

DIGILANT

A Guide for Advertisers

UNDERSTANDING KEY HOLIDAY SHOPPERS IN 2021



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INTRODUCTION

After missed celebrations and traditions in 2020, consumers are eager to return to a more "normal" holiday season. However, the pandemic drastically shifted the way consumers browse, shop, and buy. We now know, even as we enter a post-pandemic world, these trends will linger long after.

As we break into the post-pandemic world, eMarketer predicts that retail sales will rise 2.7%, surpassing \$1 trillion in 2021. Despite this positive outlook, advertisers should expect changes and challenges that are unique to years past.

Wavering on a fine line of pre-pandemic desires and post-pandemic shopping habits, brands and retailers will race to capture consumer attention and solidify their place in the market. So how can brands capture these newly invigorated consumers in an ultra-competitive marketplace?

The following pages look at four trends shaping the 2021 holiday shopping season and marketers' key audiences to attract and engage to ultimately drive sales. Building from a large data-set of over 100,000 consumers analyzed by Digilant's Data Intelligence Platform, we examined the demographics, behaviors, and affinities of the following key shopper audiences: Last-Minute Shoppers, Social Media Shoppers, Charitable Givers, and Bargain Shoppers.

We believe that understanding consumer audiences is more than a strategic tactic; in an omnichannel world, where physical and virtual brand experiences are inseparable, it's essential to business growth.

We hope is that this guide will provide a valuable blueprint for identifying and capturing growth opportunities this holiday season and beyond.

FOUR TRENDS THAT WILL SHAPE HOLIDAY SHOPPING

01. ECOMMERCE WILL CONTINUE TO THRIVE.

Over the last year, significant consumer behavior changes have flipped retail on its head: online and in-store shopping have in some ways switched roles. Rather than consumers taking to brick-and-mortar locations to browse, in-store shopping has become more transactional. Services such as buy-online pick-up in-store and curbside pick-up have created a more intent-based in-person shopping experience.

Conversely, many consumers now prefer to browse from the comfort of their own homes on a computer or mobile device. With advances in augmented reality try-on features, virtual shopping assistants, how-to videos, AI-powered product suggestions, and other innovative technologies, many e-commerce retailers have been working to emulate the in-store experience virtually. Consumers have responded positively, leading to record-breaking e-commerce sales. In 2021, e-commerce sales are expected to rise 11.3%, accounting for a record 18.9% of total holiday season retail sales according to [eMarketer](#).



PRO TIP

74.1% of all e-commerce growth in 2020 came from the top 100 retailers.

In this ultra-competitive market, consider how you'll attract new customers while maintaining your current business.

Look to partners with existing relationships with these major e-commerce players: Amazon, Walmart, Google Shopping, etc.

FOUR TRENDS THAT WILL SHAPE HOLIDAY SHOPPING

02. HOLIDAY SHOPPING WILL HAVE AN EARLY START (AGAIN)

In 2020, we saw retailers shuffle their plans to address supply chain logistics, shipping delays, and general uncertainties. Amazon Prime Day fell in October, marking the unofficial start to the holiday season. Other retailers were quick to follow offering markdowns and deals to keep up with the e-commerce powerhouse.

As a result, consumers began their holiday shopping long before Black Friday doorbusters. The National Retail Federation found that overall retail sales in October 2020 were up 10.6% compared to October 2019.

As retailers still face uncertainties due to supply challenges and consumers have grown accustomed to longer shipping windows, brands need to prepare for a holiday shopping rush as early as October.



FOUR TRENDS THAT WILL SHAPE HOLIDAY SHOPPING

03. MOBILE SHOPPING WILL BEAT OUT DESKTOP

79% of consumers spend more than 3 hours on their mobile devices every day, according to Statista. And nearly half of this consumer audience (46%) spend an average of 5-6 hours.

