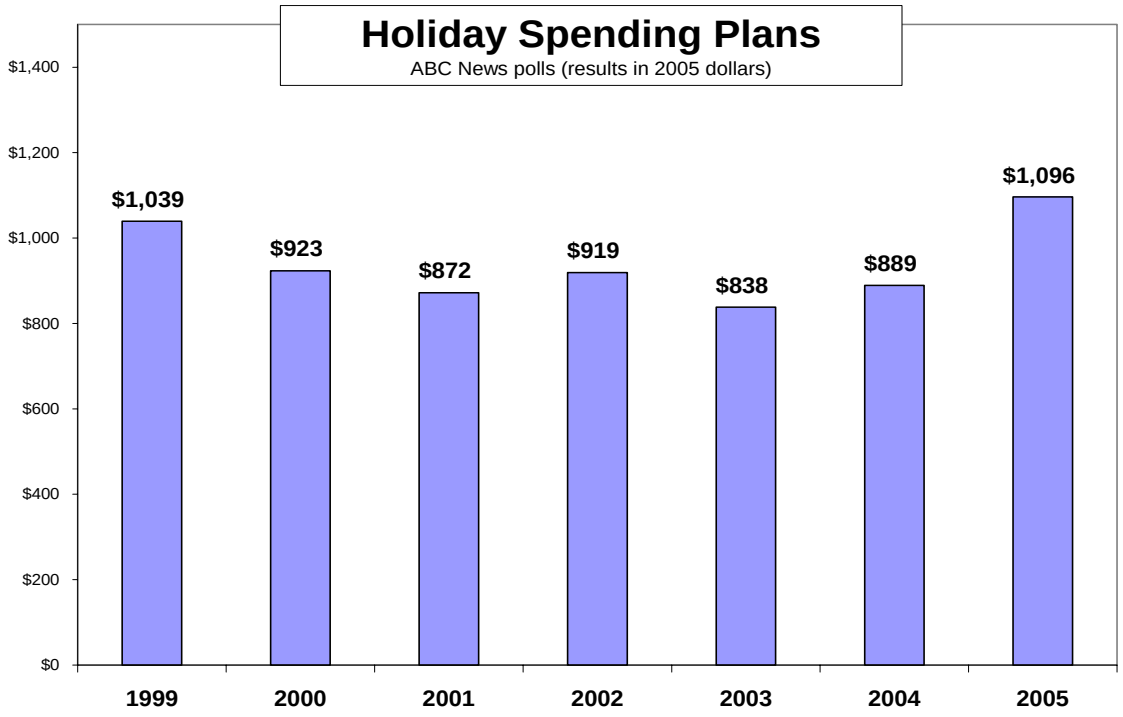
ABC NEWS POLL: HOLIDAY SPENDING – 11/20/05
FOR RELEASE AFTER 6 a.m. Wednesday, Nov. 23, 2005

In a Season of Giving, Spending Plans are Higher

On the eve of the holiday shopping season, Americans – particularly the better-off – plan to spend more on gifts this year, a positive sign for retailers in their busiest season. But cyber retailers may have a challenge: The number of people who say they'll be shopping online is flat again, for the second year in a row.

Overall, Americans plan to spend an average of $1,096 on holiday gifts this season, up $207 from last year – the largest year-on-year increase since the boom shopping season in 1999, the last time this annual survey hit the $1,000 mark.

Spending plans don't guarantee a strong shopping season; actual consumer spending can depend on the prices and products people see in the stores, the effect of marketing campaigns and economic conditions as they develop. But robust spending plans are surely a good sign.



