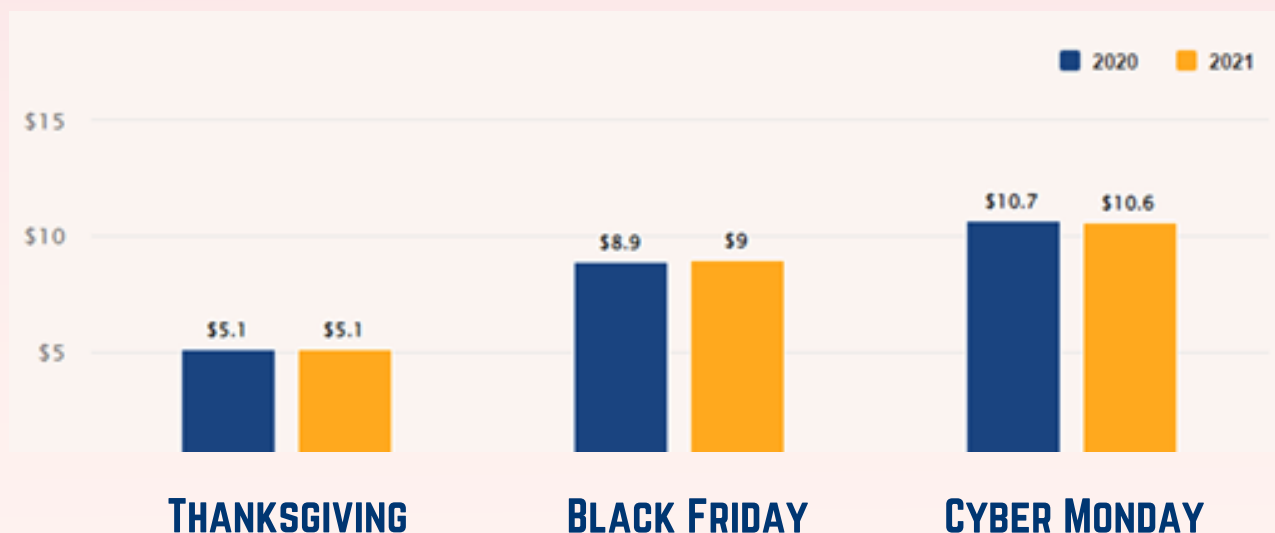


BLACK FRIDAY '21 - A RETROSPECT

U.S ONLINE RETAIL SALES 2020,2021:



This season marked **the first time ever** both Thanksgiving and Black Friday failed to boost YoY online spending. Cyber Monday online sales too dropped 1.4% from last year, falling for the first time ever!!!

RETAILERS' STRATEGY TO BOOST SALES

Despite the YoY sales on Big Days like **Black Friday** and **Cyber Monday** remaining flat, this November Holiday season raked up



This is because, retailers launched **EARLY PREVIEW SALES** with "**Black Friday-worthy**" Deals and prices dropping throughout the month of November which resonated well with the customers



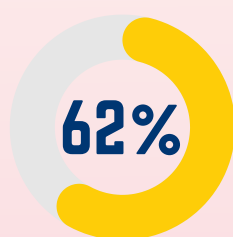
UNDERSTANDING CUSTOMERS' MINDSET

Reasons for customers to start shopping earlier



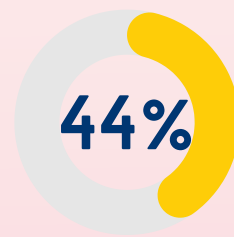
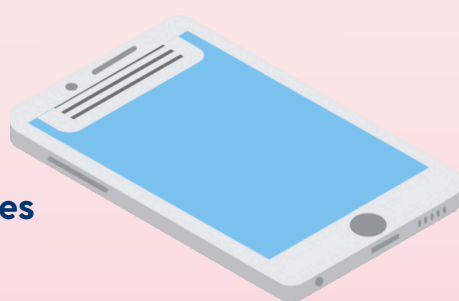
RETAIL TRENDS FROM BLACK FRIDAY

SMARTPHONE BROWSING IS ON THE RISE



Account of Mobile phones for online traffic

2.2% Increase YoY



Account of Mobile phones for online sales

10.6% Increase YoY

CUSTOMERS' APPETITE

YOY INCREASE IN CUSTOMER SPENDING

19% ↑ During November holiday season
14% ↑ During Thanksgiving weekend

THE SURGE OF BUY-NOW-PAY-LATER

BNPL usage over Cyber Week grew

29% ↑ YoY

BNPL accounted for:
8% of all orders over the Cyber week
4% of orders on Black Friday

**BUY NOW
 PAY LATER**

With over
\$22 BILLION
 in holiday orders financed.

