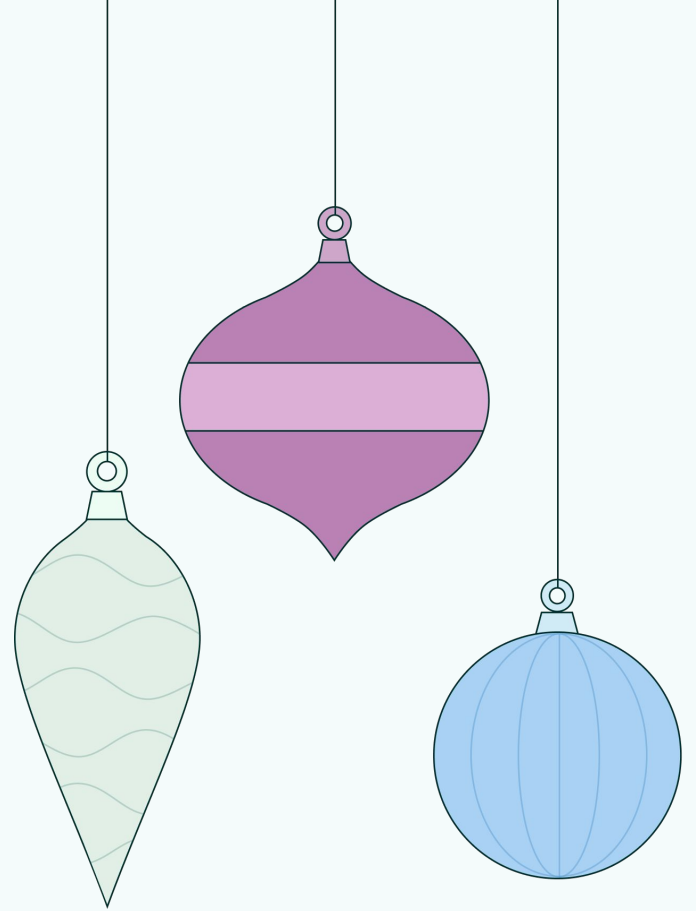


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# 2020 Retail & E-Commerce Holiday Marketing Report

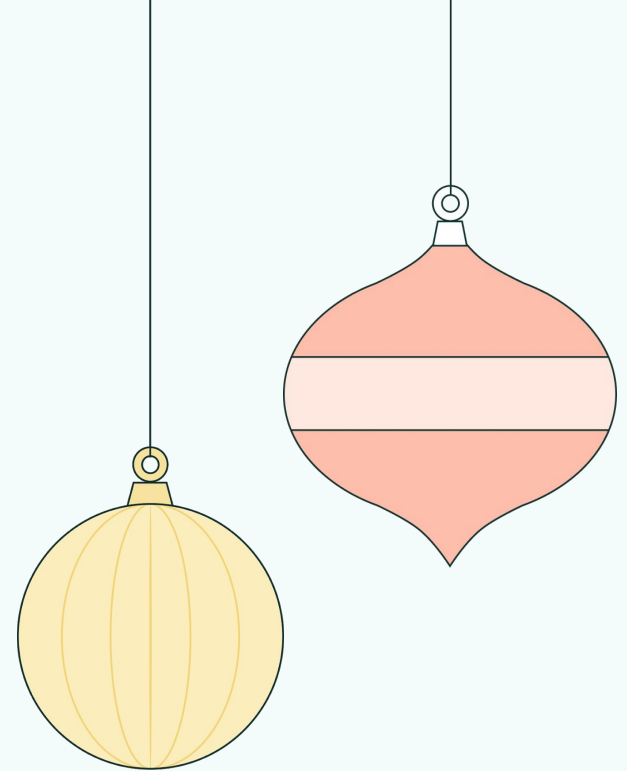


# Introduction

Attentive's 2020 Retail & E-Commerce Holiday Marketing Report reveals insights into how brands and consumers are approaching the upcoming holiday season, given the state of COVID-19 and its lasting impact.

We surveyed more than 300 of our leading retail and e-commerce customers to understand when they plan to start holiday sales and promotions (and if they're changing their strategies this year); how they're approaching digital channels (including personalized text messaging); and much more.

To better understand how shoppers are approaching this holiday season, we also surveyed 2,000 consumers. We learned when they plan to start shopping, how they'll be researching and completing purchases, and what factors are motivating their decisions.



# Key Survey Takeaways

## Online Revenue Soars

As we enter the second half of the year, retailers continue to see significant increases in online revenue. Over 80% of retailers surveyed reported year-over-year revenue growth in Q3, and nearly half expect to drive significantly more e-commerce revenue this holiday season compared to last year's holiday season.

## Early Start to the Season

When looking at holiday promotions, 56% of retailers surveyed said they planned to start theirs several weeks earlier than usual—in line with industry discussions that indicated the holiday shopping season would start in mid-to-late October. Shoppers were eager to take advantage of these early sales, with 59% saying they began their holiday shopping in October.

## Channel Diversification

To drive record sales this season, both online and in-store, retailers are primarily investing in paid search and social, email, and text messaging as top-choice channels. Retailers have identified text messaging as a vital part of their strategy to reach mobile-first consumers.

## Potential Shipping Delays

To deal with potential shipping delays, retailers are planning to have earlier shipping cutoffs, offer customers the choice of shipping providers at checkout, and encourage shoppers to place their orders sooner in the season to get ahead of delays.

# Key Survey Takeaways

## Text Messaging Reliance

78% of retailers plan to send more text messages than average each week throughout November and December. Many retailers agree on one key strategy: nearly half of those surveyed plan to use their text messaging channel to treat subscribers like VIPs by sending SMS-exclusive promotions.

## Rise in Mobile Reliance

This holiday season, 80% of consumers plan to use their smartphones when shopping online for gifts, with nearly half saying they'll rely primarily on mobile. Consumers plan to do everything from completing their purchases and searching for new products to looking for discounts and tracking shipping/delivery updates via mobile.

## Price-Conscious Shoppers

In the midst of a protracted period of economic uncertainty, consumers are focused on finding the best deals. 58% of consumers say that price is the most important factor while shopping online during the holidays, and 62% will use their smartphones to compare prices across different websites.

## Product Discovery

Product discovery will look different this year as 90% of consumers plan to shop online this year, compared to 7% who plan to only purchase gifts in-store. More often than not, consumers will be exploring a brand's product offerings on their phone. 68% plan to use their mobile device to browse new products.

You can explore the complete findings in the pages that follow. We hope this helps you plan for (and achieve!) a successful 2020 holiday season. As always, you can reach out to us at [info@attentivemobile.com](mailto:info@attentivemobile.com) if you have any questions.

