

Don't Spook Consumers: 4 Valuable Halloween Trends for Retailers

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Superheroes, zombies, princesses and Hunger Game heroines are some of the costumes we can expect to see on kids ringing our doorbells in a couple of weeks. Halloween is when jack-o-lanterns fill neighborhoods that are decorated with everything from lights to inflatables, and adults hoard mini candy bars like if they were preparing for a zombie apocalypse. For retailers, Halloween is that shopping season that falls in between back-to-school and holidays, and the one that is most impacted by economic downturns and a great measure of consumer confidence.

Here are the top 4 Halloween retail season trends we expect to see this year:

1. The Halloween Shopping Season Keeps on Rolling



What used to be a one-month retail season now extends into early September, and with the popularity of online shopping for Halloween decorations and costumes, purchases are happening earlier in the year, and promotions tend to be more year-round. This is partly driven by online shopping, which has gotten consumers used to purchasing seasonal items outside of the promotional period.

2. The Silent Monstrous Rise of DIY Halloween



With women driving the Halloween purchases of decoration and costumes, I had to wonder. Did social media sites like Pinterest and the large number of do-it-yourself blogs that demonstrate 100,000 ways to decorate your home with pallets impact seasonal decorating? When looking at the rise of Pinterest's popularity specifically, the National Retail Federation shows that Halloween decoration sales rose certain years but last year dropped back down to \$1.9 billion, the amount spent in 2011. Meanwhile, costume spending also dropped back last year to its 2011 amount at \$2.5 billion. Look for trick-or-treaters dressed as pallets on your front porch, unless there is a crafting burnout and consumers return to manufactured decorations and costumes again this year.

3. Oh the Tangled Web Our Love Of Miniature Candy Weaves!



There's just something about that Halloween candy... While other Halloween shopping categories have dropped back down to 2011 spending levels, candy is the one category that continues to see an increase. Consumer maybe buying their Halloween candy early when retailers begin stocking them, only to end up eating it all, which requires them to buy more for trick-or-treaters. Or maybe consumers, who've felt the pinch of rising healthcare and cost of living that negated any wage increases feel Halloween candy is a small, enjoyable splurge that brings nostalgic feelings in that one little bite. No matter how much consumers may say they are looking to eat better, their love of Halloween candy says they aren't willing to give up all treats.

4. It's the Great Online Shopping Pumpkin, Charlie Brown!



Although Halloween costumes might seem like an item consumers prefer to try on and see in person at a brick-and-mortar store before purchasing, reports from the National Retail Federation show that online retailers are a disruptor like they are for other holidays. A report from the [National Retail Federation](#) shows that 31% of consumers will search online, while 27% prefer to search for costumes in store. In fact, 1 in 3 people report using social media for inspiration, a huge opportunity for brick-and-mortar retailers to stand out by marketing their Halloween merchandise through digital and social media channels to inspire shoppers and turn that inspiration into sales.



The most interesting facet of Halloween retail sales might be their correlation each year with holiday sales. In the past, back-to-school sales were considered to be one of the best predictors of how holiday sales would fare, but at Alliance Data, we recognized years ago that there is a more direct correlation with Halloween sales. We'll make our predictions on whether this year's holiday sales will be naughty or nice in a blog post next month. Stay tuned!
