



HOLIDAY IS (ALMOST) HERE:

5 Shopping Trends Marketers Should Watch

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THE **RUNDOWN**

'Tis the season ... to shop. The holidays may still be a few months away, but consumers are already gearing up for the year's biggest shopping season. They're searching for deals and checking them twice across a variety of screens (mobile increasingly). Given that the holiday shopping season kicks off earlier every year, we wanted to help get a game plan in the hands of marketers. Here we take a look at some seasonal highlights from last year and identify five key trends to make the year's busiest retail season a successful—and joyful—one.

think with **Google**

1. Mobile: the gift that keeps on giving

From research to purchase, holiday shoppers are increasingly turning to mobile. Looking at usage from last year, there's little doubt that smartphones have become almost as addictive as eggnog.

- During Q4 2013, mobile accounted for almost 35% of online traffic, up 40% YoY (IBM Digital Analytics Benchmarks, 2014).
- December sales on smartphones and tablets were up threefold from 2011 to 19.1% (IBM ExperienceOne, 2014).
- 52% of online smartphone shoppers used their phones throughout the shopping process during the 2013 holidays (Google and Ipsos MediaCT, 2014).
- Post turkey, 40% of Black Friday's online shopping was on mobile (Custora, 2014).

As seen in our piece on [Back to School](#), the second-most popular shopping event of the year, mobile plays an essential role in the shopper's journey. Given last year's holiday numbers, we expect this trend to escalate—and not just for research and/or purchase but for the entire path. According to a Google/Nielsen study on the [Mobile Path to Purchase](#):

- On average, consumers spend 15+ hours researching on mobile sites and apps.
- Mobile influences shoppers' purchases across channels; 93% of those who research on mobile end up purchasing a product or service, and most of these purchases happen in a physical store.
- But do they know where to go? Proximity matters to these mobile consumers. In fact, 71% of smartphone shoppers used a store locator to find a shop location.
- There's a sense of immediacy for these shoppers. Over half (55%) of the "I want it now" crowd who use mobile to research want to make a purchase within the hour (83% within a day).

2. So long Black Friday, hello Gray Friday

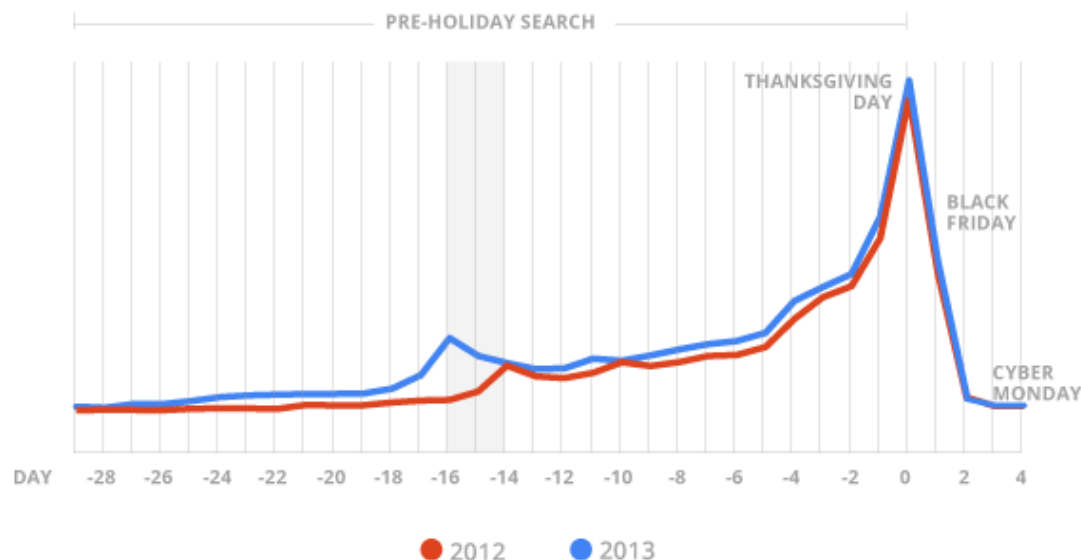
Last holiday season, shoppers seemed hungrier for a deal than they were for turkey. Black Friday transformed into Gray Friday; the big shopping day's sales were diluted a bit

as retailers began their promotions and deals early. And consumers responded (some even ditching their family dinners to shop). Consequently, we're starting to see a shift away from "tentpole" events such as Black Friday. "Retailers stretched Black Friday deals and promotions across November—removing the focus from one big day of shopping," reports Shopper Trak's founder Bill Martin. A Google Consumer Survey conducted in July shows the following:

- Some shoppers (29%) will start holiday shopping before Halloween.
- Most will wait to begin buying gifts until the holiday shopping period: 19% will start shopping on Black Friday/Cyber Monday, and 48% will do so in early December.
- Not only was consumer interest in Black Friday up 27% YoY from 2012, but queries relating to the topic also started about a week earlier (Google Data) (Chart 1).