This uptick in mobile screen time poses a significant opportunity for advertisers. Over the last five years, revenue from mobile commerce has multiplied 3.5x - now accounting for 72.9% of all e-commerce sales. In other words, three out of every four dollars spent on online purchases is through a mobile device.

It's no longer enough to have an e-commerce website; consumers are looking for in-app buying, social media purchasing options, mobile-friendly browsers, and innovative ways to browse and buy all within the convenience of their mobile device.



PRO TIP

Time spent on mobile has now surpassed the time Americans spend watching cable TV.

Consider budget allocations to more closely mirror these trends.

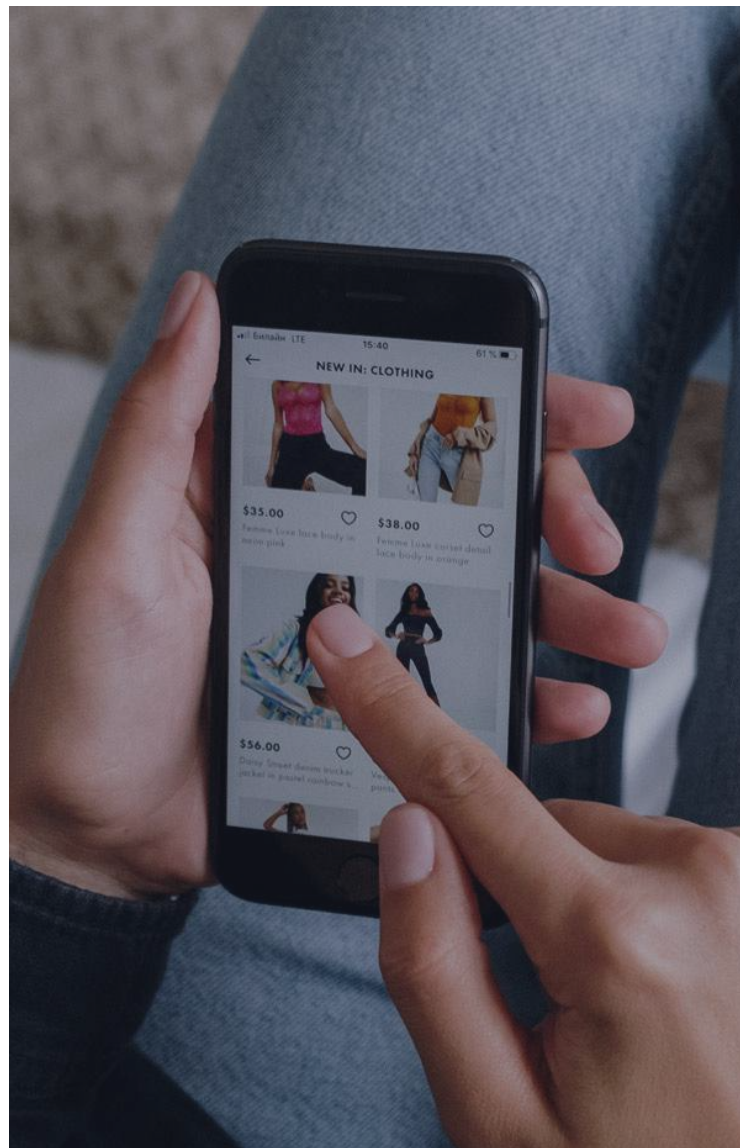
FOUR TRENDS THAT WILL SHAPE HOLIDAY SHOPPING

04. SOCIAL MEDIA RETAIL MAKES WAVES

By now, the growth of social media usage seems like old news. Still, as new platforms emerge and new options for digital connectivity enter the market, consumers continue to delegate more and more of their time to social media. The average consumer now spends 2 hours and 33 minutes per day on social media platforms.

Most recently, social media platforms have looked to position themselves as more than just a tool to socialize with friends. Instead, many want to establish themselves as marketplaces, discovery platforms, and entertainment sources to gain any leg up over top performers like TikTok and YouTube.

