SALSIFY

2022 Holiday Shopping Post-Mortem Report

What Happened — and What's Next for Ecommerce in 2022?

Shoppers Have New Expectations

Shoppers entered the holiday season with new expectations. From greater demand for omnichannel commerce and digital shopping options to the need — not want — for engaging content experiences, shoppers have embraced the digital shelf in new ways.

Cyber Week specifically revealed many critical themes for brands and retailers across industries. This report will offer a glimpse of the 2021 holiday shopping season, outlining the most significant takeaways and next steps for the digital shelf in 2022.

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Cyber Week Breakdown

While Cyber Monday is relatively new in its inception, it has quickly grown to become one of the most critical focus areas for brands and retailers globally. From the earlier-than-ever launch of holiday sales promotions from major retailers to the continuing COVID-19 pandemic, varying factors impacted sales and shopping behaviors in 2021.

Here's a breakdown of some of the most pressing takeaways that emerged from Cyber Week 2021.

Cyber Week Sales Remain Steady

In 2021, Cyber Week drove $33.9 billion in online spending in the U.S., according to **Adobe Analytics** data — 1.4% less than 2020 sales — with Black Friday and Cyber Monday bringing in $8.9 billion and $5.1 billion, respectively.

In 2020, Cyber Monday set a record for the largest online shopping day in U.S. history, according to **Adobe Analytics** data, with $10.8 billion in sales — up 15.1% from 2019. Cyber Week 2020 drove a 20.7% increase from 2019 with $34.4 billion in online sales.

While sales during this period may have decreased slightly in 2021, the impressive growth of ecommerce in 2020 due to the COVID-19 pandemic and changes in when consumers start shopping for the holidays illustrate why these figures are still impressive.

COVID-19 Drives Global Ecommerce Growth

Nationwide lockdowns, health and safety concerns, and other challenges stemming from the COVID-19 pandemic triggered an increase in online sales in 2020. The **U.S. Department of Commerce** reported a growth of 32.4% in U.S. online sales in 2020 from 2019. Additionally, estimates from **Digital Commerce 360** revealed an increase in global online sales in 2020 of 24.1% from 2019.

This surge in online shopping naturally prompted brands and retailers to prioritize ecommerce — accelerating the growth of this channel at unexpected rates. Brands and retailers with strong digital maturity had an advantage, while those just launching or expanding their ecommerce programs faced pressure to move quickly to meet demands.

The 2021 Salsify consumer report found that **43% of U.S. shoppers expected to shop online** in 2021 rather than return to pre-pandemic shopping habits. Shoppers stayed true to these predictions: Online sales remained steady in 2021, with a modest 6.8% increase in the third quarter, according to the **U.S. Department of Commerce**.

As the pandemic continues and shoppers embrace these new shopping habits, online sales have continued to grow, and brands and retailers must continue to optimize their approach to ecommerce.

Holiday Shopping Starts Sooner

Holiday shopping was predicted to start sooner, according to a 2021 consumer survey from **Sensormatic Solutions by Johnson Controls**, with 45% of shoppers indicating that they would start in early October.

Shoppers cited several reasons for these early shopping habits, including concern about product shortages and shipping delays. Additionally, just 11% of shoppers said they would wait until December to start shopping for the holidays.

Adding to this push to start the season sooner, major retailers Amazon, Target, and Walmart kicked off holiday sales in October, with many others following suit, according to **Digital Commerce 360**. Some retailers even launched holiday campaigns as soon as July, with Macy's launching a "Black Friday in July" sale.

These shifts in shopping periods and early holiday sales illustrate the continuing evolution of shopping habits for the holiday season, indicating how future years may see less emphasis on specific shopping days like Black Friday and Cyber Monday.

DTC Brands Test a Traditional Sale Strategy

U.S. DTC sales are forecasted to reach $151.2 billion in 2022, according to **eMarketer**, a double-digit increase from 2021. While this represents just 2.5% of total retail sales, DTC brands have continued to grow through consistent innovation.

DTC brands, which include digitally native vertical brands (DNVBs) and legacy brands leveraging a DTC model, have largely avoided sales in the past. The reasoning, according to **ModernRetail**, has been that DTC brands were able to offer a better price for cutting out retailers.

This approach has traditionally extended into Cyber Week, but the ecommerce spike of 2020 due to the pandemic forced many DTC brands to rethink this approach. The past two years have seen several DTC brands launch holiday sales for Black Friday and Cyber Monday and follow the traditional sales approach of brands and retailers.

