



Black Friday Consumer Sentiment 2023—What to expect

Perspective across US, Canada, Australia, Germany, UK, Poland, Switzerland

NOVEMBER 2023

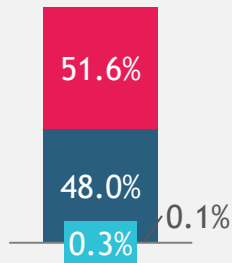
We surveyed ~7,066 consumers across seven markets

Please note:
When we say "global" in the subsequent analyses, we refer to the weighted average of the participating countries based on population



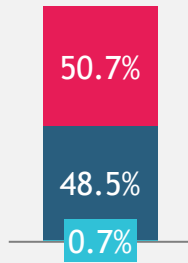
US

N = 1,008



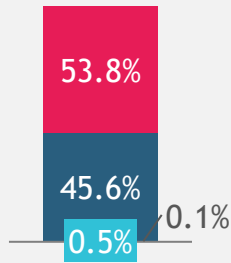
Canada

N = 1,017



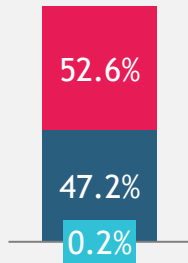
Australia

N = 1,007



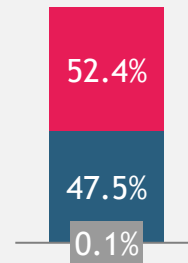
Germany

N = 1,010



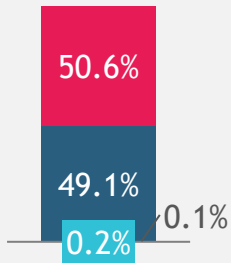
UK

N = 1,011



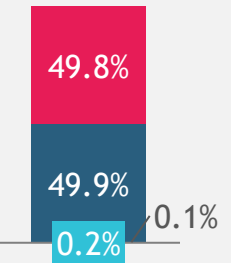
Poland

N = 1,011



Switzerland

N = 1,002



Gen Z
(16-24 years)

12.1%

12.4%

11.0%

11.2%

14.0%

18.2%

9.9%

Millennials
(25-40 years)

28.2%

27.7%

28.1%

25.5%

27.4%

35.8%

31.2%

Gen X
(41-56 years)

29.2%

32.2%

29.7%

32.8%

30.8%

26.0%

30.9%

Boomers
(57+ years)

30.6%

37.7%

31.2%

30.5%

27.8%

20.0%

27.9%

Note: Rounding differences may occur; N = weighted according to population

Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland and Switzerland)

Female Male Diverse Prefer not to answer

Black Friday consumer sentiment 2023: Key insights



Impact of cost-of-living crisis

Consumer sentiment remains muted as inflation, recession, and wars continue; non-essentials have seen a cut in spend and discount hunting is becoming popular



Penetration of sales events

Black Friday is an omni-presently known part of the shopping calendar, with ~70% planning to shop; Single's Day is becoming more popular beyond China with ~25% knowing the event



Expected spending

As consumers hunt for bargains to save money, we expect an average spend around November sales events of ~US\$410 globally, marking a 3-22% increase vs. 2022 depending on the country



Category preferences

"Silent night" for Christmas/holiday sales? 68% of consumers intend to bag gifts next to stocking up essentials; clothing & electronics most wanted but the latter is seeing a decline



Deal expectations

>60% of consumers favor clear "discounts on everything" over flash sales or bundle deals to bring financial relief; deals should grant at least ~30% discount across categories to entice purchases



Shopping journeys

"It's never too early": >60% of consumers start looking for deals no later than early November; most consumers plan to shop on- & offline, whilst there is no way beyond online marketplaces



Impact of cost-of-living crisis



Consumer sentiment with slight variations across countries in scope—in general, geopolitical concerns outweigh personal concerns



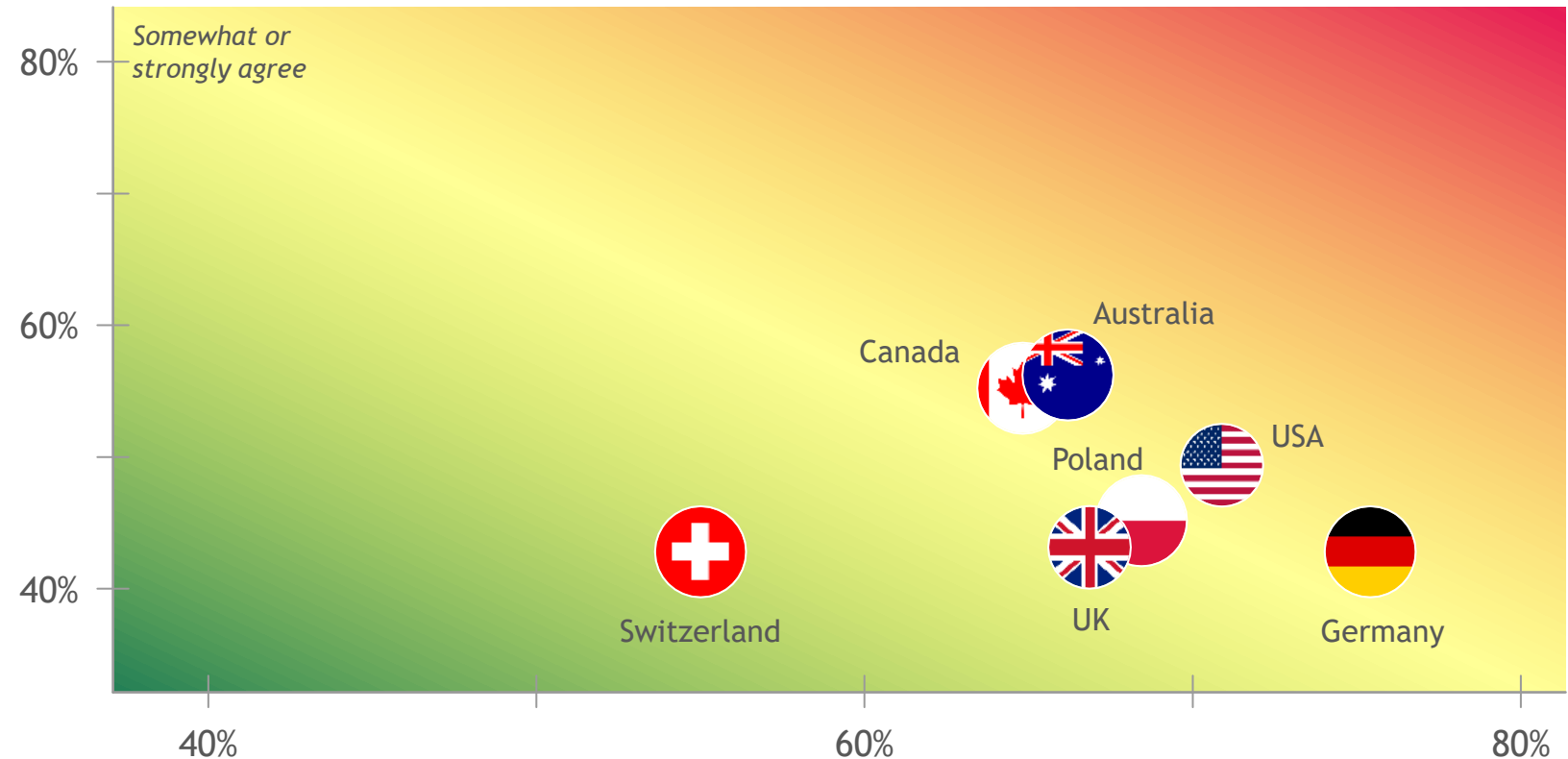
Micro-concerns Personal

I am concerned about the recent price increase for essentials (e.g., food, energy)

I am worried that many companies will go bankrupt and I will lose my job

I have difficulties in affording my household expenses (e.g., utilities, rent, food)

I am spending my savings on day-to-day expenses



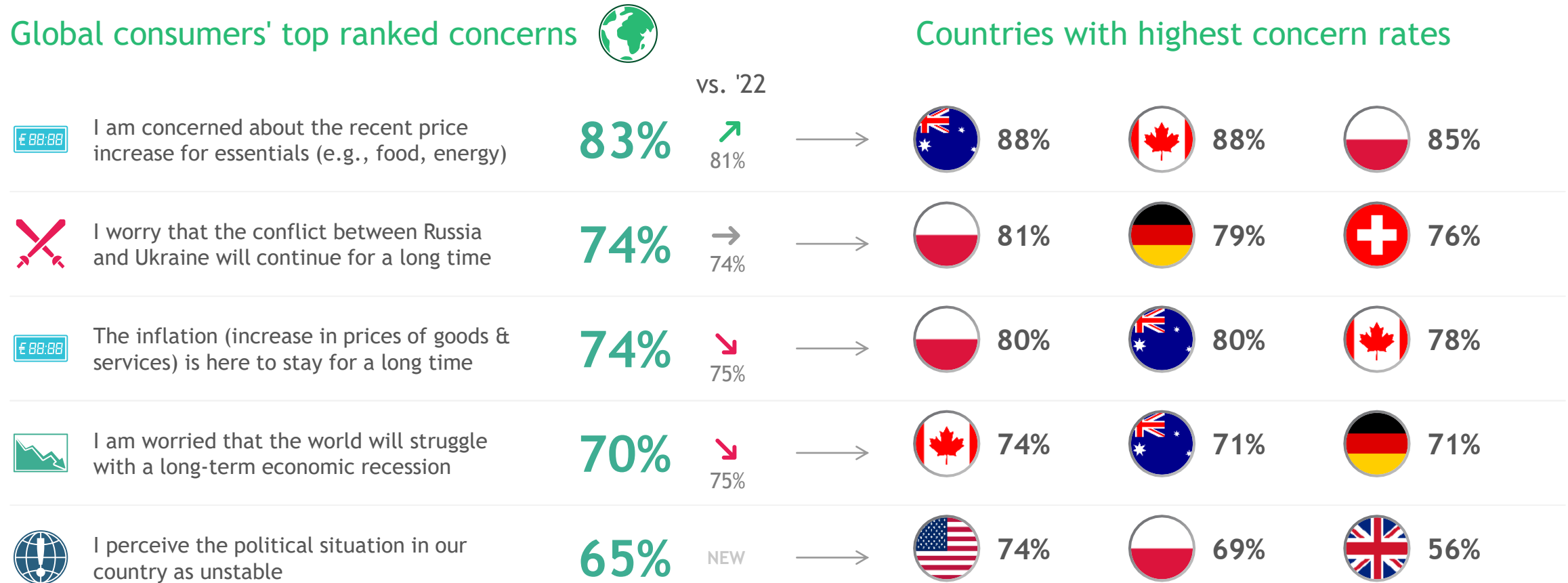
Macro-concerns Geopolitical

I worry that the conflict between Russia and Ukraine will continue for a long time
I am worried that we will struggle with a long-term economic recession in our country
I perceive the political situation in our country as unstable

Note: Question text "Our world is currently in a state of crisis for multiple reasons such as inflation, cost of living crisis, and ongoing wars. We want to understand how you feel about the impact of these events on your life. How much do you agree with each of the following statements?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Around 3/4 of consumers worldwide are concerned about inflation and increasing prices for essentials—Poland and Australia with highest concern rates



Note: Question text "Our world is currently in a state of crisis for multiple reasons such as inflation, cost of living crisis, and ongoing wars. We want to understand how you feel about the impact of these events on your life. How much do you agree with each of the following statements?", i.e., share of respondents who strongly/somewhat agree to these statements; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Responding to inflation, consumers change their buying habits

Trading down

43%

buy more at discounters or value retailers

34%

choose more affordable brands

30%

buy more private labels

22%

buy more secondhand

23%

buy lower quality products

Buying less

52%

cut back on non-essential purchases

50%

go out less to save money

19%

buy fewer items but higher quality

4%

Lease or rent big-ticket items

Increasing price focus

49%

check prices more often (e.g., flyers, price comparison websites)

41%

buy more based on deals/ promotions

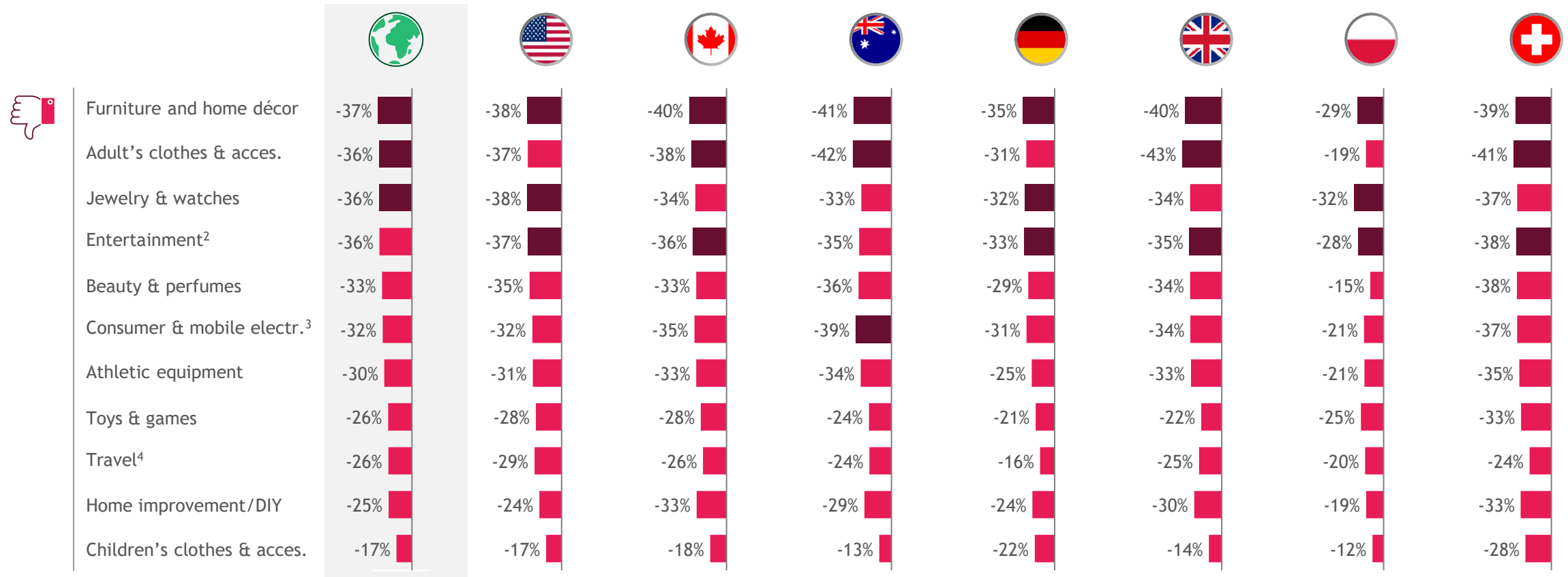
Note: Question text: "Below is a list of changes that consumers have been making in the past 3 months to the way they buy, shop or save to cope with the increase in prices for goods and services. Indicate if this is a change in behavior that you have made yourself. Select all that apply."

BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Across countries, most consumers changed their spending patterns due to cost-of-living crisis—mostly saving on furniture, clothing and jewelry

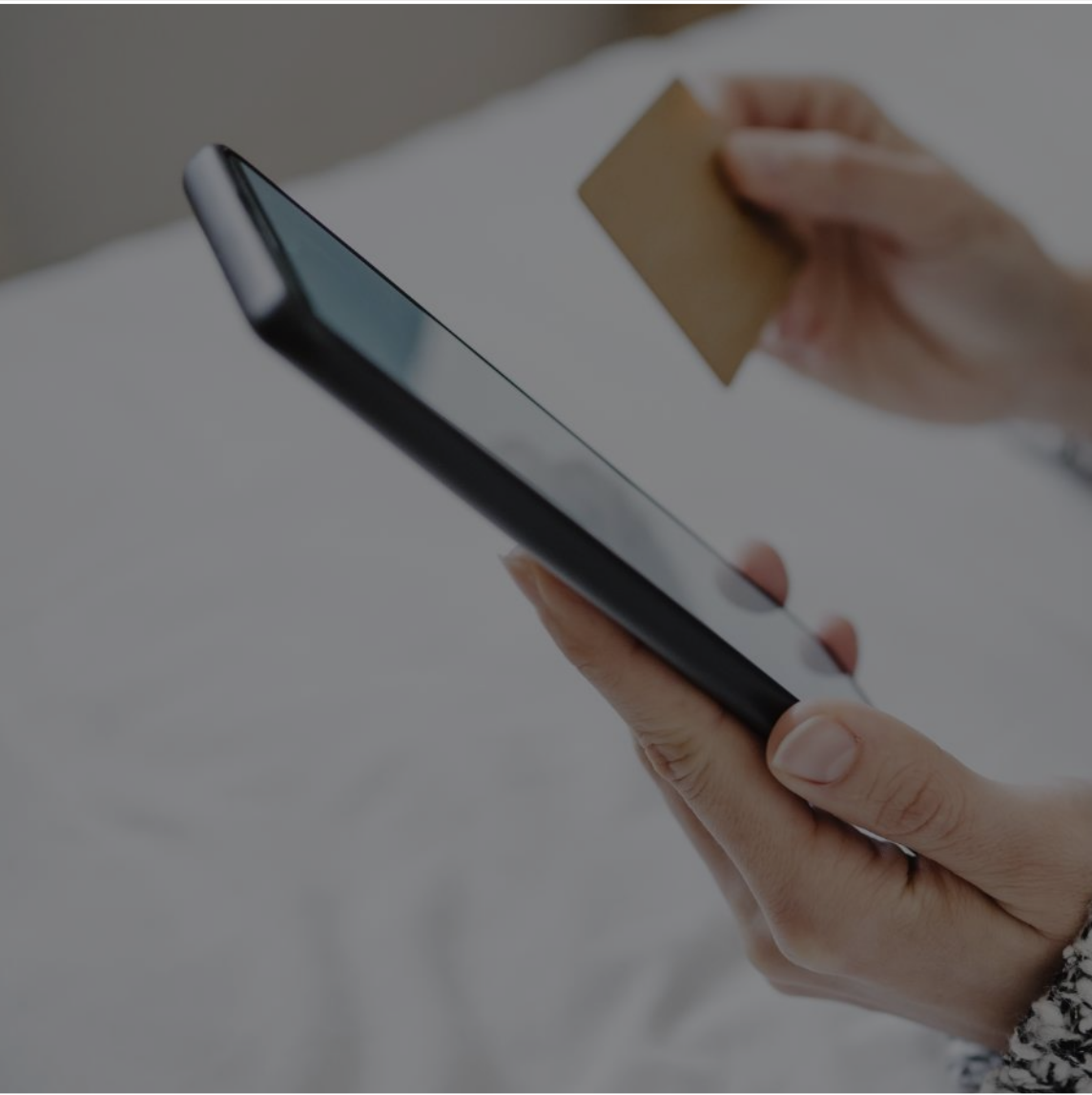
Net change in exp. spend in the last six months¹ across categories and different countries



