

# **ECOMMERCE & THE FIRST DIGITAL CHRISTMAS**

How to maximise  
opportunities  
around key retail  
events during  
Christmas and  
beyond

# A YEAR LIKE NO OTHER

The retail landscape in a COVID-19 world.

# RETAIL IN A COVID-19 WORLD

It's been a phenomenal year for brands operating in retail, leading to unprecedented change in just a few short months.

The British Retail Consortium rightly call out two issues impacting members front and centre of its website. Brexit and COVID-19.

There have been high profile casualties along the way with big brands like Warehouse, Victoria's Secret and Aldo going into administration, some unlikely to return to the British high street.

Like many industries, retailers large and small have been put under immense pressure during the last year, adjusting to lockdown, protecting staff and customers with imposed social distancing legislation and, in some cases, reimagining their businesses to suit the changing needs of customers.

**So how has COVID-19 changed the way that we shop and engage with retailers?**

# HOW HAS COVID-19 CHANGED THE NATION'S SHOPPING HABITS?



# A TALE OF TWO PARTS

During lockdown, consumers spent less overall, but spent more on groceries, alcohol and DIY. The way we shopped changed too. More shopped online, fought for online grocery order slots and shopped locally. When restrictions eased, things started to return to a new kind of normal.

Until confusion surrounding local lockdowns, the introduction of a tiered system and uncertainty surrounding what's safe, led to divisions between those happy to shop online and those keen to support the high street.

# 76%

**OF CONSUMERS SHIFTED  
TO ONLINE SHOPPING**

# 57%

**OF CONSUMERS PLAN TO  
CONTINUE BUYING ONLINE  
POST-PANDEMIC**

# 38%

**OF BRITS SHOPPED  
LOCALLY TO SOME DEGREE  
FOR FOOD AND DRINK**

# 46%

**SAY THEY WILL CONTINUE TO  
PURCHASE FROM LOCAL SOURCES  
WHEN THE LOCKDOWN ENDS**

# RETAILERS BATTLE TO PREPARE FOR AN UNPREDICTABLE 'COVID CHRISTMAS'

“The weeks leading up to Christmas are the most important and lucrative time of the year for retailers, which has led to the industry dubbing the final three months of the year, the “golden quarter”.

“However, the margins between success and failure are small and retailers must order their stock at least six months in advance, meaning that they must make predictions well beforehand about what shoppers will want to buy.

“This year it will be even more challenging. Retailers do not even know whether their shops will be open, or whether families will be able to celebrate together.”

Source: [Ashley Armstrong, Retail Editor at The Times](#)



**WITH SO MUCH UNCERTAINTY SURROUNDING  
THE WAY WE LIVE, HOW CAN THE RETAIL  
INDUSTRY ADAPT FOR LOCKDOWN 2.0?**

**HERE'S WHAT WE KNOW...**

**75% OF CONSUMERS ARE  
NOT PLANNING TO  
REDUCE THEIR SPENDING  
DURING CHRISTMAS 2020**



# CHRISTMAS SPEND WILL REMAIN THE SAME FOR THE VAST MAJORITY

But a higher proportion will spend less, than  
more, this year on presents, food and alcohol.

# CHRISTMAS PRESENT SPEND WILL BE DRIVEN BY PARENTS

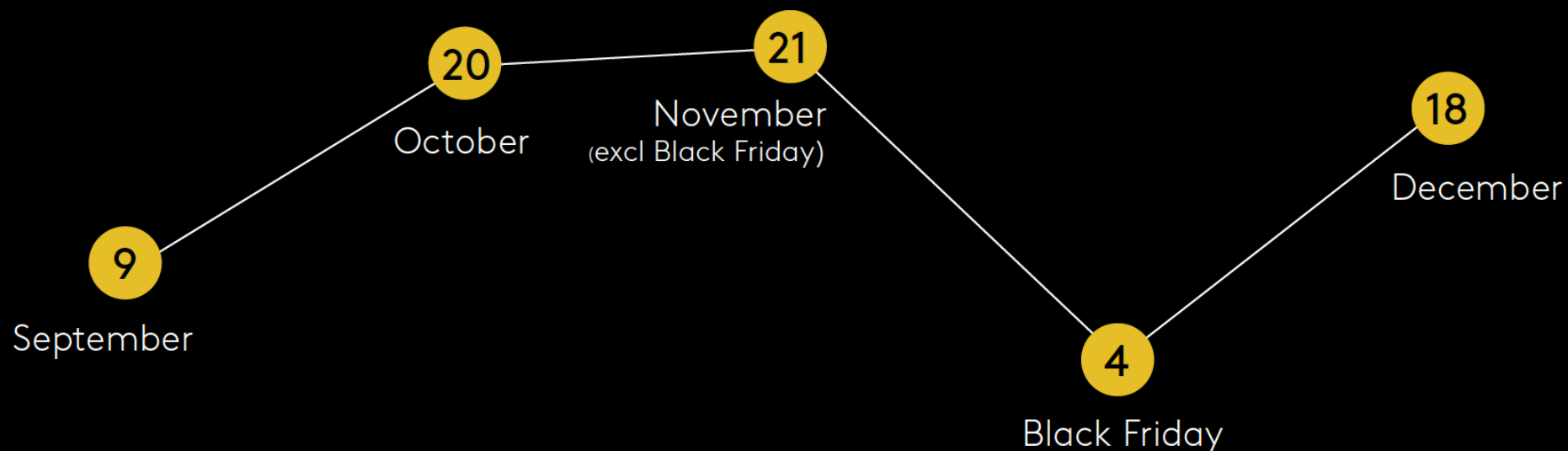
1/5 spend more than £500+ on gifts – and are more likely to be parents.



