Paysafe

Inside the Wallet - Holiday Edition:

Unwrapping payment insights on consumer spending during the festive season

Contents

Executive summary

The festive season remains the most important period for global retail and e-commerce, with 2024 U.S. holiday sales reaching a record $994 billion, a 4% increase year-over-year, according to the National Retail Federation[1] Looking ahead, Deloitte forecasts that total holiday retail sales will grow 3.4% in 2025 compared to the previous year[2], signaling a resilient shopping demand and steady consumer engagement.

Against this backdrop, we surveyed 8,500 consumers across Brazil, Bulgaria, Canada, Ecuador, Germany, Peru, the U.K., and the U.S., to examine how holiday shopping, payment preferences, and the experience economy are changing, focusing on online shoppers and the trends shaping their festive experiences.

This year's findings suggest a landscape of cautious optimism and changing priorities. Consumers are planning earlier, looking for value, and they want security and flexibility at the checkout. The rise of the experience economy, support for small businesses, and the continued growth of digital wallets all point to a holiday season that is both complex and full of opportunities for merchants.

Here's a snapshot of our findings:

- **Early, value-driven shopping:** almost half (47%) plan to shop well in advance; 88% say discounts and promotions are important; and 69% are likely to buy from small businesses.
- **Omnichannel retail experiences gain traction:** a third (34%) of shoppers will split their purchases between online and in-store, with social media shopping gaining popularity among Gen Z. 69% are likely to buy from small businesses, driven by a desire to support local communities and find unique gifts, even though higher prices are still a barrier.
- **Payment preferences are evolving:** debit cards (46%), credit cards (37%), and digital wallets (27%) are the most popular payment methods, while cash remains popular in some markets. Additionally, half of consumers (49%) have abandoned a cart because their preferred payment option was unavailable.
- **Experience economy gifting:** 49% of global consumers agree that they'd rather give an experience instead of a physical product, and 50% also prefer receiving one. Gift cards (35%) remain a preferred gift as convenience, recipient choice, and meaningfulness influence these trends.
- **Holiday travel plans accelerate:** 44% of global consumers are planning to travel during the holidays (either locally or internationally), signaling a strong return to seasonal mobility and experiences.
- **Sports-betting trends:** while soccer leads global wagering (68%), preferences vary in specific countries. American football dominates holiday betting in the U.S. (60%), and hockey takes the top spot in Canada (53%).
- **Security is paramount:** 51% of consumers choose payment methods they trust to be safe, and 73% feel reassured by visible security features at checkout.
- **Cautious optimism:** 87% expect their income to rise in the next 5–10 years, but nearly half (48%) anticipate an increase in their salary of less than 10%, fueling prudent, essentials-focused spending around the holidays.

As consumers get ready for the upcoming season, their plans go well beyond gift-giving. From travel and entertainment to shopping habits, the holiday experience is becoming more diverse, and so are the payment expectations that come with it. The next section discusses how these broader lifestyle trends are influencing holiday spending

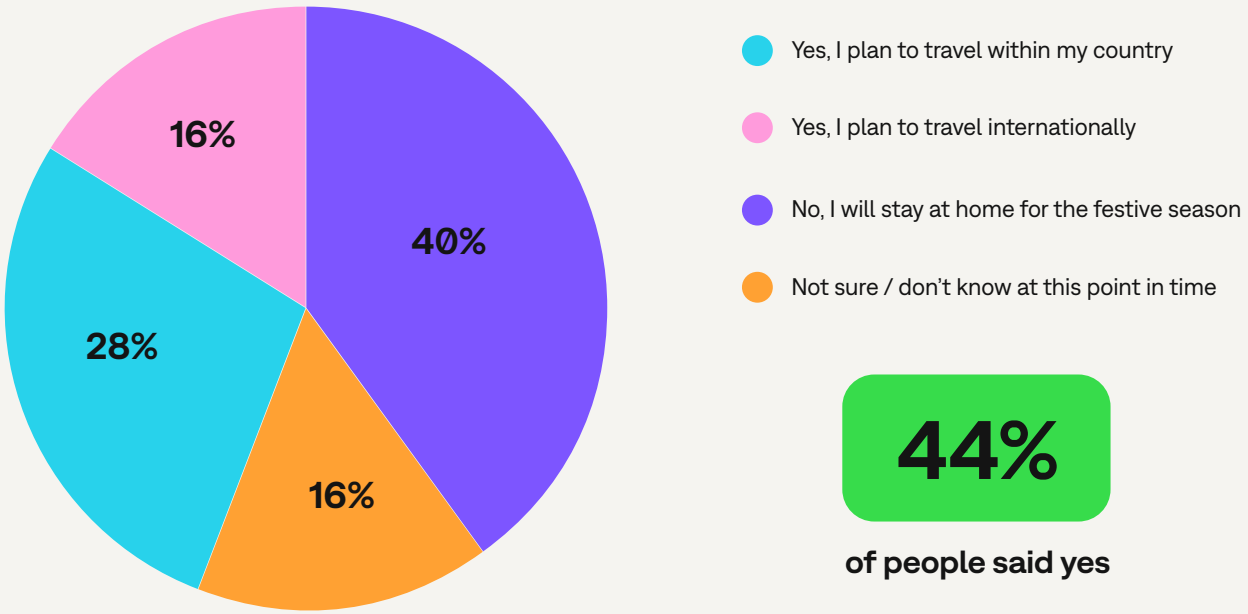
[1] NRF, nrf.com/media-center/press-releases/nrf-says-holiday-season-was-a-notable-success-as-consumers-came-out-to-spend-
[2] Deloitte, prnewswire.com/news-releases/deloitte-holiday-retail-sales-expected-to-increase-2-9-to-3-4-302551634.html

1. Festive season plans: travel, payments, and play

How festive travel is shaping consumer spending

The festive season continues to be a time of movement and celebration, with 44% of global consumers planning to travel during the holidays. While domestic travel remains the most common choice (28%), a notable 16% intend to travel internationally. Regional differences are significant, as Brazil (54%) and the U.K. (51%) show the highest travel intent, while Canada (38%) and Germany (33%) appear less mobile.

Do you plan to travel away from home over the festive holiday season this year?



