

2020 Holiday Shopping Guide

So far, 2020 has been quite the year. The pandemic has had a tremendous impact on each of us and has disrupted how many companies do business. With the holiday season fast approaching, how can you be prepared during what is traditionally your peak season?

COVID-19 Changes the Landscape

With cases rising and restrictions in place across the country, fewer shoppers will be at brick-and-mortar retail locations this fall. When customers can enter a store, it's highly likely that the number of customers allowed in at the same time will be restricted, slowing down the volume of purchases in a given day.

This is probably why a recent survey conducted by Radial showed that many shoppers are [more likely to purchase from retailers that follow COVID-19 safety precautions in-store](#). Consumers want to be safe this holiday season and are taking precautions to do so.

For most, this means skipping the in-person shopping experience entirely. The same study showed that 60% plan to shop less in-store this year. Consumers were already shifting their buying habits online before the pandemic, but this year's events have accelerated that behavior.

Buy it Online

Using BrightEdge data, we've seen these trends first-hand. We examined analytics of 144 e-commerce clients from a wide variety of business sizes and diverse product profiles. Our insights into shopping behavior over the past year are telling.

In this first chart, we see that by the end of March (2020_13), users were visiting websites and generating more revenue on average than they did during the same time in 2019. This carried for a few weeks and has leveled off at a higher average rate than where we would expect to see it based on 2019 trends.



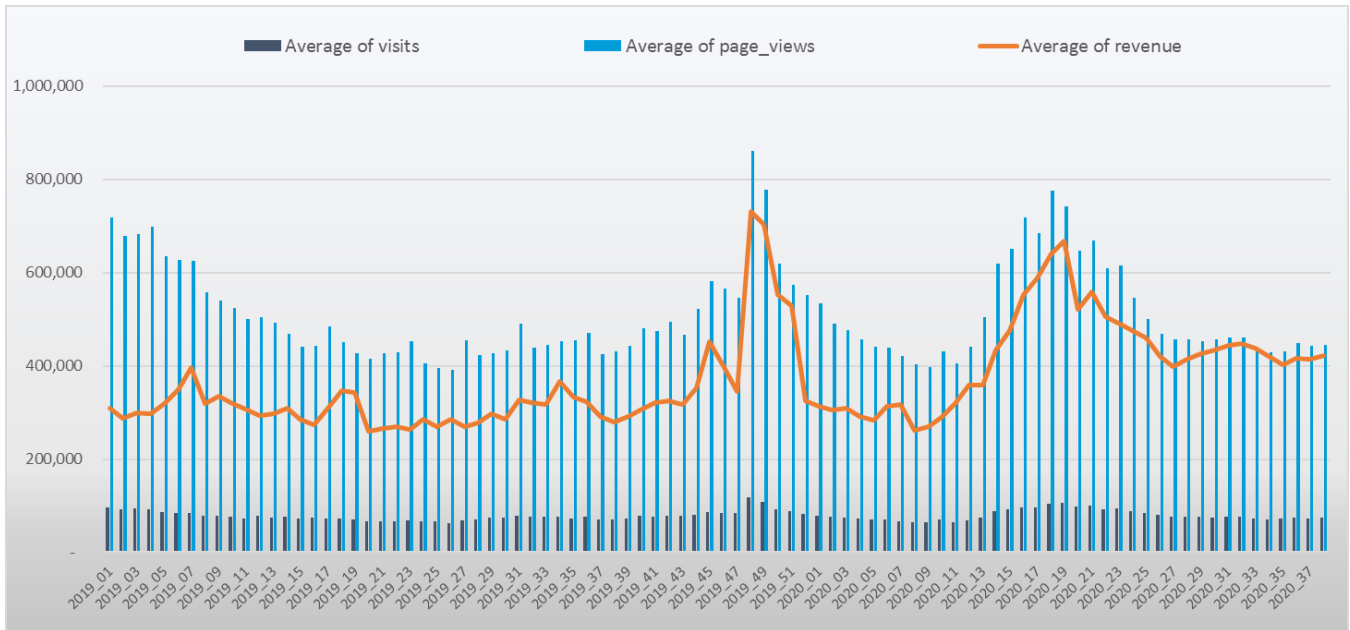


Figure 1 - Avg Visits, Avg Page Views, Avg Revenue over Time (shown as Year_wk#)

Next, we investigated how these shoppers may be changing their behavior. This chart shows a shift starting around the same time frame, of users increasing the number of purchases per visit. Suggesting that not only are shoppers spending more online, but they're buying more items when they do.