1. % net change in spend calculated as difference between much/somewhat more spend and much/somewhat less spend in the last six months; 2. e.g., concert/musical/theatre tickets; 3. e.g., TV, household appliances, smartphone; 4. e.g., hotel/apartment stay, flight, cruise ship;

Note: Question text "How has your spending pattern across various categories changed, if at all, in the last six months?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

■ Top 3 categories with biggest negative trend



Penetration of sales events



Potential to increase awareness to conversion, still almost 70% of consumers plan to go on a bargain hunt in 2023



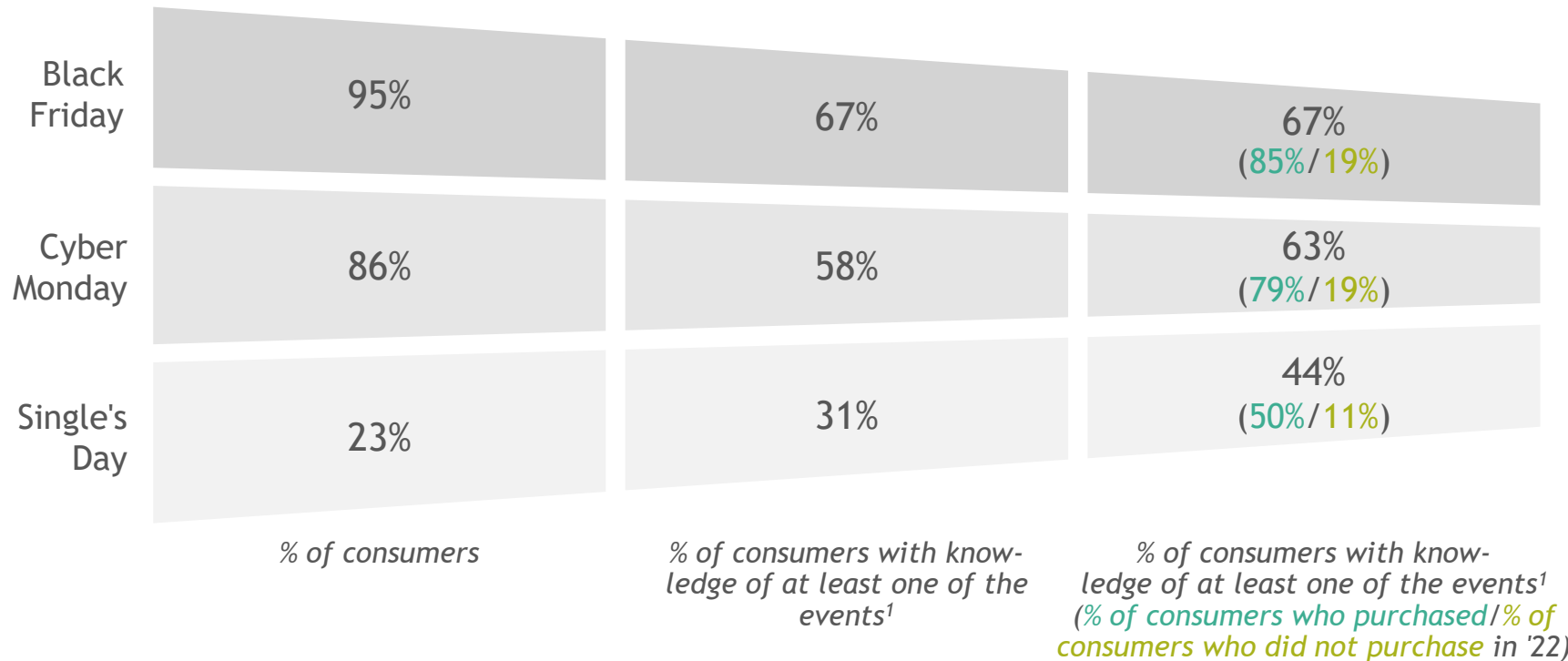
Awareness¹



Purchased in '22



Plan to purchase in '23



Across countries, there is a substantially stronger awareness of Black Friday (95%) and Cyber Monday (87%), while Single's Day is still a novelty with 24%

Significant shares of last year's buyers do not plan to shop again this year for the three events (15%/21%/50%)—thus, retailers need to convince shoppers who are accustomed to seek bargains year-round

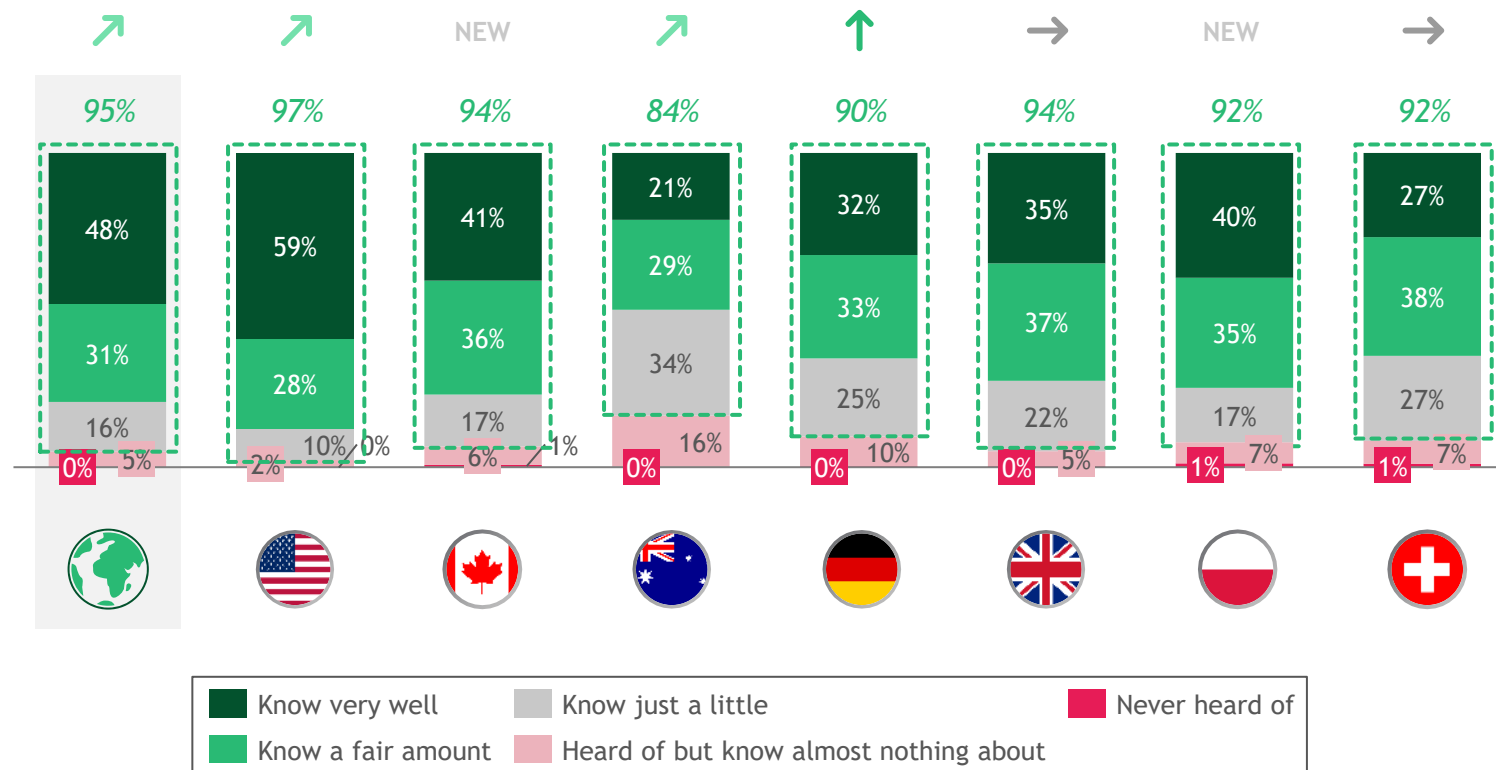
To increase the conversion rate beyond the 19%/19%/11% of first-time buyers in '23, consumers should be further convinced of all sales events

1. Answers "know very well", "know a fair amount", "know just a little bit"; Note: Question text "How well do you feel you know the following shopping events: Black Friday/Cyber Monday/Single's Day?" and "Which, if any, of the following statements best describe your actions with regards to the respective shopping event last year (in 2022)?" and "Will you be shopping through the respective shopping event being held in November 2023?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Black Friday has become an integral part of the global shopping calendar, ~95% of consumers know it

Knowledge of Black Friday (% of consumers)



1. Changes of Top-3-Box; Note: Question text "How well do you feel you know the following shopping events: Black Friday?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

↑ Increase vs. '22 (>=5ppt)¹
 ↗ Slight increase vs. '22 (2-4ppt)¹
 → Flat vs. '22 (+/-1ppt)¹
 ↘ Slight decrease vs. '22 (2-4ppt)¹
 ↓ Decrease vs. '22 (>=5ppt)¹

While already being at a high level, awareness for Black Friday has further increased since last year in Australia and Germany

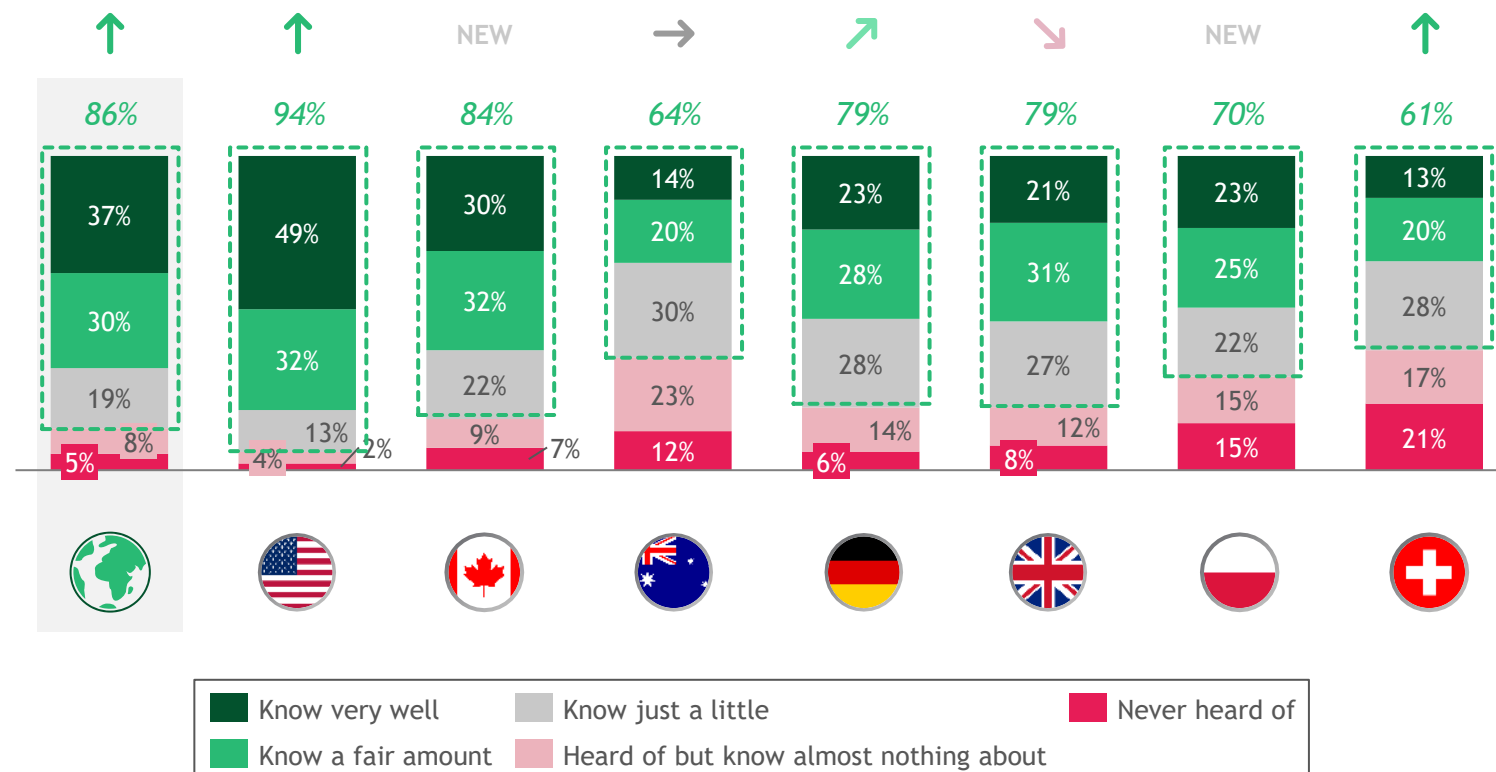
US, Canadian and Polish consumers have the most profound knowledge across markets ("know very well", "know fair amount")

However, there is still room to further educate consumers about the event to increase its popularity—especially in Australia, Germany and Switzerland



Cyber Monday has not yet reached the same level of knowledge, ~15% of consumers don't know about it

Knowledge of Cyber Monday (% of consumers)



Good knowledge of **Cyber Monday** ("know very well" and "know a fair amount"), has **increased significantly** across markets (+10ppt from 2022)

Similar to Black Friday, **consumers in the US have the most profound knowledge** of the event, followed by Canada, UK and Germany

Switzerland is still lagging: 38% of consumers know very little to nothing about the event—thus, showing significant headroom to promote the event

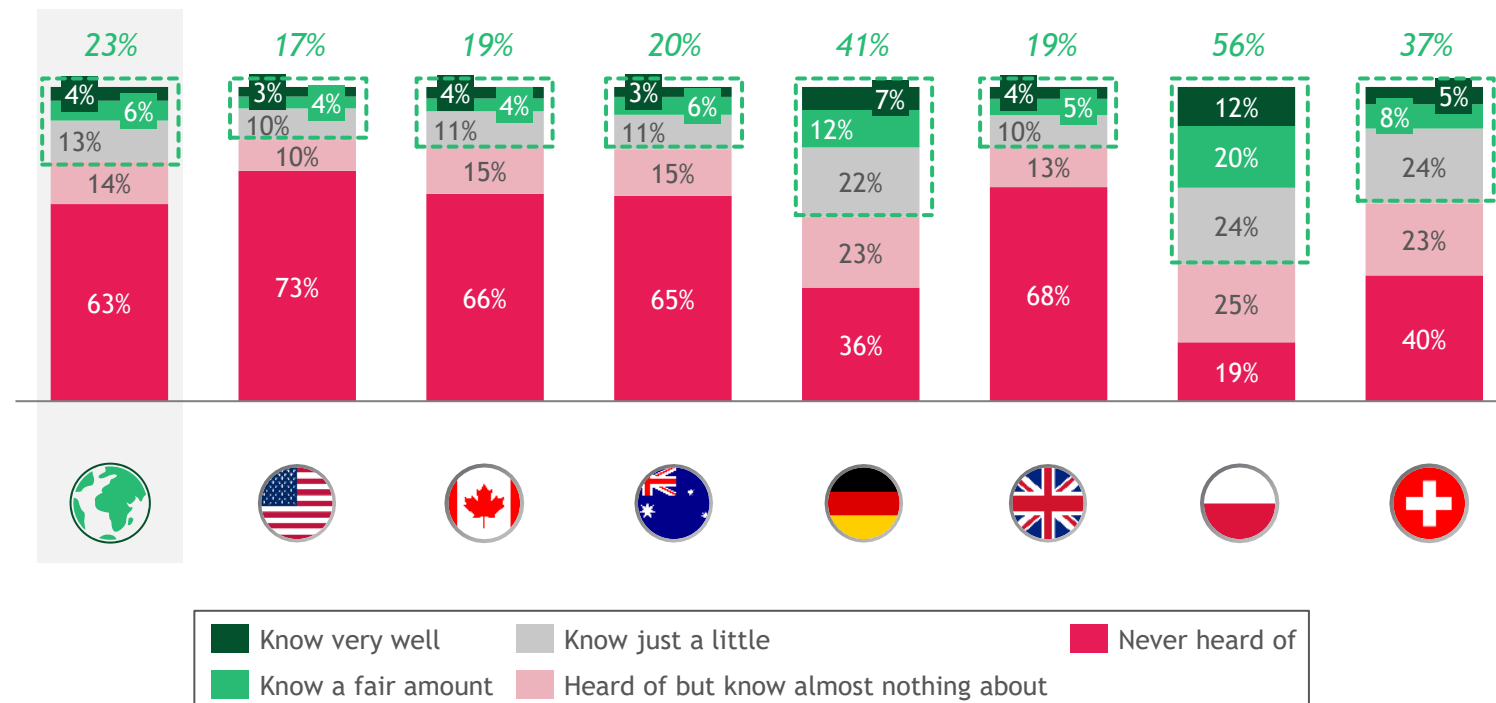
1. Changes of Top-3-Box; Note: Question text "How well do you feel you know the following shopping events: Cyber Monday?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

