



Navigating economic uncertainty with LTO

A Holiday-Season Playbook for Retailers Navigating Rising Costs, Inflation and Consumer Debt

The State of the Season

Every Holiday Sale Now Has to Clear Three Hurdles

Retailers heading into Black Friday and the holiday stretch are being squeezed from many directions.

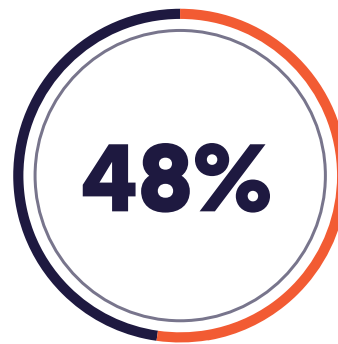
- 1 Rising input costs are pushing retail prices up
- 2 Household budgets are stretched thin
- 3 Americans are saving less and carrying record credit card debt

None of these pressures are new on their own. What is new is that they are converging simultaneously, right as furniture, jewelry, tire and electronics retailers are pushing for a successful Q4 to make their year.

A fresh consumer pulse taken specifically for this holiday season puts a number on that convergence:



of consumers say rising cost of living has affected their confidence in making a big-ticket purchase in the months ahead



are already "very" or "extremely" concerned about affording the gifts and items they want this season

Source: Economic Pressure & Checkout Pulse Survey, n=600, 2026.

This guide explains how LTO helps furniture retailers capture more revenue.

Pressure Point One

Rising Costs Are Rewriting the Price Tag

Rising input costs

Volatile input costs and supply chain issues are now top-tier planning concerns for retail leadership. Sixty-one percent of retail leaders say supply chain investment is a priority in 2026. This is the kind of pressure that lands on the price tag, one way or another.

Consumers are noticing it directly: in a pulse survey fielded ahead of this holiday season, majorities report seeing price increases across categories including electronics/appliances [65%], tires and auto parts [54%], furniture [42%] and jewelry [37%].

65%

have noticed electronics/appliance price increases in the past 6 months

54%

have noticed tires/auto parts price increases in the past 6 months

42%

have noticed furniture price increases in the past 6 months

37%

have noticed jewelry price increases in the past 6 months

Margin pressure adds to the mix

Retailers are also absorbing rising operating costs and increasingly aggressive price competition. Eighty percent of U.S. retail executives cited price wars and 81% cited climate-driven cost increases as top challenges heading into 2026.

For C-suite leaders, the anxiety is now macro, not just operational: economic uncertainty is the single largest concern among U.S. CEOs [cited by 43%], ahead of cyberattacks and supply chain disruption.

That uncertainty is already reshaping how people shop: 70% of retail executives see more cautious, value-seeking behavior as a permanent shift, not a temporary dip.

61%

prioritize supply chain investment
Protiviti, 2026

80%

cite price wars as a top challenge
Deloitte, 2025

70%

see value-seeking behavior as a permanent shift
Deloitte, 2025



Pressure Point Two

The Consumer Side of the Squeeze

While retailers manage rising costs, their customers are managing rising financial strain. More than a third of U.S. consumers are living paycheck to paycheck, and roughly one in five say they could not absorb an unexpected \$500 expense without financial hardship.

37%

live paycheck to paycheck

Acima Leasing survey, n=600, 2026

21%

would struggle to cover an unexpected \$500 expense

Acima Leasing survey, n=600, 2026

20%

have less than \$500 in savings

Acima Leasing survey, n=600, 2026

This is the backdrop against which holiday shopping happens: consumers want to buy a couch for guests, a ring for a proposal or tires before a winter road trip, but their financial cushion has never been thinner.