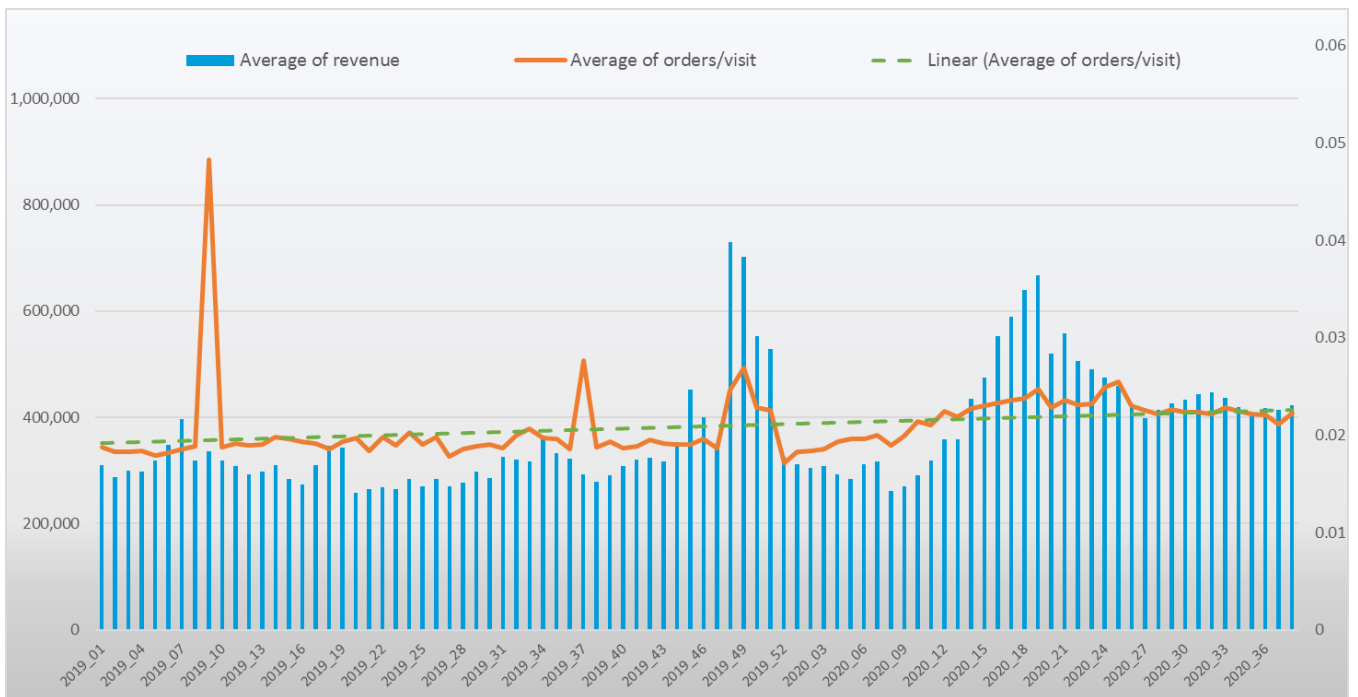


Figure 2 - Avg Revenue, Avg Orders per Visit over Time (shown as Year_wk#)

Finally, we observed that while shoppers were placing more orders per visit, the average revenue per order was holding relatively steady if not decreasing.