↑ Increase vs. '22 (>=5ppt)¹
 ↗ Slight increase vs. '22 (2-4ppt)¹
 → Flat vs. '22 (+/-1ppt)¹
 ↘ Slight decrease vs. '22 (2-4ppt)¹
 ↓ Decrease vs. '22 (>=5ppt)¹



Single's Day is no longer purely a China event; it's going global—known by over 40% of Poles and Germans

Knowledge of Single's Day (% of consumers)



Note: Question text "How well do you feel you know the following shopping events: Single's Day?";
 Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

European markets (Poland, Germany, Switzerland) lead the way in terms of awareness of the event, with >60% of consumers heard of Single's Day

Retailers increasingly strategically leverage the event, mirroring the trend seen with pre-Black Friday promotions

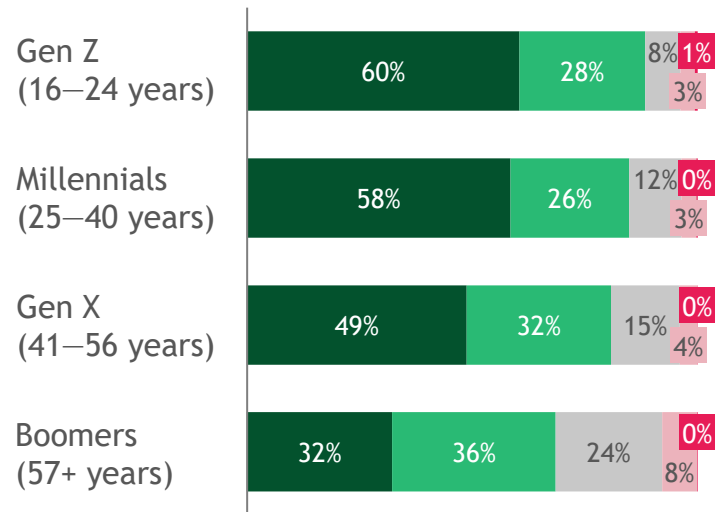
Overall, retailers still have significant headroom to educate on Single's Day and promote the event, embracing singlehood in marketing efforts



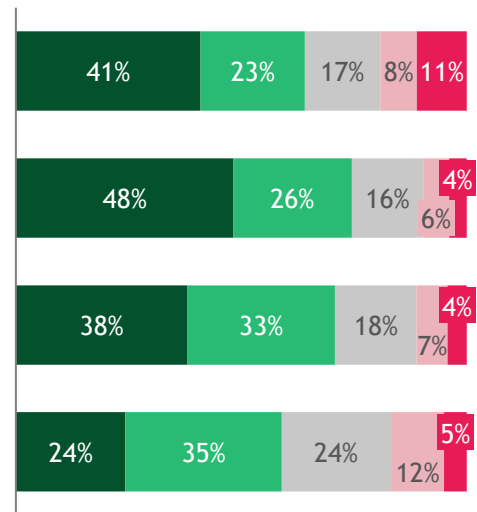
Sales events are most popular among younger generations, with potential to further target older audiences



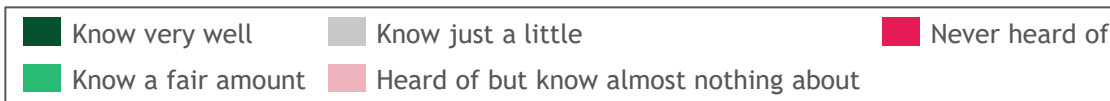
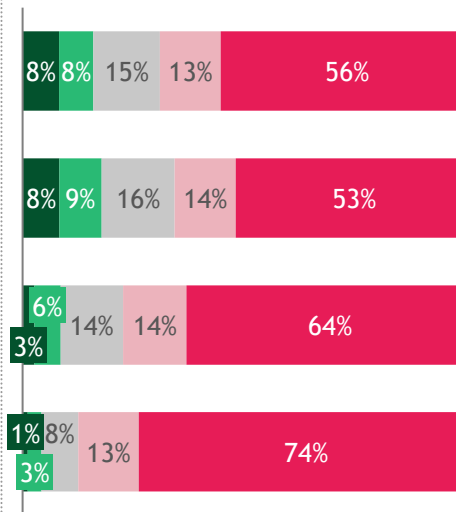
Knowledge of Black Friday (% of consumers)



Knowledge of Cyber Monday (% of consumers)



Knowledge of Single's Day (% of consumers)



Note: Question text "How well do you feel you know the following shopping events: Black Friday/Cyber Monday/Single's Day?";
 Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

All three shopping events are more popular among younger generations

While Gen Z leads regarding knowledge on Black Friday, the awareness for Cyber Monday and Single's Day is highest among Millennials

Even Gen X and Boomers have a solid knowledge about Black Friday & Cyber Monday (>80% being aware of the events), still with room to further educate and target this population group

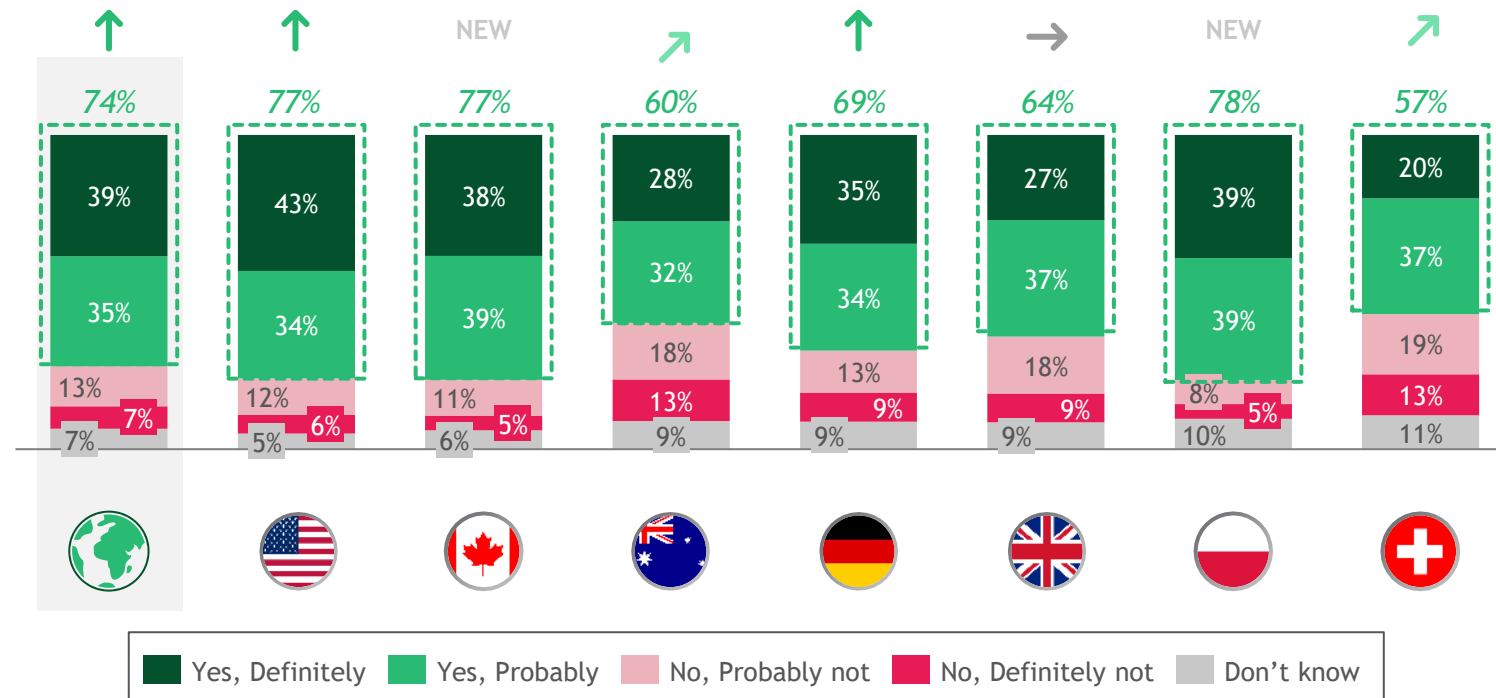
Targeted advertisement could be realized by:

- Promoting in-store offers and store pick-up (BOPIS)
- Hosting exclusive loyalty member events
- Utilizing online/in-app ads for store revisit prompts



>70% of consumers plan to shop on Black Friday, Cyber Monday or Single's Day this year

Shopping intentions for 2023 November sales events (% of consumers aware of Black Friday, Cyber Monday or Single's Day)



1. Changes of Top-3-Box; Note: Question text "Will you be shopping through the Black Friday/Cyber Monday/Single's Day shopping events being held in late November in 2023?"; Asked to all respondents who know about Black Friday/Cyber Monday /Single's Day (n = 7,022); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

↑ Increase vs. '22 (>=5ppt)¹
 ↗ Slight increase vs. '22 (2-4ppt)¹
 → Flat vs. '22 (+/-1ppt)¹
 ↘ Slight decrease vs. '22 (2-4ppt)¹
 ↓ Decrease vs. '22 (>=5ppt)¹

Globally, **74%** of consumers aware of November sales events **intend to shop** this year (+7ppt from 2022)

Also, **39%** are **fully decisive to buy**, **11ppt more than in 2022**, but still indicating room for targeted, conversion driving campaigns, e.g.,

- Build anticipation with a countdown
- Inspire with personalized deals
- Showcase planned deals in-store

In line with high awareness, **Poles are expected to shop the most**, even more than US and Canadian consumers

Australia and Switzerland with lowest intent to shop during November sales events this year—still above 50% of consumers

The **share of undecided consumers stayed at low level of 7% globally**—corresponding to the fact that **41%** of consumers seek to buy more on discounts as inflationary pressure increases

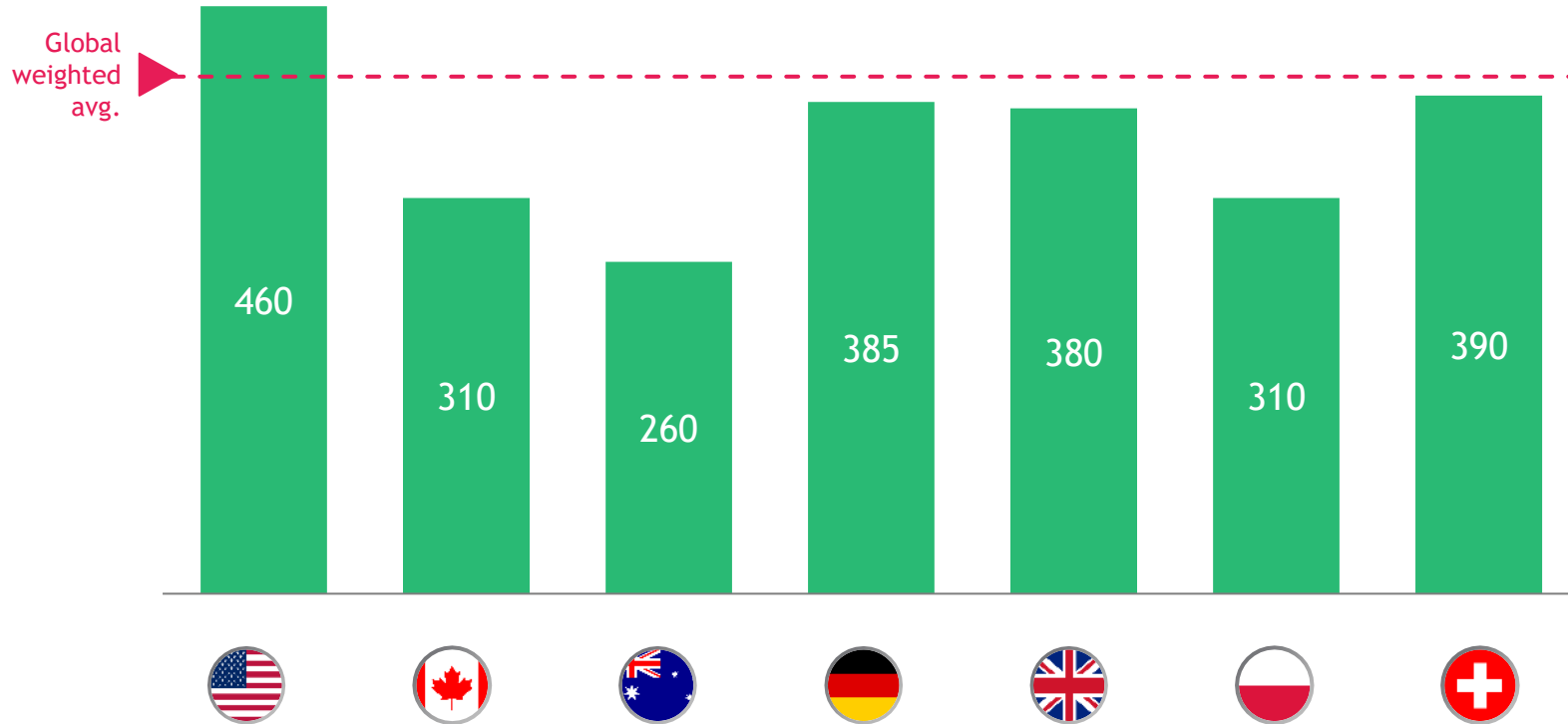
A photograph of a person's lower body and hands. The person is wearing black leggings and light-colored high-heeled shoes. They are holding three shopping bags: one brown paper bag and two black paper bags. The background is a plain, light-colored wall and a wooden floor. The image is partially overlaid by a green semi-transparent rectangle on the right side.

Expected
spending



Consumers plan to spend ~US\$410 on avg., US leading with ~US\$460, Australia lagging behind

Avg. planned spend for 2023 November sales events
(for consumers intending to shop, in US\$¹)



1. Exchange rate based on OECD Q3, 2023; Note: Question text "How much are you planning to spend through either Black Friday/Cyber Monday/Single's Day shopping events this year?"; Asked to all respondents who will probably/definitely shop in 2023 (n = 5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