# WE ARE BUYING EARLIER TO MAKE THE MOST OF COST SAVINGS

Over half of all adults are planning to start their Christmas present shopping between September and November (even excluding Black Friday).

Month plan to start Christmas present shopping (% adults)



# AMAZON PRIME DAY WAS HERALDED A SUCCESS

But interestingly, the company chose a different tactic this year, championing third party sellers instead, with it's 'biggest small business promotion ever'.

Supporting small businesses

## Prime Day is back for 2020

Amazon's annual Prime Day event will take place on the 13th and 14th of October with seasons savings, as well as Amazon investing £75 million through the holidays on promotional activities to help small businesses around the world increase their sales and reach new customers. Get all the details below.

By Day One Team on 28 September 2020

f in tw e

We're excited to announce that Prime Day is back in time for seasonal and early Christmas gift shopping. This year's event will take place between the 13<sup>th</sup> and 14<sup>th</sup> of October featuring incredible savings and deep discounts on more than one million deals across every category.

This year, supporting small businesses is more important than ever, and we are designing Prime Day to support them with our biggest small business promotion ever. This has been a challenging year for many small businesses, but selling in Amazon's stores has enabled hundreds of thousands of smaller companies around the world to sustain and even grow their businesses throughout the COVID-19 pandemic. Amazon is increasing its commitment to small business by designing Prime Day to support them.

This Prime Day, and throughout the festive season, Amazon will spend more than £75 million on promotional activities to help small businesses around the world increase their sales and reach new customers.

Prime Day kicks off at [amazon.co.uk/primeday](https://amazon.co.uk/primeday) at midnight PT on Tuesday, 13<sup>th</sup> October, and runs through Wednesday, 14<sup>th</sup> October.

Keep reading for tips to get the most out of your Prime Day shopping this year.

### Support small businesses on Prime Day

Selling in Amazon's stores has enabled hundreds of thousands of smaller companies to sustain and even grow their sales despite the COVID-19 crisis. Selling in our store helps small businesses reach hundreds of millions of customers and grow their businesses, while helping us provide customers with even greater selection and convenience.

Tens of thousands of UK-based small and medium-sized businesses sell their products in Amazon's stores across the world and Amazon provides practical support and services to help them grow. More than 60% of UK businesses selling on Amazon export to customers all over the world. In 2019 they achieved total export sales of more than £2.75bn and supported more than 85,000 job opportunities in the UK.

This year also saw the launch of the [Amazon Small Business Accelerator](#) with Enterprise Nation, the small business support network, to help 200,000 small businesses and start-ups across the UK respond to the impact of the pandemic and lockdown with new online learning, intensive week-long boot camps, and access to free services, credits, training and support.

## SMALL BUSINESS PLAYBOOK

# Amazon says third-party sellers made more than \$3.5 billion from Prime Day

PUBLISHED THU, OCT 15 2020•12:12 PM EDT | UPDATED THU, OCT 15 2020•1:02 PM EDT



Annie Palmer

@ANNIERPALMER

## Amazon just had its biggest Prime Day ever. But this year, it's not hyping that up



By [Nathaniel Meyersohn](#), CNN Business

Updated 2201 GMT (0601 HKT) October 15, 2020

# BUT AMAZON DIDN'T ESCAPE CRITICISM, WITH MANY STILL ENCOURAGING US TO SHOP LOCALLY

Protests are unlikely to have negatively impacted the bottom line for Amazon, with sales from Prime Day expected to pass \$10bn which is significantly up from 2019.

## UK shoppers urged to shun Amazon Prime Day to support small businesses

Campaigners ask consumers to consider plight of retailers struggling due to Covid

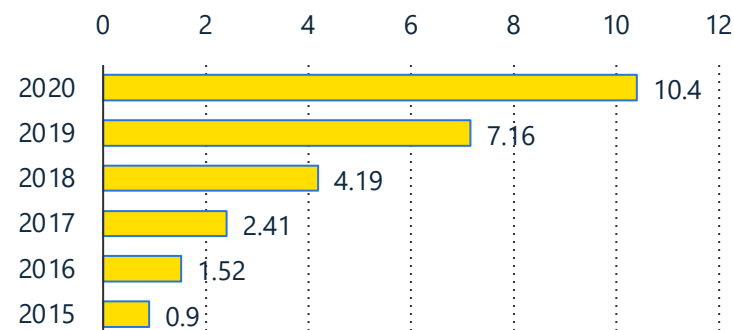


▲ Chester high street ... Experts say almost a quarter of independent retailers in UK failed to reopen after the lockdown. Photograph: Alexander Spatari/Getty Images

Campaign groups and small business representatives have called on consumers to shun this week's **Amazon** Prime extravaganza and support small retailers instead.

