Black Friday Forecast 2021

What Challenges, Changes, and Tips are coming to eCommerce this season
This year, Black Friday will continue to evolve. With consumer habits having adjusted to online shopping it is time to take action. Establish your eCommerce strategy, and broaden your advertising channels. It’s all about taking stock, positioning your top performers for success, and creating a winning strategy for high-return items. Read what you need to succeed as we look back at last year’s learnings and look forward to this year’s trends.

According to the National Retail Federation (NRF), 44% more consumers shopped online only last year for holiday sales compared to 2019.

This growth was due to many factors including retailers pushing sales earlier in reaction to the pandemic. We expect this trend to stay as we prepare ourselves for an extended holiday shopping season in 2021.

November 26th is the date for Black Friday 2021 and expect sales to start appearing in mid-October. Jump starting holiday sales earlier will hopefully create a safer shopping experience in person and avoid shipping delays for eCommerce customers.

Keeping that in mind, Channable will help you prepare for the challenges, trends, and changes going to be facing eCommerce this holiday season. To stay ahead of the competition, read what you need to be seen, and what you need to sell successfully online.
Looking back!

What happened last year?

2020 saw two years’ worth of online growth in one, Adobe Analytics reveals, **eCommerce holiday sales increased 32%** year over year in 2020. Compared to pre-COVID online holiday seasons, which had grown at a rate of around 15% on average each year since 2015.

With this extreme growth and online competition, eCommerce saw over a billion dollars in spending every single day according to Adobe Analytics. With the 5 days between Black Friday and Cyber Monday accounting for 18% ($34.3 B) in total online sales for 2020.

Keeping this in mind, it is safe to say that 2021 will see a sustained eCommerce growth again somewhere between 15% and 30%. With many consumers now used to online shopping, this year it is crucial to keep your online presence strong.
What will happen in 2021?

With this increase in eCommerce sales, a few interesting trends seem to be developing that Channable thinks you should be aware of.

According to Adobe Analytics, mobile shopping comprised 39% of sales between November 1st and December 31st with a 15% higher sales conversion rate than 2019. Meaning purchasing decisions are being made on the move or in a more spontaneous manner. With mobile purchases even hitting 52% of online sales on Christmas Day, the first time the 50% mark has been reached.

While mobile did see gains, Search still accounted for 45% of both revenue and web visits according to Adobe Analytics. With Paid Search traffic bringing in a bit more revenue at 25% and 23% of visits. Compared to Organic traffic at 20% of holiday revenue and 22% of visits. Partner and Affiliate referrals remained important accounting for 6% of holiday online traffic and 14% of revenue.

So having your products organized, advertised, and in front of your target audience is key.

Website visits in general were just more valuable. Over the holiday season revenue per visit increased 10% compared to 2019. The interesting thing is this 10% increase was due to higher conversion because the average order value (AOV) per purchase only increased by $0.34, which is negligible.

Ultimately meaning each of your ads holds a higher value if you can reach your audience and direct them to your products.

With more ads predicted to be reaching each consumer than ever before, retailers need to utilize a data feed automation tool such as Channable to take advantage of these trends. Channable ensures the right promotions are targeting the right consumers at the right time, and sales are not being lost or overlooked due to the sheer volume of demand and competition.

Looking forward!

Best practices to keep in mind:

- organized
- advertise
- visible
2020 left a huge mark on the fashion industry. Or rather, it wreaked havoc on the fashion industry. But it’s 2021 now, and it’s time to look forward.

With vaccinations rolling out, we are slowly but surely preparing for vacations, dates, drinks with friends, etc. People want to dress up for those occasions and buy a new dress, a new bikini, a new suit; you name it.

Top 3 Challenges

1. Stay on top of your competition
   With the fast online growth, you will be competing on a global scale.

2. Advertising channels
   Choosing the right marketing channel for your brand, to reach your desired audience.

3. Personalization
   Mass marketing is long past its prime. Use technology and utilize AI innovations to deliver the right message and offer the right content to the right customers.
Top 3 Changes

1. Home office apparel
A lot of fashion brands have already adjusted their campaigns to the fact that many people are working from home, and emphasized comfortable clothing. A lot of businesses are planning to allow remote working, so this change in demand will stay.