CURBSIDE PICKUP CONTINUES TO THRIVE

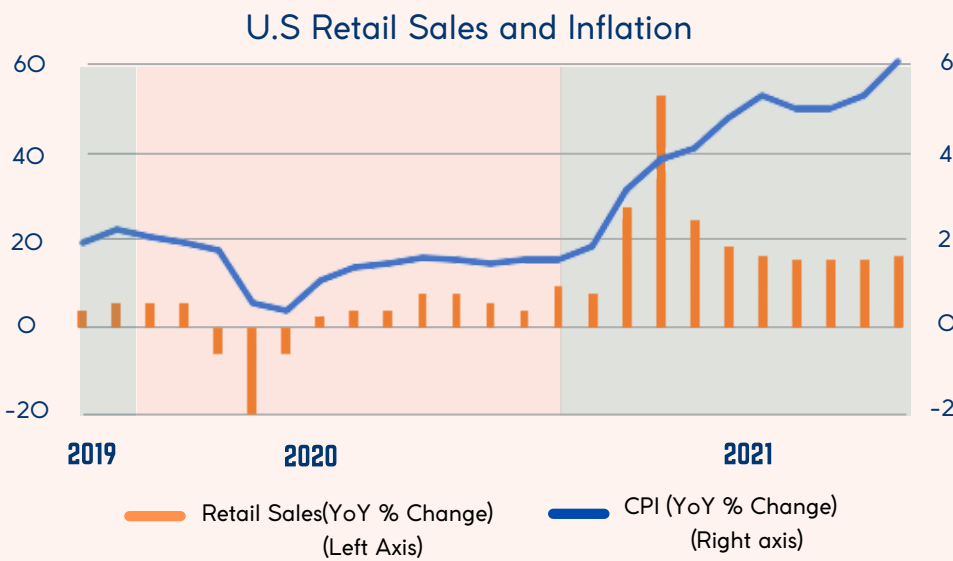
On Thanksgiving Weekend, consumers used:
 Curbside pickup for **18% of online orders**
 vs **25%** over the same period Last Year
 and up **78%** vs pre-pandemic levels in 2019



THE INFLATION EFFECT

For the First time in
39 YEARS The Consumer Price Index (CPI) jumped
6.8% ↑
 YoY in November, the highest annual rate

The Producer Price Index (PPI) jumped
9.6% ↑
 YoY in November, the highest on record



53%

Over the Cyber Week:
 Average Selling Price was **up 11 percent** in the U.S.
 Average Discount was **down 8 percent** in the U.S.

anticipate retail product prices to increase this Christmas season

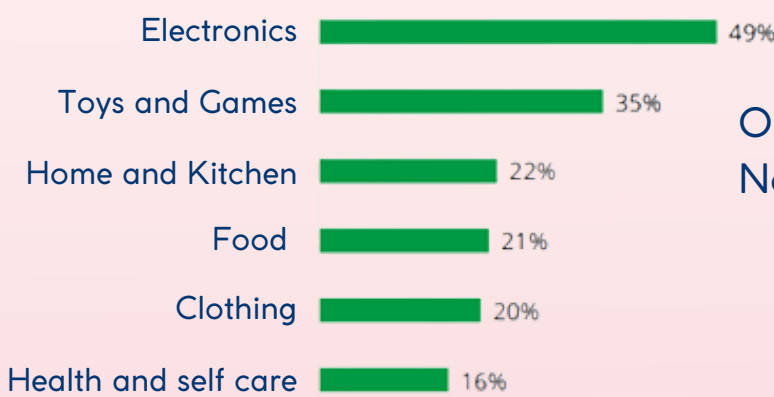
MAJOR ISSUES REGARDING STOCK-OUTS

Holiday inventory in the U.S. shrank

6% ↓

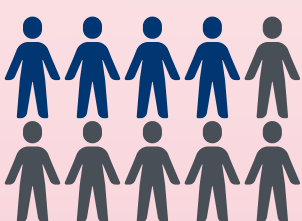
vs 2020 due to supply chain issues

Shortage across categories



Out of stock messages in November '21 surged by:

38%
 vs Nov '20



4 IN 10

seek to beat the rush to avoid stockouts and delivery delays

CUSTOMERS' MINDSET

Concerns:

- Rising prices (due to inflation) – **89%**
- Product availability – **79%**
- Shipping delays – **78%**
- Health and safety of shopping indoors – **70%**

Deciding Factors:

- Product quality – **65%**
- Discounts – **57%**
- Availability – **39%**

CATEGORIES THAT TOPPED THE SALES THIS SEASON

Online	In-Store
Books & Media	Home décor & Garden
Electronics & Accessories	Toys and Games
Fashion	Furnitures & Tools
Toys and Games	Groceries & Cleaning Supplies
Health & Beauty Products	Food & Personal care

THE NEW NORMAL

Sensormatic Solutions found that while there was a **48% In-Store Traffic gain over 2020**, the Traffic rates were still **28% lower than 2019** and the in-store sales are expected to gradually catchup up to pre-pandemic levels by 2023

Even if the In-Store Traffic gradually catches up to Pre-Pandemic Levels:

ONLINE IS HERE TO STAY

Preferences of Customers for the Christmas Shopping season:



WAY FORWARD

This Black Friday season, retailers strategically pulled a rabbit out of the hat via **Early Preview Sales**, which led to the drastic Increase in sales despite many hurdles. We will have to wait and see what the retailers have in store for the next Black Friday season.

Many retailers are already planning to incorporate:

- **Simpler, mobile-inspired shopping experience**
- **Refurbished shops with self-checkout kiosks**
- **Click-and-Collect services.**

CONTACT US

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Sources: Adobe, CNBC, Deloitte, Salesforce, Reuters, Practical_Ecommerce, FXStreet, Salesforce, DigitalCommerce360



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