When asked about their main reason for travel, consumers cited vacations (36%) and visiting family or friends (31%) as the top motivations. Interestingly, vacations slightly surpass family visits, highlighting the central role leisure plays in festive plans. This trend supports a compelling narrative: the festive season is becoming a "second vacation," particularly among younger and higher-income groups.

Accommodation choices see consumers striking a balance between comfort and affordability. Hotels (50%) are the top option, followed by staying with friends or family (41%). Millennials are most likely to choose hotels, at 53%, while people aged 61 to 79 prefer staying with loved ones (54%).

When traveling abroad, debit cards and credit cards remain the most popular payment methods (42% each), followed closely by cash (40%).

When travelling abroad, how do you prefer to pay in person for goods and services? (Select up to three)

	All Markets	Brazil	Bulgaria	Canada	Ecuador	Germany	Peru	UK	US
Debit Card	42%	37%	59%	34%	42%	29%	44%	46%	46%
Credit Card	42%	62%	15%	57%	43%	40%	39%	37%	41%
Cash	40%	27%	47%	36%	58%	45%	47%	39%	35%
Digital Wallet	29%	28%	28%	19%	26%	30%	36%	33%	29%
Prepaid Card	9%	8%	6%	8%	8%	7%	6%	11%	14%
Other	3%	3%	1%	2%	2%	2%	3%	2%	4%

However, digital wallets are gaining popularity (a preference for 29%), especially among younger consumers and in Latin American markets. While not yet the leading choice for in-person international transactions, wallets' convenience, security, and growing global acceptance make them an increasingly attractive option for consumers who want to avoid sharing financial data or prefer mobile-first experiences.

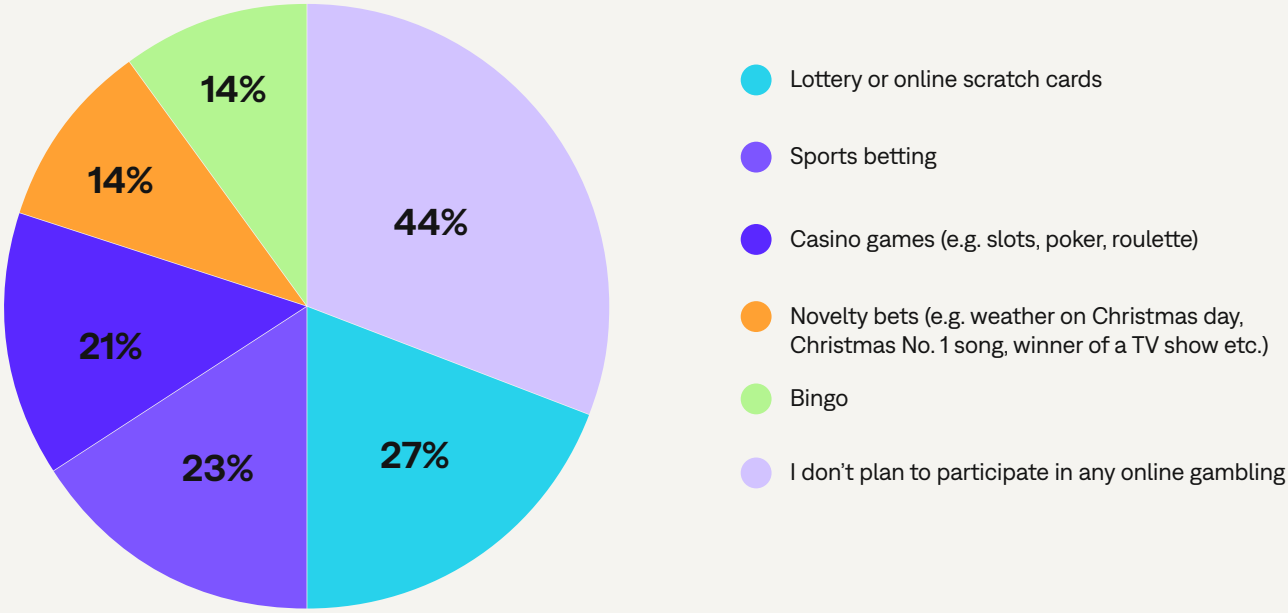
Whether crossing borders or staying close to home, consumers expect their payment experience to match the ease and excitement of their journey.

New year, new luck: How consumers are betting over the holidays

The holiday season also coincides with a busy sports schedule, including Premier League soccer, NBA basketball, the NFL American football playoffs, and various other international tournaments. With more free time and days off work, this creates ideal conditions for online gambling, as people seek entertainment and excitement during the holidays.

Our research indicates that the most popular types of betting during this period are lottery and online scratch cards (27%), followed by sports betting (23%) and casino games (21%).

Which of the following types of online gambling, if any, do you plan to participate in over the festive holiday season?