How consumer shopping behavior is changing:

58%

bought a cheaper alternative than originally wanted, due to rising prices

44%

delayed a big-ticket purchase, due to rising prices

29%

looked into flexible payment or leasing options not considered before

Pressure Point Three

Where the Squeeze Shows Up: Checkout

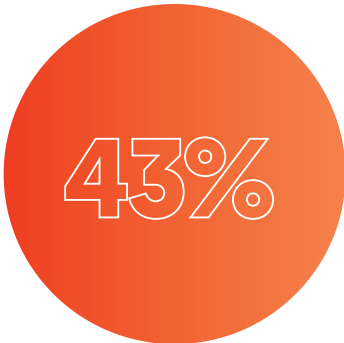
All three pressures meet at a single point: the register or the online checkout button. When a shopper’s preferred way to check out fails, the retailer is losing the entire transaction in a meaningful share of cases.

Denial by itself is common, not rare: 43% of consumers say they have been denied financing at checkout at some point in the past year. Among that group, here is what happened next:

What Denied Shoppers Did Next	
Left without making the purchase	40%
Used a different payment method already on hand	40%
Reduced the purchase amount to what they could afford outright	12%
Were offered an alternative checkout option and used it	8%

Only 8% of denied shoppers were offered an alternative checkout option and completed the transaction that way. The other 92% either walked away, used a different payment method they already had on hand, or reduced how much they spent.

That is the gap a broader checkout stack is built to close, and the risk compounds heading into the coming holiday season.



say they’d be “very” or “extremely” likely to buy from a competitor instead if their preferred retailer doesn’t offer LTO and a competitor does

Economic Pressure & Checkout Pulse Survey, Q8, n=600, 2026

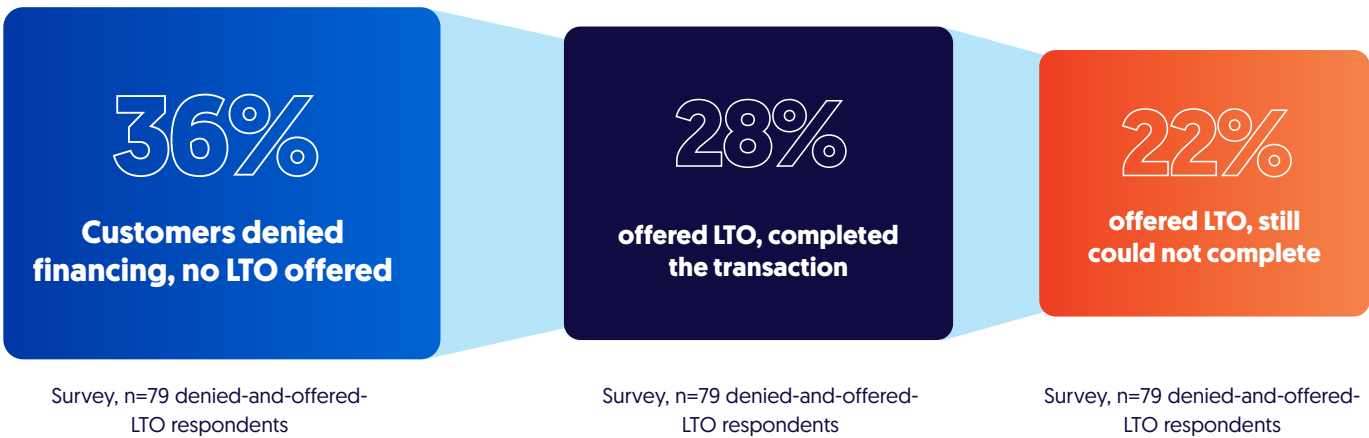
Source: Acima Leasing consumer survey, n=600, 2026. Figures shown are among the 42.8% of all respondents who have been denied financing at checkout; rounded to the nearest whole percent.

