



FACTUM

Inflation was the Grinch who stole Christmas This Year, as (71%) Say They Felt the Impact of Inflation When Holiday Shopping

Four in Ten (38%) Overspent by an average of \$580; Parents Overspent by Even More

Toronto, ON, February 17, 2023 – 2022 was the first Christmas to return to some semblance of normal, and Canadians did not skimp when it came to holiday spending on their family and friends. However, many of them are still feeling the after-effects of the hit to their wallets as inflation was the Christmas Grinch this year.

According to a new Ipsos poll conducted for RBC, seven in ten (71%) Canadians agree that they felt the impact of inflation when holiday shopping this year, and more than half (57%) found it hard to cover the costs of holiday gifts and expenses due to inflation and increased costs. And over one third (36%) of those who overspent say that it will take until April or longer to get their finances back on track

Overall, nearly four in ten (38%) holiday season shoppers went over budget. Among those who overspent, they did so by an average of \$580, substantially higher than last year's average of \$414.

Canadians with children were the hardest hit by increased costs. 8 in ten say they felt the impact of inflation on their holiday spending (80%) and 7 in ten found it tough to cover holiday expenses and gifts (70%). Over half (56%) spent more than they intended to, going over budget by \$614 on average, significantly outspending the national average in key gift categories:

Expenses by gift category:	NATIONAL	WITH CHILDREN
Family and friends experiences	\$189	\$284
Gifts for your pets	\$68	\$203
Toys	\$77	\$161
Mobile devices, computer electronics, gaming consoles	\$79	\$146
Gift cards	\$127	\$140
Entertainment items (e.g. DVDs, games/ videos games, books, iTunes, etc.)	\$61	\$133



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When asked how long they thought it would take for them to get their finances back on track, half (49%) of these families with children estimated it would take until April or later.

When asked what they would do if they had an extra \$5,000, Canadians top choice was pay down debt (35%), rising to 44% for families with kids, closely followed by putting it into general savings (31%). Fewer (16%) say they'd treat themselves with the extra money.

National & Regional Comparisons

	NAT'L	BC	AB	SK/MB	ON	QC	ATL
ALL RESPONDENTS:							
Overspent in holiday season	38%	35%	32%	47%	41%	35%	42%
ALL OVERSPENDERS:							
Average amount overspent	\$580	\$687	\$536	\$727	\$625	\$452	\$436
ALL RESPONDENTS:							
Tough to cover costs of holiday gifts	57%	58%	49%	52%	55%	59%	67%
Will take until April or longer to get finances back on track	36%	34%	33%	31%	37%	35%	37%
Felt impact of inflation on their holiday spending	71%	77%	68%	70%	70%	68%	76%





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National, Age Group & Gender Comparisons

	NAT'L	18 - 34	35 - 54	55+	M	F
ALL RESPONDENTS:						
Overspent in holiday season	38%	57%	41%	19%	37%	39%
ALL OVERSPENDERS:						
Average amount overspent	\$580	\$748	\$474	\$402	\$677	\$476
ALL RESPONDENTS:						
Tough to cover costs of holiday gifts	57%	67%	64%	40%	55%	58%
Will take until April or longer to get finances back on track	36%	41%	45%	21%	36%	35%
Felt impact of inflation on their holiday spending	71%	67%	77%	67%	69%	73%

About the Study

These are the findings of an Ipsos poll conducted on behalf of RBC. A total of 2,000 surveys were completed online among Canadians aged 18+ from January 3th to 5th, 2023 using the Ipsos I-Say Panel. Quota sampling and weighting was employed in order to balance demographics and ensure that the sample's composition reflects that of the actual population of Canadians, according to Census data. The precision of online polls is measured using credibility interval. In this case, the results are accurate to within +/-2.5 percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been surveyed. Credibility intervals will be wider for smaller subsets of the population..

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