Expected positive trend across countries

Change in planned avg. spend '23 vs. '22



+3%



New in 2023



+14%



+22%



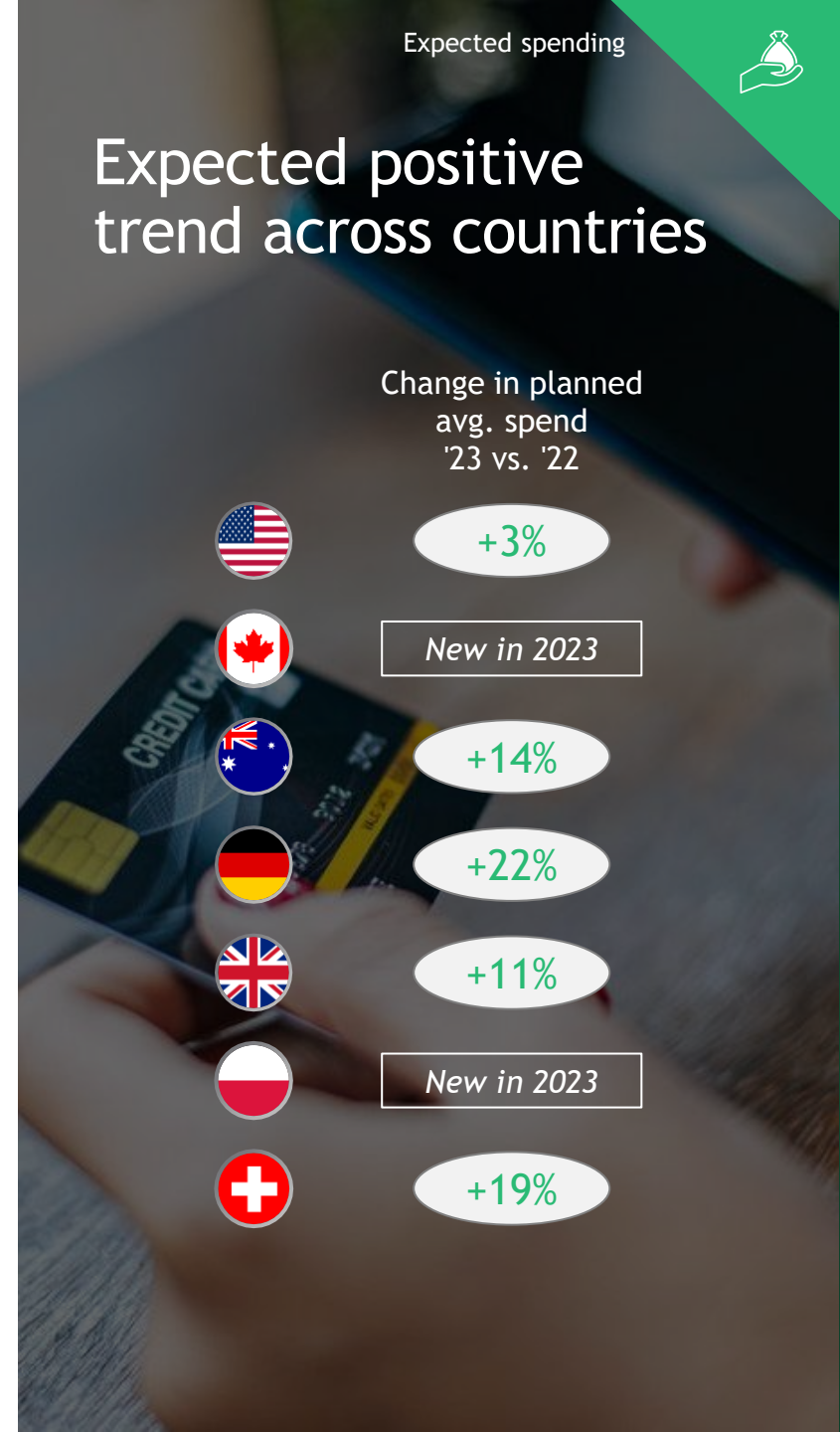
+11%



New in 2023



+19%



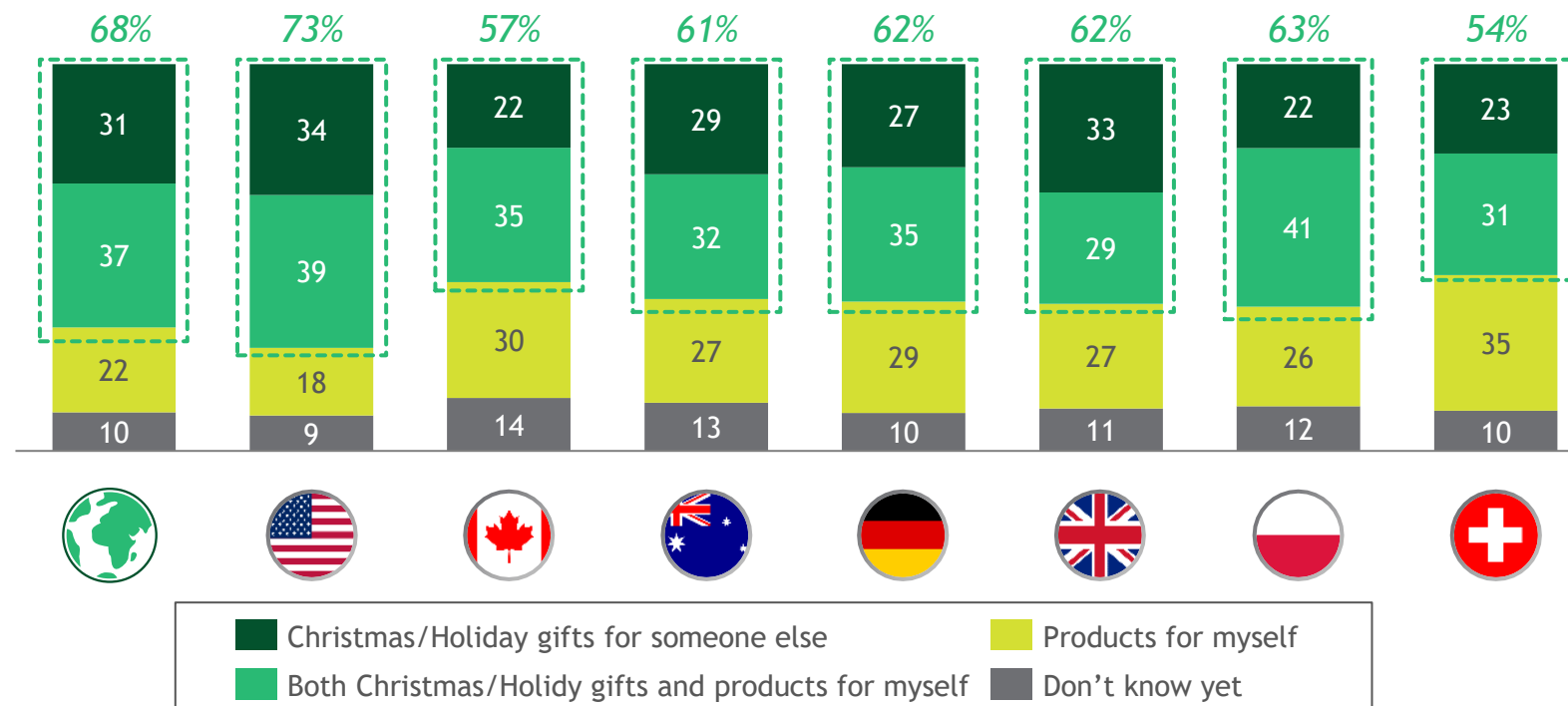


Category preferences



Christmas comes early this year—we expect to see consumers stocking up on a mix of gifts and essentials

Primarily purchase reason during Black Friday/Cyber Monday/Single's Day
(% of consumers intending to shop in 2023)



68%
of shoppers plan to buy Christmas/holiday gifts during sales events

Globally, **26%** say they will use sales events even more than last year to stock up Christmas/Holiday gifts

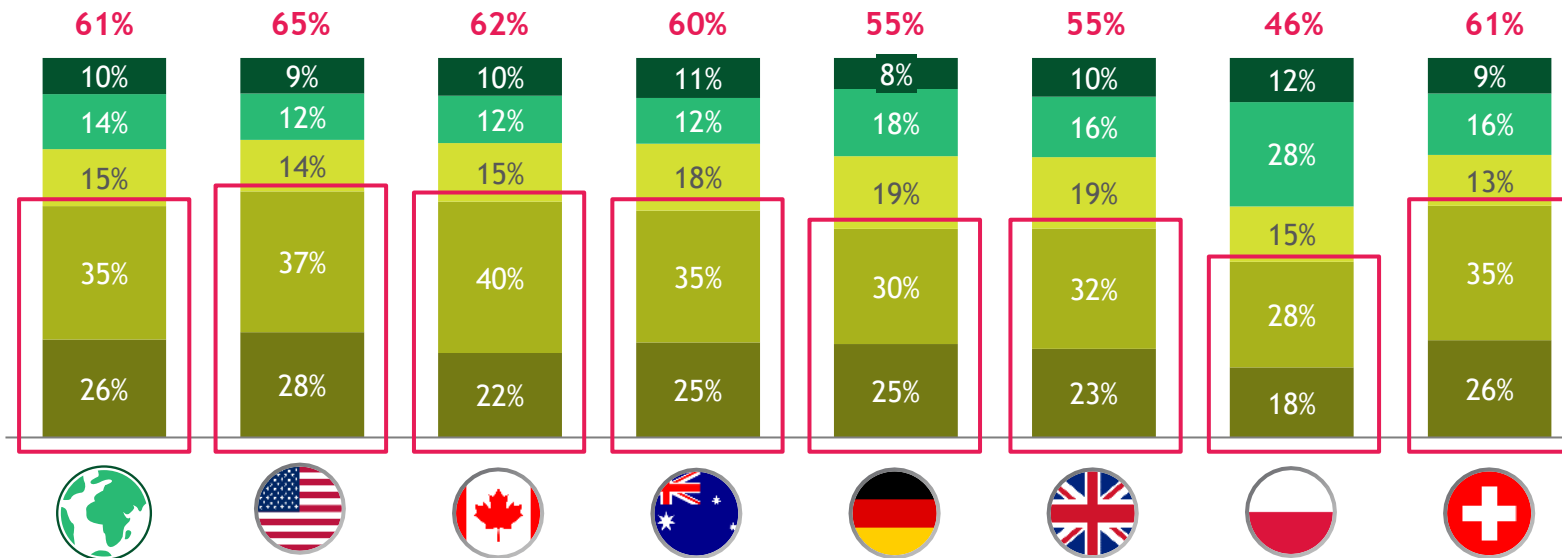
This corresponds to a positive **net change¹ of +3ppt vs. 2022**

1. %ppt net change in spend calculated as difference between much/somewhat more spend and much/somewhat less spend compared to 2022; Note: Question text "Are you planning to shop during Black Friday/Cyber Monday/Single's Day shopping events primarily for Christmas gifts, personal items, or both?" "Thinking specifically about any Christmas shopping you may do this year, to what extent do you expect to use Black Friday/Cyber Monday/Single's Day to do this shopping compared to previous years?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



This year, sales events will mostly be leveraged to fulfill basic needs and less for premium treats

Avg. budget per price category and country during November sales events
(% of consumers intending to shop in 2023)



- Luxury or high-end items
- High-price segment items, to leverage discount
- Expensive items that I've been saving up for
- Basic or essential products I need anyways
- Low price products because I don't want to spend a lot of money

Note: Question text "Allocate 100 points across the below options to reflect the budget you are planning to spend per category during Back Friday/Cyber Monday/Single's Day shopping events this year." Asked to all respondents who will probably/definitely shop in 2023, excluding those who "don't know yet" (n = 4,047); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

Across countries, consumers tend to buy low-cost or **cost-effective value products** during November sales events to cover their basic needs in times of inflation and crisis

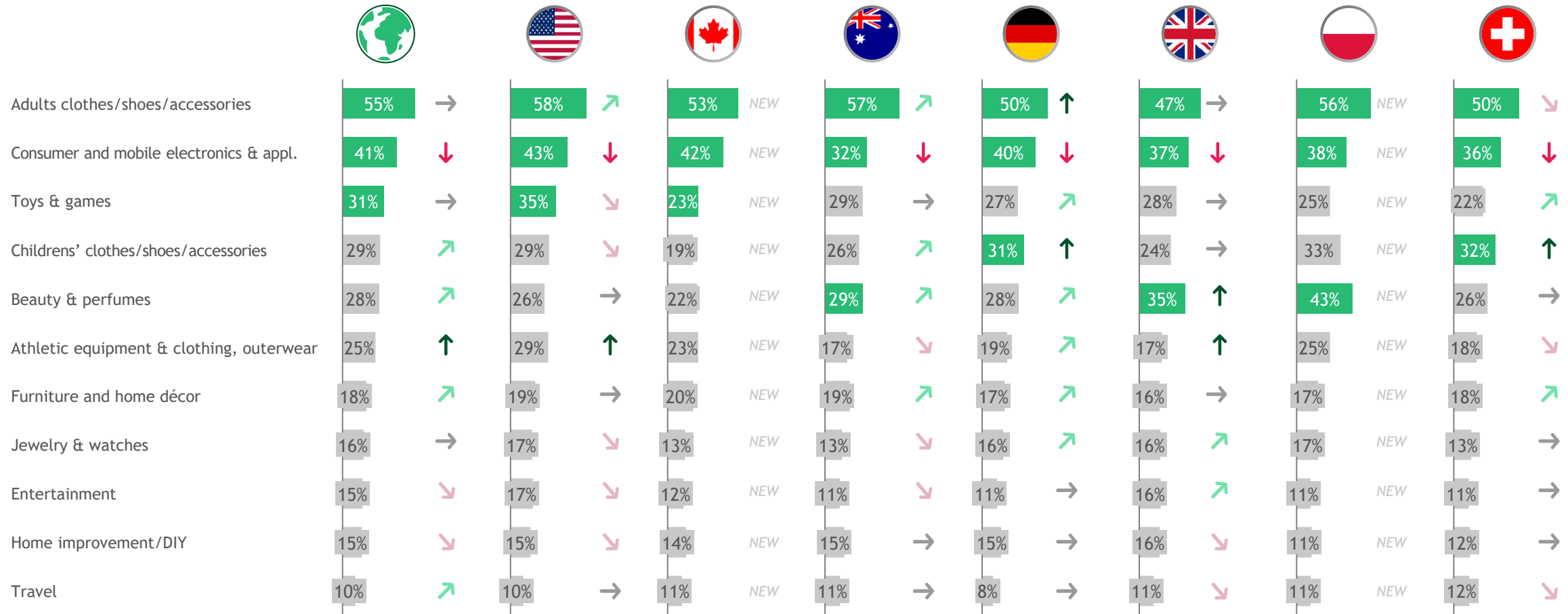
With exceptions:

Poland still with a significant share of budget (~40%) to be spent on **luxury or high-price items** to leverage discounts, in line with Poland's booming luxury market



During shopping events, adults' clothing and electronics are favored across markets; however, the latter experiences a strong decline vs. last year

Buying intentions for 2023 shopping events (% of consumers intending to shop in 2023)



Note: Question text "Which of the following types of products, if any, are you planning to purchase during Black Friday/Cyber Monday/Single's Day shopping events this year?"; Asked to all respondents who will probably/definitely shop in 2023 (n = 5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

↑ Strong increase (>5 ppt vs. 2022) ↗ More compared to 2022 → About the same compared to 2022 (+/-1ppt) ↘ Less compared to 2022 ↓ Strong decrease (>5 ppt vs. 2022) ■ Top 3 categories per market



Price / deal
expectations



In times of crisis, consumers constantly look for good bargains, ...

41%

of consumers bought more often based on deals & promotions during the last 3 months

~30%

is the minimum expected discount for a good Black Friday deal (across categories)

17%

of consumers think that there are various promotions and discounts all the time anyway

Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, UK, Canada, Australia, Germany, UK, Poland, Switzerland weighted average based on population)

...thus, retailers need relevant and well communicated discounts

Given the general low demand in ongoing cost-of-living crisis and consumers cutting their day-to-day spending, retailers provide deep discounts to consumers throughout the year

Therefore, there is a lot of noise, and retailers/brands should provide convincing and well-communicated Black Friday offers to be recognized and activate consumers, while not diluting their (brand) image with constant low-price promotions

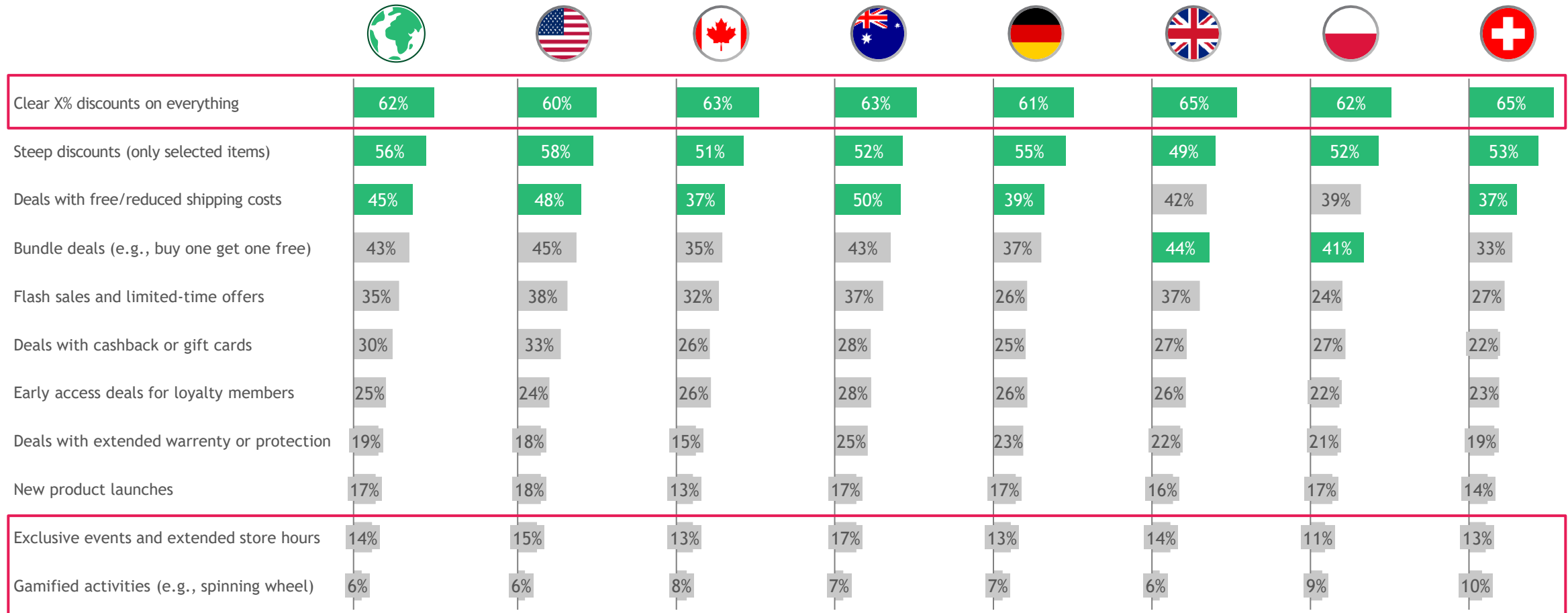
Nevertheless, it is more critical than ever before that retailers keep a balance between meeting demand for bargains while protecting their margins, e.g., by

- Choosing non-core range deals
- Reducing discount (vs. actual October prices)
- Targeting personalized promotions



In times of price increases, consumers seek direct financial relief: "X% on everything" discounts are most preferred deal type; events or gamified activities least popular

Preferred type of deal (% of consumers intending to shop in 2023)



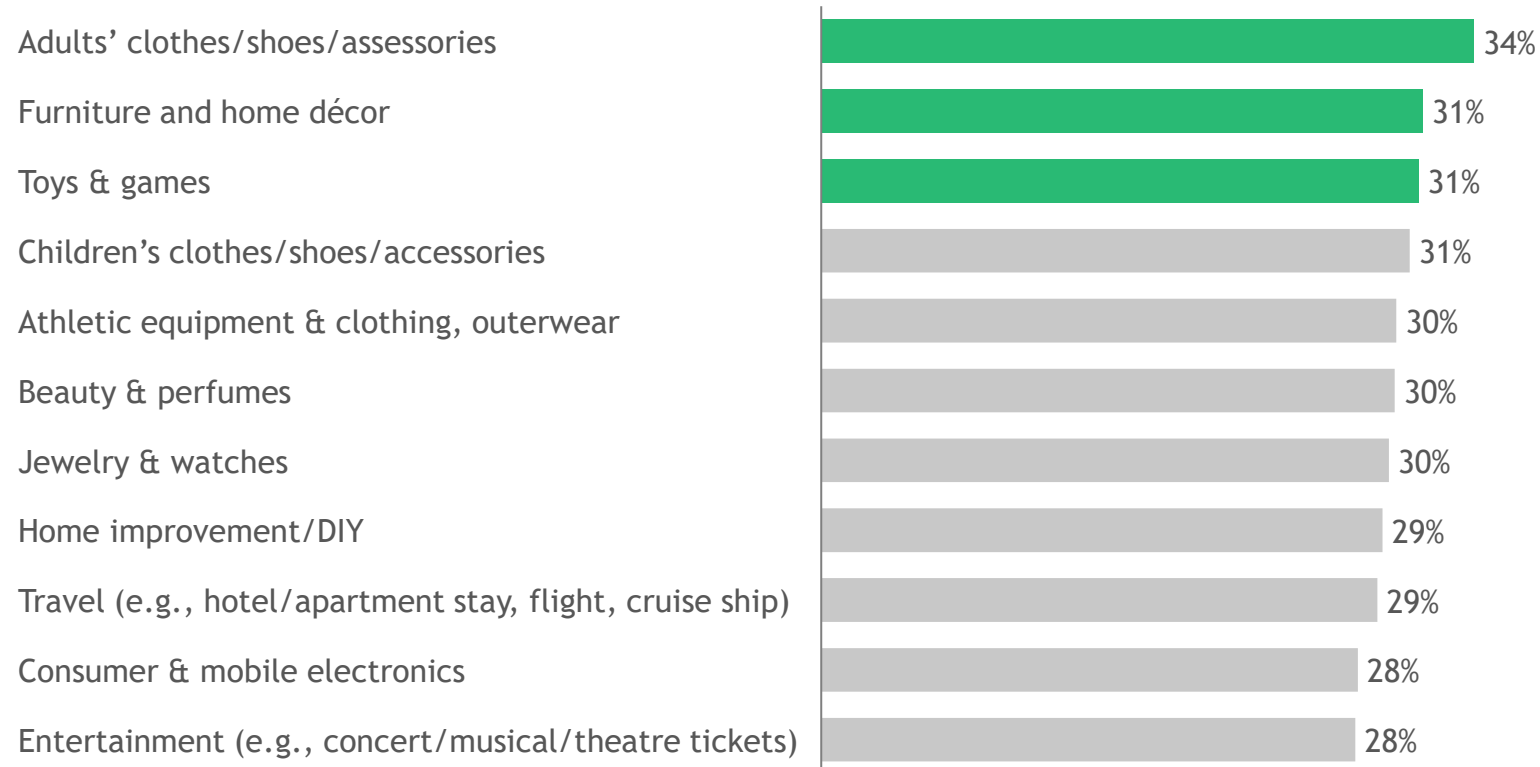
Note: Question text "What type of deals do you like the most during Black Friday/Cyber Monday/Single's Day"; asked to respondents who are definitely/probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n=5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

