

# Black Friday 2021 illustrates shifts in consumer behavior and changing retail strategies

Article

**The news:** Black Friday traffic at brick-and mortar retailers dropped 28.3% vs. 2019, according to early data from Sensormatic Solutions. Traffic was up 47.5% from last year,

when COVID-19 concerns reigned supreme and many stores shortened their hours of operation.

- Sensormatic is still predicting Black Friday will have the highest foot traffic of any day this holiday season.

In 2020, COVID-19 was surging when Black Friday hit. After this past weekend's figures, there appears to be cautious optimism around resurging brick and mortar retail.

Last year, 41% planned to shop in-store; this year, that figure was up to 56%.

**Black Friday isn't just for brick and mortar:** Gone are the days when Black Friday was solely a brick-and-mortar affair, as more day-after- Thanksgiving transactions occur online.

- Ecommerce rang up \$8.9 billion in transactions, just under the \$9 billion spent on Black Friday 2020, [per](#) Adobe Analytics data.
- That's significant, as it's the first time Black Friday ecommerce activity dropped year over year.
- Smartphones accounted for 44.4% of Black Friday's digital transactions, a 10.6% increase from Black Friday 2020.
- While smartphone visits to retailer sites accounted for less than half of all transactions, they made up 62.2% of all shopper visits, reinforcing that consumers prefer to browse from mobile devices but complete purchases on desktop devices.

**Zoom out:** Consumers are expected to spend \$448 on average during the five-day period from Thanksgiving to Cyber Monday, [per](#) Deloitte. Though that's 12% more than the same period last year and it tops pre-pandemic spending, it's not known how much of the increase translates into more goods being purchased.

**A shopping holiday in transition:** Part of the drop in in-store traffic compared to 2019 is likely related to more of overall spending moving online.

- Consumers are also spreading their spending over a greater length of time. Part of that reflects supply chain issues and inflation—likely short-term challenges—and consumers becoming more savvy about bargain-hunting wherever those deals may be found.
- Ahead of Black Friday, 63% of holiday shoppers had fallen victim to stockouts. Through Black Friday, out-of-stock messages on ecommerce channels are up 124% compared to pre-

pandemic levels, per Adobe, with appliances and electronics among the most likely categories to be sold out.

- 54% of shoppers are experiencing higher prices than last year and 37% are finding less discounts than last year.
- Regardless of their reasoning, 61% of shoppers had begun buying holiday gifts before Thanksgiving, according to an National Retail Federation study.

**Thanksgiving shopping on the decline:** With retailers such as Best Buy, Walmart, and Target deciding to close their stores for the holiday, in-store traffic dropped 90.4% from Thanksgiving Day 2019.

- While Target has already said this change is permanent, if the retail season is weaker than expected—perhaps if Omicron, the new Covid variant, raises concern levels— some retailers might rethink their Thanksgiving plans.
- Shoppers spent \$5.1 billion in ecommerce transactions on Thanksgiving Day, flat compared with last year, per Adobe—though last year, many weren't taking part in larger holiday gatherings.

**Covid is (still) a thing:** Those NRF projections were made before Omicron, the troubling new Covid-19 variant detected in South Africa, sent markets tumbling on Friday in their largest plunge of the year.

- Sensormatic found that, on the whole, consumers were more likely to flock to stores in regions less concerned with Covid-19. The South's shopper traffic was closest to 2019 levels; the Midwest, West, and Northeast followed, in that order.

While retailers have some reasons for concern, it's not all doom and gloom:

- Adobe is expecting Cyber Monday to be the biggest day for ecommerce this year, delivering \$10.2 billion to \$11.3 billion in sales.
- The NRF projects November and December holiday sales will be 8.5% to 10.5% higher than last year, which, if accurate, would be the greatest year-over-year growth on record.

**The big takeaway:** The holiday season is stretching out and flattening out.

- The data backs that up: In November's first three weeks, US sales rose 10% versus 2020, [per Salesforce](#), with consumers shopping earlier mindful of supply chain challenges and

stockouts.

- There have been 19 days this holiday season with ecommerce activity surpassing \$3 billion, per Adobe; at this point last year, just five days had online sales at that level.
- 70% of consumers told Deloitte that they began holiday shopping before the end of October, compared with 66% in 2020 and 61% in 2019.
- Even if the supply chain isn't an issue in 2022, this elongated holiday season is here to stay. It lets retailers bank sales earlier in the season, and consumers have shown they'll shop whenever the best deals can be found.