## Global Amazon Prime Day sales from 2015 to 2020 (in billion U.S. dollars)

Amazon Prime Day sales worldwide 2015-2020



Sales in billion U.S. dollars

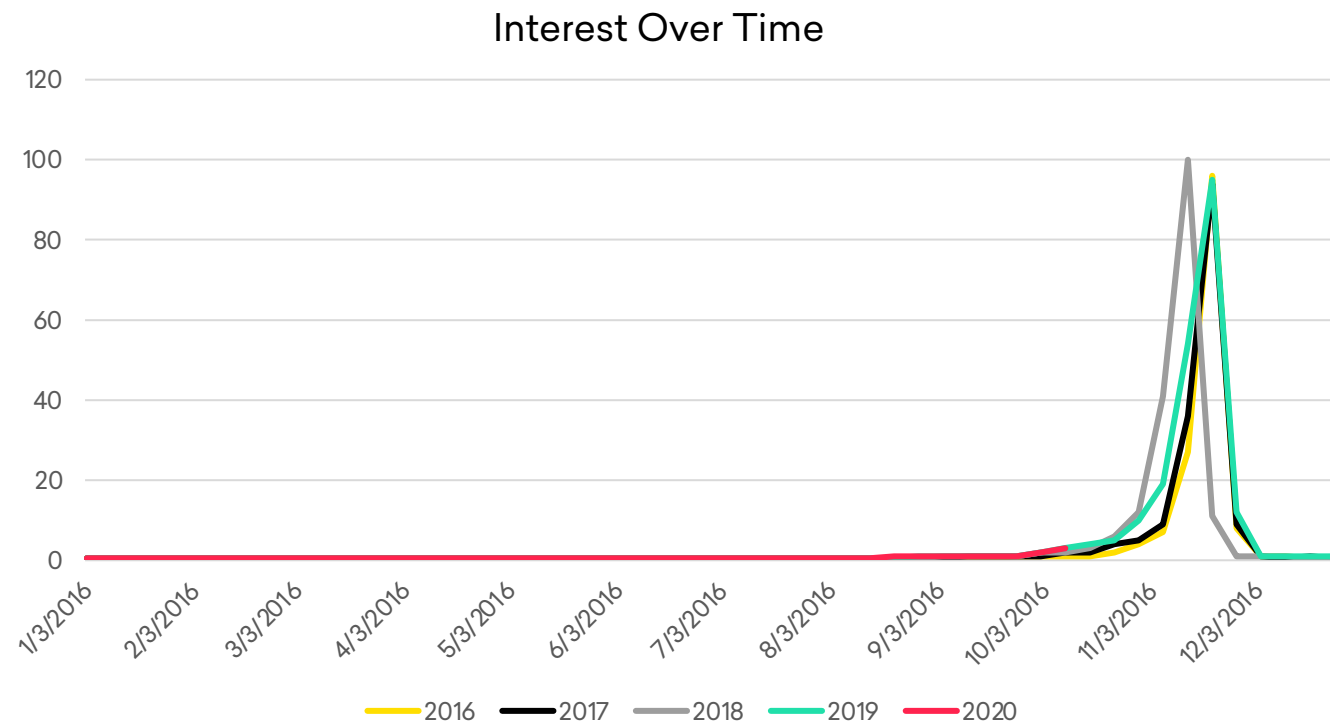
Source: Statista

# **DATA** **WHAT THE** **TELLS US**

Using Google  
Trend data to  
understand upcoming  
shopping events  
and opportunities

