

FACES

2020

HUMANIZE EVERY CLICK™

FOOD & GOURMET

How and what we eat is greatly influenced by our social structure and the ease and accessibility of procuring food. The boom in ecommerce and technological improvements has allowed many to enjoy specific cuisine with just the click of a button. Here, we will examine and compare various trends in the food and gourmet industry over the pre-holiday and holiday season.

NetElixir™





TIME OF PURCHASE

PRE-HOLIDAY

HOLIDAY

10^{AM} **TOP PERFORMING
HOUR OF THE DAY** **10^{AM}**

Holiday meals for Thanksgiving, Christmas, and New Year's require a bit more planning, as supplies often need to be bought a few days in advance. According to an article published by Insider, the best time to go shopping for grocery items is between Monday and Thursday, early in the morning. Even a trends report shared by Google indicates Tuesday as the best day to purchase all groceries for Thanksgiving. Based on this information, we hypothesized that the best day to purchase food products during this holiday season would be between Monday and Tuesday, and the best time of the day would continue to be in the morning.

The data collected from our accounts proved the hypothesis to be right. The top day of the week during the holiday season has shown a shift from Tuesday (pre-holiday season) to Monday (holiday season). The top visiting hour for websites shifts from 3 pm (pre-holiday season) to 10 am (holiday season), while the top hour for conversions continues to be 10 am. Overall, we can safely say that users like to plan their feasts at least a few days in advance. Offering deals up until two days before important holidays (like the Tuesday before Thanksgiving) will boost your sales.

LATENCY

PRE-HOLIDAY

29
HOURS

TIME FROM THE FIRST WEBSITE
LANDING TO PURCHASE

HOLIDAY

30
HOURS

The food industry works on seasonality, like how demand for products such as bacon, turkey, and ham increases during Thanksgiving; these products are therefore expected to sell out faster. It is also the time of the year when most brands offer deals on their products. Combining high demand and favorable prices leads to a faster sellout.

Seeing this, we assumed that the trend of a lower latency period could be expected this holiday season as well. However, the data seems to tell a different story!

The slight increase in the latency period could be attributed to a user's tendency to look for good deals during the holiday season. Deloitte's 2019 Holiday Retail Survey also supported the trend of users giving higher preference to the price and deal factor.



WEBSITE LANDINGS

PRE-HOLIDAY

HOLIDAY

5 PRIOR TO PURCHASE 4

Consumers tend to browse a website during a sale period looking for inspiration (Deloitte 2019 Holiday Retail Survey); however, food is generally purchased based on requirement, making seasonality a huge factor within the industry. During the holiday season, people generally have a few staples: Burgers' Smokehouse, for example, typically sells more turkey and ham during the holiday season and ham and bacon during Easter. In relying on traditional dishes, businesses emphasize their highest selling products, which means consumers do not have to research as much. Thus, we hypothesized that there would be fewer website visits before a purchase was made. There was almost a 20% dip in the number of pages visited before making a purchase between the pre-holiday and holiday season.

