

UNBOXING CONSUMER SHOPPING TRENDS FOR CHRISTMAS 2021



By Nabs Awad, Retail Safari Managing Director

2020 saw unprecedented disruptions to shopping and consumption patterns. For Christmas, Australians found new ways to find and buy gifts for loved ones by embracing online shopping to keep the spirit of the season alive.

As we approach Christmas 2021 with the same challenges for retailers from COVID-19 restrictions and lockdowns, questions around what this year has in store for the retail holiday season abound. How has the pandemic changed Christmas shopper behaviour? Will people stay with online shopping? Our 2021 Christmas Shopping Intentions research answers these questions and more. We conducted an online survey with Swinburne's CXI Research Group in August 2021. Here we present the trends retailers, brands and the industry need to be on the lookout for in 2021.

The pandemic and Christmas shopping behaviour

Our holiday survey found the pandemic is causing Australians to change their Christmas shopping habits. 55% of respondents say they're planning to do more purchases online to avoid going into physical stores. While buying from online marketplaces (e.g., Catch, Kogan, Amazon, eBay, etc.) is also a popular option (43%), consumers are also passionate about buying from their local businesses (47%).

Overall, Aussies are feeling more optimistic this year, with 21% of respondents intending to spend more than last year (up from 12%). November is set to be the most popular Christmas shopping month (49%), with a strong surge expected in December (43%, up 8% from 2020).

they are not viewed in isolation anymore – the hybridisation of retail. This looks to be a change that is here to stay. Nonetheless, for holiday shoppers clicks aren't replacing bricks. Physical stores remain a popular option, with 75% of shoppers intending to use an omnichannel approach for Christmas 2021 using physical stores as often as online channels (48% and 52% respectively). The main reason for Australians buying their gifts in-store is the ability to see and touch the product (62%). Even in the middle of a pandemic, touching, feeling and experiencing the product remains important.

HOLIDAY SHOPPING BEHAVIOUR CHANGE IN RELATION TO PRE-COVID-19



CYBER WEEKEND SALES EVENTS

COINCIDE WITH THE MOST POPULAR CHRISTMAS SHOPPING PERIOD



Australian consumers pivot online

With the ongoing pandemic and associated restrictions on travel and shop openings, we expect the consumer shift to online to consolidate this Christmas, with significantly more Australian shoppers planning to use only online stores to conduct their holiday shopping (13%, up 11%). 12% of shoppers plan on using physical stores only, down 4% from 2020. For the first time in six years running this survey, the most popular retail format with holiday shoppers is internet-based retailers such as eBay, Amazon, Kogan, etc. (64%, up from 32% in 2020).

With the hybridisation of retail, bricks-and-mortar stores are not the final destination choice for shoppers; they are now one of many touchpoints along the journey.

With COVID-induced limitations around shopping, most Australians have become comfortable with the concept of moving seamlessly between physical and online channels for their shopping experience. Retail has responded by blurring the lines between physical and online stores, so

Is Black Friday the new Boxing day?

Black Friday and Cyber Monday have seen enormous growth in Australia, with offers extending from online and physical stores pushing consumers to take advantage and start their Christmas spending sooner. Cyber weekend sales events coincide with what is the most popular Christmas shopping period – late November (29% of shoppers).

Australians appear to have fully embraced America's Black Friday and Cyber Monday tradition, with it surpassing all expectations in 2020 according to Australia Post's Dec. 2020 Online Shopping update; November 2020 was the biggest month in Australian online shopping history. During Black Friday and Cyber Monday events in 2021, Australians:

- show a preference for local retailers over overseas retailers;
- are more likely to buy online than in physical stores; and,
- are more likely to buy electronics like home/personal/car electronics, computers, tablets, game consoles, and video games.

Final thoughts

With the rise of online and an unwavering passion for physical store experiences among consumers, retailers and brands that embrace the blur will find themselves increasingly well-positioned to respond to retail's new era of hybridisation, being available anywhere and anytime during the purchase journey.

Tip: Create connection and convenience with a Virtual Product Advisor (VPA)

Online shopping is booming amid widespread lockdowns. To win the holiday shopper during their Christmas purchase journey, retailers and brands need to expand their strategies to include innovative, personalised approaches such as livestreams via Virtual Product Advisors (VPA). VPAs connect virtually with consumers to assist them on their purchase journey, maintaining the human element by bringing the in-store experience online without any loss of consumer engagement.