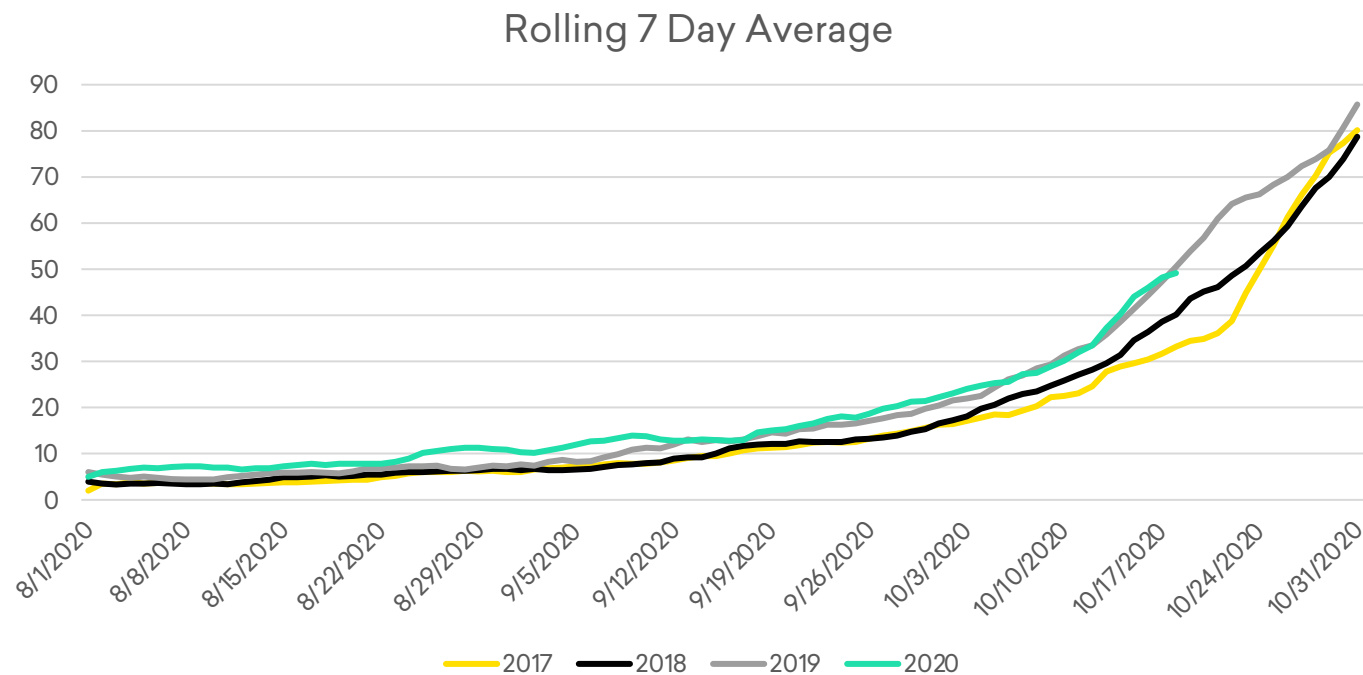
# EARLY BLACK FRIDAY TRENDS SUGGEST THIS YEAR MIGHT BE A BIGGY

2020 search volume around Black Friday shows that people are searching earlier than in previous years; it's become an established event for British online shoppers.



# A DETAILED LOOK AT GOOGLE TRENDS DATA SHOWS INTEREST STARTED EARLIER THIS YEAR

People started searching earlier than in previous years. There are several theories behind this: People looking to spread the cost of Christmas with so much economic uncertainty on the horizon. Those looking to make the most of cash saved during lockdown by getting the best deals. Even those looking for treats to either 'self soothe' or cheer up loved ones.