Where LTO Fits

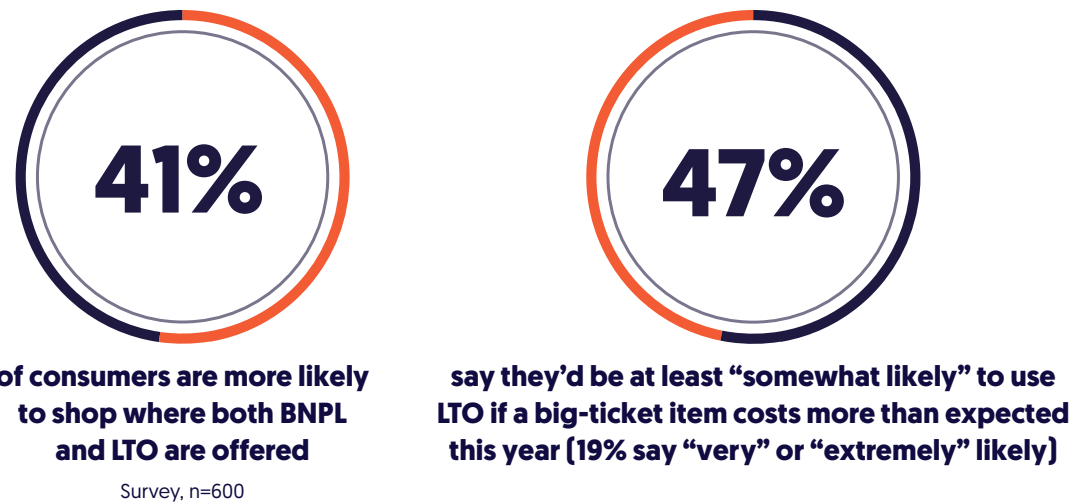
Lease-to-Own: An Additional Checkout Option, Not a Replacement

Lease-to-own (LTO) is not positioned to replace credit cards, financing or Buy Now, Pay Later (BNPL). It sits alongside them, as an alternative added checkout option for shoppers whose income and cash flow can qualify them even when a credit issuer does not. When it is present at checkout, retailers can recover revenue that would otherwise walk out the door.

Among consumers who were not approved for credit or financing on a big-ticket transaction, here is what happened next:



For retailers weighing whether to add a checkout option before the holiday rush, these preference signals matter as much as the recovery rate itself: consumers are actively looking for a fuller menu of ways to check out, not a narrower one.





The Upside Beyond Recovery

Bigger Baskets at the Exact Moment That Matters Most

Holiday season is when average order value [AOV] swings hardest.

2x

revenue growth, most years since 2019
[Tamayo's Jewelry Group]

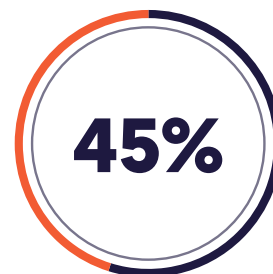
+\$300

average order value increase,
~\$1,200 to ~\$1,500
[Tamayo's Jewelry Group]

It's the difference between a guest chair and a full living room set, a solitaire and a tennis bracelet. LTO's proprietary underwriting model considers more than just a credit score, and it tends to unlock larger baskets than either cash or BNPL.

This pattern shows up in the field. At [Tamayo's Jewelry Group](#), average ticket size rose from roughly \$1,200 to \$1,500 with LTO in place, with continued upward momentum the retailer specifically ties to the holiday season.

A pulse survey fielded specifically against today's economic backdrop backs up what these partners are seeing in the field: 45% of consumers say they'd be at least "somewhat likely" to include a higher-quality item or add extra items to their shopping if a retailer offered LTO alongside existing checkout options given today's economic pressures, with 16% saying "very" or "extremely" likely.



would be at least "somewhat likely" to up quality or add items if LTO were offered, given today's economic pressures