■ Top 3 categories per market



For a good deal, a minimum of ~30% discount is expected with only slight nuances across categories

Average minimum expected discounts per product type
(% of consumers intending to shop in 2023)



Note: Question text "What is the minimum discount that you would expect from a good deal for Black Friday/Cyber Monday/Single's Day deal for each of the following product categories?" asked to respondents who are definitely/probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n = 5,173); only rows shown that have been chosen as relevant categories; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

When advertised:

"up to 50% off entire store/website"

Consumers expect at least:

31%
discount

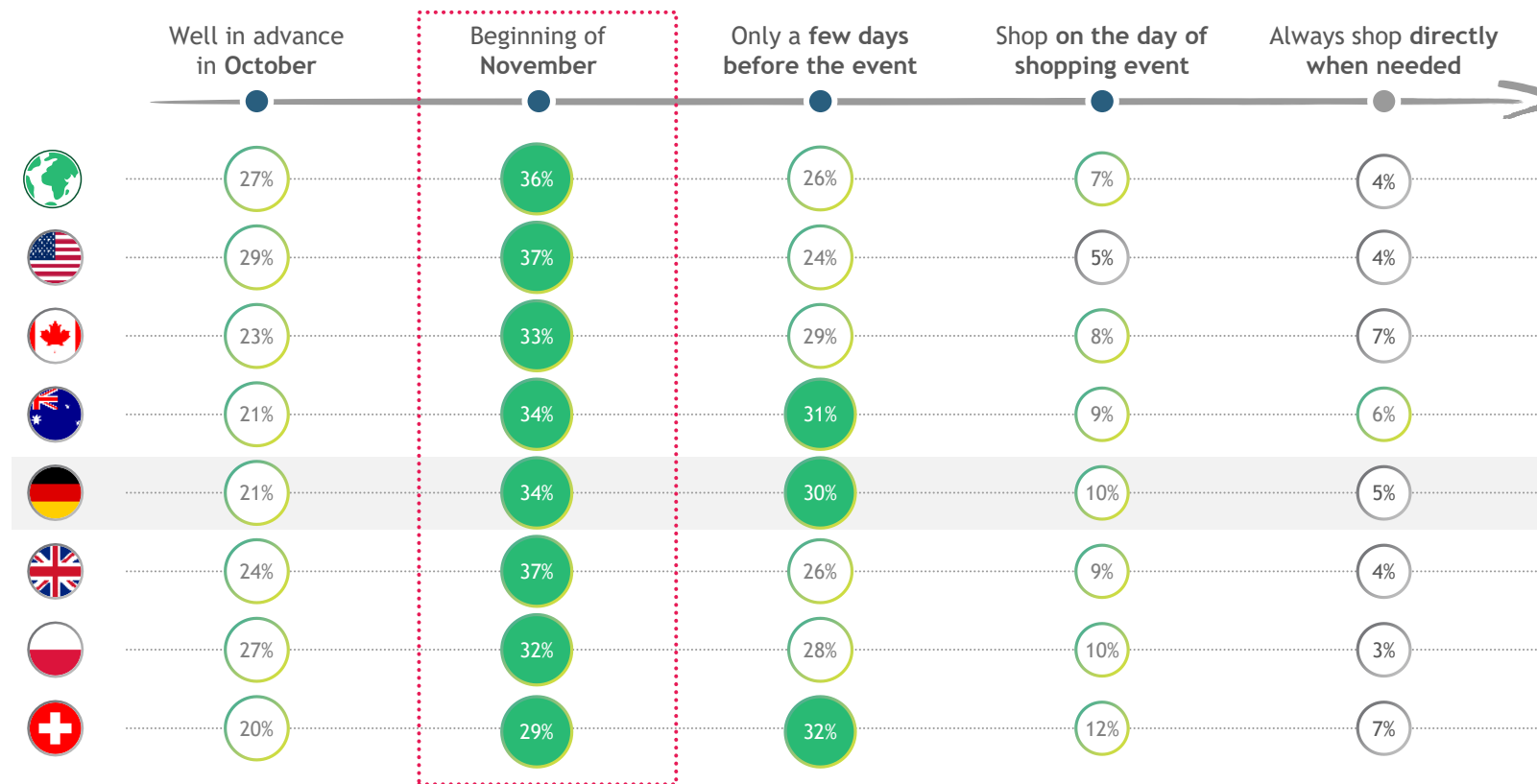
A photograph showing a person's hands holding a smartphone with a blank white screen and a blue card, possibly a credit card, over a wooden table. A white charging cable is plugged into the phone. The scene is dimly lit, focusing on the hands and the objects they are holding.

Shopping journeys & channel dynamics



Shopping moments are blurring into a whole season from Oct.-Nov., giving retailers space to influence buying decision

Start of searching for deals before shopping events
(% of consumers intending to shop in 2023)



Note: Question text "You mentioned that you are planning to shop for Black Friday/Cyber Monday/Singles Day. When do you typically start looking for deals and discounts around these shopping events?" asked to respondents who are definitely/probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n=5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

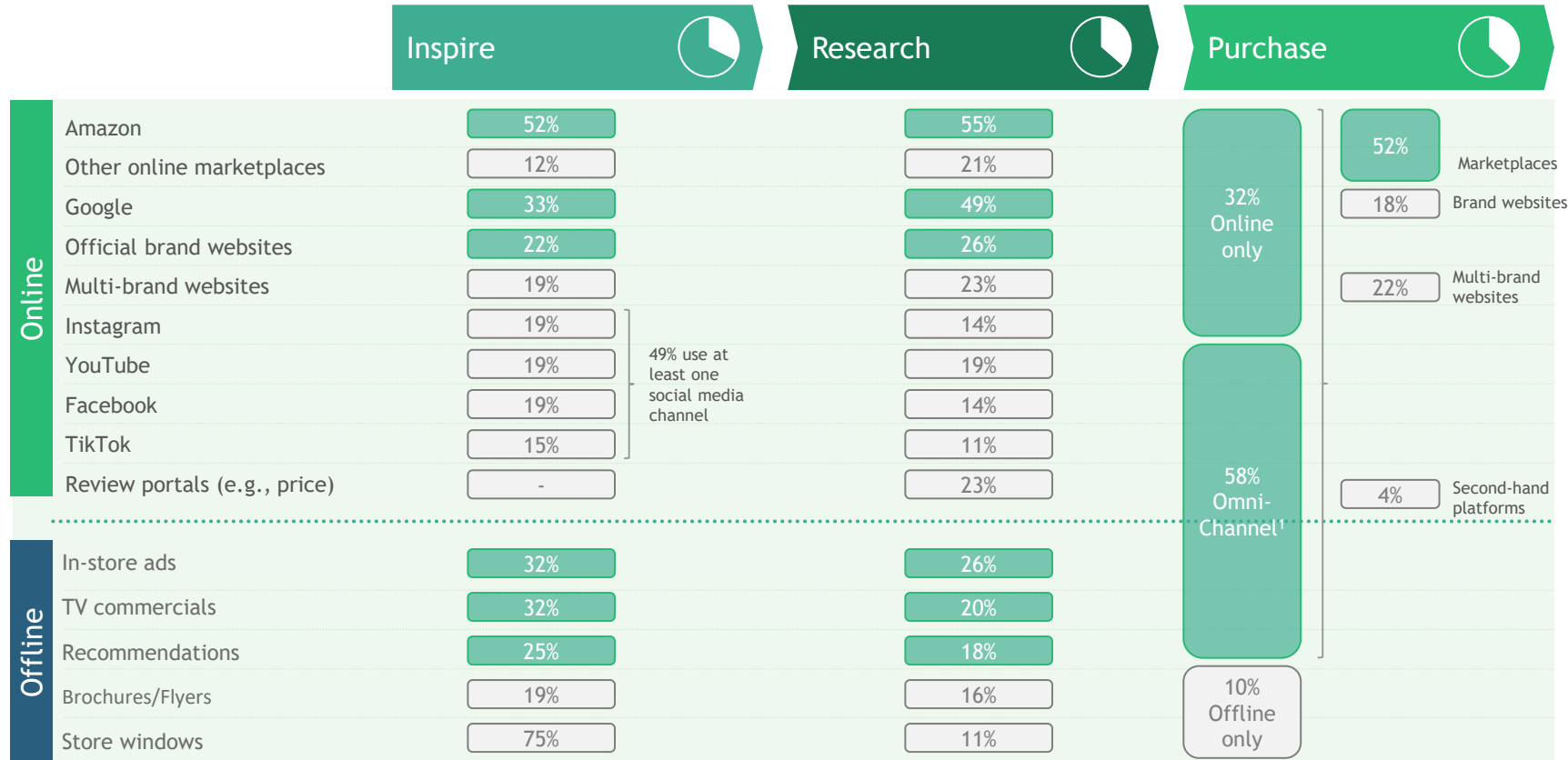
>60% of shoppers start actively looking for deals early; some only few days before the event

This not only eases logistical challenges, but also gives retailers more room to influence the buying decision, e.g., through:

- Countdown to shopping events
- Alerts on shopping days
- Personalized offers, using past sales and current trends
- Wish lists prior to shopping events
- Recontact of loyalty members & last-time buyers



Most Black Friday journeys start online: Amazon and Google remain the top spots globally



Globally, most journeys start online:

To **INSPIRE**, next to Amazon (52%) and Google (33%) as top channels, the importance of **social media** (e.g., Facebook, Instagram, YouTube) is significant: 49% use at least one social media channel (77% among Gen Z)—requiring retailers to be active here and e.g., **engage creators and influencers**

To **RESEARCH**, consumers use primarily **Amazon, Google and review portals** due to their potential to compare different products and prices

90% of **PURCHASEs** take place online or online supported, with **no way around marketplaces (52% thereof)**

1. Combination of online and offline channels; Note: Question text "Which channels will you probably use to get inspired for a purchase decision at Black Friday/Cyber Monday/Single's Day?"; "Which channels do you plan to use for researching the best Black Friday/Cyber Monday/Single's Day deals before you make a purchase?"; "Which of the following statements best describes where you plan to shop through Black Friday/Cyber Monday/Single's Day shopping events this year in 2023?"; "You mentioned that you are planning to shop for Black Friday/Cyber Monday/Single's Day online. What kind of online shop is your first choice?"; asked to respondents who are definitely/probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n = 5,173); Source: BCG Black Friday Consumer Sentiment Survey, Oct. 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted avg. based on population)



Online marketplaces expected to win, while brand stores' development differs across countries

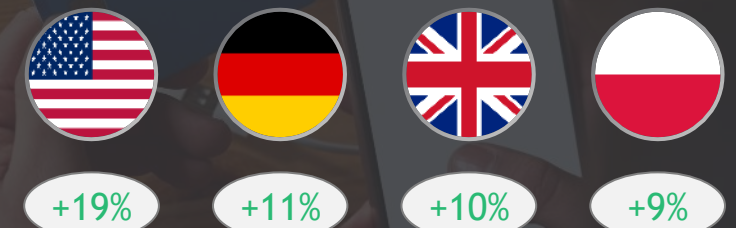
Planned spending by type of online shop during Black Friday/Cyber Monday/Single's Day shopping 2023

(% of consumers intending to shop online in 2023)

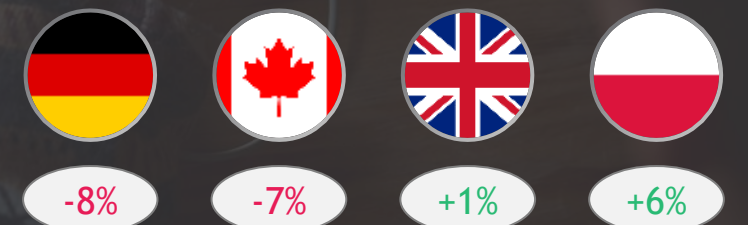


1. %ppt net change in spend calculated as difference between much/somewhat more spend and much/somewhat less spend compared to 2022. Note: Question "You mentioned that you are planning to shop for Black Friday/Cyber Monday/Single's Day online. What do you think your spending at the following types of online stores would be like compared to last year 2022?" Excluding respondents having indicated "I don't recall" or "I don't know yet", incl. only respondents having shopped in 2022/ intending to shop in 2023, recalibrated to 100% (n = 3,998); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

Online marketplaces gain shares vs. last year across almost all markets (except Switzerland)...



...while development of brand websites differs across countries

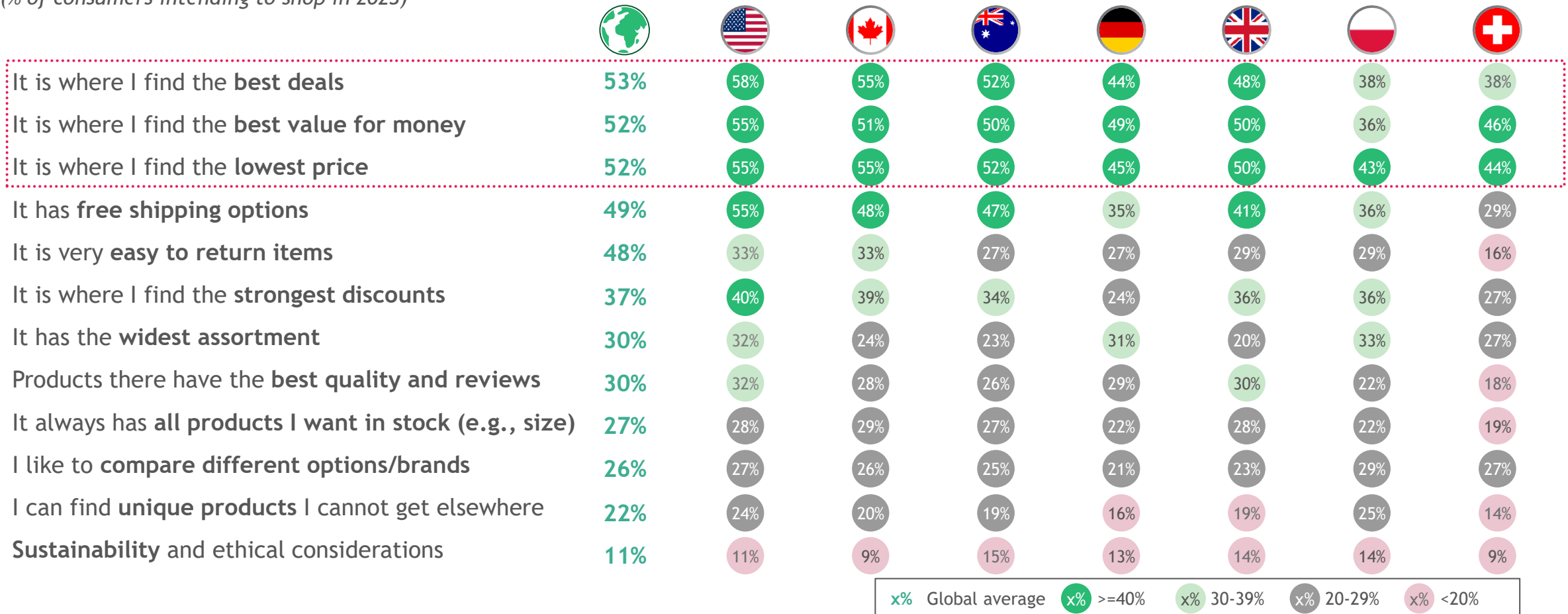


%ppt net change vs. 2022



Retailer/POS choice is mainly driven by price considerations: Best deals & value for money are the key criteria when it comes to deciding on where to buy

Most important criteria that influence decision on where to shop
(% of consumers intending to shop in 2023)



Note: Question text: Question "What are the most important criteria that influence your decision on where you plan to shop through the Black Friday/Cyber Monday/Single's Day shopping events this year?" Asked to respondents who are definitely/probably shopping (n = 5,173) Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

A woman with short, curly blonde hair, wearing a light blue sleeveless dress with a matching belt, stands on a city street. She is looking down at her smartphone, which she is holding with both hands. The background shows a blurred city street with buildings and a car. The image is framed by a white border.