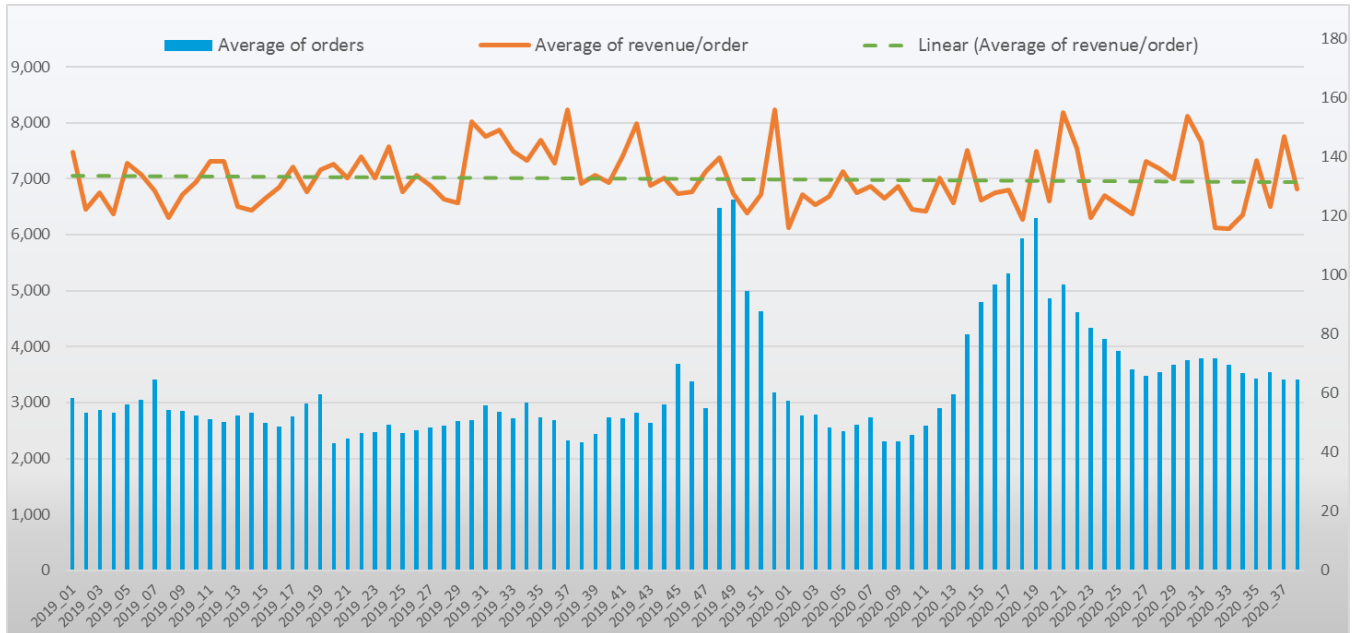


Figure 3 - Avg Orders, Avg Revenue per Order over Time (shown as Year_wk#)

In summation, our research suggests that shoppers are browsing more frequently which is leading to more purchases and overall revenue, though these purchases are smaller in value.

Here are our hypotheses:

1. Shoppers shifted purchasing behaviors online during the first few weeks of the COVID-19 pandemic and are more keenly aware of their budgets – refraining from placing big-ticket purchases online, while stocking up on more essential goods or affordable luxuries.
2. Shoppers started buying more frequently online after COVID-19, supplanting offline purchases. This would include the buy-online, pickup-curbside behavior that may include cheaper items that were previously always purchased in-store.

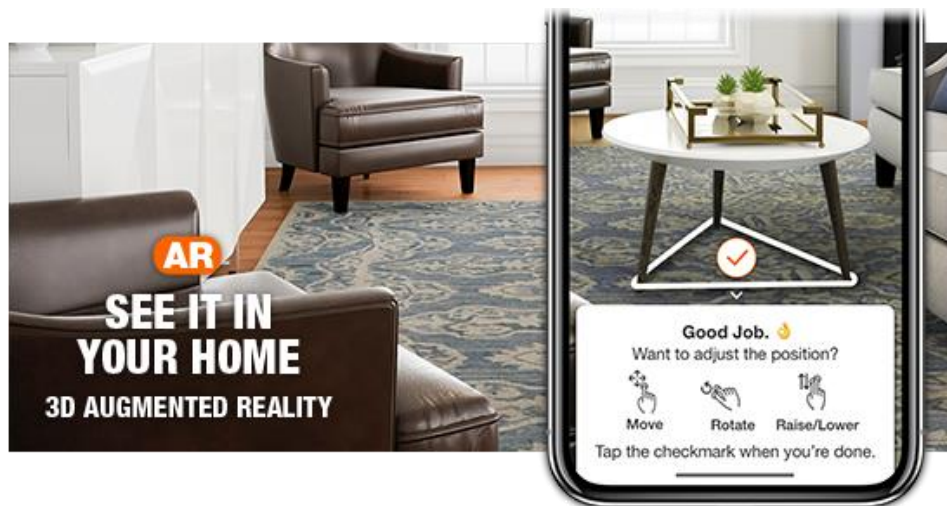
It's highly likely that a mixture of both hypotheses are contributing factors. What we do know is that online shopping behaviors have changed, and shoppers are spending more online than before.

