place to easily track their sales and inventory.

QuickBooks has created a special holiday hub to help small business owners with the tools

and resources they need to thrive and grow. For more information, small businesses can visit https://quickbooks.intuit.com/r/holidays/.

About Intuit

Intuit is the global financial technology platform that powers prosperity for the people and communities we serve. With 100 million customers worldwide using TurboTax, Credit Karma, QuickBooks, and Mailchimp, we believe that everyone should have the opportunity to prosper. We never stop working to find new, innovative ways to make that possible. Please visit us at Intuit.com and find us on social for the latest information about Intuit and our products and services.

Sample and methodology

Intuit QuickBooks Holiday Shopping Survey 2023

Intuit QuickBooks commissioned an online survey, completed in October 2023, of 6,500 consumers (adults aged 18+) throughout the US. Insights for Gen Z consumers are from respondents aged 18-24 (n=636), while insights for Millennial consumers are from respondents aged 25-44 (n=2,820). Small business consumer spending estimates are based on a weighted average percentage of total spend budget each survey respondent indicated they planned to spend at small businesses this holiday season multiplied by the equivalent number of people in the US population based on the latest available data from the U.S. Census Bureau ($485 average spend at small businesses per person multiplied by 258 million US adults over the age of 18 equals $125 billion potential revenue for small businesses this holiday season). To ensure the survey findings are as representative as possible, they have been re-weighted using post-stratification based on local census data. For clarity, percentages have been rounded to the nearest decimal place—so values shown in charts and graphics may not add up to 100%. Responses to multiple choice survey questions are shown as a percentage of the number of respondents, not the total number of responses, so will always sum to more than 100%. Respondents received remuneration.

*QuickBooks and Mailchimp are sold separately. Integration available. Availability of features and functionality vary by Mailchimp plan type.

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