

Wunderkind

U.S. Tariff Survey Series: Holiday Spending Under Tariff Pressure

A special report on a holiday season defined by price pressure, value-seeking, and diverging consumer mindsets.

December 2025



Executive Summary

Holiday 2025: Caution, Creativity, and the Search for Value

As 2025 draws to a close, U.S. consumers are navigating one of the most price-sensitive holiday seasons in recent memory. Tariffs and inflationary pressure continue influencing everyday decisions, and the December survey shows a marketplace defined not by retreat, but by recalibration. Shoppers are engaged — but they are also cautious, calculating, and increasingly strategic. They are adjusting how they shop, when they shop, how much they spend, and which brands they trust.

Economic confidence remains uneven: while younger consumers maintain pockets of optimism, older generations express significantly more strain. Men report higher economic confidence than women, yet both genders show strong value-seeking patterns. The central theme across all demographics: **every dollar must feel justified.**

Black Friday/Cyber Monday (BFCM) acted as a testing ground for how consumers interpret value in a tariff-shaped landscape. Many shoppers participated and remained steady in spend, while others skipped the event altogether — creating open opportunity for December activation. Buyers who did engage leaned on familiar tactics: waiting for price drops, comparing across channels, hunting for free shipping, and abandoning carts when taxes and fees felt inflated.

Executive Summary

Across the board, **transparency has become a loyalty accelerant**, especially among younger shoppers. Consumers reward clarity, honesty, and predictability — particularly in a season when prices feel volatile. This expectation for truth in pricing mirrors broader sentiment captured earlier in the year, reaffirming transparency as a competitive advantage.

Looking ahead into December, price sensitivity, channel fragmentation, and demographic divergence will shape the remainder of the holiday season. To win, brands must combine clarity with personalization, delivering reliable value and frictionless experiences while adapting outreach to the emotional and economic posture of each demographic group.

The result? A holiday season where value is king, trust is currency, and the brands that communicate with empathy, transparency, and precision will finish the year strongest.

This mini-report equips brand marketers with the insights they need to align messaging and promotional strategies to evolving consumer expectations ahead of Black Friday/Cyber Monday 2025.

It is based on survey data collected December 2-4 2025, from 371 U.S. consumers, evenly split across genders and adult age groups.

Inside, we outline the new rules of engagement for brands navigating economic turbulence and planning for revenue resilience in this pivotal month.

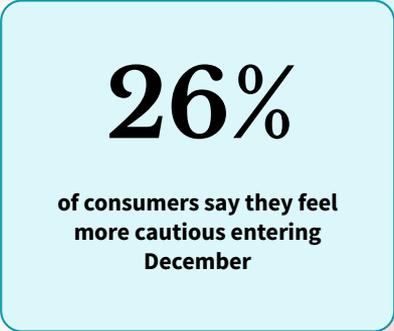
Consumer Confidence

A Holiday Season Defined by Caution

Consumer confidence remains fragile as shoppers navigate inflation, tariffs, and a year of volatile pricing. While a small share of the population expresses optimism, a much larger portion enters December with worry and restraint. **A full 26% of consumers say they feel more cautious in their spending than they were at the start of the year, accompanied by another 21% who feel less secure and 12% who describe themselves as panicked.**

This emotional landscape is heavily influenced by age: Millennials and Gen Z continue to show resilience, with optimism between 26–30%, while Boomers report only 17% optimism and Gen X stabilizes in the low twenties. Gender divides intensify these contrasts, with men reporting optimism at 32% and women significantly lower at 13%.

These differences shape how shoppers approach December promotions. Younger audiences may be receptive to time-sensitive deals that frame purchases as opportunities, while older consumers need messaging rooted in stability and clarity. Economic strain is not uniform — but it is strong enough to require empathy-first communication across all channels.



26%

of consumers say they feel
more cautious entering
December

Price Sensitivity

Tariffs and Rising Prices Reshape Holiday Behavior

Price sensitivity has become one of the defining forces of the 2025 holiday season. **Many shoppers are adjusting their habits in clear response to retail volatility: 49% now seek deals more often**, 38% say they are spending less or reallocating their budgets, and 29% report prioritizing essentials over gifts. These shifts are especially notable across age groups — Gen X leads the surge in deal-seeking at 56%, while Millennials and Gen Z each reach 50%, reinforcing that younger consumers are highly proactive in maximizing value. Boomers show fewer changes to shopping routines but remain financially constrained.

