



2020 Holiday Retail Marketing Guide

Predictions and analysis for the
2020 holiday retail season

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Retailers should expect the 2020 holiday season to be the most competitive in the last decade. In addition to there being fewer consumers willing to spend, Zeta's data shows those consumers who do engage in holiday shopping will be more dollar-conscious in 2020 than in years past. That means retailers will not only be competing for the same lower number of shoppers, but they'll be competing for fewer discretionary dollars per shopper as well.

In an effort to help brands get a competitive advantage heading into the frenetic holiday season, Zeta created the following infographic layered with helpful predictions based on what we've seen from consumers thus far in 2020, as well as what we've seen from consumers during previous holiday seasons.

Consumer Spending on Retail in 2020



Thing you should know?

Although spending at brick-and-mortar stores surpassed online retail spending by 4% in January and February of 2020, it has trailed online retail by an average of 17% per month since March, due to COVID-19



How much will consumers spend on holiday gifts in 2020?



Shoppers will spend somewhere between

\$615 to \$758

on holiday gifts in 2020

That is a per-shopper decline of

-28.9% and -12.5% from 2019¹

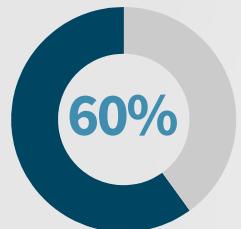
% of Americans likely to spend less on the holidays in 2020 vs 2019

**Approximately
39%²**

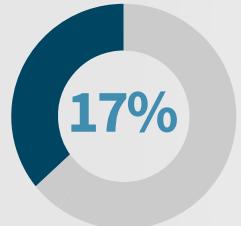
Consumer Spending on Retail in 2020



Consumers are most likely to start their 2020 holiday shopping³...



Before December



December 1st through 7th



December 15th through 24th



Which Thanksgiving Weekend day will likely see the most ecommerce retail sales?

#1 Cyber Monday



#2 Black Friday



#3 Thanksgiving⁴



Which days will likely see the most brick-and-mortar retail sales on Thanksgiving weekend in 2020?

#1 Black Friday



#2 Thanksgiving



#3 Cyber Monday



Consumer Spending on Retail in 2020



Zeta's Insights and Advice?

How many holiday shoppers will seek out retailers that offer contactless shopping?



53%⁶

How many shoppers are planning to use curbside pickup or BOPIS this holiday season?

47%^x



Build trust and reliability with consumers by addressing their personal needs through empathetic marketing.



Start your data-driven digital holiday campaigns as soon as possible—people are shopping earlier, online and with less budget.



To have a competitive advantage, use omnichannel acquisition capabilities that provide consumers with relevant, timely and connected experiences so they choose your product when they're in-market.



Find even more new customers that look like your best current customers. Data-driven "lookalike" audiences will allow you to accelerate revenue growth by selling to more of the right people.



Adding tags to your website will create a more personalized experience for each customer. Showing them the right product, messaging, and creative will result in more sales and less cart abandonment.



Even with less marketing budget this season, you can still reach your holiday goals. Always-on insights and attribution will provide you with accelerated growth opportunities by reaching the right audiences.

“Curbside pickup is going to be a secret weapon...the speed and safety of curbside pickup...[will] be huge this holiday season.”

— Jeff Gennette, CEO of Macy's

Consumer Retail Foot Traffic Heading Into the Holiday Season

Thing you should know?

Foot traffic is DOWN across all retailers by an average of 45% VS 2019

Hardest hit categories:

Clothing, Apparel, & Accessory Retailers...



...Down
80%

Department Stores and Malls...



...Down
72%

Health and Beauty Supply Retailers...



...Down
62%

Electronics and Cell Phone Retailers...



...Down
55%

Sporting Goods Stores...



...Down
50%

Discount and Dollar Store Retailers...



...Down
45%

Office Supply Stores...



...Down
30%

Arts, Crafts, and Hobby Retailers...



...Down
25%

Groceries, Liquor Stores, & Pharmacies...



...Down
23%

Pet Retailers...