These are insights all brand marketers should mine—not just during planning periods, but all the time. By accessing this window into our collective mindsets and the societal movements and moments defining our times, brands will not only be more informed and 'clued in', but they'll be more attuned to opportunities to meaningfully plug into the zeitgeist. From there, they can ride the waves of cultural interest—or use those to inform brand efforts to power new waves altogether.

Chart 1: Black Friday Query Demand



Source: Google Data, Indexed Search Query Volume, United States.

Black Friday remains the #1 in-store shopping day during the holiday season. The next best days, according to a 2013 MasterCard SpendingPulse report, are December 21 and 23. Tuesdays and Wednesdays are the most popular days for online shopping, and Fridays and Saturdays are the top days overall for in-store holiday shopping.

3. The constantly connected, savvy shopper

O, come all ye faithful—and savvy—shoppers. This holiday season, shoppers are more informed than ever about their purchases. Long before the swipe of a credit card, they've been pondering and researching purchases for hours on many screens and during every hour of the day.

- The time spent on digital has increased by more than two hours in the past three years—from 3 hours 11 minutes in 2010 to 5 hours 46 minutes in 2013 (eMarketer, 2014).
- Since 2012, the time spent researching popular holiday shopping categories, such as toys and home appliances, has increased 9.9 to 12 hours and 13 to 15.8 hours, respectively (Google and Ipsos MediaCT, January 2014).
- Before making a purchase in 2013, shoppers referenced 12 sources of information—up from just five in 2010 (Google and Inmar, 2013).

Many of these informed and educated holiday shoppers are brand agnostic. In other words, they're open to influence, and that's music to a brand's ears. A study about 2013 post-holiday shopping by Google and Ipsos MediaCT shows that 57% don't yet have a specific brand or product in mind. But capturing the attention of shoppers who hunt for holiday gifts across many different screens can be a challenge. Brands need to pinpoint the best platforms on which to share engaging content and promotions with consumers. YouTube is a stand out for shoppers: 64% referenced the video site as [the most influential channel for making shopping decisions](#). Creators such as [Bethany Mota](#) are particularly persuasive; 85% of the views for brand-related content on YouTube stem from YouTube creators rather than directly from the brand.

4. In-store traffic is down, but the spirit of spending is up

In January, [The Wall Street Journal](#) reported that foot traffic to stores in November and December plunged from 38 billion in 2010 to 17 billion in 2013. But the fact that

consumers may have made fewer visits to retailers, that doesn't mean overall sales were down. In fact, retail sales for that same period increased from \$681 to \$783 billion. So, although fewer people shopped in-store, those who did bought more, adding value to each visit.

Increasingly, shoppers are relying on their smartphone while making that in-store visit. A 2013 Google study done in conjunction with the Google Shopper Marketing Agency Council and M/A/R/C Research tracked [mobile's impact on the in-store shopping experience](#). The research showed that 84% of smartphone shoppers use their device while shopping in a store, and one in three will use it to find the information they need rather than ask an employee (Chart 2).

Chart 2: In-Store Smartphone Usage



Source: Google/Google Shopper Marketing Agency Council/M/A/R/C, "Mobile In-Store Research," April 2013.

5. Deck the halls with deals

We already know the holiday shopper is smart and keen on research. A good deal on price and shipping will have them reaching for their wallets.

- An extremely high percentage (92%) of shoppers will check prices online for the best bargain ([parago](#), 2014).
- 91% of shoppers say a low price is an important to very important factor in the decision to buy (Google).
- Free shipping was deemed the second-most important factor for shoppers when purchasing online (Shop.org, Spring Planning Guide, 2014).

- A [comScore/UPS study](#) reports that 83% of online shoppers are willing to wait additional days for delivery if they can get free shipping.

The holidays are closer than you think—especially for digitally savvy consumers. They're already on the lookout for great deals, and that means you need to be where they are ... now. This year's holiday shopping season is geared to be a long one, bustling with well-informed shoppers who are as keen on a digital deal as they are for more traditional in-store shopping. This year, as you add ingredients to your seasonal marketing mix, be sure to take these five holiday trends into account:

- Mobile engagement will be paramount to holiday success. Your products need to be easy to find and purchase across screens. Make sure consumers are always seeing the latest, context-relevant information.
- The holiday season is long (very long, actually). Retail success is no longer confined to the sales for just one day, such as Black Friday. Ensure that your brand is top of mind for the consumer by being present throughout the research period and at the time of purchase.
- Today's shoppers are putting more hours into research, and that means brands have an opportunity to get in front of them and influence behavior. Be there when they are researching (think search and display ads) and remind them throughout the process with remarketing.
- Foot traffic to stores may have declined, but the value of those in-store visits is on the rise, and many shoppers are turning to smartphones while shopping. Providing detailed information through mobile can help them figure out what to buy (and what else they may need).
- Online shoppers are value conscious. They want the best deal and, whenever possible, free shipping. These two factors will significantly drive their purchases.



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