Although consumers are somewhat weary of their beloved platforms going in a new direction, one area they are quick to embrace is in-app shopping. As of April, 37% of U.S. internet users ages 18 to 34 purchased something via social media. Projections indicate that the number of people making in-app social media purchases will grow by nearly 13% this year, with continued growth in the future.



WHO ARE THE KEY HOLIDAY SHOPPERS IN 2021?

LAST-MINUTE SHOPPERS

Consumers who purchase gifts online or offline less than one month before the winter holidays.

SOCIAL MEDIA SHOPPERS

Consumers who use social media for lifestyle inspiration, to discover new brands, to interact with social content, and make purchases through social platforms.

CHARITABLE GIVERS

Consumers who donate to or interact with charitable causes on a monthly basis.

BARGAIN HUNTERS

Consumers who are driven to purchase when offered coupons, discounts, free delivery, or the ability to spread payments out over time.

LAST-MINUTE SHOPPERS

Whether busy with a full-time job, a family, or both, last-minute shoppers prioritize convenience above all else when deciding where to spend their holiday dollars. This group of shoppers also falls in line with the highest income earners. So, when it comes to paying for rushed shipping or paying more for in-stock products they are willing to fork over the extra cash to ensure their gift purchases arrive on time. The necessity for convenience directly correlates to where these shoppers browse and buy. Amazon and Walmart are their top two online retailers of choice.

So, where does this group of busy shoppers discover and search for products? Our research found that word-of-mouth recommendations from friends and family and recommendations from bloggers and vloggers are highly influential to last-minute shoppers. Additionally, TV ads, especially those placed within on-demand and streaming content, resonate well with this audience. While watching TV content, they're likely to be searching for the products or information they see on their mobile device or tablet.

Offering this group convenient ways to buy, such as "click and collect" and in-app purchase options will result in holiday shopping dollars funneling your way. With last-minute shoppers, it's essential to keep convenience at the forefront of the shopping experience.

ATTRIBUTES:

- ✓ Married
- ✓ 2+ Children
- ✓ Fully-employed



LAST-MINUTE SHOPPERS



25%

more likely to fall within the
highest income bracket.



20%

more likely to have a
postgraduate degree.



20%

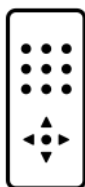
more likely shop on
eBay.

MEDIA HABITS



83%

more likely to use an
education-related app.



16%

more likely to watch
online tv or stream tv
for 4-6 hours a day.



24%

more likely to interact
with the online content
related to TV shows.

SHOPPING HABITS



28%

more likely to use price
comparison service.



54%

more likely to have
engaged with a brand
via a messaging app.



49%

more likely to have used
a company's live-chat
service on a website.

LAST-MINUTE SHOPPERS

TOP INTERESTS

- E-sports
- Vegetarian food
- Vegan food
- Adventure/
extreme sports

TOP TV GENRES

- Children's
programs
- Culture, arts,
and music
- Education

TOP PURCHASE DRIVERS

- Option to "buy
now" on a
social network
- Live-chat box to
speak to the
company
directly.
- Click & Collect
delivery.

