



Golden Quarter 2023 Report

Deck the malls

Why Gen Z wants real-world retail magic this Christmas

To better understand Gen Z's expectations in the Golden Quarter, Aptos surveyed 2,000 consumers aged 16 to 26 in the UK.

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► Introduction

The Golden Quarter is the single most important time of year for retailers. It is their opportunity to attract shoppers with the promise of unmissable offers on Christmas gifts, from consumer technology and toys to clothing and jewellery. This year, the rising cost of living continues to cut into consumer spending. And while there are promising indications of an uptick in Christmas purchases, total like-for-like UK retail sales fell by 1.7% this October.


To meet sales targets, retailers will need to engage shoppers of all ages. But Gen Z – those now aged between 11 and 26 – will be an especially important audience. Members of this generation prioritise special and social occasions, and the vast majority of the older Gen Z audience that we surveyed (ages 16 to 26) intends to spend more this festive season than last year.

Our research finds that Gen Z starts shopping squarely in the middle of the Golden Quarter. They are neither early-bird nor last-minute buyers. And despite being digital natives, they favour in-store experiences, seeking out a festive atmosphere, the chance to see products in person and inspiration for gift giving. They also expect bricks and mortar retail to be blended seamlessly with digital experiences. The question for retailers is how to meet this generation's needs and capture loyalty.

► Festive splash out: How and when Gen Z will spend

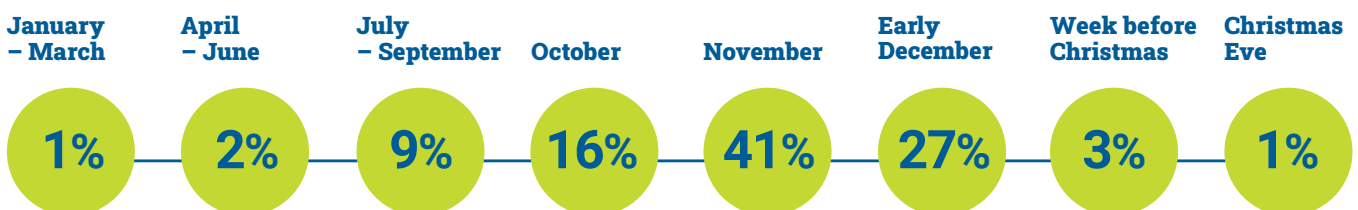
As older members of Gen Z come into their own as shoppers this Golden Quarter, they are likely to wield greater discretionary spending power than in previous years.

With some of this demographic less exposed to certain cost-of-living increases – for example, rising interest rates – many in Gen Z will have a healthy appetite for spending on the people and things they care about: Four-fifths plan to spend more than or the same as last year on Christmas gifts. This is notably higher than overall spending trends; [The Deloitte Consumer Tracker](#) found that only 26% of all adults intend to spend more.

 **80%** plan to spend more than or the same as last year

Gen Z shoppers are keen to ring-fence budget for special and social occasions, attaching particular importance to festivities such as Christmas and Halloween. That doesn't mean they start shopping early, however – just 12% of Gen Z started Christmas shopping before October. This is significantly lower than the population as a whole: [Recent research](#) by American Express suggests that 3 in 10 adults have already begun shopping in September. But Gen Zers aren't last-minute shoppers either. Only 4% will shop in the last week before Christmas, including Christmas Eve.

So when does Gen Z start Christmas gift shopping?



► Gen Z seeks out meaningful store experiences

Contrary to perceptions that Gen Zers favour virtual experiences and e-commerce, they have an affinity for in-store shopping. The vast majority (88%) say they plan to visit a physical store during the Christmas shopping period.

Gen Z craves a memorable retail experience that captures the magic of Christmas – and that is something they hope to find in-store. Survey respondents were asked what is most important to them about the in-store experience at Christmas.

Here's how they responded in terms of ranking their number one priority.



23% Special in-store events



17% Christmas decorations, lights and displays



14% Availability and helpfulness of shop assistants



14% A good range of stock and product availability



10% A good checkout experience with no long queues



8% Competitively priced gifts



7% A simple system for returns



4% Click and collect available

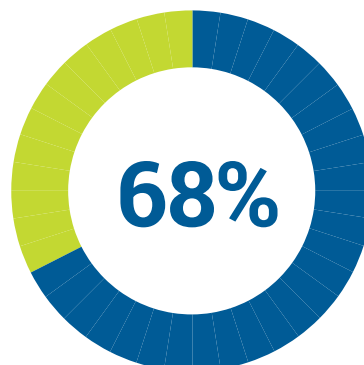


3% Special product assortments for gift inspiration

▶ Connecting the dots between in-store and online

While Gen Z values the in-store experience, it's a generation that has grown up with commerce at its fingertips. The lines between online and offline brand interactions have blurred for this digital-native demographic.

Gen Z shoppers expect retailers to connect them to products they desire with unprecedented levels of speed, flexibility and choice. One example of this is the surging demand for click and collect. More than two-thirds (68%) of our survey respondents plan to use click and collect during the festive shopping period. And this high demand opens up a world of opportunities for retailers to engage online shoppers when they visit stores for collection.



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► Conclusion

Gen Z wants the best of both worlds: the sensory excitement of bricks and mortar retail with the convenience of frictionless digital services. Consistency across a range of channels, touchpoints and locations is essential to engaging Gen Z shoppers. Delivering this kind of unified brand experience means retailers need to integrate their operational systems with all their sales channels to deliver on the promise of 'unified commerce'.

Unified commerce connects a retailer's customer-facing focus with all the myriad backend systems associated with running a retail business. At Aptos, we offer retailers tightly integrated software applications, such as those for point of sale, order management and merchandising, to serve as the foundation of unified commerce. Once unified commerce is unlocked, retailers can create a holistic shopping experience in which processes run faster and more efficiently, channels become more profitable and capable,



and organisations become more agile and resilient. While there has long been talk that with every new sales channel the retail store's relevance will be diluted, research shows that the store is more important than ever. With unified commerce, retailers can make the store the centre of consumers' shopping journeys – in the Golden Quarter and all year round.

To learn more about the path to unified commerce, read Aptos' ebook:



[Fulfilling the modern retail customer experience: How to successfully connect customers to products in the current retail climate with Merchandising, OMS and POS integration.](#)



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▶ Research methodology

This independent research was performed on behalf of Aptos by global market research firm 3GEM Research & Insights. The firm surveyed 2,000 Gen Z consumers (16-to-26-year-olds) in the UK in October 2023.

▶ About Aptos

Aptos is the global leader in unified commerce solutions for retailers. Our modern, cloud-native POS and advanced enterprise technologies are trusted by hundreds of retail brands around the world. For over 40 years, Aptos has delivered software solutions that help retailers inspire loyalty, maximise revenue and reduce costs.

▶ To learn more

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