# Key Holiday Text Tactics

## Act Fast and Be Nimble

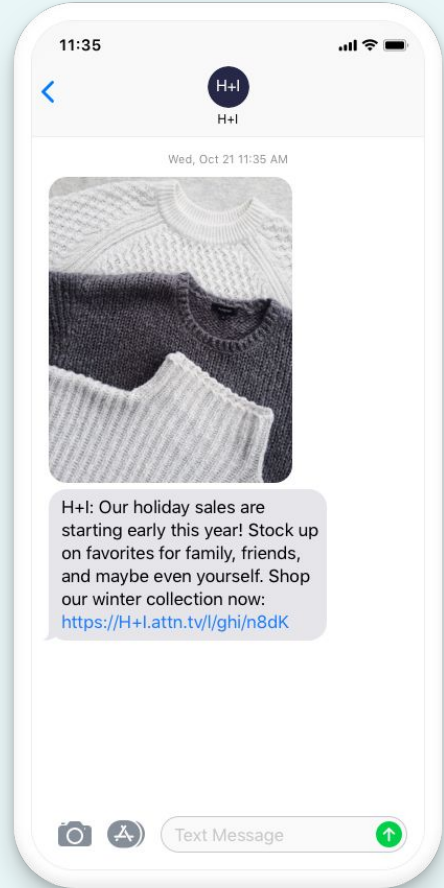
Many retailers planned to start their holiday promotions the first week of November, with some starting as early as the end of October. Whether it's navigating the challenges of the ongoing global pandemic or the results of the U.S. election, brands need to find ways to move fast and be nimble.

## Maintain a Sense of Normalcy

Many brands still plan to launch their biggest promotions on Black Friday and Cyber Monday. Amid so many uncertainties, many consumers are looking forward to shopping during traditional holiday sales timing in search for a sense of normalcy.

## Increased Message Frequency

Brands are planning to increase their text messaging campaign frequency throughout the entirety of the holiday season to drive site traffic and maximize revenue. SMS will be a top-priority investment, as text messaging has become a core revenue driver (along with email and social media).



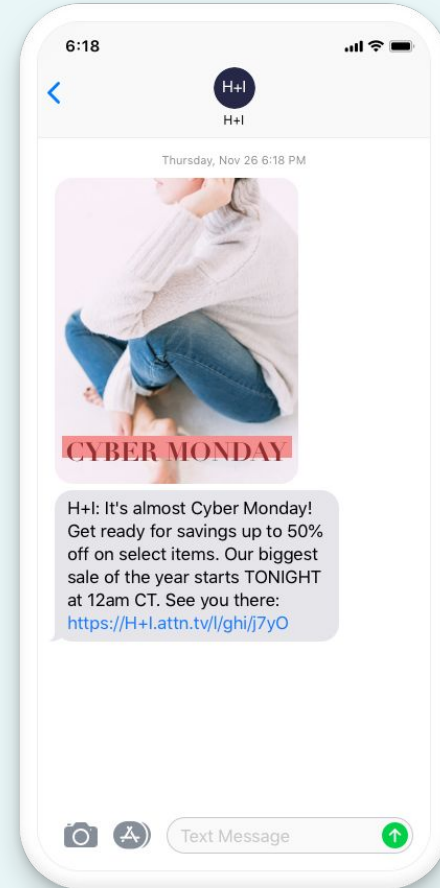
# Key Holiday Text Tactics

## Doorbusters Are Moving Online

Most brands surveyed are planning to send a text message on Thanksgiving Day promoting “early bird” promotions. While consumers aren’t taking advantage of in-store Black Friday sales, they’re still eager to get the best deals possible.

## Large Promotions Will Be More Common

As consumers continue to face financial uncertainty, some brands are planning to share larger promotions than last year. This approach also helps capture shoppers’ attention during a prolonged holiday shopping season.



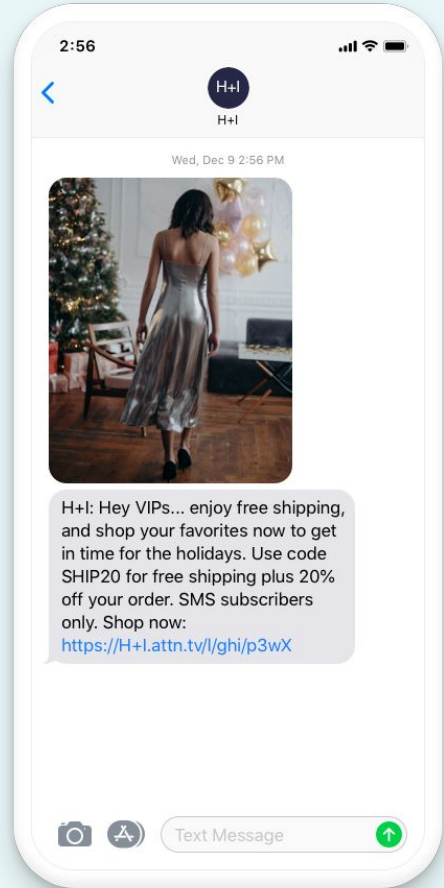
# Key Holiday Text Tactics

## VIP Treatment

The majority of retailers surveyed are planning to share exclusive promotions with their text messaging subscriber list. SMS subscribers are often one of a brand's most engaged audience, and VIP offers help create a sense of community. Plus, the instantaneous nature of text messaging leads to immediate conversions, driving valuable last-minute revenue.

## Managing Shipping Expectations

To ensure customers' orders arrive on time, brands are implementing internal, conservative shipping deadline cutoffs. To meet these deadlines, retailers are encouraging shoppers to complete their purchases early and communicating these deadlines via text to create a sense of urgency.



# Contents

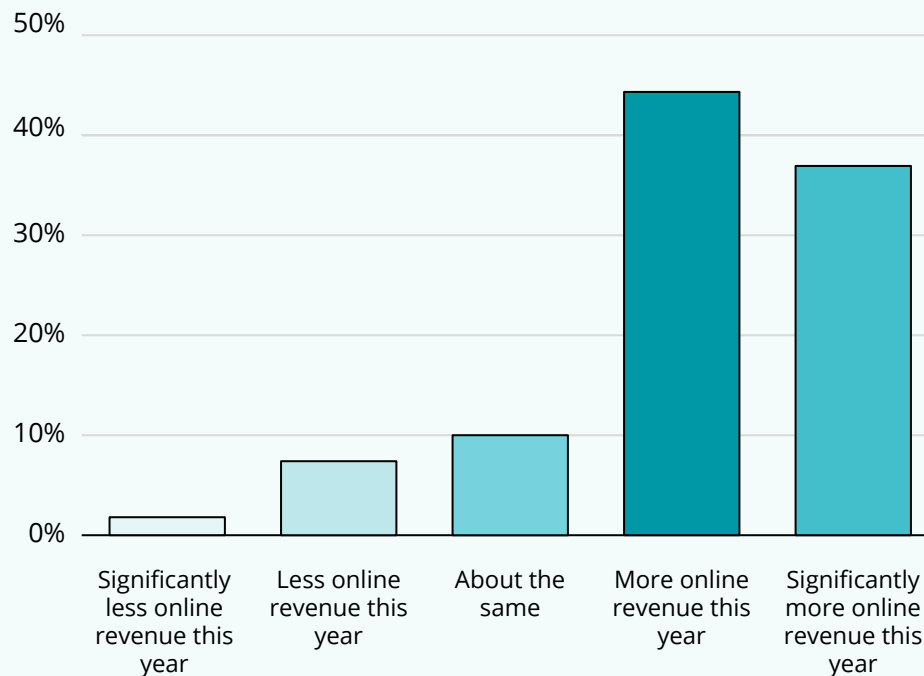
- 1 E-commerce sales during Q3-Q4 2020
- 2 Holiday season promotions
- 3 Digital channels (including text messaging)
- 4 Operations (from brick-and-mortar plans, to inventory considerations)
- 5 Mobile messaging guidance for the holiday season