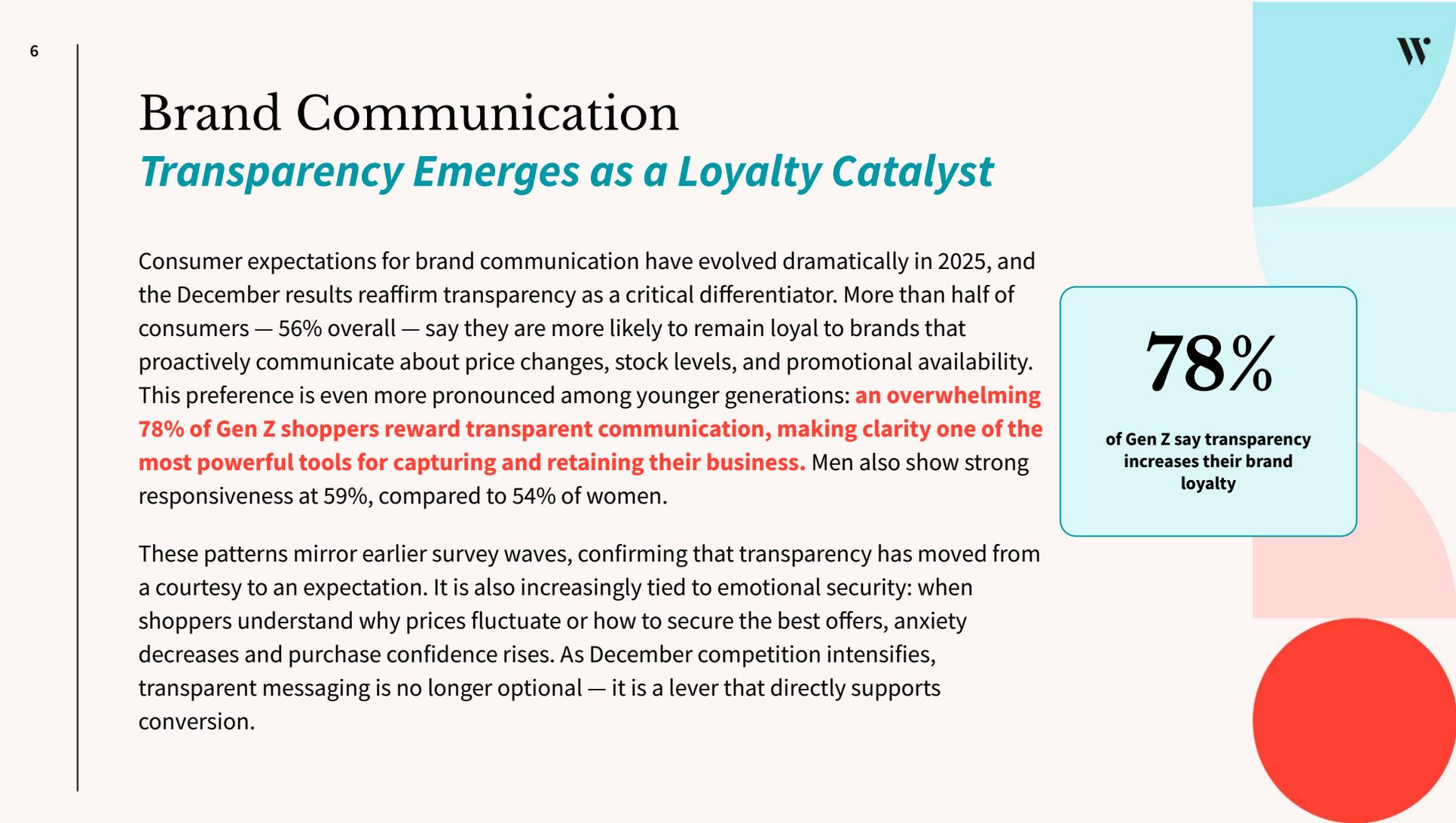
Tariffs influence behavior even when shoppers don't cite them directly. For example, high shipping fees, taxes, and total-cost surprises have become major sources of abandoned carts, suggesting that consumers are sensitive to any expense that appears inflated. **Younger shoppers feel this most acutely, with tariff-related totals prompting abandonment for as many as 42% of Gen Z respondents.** In an era where every cost is scrutinized, clarity around fees and pricing has become a decisive factor in conversion.