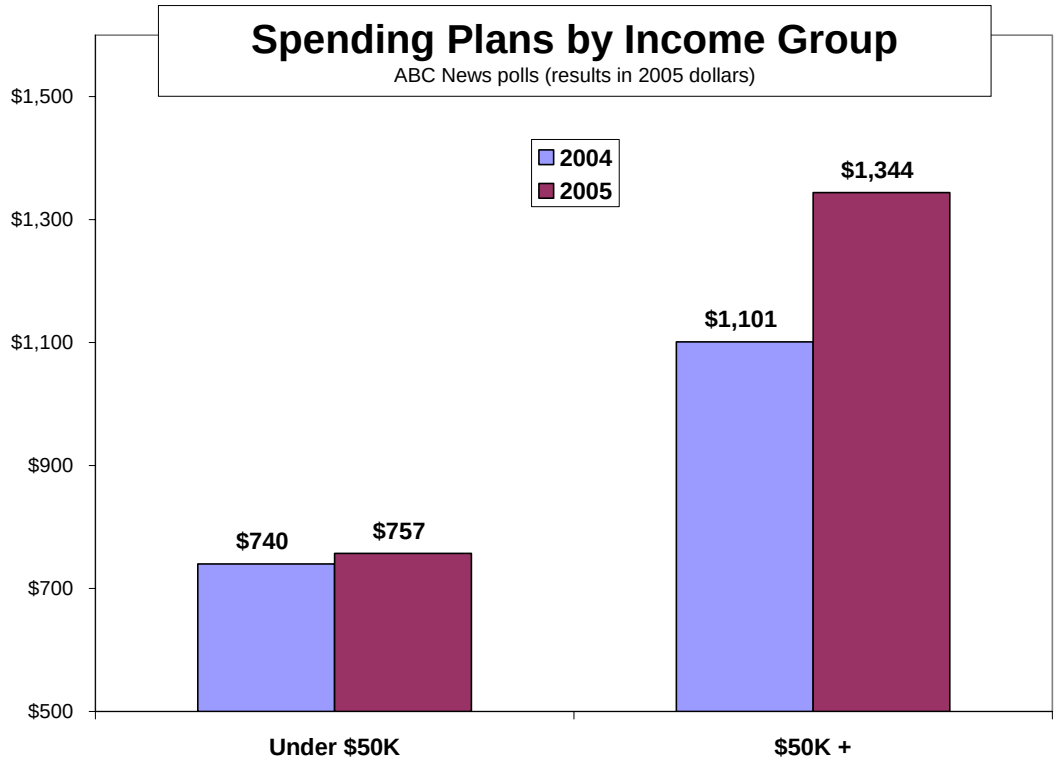
The National Retail Federation this week raised its holiday shopping forecast, projecting six percent growth in sales over last year, up from its September forecast of a five percent

increase. NRF said it was this was its first-ever mid-season adjustment in a holiday sales forecast; it cited strong retail sales in October and falling gasoline prices.

This year's high season also is a relatively long one – for the first time since 2001, there are five weekends between Thanksgiving and Christmas.

Higher spending plans in this ABC News survey are driven almost entirely by wealthier Americans. Those with household incomes of $50,000 or more plan to spend an average of $1,344 on holiday gifts, up a very substantial $243 from last year. Lower-income Americans plan to spend far less, $757, up an insignificant $17 over last year.

One change this year is that women plan to outspend men: For the past four years men have planned to spend more than women on average – last year by $143. This year women plan to spend an average of $152 more than men.



While expected spending is up, online shopping plans are flat. Thirty-one percent of Americans plan to do at least some of their holiday shopping online, the same as it was last year and in 2003 alike, after an earlier period of sharp growth. Online buyers, moreover, say the channel accounts for just a fraction of their holiday shopping. Just two in 10 online shoppers say they'll do all or most of their shopping over the Internet.

	Plan to shop online?	
	Yes	No
11/05	31%	68
12/04	30	69

11/03	31	67
12/02	24	74
11/99	18	79

OVERVIEW – Consumer confidence is lower than it was this time last year, which has led some analysts to predict somewhat lower sales growth (last year retail sales grew at 6.7 percent). But there's recently been a slight gain in consumer optimism; confidence (as always) is much higher in better-off groups; and the price of gasoline, a major irritant to consumers, has fallen sharply from its post-Katrina high – from $3.07 per gallon then to $2.20 now – potentially freeing up cash for other purposes.

Also, while fuel prices are a negative driver on consumer confidence, there are other, countervailing forces: Unemployment is low, personal incomes are growing, core inflation is fairly quiescent and consumer interest rates are still reasonable by historical standards.