## E-commerce sales during Q3-Q4 2020

**How are your online sales overall in Q3 2020 (July 1 - Sept 30, 2020) compared to the same time last year?**

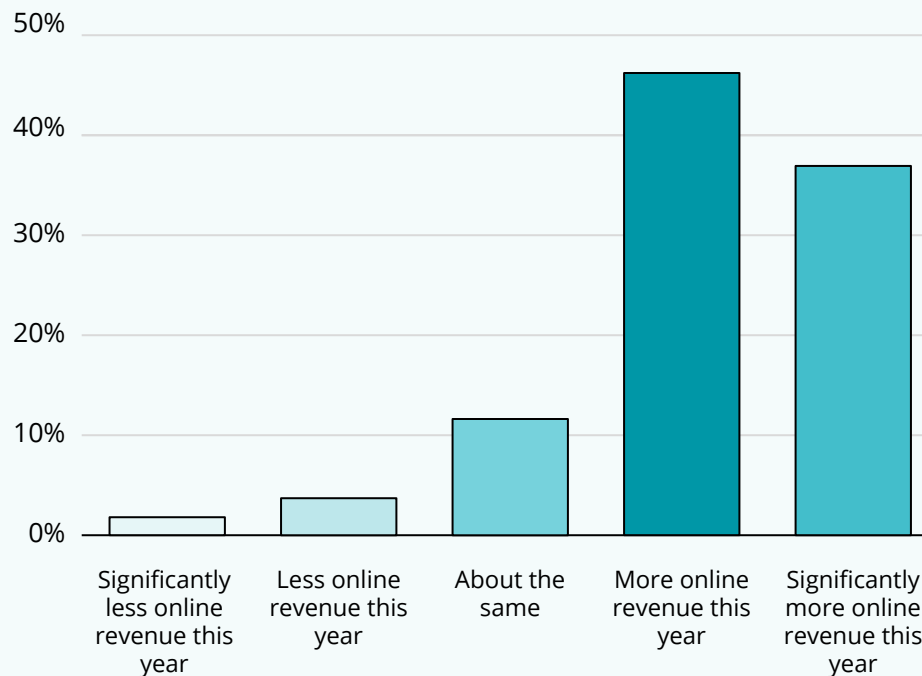
45% of retailers reported more online revenue in Q3 2020, and 37% reported significantly more online revenue in Q3 2020 compared to Q3 2019.



# E-commerce sales during Q3-Q4 2020

**How are you expecting e-commerce sales to perform this holiday season (Oct 1 - Dec 31, 2020) as compared to last year (Oct 1 - Dec 31, 2019)?**

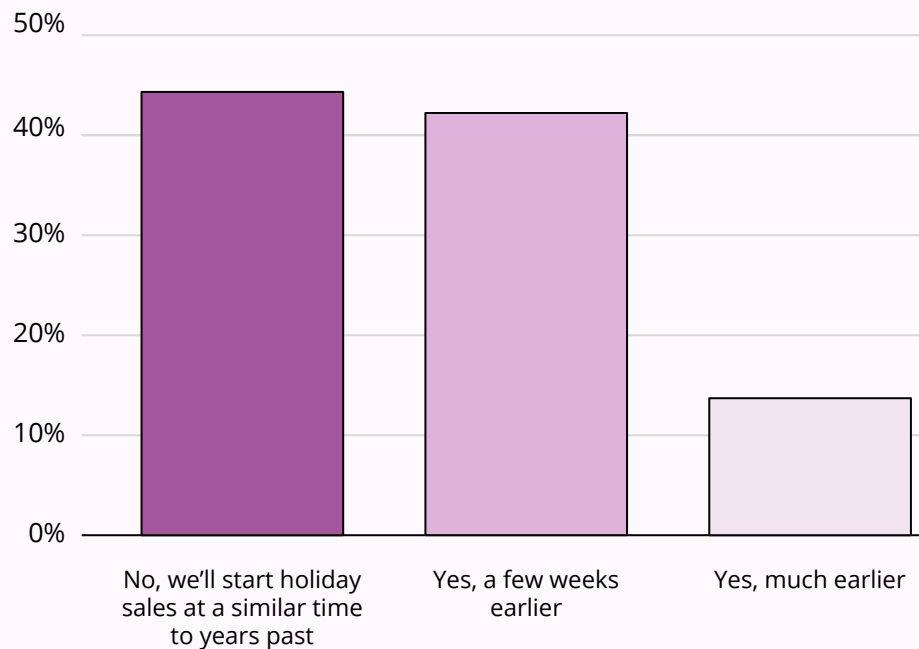
**83% of retailers are expecting more online revenue this holiday season as compared to last year's, with over 37% expecting significantly more revenue.**



# Holiday season promotions

**Do you plan to start your holiday season sales earlier this year than in past years?**

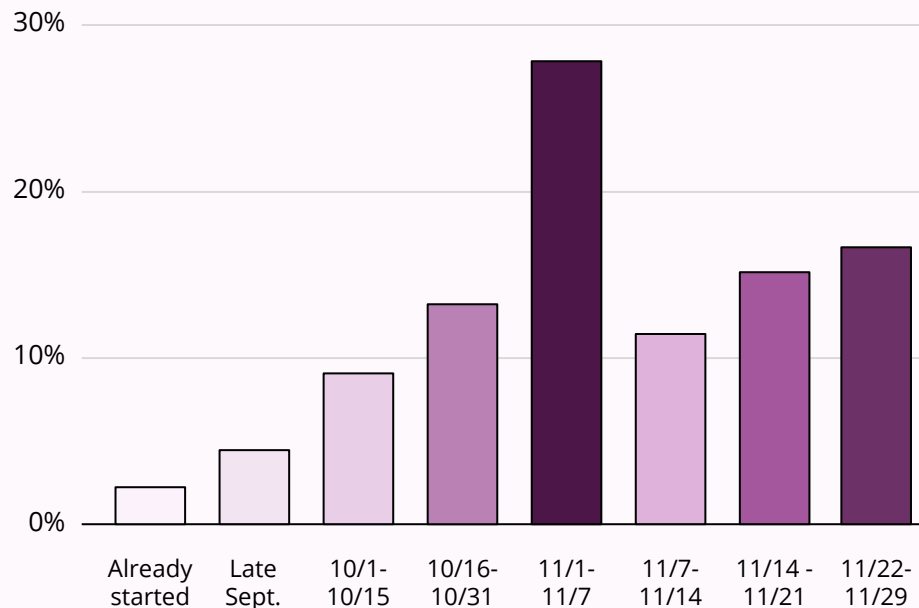
56% of respondents said they would start holiday sales earlier (by a few weeks or more). 44% will start sales at a similar time as previous years.



