

Holiday Retail Trends

United States, 2025

In 2024, over 90% of U.S. adults plan to celebrate winter holidays, with average spending reaching an all time high of \$902 per person.¹ 69% of shoppers research their purchases ahead of time.² [Performance Max](#) helps you manage campaigns through this long season and maximize your conversions. **Contact your Account Specialist to get started.**

Key trends and strategies

78% Early holiday shopping trends

78% of shoppers begin their holiday shopping before Black Friday.² Increase your coverage in October to take advantage of lower CPCs and build [Remarketing](#) lists to re-engage consumers later in the season.



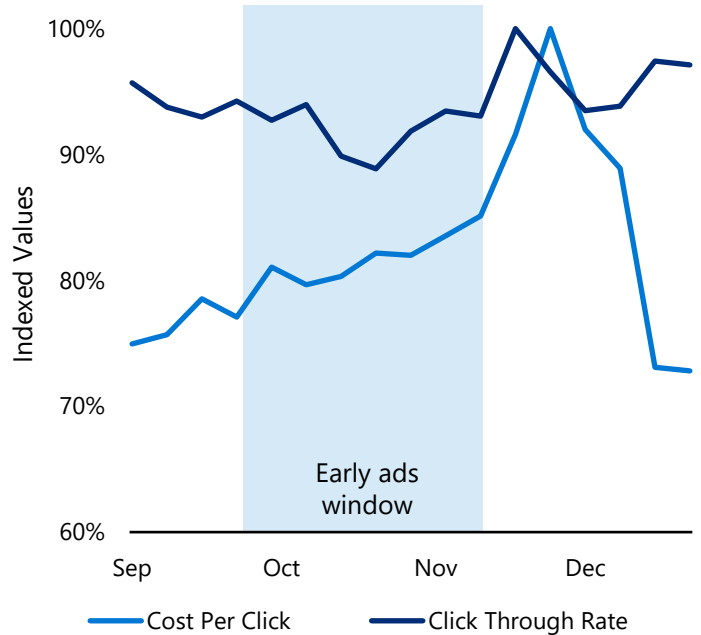
Smartphone shopping

Gen Z and Millennials planned to shop more often using their smartphones.² Ensure mobile [bid modifiers](#) are set up to capture demand & mobile conversions.

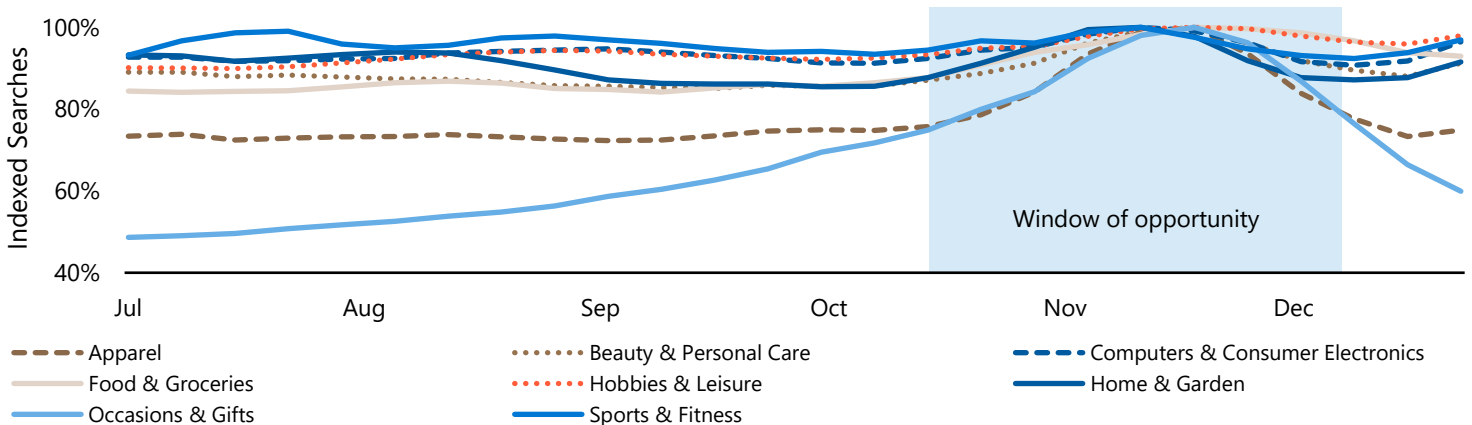
56% Treating themselves

56% of shoppers plan to self gift this season.² Consider building campaigns supporting self-gifting landing pages or using [Callout Extensions](#) to encourage self-shopping.