Shoppers Embrace Omnichannel Commerce

Omnichannel commerce is a shopping journey that connects all customer touchpoints and channels to create a cohesive customer experience. From direct-to-consumer (DTC) sites and social commerce to in-store and online shopping experiences, the number of shopping options available to consumers is continually expanding.

As shoppers embrace omnichannel commerce, brands and retailers must evolve to meet these new demands.

Digital shopping options like curbside pickup, same-day delivery, and buy online, pick up in store (BOPIS) continued to increase in popularity in 2021. Adobe Analytics data found that 18% of all online orders on Cyber Monday used curbside pickup.

A 2021 consumer survey from **IDC** found that a fair number of U.S. shoppers would also choose to shop somewhere else if a retailer didn't offer BOPIS (58.9%), curbside pickup (49.1%), or same-day delivery (41.1%).

The IDC survey also highlighted that the ability to shop both online and in-store with the same retailer was important — with 42.6% indicating that they would be more likely to shop somewhere else if a retailer didn't offer this option.

Black Friday and Cyber Monday Top-Selling Products

Black Friday and Cyber Monday are some of the biggest shopping days of the season, and several product types within each vertical consistently drive the most sales year over year. **Salesforce** illustrates this within its global holiday shopping report, which outlines what shoppers in over 54 countries purchased based on the number of units sold for the 2020 and 2021 Black Friday and Cyber Monday shopping days.

From 2020 to 2021, there were very few new product types within each of the top-selling vertical groups. There were consistent winners within each vertical group for both years, illustrating how the buying journey may shift dramatically, but product preferences remain steady for shoppers.
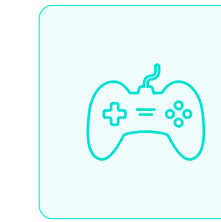
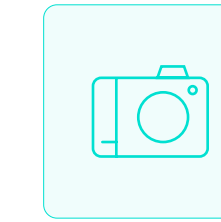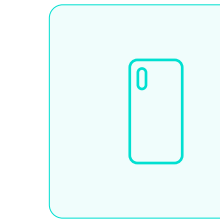## Electronics

TOP-SELLING PRODUCT TYPES 2021
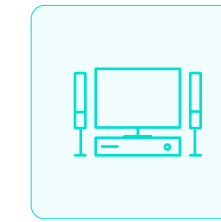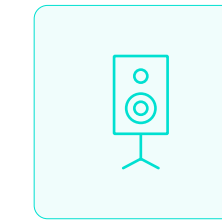
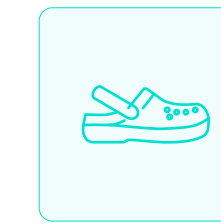| Entertainment Set	Headphone and Speaker	Game Console and Accessories	Camera and Accessories	Phone Case and Accessories

Fashion and Apparel

TOP-SELLING PRODUCT TYPES 2021

Jacket	Shirt	Clogs	Sweater	Parka*	Boots
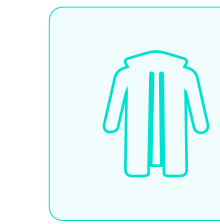
Food and Beverage

TOP-SELLING PRODUCT TYPES 2021

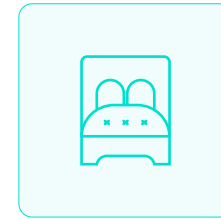| Chocolate	Gift Box	Tea	Hot Chocolate	Dry Fruit and Nuts
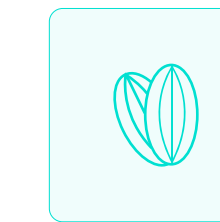
*New biggest-selling product type for 2021, compared to 2020 Salesforce data. Source: **Salesforce**

Furniture and Home Goods

TOP-SELLING PRODUCT TYPES 2021
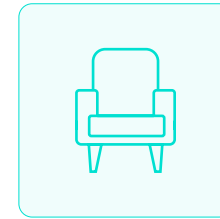
Chair	Mattress	Sofa	Stool	Gaming Chair*	Dresser*

Personal Care and Beauty

TOP-SELLING PRODUCT TYPES 2021

Cream	Serum	Perfume	Foundation	Moisturizer*	Shampoo
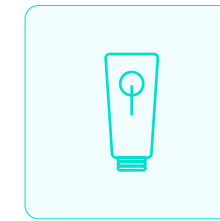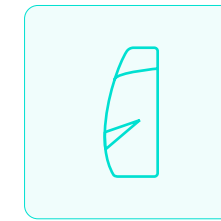
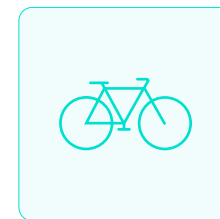## Sports and Outdoor