...Down
23%

Big Box Retailers...



...Down
14%

Auto Parts Retailers...



...Down
13%

Consumer Retail Foot Traffic Heading Into the Holiday Season



✓ The Good News for the Holidays?

The 2020 holiday season will deliver a 20% boost to in-store traffic

Best projected lift for the season overall, by category:

Arts, Crafts, and Hobby Retailers...



...Up
44%

Department Stores and Malls...



...Up
39%

Clothing, Apparel, & Accessory Retailers...



...Up
32%

Health and Beauty Supply Retailers...



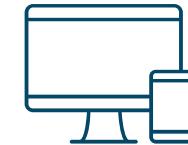
...Up
26%

Big Box Retailers...



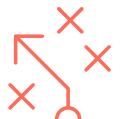
...Up
25%

Electronics and Cell Phone Retailers...



...Up
19%

Sporting Goods Stores...



...Up
17%

Discount and Dollar Store Retailers...



...Up
15%

Groceries, Liquor Stores, & Pharmacies...



...Up
12%



Consumer Retail Foot Traffic Heading Into the Holiday Season

Thing you should know?

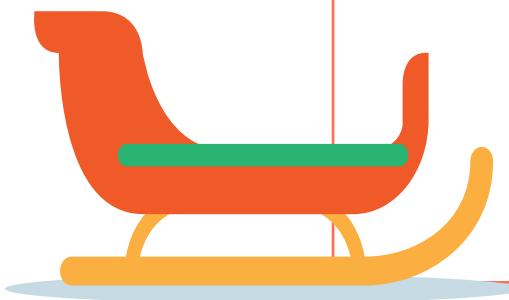
Holiday foot traffic will STILL be down by 25% VS 2019



Zeta's Insights and Advice?

- Brick-and-mortar retailers can expect a 20% surge in foot traffic during the holidays this year.

However, that “boost” will still be 25% lower than it was during the 2019 holiday-shopping period.
- Make strategic changes based on your consumers’ behaviors in digital vs. offline; recognize that this is the “new normal.”
- Retailers should allocate FEWER funds for things like seasonal hiring of sales associates, the stocking of extra inventory, expanded opening hours for Black Friday, and store-specific advertising.
- This holiday season, brands should dedicate MORE funds and resources to things like Cyber Monday, online-only sales, and order fulfilment.



“There’s going to be a more conservative approach to spending this holiday season [for consumers]...and there’s going to be an emphasis on early deals, promotions, and providing value [for retailers].”

— Alyia Borsa, Chief Marketing and Data Officer at Meredith Corporation



Consumer Behavior Online During the 2020 Holidays



Thing you should know?

Zeta projects an average uplift in conversion rate of 7.5% across all retail websites for the holidays.

How the lift will look for some retail categories:

Clothing, Apparel, & Accessory Retailers...



Arts, Crafts, and Hobby Retailers...



Department Stores...



Health and Beauty Supply Retailers...



Groceries, Liquor Stores, Pet Stores, and Pharmacies...



Electronics and Cell Phone Retailers...



Consumer Behavior Online During the 2020 Holidays

How will consumers engage online with different sub-sectors of retail this holiday season?

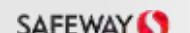
Projected Lift in Site Engagement for

General eCommerce	Lift in site traffic? YES (+19.65%)	A decrease in bounce rate? NO (+2.58%)	An increase in page views per session? NO (-2.09%)
	Lift in site traffic? YES (+29.90%)	A decrease in bounce rate? YES (-1.15%)	An increase in page views per session? YES (+2.75%)
	Lift in site traffic? YES (+27.05%)	A decrease in bounce rate? YES (-2.99%)	An increase in page views per session? YES (+5.95%)
Arts, Crafts, and Hobbies	Lift in site traffic? YES (+4%)	A decrease in bounce rate? NO (+1.3%)	An increase in page views per session? NO (-6%)
Fashion and Apparel	Lift in site traffic? YES (+40.3%)	A decrease in bounce rate? YES (-1.90%)	An increase in page views per session? NO (-0.25%)

Consumer Behavior Online During the 2020 Holidays

How can brand leaders expect to benefit online from the 2020 holiday season?

