

How Wayfair's Way Day Compares with Last Year, and What Manufactured 'Holidays' Mean for Retailers

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Manufactured holidays like Wayfair's Way Day, Amazon's Prime Day and China's Singles' Day continue to grow year over year, as retailers fine-tune their targeting strategies and relentlessly incentivize consumers to take advantage of markdowns. But how did these "holidays" grow to their massive sizes in such a short time?

In April, Wayfair celebrated its second annual Way Day, a holiday dedicated to "better-than-Black-Friday" deals. The retailer saw double-digit sales growth over the first Way Day, as well as an increased number of orders and unique customers, according to an April 2019 report from Edison Trends. Better timing, an extended sales period and greater consumer offerings helped the retailer achieve these metrics.

US Wayfair Ecommerce Sales Metric Growth During the Way Day Sale, 2018* vs. 2019**

% change vs. prior year

Gross sales	11%
Orders	9%
Unique customers	9%
Spend per order	5%

*Note: represents activity tracked by Edison Trends, broader industry metrics may vary; *April 25, 2018; **average of April 10 & 11, 2019*

Source: Edison Trends as cited in company blog, April 24, 2019

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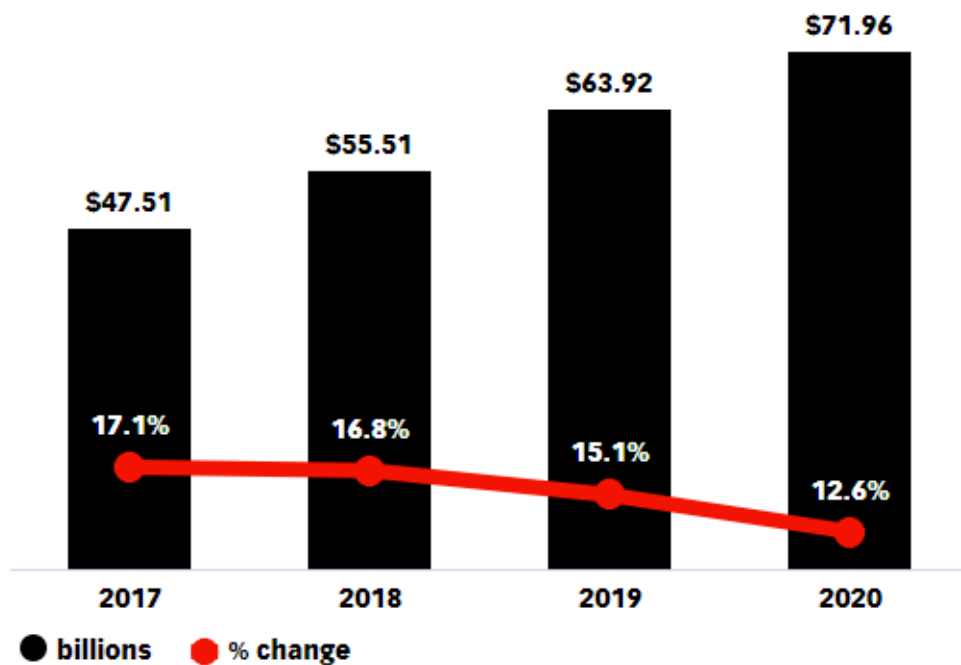
Bumping the holiday to April 10 (from April 18 the year before) allowed Wayfair to get ahead of this year's Easter shoppers as well as those who may have already **received their tax refunds**. The retailer also extended the event another half-day, lasting 36 hours. In addition, the company introduced live stream videos featuring detailed product reviews and advertised heavily on TV.

These efforts helped boost the retailer's per-day sales by 325% over the previous 28 days, per Edison Trends.

Launching its own shopping holiday is just one move cost-conscious Wayfair has made to disrupt its industry. Thus, it has captured mindshare and market share in a category that we estimate will grow 15.1% this year, to nearly \$64 billion.

Furniture & Home Furnishings Retail Ecommerce Sales

US, 2017-2020



Source: eMarketer, February 2019 (see below for notes and methodologies).

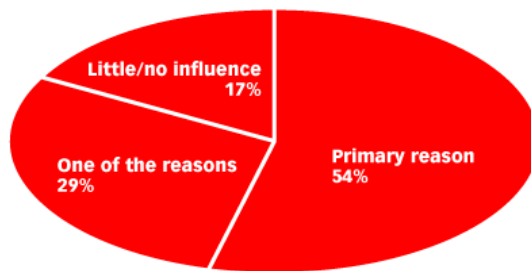
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But Wayfair isn't the only retailer to create such a successful holiday out of thin air. Amazon did the same four years ago with its inaugural Prime Day, and single shoppers in China came together in 1993 to start what they—and ecommerce giant Alibaba—turned into Singles' Day, China's most shoppable holiday.

In 2018, Amazon said more than 100 million products were purchased during its **third annual Prime Day event**. And more than half of Prime Day buyers said the event was their primary reason for shopping on Amazon that day, according to a July 2018 survey from InfoScout.

How Influential was Amazon Prime Day 2018* in US Amazon Prime Day Buyers' Decision to Make a Purchase?

% of respondents



Note: ages 18+ who made a digital purchase from Amazon on Prime Day; 80% of respondents were female; *July 16-17
Source: InfoScout, "2018 Amazon Prime Day: An Early Read" as cited in company blog, July 20, 2018

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A 2018 survey from AYTM Market Research found that 19% of Prime Day participants signed up for the service just to take advantage of the holiday deals, exemplifying Amazon's goal of boosting membership.

But well before Prime Day existed, ecommerce giant Alibaba morphed Singles' Day into the biggest online shopping holiday in the world. According to the etailer, shoppers spent nearly \$31 billion on Alibaba sites, Taobao and Tmall last year. And in a 2018 survey by JDA, 98% of digital buyers in China **planned to shop on Singles' Day**.

Shopping holidays like Way Day, Prime Day and Singles' Day work because retailers strategically position their sales events, offer consumers unbeatable deals and work to grow awareness through new innovations and advertising approaches. As shoppers flood online for these events, **rival retailers are offering competing deals** to siphon some of the incremental demand. Others will explore the idea of hosting their own online shopping holidays—but can they pull it off?

"Retailers looking to create their own holidays must go in recognizing the difficulty in executing it from a marketing, supply-chain and logistics perspective," eMarketer principal analyst Andrew Lipsman said. "To make the effort worthwhile, the value needs to extend well beyond the day itself. Ideally, it aligns with the beginning of a high-volume season where they can take advantage of their efforts to engage and acquire new customers."