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Intuit QuickBooks Report Reveals Small Businesses Project a Third of Yearly Revenue from Holiday Sales as Consumer Spending Expected to Decrease by 34%

Study uncovers how small businesses can prepare ahead of the holiday season to capitalize on the \$76 billion opportunity from consumer spend at small businesses

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- A new Intuit QuickBooks data report revealed that rising costs and continued inflationary pressures are causing a pull back on spending, as consumers are expected to spend \$85 billion less this holiday season, a 34% year-over-year downturn. These findings and more are highlighted in the annual [QuickBooks Holiday Shopping Report](#), based on a recent survey of U.S. consumers and small businesses commissioned by [Intuit Inc.](#) (Nasdaq: INTU), the global financial technology platform that makes Intuit [TurboTax](#), [Credit Karma](#), [QuickBooks](#), and [Mailchimp](#).

Overall, consumer holiday spending is projected to reach \$211 billion, however, nearly a quarter (23%) of consumers surveyed say they expect to spend less this season, citing the rising costs of groceries and gas as a major motivator. On average, consumers are expected to spend \$294 at small businesses this holiday season — a 40% downturn from \$485 each last year. This could cause a strain on small businesses who rely on holiday sales to drive profit, as small business owners project 33% of their total yearly revenue from seasonal shopping this year, and 61% say holiday revenue is a key factor to the success of their business.

However, while total consumer spend is expected to be down, one positive outlook for small businesses this season is that consumers remain loyal to supporting and shopping small. The report found that 93%, or an estimated 240 million people, plan to shop small this season, representing a \$76 billion opportunity for small businesses. For many, this dedication is emotionally driven, as nearly half of consumers (47%) shared a key reason they choose to shop at a small business over a larger retailer is their desire to contribute to their communities and support overall entrepreneurial success, and 52% believe the ability to find more unique, high-quality gifts is another important factor.

“Small business owners like myself plan for a big portion of their yearly revenue to come in during the holiday season,” said Donyale Walton, Founder of [Hoop Mobb Accessories](#). “We’re not backed by big investors or a big brand name with a huge advertising budget, we’re a small team of everyday people connecting with our customers daily. Having more customers shop with us during the holiday season steers the course of our business, and determines how much we can grow in the future.”

Small Businesses Are Getting Ahead - and so are Consumers

Recognizing that holiday sales play a vital role in small businesses' yearly revenue, and with the anticipated downturn in spending in mind, more than 2 in 5 business owners started preparing for the busy shopping season in September or earlier by increasing marketing efforts (34%), stocking up on inventory (33%), and planning holiday discounts and promotions (33%). Consumers are matching this early-start mentality this year, with nearly 3 in 4 consumers surveyed noting that they will have the majority of their shopping done before December.

"Consumers are faced with tough financial constraints, and are increasingly looking for flexibility and convenience in how they shop and interact with businesses, as well as deals and offers to offset costs," said Joseph Black, Director of Product Management, Accounting and Commerce, Intuit QuickBooks. "However, our research shows that despite plans to spend more conservatively, consumers want to support small businesses and 31% of shoppers plan to spend more at small businesses than they have before. To capture this desire to shop small, business owners should leverage digital tools to effectively manage inventory, tailor their marketing, share deals where shoppers are looking most, and leverage AI-powered tools to streamline day-to-day operations and optimize their selling potential."

Here are some tips from QuickBooks and Mailchimp for small businesses to maximize their revenue potential:

- **Offer targeted discounts when possible:** For small businesses looking to capture consumer spend, it is increasingly important to offer competitive prices and deals to compete with big box retailers. Sixty-four percent of consumers are prioritizing shopping at stores that offer low prices and deals, while 58% are looking for coupons and promotions to save money.
- **Focus on marketing efforts via email, in-store promotions, and direct mail:** Survey findings also revealed consumers' preference for hearing about seasonal deals and offerings from small businesses, with 54% of respondents ranking targeted emails as their top choice, followed by in-store promotions (40%), and direct mail (33%). These rank above social media ads, text messages, and app notifications. With the help of marketing platforms like [Mailchimp](#), small businesses can turn their marketing data into personalized messaging, using the most effective channels to reach customers with the right discount at the right time.
- **Lean on social to remain competitive:** When shopping at small businesses online, consumers are increasingly turning to the seller's social media shop, with 63% of those surveyed sharing Facebook as their top social media platform for shopping, followed by Instagram (50%), and TikTok (43%). Small businesses are noticing this trend, with more than half (52%) saying they plan to sell on social media platforms this season, above even their own website or ecommerce platform.
- **Leverage the power of AI:** Thirty percent of small businesses are turning to AI this holiday season to help create targeted email campaigns, personalize customer service or chatbots, and manage inventory. Meanwhile, nearly one in four (23%) consumers say they will use AI to help with holiday shopping, especially when it comes to finding deals. Small businesses should take this into account as they plan their marketing and SEO strategies, to increase the chances of customers finding their products or deals as they shop this holiday season.
- **Ensure inventory availability before peak shopping days:** Last year's earlier-than-ever start to the holiday shopping season is driving consumers and small businesses

alike to expect more of the same this year. While the report reveals that Black Friday (November 29) and Cyber Monday (December 2) will be the biggest shopping events, as 65% of consumers plan to shop on these days, more than a third (34%) of consumers say they will also shop on Small Business Saturday (November 30). They plan to do an average of 39% of their shopping on this day, so small business owners should ensure they have all the necessary tools in place to easily track their sales and inventory leading up to these key shopping days, to ensure they have enough product to meet consumer demand.

QuickBooks has created a special holiday hub to provide small business owners with the tools and resources they need to thrive and grow. For more information, small businesses can visit [here](#).

About Intuit

Intuit is the global financial technology platform that powers prosperity for the people and communities we serve. With approximately 100 million customers worldwide using products such as 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](https://www.intuit.com) and find us on social for the latest information about Intuit and our products and services.

Source: Intuit Inc.

Sample and methodology

Intuit QuickBooks Holiday Shopping Consumer Survey 2024

Intuit QuickBooks commissioned an online survey, completed in September 2024, of 5,500 consumers (adults aged 18+) throughout the US. 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 (\$294 average spend at small businesses per person multiplied by 258 million US adults over the age of 18 equals \$76 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.

Intuit QuickBooks Holiday Shopping Small Business Owner Survey 2024

Intuit QuickBooks commissioned an online survey, completed in September 2024, of 2,000 US consumers (adults aged 18+) who have income from employment or self-employment in three cohorts: respondents who identified themselves as small business owners with 1-100 employees (n=646), small business owners with no employees (n=715), and employees of a business who own a small business on the side (n=639). 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.

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Intuit QuickBooks:

Jaymie Sinlao

Jaymie_Sinlao@intuit.com

Jen Garcia

Jeng@accesstheagency.com

Source: Intuit Inc.