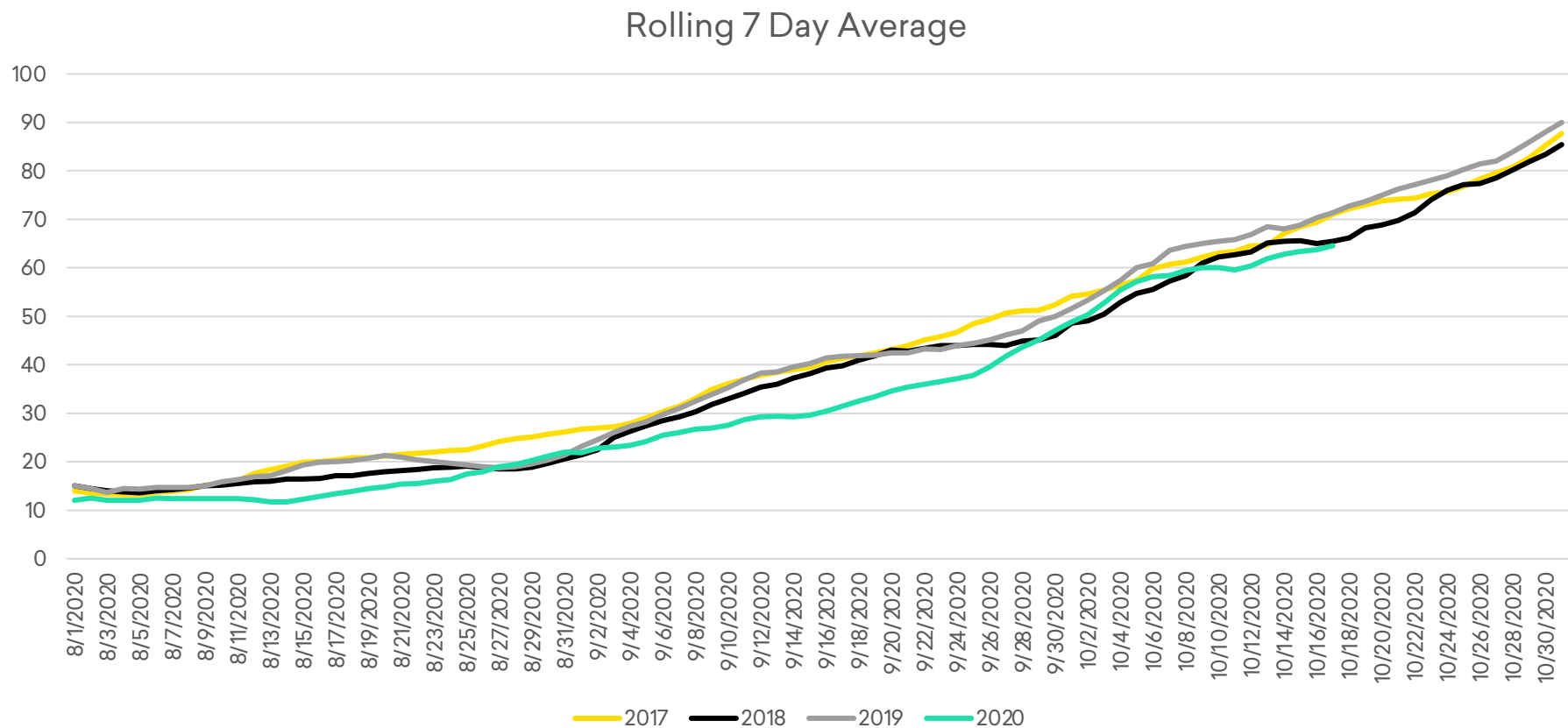




**BUT ARE PEOPLE JUST MORE  
INTERESTED IN EVENTS DUE  
TO THE PANDEMIC?**

# SEARCHES FOR CHRISTMAS ARE SIGNIFICANTLY BEHIND YOY

That may be because we're all desperately searching for other things, like updated guidance on local lockdowns. But appetite for the big day - and search volume surrounding it - just isn't quite matching previous years.



# IS THAT A SHOCK?

Maybe not. Christmas is a social holiday. People go out for meals, catch up with family, take trips to see friends and family. It's likely that we won't be able to do all this, this year.

The Government is preparing the nation to get ready for the first digital Christmas.

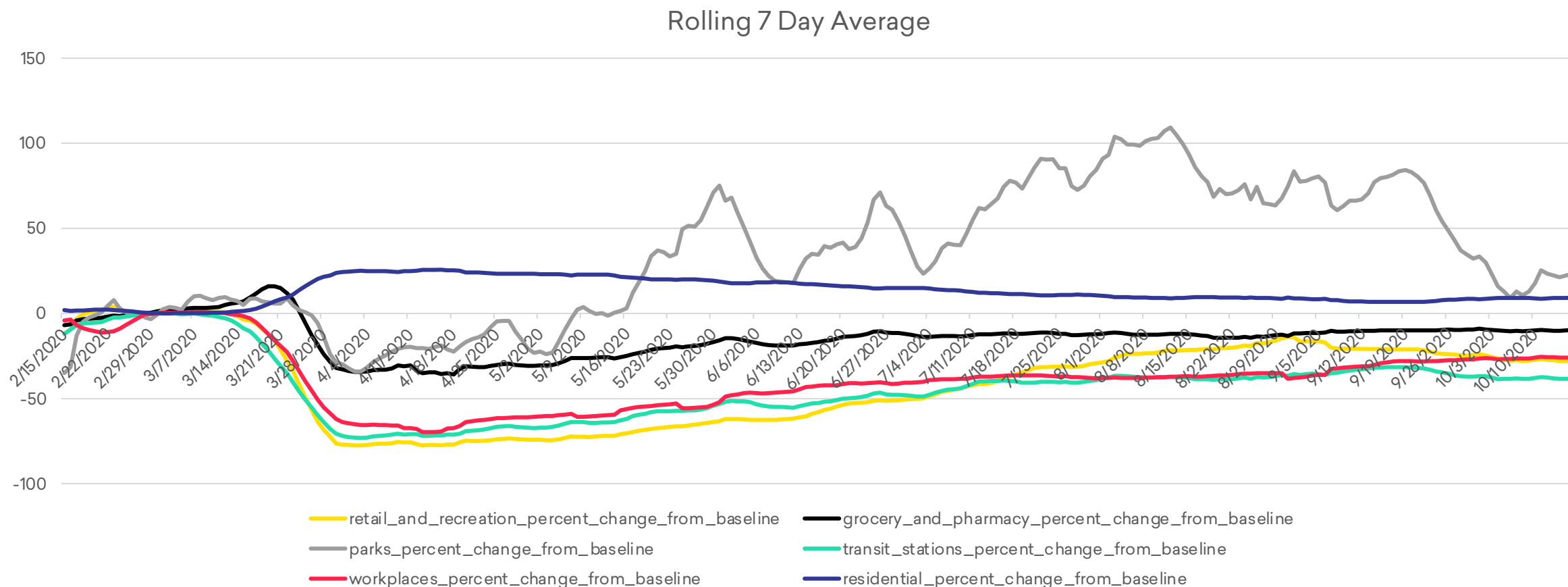
So how will that manifest in the next couple of months?

Retail therapy.

**WILL PEOPLE BE SHOPPING  
ON THE HIGH STREET THIS YEAR?  
IN DECEMBER... POSSIBLY.**

# BUT IT'S UNLIKELY

According to Google location data, people visiting retail and recreational sites made a very slow recovery after the first lockdown eased. Now we've officially entered Lockdown 2.0, there's uncertainty what will happen after the formal review on the 2<sup>nd</sup> December. It's unlikely footfall will recover in December.



# WHAT THAT MEANS NOW

How should  
brands be  
thinking about  
upcoming  
shopping events?