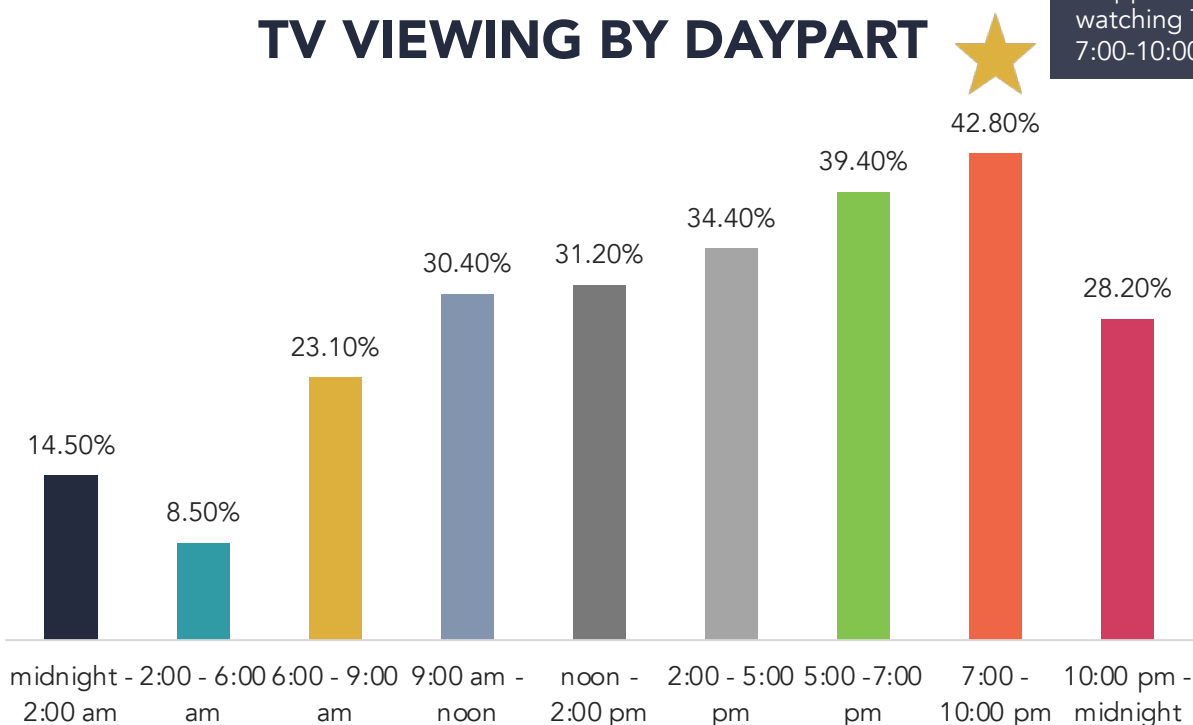
TOP REASONS TO USE INTERNET

- Finding
information
- Researching
how to do
things
- Staying in touch
with friends and
family

TOP ONLINE SHOPPING DESTINATIONS



TV VIEWING BY DAYPART



The best time
to reach last-
minute
shoppers while
watching TV is
7:00-10:00 PM

SOCIAL MEDIA SHOPPERS

Projections indicate social media in-app purchases will make a significant splash this holiday season, especially among those looking to social media for shopping inspiration.

Social shoppers use social platforms to check in with friends, celebrities, influencers, and brands. They spend upwards of 6 hours per day scrolling TikTok, Instagram, Pinterest.

They look to trendy, cool, youthful brands and the influencers and celebrities that endorse them to help them stand out from the crowd. Celebrities are trusted sources for social buyers, so much so that they are **174%** more likely to buy from a brand that has celebrity or well-known endorsements. On a smaller scale, they also trust their peers and fellow social buyers. They'll buy from brands whose posts have likes, comments, shares, and high engagement.

Social shoppers pose a great opportunity for brands. Not only are social shoppers more likely to make a purchase directly within a social app, but they are also more likely to earn your loyalty, trust, and 2X more likely to be a brand advocate by sharing product reviews with their social media following.

SOCIAL MEDIA BUYER



42%

more likely to be a **student**.



28%

more likely to be a **risk taker**.



25%

more likely to be **Gen Z** (ages 16-24).

MEDIA HABITS



34%

more likely to **watch TV subscription** services.



43%

more likely to **interact with the online content** of a TV show.



28%

more likely to be **checking social media** while watching TV.

SHOPPING HABITS



42%

more likely to be the **first to try new things**.

**trendy,
exclusive,
& bold**

top **3 brand qualities** they look for when shopping.



82%

more likely to buy from a brand that **helps improve their image or reputation**.