Key takeaways for retailers/ brands

Given the prevailing consumer trends, brands and retailers need to act to succeed on November shopping events 2023

Impact of cost-living crisis



Increase visibility on sales performance (e.g., introduce end-to-end margin monitoring)

Address consumer's needs of 'trading-down' by adjusting product portfolio

Penetration of sales events



Leverage Single's Day as additional shopping opportunity with increasing popularity

Experiment with "early visible deals" on e.g., Amazon or Google to attract consumers early on

Expected spending



As consumers are more "deal-focused" than ever, prepare for increased spending (e.g., mitigating stockouts)

Provide relevant and well communicated discounts to stand out throughout noise of day-to-day discounts

Category preferences



Adjust product mix to consumer preferences (e.g., dip in electronics, increase in adult & children clothing)

Stay ahead of market dynamics (e.g., increasing Gen Z luxury shoppers) with rigorous trend forecasting

Price/deal expectations



Offer direct deals as consumers seek financial relief: "Up to XX% off entire store" store slogan most attractive

Balance between demands for deals while protecting margin and brand image (e.g., non-core range deals)

Shopping journey & channels



Optimize end-to-end omni-channel journey, and actively drive conversion (e.g., agile (re)marketing, wish list, countdown)

Expand sales presence into (new) market-places and emphasize 3P platform mgmt. (e.g., SEO) to increase visibility

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Appendix—Additional analyses

Please contact the author team for any questions



Global leadership



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Key insights (I)



Consumer sentiment remains muted as inflation, recession, and wars continue; non-essentials have seen a cut in spend and discount hunting is becoming popular



Black Friday is an omni-presently known part of the shopping calendar, with ~70% planning to shop; Single's Day is becoming more popular beyond China



As consumers hunt for deals to manage their budgets, we expect average spend around November sales events to increase by 3-22% vs. '22 across countries

- There are some silverlinings vs. last year, but overall concerns remain high: ~75% of consumers are concerned about ongoing wars, inflation, and an ongoing recession
 - The cost-of-living crisis impacts consumers' spending pattern for non-essentials: A high share of consumers report reduced spending across various categories in the past six months, e.g., for apparel (50%), furniture (49%), and entertainment (47%)
 - Buying at discounters, cutting on non-essentials and buying more on discount is prevailing among all countries
 - Faith in politicians is losing ground—only 25% attest their respective government to take the right measures to manage the unprecedented crisis, even 6ppt less than in 2022
-
- The awareness level for Black Friday reaches new heights: ~90% know about the event and >99% at least heard about it
 - Similarly, Cyber Monday has a high and increased awareness level of ~86% (+8ppt vs. 2022)
 - Although the awareness for Single's Day is still way below (~25%)—showing headroom for retailers to further educate on the event—it's no longer solely an event of Chinese calendars; it's going global with European countries (Poland, Germany, Switzerland) leading on awareness
 - Despite muted consumer sentiment, there is an increased intent to shop during at least one of the events, with >70% of consumers planning to go on a bargain hunt in 2023
-
- Despite cost-of-living crisis, avg. expected spending exceeds 2022 levels—German and Swiss consumers increasing their avg. planned spend the most with ~20% vs. last year
 - This can be explained by the high share of planned purchases during sales events, consumers' focus to look for best prices, the pooling with Christmas/holiday shopping, and also year-on-year inflation
 - US consumers plan to spend the most (US\$460), followed by Switzerland (US\$390), Germany (US\$385), UK (US\$380), Canada (US\$310) and Poland (US\$310), while Australian consumers indicate the lowest avg. planned spend (US\$260)
 - For those consumers who don't plan to shop this year, main reasons are the price increases (44%) or the need to cut back on non-essentials (32%)

Key insights (II)



"Silent night" for Christmas/holiday sales? 68% of consumers intend to bag gifts next to stocking up essentials; clothing & electronics most wanted but the later is seeing a decline



>60% of consumers favor clear x% discounts on everything to bring financial relief; deals should grant at least ~30% discount expected across categories to entice purchases

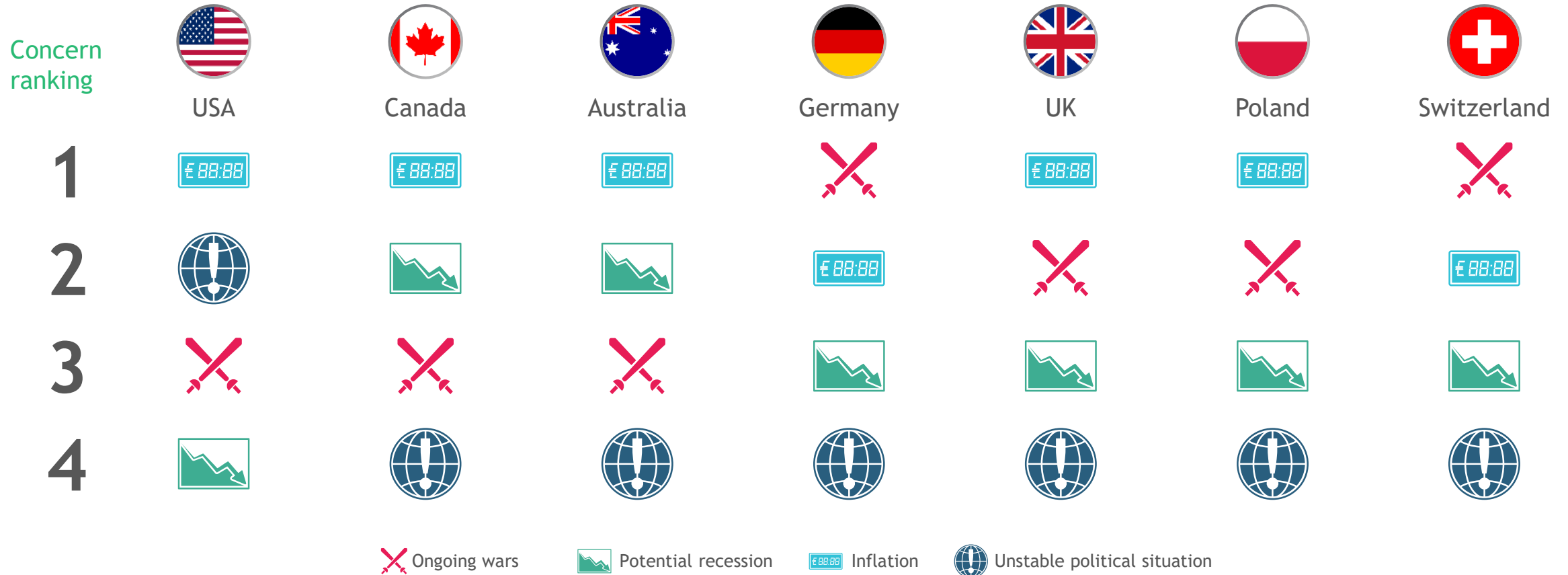


"It's never too early": >60% of consumers start looking for deals no later than early November; most consumers plan to shop on- & offline, whilst there is no way beyond online marketplaces

- Christmas/holiday shopping comes early this year—of those who shop, **68% plan to buy Christmas/holiday presents; 26% intent to use sales events even more than last year** to stock up gifts
 - At the same time, **59% of consumers plan to buy products for themselves** (next to gifts), focusing on adults'/children's clothing, reflecting a shift in buying essentials during sales events
 - While **clothing is the most popular category** across countries, with increase esp. in Germany vs. 2022; electronics remain 2nd most popular hunt, but declining across markets vs. last year (>5ppt)
 - Echoing the general price sensitivity, >50% of Black Friday budget is targeted on basic or low-price items across markets; yet, **younger generations plan to spend 20–30% of budget for luxury or high-price items** to treat themselves on a bargain, revealing the need for retailers/brands for targeted digital offers
-
- In times of cost-of-living crisis and ubiquitous deals ("Deal flood"), consumers seek direct financial relief: **"X% on everything" (61%)** and **"steep discounts on selected items" (56%)** are most preferred discount types; exclusive events (14%) or gamified activities, e.g., (virtual) spinning wheel with prizes (6%), are less popular
 - Regarding deal ads, Germans are most attracted to the slogan **"Up to 50/60% off entire store"** Consumers expect at least **~30% discount for a "good Black Friday deal"** across categories
-
- Sales events are blurring into a whole season: **>60% of consumers look for deals in Oct. or beginning of Nov.**, providing retailers with time to influence consumers' choice
 - In addition, the fact that **>70% don't know yet the exact product/brand** to buy, leaves retailers **room to shape buying decisions** (e.g., by countdowns or recontacting last-time buyers)
 - Most journeys start online: **~50% use social media (77% among Gen Z), next to Amazon (>50%) & Google (>30%)** as top channels for inspiration, requiring retailers to engage influencers
 - **~85% conducted some research** last year—price/product comparisons were most important, requiring retailers to make product features easily available on own & price comparison portals
 - **Omni-channel stays most important** (58% shop both on- and offline)
 - **Online marketplaces** are expected to be the **clear winner** (+15ppt in net spend), while **brand websites see different developments** across markets, e.g., increasing in Poland (+6%ppt), whilst strongly decreasing in other markets (e.g., Germany: -8%ppt vs. 2022)
 - **Retailer/POS choice is mainly driven by price considerations:** Most important criteria to shop are "best deals" (53%), "best value for money" (52%), and "lowest price" (52%)



Ongoing inflation and wars continue to mute consumer sentiment globally



Note: Question text "Our world is currently in a state of crisis for multiple reasons such as inflation, cost of living crisis, and ongoing wars. We want to understand how you feel about the impact of these events on your life. How much do you agree with each of the following statements?";

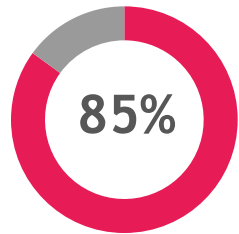
Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population) 38



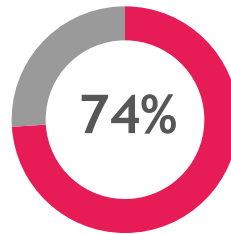
Concern about inflation is widespread, adds pressure on personal finances and forces consumers to prioritize spending on essentials



Price increases are a major concern for consumers ...



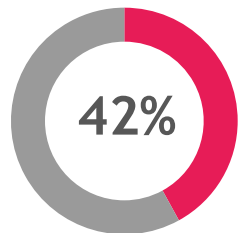
are concerned about the current price increases



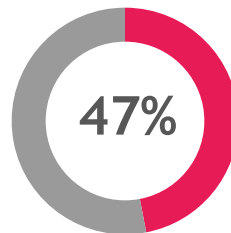
are convinced that inflation is here to stay for a long time



... and pressure personal finances



face difficulties in affording household expenses

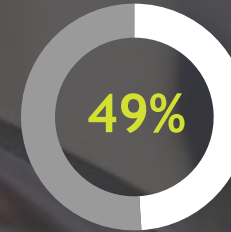


are already spending their savings on day-to-day expenses

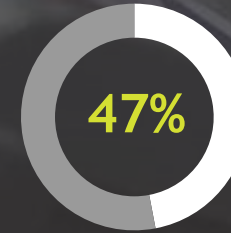
Cost-of-living crisis impacted spending patterns



indicate they have spent (a lot) less on **apparel** in the last 6 months



indicate they have spent (a lot) less on **furniture** in the last 6 months

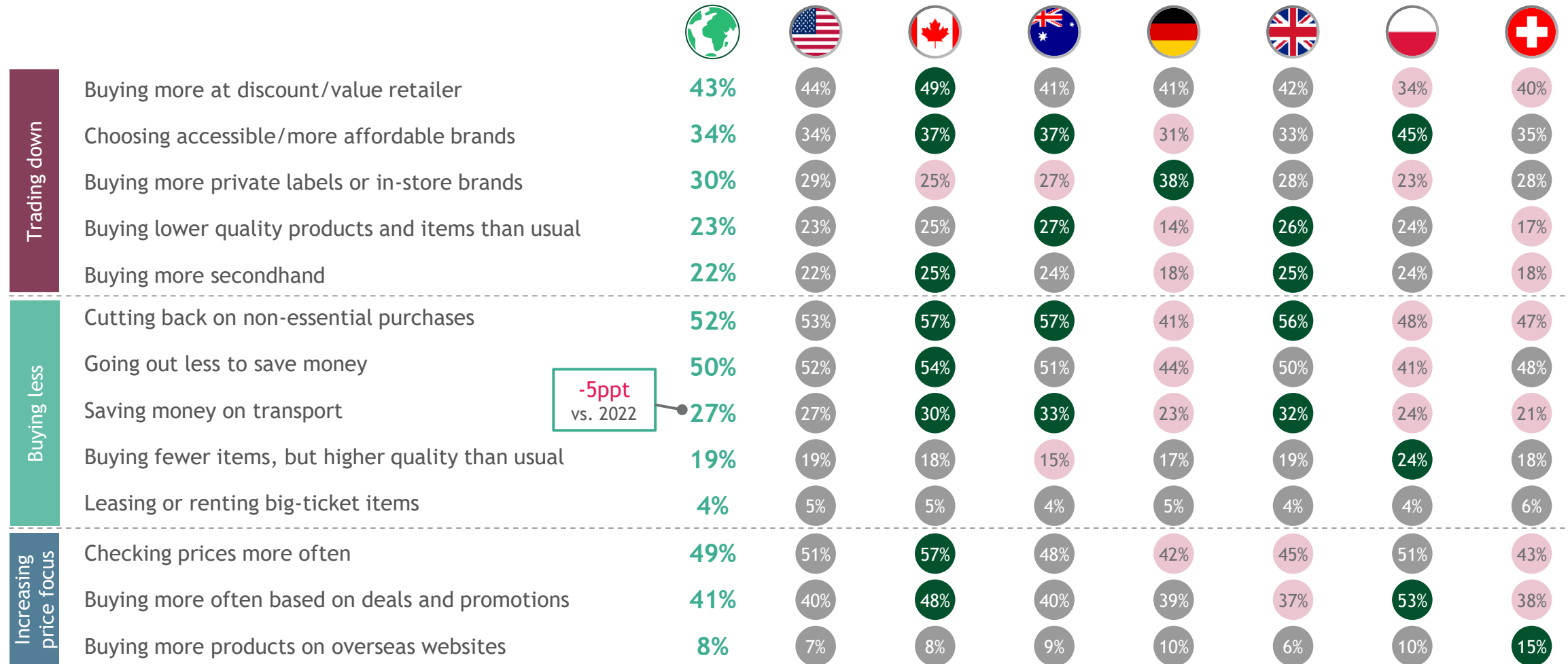


indicate they have spent (a lot) less on **entertainment**¹ in the last 6 months

1. e.g., concert/musical/theatre tickets; Note: Question text "Our world is currently in a state of crisis for multiple reasons such as inflation, cost of living crisis, and ongoing wars. We want to understand how you feel about the impact of these events on your life. How much do you agree with each of the following statements? ", Top-3 values (i.e., share of respondents who strongly/somewhat agree to these statements); and "How has your spending pattern across various categories changed, if at all, in the last six months?";



Canada and Poland with highest shares of people indicating to buy more often based on promotions, 57% and 53% respectively



-5ppt vs. 2022

Note: Question text "Below is a list of changes that consumers have been making in the past 3 months to the way they buy, shop or save to cope with the increase in prices for goods and services. Indicate if this is a change in behavior that you have made yourself. Select all that apply.";

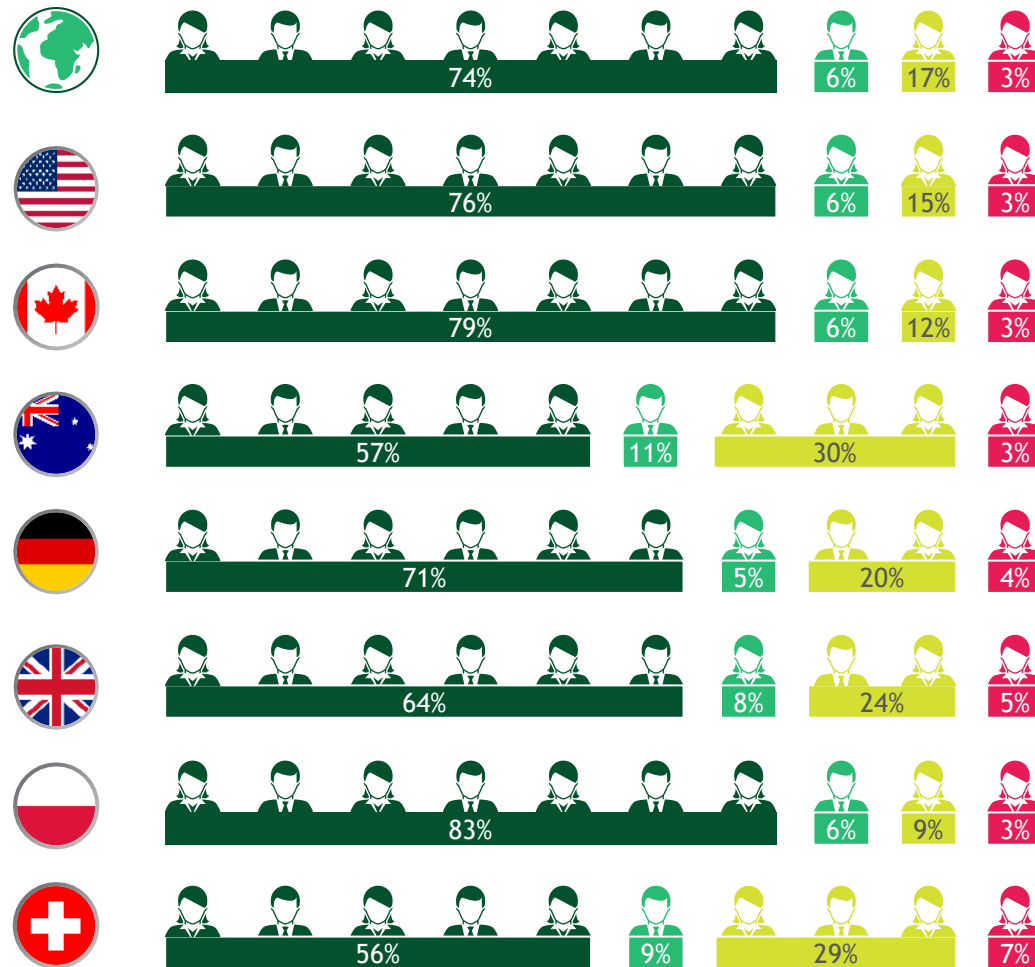
Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

x% Global average x% Above average x% Average +/-2ppt x% Below average



>70% of Americans, Canadians, Germans & Poles are loyal Black Friday shoppers

(Re-)purchase behavior for 2023 sales events (% of consumers aware of Black Friday, Cyber Monday or Single's Day)



