

LATENTVIEW ANALYTICS



Christmas Sales Analysis

Keeping you a step ahead



latentview

Actionable Insights • Accurate Decisions

8-11%

Growth expected in retail sales during Christmas holiday season



Online Spending on retail sales during Christmas and new year (Dec) in 2021 will contribute to **16.3%** of total sales.

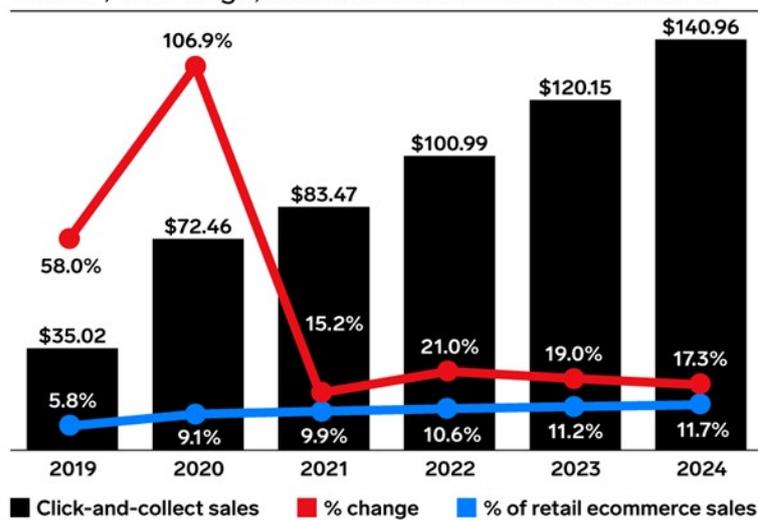
BOPIS (Buy online, pickup in store) is here to stay with **40%** shoppers (2019) said they would **consider BOPIS** during festive seasons. This is expected to grow by an average of **18% YoY**



OLD is NEW again

US Click-and-Collect Sales, 2019-2024

billions, % change, and % of retail ecommerce sales

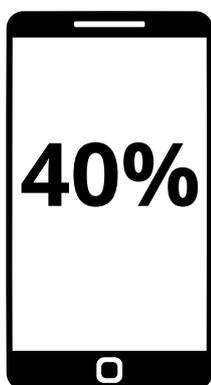


Note: includes products or services ordered using the internet (regardless of payment method) for pickup in a store or a locker in a retail or pickup hub location; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales
Source: eMarketer, Jan 2021

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eMarketer | InsiderIntelligence.com

33 Million consumers bought **2nd hand apparel** for the first time in 2020 holiday season. **42%** of all consumers and **53%** millennials and Gen Z said they will **spend more** on 2nd hand in next 5 years (Source: ThredUp)



In Nov & Dec 2020, mobile accounted for 40% of total e-commerce sales, with time spent in shopping apps to grew by **45% YoY**.

68% Shoppers also **abandoned their cart** if the website or the app was not optimized and easy to use



Three themes are emerging among US consumers for 2021 Christmas holiday-shopping season

1

Expected Strong demand and omnichannel shopping

Consumer demand over the holidays will likely to be strong and increasingly omnichannel

2

Spend pulled forward

Consumers are spending earlier than before due to potential product shortages, shipping delays and increased excitement to shop

3

Loyalty switching at play

Consumers are likely to switch retailers and brands when products are unavailable. Retailers and companies need to prioritize consumer loyalty

Spending estimated Growth in holiday season



Consumer Spending



Discretionary Spending



Travel and Entertainment



E-Commerce spending

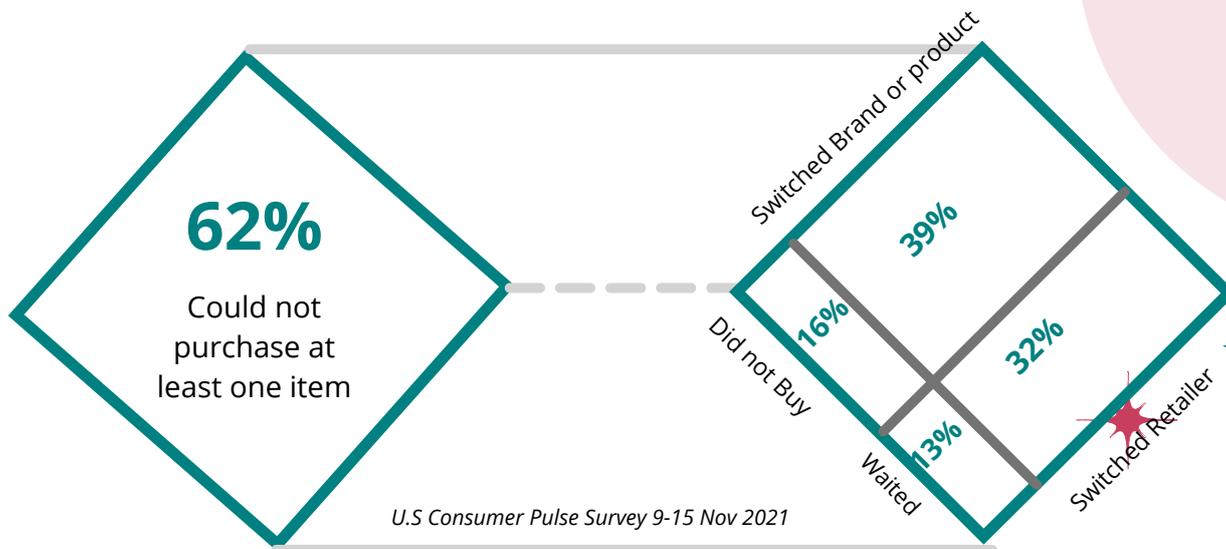
2021 Q4 vs 2020 Q4



2021 Q4 vs 2019 Q4



Respondents who planned to purchase something but could not due to availability



Insight on how **out-of-stock** product can have direct impact on brand and retailers in christmas season 2021