# GIVE US A REASON TO CELEBRATE THIS CHRISTMAS

This extraordinary year has left retailers in a spin of uncertainty.

What can we learn from the category winners to inform the final furlong to Christmas and deliver a much-needed boost to the retail economy?

# ECOMMERCE IS MORE IMPORTANT THAN EVER

Stuck at home, bored and restless, people will make more online purchases during November to distract themselves during the cold and dark winter nights. But how should retailers, large and small, adapt to weather Lockdown 2.0?



**1.**

**CONNECT  
WITH  
PEOPLE**

**2.**

**BE VISIBLE  
TO SATISFY  
THE EARLY  
BIRD**

**3.**

**TAKE A  
FLEXIBLE  
APPROACH**

**4.**

**OFFER  
VALUE AND  
CONVENIENCE**

**5.**

**REMEMBER:  
EVERY  
DECISION  
CAN IMPACT  
REPUTATION**

# CONNECT IN TIMES OF CRISIS

The winners in 2020 have lessons to share.

**Visibility.** On or offline, brands investing to be front of mind have thrived. Hold your nerve, now is not the time to reduce those critical ad budgets, you've got to be in it to win it.

**Standing for something.** A cheery generic family Christmas theme ain't gonna cut it. Fortune favours the bold. Back that [leftfield idea](#) and run with it.

**Enhanced experience.** It's probably too late to change the product, but it's never too late to improve the experience. Be more [Aldi](#). Add some Christmas sparkle to your service, make it joyful, memorable and easy.

**Be human.** It might be online, or behind a mask or screen, but we are all people going through this together. A little humanity, personalisation, humour and empathy really will go a long way.

Finally, as retailers, marketers and consumers, we all want the same thing in these final weeks of 2020 – hope and a reason to celebrate.

So, come on John Lewis, give it your best shot.

**Maria Vardy, Managing Director**

**BACK THAT  
LEFTFIELD  
IDEA AND RUN  
WITH IT**

# SATISFY THE EARLY BIRD

## BE VISIBLE, BE POSITIVE AND GIVE PEOPLE CHOICE

With changing lockdown and social restrictions, people want choice – easy, convenient and safe options to shop and engage with, whether online or in person. As we've seen, more people are looking to buy, now.

Consumers are actively searching for deals, particularly around shopping events – these shouldn't be the sole domain or property of Amazon. There's a consumer mindset to capitalise on.

We're all desperate for positivity. Something to look forward to. Something to cling onto. So make your product visible to capitalise on early spending and interest around shopping events like Cyber Monday and Black Friday. Satisfy the early bird with relevant deals and offers – and keep them coming back for more in 2021.

Whilst some shoppers are cutting back, others are splashing on rewards for themselves and their loved ones. Leverage this desire for treat moments and 'self soothing', with sensitive, tailored comms and messaging – but be present to ensure you're heard above the noise.

**Sally Rushton, Director of Strategy and Planning**

# BE READY TO ADAPT TO UNUSUAL OR UNSEASONAL PATTERNS

Black Friday planning is more challenging than ever. But rather than looking at previous years to plan media budgets, retailers should be looking at what has happened so far this year and how that could impact search trends.

The lockdown has brought with it many unseasonal purchasing peaks. Take the home and garden sector. People chose to use the period of isolation to upgrade their homes, leading to an increase in searches YoY of more than 45%.

For items such as TVs, sofas and white goods, these peaks could be flatter than previous years as people made these 'one-off' considered purchases earlier in the year. Retailers should consider at a category level how these unseasonal patterns may effect this year's trading.

With the tiered lockdown system back into force, it's a huge opportunity for agile retailers who can shift budgets quickly at a location level.

**Sean Healy, Head of PPC**

**BE PREPARED  
TO STOP  
AND ADAPT**

# USER EXPERIENCE IS CRITICAL

## MAKE IT AS EASY AS POSSIBLE FOR CUSTOMERS TO PURCHASE

We have seen a dramatic shift towards e-commerce shopping. Ensure your website is set up to take advantage of customer demand.

Many advertisers may have paused marketing spend during the early part of the pandemic and have more money than expected to spend at this time of year. We're likely to see some higher budget campaigns and more aggressively priced products going live across the period.

Advertisers should make it as easy as possible for users to be able to buy their products. User experience is critical, so improving site load time to prevent customer drop-offs is key. Make sure flexible delivery and click-and-collect options are implemented.

Test which strategies are driving the highest incremental lift in preparation for peak season. Find out which platforms, audiences, creatives, placements and publishers are working most effectively. This will ensure your campaigns are firing on all cylinders as you enter the busiest time of year.

**Tom Bottomley, Paid Social and Programmatic Manager**

# MAKE WELL CONSIDERED CHOICES TO MANAGE YOUR REPUTATION

Many brands have been criticised or celebrated for their responses to both COVID and societal issues including Black Lives Matter. Brand reputation plays a huge role in consumer decision making, and this year it really hasn't been the case that all publicity is good publicity. There's a lot to be capitalised on right now and moving into 2021.

**Paid vs editorial.** If your display team is focusing on specific publishers, then why not create content that those sites are likely to cover from an editorial perspective too?