SOCIAL MEDIA BUYER

TOP INTERESTS

- Celebrity news and gossip
- Fashion
- Handicrafts
- Beauty/cosmetics

HIGHEST INTEREST IN LISTENING TO



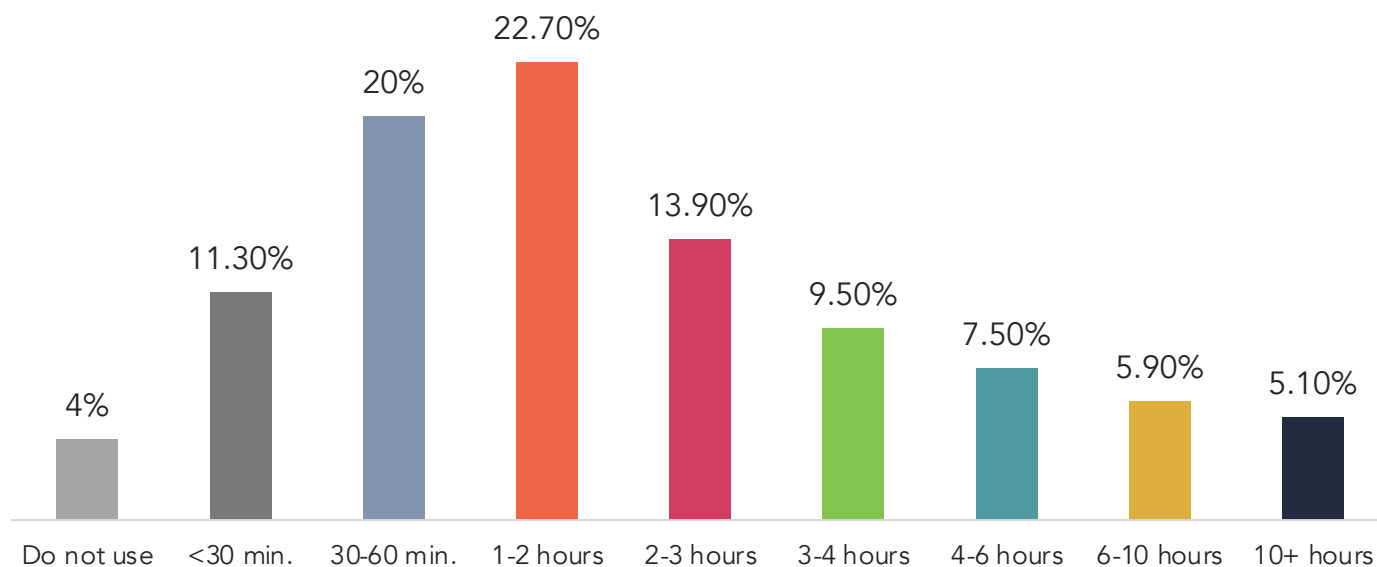
TOP 5 WAYS THEY DISCOVER BRANDS:

1. Updates on brands' social media pages
2. Endorsements by celebrities or well-known individuals
3. Posts or reviews from expert bloggers
4. Vlogs
5. Recommendations or comments on social media

TOP 5 PURCHASE DRIVERS:

1. Option to use "buy" button on a social network
2. Lots of "likes" or good comments on social media
3. Exclusive content or services
4. Quick and easy online checkout process
5. Live-chat box to speak to the company directly

TIME SPENT ON SOCIAL MEDIA EVERYDAY



CHARITABLE GIVERS

In 2020, charitable giving rose nearly 5% despite the pandemic. The trend is expected to continue this year as predictions indicate an additional 6% increase. With the rise of charitable giving in mind, we were interested in understanding how this group translates these values to holiday shopping habits.

We found that this group not only donates to charities, but they are **3.5X** more likely to engage with brands that support charities. They look to shop and buy from socially responsible, eco-friendly brands that support local suppliers.

They are naturally inquisitive and like to research to get information directly from the source, so they are **48%** more likely to go directly to a brand's website to research products. They also like to keep informed with brand updates and missions through social media, a tool they use for research and to stay up-to-date with current affairs.