Built for the Categories That Carry Q4

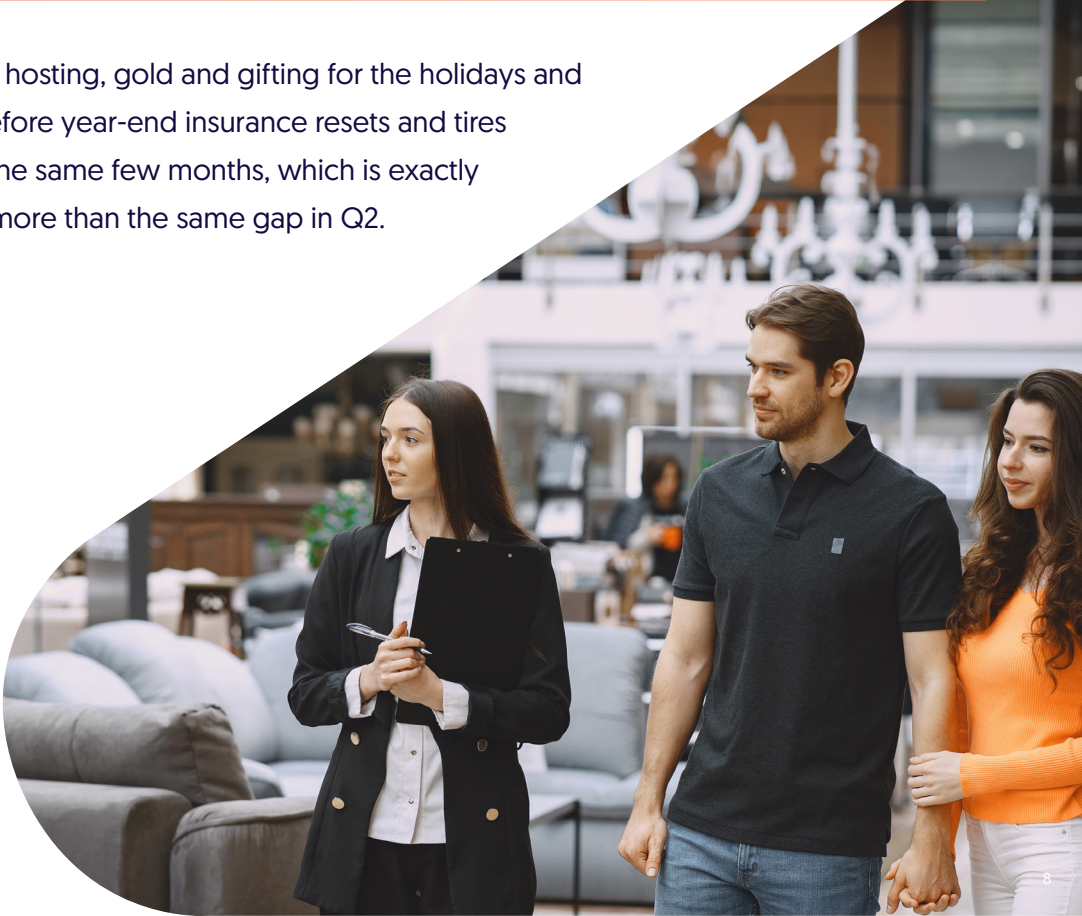
The Categories Holiday Shoppers Are Already Leaning On LTO For



Furniture, jewelry, eyewear, electronics and tires are among the biggest-ticket, most gift-and-season-driven categories in retail, and LTO usage already concentrates in exactly these categories: Among recent LTO users, 63% used it for a furniture purchase, 34% for tires and wheels, and 14% for jewelry, alongside 35% for appliances and 31% for electronics.



Home refreshes ahead of holiday hosting, gold and gifting for the holidays and engagement season, eyewear before year-end insurance resets and tires before winter travel all cluster in the same few months, which is exactly why a checkout gap in Q4 costs more than the same gap in Q2.