# Holiday season promotions

## When are you starting your holiday season promotions?

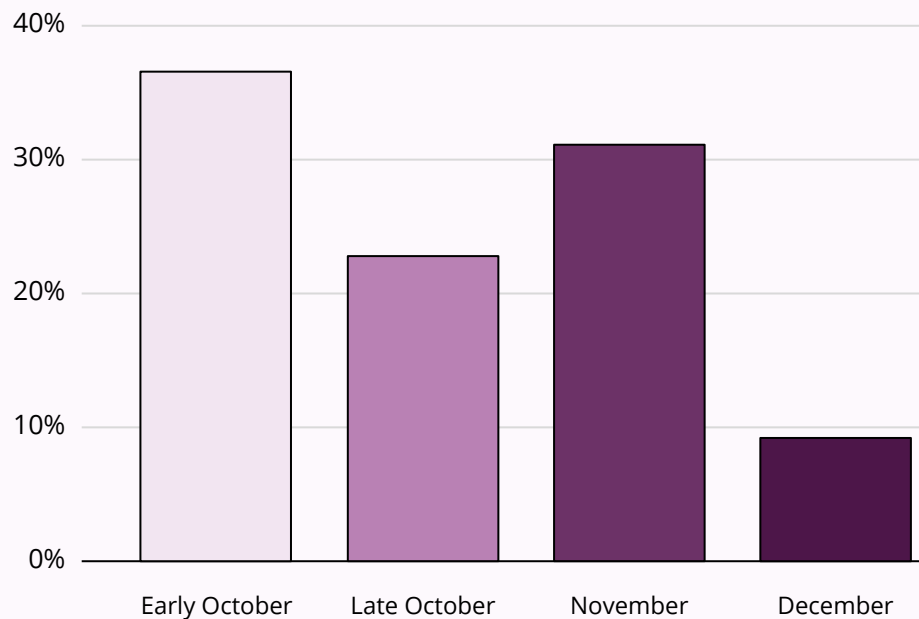
The first week of November is when many respondents plan to start holiday promotions.



# Holiday season promotions

**Consumers: When do you plan to start holiday shopping this year?**

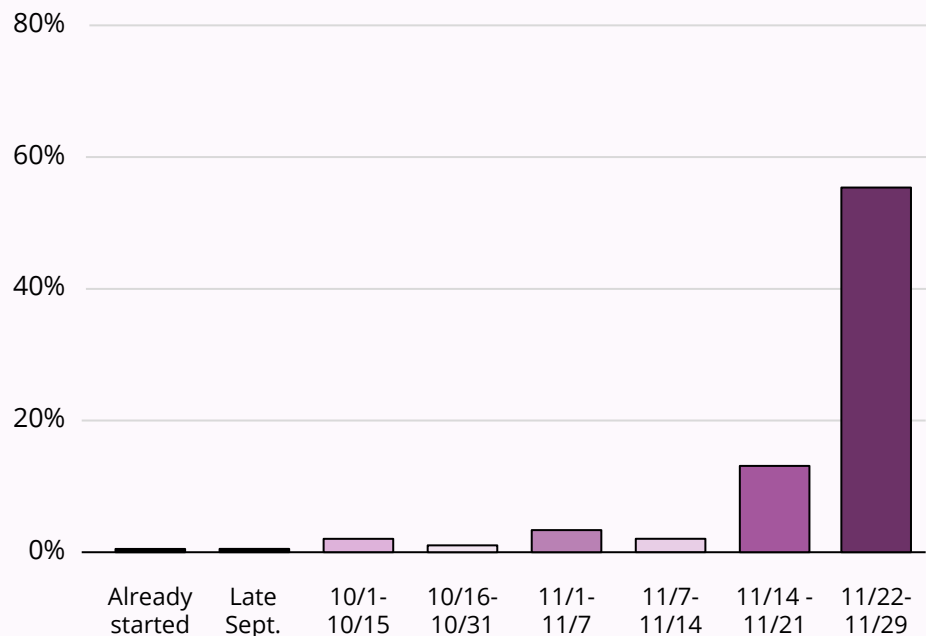
59% of consumers began holiday shopping in October. Only 9% will make their first holiday purchase in December.



# Holiday season promotions

**When do you expect to have your peak holiday offers and promotions (largest discounts)?**

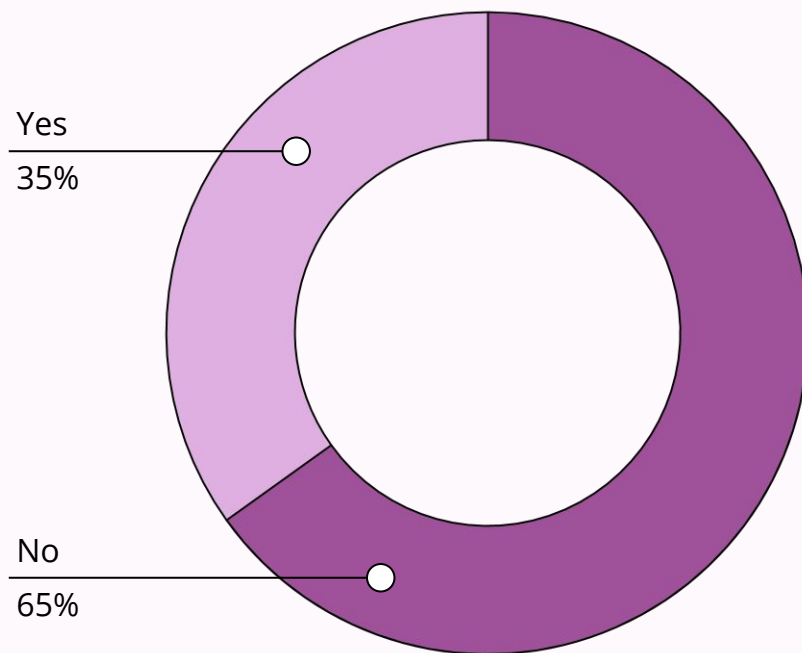
Retailers will offer their largest discounts during the week of Thanksgiving.



