

HOLIDAY

SHOPPING

GUIDE

**Snipp's Guide
to Holiday Shopping
5th Year Edition!**





General Landscape

The holidays are a time when everyone seems to forget what it's like not to stroll down a street filled with lights, bustle, and good cheer. The spirit of the season permeates everything, and influences our behaviors more than any other calendar period – especially when it comes to shopping.

And with each subsequent holiday season, increasingly dramatic changes take place with the promise to ever-alter the shopper marketing landscape. Snipp has been keeping tabs each year on all these developments, and this year is no different: this guide will cover the key trends and research that will affect how brands and agencies react to this year's holiday season.



THIS YEAR WILL
BE ONE OF THE
LARGEST HOLIDAY
SALES EVENTS,
WITH RETAIL
FORECASTS
EXPECTED TO
EXCEED
**\$ONE
TRILLION**



FOOT TRAFFIC
TO PHYSICAL
LOCATIONS MAY
CONTINUE TO
FALL; LAST YEAR
IT DECREASED
12.3%

LAST YEAR,
NEARLY
TWO THIRDS
OF ONLINE
PURCHASES
MADE ON
CHRISTMAS DAY
WERE CARRIED
OUT USING A
SMARTPHONE



GOOGLE
ESTIMATES
THAT US RETAIL
E-COMMERCE
SALES ARE
EXPECTED TO
INCREASE
15.8%

HOWEVER,
ONLINE OFFERS
MAY HELP
INCREASE
FOOT TRAFFIC
AS DIGITAL
AND PHYSICAL
CONVERGE

TREND #1

The path to purchase will start earlier

'Tis the season for shopping... but did you know that the boundary line dividing the start of holiday shopping from earlier calendar periods is starting to blur? In the past, there were sharp peaks when the beginning of the season rolled around; now, the increase in spending is gradual, and begins much earlier. This year is also unique because the calendar for 2017 provides consumers with an extra Saturday in December in which to plan their shopping trips. In fact, the entire period is encroaching on the Thanksgiving/Black Friday/Cyber Monday season, and the amalgamation leaves marketers both opportunity as well as challenges.

NEARLY
1/2
OF AMERICANS THIS
YEAR PLAN TO START
THEIR HOLIDAY
SHOPPING EVEN
BEFORE NOVEMBER



LAST YEAR, THE
LARGEST BASKET
SIZES FOR THE
HOLIDAY SHOPPING
PERIOD WERE SEEN IN
NOVEMBER



80%
OF RETAILERS SAY THEY
WILL BEGIN HOLIDAY
MARKETING EFFORTS
EARLIER THAN NORMAL



WE RECOMMEND

It's never too late you may have planned for the holidays a long time ago, or feel like you've already missed the boat, but the time period to execute a successful promotion is becoming more flexible and spontaneous. 4 in 10 retailers are setting aside more than a quarter of their overall holiday marketing budget for last-minute promotional activity. RetailMeNot recommends retailers plan to trigger special "pulses" of savings for maximum ROI.

Don't get carried away there are still limits to what consumers find to be an acceptable start to the holiday - 71 percent of Americans polled said they were either "annoyed" or "very annoyed" with retailers who put out Christmas items before Halloween.

4/10

RETAILERS ARE SETTING ASIDE MORE THAN A QUARTER OF THEIR OVERALL HOLIDAY MARKETING BUDGET FOR LAST-MINUTE PROMOTIONAL ACTIVITY



Energizer

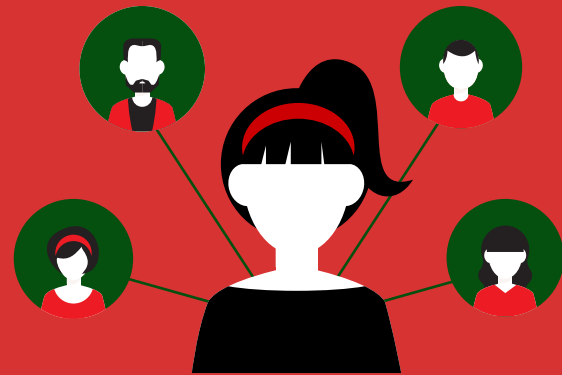
Energizer wanted to increase sales for their brand during the Christmas holiday period. Snipp assisted Energizer in the development of a 'national holiday program' where consumers spend \$15 in a single transaction to receive a \$5 virtual Visa. The program was launched before Thanksgiving to capitalize on consumer excitement for holiday shopping, and program success was secured - this helped Energizer to achieve desired sales within the crucial period.

TREND #2

Influencers will play a big role!

Themes of generosity and sharing are woven deeply into consumers' minds when it comes to their perceptions of the holidays. Perhaps this is why the importance of influencers is so significant when it comes to impacting shopping behaviors. Reviews online, social sharing, organic word-of-mouth and viral content will penetrate deeply into the holiday mindset this year; astute marketers must consider the impact of these tactics and be able to adapt their programs to reap the benefits.

On YouTube, gift guides are a popular and growing trend during the holidays. In this genre of video, creators dole out advice on the perfect gift and often endorse their favorite products to buy. Most of the time (70%), these videos are watched on mobile. That "anywhere, anytime" access adds up; in the time people spent watching gift guide videos on YouTube last holiday season, you could watch "It's a Wonderful Life" well over 300,000 times.