Cost per click and click through rate 2024³



Rolling average of indexed searches by retail category 2024³

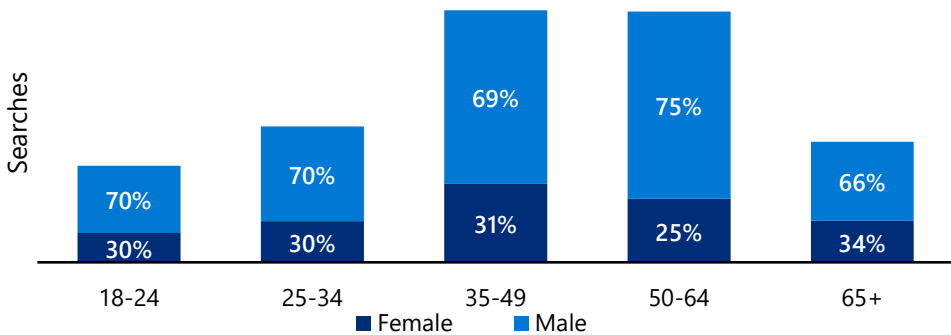


Sources: 1. National Retail Federation, [2024 Holiday Survey](#) (2024); 2. Microsoft Internal Research (2025); 3. Microsoft Internal Data (2023-2025)

Conversion rates and cost per acquisition 2024 to 2025 change¹

Category	Conversion rate	Cost per acquisition
Retail—All up	+10.0%	-4.1%
Apparel	+11.2%	-5.4%
Computers & Consumer Electronics	+1.6%	+9.2%
Home & Garden	+16.8%	-9.2%

Consumer electronics searches by age and gender Sept-Dec 2024¹

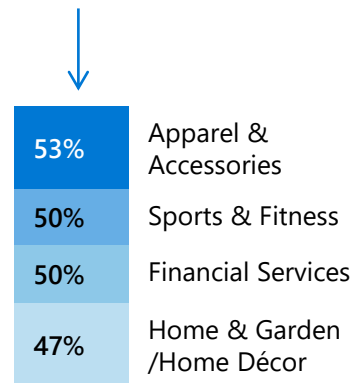


6x Higher conversion rate

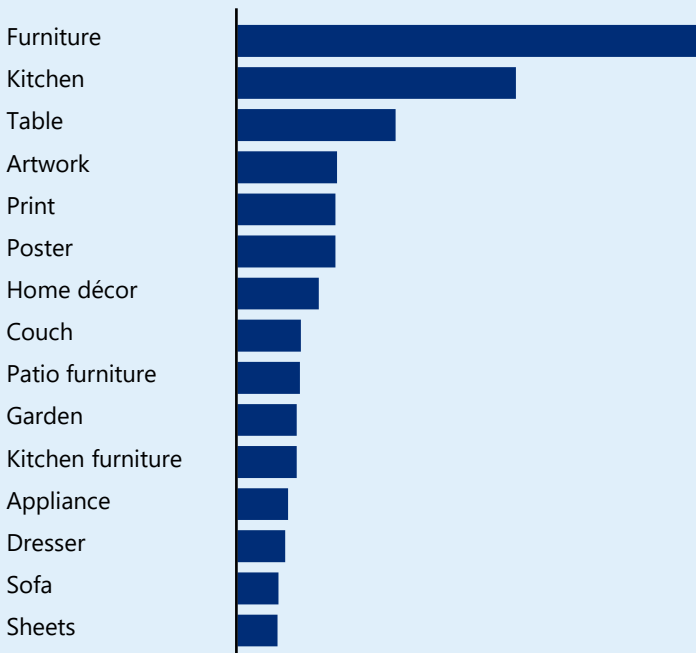
Target these audiences using [In-Market Audience Ads](#) which have shown to be 6x more likely to convert.¹

3.62M

Consumers shopping for Computers & Consumer Electronics are also In-market for¹

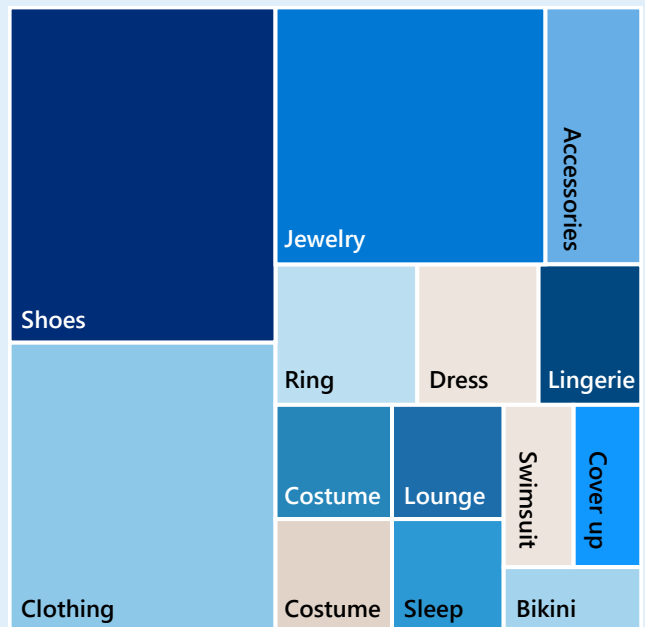


Top home & garden search terms Sept-Dec 2024¹



Holiday décor popular: 44% of shoppers purchasing home furnishings plan to shop online.² Use [Shopping Campaigns](#) and [Multimedia Ads](#) to highlight your offerings.

Top apparel search terms Sept-Dec 2024¹



Apparel top of list: 61% of US consumers plan to buy clothing as holiday gifts in 2024.³ Leverage [Sitelink extensions](#) to showcase your product catalog and guide shoppers directly to that category.