## Holiday season promotions

**Do you expect to offer bigger discounts this year as compared to last year?**

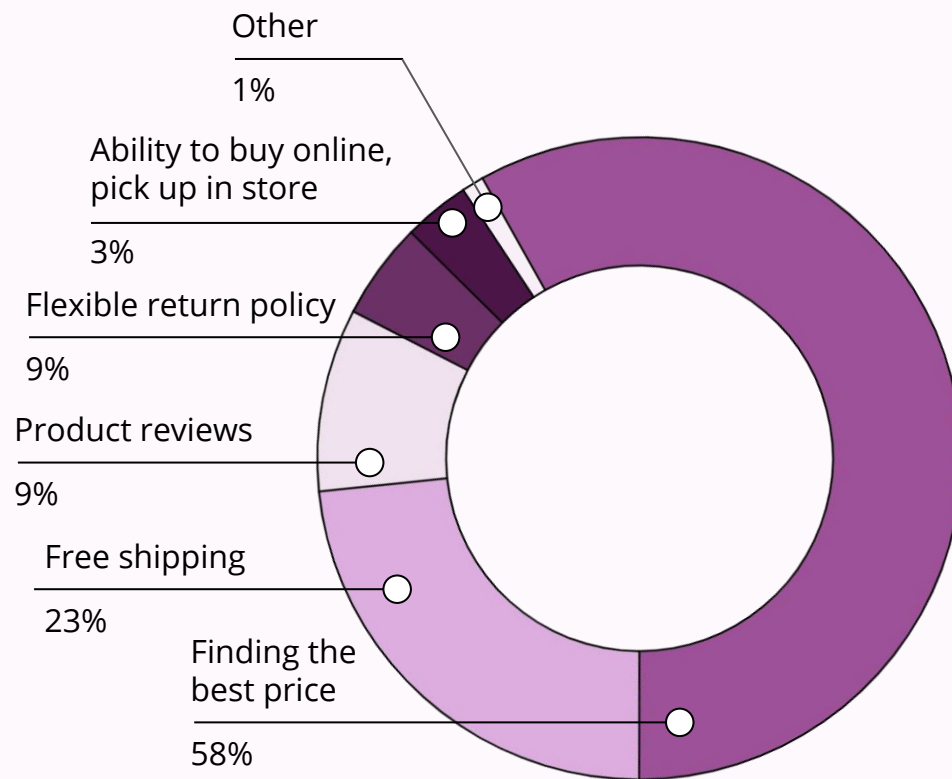
65% of retailers will offer similar discounts as compared to last year.  
35% will offer larger discounts.



# Holiday season promotions

**Consumers: What's the most important factor when shopping online for the holidays?**

81% of consumers are cost-conscious and are motivated by perceived value.



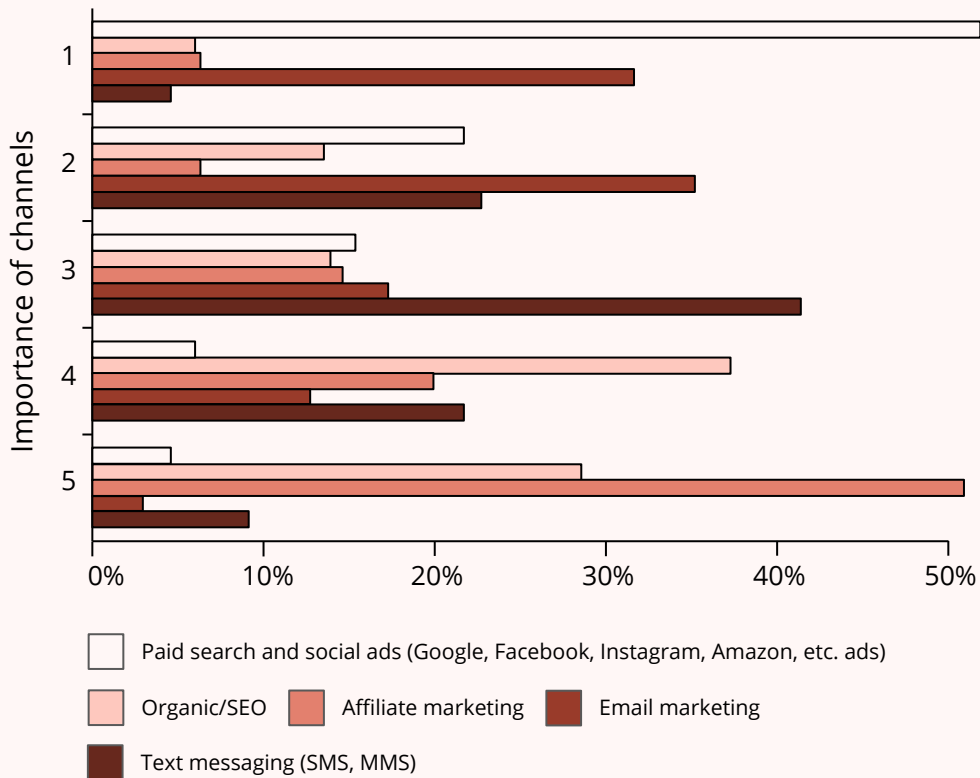


# Digital channels (including text messaging)

Rank in order of importance the top digital channels you'll invest in to drive sales this holiday season.

1= Most important, 5= Least important

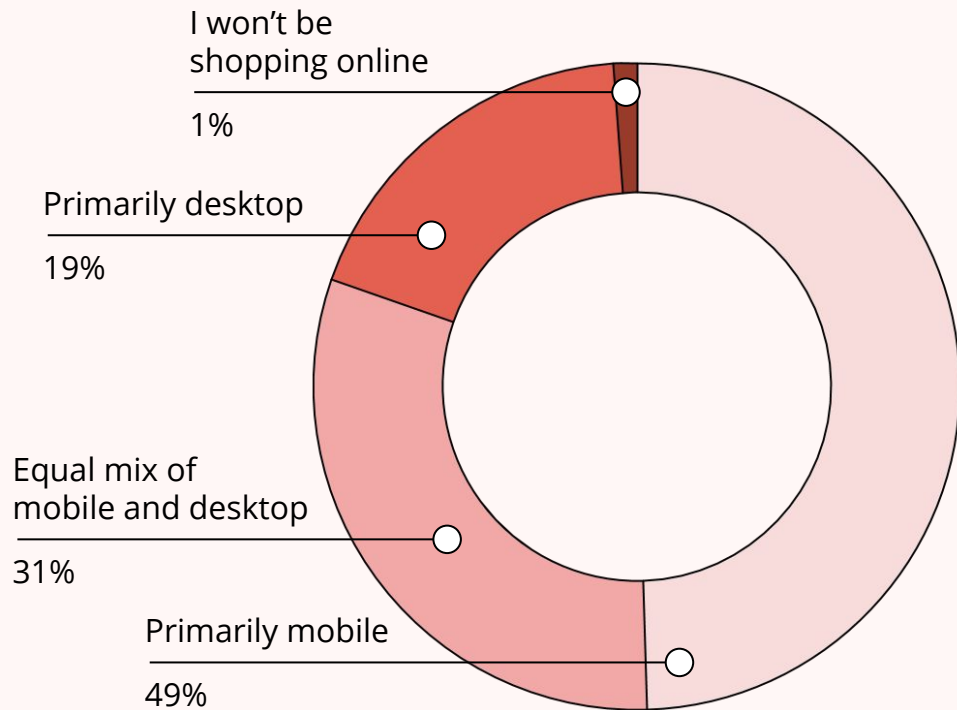
Paid search and social, email, and text are top 3 digital marketing channels retailers will use to drive sales this holiday season. Other notable channels retailers plan to invest in include “retro” approaches—like direct mail, TV, and radio—as well as marketplaces (such as Amazon and Walmart), podcasts, apps, and influencer marketing.