TOP-SELLING PRODUCT TYPES 2021

Tumbler	Cooler	Bike	Dumbbells	Jacket
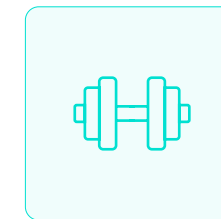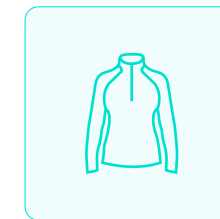
Toys

TOP-SELLING PRODUCT TYPES 2021
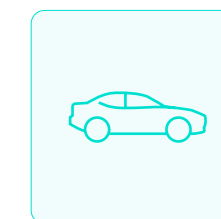
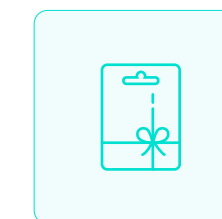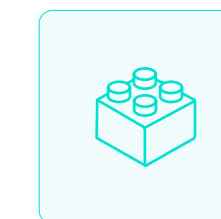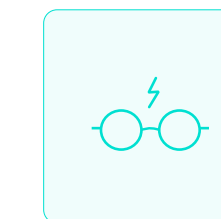| Car	Gift Card	LEGO	Harry Potter Merchandise	Game Console and Accessories

Camera and Accessories	Dolls

*New biggest-selling product type for 2021, compared to 2020 Salesforce data. Source: **Salesforce**
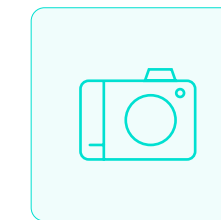
Global Retail Ecommerce Sales

Consider the top 10 countries for retail ecommerce sales, according to **eMarketer**. Every country within this ranking sits within North America, Europe, Asia, or South America, highlighting the impressive growth momentum within these markets and a first-mover advantage for brands and retailers within these regions that invest early.

Sales from China and the U.S. are also notably higher than those of the other top-ranking countries, highlighting exceptional ecommerce maturity.

Ecommerce Innovation in China Highlights What's to Come

The largest annual sales day in China, and therefore the largest sales day globally, falls on Singles' Day on November 11, an unofficial holiday celebrating those who aren't in a relationship. Alibaba and JD.com alone generated $139 billion in sales on this day alone in 2021, according to **CNBC**.