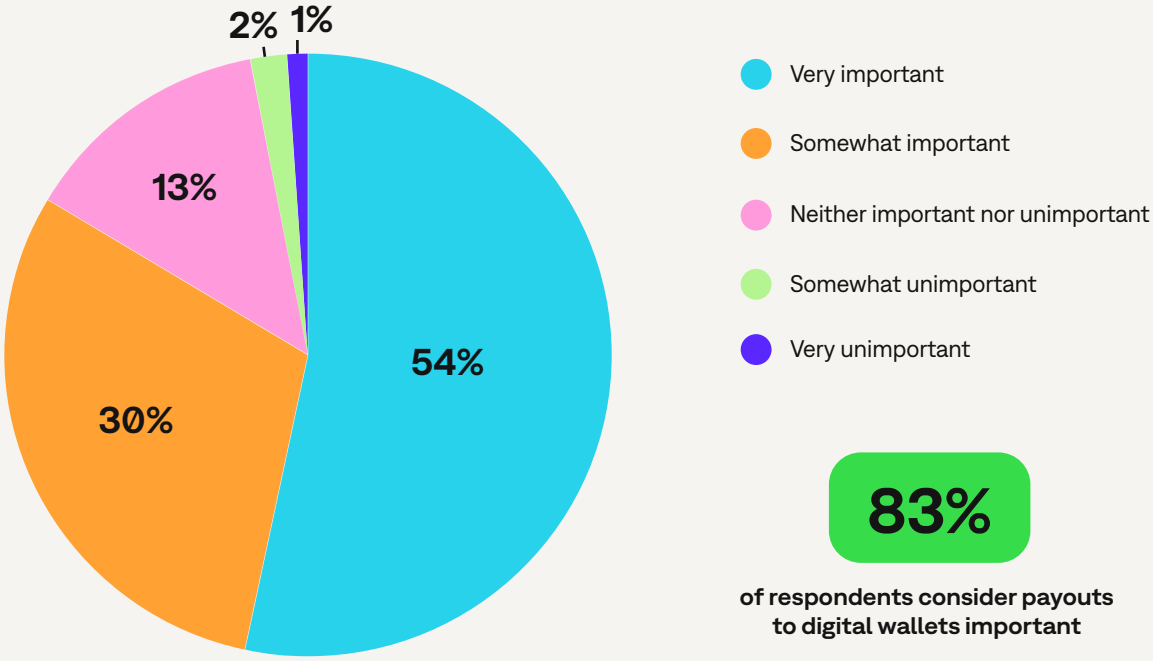


Millennials (ages 29–44) show the highest engagement in holiday gambling at 63%, followed by Gen X (ages 45–60) at 62%. Participation is especially strong in Latin American markets, with Brazil and Peru leading in lottery and sports betting activity.

In online sports betting, soccer leads global preferences, with 68%, but regional tastes are diverse. In the U.S., American football is the top choice for wagering, with (60%), while in Canada, hockey is the main sport, with 53% of respondents opting for it for holiday betting. These variations point to the influence of regional sports calendars on betting behavior, suggesting that timing and cultural relevance play a key role in consumer engagement.

Seamless payouts are a crucial aspect of the gambling experience, particularly during the holidays when speed and convenience are paramount. And for players, cashing out using a digital wallet is especially important. 83% of bettors say it's essential to be able to receive winnings through a digital wallet.

When thinking about placing an online bet over the festive holiday season, how important is it to be able to receive payouts to a digital wallet?



83%

of respondents consider payouts to digital wallets important

This preference is particularly strong in the Latin American countries we surveyed, where digital wallets are not only convenient but vital. For consumers who want to avoid sharing financial data or prefer transacting on their mobile phones, digital wallets provide a seamless way to manage their winnings.

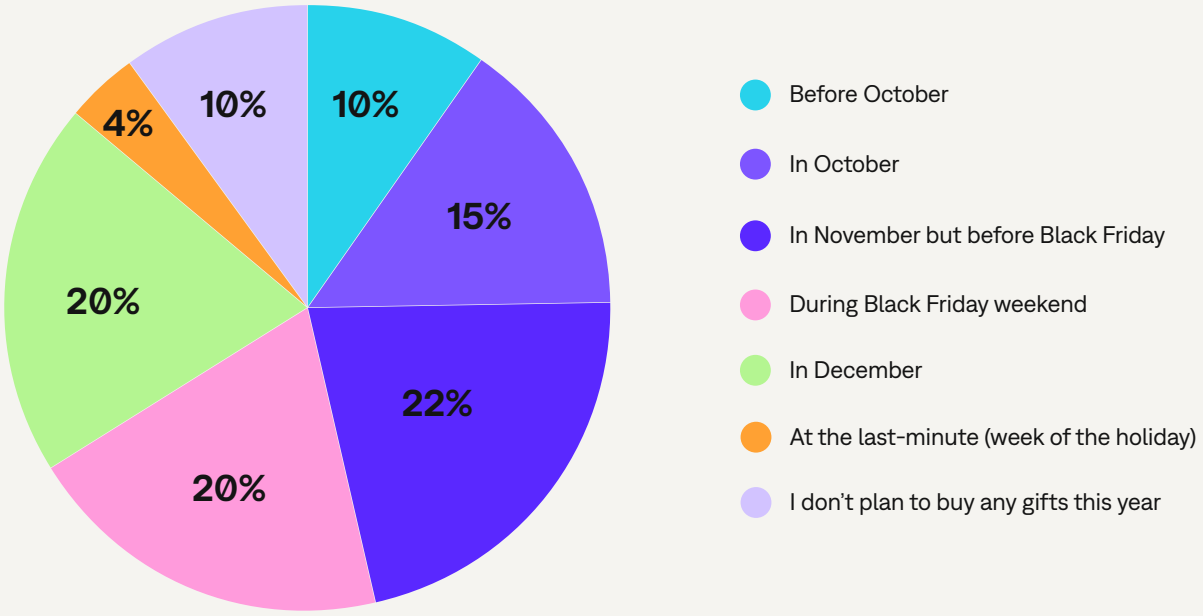
As consumers enjoy iGaming for entertainment during the holidays, payment providers and the operators they serve to offer seamless, secure, and localized experiences that meet their needs.

2. How consumers are planning, spending, and gifting this season

When consumers start shopping

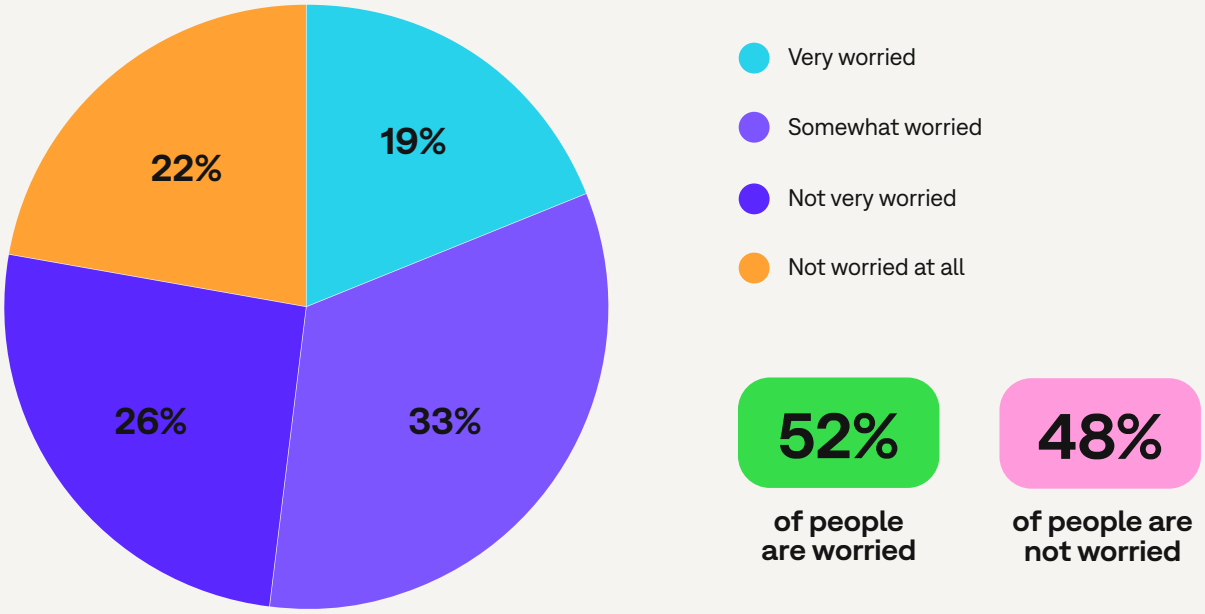
Holiday gift shopping is increasingly characterized by planning. While 88% of consumers say discounts and promotions are important, only a fifth (20%) plan to shop during the Black Friday weekend. Instead, nearly half (47%) prefer to buy gifts well ahead of the season.