**Product placement.** Ensuring you're seen in round-ups, both in online and print press, is an important way to get more eyes on your product as well as driving important referral traffic and even direct sales.

**Define your purpose.** Understanding your purpose and values allows all other aspects of your communications strategies to become clearer and more focused.

**Understand your audience.** Do you understand the issues facing your core audience?, Once you do, you can start to create content that truly speaks to them. Make sure your onsite content isn't forgotten about when it goes live, this is your opportunity to keep your brand front of mind, the aim here is to be helpful and be present.

**Laura Smith, PR Client Services Director**

# DEFINE YOUR PURPOSE

# WHAT THIS MEANS FOR RETAIL IN 2021

5 things  
to be planning  
for now

# READY STEADY RETAIL - GET FIT FOR 2021

The impact of COVID-19 will be felt for some time. Many would argue that our changing habits and behaviours will have a long term, even permanent, implication. The rate of acceleration in digital adoption and shopping online has certainly surprised even the most seasoned of marketers.

The only certainty is more uncertainty.

But at some point, things will return to 'normal', whatever normal is.

So how can we better prepare to meet the needs and demands of the future retail customer: respond to any further shifts in behaviour, respond to changes in the market and plan to make the most of these opportunities?

Here are 5 things retailers should get on top of to get your brand and business fit for 2021.



# 1. THINK LOCALLY

No longer the sole responsibility for independent businesses or smaller operations – all brands should think and act locally. Buyers have really responded to community during this crisis. Brands need to look after their workforce, their supply chain and take an active role in their local communities to engage and reward custom. Think and act locally, or empower your workforce to do so, in order to do so authentically.

Businesses should be alert to tactical opportunities to create goodwill through acts of humanity and generosity in their community but ultimately ensure everything aligns to a credible, broader **brand purpose**.

# RETAILER DUNELM HAVE HIT THE HEADLINES IN 2020 FOR THEIR COMMITMENT TO THE COMMUNITY

Supporting staff and leading several CSR initiatives.



**Dunelm to make NHS medical gowns; CEO agrees 90% pay cut**  
By Elias Jahshan • April 16, 2020



**Dunelm wants to retool its curtain factory so it can make medical gowns for NHS staff**  
**CEO Nick Wilkinson agrees to 90% pay cut; chairman and board members will waive fees**  
**Follows news that Dunelm's online site has resumed trading**



## Dunelm repays £14.5m furlough cash as online sales rocket

The homeware business says it has benefited from lockdown-inspired home improvements

By Telegraph Reporters  
15 October 2020 • 10:44am

Homeware chain Dunelm will hand back £14.5m it claimed under the Government's furlough scheme.

## 2. MAKE IT PERSONAL

Engage on a personal level to increase relevancy and connection. There is no room for a one size fits all approach.

Online or on the high street (or enviably a blend of the two), create personal interactions and experiences. Harness customer data (responsibly) to deliver value and make communications count to build loyalty and increase life-time value.



# THE BATTLE FOR E-COMMERCE AND EXPERIENTIAL ON THE HIGH STREET

“We’ve seen an explosion of digital technology during 2020 in the world of retail, as brands look for new ways to engage consumers at a distance.

I think we’ll see this trend continue in the New Year, with brands leveraging everything from Facebook Live to digital sales consultations, to deliver a personal experience in safety. Shoppable social media will become the norm.

Brands will have to up their game with experiential retail opportunities to tempt more people onto the high street and reward customers for coming into store with promotions and unique experiences. Nike are a great example of a brand investing in this space, even in the midst of a global pandemic, with the launch of their Paris Nike store and its ‘House of Innovation’.

The opportunity is huge – consumers crave personalised experiences and successful omnichannel communications can unlock the value of data and technology to deliver that.

The death of the high street isn’t inevitable, far from it. But retailers and brands must evolve.”

**Sally Rushton, Director of Strategy and Planning**



# 3. FORGE CONNECTIONS

2020 has caused consumers to finally get comfortable with life via a digital lens. But with growing digital adoption, brands must also increase their sophistication of technology to match expectation and an evolving appetite. All on a personal, human level.

Brands must forge connections – learn from the best brands who successfully leverage the strength and talent of their people, celebrate the diversity of customers and collaborate with advocates to democratise their brand.

Technology has enabled us to forge connections in new and exciting ways. But we shouldn't forget the people behind (and more importantly in front) of it.