DEVICE LEVEL INSIGHTS

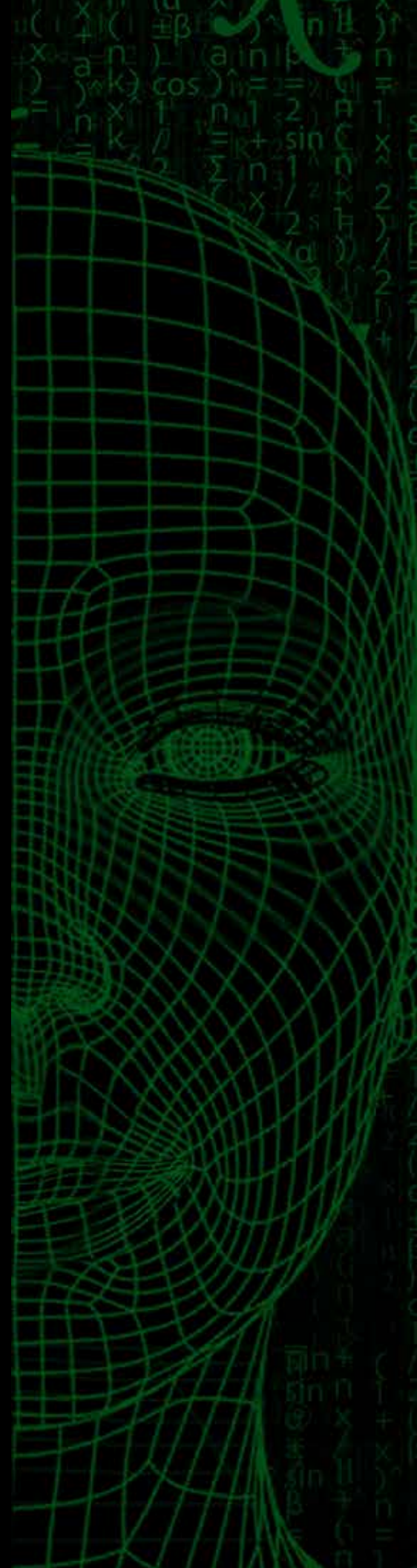
PRE-HOLIDAY

HOLIDAY

10% FIRST VISITS ON MOBILE **13%**

With growing competition in the ecommerce industry, many consumers are relying on convenience as one of their deciding factors when purchasing. The primary audience for the food and gourmet industry falls in the 55+ years age range. Recent data shows a growing adoption of smartphones among older users, averaging about a 20% growth among those aged 65+ years (Statista). Considering these trends in the market, we have hypothesized that we will see a higher usage of mobile phones during this holiday season. The data showed us the same. This holiday season, the primary audience continued to be users aged 55+ and we saw a growth of 26% in the use of mobile devices in beginning their purchase journey and a growth of 36% in users who purchased through their mobile device.

The food industry functions on a seasonal basis. A typical high-value consumer looks for the best discounts and purchases from brands that offer quality deals at reasonable prices, so we can see a fall in consumer loyalty toward brands. They ultimately spend additional time looking for the best deals because they often know exactly what product they intend to buy. Marketers should be careful to word their offers in a deliciously attractive way to entreat their customers.





CART SIZE AND COMPOSITION

PRE-HOLIDAY

HOLIDAY

\$113 AVERAGE ORDER VALUE (AOV) OF CART **\$109**

Retailers sweetened the pot throughout 2019 by offering reduced or free shipping, often for a limited period.

When there is a minimum cart value for free shipping, people tend to buy more in a single order to reach that quota. Free shipping as an offer itself allows consumers to buy however much (or however little) they desire, so they tend to purchase products they only need at the moment. That, in turn, affects AOV and number of items purchased in a single order, as reflected by the data we gathered.

We hypothesized that people may make multiple purchases, given the holiday deals and tendency of impulse purchases in the online shopping scenario.

However, the data indicates something different: instead of making multiple purchases, people bought fewer items (from 1.35 pre-holiday to 1.28 during the holiday season) and less often (from 2.03 orders per user to 2 orders per user). Surprisingly, we see the same trend in other industries as well. For the food and gourmet industry, we also see a dip in the AOV (from \$112.80 pre-holiday to \$106.90 during the holiday season).

We do see a general trend of higher AOV compared to 2018, both pre-holiday (about 51% higher) and during the holiday season (about 37% higher). This seems to be a general trend regardless of the industry, meaning it could be considered a result of more people getting accustomed to researching and purchasing online. In Deloitte's 2019 Holiday Retail Survey, 59% (vs. 46% in 2017) of respondents mentioned they will be shopping online this holiday season (2019).

REFERENCES:

<https://www.insider.com/best-time-to-go-grocery-shopping-...>
<https://www.cnbc.com/2019/11/16/best-and-worst-times-to-dr...>
<https://googletrends.github.io/mappingthanksgiving2019/>
<https://www.statista.com/statistics/489255/percentage-of-us...>
<https://www.pewresearch.org/global/2019/02/05/in-emerg...>
<https://www.pewresearch.org/internet/2017/05/17/technolo...>
<https://www.sciencedirect.com/science/article/abs/pii/S027...>
<https://www.digitalcommerce360.com/2019/12/16/top-e-reta...>
<https://repository.ihu.edu.gr/xmlui/bitstream/handle/11544/2...>
https://www.researchgate.net/publication/4780944_The_...
<https://marketingland.com/e-commerce-report-9-10-consum...>
<https://www2.deloitte.com/content/dam/insights/us/articles/...>

NetElixir™

 **DIGITAL MARKETING FOR RETAILERS**
PAID SEARCH • SHOPPING • SEO • PAID SOCIAL
ANALYTICS • AMAZON ADS • MARTECH

netelixir.com • 609.356.5112