2. Digitalization
Even before the pandemic a lot of fashion companies already took the plunge and made a shift towards eCommerce. This trend will continue further. According to Euromonitor International’s Apparel and Footwear research, eCommerce now represents 28% of apparel and footwear value sales around the world.

Less is more
One thing we’ve learned is that we don’t need that many clothes, especially clothes that are produced in questionable conditions. The fashion industry is moving towards a circular economy where giving your clothes a second life is the new norm.

3. In-store experience
Even though there is a sprint towards digitalization, a physical shopping experience remains important in the fashion retail industry. Customers want the experience of browsing and shopping. Think flagship stores, a physical store that is complementary to a digital experience. People can see and touch the apparel, but buy it online.
Give your website a make-over
Your homepage is basically your shop window, it’s what people see first. So make sure it’s as attractive as possible. Take pictures from different angles, do closeups and showcase the product in short videos of a model wearing it.

A clear and flexible return policy
Of course you don’t want to see your products getting returned. But according to Web Retailer, 88% of consumers surveyed rate free return shipping as “important” or “very important” to their purchase decisions. So keep in mind that even though you will save money on returns, it probably will cost you, customers.

Brand ambassadors
One of the best ways of convincing customers to buy your product, is to let them see other people wearing it. So let your customers hype up your brand on social media. Ask them to tag your brand, showcase customer reviews, you name it.
Increasing eCommerce sales is more complicated than just the lowest price!

Black Friday is traditionally known for having the best deals in consumer electronics and tech. For many consumers, waiting for this period to purchase a new TV or console is anticipated all year. Black Friday 2021 is expected to continue with last year’s trend of offering discounts on items that customers actually want to buy, as there is more and more online competition.

The important thing to remember here is that offering the lowest price may increase the purchase intention for brick and mortar sales, but with eCommerce, there is much more to consider when you play the marketing game.

Top 3 Challenges

1. Online competition
With so many competitors selling the same product, make sure you automate your ads in as many relevant places as possible. Know your target audience and focus.

2. Cheap knockoffs
Counterfeit brands start selling and creating their own products that could undermine your marketing efforts.
3. Brand loyalty
A study by McKinsey revealed that the average loyalty of customers for the industry is less than 20 percent. That’s very low, considering that most consumer electronics brands sell more than one type of product. **Improve this by ensuring a good customer experience and effective communication.**

**Top 3 Changes**

1. The rollout of 5G
This year a lot of 5G-ready mobile phones are already being released, for example, by Apple and Samsung. Sales responded well, so the manufacturing of these phones will become more mainstream.

2. Mobile takes over
47% of consumer electronics will be sold online by 2024. The majority of these online sales will be from mobile devices.

3. Fintech
As a result of the pandemic, financial tech solutions that were expected to take years to be broadly rolled out, have suddenly become more established.

#toptrend

**Remote work is here to stay**

The demand for technological products in 2021 will likely be the same as the last few months of 2020. With a need for laptops, computers, keyboards, and other work-from-home tools, consumers have increased their spending on tech.

*Source: Rick Kowalski (Consumer Technology Association)*
Avoid abandoned carts
Make your shop as user-friendly as possible, and your shipping and return policy clear and accessible, to reduce the number of people who will bail on their purchase. Utilizing remarketing could also be a big help.

Facebook Shops
Give your brand the attention it deserves this Black Friday, and boost your sales by listing your products on Facebook Shops and other social media platforms.

Multichannel strategy
Be present in big, mass marketplaces as well as niche channels. For example, if you also sell gaming gear, think of advertising channels that target gamers.
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Reference

https://www.adobe.com/special/retail-shopping-insights/?mv=affiliate&mv2=red
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