Charitable givers are **34%** more likely to read an email or newsletter from a brand. Knowing how to continue the conversation with this audience is essential because they are **58%** more likely to become a brand advocate if they feel a brand is doing their part to make a positive impact on charitable organizations communities, and the environment.

CHARITABLE GIVER



24%

more likely to be in the
highest wealth group.



38%

more likely to work for
a charity or non-profit.



112%

more likely to use
social media to support
a charitable cause.

MEDIA HABITS



28%

more likely to listen or
watch a podcast.



34%

more likely to read a
newsletter or email
from a brand.



30%

more likely to spend 1-
2 hours reading online
press everyday.

SHOPPING HABITS



55%

more likely to visit the
brand's social pages
directly.



58%

more likely to advocate for a
brand that makes them feel
they are taking part/involved.



20%

more likely to visit the
website directly.

CHARITABLE GIVER

TOP INTERESTS

- Charities and volunteering
- Vegan food
- Vegetarian food
- Environmental issues

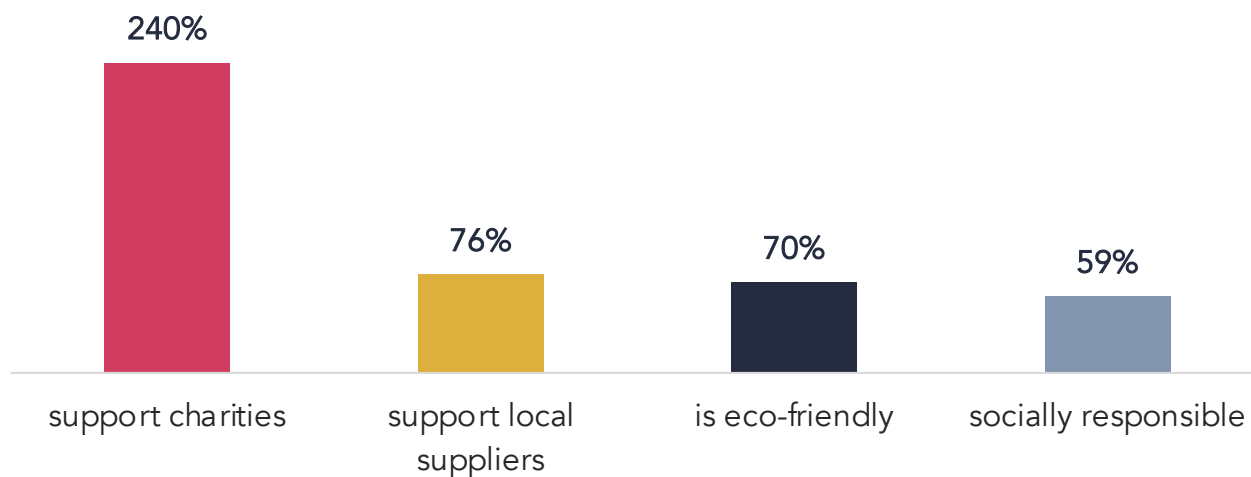
TOP 3 VALUES

- Contributing to my community
- Helping the environment
- Helping others before myself

TOP NEWS SITES



CHARITABLE GIVERS ARE MORE LIKELY TO BUY FROM A BRAND THAT:



BARGAIN HUNTER

The financial uncertainty many people faced throughout 2020 have continued into 2021. This focus on cautious buying will shape this year's holiday shopping season primarily with bargain shoppers.