When do you plan to start buying gifts for the festive holiday season this year?



The timing reflects a broader shift toward budgeting and avoiding last-minute spending. In the Latin American markets we surveyed, Black Friday participation trends higher (27%), but even there, early shopping was also quite popular. This behavior aligns with growing concerns about holiday debt, with 52% of consumers globally saying they're worried about overspending this season.

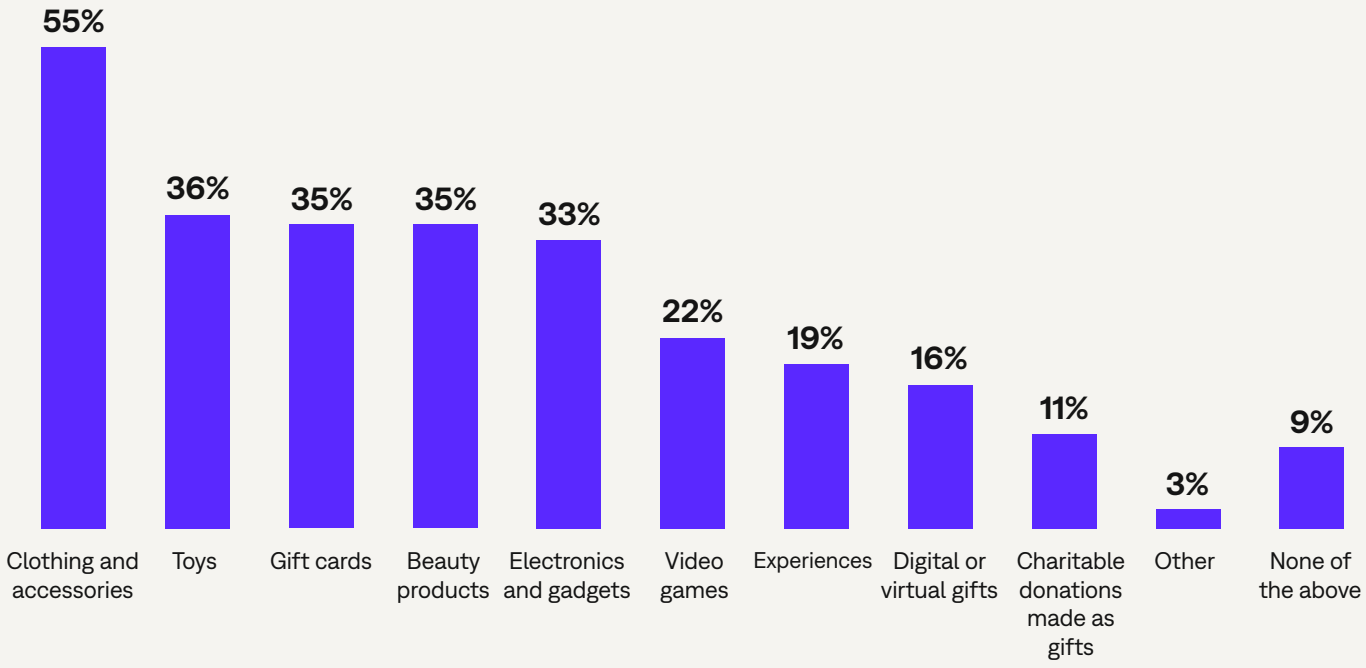
How worried are you, if at all, about getting into debt this year because of your spending over the festive season?



What people are buying ... and spending more on

Clothing and accessories (55%) top the list of intended gift purchases, followed by toys (36%), gift cards (35%), and beauty products (35%). Consumers shopping in these categories also demonstrate the highest intention to spend more this year, with 37% planning to increase their spending on clothes and a third (33%) on general gifts.

What type of gifts are you likely to buy over the festive holiday season?



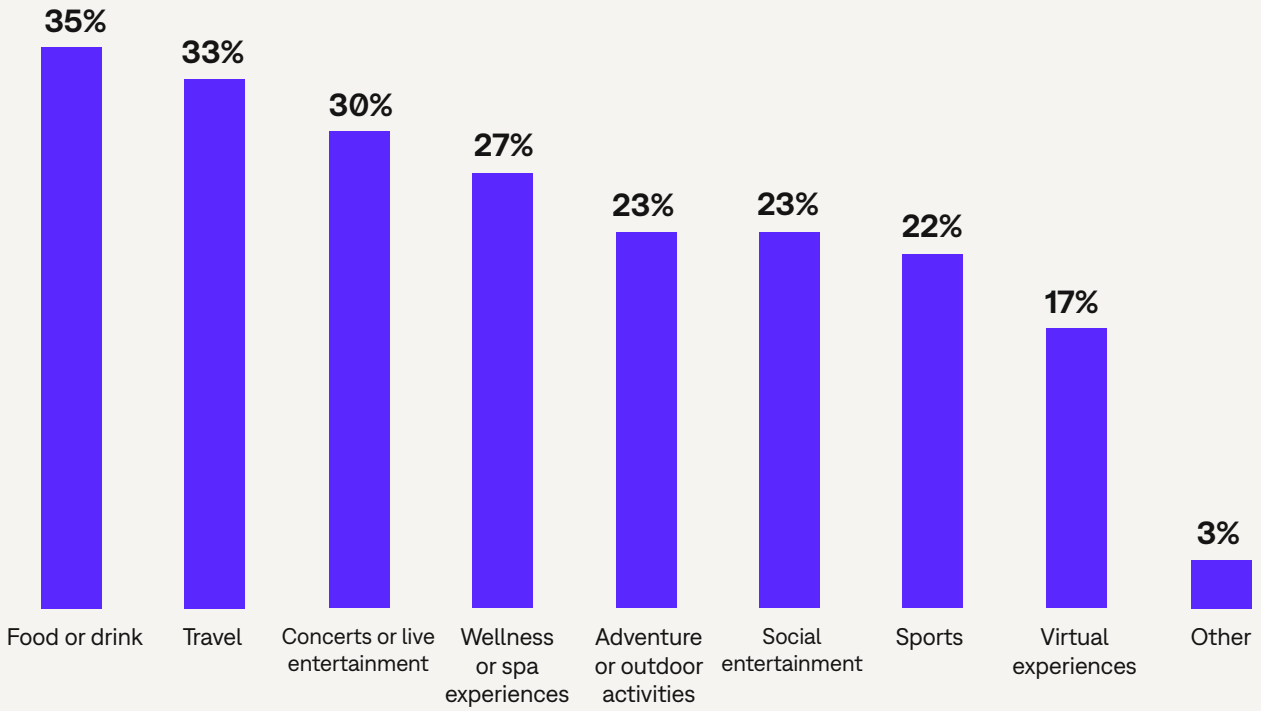
Millennials and female shoppers are particularly likely to purchase clothing, while electronics and gadgets were more popular in countries surveyed in North America and Latin America. Activity-based gifts, such as food and drink, travel, and concerts, were chosen by 19%, with even higher interest among high-income groups.

