

# 8 Predictions FOR THIS CANADIAN HOLIDAY SEASON

## 1 DIG360 predicts a 2% revenue increase this Holiday Season.

Since 2015, November and December have combined for 19% of 12-month revenues for all retail less automotive, food and drugstores sales. Growth for these Holiday months was flat in 2018 over 2017. The odds of a small bounce-back in 2019 are offset by low retail sales improvement in Canada this year.



## 2 Despite fewer observed promotions to start this season, Black Friday activity will have a longer timeline, given the late date in the 2019 calendar.

Black Friday has plateaued in terms of participation by Canadians. We are calling for about 38% of adult Canadians to buy Black Friday promotions through the month of November, up slightly over 2018 (34%). The same proportion as the past two years (17%) will buy on Friday November 29th.

## 3 Boxing Day will continue to be a more shopped day than Black Friday in Canada.

This is contrary to media releases that report the speculations of shoppers surveyed in October. One reason is that Black Friday is a work day. Boxing Day will continue the recent uptrend in engagement; this is likely due to some cynicism over the breadth and depth of Black Friday deals. There will be a shorter Boxing Week in 2019, reducing the opportunity to offload excess stock before year end.

## 4 Online buying will continue to grow this Holiday, but the bulk of sales will still be in store.

Canadians are becoming more concerned with accuracy and timeliness of online orders over the Holiday peaks. This will favour physical retailers, by driving even greater buy-online-pickup-in-store (BOPIS) behaviour, particularly in December.



## 5 The peaks and valleys of the season will become greater in variability.

As a result, this will put strains on in-store inventories and staff, as well as online delivery systems and partners.

## 6 Independent retail will continue to struggle for attention around Black Friday.

We recommend not getting caught in the margin erosion that comes with trying to compete with the big players. About half of Canadians will continue to shun the hyper hype. Reach them through product messaging relevant to utility, not price. (Thanks @GoogleCanada).

## 7 Cynical shoppers do not trust that Black Friday will present the best promotions.

They will continue to gamify the Season, opting to postpone buying when they feel the 'deal' is lacklustre. This growing trust gap between consumers and the retail industry should be of concern to leaders. (Thanks @MarinaStrauss)



## 8 Singles Day (November 11) will gain momentum in Canada from a base of 5% participation in 2018.

New in 2019 is the growing co-opting of this Day from Alibaba by mainstream brands, such as Ted Baker. We are projecting 8% of Canadians shopping this day.

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Watch in early December for the DIG360 – Leger  
Black Friday 2019 Report on actual behaviours –  
and observations for the balance of the Holiday.