

The Spending Paradox of Year-End Sales

It's hard to believe we're approaching this time of year already: Black Friday, Cyber Monday, Singles' Day. These year-end sales events now shape the global shopping calendar and have become table stakes for retailers. But this year, they tell a more complex story about how consumers are feeling—and behaving—as 2025 winds down.

BCG's annual [Black Friday Consumer Study](#) reveals that shoppers are becoming more strategic, deliberate, and data-driven. They're planning earlier, actively comparing prices, demanding transparency, and using AI tools to help them find the best value.

Participation is climbing. Almost all consumers—96%—are aware of Black Friday, and the numbers are climbing for Cyber Monday and Singles' Day, too. Nearly 80% of these consumers plan to shop during these events, with those in Italy (90%) and the US (83%) indicating the highest intention to shop.

Generative AI is an increasingly important shopping partner. Nearly half of all consumers (48%, up 9 percentage points since 2024) say they've already used or plan to use GenAI to research products, compare prices, or identify deals, and adoption is surging across almost every generation and geography. GenAI is turning millions of consumers into expert shoppers, allowing them to make faster, more confident choices.

Uncertainty is an important part of the story. Persistent

geopolitical and macroeconomic pressures are keeping consumers cautious, with 81% concerned about recent price increases for essentials and 71% worried about tariffs and duties. Many are still trading down, shifting to private labels, discount retailers, or more affordable brands.

Confidence is also at play. The survey points to consumers' anxiety, but confidence keeps climbing, reflected in the high percentage of people who plan to participate in year-end sales events. More consumers also say they expect to buy higher-priced discretionary items (44%, up about 3 percentage points over 2024) and treat themselves rather than only buying for others. It's an interesting paradox: anxiety and optimism coexisting in the same shopping basket.

The timeline is shifting. Roughly 60% of consumers start researching deals as early as October or early November, but last-minute searching is also up. The line between pre-holiday planning and holiday shopping keeps blurring, stretching the sales season into something closer to a three-month marathon.

The takeaways for retailers in this shifting and complex environment are important:

- **Take the plunge early.** Companies need to start engaging with consumers well before the events take place, increasing anticipation, driving traffic, and grabbing the attention of new customers.
- **Build a strong AI game.** As GenAI tools and agentic commerce increasingly influence shoppers, retailers must invest in answer engine optimization and structured product data so their products can be found by AI assistants.
- **Keep customers close to home.** The use of GenAI is clearly having an impact, but it's also important for retailers to strengthen direct relationships with customers, using loyalty programs, early-access deals, and personalized offers to bring them back to owned channels.
- **Amid noise and uncertainty, simplicity wins.** What consumers most want from retailers is relatively simple: discounts, value, fairness, and consistency. They like straightforward offers; 60% prefer the classic "x% off

everything,” which is both trustworthy and easy to understand.

The contradiction of consumers wanting to splurge and save reflects something deeper about the global mood. The brands that thrive will be those that respect both instincts. A balance between restraint and optimism and between practicality and possibility will define how consumers spend this season and how business leaders should think about engaging with them in the year ahead.

Until next time,



Rich Lesser
Global Chair

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