Which Retailers Won the 2019 Holiday Season?
And who underperformed?

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eMarketer Editors

The 2019 holiday season had several retail segments outperform the average, in addition to some underperformers.
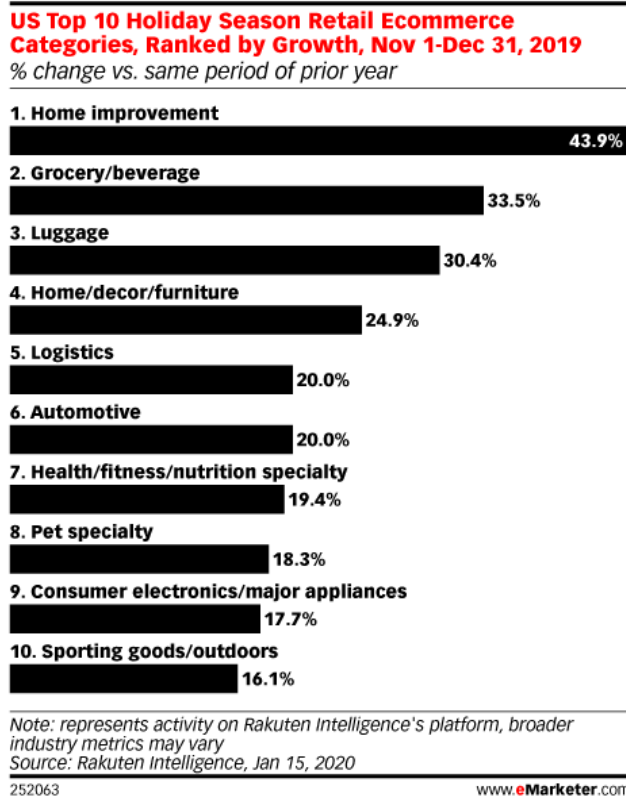
Mastercard SpendingPulse, which tracks spending patterns across channels, has visibility into how these retail categories performed.

"This year, apparel was up 1%—essentially flat. So, this was not an apparel season," said Steve Sadove, former chairman and CEO of Saks and senior advisor to Mastercard.

"This was more of an electronics season, which was up 4.6%. ... Jewelry held up pretty well during the holiday season; department stores didn't," he said. "Department stores is one of the only categories that was negative on a negative." In other words, it had a year-over-year decline in 2019 following a year-over-year decline the previous year.

Many of the same category trends occurred on the ecommerce side of the ledger, pointing to category strength and weakness rather than channel-shifting. According to Rakuten Intelligence, the top-gaining ecommerce category this past season was home improvement, which grew 43.9% vs. a year ago. Consumer electronics/major appliances jumped 17.7% to rank among the leaders, on the strength of smartphones, wearables and smart-home electronics, while

apparel/footwear grew by single digits (8.4%)—several points below the ecommerce channel overall.

US Top 10 Holiday Season Retail Ecommerce Categories, Ranked by Growth, Nov 1-Dec 31, 2019
% change vs. same period of prior year

Category	% change
1. Home improvement	43.9%
2. Grocery/beverage	33.5%
3. Luggage	30.4%
4. Home/decor/furniture	24.9%
5. Logistics	20.0%
6. Automotive	20.0%
7. Health/fitness/nutrition specialty	19.4%
8. Pet specialty	18.3%
9. Consumer electronics/major appliances	17.7%
10. Sporting goods/outdoors	16.1%