## Digital channels (including text messaging)

**Consumers: When shopping online for holiday gifts, which device will you use this year?**

80% of consumers will complete a purchase on their mobile device this holiday season, with 49% primarily using mobile to shop.

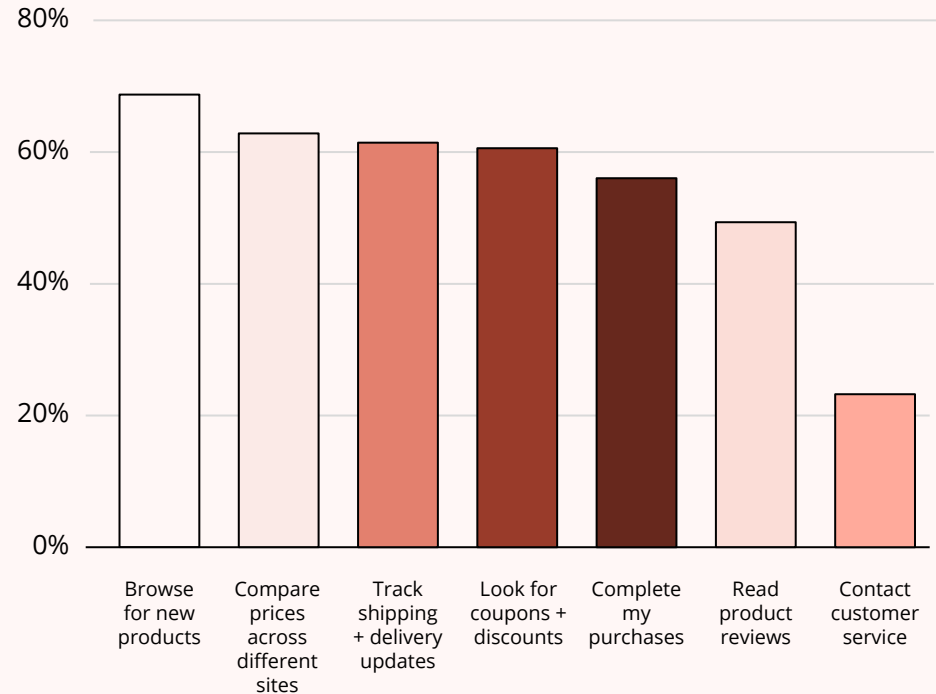


# Digital channels (including text messaging)

**Consumers: How do you plan to use your mobile device for shopping during the holiday season? Select all that apply.**

Consumers are discovering products on their mobile devices: 68% of shoppers will browse for new products on their phones and 49% will read product reviews.

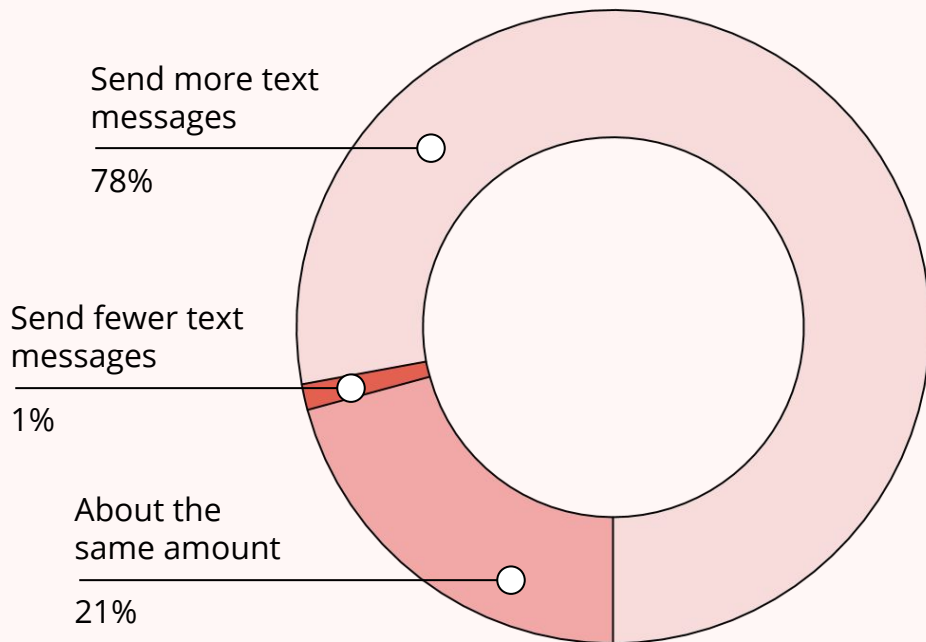
They're also very price-conscious: 62% will use their smartphones to compare prices and 60% will look for coupons and discounts on mobile.