The experience economy

There's a strong demand for more meaningful gifts, as nearly half of consumers (49%) prefer giving an experience rather than a physical item to a friend or family member, and around the same proportion (50%) would like to receive an experience themselves.

This shift indicates a growing desire for gifts that create memories rather than just material things. And it's a significant trend for brands and retailers to consider when designing their holiday offerings.

What type of experiences are you most likely to buy as a gift this year?

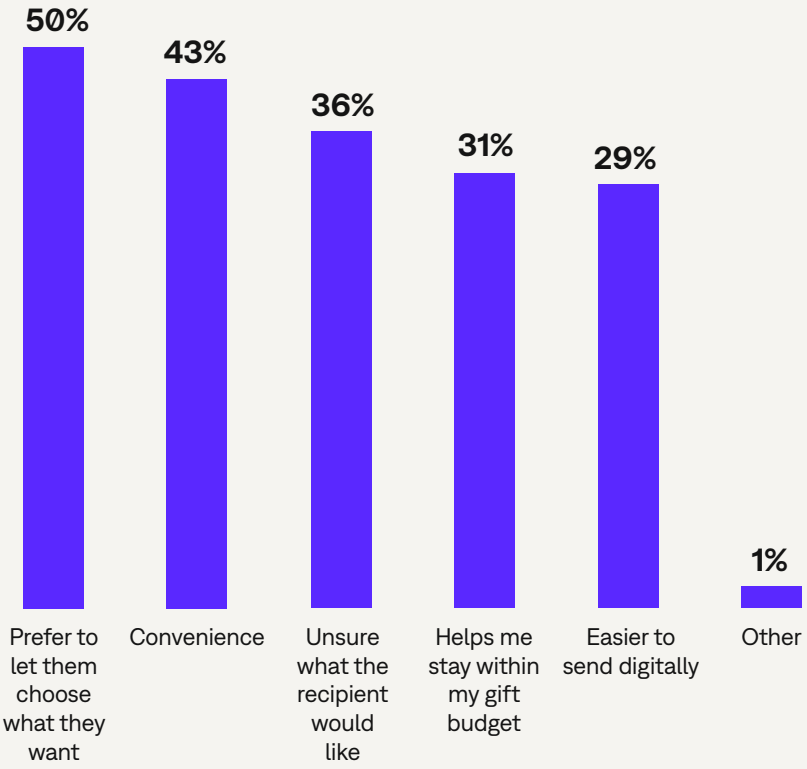


Among those planning to gift experiences, the most popular choices are food and drink (35%), travel (33%), and concerts or live entertainment (30%). One would expect these trends to continue into 2026, likely reflecting consumers' growing interest in gifts that result in memorable moments across a wide range of experiences.

Why gift cards remain popular

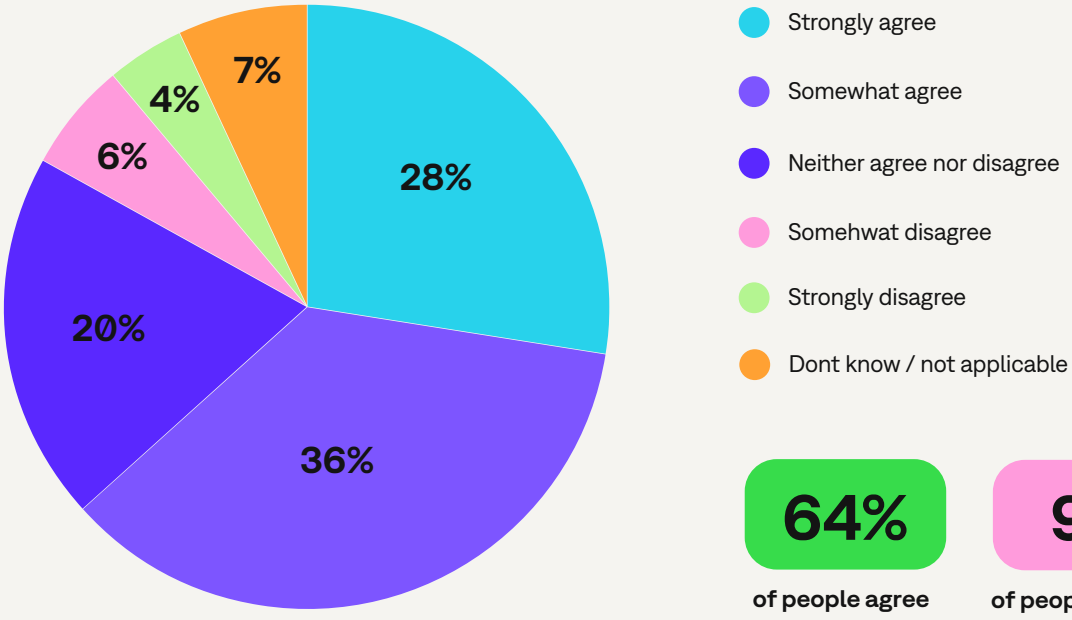
Gift cards are a popular choice for holiday gifts. The main reasons people chose to buy them are recipient choice (50%), convenience (43%), and budget control (31%). Older consumers and high-income earners are the most likely to pick gift cards, especially in Canada, the U.S., and the U.K.

