

FACES

2020

HUMANIZE EVERY CLICK™

GIFTING

Our community of internet citizens is ever-expanding, resulting in tremendous growth over the past decade in online shopping. An up-and-coming retail category is online gifting because people express their love through gift-giving, especially during the holiday season. While brick-and-mortar retail stores provide a tangibility factor when considering gifts, ecommerce sites offer convenience, as well as a wide selection of inexpensive and customizable gifts. These factors are making ecommerce sites a more favored gifting option. To help, we have highlighted the trends we've seen in the gifting industry in 2019.

NetElixir™





LATENCY

PRE-HOLIDAY

96
HOURS

TIME FROM THE FIRST WEBSITE
LANDING TO PURCHASE

HOLIDAY

60
HOURS

When it comes to online shopping, people tend to visit a site multiple times before making an actual purchase as opposed to physical stores, where shoppers more often make a purchase on their first visit. The behavior during the pre-holiday and holiday season is expected to be different, as shoppers don't want to miss out on the deals offered during the holiday season and complete a purchase faster than usual. Because marketers create a sense of urgency through limited-time offers, visitors come back to a site within a few days of their first visit. For the gifting industry, our data shows that users take 37% less time between their first website visit and final purchase. Latency during the pre-holiday season was 4 days and dropped to 2 days and 12 hours during the holiday season.

The sense of urgency also mitigated the number of website visits the shopper made before purchase: pre-holiday visits were numbered at 11, while holiday visits dropped to 8 times.

TIME OF PURCHASE

PRE-HOLIDAY

HOLIDAY

3PM **TOP PERFORMING
HOUR OF THE DAY** **5PM**

The top hour of purchase helps marketers make the best of peak hours to truly capture a customer's attention.

Shoppers tend to buy more during their leisure time, as they also take time to sift through a wide variety of products to pick the best one for a special occasion or someone. During the holiday season, the top visiting hour was 2 pm and top hour of purchase was 5 pm, suggesting that people browsed during office hours, but made a purchase at home after further consideration and possible input from friends and family. During the pre-holiday season, the top visiting hour was 2 pm and top hour of purchase was 3 pm. As buyers don't necessarily need "the perfect gift" just yet, their decision is largely self-made with less evaluation time.





CART SIZE AND COMPOSITION

PRE-HOLIDAY

HOLIDAY

\$60 AVERAGE ORDER VALUE (AOV) OF CART **\$58**

Discounts during the holiday season result in lower prices than normal for some items in order to attract more customers. Offers like free shipping contribute to a lower AOV because there is no cart quota to meet. The AOV dropped 3% during the holiday season, as compared to the pre-holiday data.

The number of items purchased in one order also dropped marginally, again theoretically linked to offers of free shipping that allow customers to buy however much or little they desire. The average cart size of the pre-holiday season stood at 3.69 items, which fell to 3.46 items during the holiday season.

DEVICE LEVEL INSIGHTS

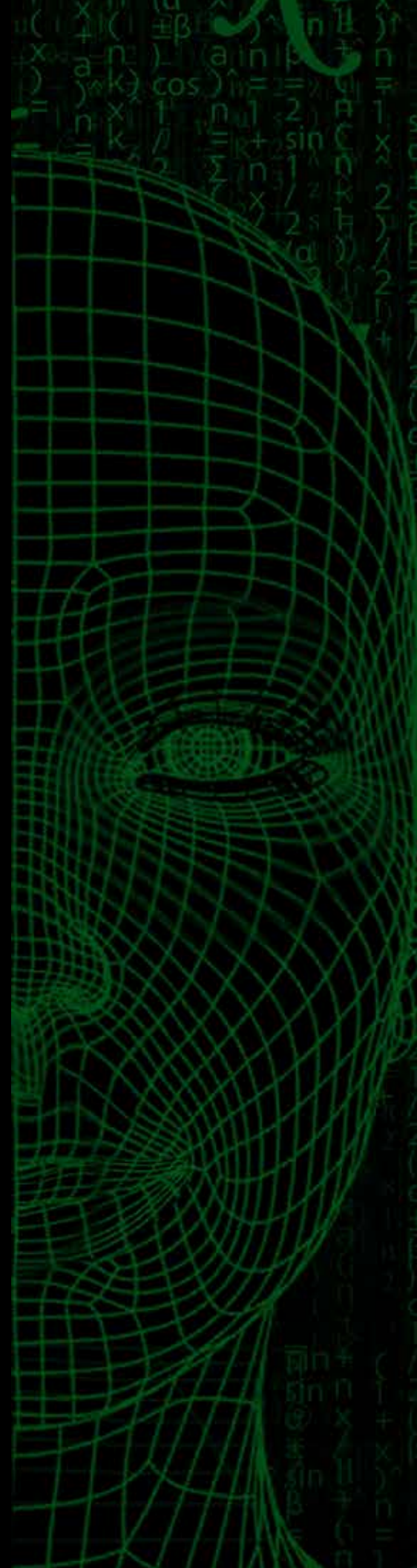
PRE-HOLIDAY

HOLIDAY

28% FIRST VISITS ON MOBILE **38%**

With the proliferation of mobile devices, the way people shop has changed. Smartphone culture has made searches for anything you can think of just a click away. Mobile phones have made it easier and more convenient for shoppers to search and explore, compare prices, and choose the best of the lot online. Concepts like showrooming and webrooming emerged with the rise of smartphones. For instance, take a customer named Tim, who, while visiting a retail store for gifts for his wife, finds a set of mugs. He then searches “mugs for gifting” on his phone and finds gifts.com - an online gifting site - offering a sale on personalized mugs. Because of the deal and the ability to add his wife’s name in her favorite cursive font, Tim places an order for personalized mugs. Scenarios like these lead to a rise in mobile visits to websites.

After analyzing the data, we found that the number of first visits from mobile devices increased by 38% during the holiday season compared to the pre-holiday season. The number of purchases on mobile devices also increased, from 31% during the pre-holiday season to 36% during the holiday season. Both increases can be attributed to the convenience of using a mobile phone.



Aligning your marketing strategies with these industry insights and trends can present you with an outstanding ROI in 2020.

REFERENCES:

<https://hackernoon.com/what-is-online-gifting-and-how-this-market-it-disrupted-by-new-tech-itw3zyb>

<https://www.thestatesman.com/business/2019-trends-watch-online-gifting-industry-1502757499.html>

NetElixir™

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

netelixir.com • 609.356.5112