Driven by the improvement among better-off Americans, overall spending plans are now their highest, in inflation-adjusted terms, in polls since 1999. Today's $1,039 compares with an average of $939.

Average spending plans on holiday gifts (2005 dollars)

	Adjusted Average	Change
11/20/05	$1,096	+$207
12/5/04	$889	+$51
11/23/03	$838	-$81
11/24/02	$919	+$47
11/11/01	$872	-$51
12/3/00	$923	-$116
12/12/99	$1,039	+$181

GROUPS – In addition to better-off Americans, spending plans are most robust among married people and those with children at home. Married people plan to spend an average of $1,315, compared with $765 among singles. And it's an average of $1,319 for those with children at home, compared with $928 among those without kids. Age also is a factor: Senior citizens plan to outspend 18- to 34-year-olds by $1,420 to $974.

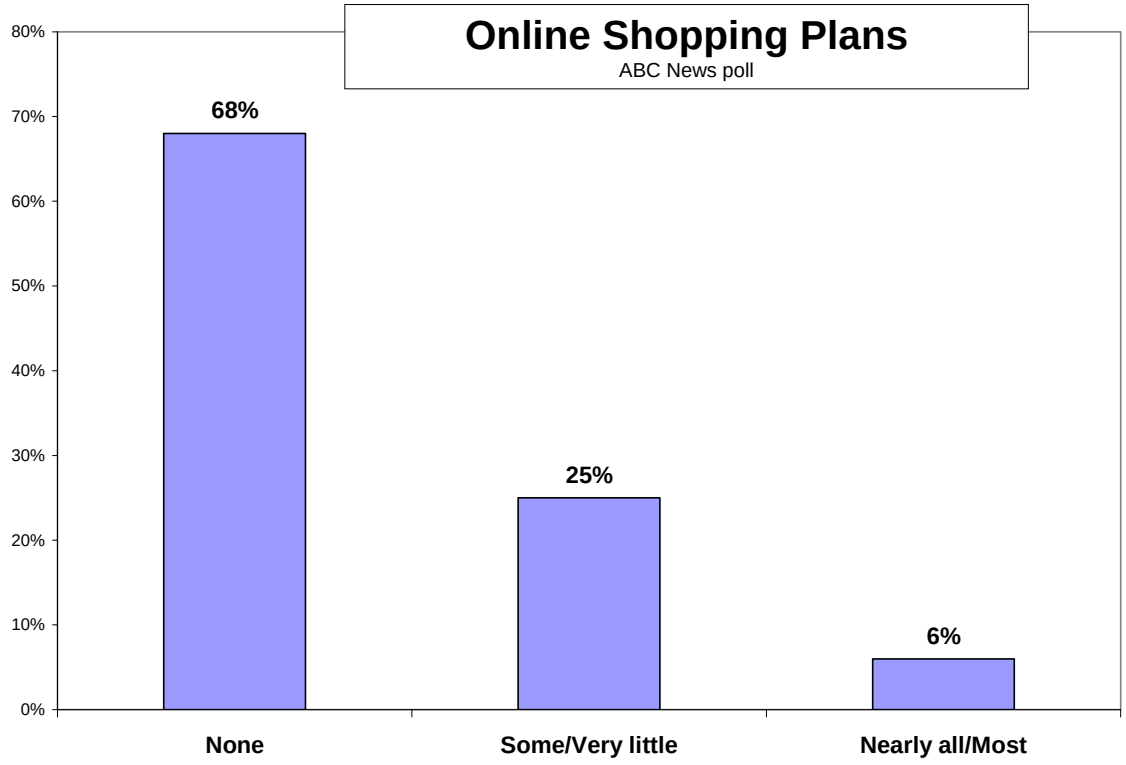
Online buyers – who tend have higher incomes – plan to outspend those who shop exclusively at traditional "brick and mortar" retailers, by $186. But while last year online buyers spurred the modest growth in projected spending, this year online and offline buyers plan to increase their spending apace.