Why do you choose to give gift cards?



For many consumers, video gaming is a popular choice for holiday gifts, and gift cards are considered the easiest way to support that interest. In fact, 64% agree that it's convenient to give a gift card.

Do you believe that it's convenient to give a gift card to someone you know who enjoys video gaming?



64% of people agree

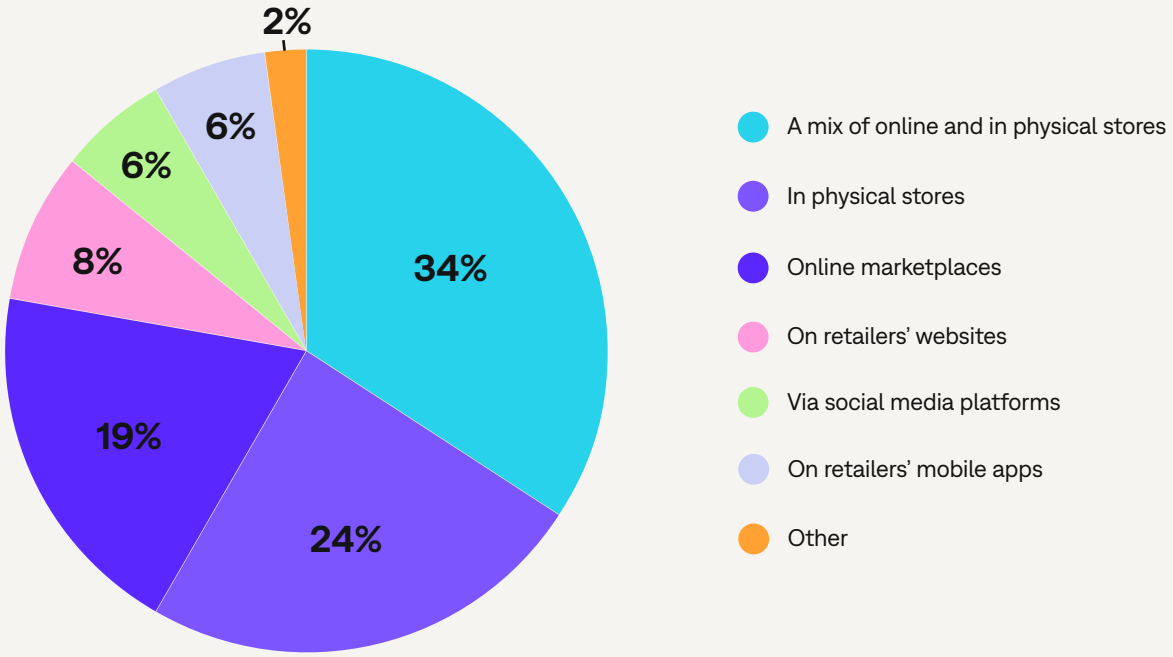
9% of people disagree

This sentiment is especially strong among millennial shoppers, who appreciate the flexibility and convenience of gifting digital experiences. Prepaid solutions like PaysafeCard are ideal for meeting this demand, offering secure, versatile options for gaming purchases without sharing sensitive financial information.

Where people are shopping

While a quarter of consumers (24%) still prefer going primarily to physical stores, 19% now primarily use Amazon and other online marketplaces. That said, overall, a hybrid approach is shoppers' preference, with 34% planning to split their purchases between online and in-store channels.

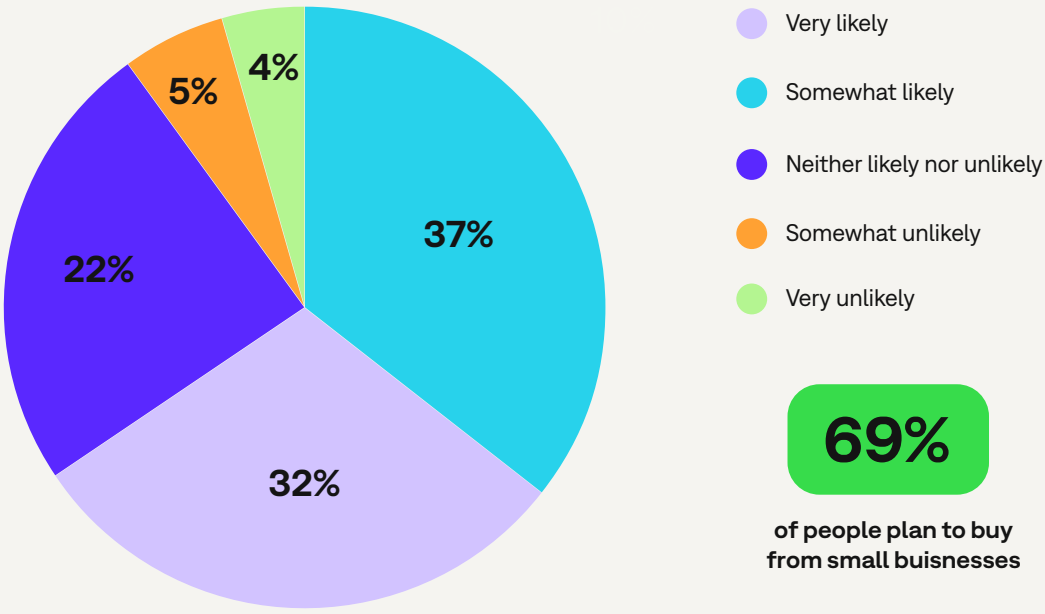
Where do you expect to purchase most of your festive holiday gifts this year?



Among digital options, online marketplaces like Amazon and Etsy are the clear favorite, especially in Brazil and Germany, where nearly one in three shoppers prefer them over visiting individual retailers' websites. Meanwhile, social media platforms remain a niche channel overall (6%), but show more significant traction among Gen Z, with 11% planning to shop through apps like Instagram or TikTok.