Brand Communication

Transparency Emerges as a Loyalty Catalyst

Consumer expectations for brand communication have evolved dramatically in 2025, and the December results reaffirm transparency as a critical differentiator. More than half of consumers — 56% overall — say they are more likely to remain loyal to brands that proactively communicate about price changes, stock levels, and promotional availability. This preference is even more pronounced among younger generations: **an overwhelming 78% of Gen Z shoppers reward transparent communication, making clarity one of the most powerful tools for capturing and retaining their business.** Men also show strong responsiveness at 59%, compared to 54% of women.

These patterns mirror earlier survey waves, confirming that transparency has moved from a courtesy to an expectation. It is also increasingly tied to emotional security: when shoppers understand why prices fluctuate or how to secure the best offers, anxiety decreases and purchase confidence rises. As December competition intensifies, transparent messaging is no longer optional — it is a lever that directly supports conversion.



78%

of Gen Z say transparency
increases their brand
loyalty

Holiday Spending

BFCM Participation Reveals December Revenue Opportunities

BFCM 2025 served as a pivotal moment for understanding how consumers intend to allocate their holiday budgets. While many engaged enthusiastically, participation was far from universal. **One-third of consumers — 33% — skipped BFCM altogether**, representing a substantial cohort of unactivated December shoppers. Boomers stood out most dramatically, with 55% opting out entirely, a reminder that older consumers are increasingly detached from fast-paced promotional events.

Among those who did participate, **online shopping dominated, with Millennials (29%), Gen Z (37%), and Gen X (36%) showing high engagement with digital channels**. Yet spending remained measured: 47% of shoppers reported spending about the same as last year, 38% spent less, and only 15% spent more. These numbers indicate that consumers may not feel financially freer, but rather more intentional — reserving selective purchases for December, especially when shipping deadlines and final promotions add urgency.

For marketers, this opens significant opportunity. Boomers who skipped BFCM make December outreach particularly valuable, while steady-spend groups offer predictable, conversion-ready behavior in response to clear, reliable offers.

Consumer Motivations

Motivators and Barriers Behind BFCM Purchases

Consumers approached BFCM with both interest and skepticism. Budgets played a defining role in purchase decisions: 35% of shoppers said they were motivated primarily by the need to stay within a strict budget, while 29% reported that prices felt too high even after discounts. At the same time, 30% said that truly great deals influenced their purchases, emphasizing that promotions still matter — but only when perceived as meaningful.

Abandonment behavior reinforces this tension. **Half of consumers (50%) left carts because taxes, fees, or shipping costs made totals feel too high, a clear reflection of tariff-related sensitivity.** Another 45% said the discounts weren't strong enough, revealing a mismatch between deal expectations and reality. Tariff-specific concerns rose significantly among younger consumers, with up to 42% of Gen Z citing higher tariff-related totals as a factor in abandoning purchases.

These patterns highlight a BFCM season where shoppers were motivated, but hyper-aware — and where brands had to overcome doubts about pricing authenticity.



50%

abandoned BFCM carts due to taxes, fees, or shipping costs.

What Worked

The Offers That Drove Holiday Conversions

The December dataset makes clear which promotional levers resonated most with consumers. **Free shipping emerged as the dominant conversion driver, influencing 39% of all shoppers — and an even higher 42% among women.** Price-drop notifications and discount codes followed at 26% and 28% respectively, reflecting consumers' desire for clear, measurable savings they can verify. Gen Z in particular responded strongly to dynamic price cues, with 41% citing price-drop notifications as the most persuasive tactic.

These findings underline the importance of simplicity and predictability in a volatile price environment. Consumers are eager for deals but are skeptical of inflated discounts and unclear value propositions. Shipping remains one of the most emotionally charged elements of total cost; removing or reducing it continues to be one of the most effective ways to convert hesitant shoppers.

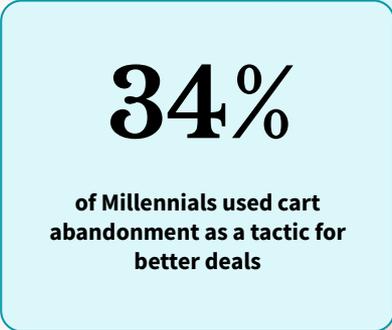
Consumer Strategies

Strategic Deal-Seeking Becomes Part of the Customer Journey

Shoppers, especially younger ones, have become more strategic in trying to unlock better offers. **Millennials show the highest use of cart abandonment as a tactic (34%)**, while both Millennials and Gen Z revisit products repeatedly at rates exceeding 30%, signaling intent to brands in hopes of receiving better offers. Subscribing to email or SMS purely for discounts also saw strong adoption among younger groups, with up to 33% of Gen Z using this approach.