Research shows **81% retailers plan to encourage customer** to shop for holidays **online** rather than in-store.

Top Contributors in sales



Household Goods(+6.9% YoY)



Furniture & Lightning (+5% YoY)



Hardware, paints & glasses(+36.3% YoY)



Electronics(+14% YoY)

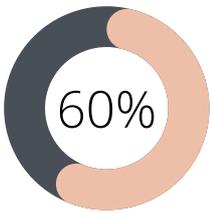


Top Contributors in Offline vs Online sales

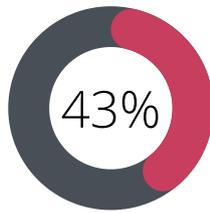


For online sales the **trend** have remained the same from **past 3 years** as to what people want to buy online. These 3 contribute to the top of online sales in Christmas

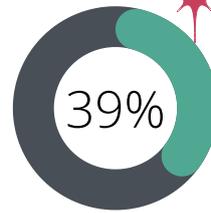
Online



Books and Video Games



Consumer Electronics & computers

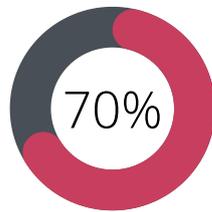


Fashion

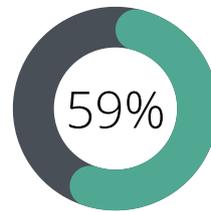


Offline

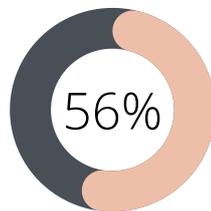
There are certain things which people want to **have a feel** or want to **experience first before buying**. The top 3 contributors to the list are as follows



Grocery and Daily consumables



Furniture & Home Furnishing



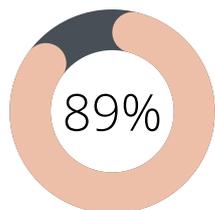
Household appliances



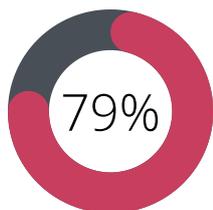
Factors which would drive conversion rates

Severity : High

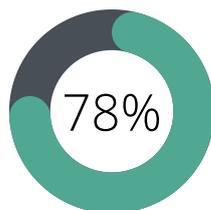
These are the factors that were **very to somewhat** concerning for customers during holiday season which would drive sales



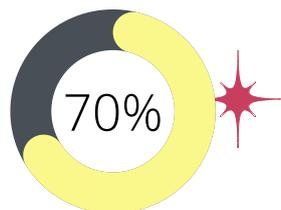
Rising Prices due to **inflation**



Product availability



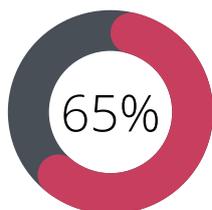
Shipping Delays



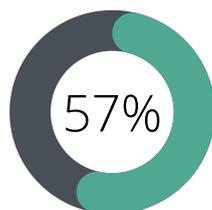
Health & Safety of indoor shopping

Severity : Critical

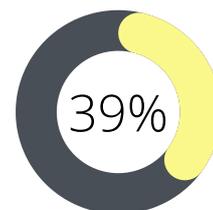
These are the factors which customer cited the most important when making purchase and deciding between brands



Product Quality



Discounts



Availability

With the overlapping availability its considered one of the **most important factor** in driving sales in Christmas as the *out-of-stock* is one of the most important issue which customer faces during holiday season



Recommendation and strategies



Innovative **Mystery Bundled boxes** can be rolled out in offers and special offers. This can further be segregated on the basis of pricing. Premium Mystery Box vs Standard Mystery Box



Consideration of **last minute shoppers** to accommodate last minute demand



With all time rising demand and shortage associated with it, have **substitutes ready** as customers would be looking to buy the **next best thing**



BOGO (Buy one get one free), **66%** shoppers are likely to buy the item and its one of the **highest promotion conversion techniques**



BNPL (Buy now pay later) for families who cannot afford the full amount at once can adopt BNPL **without worrying about interest on EMI**. This is very popular with Millennials and Gen Z Shoppers. **55% American shoppers** are likely to **opt for BNPL** according to latest survey.



" **77% of American buyers are less likely to return to a store where they experienced long checkout process both online & offline** "

Reduce the checkout time with an option for **guest checkout**. A normal buyer will abandon checkout line after **8** minutes of waiting.