Expected lift in online engagement within...

Category		Lift in site visits	Lift in Conversion Rate
Pharmacy Retail			
 CVS	+41.79%	-15.10%	
 Walgreens	+65.86%	-66.59%	
Pet Retail			
 PETSMART	+42.50%	+153.32%	
 petco	+62.15%	+113.41%	
 chewy.com	+39.95%	+3.39%	
Grocery Retail			
 Kroger	+43.40%	+196.79%	
 instacart	+263.54%	-5.32%	
 SAFEWAY	+27.27%	+67.01%	

Category	Lift in site visits	Lift in Conversion Rate
Apparel Retail		
 EXPRESS	+21.29%	+29.10%
 NORDSTROM	+31.62%	+6.82%
 Zappos.com	-3.41%	+81.68%
Beauty Retail		
 MAC	+26.89%	+26.89%
 ULTA BEAUTY	+71.43%	+99.31%
 SEPHORA	+52.88%	+41.44%
Electronics Retail		
 BEST BUY	+175.54%	+116.65%
 B&H PHOTO VIDEO	+80.20%	+10.55%
 DOWEGG	+69.77%	+12.27%
Sporting Goods Retail		
 Cabela's	+75.32%	+71.81%
 DICK'S SPORTING GOODS	+150.64%	+156.01%
 REI	+45.59%	+58.96%

Consumer Behavior Online During the 2020 Holidays



Thing you should know?

Being a brand leader within a specific retail category means getting a boost in online engagement during the holidays that will greatly exceed what other, lesser-known brands receive, despite operating in the same retail category

Zeta's Insights and Advice?



Retailer websites will see more conversions during the holidays, but not necessarily more site visitors, lower bounce rates, or higher pages viewed per session.



Online shoppers are more focused during the holidays—they're less likely to casually browse or navigate from page to page.



More focused shoppers are more likely to navigate directly to the item they want and complete their purchase.



Brands should utilize customer data management and website personalization solutions to connect with online shoppers at a 1:1 level.



The brands that do the best job of connecting with consumers at a 1:1 level will see the best results this holiday season.



Invest in Audience segments that demonstrate the greatest growth and interest; these will likely produce strongest ROI.



Gain a competitive advantage by having a 1:1 marketing approach that drives more customer conversions and engagements; leverage personalization in as many digital touchpoints as possible and even extend to offline channels like Direct Mail.



“Retailers need to be more targeted and creative in their approach to deals to get customers to spend this year. It’s about figuring out how to reach the customer in the most valuable segments and being creative in how you reach them.”

— Nate Shenck, Managing Director of North American Retail at Boston Consulting Group



Acquire, Grow, and Retain Customers This Holiday Season

No matter what sector of retail you operate in, Zeta is ready to help your brand grow. We offer retailers access to the industry's third-largest data set (2.4B+ identities) and results-driven AI to unlock consumer intent, and make it easier to personalize customer experiences. The result?—Better acquisition, easier retention, and more growth.



Acquire New Customers at Scale

Zeta enables customer acquisition by combining proprietary deterministic data-set, cutting-edge data orchestration, and leading omnichannel marketing technology.

Powered by Zeta Data Cloud

750M+

Deterministic Identities
(200M+ in US)



Leverage Zeta's Unique Data

Uncover valuable, in-market consumers by leveraging behavioral and intent signals continuously accumulated and updated by Zeta.

750+

Curated Audiences



Data Orchestration

Zeta's proprietary, permissioned data set contains a combination of deterministic and anonymous identifiers, along with intent data, for over 200M consumers in the US.

1T+

Signals Processed Monthly



Coordinated Omnichannel Activation

The Zeta Marketing Platform powers omnichannel acquisition efforts that combine direct mail, email, online advertising, connected television and more.