In contrast, Boomers largely abstain from these behaviors, with 64% reporting they used none of the listed strategies. This suggests that younger consumers expect brands to recognize and respond to digital “signals,” while older consumers prefer straightforward, non-interactive offers.

For lifecycle marketers, this creates an opportunity to interpret these behaviors as high-intent signals rather than promotional exploitation. When brands respond intelligently — with personalized reminders, early access offers, or small but meaningful incentives — they reinforce trust and accelerate conversion.



34%

of Millennials used cart abandonment as a tactic for better deals

AI Experiences

AI Adoption Shows Promise but Reveals Generational Hesitation

AI-assisted shopping continued to grow in 2025, though unevenly across age groups. Millennials (26%) and Gen Z (30%) were the most likely to use AI tools to locate deals during BFCM, reflecting their comfort with automated assistance and their desire for efficiency. In contrast, **a substantial 87% of Boomers reported not using AI at all, illustrating a persistent trust and familiarity gap.** Interest remains moderate, with 6% saying they did not use AI but are curious about its potential.

These adoption patterns show that AI-driven recommendations must be positioned thoughtfully. Younger consumers welcome automation when tied to savings or convenience, while older consumers require transparent explanations of how data is being used and what benefit AI provides. December presents an ideal opportunity to introduce AI-enhanced experiences in small, confidence-building increments.

Preferred Channels

Email Leads, Mobile Grows Among Younger Shoppers

Email remains the most preferred channel for receiving personalized offers, with 50% of consumers ranking it first. This reflects email's reliability and trustworthiness, particularly for older shoppers who rely on it as their primary engagement channel. Mobile-driven communication, however, is expanding rapidly among younger audiences: SMS is preferred by 48% of Gen Z, and app push notifications resonate strongly among Millennials at 39%. Women show higher preference for SMS (37%) compared to men (30%), revealing gender-based differences in channel comfort and responsiveness.

The rise of mobile channels underscores the importance of a synchronized, cross-channel communication strategy. Email can anchor holiday communication with stable value cues, while SMS and push provide the immediacy needed to capture late-window conversions. Channel fatigue peaks in December, making relevance and intentional frequency critical.



50%

Email remains the top channel for offers, preferred by 50% of consumers

Closing Insight:

Across demographics, December 2025 shoppers are motivated but financially strained, optimistic yet cautious, and increasingly demanding of value and transparency. Price pressure has heightened expectations for authenticity, clarity, and consistent cross-channel experiences.

Value-First Shopping Will Define the Season

Rising prices and volatility are impossible to ignore. Shoppers across demographics prioritize affordability, essentials, and dependable savings. Clear pricing and genuine value now outweigh brand loyalty, making trust the true competitive advantage this holiday season.

Transparency Converts Hesitation Into Loyalty

Consumers reward clarity, especially during uncertainty. With transparent pricing and honest communication, brands reduce anxiety and strengthen loyalty. Shoppers want to understand costs, availability, and savings, making transparency one of the most effective tools for winning trust.

Younger Shoppers Mix Tech With Intentionality

Gen Z and Millennials drive holiday demand through mobile-first engagement, deal-seeking tactics, and growing AI adoption. Their agility creates major December opportunity, but they expect personalization, speed, and authenticity from every channel and touchpoint.

Brands that approach the season with empathy, simplicity, and real savings will resonate most deeply. This holiday season is not merely about delivering the best offer — it is about demonstrating trustworthiness in a year where trust carries more weight than ever.

Wunderkind

Wunderkind is redefining agentic marketing decisioning, where identity meets AI to deliver increased revenue through personalization across channels. Our Autonomous Marketing Platform (AMP) uses a proprietary identity graph — tracking 9B+ devices and 2T+ digital events annually — to transform anonymous web traffic into known customers, without third-party cookies. AMP dynamically triggers messages across email, text, and ads, optimizing creative, channel, and timing in real time. Seamlessly integrating via SDKs, APIs, and natively with ESPs, it fits any stack without requiring replatforming. Brands like Harley-Davidson and Kendra Scott rely on Wunderkind to unlock reach and revenue, with \$5B+ in attributable sales annually and consistently top-ranking channel performance.



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