## Digital channels (including text messaging)

**Do you think you will send more, fewer, or about the same amount of SMS/MMS messages in an average week in November and December, compared to the rest of the year?**

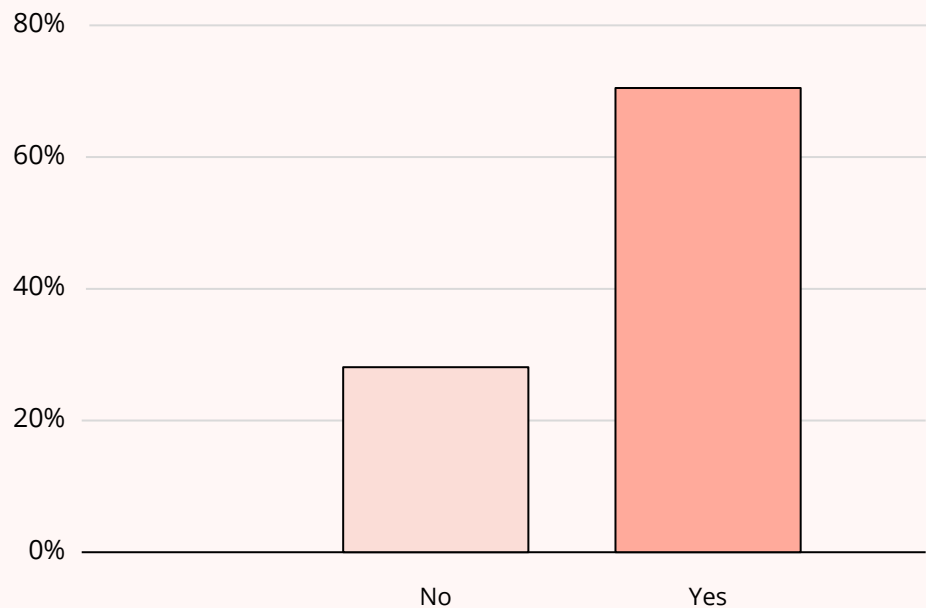
**78% of retailers plan to send more text messages in an average week in November and December.**



## Digital channels (including text messaging)

**Do you plan to offer promotions  
exclusive to the SMS channel?**

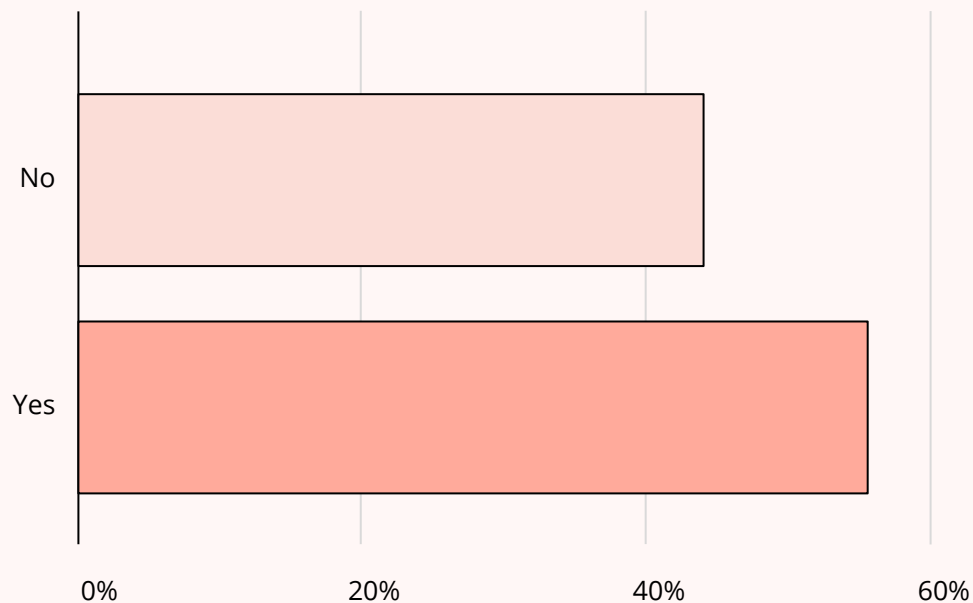
71% of retailers will send exclusive  
promotions to their text messaging  
channel subscribers.



## Digital channels (including text messaging)

**Are you going to send a text  
message on Thanksgiving Day?**

56% of retailers plan to text their  
subscribers on Thanksgiving Day.



# Digital channels (including text messaging)

**Do you have any new creative tactics you are using this year that you didn't employ last year?**

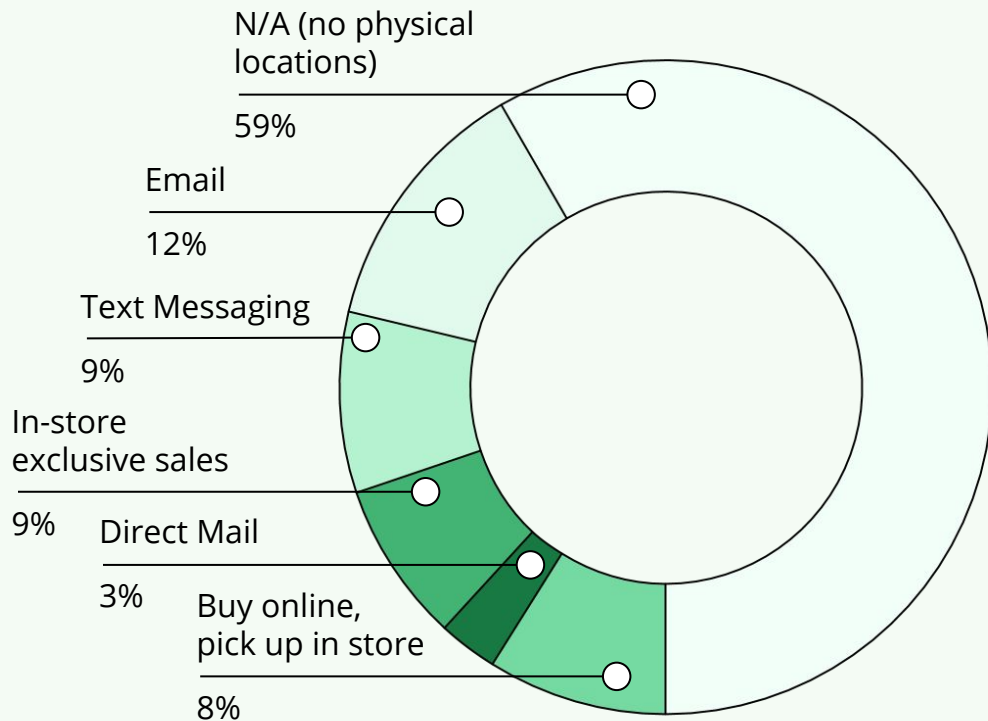
Many retailers reported that SMS is a new marketing tactic for their brand this holiday season. To maximize the channel's benefits, marketers plan to implement a variety of strategies. These strategies include channel-specific offerings (such as early access to sales exclusively for text subscribers), daily deals and bundled gift options, gift guides, time zone-specific offers, giveaways and cause-related messaging, and triggered messaging based on engagement and behavior.

1	SMS-exclusive offers
2	Early-access sales
3	Bundled gift options
4	Triggered messages based on engagement and behavior

# Operations

**If you operate brick-and-mortar stores, how do you plan to drive in-store retail sales during this holiday season? Select all that apply.**

Retailers with physical store locations will primarily use email, text, BOPIS, and in-store exclusives to drive sales. However, many respondents will be focused on online sales as 59% do not have physical locations.

