Holiday Happenings: RetailMeNot Predicts a Hypercompetitive 2019 Holiday Season

- The 2019 holiday season has the fewest number of days possible between Thanksgiving and Christmas, which is six days shorter than 2018.

- Consumers plan to spend an average of $738 between Black Friday and Cyber Monday, down $65 from last year's predicted spend of $803.

- 61% of retailers plan to release holiday deals in September this year, up from 52% last year.

AUSTIN, Texas, Sept. 24, 2019 /PRNewswire/ -- RetailMeNot announces the release of its annual holiday insights guide, a comprehensive look at consumer behavior and retailer promotional strategies as we head into the holiday season. This report includes RetailMeNot proprietary data on millions of consumer actions taken on RetailMeNot.com and the RetailMeNot app, RetailMeNot's proprietary data on retailer promotional trends from its comprehensive deal database and survey data from consumers and retail marketers conducted in conjunction with Kelton Global.

View the full RetailMeNot holiday insights experience here.

This year, there are only 26 days between Thanksgiving and Christmas versus 32 days in 2018, making the peak shopping season almost a full week shorter year-over-year. This calendar structure occurs every six years and will impact the entire industry: retailers, consumers and shipping carriers.

RetailMeNot has also observed that Amazon Prime Day has changed Christmas shopping habits: some holiday shopping spend has shifted from Q4 to Q3 with consumers taking advantage of the Prime Day shopping period in July to complete holiday purchases. According to RetailMeNot data, 28% of Americans purchased a holiday item through Amazon on Prime Day. Additionally, 20% of surveyed consumers say they begin their holiday shopping in September or earlier.

Despite this shift, the Q4 holiday season still reigns as the most important time of the year for retailers and still boasts the biggest discounts of the year, according to RetailMeNot internal data. Consumers plan to spend an average of $738 during Cyber Weekend, down $65 from last year's average of $803.

"We've seen gradual shifts in promotional strategies over the past several years that have elongated Black Friday and Cyber Monday into three full weeks of deals," said Michelle Skupin, senior director of retail insights at RetailMeNot. "We expect this trend to become more pronounced in 2019, given the compressed shopping time frame combined with slightly lower consumer spend in Q4."

Regardless of how many gifts they may find during Cyber Weekend, 68% of shoppers say the shortened time frame between Thanksgiving and Christmas will impact their holiday shopping this year. Specifically, the mere three weeks between the holidays will lead to earlier deal-seeking (34%) and product research (29%), as well as more stress about completing shopping on time (14%).

Fortunately for consumers, retailers are ready for the short time frame: 61% of retailers plan to release holiday deals in September this year, up from 52% last year. Additionally, 73% of retailers say they have more budget for holiday season promotions than they did in 2018.

Retailers Have the Opportunity to Compete With Convenience and Location

This year, shoppers are 51% more likely than they were last year (71% vs. 47%) to plan to make a holiday purchase through a big-box store, indicating the strength of the store as an asset for those retailers with physical footprints.

Top three places consumers plan to make a purchase this season:

- Big-box stores: 71% (e.g., Target, Walmart)
- E-commerce-focused retailers: 54% (e.g., Amazon)
- Department stores: 50% (e.g., Macy's, Kohl's)

Mobile growth is top-of-mind this upcoming holiday season, with 74% of retailers planning to increase investments in mobile advertising. Based on historical data, RetailMeNot predicts that in Q4, consumers engaging with an in-store offer via mobile will spend over 30% more than the average for the year.

Another creative use of promotions will come into play with buy-online, pick-up in store (BOPIS) as retailers look for new ways to make the shopping experience more convenient: 60% of retailers plan to implement this service in 2019, up from 52% last year.

Deals Still Drive Purchase Decisions
No matter what consumers are shopping for, one thing is clear: They don't want to pay full price. Seventy percent of shoppers say price is the biggest determining factor in the gifts they purchase during the holiday season. Today's shoppers are savings-savvy, loyal and demanding, and retailers must pay attention to promotional strategies to effectively capture sales.

"One of RetailMeNot's top recommendations to retailers is to leverage cash back offers early in the season to drive repeat purchases later," said Skupin. "Putting money back in consumers' hands incentivizes more spending later in the season."

To learn more about what to expect this holiday season, view the RetailMeNot holiday insights experience here.

Methodology
A 10-minute online survey was fielded between Thursday, July 24, 2019 and Monday, July 29, 2019. During this time, 1,079 interviews on the topic of holiday shopping plans and attitudes were conducted to a nationally representative sample of Americans over the age of 18. Key groups of interest were examined in this analysis, including gender, generation, and region.

Additionally, a 15-minute online survey was fielded between Tuesday, July 23, 2019 and Monday, July 29, 2018. During this time, 203 interviews were captured. Key groups of interest were examined in this analysis, including Senior Managers/Directors+ and retailers who have/have not partnered with RetailMeNot in the past twelve months. Interview topics included holiday marketing planning, attitudes and more.

About RetailMeNot, Inc.
RetailMeNot, Inc. is a leading savings destination bringing people and the things they love together through savings with retailers, brands, restaurants and pharmacies. RetailMeNot makes everyday life more affordable through online and in-store coupon codes, cash back offers, discount gift cards and the RetailMeNot Genie browser extension. Savings are also provided in consumers' mailboxes through the RetailMeNot Everyday™ direct mail package, and at the pharmacy with RxSaver by RetailMeNot.

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Media Contacts
Chelsie Baugh
RetailMeNot
cbaugh@rmn.com

Michelle Skupin
RetailMeNot
mskupin@rmn.com

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