Support for small businesses remains strong, with 69% of consumers saying they're likely to buy gifts from independent retailers.

How likely are you to buy gifts from small businesses during the festive holiday season?

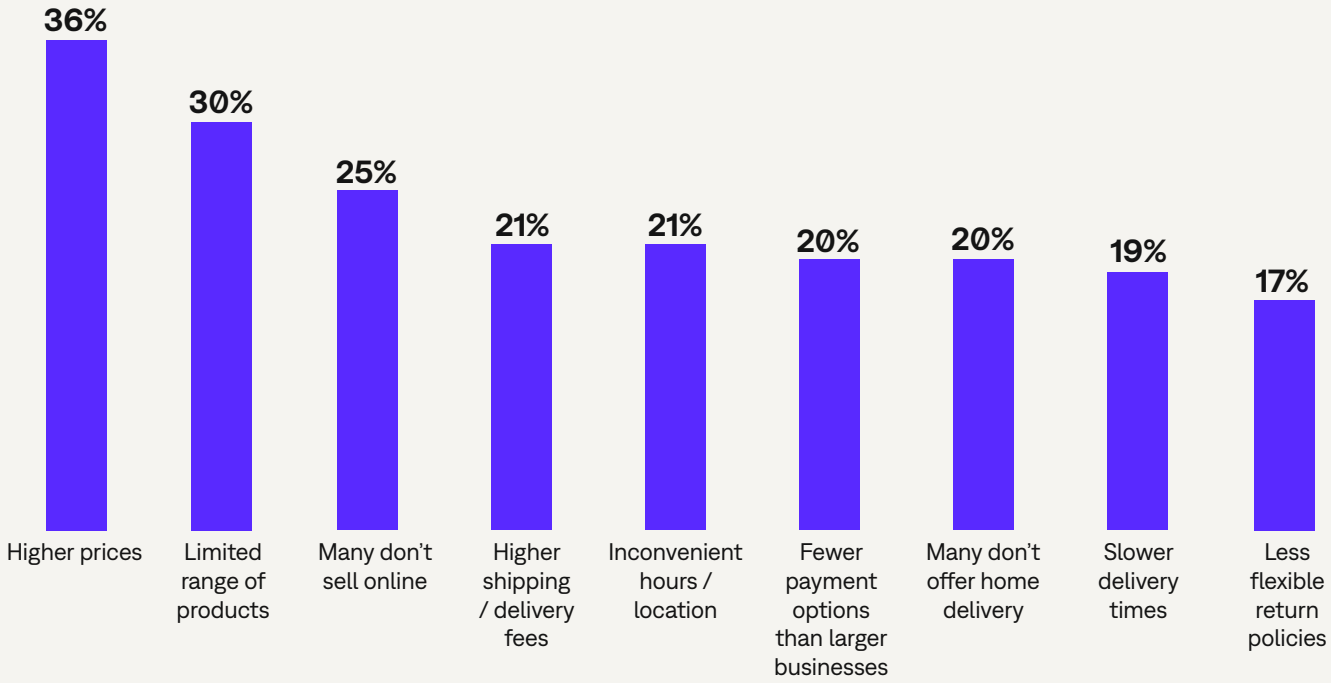


69%

of people plan to buy from small buisnesses

The primary motivations are supporting local communities (54%) and finding unique products (42%). However, barriers still exist, as 36% of respondents cite higher prices and 30% mention limited product options as reasons they might not shop at small businesses.

In your opinion, what are the biggest barriers to shopping with small businesses during the festive holiday season?



As consumers finalize their holiday plans, how they choose to pay becomes almost as important as what they buy. In the next section, we examine the changing holiday payment experience, from preferred methods to the factors that influence trust and conversion at checkout.

3. The holiday payment experience: What consumers expect and avoid

How consumers choose to pay

Consumers continue to prioritize flexibility and convenience when selecting how to pay for holiday gifts. According to our survey, the most popular payment options globally are debit cards (46%), credit cards (37%), and digital wallets (27%).

Which of the following payment methods do you primarily plan to use for your festive holiday gift shopping this year? (Select up to three)

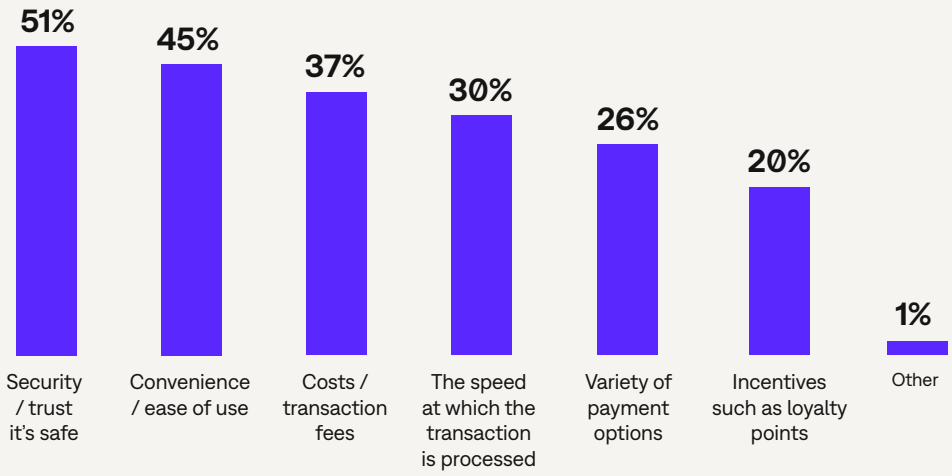
	All Markets	Brazil	Bulgaria	Canada	Ecuador	Germany	Peru	UK	US
Debit Card	46%	44%	59%	42%	45%	23%	49%	50%	49%
Credit Card	37%	62%	15%	54%	33%	25%	33%	34%	38%
Digital Wallet	27%	20%	27%	19%	17%	38%	33%	32%	27%
Cash or eCash	27%	14%	38%	22%	32%	29%	32%	25%	28%
Bank Transfer	17%	20%	11%	7%	47%	26%	19%	21%	10%
Local Payment Method	10%	14%	10%	5%	12%	7%	23%	6%	6%
Prepaid Card	7%	6%	5%	8%	4%	6%	5%	7%	11%
Buy Now, Pay Later	7%	3%	3%	7%	6%	15%	3%	9%	9%
Cryptocurrencies	4%	3%	3%	3%	3%	5%	4%	7%	5%

Digital wallets, such as Skrill, Apple Pay, and PayPal, are especially popular among Millennials, Gen Z, and consumers surveyed in Latin America and Eastern Europe, where mobile-first and privacy-conscious payment habits are more prevalent.