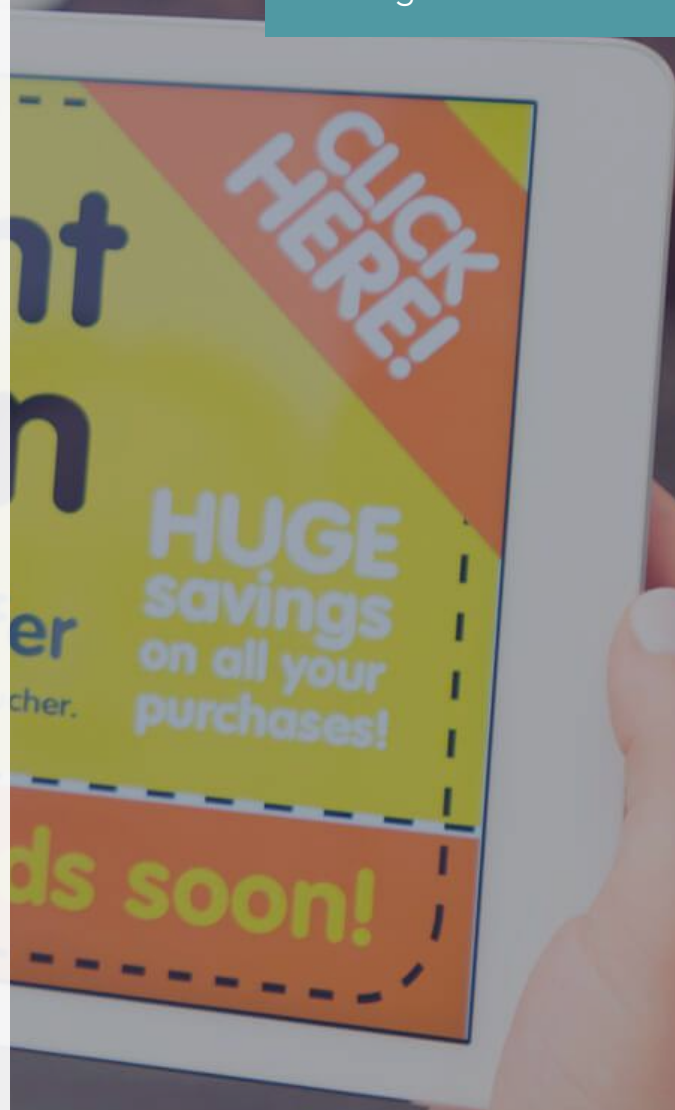
Unlike the other holiday shoppers we've analyzed, bargain shoppers span genders, income levels, generations, and psychographics, indicating that more people are willing to hunt and research for brands that give them the best deal possible. We understand that brands cannot offer unlimited discounts, rewards, and mark-downs throughout the holiday shopping season. So, we've uncovered other tactics marketers can use to make an impact and get your brand in front of these shoppers.

This audience is eager to conduct research to find the best deal, including reading customer reviews, open forums (like Reddit and Yelp), and product review blogs. They connect with brands that genuinely value their customers, the customer experience, and customer feedback.

To earn the dollars of the bargain shopper, ensure that you are engaging with your customers across every stage of the buying journey – responding to customer reviews on social media or enabling a live chat feature on your website are good places to start.

ATTRIBUTES:

- ✓ More likely to be self-employed
- ✓ Most likely to be Gen X (ages 35-44)
- ✓ High-income earner



BARGAIN HUNTER

MEDIA HABITS



11%

more likely to have played or downloaded a free video game.



19%

more likely to search for products to buy while watching TV.



20%

more likely to use social media to research and find products to buy.

SHOPPING HABITS



36%

more likely to buy from a brand that offers the ability to spread payments over time.



31%

more likely to buy from a brand that offers free delivery.



28%

more likely to buy from a brand that offers coupons and discounts.



31%

more likely to use a product comparison website to discover brands and products.



14%

more likely to use an app (or website) to order food for delivery.



17%

more likely to advocate for brands when they've received great customer service.