Top influencers on completing an online purchase say they engage with:



92%
**INTERACTIVE
CONTENT**



82%
**PRODUCT
REVIEWS**



78%
**SIMPLIFIED
SHOPPING
CART**



66%
**MULTIPLE
FULFILMENT
OPTIONS**



70%
**OF THE TIMES GIFT
GUIDES VIDEOS
ON YOUTUBE ARE
WATCHED ON MOBILE**



WE RECOMMEND



Capitalize on tech with influencers these days inherently tied to social media and digital technology, take care to utilize tactics that meet these individuals within the context of their preferred channels.

No influencer is too small often times, when the industry speaks of influencers, they are referring to YouTube celebrities with millions of subscribers (and a price tag to match). But friends and peers can often be the most trusted influencers of all; if your program has a mechanic that encourages social sharing amongst friends, it can be an invaluable tool to lift sales and build brand equity.



Presidente

Presidente needed a way to reach DJ's, one of its key influencer segments, and incentivize them to promote the product. Snipp created a custom program that targeted DJ's. DJ's can register on the website, and if accepted into the program, they can earn cash rewards by promoting Presidente on their own social media accounts. Snipp validates the hashtags #SoyPresidente & #Rewards and pays the participants leveraging SnippPay.

TREND #3



Shopper preference is omnichannel and not only smartphone!

Seamless shopping has been the only way to go for some time now—whether retailers have caught on or not. In the past, when the phrase “omnichannel” was discussed, it was the smartphone that was at the centerpiece of the conversation. Not anymore; obviously, the smartphone will always play a key role, but even more channels now exist, and these cannot be ignored.



Payment with wearable devices is skyrocketing: there is Android Pay, Apple Pay and Samsung Pay, and there are NFC wearable payments on the way to Fitbit, and MasterCard is bringing payment tech to trackers and Visa is experimenting with putting payment tech in things like sunglasses. Mobile and wearable payments are only going to grow, with Juniper Research estimating that it could hit \$100 billion by 2018.

\$100 BILLION

**IS THE ESTIMATED
GROWTH OF MOBILE
AND WEARABLE
PAYMENTS ACCORDING
TO JUNIPER RESEARCH**

Consumers' Omnishopping Behaviors



66%

BROWSE ONLINE

THEN BUY IN A STORE

61%

ORDER ONLINE

THEN COLLECT IN A STORE

74%

BUY ONLINE

AFTER SEEING THE PRODUCT IN STORES

39%

BUY ON THEIR PHONES FROM WITHIN A RETAIL STORE FROM THE SAME RETAILER'S WEBSITE

38%

BUY ON THEIR PHONE FROM WITHIN A RETAIL STORE ON ANOTHER RETAILER'S WEBSITE

43%

HAVE PURCHASED ON THEIR PHONES WHILE LOOKING AT THOSE PRODUCTS IN THE STORE



NEARLY **7/10**
 PEOPLE SAY IT'S
 IMPORTANT THAT A
 RETAILER OFFERS
 MULTIPLE WAYS TO
 BUY A PRODUCT, SUCH
 AS BUYING ONLINE OR
 PICKING UP IN-STORE.



When holiday shoppers are ready to buy, digital will play a big role, but it's only part of the equation. People still value touching a product, but now they're tapping a screen at the same time. Mobile searches in stores are up by over 30%. Often, shoppers will buy on their smartphones right there in the aisle. 43% of mobile shoppers in consumer electronics have purchased products on their phones while looking at those products in the store.

What it really comes down to is convenience—what marketers call “frictionless shopping.” It should be as easy as possible to buy something no matter where someone is. Nearly 7 in 10 people say it's important that a retailer offers multiple ways to buy a product, such as buying online or picking up in-store.

MOBILE
 SEARCHES IN
 STORES ARE
 UP BY OVER
30%



WE RECOMMEND

Get them in the store: where possible, leverage a promotional tactic that encourages pickup in store, even if the purchase is made online. Receipt processing technologies can validate even online receipts, and rewards like physical gift cards may encourage consumers to venture into the store to make further purchases.

Gamify the experience with omnichannel experiences comes the expectation for engagement – work with a solutions provider that offers gamified promotions and experiences to drive participation through the roof.



BUSCH[®] *Beer*

Anheuser-Busch wanted to incentivize sales and build loyalty through brand engagement and rewards for their Busch Beer brand. The Busch Bucks Loyalty program continues to drive brand awareness and incremental sales for the Busch brand. Loyal members who purchase qualifying products in a single transaction at retail (Off-Premise), military bases, and now bars and restaurants (On-Premise) are rewarded with Loyalty points. Phase 2 marks the availability of rewards with the opening of the Busch Bucks Reward store, where consumers can use their points for a variety of branded items to demonstrate their love of Busch beer. They've earned it!

Loyalty portal is accessible at <https://buschbucks.com>.

Before the tree and decorations get boxed up and put in the attic for next year, we want you to remember a few things: it's never too late to bolster your holiday strategies, digital technologies can make additions and supplements to your existing plans seamless and efficient, and this year's market is, simply put, eager for innovation. If you can weave those three concepts into your holiday marketing, you can be assured those long winter days that keep you wishing for spring won't seem quite so cold.



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Snipp is a global loyalty and promotions company with a singular focus: to develop disruptive engagement platforms that generate insights and drive sales. Our solutions include shopper marketing promotions, loyalty, rewards, rebates and data analytics, all of which are seamlessly integrated to provide a one-stop marketing technology platform. We also provide the services and expertise to design, execute and promote client programs. SnippCheck, our receipt processing engine, is the market leader for receipt-based purchase validation; SnippLoyalty is the only unified loyalty solution in the market for CPG brands. Snipp has powered hundreds of programs for Fortune 1000 brands and world-class agencies and partners.

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