Despite the rise of digital and card-based payments, cash remains a significant part of the holiday shopping landscape. In fact, 27% of consumers say they primarily plan to use cash or online cash solutions to buy festive gifts. Cash and eCash usage is especially notable in Latin America and among older generations, reflecting both cultural preferences and the importance of accessibility for all shoppers

When asked what matters most when choosing how to pay online, consumers' top concern is transactional security, with 51% of respondents saying they select payment methods they trust to be safe. Convenience (45%) and transaction fees (37%) also rank high, followed by transaction speed (30%).

Which of the following factors matter most to you when deciding how to pay for an online purchase? Select up to three



Security for shoppers

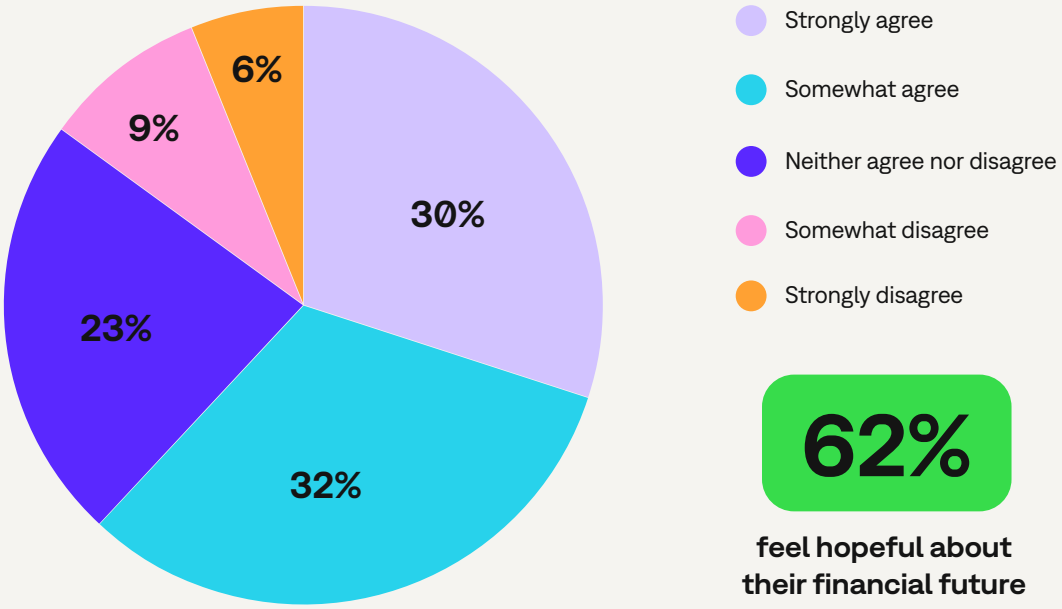
When it comes to paying for experiences like travel, dining, or entertainment, trust and visible security measures are critical to consumer confidence. Nearly three-quarters of shoppers (73%) say they feel reassured when security steps are clearly in place or when they recognize the payment provider at checkout.

On the other hand, close to half of consumers (46%) have abandoned an online shopping cart specifically because they were concerned about the security of their financial information. For merchants, this means that offering secure, recognizable payment options isn't just a value-add; it's essential for converting experience-driven purchases and keeping customers engaged through to completion.

Consumer outlook

Consumers across the markets we surveyed are approaching the festive season with a sense of cautious optimism. While 87% expect their income to rise over the next 5 to 10 years, nearly half (48%) anticipate their salaries to increase by less than 10%. Despite these relatively modest expectations, 62% of respondents are still hopeful about their financial futures.

To what extent do you agree or disagree that you feel hopeful about your financial future?



62%

feel hopeful about their financial future

Regional and generational contrasts

Spending habits vary greatly by region. In Latin America, consumers are more price-conscious, supportive of small businesses and seek-out good value. Meanwhile, in North America and Europe, where respondents tend to have higher annual incomes, people are more cautious with holiday spending.

Generational differences are also clear. Gen Z is the most likely to shop via social media and use digital wallets, with 56% worried about holiday debt. Meanwhile, the Baby Boomer segment (ages 61–79) prefers shopping in-store and is especially sensitive to small business prices, with 47% citing higher prices as a barrier to shopping at small businesses.

Looking ahead

As the holiday season approaches, consumers worldwide are planning shopping, travel, and fun with experiences and online betting. Their holiday plans and payment choices reflect a landscape shaped by price sensitivity, early preparation, and a desire for both value and security. For merchants, understanding these changing behaviors is vital to offering seamless, trusted, and flexible experiences that satisfy every shopper

How Paysafe supports every facet of the holiday season

The holiday experience is more varied and intricate than ever before. Whether consumers are booking travel, shopping online or in stores, supporting small businesses, or enjoying iGaming and digital entertainment, each transaction creates unique expectations for speed, security, and flexibility.

Paysafe supports consumers and merchants every step of the way this holiday season. Our globally trusted payment solutions are designed to back the full range of holiday activities.

By building trust, providing multiple payment options, and ensuring strong security, Paysafe helps merchants adapt to the changing needs of every generation and region. This holiday season, Paysafe is proud to make every transaction, regardless of how complex, simple, safe, and rewarding.

About Paysafe

Paysafe is a leading payments platform with an extensive track record of serving merchants and consumers in the global entertainment sectors. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With 29 years of online payment experience, an annualised transactional volume of $152bn in 2024, and approximately 3,000 employees located in 12+ countries, Paysafe connects businesses and consumers across 260 payment types in 48 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared towards mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments.

Further information is available at www.paysafe.com.

Methodology

The report was based on a survey conducted on behalf of Paysafe by Sapio Research among 8,500 respondents over 18 years old from UK, US, Canada, Germany, Bulgaria, Peru, Brazil, and Ecuador.

The interviews were conducted online by Sapio Research in August and September 2025 using an email invitation and an online survey. Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results. In this particular study, the chances are 95 in 100 that a survey result does not vary, plus or minus, by more than 1.1 percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

Paysafe