BARGAIN HUNTER

TOP INTERESTS

1. Music
2. Television
3. Cooking
4. Food & Drink

TOP 3 WAYS THEY RESEARCH PRODUCTS TO BUY:

1. Consumer reviews
2. Forums and messaging board
3. Price comparison websites

TOP RETAILERS



TOP SOCIAL MEDIA APPS



IMPERATIVE FOR ADVERTISERS

There isn't as single proven tactic when it comes to reaching holiday shoppers this coming season; however, the real silver bullet can be found in the collective shifts in consumer behavior and the meaningful nuances in content consumption, affinities, and purchase behaviors across influential shopper audiences like those covered in this guide.

An omnichannel advertising strategy ensures that no gaps exist in the customer journey. Whether a consumer is browsing on Google, shopping on Amazon, streaming their favorite TV show, or listening to their favorite podcast, it has never been more important to serve the right ads, in the right context, at the right time. Marketing in the moment this will ensure your media budget goes further this holiday season.

With what seems like countless channels, omnichannel advertising often seems easier said than done. Consumers are creatures of habitual behavior, but after a year of rapid adoption of online content consumption and shopping, routines have begun to change.

The findings from our research emphasize what behavioral changes are here to stay and where there is the most opportunity for brands to break through.

This data is just the tip of the iceberg. For brands that want to cut through the noise, every advantage counts. We hope that this report can help shed some light on 2021 holiday shopping trends and the factors that drive consumer behavior and purchase decisions across key shopper audiences.

Keep reading to find the five key imperatives you should explore to better connect with and convert holiday shoppers this year.

01. Leverage unique data sets to reach key shoppers.

Build and reach holiday shopper audiences using the following data: app ownership data, credit card data, content-based and contextual data (for building inclusion lists), geo-fencing data to attract and retarget audiences, and CRM data to extend your reach to look-a-like audiences.

02. Extend paid search and performance strategies with Google Shopping and Amazon Sponsored Products ads.

Capture high-intent audiences across the top two destinations for product searches, Google and Amazon. Both Google Shopping and Amazon Sponsored Products ad placements are keyword based and appear within their respective search results.

03. Test new social ad formats to engage shoppers in creative and impactful ways.

Facebook, Instagram, Pinterest, Snapchat, and TikTok have all unveiled new creative formats in the last 12 months. New ad formats include shoppable ads/posts, full-screen takeover ads, dynamic carousel ads, click-to-messenger ads, and non-skippable video ads.

04. Bring Connected TV (CTV), digital radio and podcast ads into your media mix.

Target shoppers in lean-back environments as they consume television and audio content. Utilize automated content recognition (ACR) to close the loop by retargeting CTV and digital audio audiences via display and video ads across desktop, mobile, and tablet devices.

05. Adopt a social-first approach to content marketing.

Combine social, influencer, and user-generated content with the efficiencies and scale of programmatic ads using dynamic social-to-display ad units. Innovative companies like Spaceback and Ad-Lib make this easy.

NEXT STEPS

SCHEDULE A DEEP DIVE

Receive a deep-dive analysis of holiday shopper audiences that is tailored to your brand and category. Analysis reveals brand preference drivers, promising consumer segments, consumer content consumption habits.

COMMISSION RESEARCH

Digilant offers a range of services to position your brand as a leader that wins the greater share of hearts, minds, and wallets of consumers. Services include Audience Intelligence, Category Intelligence, Brand and Media Strategy.

START A CONVERSATION

Digilant is an independent omnichannel marketing company built for growth-minded brands with capabilities that include strategy and brand consulting, creative services, digital strategy and execution, and media services.

Contact us: info@digilant.com

LET'S TALK!

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Digilant is an independent omnichannel marketing company built to take companies from now to next. We do this with omnichannel strategies that are data-driven, actionable, and effective. Part of ispDigital, Digilant is made up of 100+ data-driven media minds and advertising technologists spread across US offices in Boston, New York, Chicago, San Francisco, Dallas, Denver, Los Angeles, Washington D.C., and Atlanta. By combining big ideas with executional scale we are well-equipped to champion consumer insights, campaign analysis, and media initiatives that propel brands and agencies forward. Visit us at digilant.com to learn more.