➤ Amid increased price sensitivity and new shopping events in November calendar, a growing number of consumers is interested to participate in promotional events

- Loyal customers: Shopped in '22 and shopping in '23
- New customers in '23
- Aware but not shopping in '22 nor '23
- Non-returning customers: Shopped in '22 but not shopping in '23

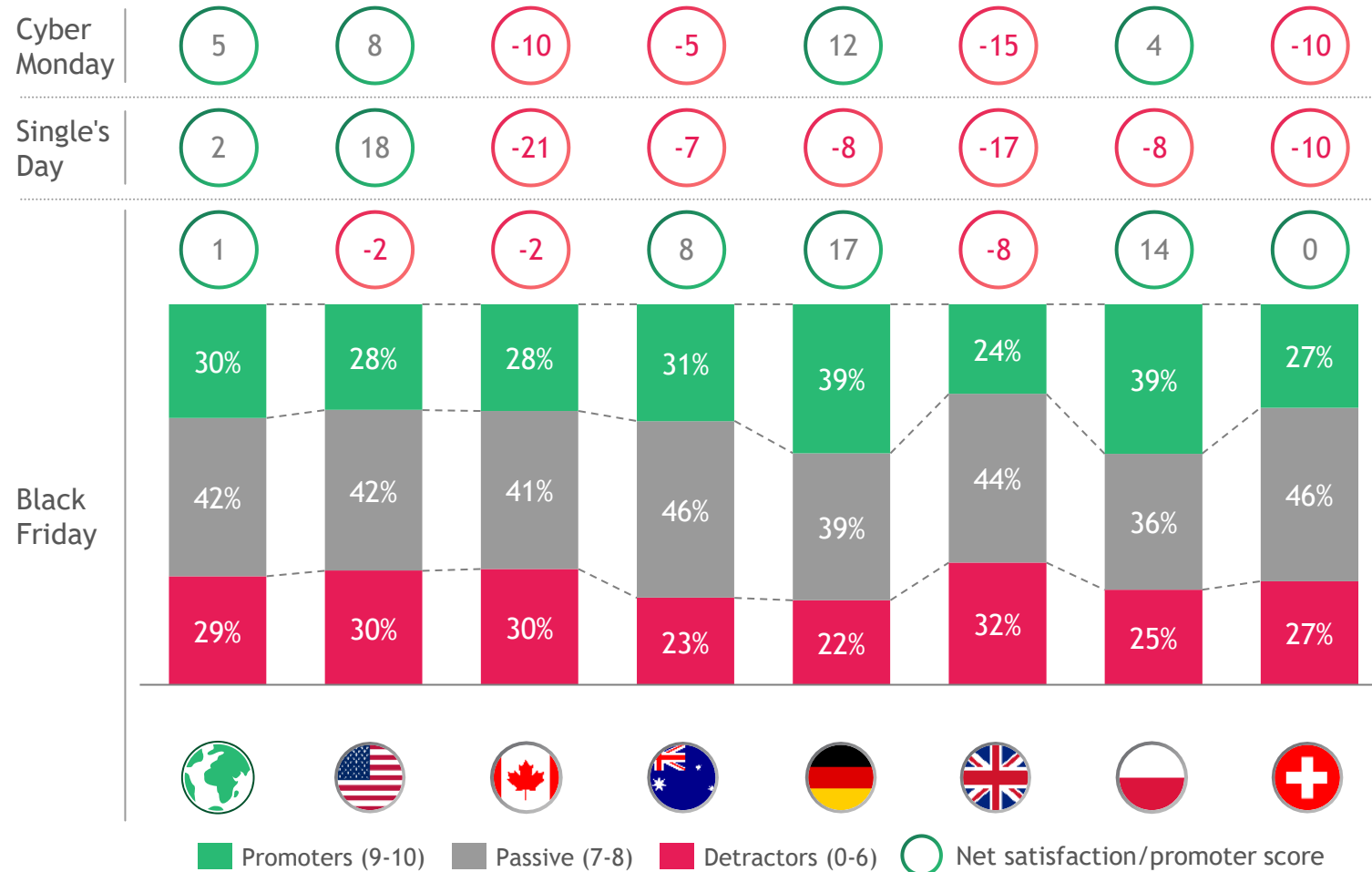
Note: Question text "Which, if any, of the following statements best describe your actions with regards to the Black Friday/Cyber Monday/Single's Day shopping events in 2022?" and "Will you be shopping through the Black Friday/Cyber Monday /Single's Day shopping events being held in November in 2023?"; Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Germans and Poles most pleased with last year's sales events—with 39% being fully satisfied, there is still potential to improve experience

Globally, ~30% of Black Friday shoppers are fully satisfied with the purchases made in 2022, while the same share is dissatisfied, revealing room for improvement for retailers/brands

Shopping satisfaction related to Black Friday, Cyber Monday and Single's Day



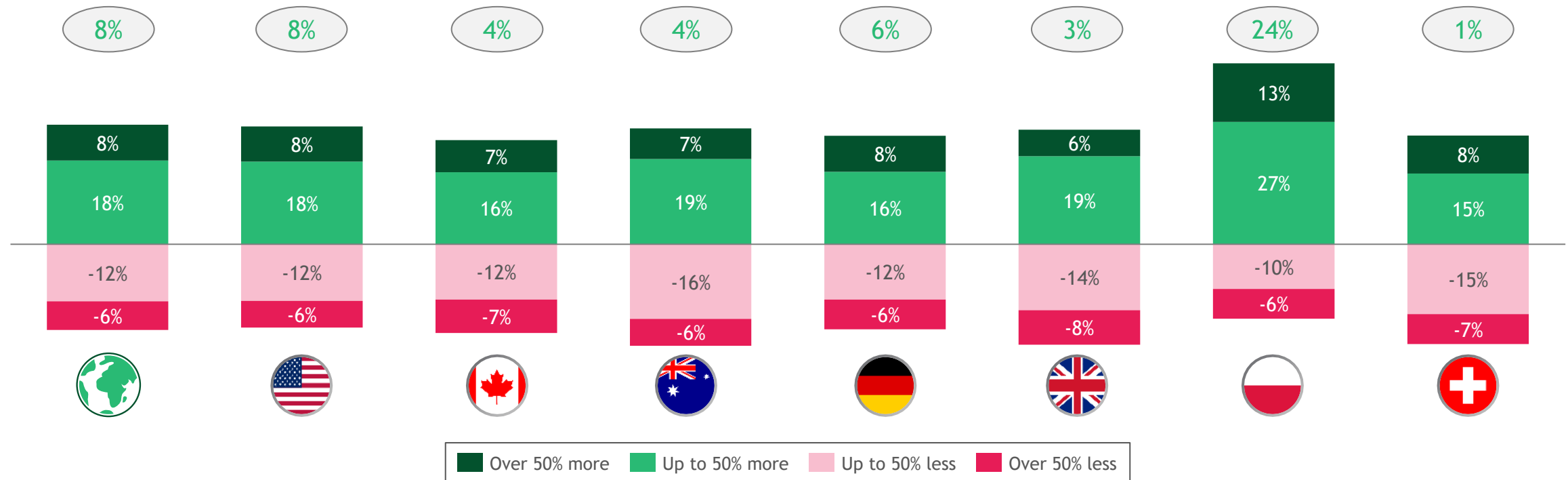
Note: Question text "How satisfied were you overall with the Black Friday/Cyber Monday/Single's Day shopping experience in 2022? Please indicate a score from 0 to 10 that best applies"; (0 = "extremely unsatisfied", 10 = "extremely satisfied"); Asked to all respondents who shopped at Black Friday/Cyber Monday/Single's Day last year (n = 4,478/3,075/961); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



The upward trend in planned avg. spend is in line with the fact that every fourth consumer intends to spend more during the sales events than last year

Change in spending from 2022 to 2023 November sales events
 (% of consumers having shopped in 2022 and intending to shop in 2023)

○ %ppt net change in spend¹



1. %ppt net change in spend calculated as difference between much/somewhat more spend and much/somewhat less spend compared to 2022;
 Note: Question text "Do you expect to spend more, less or the same amount of money on the Black Friday/Cyber Monday/Single's Day shopping events in 2023 than you did in 2022?"; Asked to those who shopped in 2022 and who will probably/definitely shop in 2023 (n = 4,617); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



20%

of consumers will probably/definitely not shop during sales events 2023

61%

of consumers plan to shop basic or low-price items to not spend too much money

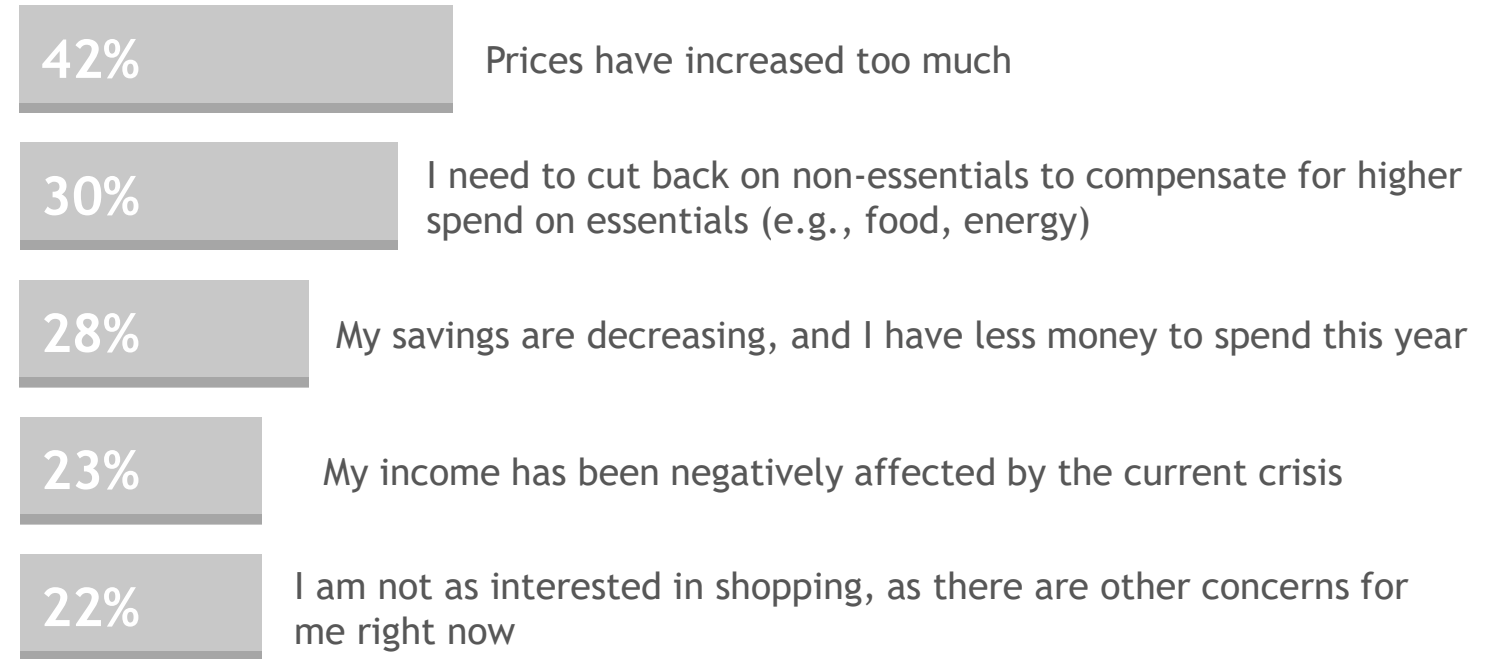
18%

of consumers are expecting to spend less than last year during November sales events 2023

Inflation drives increased bargain hunting this year; yet some consumers plan to spend less

Key reasons for cutting back 2023 November sales events spending

(% of consumers who indicated to spend less compared to last year or to not shop at all during 2023 Black Friday, Cyber Monday or Single's Day)



Note: Question text "Do you expect to spend more or less money on the Black Friday/Cyber Monday shopping events in 2023 than you did in 2022?" and "Why"; Asked to all respondents who indicated to spend less compared to last year or to not shop at all during 2023 Black Friday, Cyber Monday or Single's Day (n = 2,964); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Globally, consumers who cut back November sales events spend think ...

Reasons for spending less in 2023

(% of respondents who are planning to spend less in 2023 vs. 2022 and who do not intend to shop at all)



Note: Question text "Do you expect to spend more or less money on the Black Friday/Cyber Monday shopping events in 2023 than you did in 2022?" and "Why"; Asked to all respondents who indicated to spend less compared to last year or to not shop at all during 2023 Black Friday, Cyber Monday or Single's Day (n = 2,964);

Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population) 45

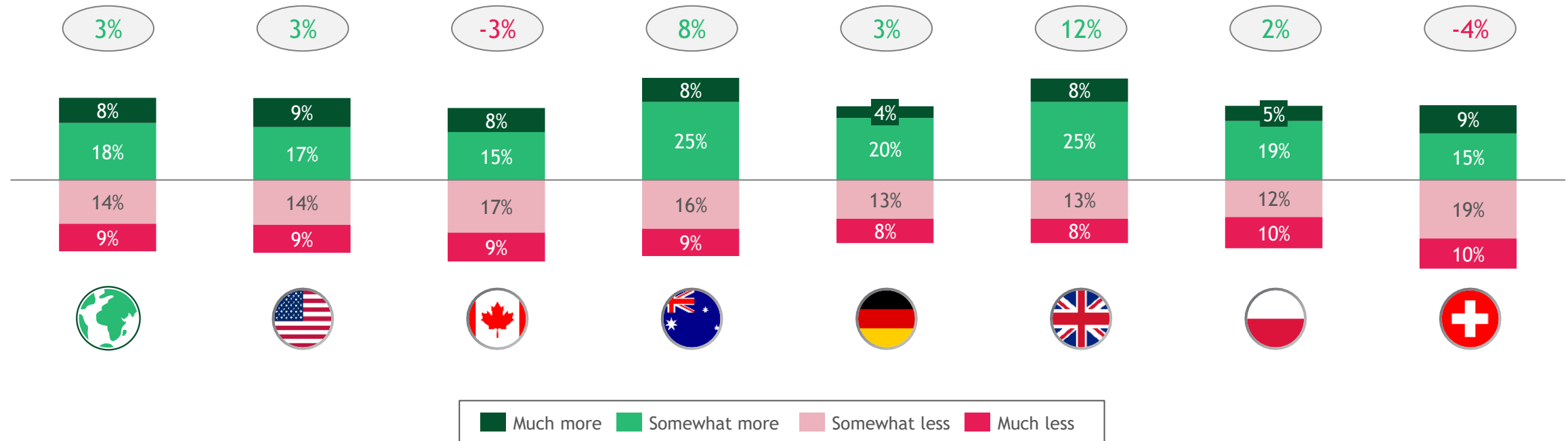
■ Top-3 statements per country



Increasing trend to buy Christmas/holiday gifts across markets during Nov. sales events, except for Canada and Switzerland; strongest increase in UK

Intentions to buy Christmas gifts during Black Friday compared to previous years
 (% of consumers intending to shop in 2023)

% ppt net change in spend¹



1. %ppt net change in spend calculated as difference between much/somewhat more spend and much/somewhat less spend compared to 2022

Note: Question text "Thinking specifically about any Christmas/year end gift shopping you may do this year, to what extent do you expect to use Black Friday /Cyber Monday to do this shopping compared to previous years?" Ask those who are definitely/probably shopping and plan to buy Christmas gifts (n = 3,521)

Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

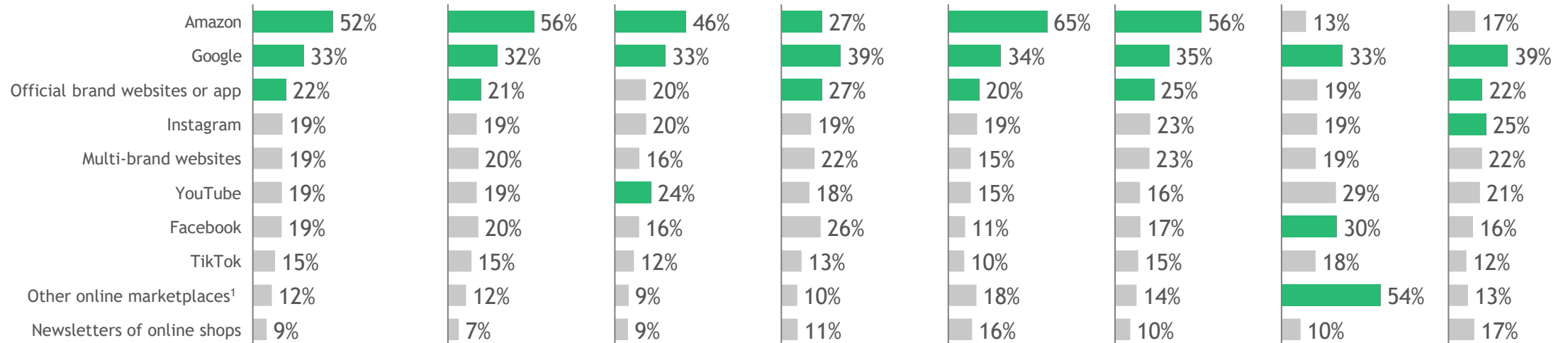


Amazon & Google as top inspiration channels across many countries given mostly need-based purchases; in-store advertising most influential offline channel