In-Store Shopping: A thing of the past?

Thanks to a limited Back to School season this year, Target is looking to [extend the holiday season](#) by starting earlier, in October. Will other retail giants follow suit?

In July, Best Buy, Kohl's and Walmart joined Target in announcing they won't be open on Thanksgiving Day. While it's unclear if leading retailers will be sitting out Black Friday entirely, it's likely to diminish the sales boost big box retailers get during the Thanksgiving weekend. Smaller stores will likely be shifting everything online in an effort to generate sales without relying on traditional foot traffic.

What should you do if your in-store experience is critical to your customer experience? Bring the in-store experience online. L'Oreal has had great success with their [virtual try-on experience](#) for makeup and hair color. Users can experiment with different products from blush to lip liner, testing out a new product or building a complete look.



Moving from the makeup counter to your kitchen counter, another smart use of augmented reality can be seen in [The Home Depot's](#) app. Within the app you can place furniture, rugs, lighting and appliances in your house to see if they match your style or fit your room.

What can you do to bring your in-store experience on-line?

Will Cyber Monday be Bigger than Ever?

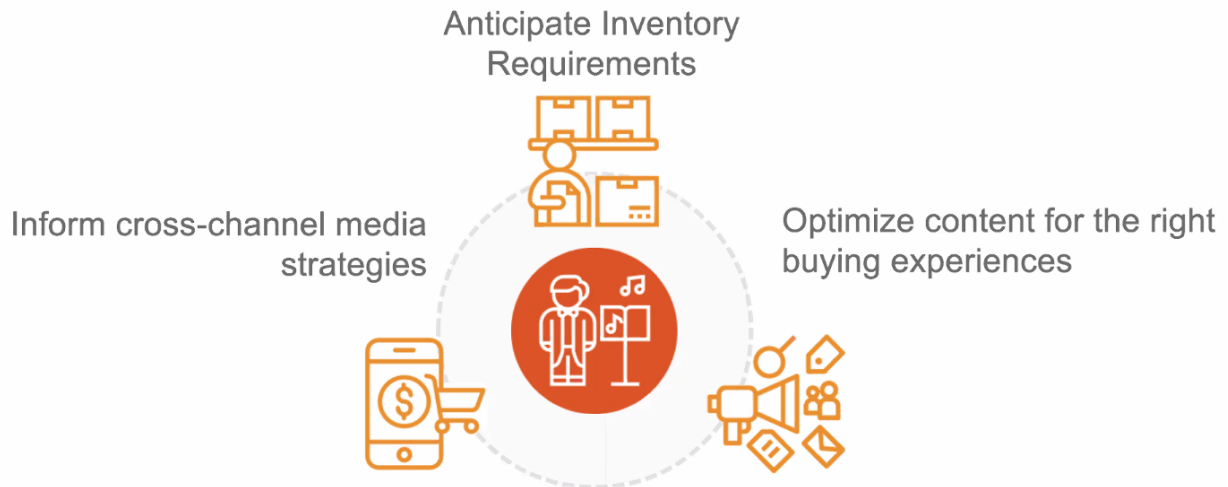
Most likely, yes.

With fewer Black Friday customers, self-isolating shoppers will be keenly focused on Cyber Monday deals. There is some expectation that retailers will do their best to meet consumers at desirable price points benefitting both parties.