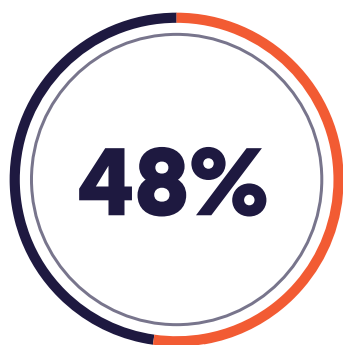
Why Before Black Friday

The Case for Adding LTO Before the Rush, Not After

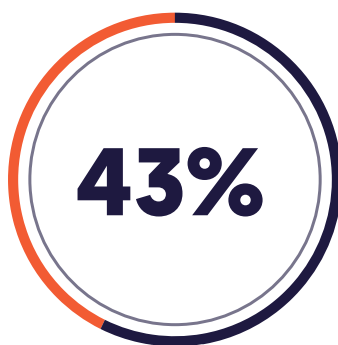
Every lost or reduced transaction compounds during a high-traffic week.

A checkout option that recovers 28% of otherwise-abandoned big-ticket sales [once it's offered] matters more when foot traffic and cart volume are at their annual peak, and checkout method availability is already shaping where holiday shoppers choose to shop in the first place.

Nearly half of consumers [48%] say they are already “very” or “extremely” concerned about affording this season’s gifts, and 43% say they would take their business to a competitor over a retailer that doesn’t offer LTO. That is not a Q1 problem to solve later.



say they are already “very” or “extremely” concerned about affording this season’s gifts



say they would take their business to a competitor over a retailer that doesn’t offer LTO

Retailers who add a broader checkout stack ahead of Thanksgiving week and Black Friday are well-positioned to capture that traffic on the shopper’s first visit, not on a second trip after they’ve already checked a competitor’s options.

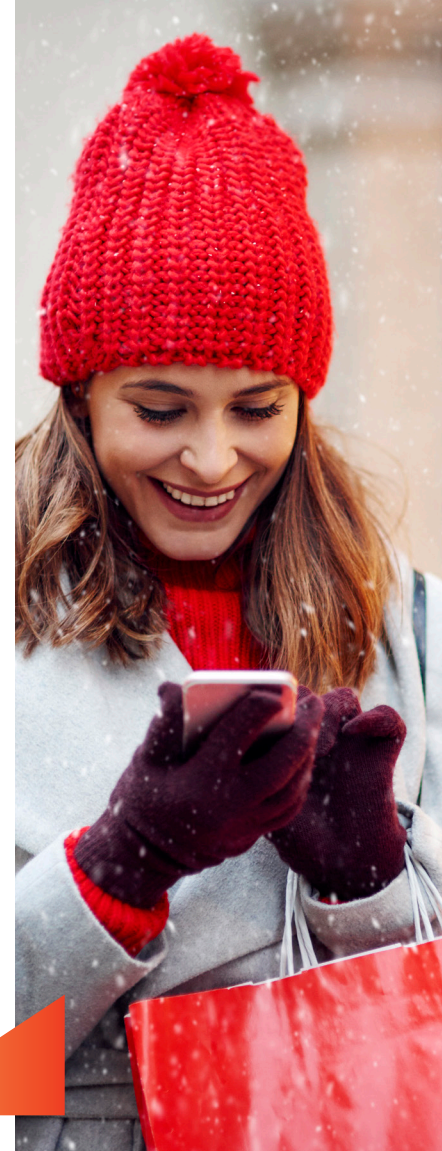


Get Holiday-Ready

Build a Checkout Stack That Holds Up Under Pressure

Three steps to add LTO ahead of peak season:

1. Enable Acima Leasing across every channel your holiday traffic touches: in-store POS, ecommerce checkout and mobile app.
2. Train floor and call center staff to present LTO as one more way to say yes, alongside (not instead of) existing checkout options, and to lead with clear terms. Full transparency on total cost is consumers' top-ranked checkout priority: 77% of recent LTO users rank it a top priority, and a fresh pulse taken specifically against today's economic pressures shows that priority holds up broadly, with 75% of all consumers calling it "very" or "extremely" important.
3. Promote it before the rush: add messaging to email campaigns and in-store signage ahead of Thanksgiving week, so shoppers already know it's there when they hit checkout.



Ready to talk before the season peaks?

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