# Ganni Wants You To Get Your Creative Juices Flowing At Home

ELIZA HUBER  
LAST UPDATED 24 MARCH 2020, 9:34



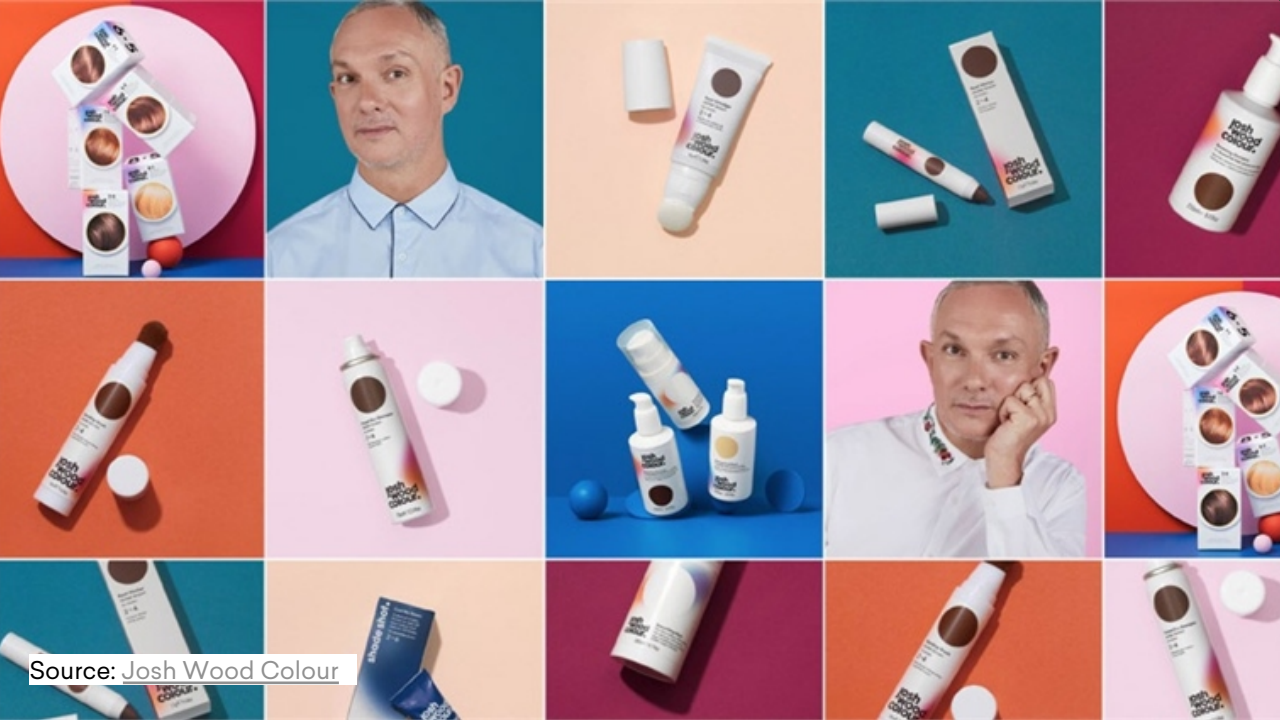
Today, [Ganni](#) launched an initiative called HOME IS WHERE THE HEART IS, a global creative competition meant to encourage everyone in self-quarantine to keep the creative spirit alive during the trying times ahead.

Here's how it works: Anyone who wants to get involved will first need to create something connected to the theme of "HOME IS WHERE THE HEART IS," which will then be submitted online. Submissions should include one to two


Source: [Rue Now](#)



Source: [The Pill Magazine](#)



Source: [Josh Wood Colour](#)

 You Probably Need a Haircut

[Book a Cut](#)

## Hey you — let's be real, you probably need a haircut

We pair you with a world-class hair stylist or barber via video chat to get your hair through these hard times

It's a win-win situation. Look good and support five star hair professionals around the world ★★★★★



Josh Elkin, renown Chef - [Instagram](#)

Source: [Youprobablyneedahaircut.com](#)

# 4. OPTIMISE OPTIMISE OPTIMISE

The channels that were performing well for earlier this year (hell, last week), may not perform well next year.

Our habits and behaviours are changing all the time. Understand the effectiveness of your media and what's really attributing value to the bottom line.

Be prepared to optimise and pivot.

# EVERY DECISION YOU MAKE SHOULD START WITH YOUR DATA

Brands need to justify their marketing investment, ensuring it has the strongest possible impact on key business metrics. Now more than ever, marketing decisions must start and end with data. Use this as an opportunity to experiment with the channels in your marketing mix to maintain strong returns. Consumer behavioural shifts from offline to online do not automatically correlate with higher ROI in digital spend.

Now is a prime opportunity for brands to set the stage for a culture of test and learn. Using insights to guide smart and agile decision-making to spend more efficiently.

Unified measurement solutions need to be in place across all media channels. Looking daily and weekly at your data will show what is happening right now. Media and advertising plans can be adapted based on performance and rapid changes in consumer priorities and financial circumstances.

The more measurement is joined up, the more informed you can be on spend and the channels you invest in, in order to impact to your bottom line. Test all marketing components from media mix to messaging to channel and campaign incrementality. Reach out to your agencies who will collaborate on these approaches with you and navigate any complexities. Your competitors almost certainly will be.

**Hanna Wade, Marketing Effectiveness Director**



# 5. DELIVER ON PRICE, CONVENIENCE AND EXPERIENCE

People are searching for deals now more than ever, they want and expect value for money. But it's not (always) about being cheapest. Understand your audience to market the right proposition and an experience to match.

Forget customer segments. Smart communications leveraging customer data will unlock the value of 121 and deliver the right message, to the right person at the right time.

# THANK YOU

For more information about Jaywing or the contents of this document, please contact:

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