	Average holiday spending plans
Women	$1,169
Men	1,017
Married	$1,315
Unmarried	765

Kids at home	$1,319
No kids at home	928
Online shoppers	$1,211
Offline shoppers	1,025

INTERNET – As noted, the number of Americans planning to shop online this year is about the same it's been the past two years. And, notably, only two in 10 of those who'll shop online say they'll do all or most of their gift buying online; the bulk of Internet shoppers will do just some or only a little of their total holiday shopping online.

All told, nearly seven in 10 holiday shoppers plan to do no holiday shopping online this year. A quarter plan to get only some or a few of their gifts online and six percent say they'll do most of their buying online.



As in past years, higher-income (and better-educated) Americans are the most likely to say they'll buy some of their gifts online. And there's again a large age gap: Only six percent of senior citizens plan to buy gifts online, compared with 36 percent of those under 65. Men and women are equally likely to plan Internet purchases.

In a positive sign for online retailing, three in 10 online shoppers under age 35 say they'll make all or most of their purchases that way, double the number of their older counterparts. Among all consumers, 11 percent of those under 35 will do all or most of their holiday shopping online, compared with just four percent of those 35 and up.

OTHER DATA – Not all shopping surveys have agreed this season; a Gallup poll released this week has a lower spending estimate, $816. Its interviews were completed Nov. 10, while this ABC News poll was completed Nov. 20, 10 days closer to the season's traditional "black Friday" start. Also, Gallup caps maximum answers at $5,000; ABC, at $9,999. That itself accounts for more than half the difference in the two estimates.

METHODOLOGY – This ABC News poll was conducted by telephone Nov. 16-20, 2005, among a random national sample of 1,003 adults. The results have a three-point error margin. Sampling, data collection and tabulation by TNS of Horsham, Pa.

Analysis by Jon Cohen.

ABC News polls can be found at ABCNEWS.com at http://abcnews.go.com/US/PollVault/.

Media contact: Cathie Levine, (212) 456-4934.

Full results follow (*= less than 0.5 percent).

1. Roughly how much money do you think you personally will spend on holiday gifts this Christmas season?

	Under $100	$100-$249	$250-$499	$500-$999	$1000 or more	No op./Don't celebrate	Mean	Adjusted Mean*
11/20/05	11	17	15	24	30	3	$1096	$1096
12/5/04	9	14	15	23	28	10	$843	$889
11/23/03	8	15	16	24	24	14	$774	$838
11/24/02	8	14	17	26	27	8	$830	$919
11/11/01	6	16	16	25	22	14	$775	$872
12/3/00	2	18	16	25	23	15	$798	$923
12/12/99	4	19	16	25	28	9	$869	$1039
Compare to**:								
12/6/98	8	14	22	25	24	7	$702	$858
12/5/94	9	19	23	20	22	7	$634	$852
12/6/93	8	17	20	27	19	9	$639	$881
12/18/92	10	18	20	24	19	9	$605	$859
12/15/91	7	19	22	24	20	8	$617	$902
12/2/90	7	19	23	25	17	9	$588	$896
10/15/89	4	15	25	23	18	15	$634	$1018

*Adjusted to 2005 dollars using Inflation Calculator at http://www.bls.gov/

**1998 and previous by Gallup. In Gallup data answers above $5,000 are recorded as $5,000; in ABC data answers above $9,999 are recorded as $9,999. In both, answers of 0 are not included in the averages.

2. Will you use the Internet to buy Christmas or other holiday gifts this year, or not?

	Yes	No	No opin.

11/20/05	31	68	1
12/5/04	30	69	2
11/23/03	31	67	2
12/8/02	24	74	2
11/21/99	18	79	3

3. (IF BUYING ONLINE) Thinking about all the money you'll spend on holiday gifts this year, how much of it will you spend buying gifts on the Internet – nearly all of it, most of it, just some of it or only a little of it?

	All/Most				Some/Little			No
	NET	All (vol.)	Nearly all	Most	NET	Some	Little	opin.
11/20/05	19	1	5	13	80	52	28	1

END