2,500+

Signals Per Profile

Acquire, Grow, and Retain Customers This Holiday Season

Execute Your Customer Acquisition Strategies

Look-alike customers

Find customers who look like your best customers

Competitive Conquesting

Target customers who are shopping for competing offerings

In-market Consumers

Reach customers who are in-market for products like yours

Lapsed Customer Winback

Reactivate lapsed and inactive customers

CRM for Suppression in Media

Use AI to avoid bidding on prospects who are going to convert anyway

Find New Customer Across All Channels



Email



Direct Mail



Programmatic Ads



Your Website



Connected TV



Search



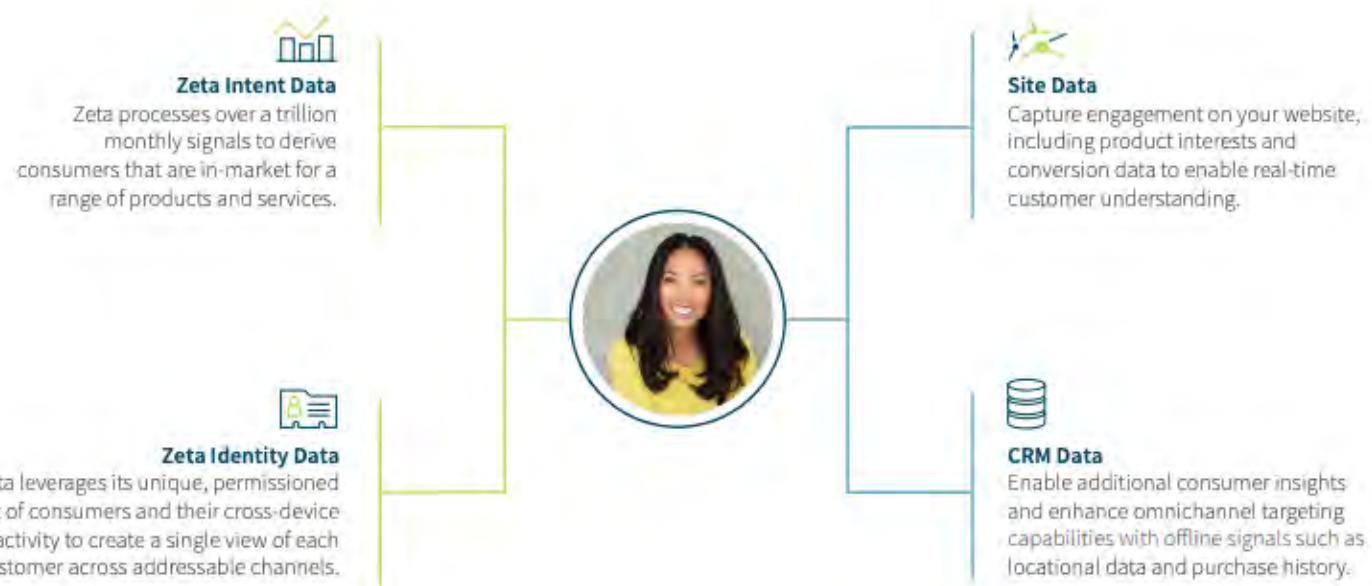
Mobile Messaging



Social

Acquire, Grow, and Retain Customers This Holiday Season

Data Orchestration



12,000

New monthly driver applicants
for a leading rideshare company

7,900

New monthly policies for a
leading insurance provider

10,000

New monthly subscribers
for a national tv network

20%

Lift in email signups
for a global retailer



Contact Zeta to learn more today!
info@zetaglobal.com | 212-967-5055

¹ <https://www.statista.com/statistics/246963/christmas-spending-in-the-us-during-november/>

² <https://www.statista.com/study/11499/us-christmas-season-statista-dossier/>

³ <https://www.statista.com/statistics/1075704/time-of-starting-christmas-gift-shopping-in-the-united-states/>

⁴ <https://www.slideshare.net/adobe/adobe-digital-insights-holiday-recap-2019>

⁵ <https://www.statista.com/study/49960/thanksgiving-weekend-shopping-in-the-us/>

⁶ <https://www.thinkwithgoogle.com/consumer-insights/pandemic-holiday-shopping/>