This sales day highlights what the future of commerce could look like for brands in less-mature markets. As brands and retailers within China continue to experiment with new shopping options like livestream shopping events, gamification, and swift delivery times, we will start to see these innovations expand to other markets.
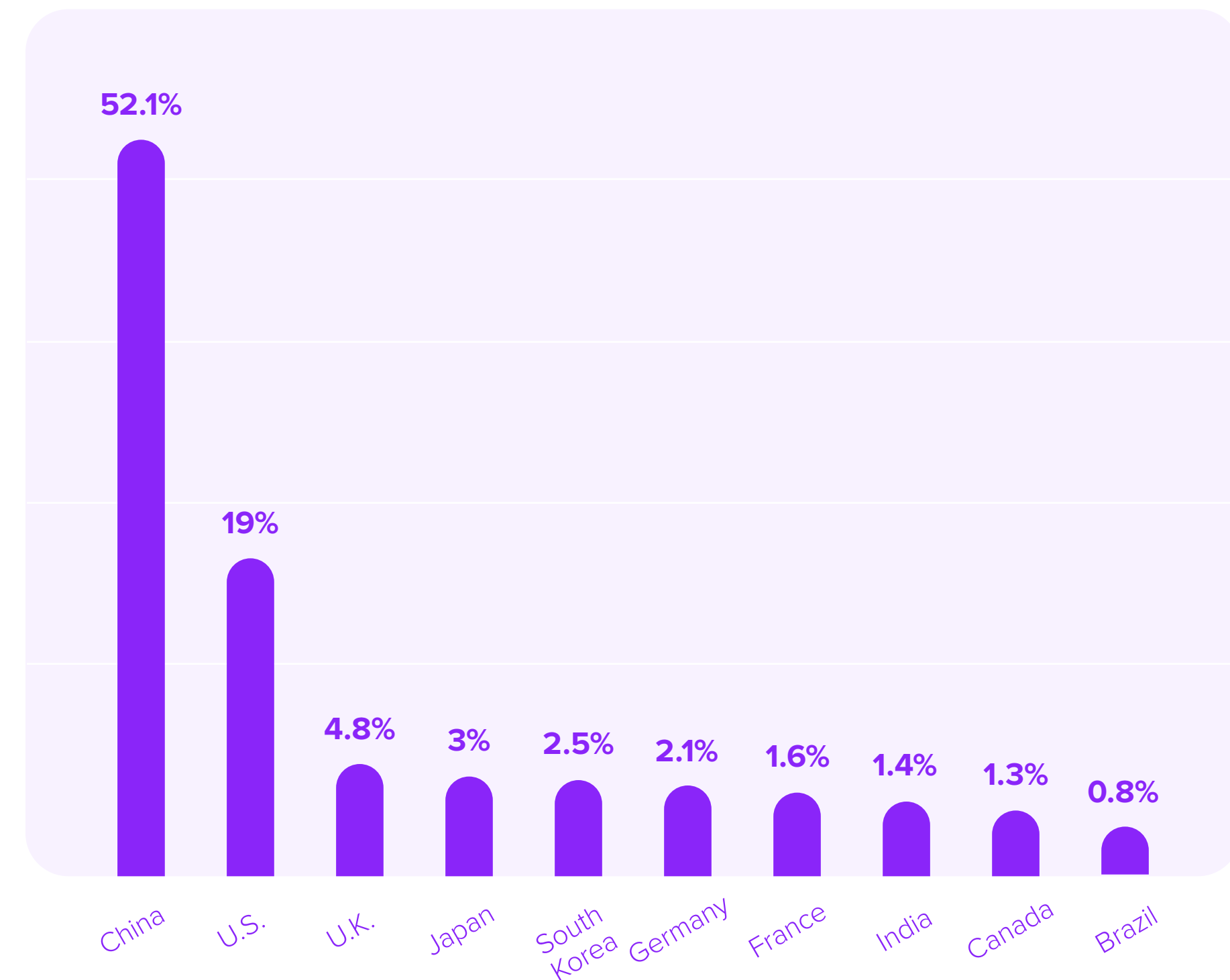
Ecommerce sales have shown consistent year-over-year growth within most markets. Data Source: **eMarketer**

Country	Percentage
China	52.1%
U.S.	19%
U.K.	4.8%
Japan	3%
South Korea	2.5%
Germany	2.1%
France	1.6%
India	1.4%
Canada	1.3%
Brazil	0.8%

Shopping Trends to Watch in 2022

From new technology and evolving buying behaviors to shifting markets, there's only one constant in commerce: change. Understanding how shopping trends evolve can help you quickly adapt to meet these shifts and stay ahead of the competition.

Here are the three most critical shopping trends to watch in 2022.

Shoppers Want Ecommerce Personalization

Ecommerce personalization is the process of building personalized shopping experiences with customer data, including demographic information and insights on previous buying and browsing behavior. These experiences can include tailored content, product recommend-ations, product offers, custom products, and more.

Appeal for personalization is high, with 80% of shoppers saying they're more likely to make a purchase when brands offer personalized experiences, according to a report from data tech platform **Epsilon**.

Shopping Experiences Are Your Brand

Shoppers now build connections with your brand, retail store, and products through shopping experiences, and these interactions must be engaging, high-quality, and consistent at every stage of the buying journey. These shopping experiences you provide are your branding — and can make or break a sale for shoppers.

These shopping experiences build trust with shoppers, and the 2021 Salsify consumer report showed that **86% of shoppers are willing to pay more for a product** when it comes from a brand they trust.

Improve the experience for shoppers searching for your products online. Enhanced content, which includes videos, image galleries, comparison charts, and more, can help drive engagement and give shoppers the information they need to make a final buying decision.

Omnichannel Commerce Is Imperative

Having strong omnichannel capabilities isn't just important — it's imperative. Shoppers want seamless shopping experiences wherever they interact with your brand, and this demand extends across the entire ecommerce ecosystem.

From engaging product pages and personalized purchasing options to high-quality customer service connections and more, building a unified shopping experience makes it as easy as possible for shoppers to do business with you.

Next Steps for the Digital Shelf

Use tools that give your ecommerce team the critical edge to create, manage, and update product content quickly — across every priority channel. An integrated commerce experience management (commerceXM) platform can provide the power to meet customer demands and foster a competitive market advantage.

Request a guided demo of the Salsify CommerceXM Platform to see how it could help you advance your commerce performance and build a winning strategy for the digital shelf.

Request Demo