Additionally, the slower shipping times and inventory issues we've grown accustomed to during the pandemic are only likely to get worse during the holidays. Customers are likely going to be shopping earlier this year as they plan their holidays around shipping dates. This also means fewer last-minute purchases in December as shoppers will want to make sure everything arrives in time for the big day. With that in mind, it's imperative that retailers communicate shipping situations early and often.

66%
of shoppers will
increase their online
purchases this year

Or, get ahead of the issue by focusing sales on products with large inventory. Mitigating supply chain shortages through inventory awareness will be paramount this season as retailers struggle to control demand. Look for ways to expand order size through bundling high-inventory products at deep discounts and build goodwill with your customers by preventing shipping delays due to poor inventory management.



Will Spending be Different?

While unemployment numbers suggest that spending will be certainly be lower than in previous years, the same Radial survey mentioned above found that most consumers plan to spend the same as last year on gifts this holiday season.

At first glance, that may sound contradictory.

This is attributed to the fact that spending in the service sector has seen the biggest drop-off during the pandemic. Spending on [services has dropped 13.3%](#) whereas durable and non-durable goods have seen more moderate decreases of 3%. Because of this, there is high confidence that consumers will transition their usual spending away from services and towards goods during the holiday season.

Interestingly, spending has increased on items related to [motor vehicles and recreation by over 8%](#). This may suggest that consumers are focusing on bigger ticket purchases, though our own data shows that this isn't necessarily happening online. With most people self-isolating, new hobbies are filling the gap that travel and casual socializing used to fill. Perhaps there's a long-forgotten pet project sitting in the garage waiting to be restored.