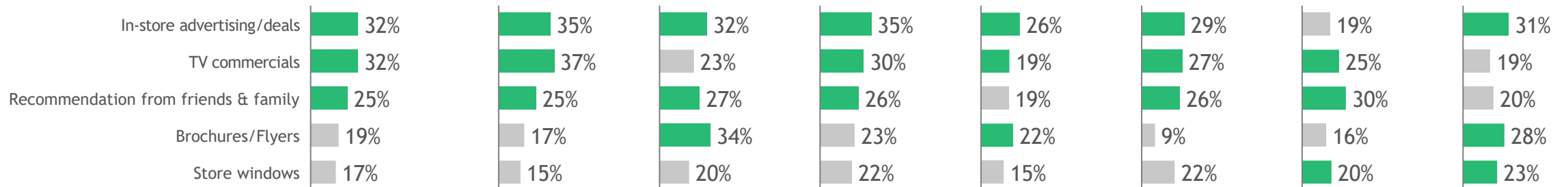
Inspiration channels prior to purchasing decision (% of consumers intending to shop in 2023)



Online



Offline

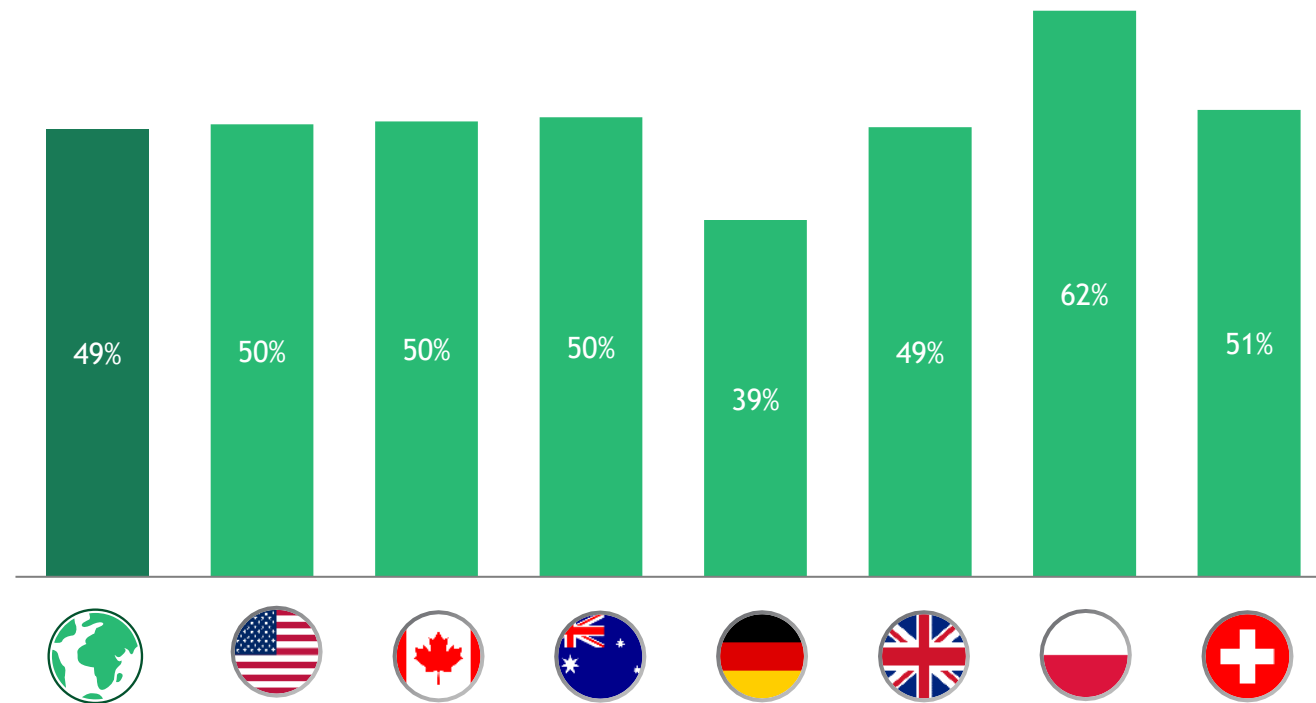


1. incl., Allegro in Poland; Note: Question text "Which channels will you probably use to get inspired for a purchase decision at Black Friday/Cyber Monday/Single's Day?"; asked to respondents who are definitely/ probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n=5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)

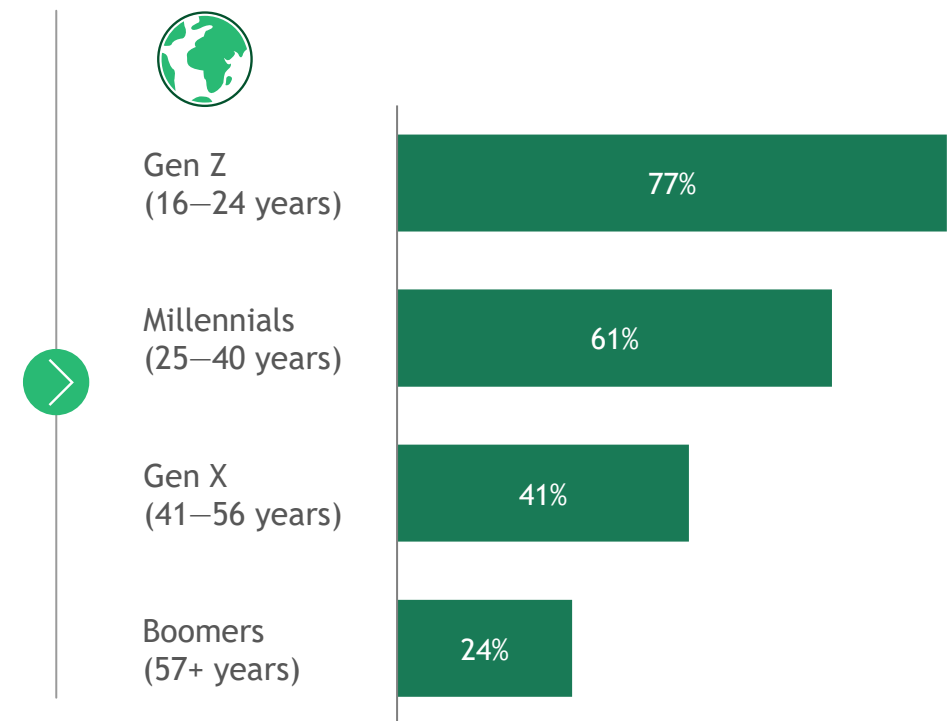


Social media with significant importance: 49% use at least one social media channel; among Gen Z & Millennials, share of social media users even higher

Consumers planning to use social media channels¹ to get inspired for November sales events shopping
(% of consumers intending to shop in 2023)



Consumers planning to use social media channels by age group
(% of consumers intending to shop in 2023)



1. Social media channels include answer options: Instagram, TikTok, Facebook, Pinterest, Snapchat and YouTube

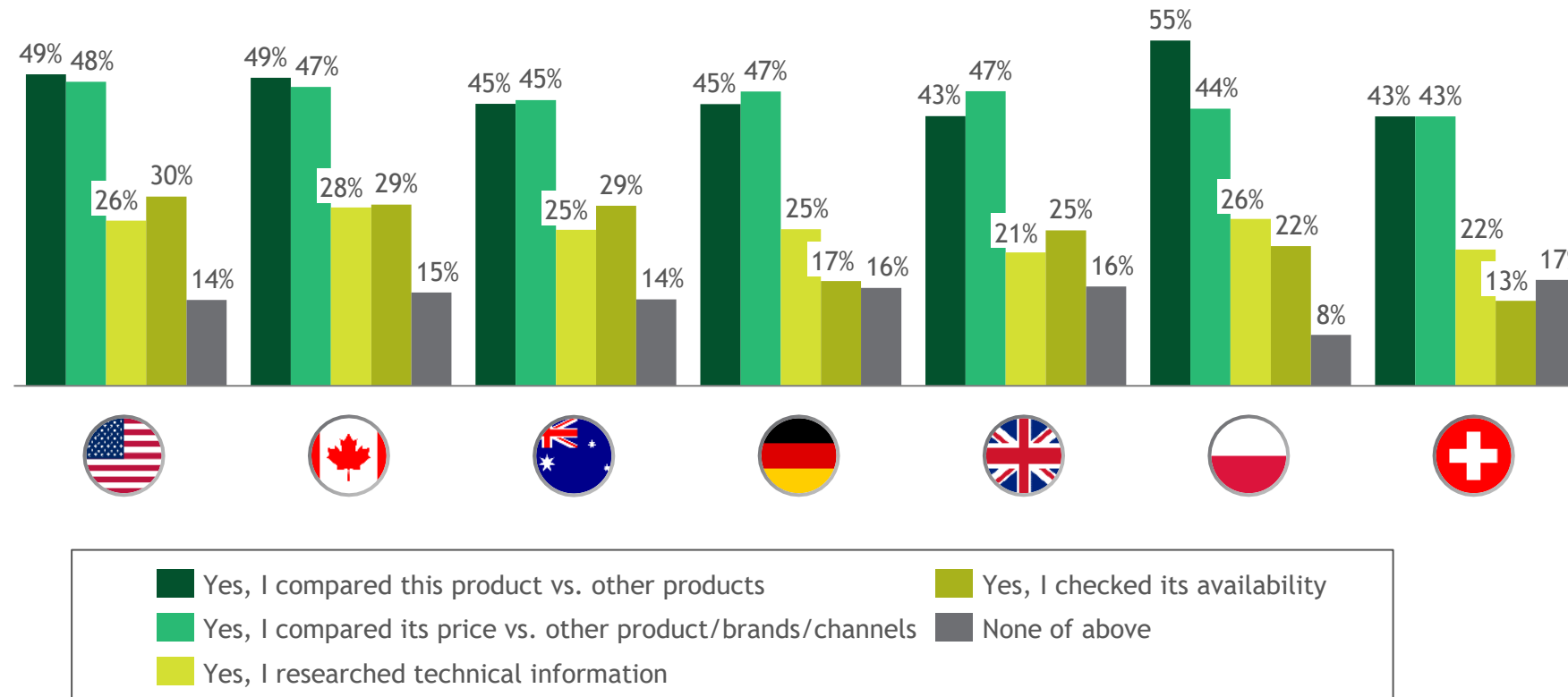
Note: Question text "Which channels will you probably use to get inspired for a purchase decision at Black Friday/Cyber Monday/Single's Day; asked to respondents who are definitely/probably shopping on Black Friday and/or Cyber Monday and/or Singles Day (n = 5,173); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



~85% of consumers conducted some sort of research last year—price & product comparisons were most important

Research in advance of product purchase

(% of consumers who shopped on any of the sales events last year)



Globally, ~85% of consumers who shopped during last year's sales events conducted research prior to their purchase last year

In this context, price & product comparisons were most important mechanisms across countries

Retailers should therefore make sure that product features are easily available and comparable on own as well as third party price comparison websites

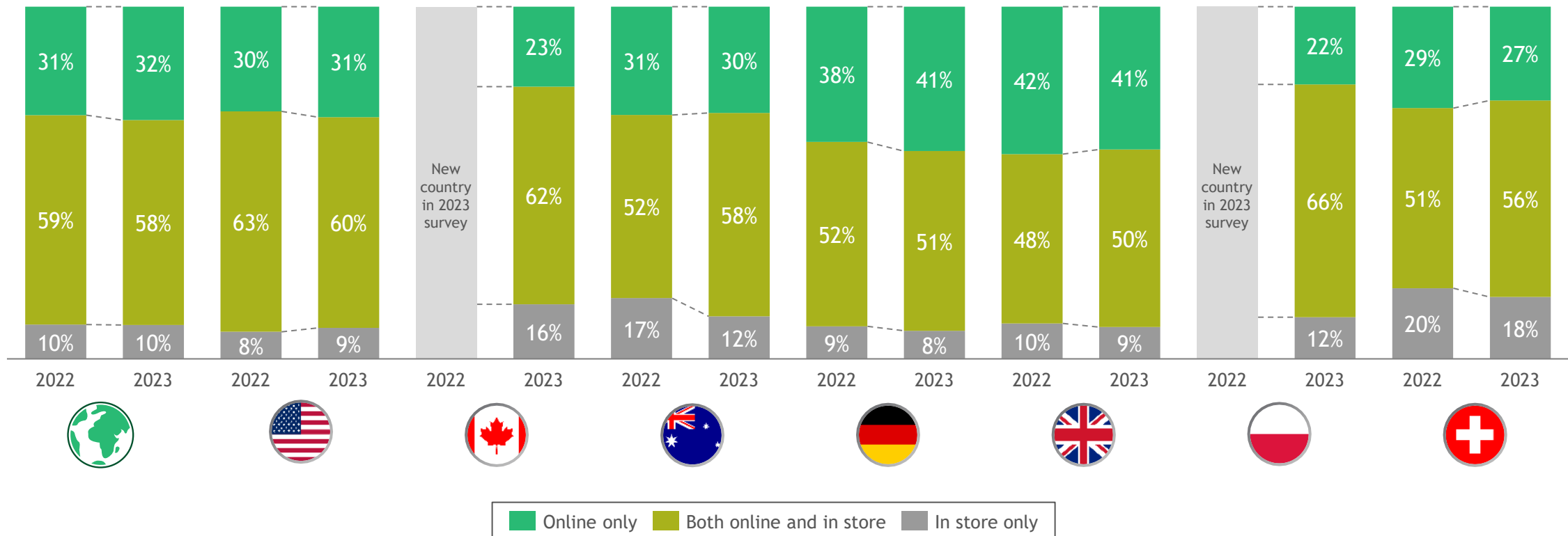
Note: Question text "Last year, in 2022, when you made your Black Friday/Cyber Monday purchases, did you do any research on the product in advance of purchasing it?" Multi-select asked to all respondents who shopped on any of the sales events last year (n=5,073); Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population)



Across all geographies, hybrid shopping stays most important while in-store only is losing ground across most countries

Channel preference for Black Friday shopping events, 2022 vs. 2023

(% of consumers having indicated they shopped/intend to shop for Black Friday/Cyber Monday)



Note: Question text "Which, if any, of the following statements best describe your actions with regards to the Black Friday shopping events in 2022?" and "Which of the following statements best describe where you plan to shop for goods through the Black Friday shopping events this year in 2023?"; Excluding respondents having indicated "I don't recall" or "I don't know yet", incl. only respondents having shopped in 2022/intending to shop in 2023 (3,998), recalibrated to 100%

Source: BCG Black Friday Consumer Sentiment Survey, October 2023 (N = 7,066 across US, Canada, Australia, Germany, UK, Poland, Switzerland; weighted average based on population) 50

Implications based on Black Friday consumer sentiment (I)



Consumer sentiment remains muted as inflation and wars continue



- Continue to **create visibility on sales performance** and introduce E2E margin monitoring to keep track of margins & financials
- Increase deal focus** and spread throughout November/late October to react to price increases and concerns about non-essential spending
- If possible, increase focus towards **private label/entry-price products** to adjust to consumers' sentiment of trading-down
- Expand payment options** (e.g., buy now, pay later; longer invoice periods) to induce spending



Black Friday is omni-present while **Single's Day still in its infancy**, with increased intent to buy

High satisfaction rate of last year's sales events; still, only 30% fully satisfied



- Leverage Single's Day as additional shopping opportunity** by educating consumers about the event early on (e.g., by engaging media, sign-up for special discount alert) to increase awareness
- Prepare for increased shopping intention** (e.g., set-up logistics, mitigate stock-outs)
- Experiment with early visible deals** where many prospects search to increase awareness (e.g., Amazon, Google) acquiring new customers early November/at the beginning of the season
- Launch targeted, conversion-driving campaigns**, e.g., based on agile (re)marketing until transaction is completed, and build urgency with countdown sales events



- Keep up positive momentum of last years' shopping events** by drawing on successful formats and further improving shopping experience to foster repeat buying
- Continue to monitor customer satisfaction KPIs** in CX dashboard (incl. social sentiment, return rates & reasons)



Increase in average spending expected; increasing bargain hunting due to inflation



- Highlight **scarcity of deals** to leverage consumers' desire to make a great deal during November shopping events
- Increase buzz for well communicated discounts to stand out throughout noise of day-to-day discounts** as 41% of consumers buy more often based on deals and promotions
- Trigger high-value customers** to come back with targeted upsell, cross-sell, and reward offers

Implications based on Black Friday consumer sentiment (II)



~60% of consumers shop for Christmas gifts; strong spend increase in adults'/kids' clothing



- Prepare for a **tough Christmas/holiday shopping season** this year (e.g., more demanding EOS markdown mgmt., target last minute shoppers with countdown to last shipping date)
- If possible, **adjust products to growing categories** (e.g., dip in consumer electronics, increase in adults' & kids' clothing)
- Stay ahead of **market dynamics**, e.g., Gen Z conquering the luxury market and answer with catered marketing activities



Clear X% discounts on everything are favored, average of 30% expected for a good deal



- Offer **direct deals** as consumers seek financial relief; thereby, advertise deals with "up to X% off entire store" slogan, as this appears to be most attractive to consumers
- Try to **achieve 30%-deep discounts** especially for clothing, jewelry and travel categories to offer competitive prices
- Complement rebates with other deals** that are popular among consumers, e.g., free shipping, bundle offers (e.g., buy one get one free), or early access deals for loyalty program members
- However, **balance between meeting demand for bargains while protecting margins and brand image** by e.g., choosing non-core range deals or targeting personalized promotions



Consumers start early looking for deals; however, 70% don't know the exact product or brand

Omni-channel remains most important; there is no way around marketplaces



- Deliver **well communicated offers** to be recognized throughout the noise of day-to-day discounts and leverage always-on campaign to reach consumers early whenever they start browsing for deals (e.g., newsletter with 100 days until Black Friday or gifting watchlist)
- Leverage time before shopping events and **influence buying decision**, e.g., through countdown ads, personalized offers/recommendations, wish-lists, recontacting loyalty members & last-time buyers
- Optimize **end-to-end omnichannel** journey solving friction points to increase satisfaction (e.g., BORIS to address last minute shoppers)
- Expand **sales presence in (new) marketplaces** to accelerate growth and access untapped consumers
- Emphasizing **effective 3P platform management**, e.g., optimize SEO increasing visibility, offer transparent product features for comparison, ensure reliable fulfilment to avoid stock-outs