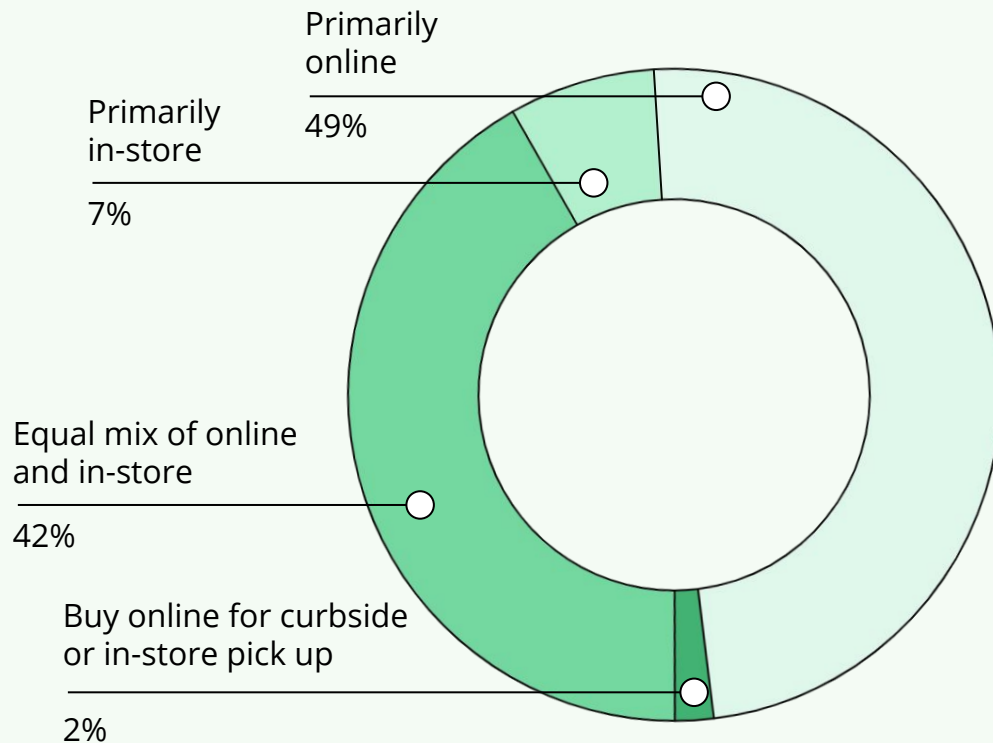




# Operations

**Consumers: Where do you plan to shop for most of your gifts this year?**

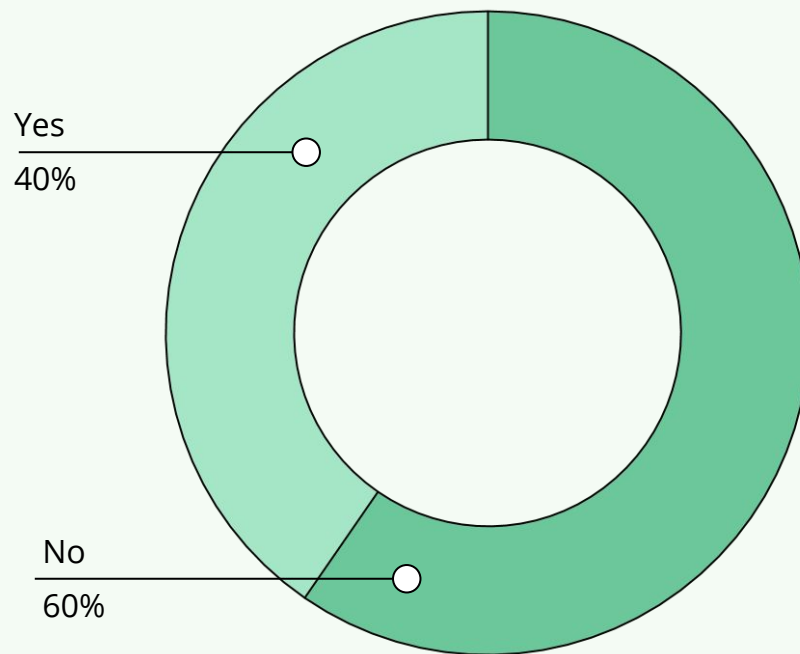
Product discovery will look different this holiday season: 90% of consumers plan to make a purchase online this year, with 49% of consumers primarily shopping online. Only 7% will shop primarily in-store.



# Operations

**Do you plan to adjust your product inventory levels this year in comparison to years past?**

60% of retailers will not adjust inventory levels this year.



# Operations

## How do you plan to handle potential shipping issues or delays?

To deal with potential shipping delays, retailers are planning to have earlier shipping cutoffs, offer customers the choice of shipping providers at checkout, and encourage shoppers to place their orders sooner in the season to get ahead of delays.

Retailers overwhelmingly indicated that they will send frequent text message updates to alert subscribers of upcoming shipping cutoffs, delays, and lead times.

1	Start promotions early to avoid delays
2	Communicate clearly and frequently with customers
3	Implement early shipping cutoffs
4	Work with multiple shipping providers

## Message Frequency & Cadence:

### Q: How many messages should I send per week?

A: During holidays, we've found that opt-out rates do not begin to increase meaningfully unless you send messages every day for several days in a row. Don't worry about sending "too many" messages—anything around 4-5 messages during the busiest weeks (BFCM, pre-Christmas) will position you for optimal revenue per send.

### Q: What should my December text messaging calendar look like?

A: To avoid shipping cutoffs, we recommend concentrating your promotional messages in the first 18 days of the month. After your shipping deadline has passed, send messages alerting subscribers of potential shipping delays or invite them to purchase e-gift cards, which can be delivered immediately.

## Message Types:

### Q: What sign-up incentive should I offer?

A: Most brands increase their discounts, or swap in exciting new offers, such as a free gift with purchase. Our team will help QA your entire welcome flow to optimize performance. We encourage you to start planning by the first or second week of November.

### Q: My brand doesn't share promotions. What messages should I send?

A: Alerting subscribers of upcoming shipping deadlines is an excellent way to create a sense of urgency and increase conversions.

### Q: How can I best promote a holiday offer?

A: Sending time-sensitive messages, including "starting now," "last chance to shop," and "sale extended," is an excellent way to drive traffic throughout a sale. We also recommend offering early looks and exclusives with VIP messaging to your SMS audience.

## Ready to start building an impactful holiday mobile marketing strategy that will help you achieve your 2020 holiday revenue goals?

Explore our [2020 Holiday Planning Hub](#), chock-full of strategies, real-life messaging examples, and case studies to inspire your holiday text messaging plan. We'll be updating it frequently throughout the season—[sign up for texts](#) to be the first to know about any new content.

Have questions about our holiday survey findings or how to implement these learnings in your own text messaging program? We're here to help! Email [info@attentivemobile.com](mailto:info@attentivemobile.com) or [request a demo](#).