Note: represents activity on Rakuten Intelligence's platform, broader industry metrics may vary
Source: Rakuten Intelligence, Jan 15, 2020
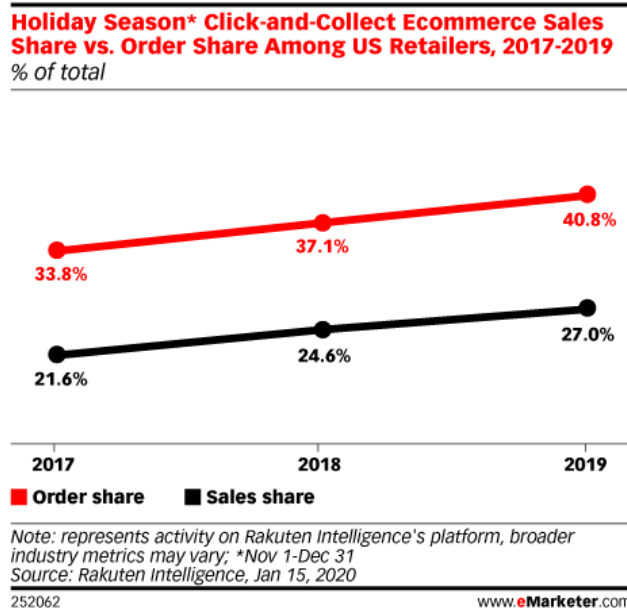252063   www.**e**Marketer.com

Following several consecutive quarters of declining sales, iPhone sales reversed course in a huge Q4 2019 showing with revenues up 8% on the strength of demand for iPhone 11 models as well as Apple's AirPod hearables—which are proving to be a popular gift, given their affordable (albeit still premium) price point. In the smart-home sector, sales of Amazon's Ring doorbells shot up 180% year over year in December, according to marketing intelligence firm Jumpshot.

Amazon predictably led the way among ecommerce retailers in traffic in December with 214.8 million unique visitors, up 4% vs. the prior year, according to Comscore. Walmart remained a strong No. 2 with 138.3 million (up 5%), while eBay rounded out the top three with 106.9 million (down 2%).

Walmart's and Target's online performances likely benefited from their advanced click-and-collect operations. According to Rakuten

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Intelligence, the class of merchants offering click and collect gained significant US ecommerce market share this past holiday season on the heels of similar gains in 2018. Their share of sales rose from 21.6% in 2017 to 27.0% in 2019.

Holiday Season* Click-and-Collect Ecommerce Sales Share vs. Order Share Among US Retailers, 2017-2019
% of total

Note: represents activity on Rakuten Intelligence's platform, broader industry metrics may vary; *Nov 1-Dec 31
Source: Rakuten Intelligence, Jan 15, 2020
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Aspirational brands lululemon and Peloton also delivered strong holiday quarters. On January 13, lululemon raised its current quarter forecast due to stronger-than-anticipated holiday demand, bringing its stock to an all-time peak.

"Despite Peloton's controversial holiday TV ad—which some interpreted as misogynistic in its depiction of a husband getting his already-thin wife a Peloton stationary bike for the holidays—it may have served only to broaden awareness of the brand while doing little to deter its adherents," said Andrew Lipsman, eMarketer principal analyst and author of our recent report, "US Holiday 2019 Review and Looking Ahead to Holiday 2020 Planning." The company posted impressive top-line performance during the holiday quarter, with revenues blowing away Wall Street consensus estimates of $423.7 million by more than $40 million.

In addition to many department stores, Victoria's Secret also struggled, reporting a 12% decline of same-store sales during the holidays. On the

ecommerce side, eBay suffered declines as US gross merchandise value (GMV) dropped 8% amid growing competition from Amazon, Etsy and Facebook Marketplace.

For additional insights into the 2019 holiday season and ways retailers can look ahead to 2020, eMarketer PRO subscribers can read our recent report:

Report by Andrew Lipsman Feb 13, 2020

US Holiday 2019 Review and Looking Ahead to Holiday 2020 Planning

US HOLIDAY 2019 REVIEW AND LOOKING AHEAD TO HOLIDAY 2020 PLANNING

Our 2019 Results and What They Mean for Challenges in 2020

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Andrew Lipsman
Contributors Blanca Careaga, Mark Dolliver, Lucy Koch, Cindy Liu, Amy Richards, Yoram Wurmser

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