

Bankrate

41% of Holiday Shoppers Are Concerned That Holiday Gifts Will Be More Expensive This Year

About half of holiday shoppers plan to begin before Halloween

NEW YORK - September 8, 2025 - As tariff policies create lingering uncertainty on businesses and consumers, about 2 in 5 holiday shoppers (41%) are concerned that holiday gifts will be more expensive this year and 30% say they expect to spend less this holiday season than they did last year, according to Bankrate's annual Early Holiday Shopping Survey. Click here for more information:

<https://www.bankrate.com/credit-cards/news/holiday-spending-report/>

About half of holiday shoppers (49%) plan to begin their holiday shopping before the end of October. This includes 13% who plan to begin by the end of August, 11% in September, and 25% in October. Over one-third of holiday shoppers (37%) plan to start their shopping in November, and only 14% plan to begin shopping in December.

"While some consumers shake their heads that holiday shopping seems to start earlier each year, the early start gives you more time to spread out your cash flow and find the best deals," said Bankrate Senior Industry Analyst Ted Rossman. "You don't have to wait until Black Friday anymore. Those deep discounts now start to appear in early October."

Overall, nearly 4 in 5 U.S. adults (79%) plan to shop for the holidays this year, but only 24% of these holiday shoppers have budgeted for the holidays. About one in three holiday shoppers (30%) expects to spend less this holiday season than they did last year, while 27% plan to spend more and 43% plan to spend about the same.

Notably, about 2 in 5 holiday shoppers (41%) are concerned that holiday gifts will be more expensive this year. Older generations are slightly more likely to be concerned about holiday gifts being more expensive this year, with 46% of baby boomer shoppers (ages 61-79) and 40% of Gen Xers (ages 45-60) feeling concerned, compared to 39% of millennials (ages 29-44) and 37% of Gen Zers (ages 18-28).

"Tariff concerns are likely a prominent reason why more than two in five holiday shoppers fear higher prices this year," Rossman added. "Starting early and stacking

discounts are strategies that shoppers can deploy to save money. For example, combine a store promotion with a rewards credit card, an online shopping portal and/or a card-linked offer. You might be able to combine all four money-saving techniques on the same purchase.”

Over one-third (36%) of holiday shoppers say inflation will change how they shop this year. Additionally, 29% say that holiday shopping will strain their budgets, 27% are stressed about holiday shopping costs and 16% are concerned that gifts will be harder to find this year.

Some 38% of holiday shoppers are planning to purchase the majority of their gifts online, while 20% plan to do most of their shopping in-person.

Debit cards are projected to be the most popular payment method among holiday shoppers this year, with 61% indicating they will use debit cards for at least some of their purchases. This is followed by credit cards (57%; with 35% planning to pay in full and 21% [planning to carry a balance](#)), cash (49%), buy now, pay later services (12%; e.g. Affirm, Afterpay, Klarna, etc.), checks (5%), and other (3%). More than a quarter of holiday shoppers (28%) are likely to take on debt to fund their holiday purchases this year, which includes those planning to use a credit card and pay off the balance over multiple billing cycles and those planning to use buy now, pay later services.

Younger holiday shoppers are more likely to turn to cash or debit cards as their preferred payment options this holiday season, while older holiday shoppers prefer credit cards. Of holiday shoppers, Gen Zers are most likely to use debit cards (70%) or cash (55%) to pay for their holiday purchases. On the other hand, baby boomers are most likely to pay with credit cards (62%).

“Credit cards are great as long as you pay in full and avoid interest,” Rossman concluded. “You’re going to get better rewards and buyer protections with credit cards than any other payment method. The main drawback is that cardholders who carry balances face an [average interest rate](#) of about 20 percent, which is close to a record high.”

Methodology:

This survey has been conducted using an online interview administered to members of the YouGov Plc panel of individuals who have agreed to take part in surveys. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,567 U.S. adults, of which 2,020 are planning to shop for the holidays this year. Fieldwork was undertaken between July 28-30, 2025. The survey was carried out online and meets

rigorous quality standards. It gathered a non-probability-based sample and employed demographic quotas and weights to better align the survey sample with the broader U.S. population.

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