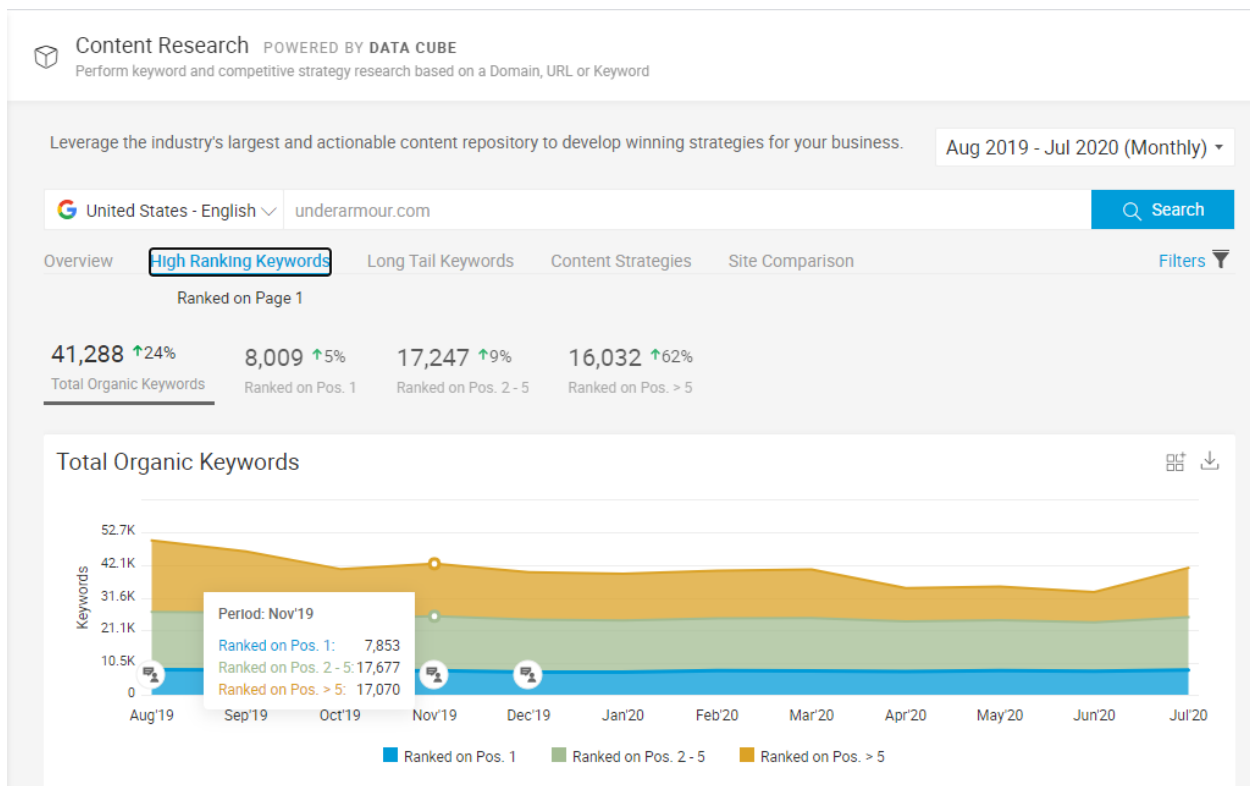
How to Embrace the Shift to Online

An impressive [60% of consumers have been shopping online more often since COVID-19](#), and of that group, 73% plan to continue after the pandemic. What digital marketers and SEOs have long known is finally coming to fruition: online shopping is convenient and easy. Now the trick is to make [SEO important](#) within your organization.

With everyone working remotely, cross-team collaboration and coordination will be dramatically different than in the past. Digital marketers will need to manage campaigns differently and utilizing the BrightEdge enterprise SEO platform will be beneficial to their success.





Build a Plan

As usual, start with [Data Cube](#) to identify key terms that work for your site and discover new keywords to focus on during the holidays. Be sure to evaluate search volume, the level of competition, and semantically related keywords while conducting [keyword research](#). Save these words as a keyword group to track during the next few months.



Next, look at your main competitors in Data Cube. Get a list of keywords that they rank for and see which ones fit best with your buyer journeys. You can compare this to the list of keywords that you do not rank for by using the Site Comparison tab and Keyword Gap Analysis subtab and remove branded terms. Try to identify terms that provide immediate value for your brand. Be sure to add these keywords to your holiday keyword group or create a new keyword group for targeting your competitors during the holidays.

If you have [BrightEdge Instant](#), use it to identify keywords that are currently trending within your new holiday keyword group. These terms will be critical to optimize now as the holiday season is starting earlier this year.

Keyword	Competition	Volume Trend	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020
gym near me	Low		1,500,000	1,220,000	823,000	201,000	673,000	1,220,000
gym membership	Low		49,500	40,500	27,100	12,100	14,800	22,200
dumbbell set	High		60,500	49,500	450,000	823,000	550,000	301,000
exercise equipment	High		90,500	74,000	110,000	201,000	165,000	135,000

BrightEdge Instant can also be used to discover new keywords to pursue based on trending data.

Finally, be sure to monitor your [Share of Voice](#) for this new keyword group to make sure you're owning as much of the SERP real estate as possible. Target key competitors who may be ranking more often or ahead of you and formalize a game plan to improve your performance.

Execute

Next, build out your marketing campaigns based on your planning and research. Remember to test messaging, imagery, content and headers to find what best resonates with your audience. If this step includes building out new pages on your site, be sure they're assigned as PLPs to key search terms in your holiday keyword group.

Review your performance in [StoryBuilder](#) dashboards and your analytics service and make adjustments as necessary. You might find that some of the keywords you've targeted this season aren't driving as many visits or sales as expected. Better to pivot now than in late November.

These steps may feel arduous, but they'll be critical to ensure communication across multiple channels is aligned.

Holiday Shopping Outlook

This year is going to be challenging for nearly every retailer. Some smaller shops that rely on the old "research online, buy offline" adage might not survive the season. Larger retailers will need to aggressively reinvest in ecommerce to endure. Armed with the information in this guide and BrightEdge, we intend to give you the tools needed for success this holiday season.

If you would like to discuss the topic, please call your Customer Success manager or call us at 800-678-8023.

About BrightEdge

BrightEdge, the global leader in enterprise organic search and content performance, empowers marketers to transform online content into business results, such as traffic, conversions, and revenue. The BrightEdge S3 platform is powered by a sophisticated deep learning engine and is the only company capable of web-wide, real-time measurement of content engagement across all digital channels, including search, social, and mobile. BrightEdge's 1,500+ customers include global brands such as 3M, Microsoft, and Nike, as well as 57 of the Fortune 100. The company has eight offices worldwide and is headquartered in Foster City, California.