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## DIG360 – Leger Survey: Holiday & Boxing Day Observations

DIG360 Consulting and Leger surveyed close to 1,600 adults Canadians from across the country in early December. We can project shopper trends from the Black Friday period, and gleaned further insight to anticipate Boxing Day season.

**Here are some observations:**

**We predict non-auto, non-food and drug retail to be up 3.5% in December compared with the same month in 2015 in Canada.**

- This category has been up 4.5% on the year through September. The month of October showed a flat comparison with 2015.
- 2015 was a tough December for some retailers, as many experienced a lull early in the month in 2015. We do not expect this to be the case in 2016.
  - This will make for a more favourable comparison even as consumers remain in a frugal, lets-buy-less mindset.
- We expect transactions and average prices will be up somewhat, but the number of items in each collective trip will be in decline.
- Nationally, both weather and consumer confidence should be a bit better than in the second half of December 2015.
  - The wildcard here will be retailers who panic and deep discount, forcing similar competitors to comply. This could put more chains in financial jeopardy.
  - An exception is Alberta, which, at 32%, reported the lowest regional expectation of participating in Boxing Day sales in our recent DIG360 – Leger survey. (The national average was 47% of adult Canadians).

**There is no reason to believe electronics stores will reverse a multiyear slide.**

- Statistics Canada reports December over December declines four of the past five years.
- This category is most prone to online shopping, since there is little differentiation by chain, only convenience for those who still prefer store shopping, perhaps given complications in safely receiving bigger ticket and larger items by delivery

**Retailers and shoppers alike are noting a continuous serious of ‘sales’ starting early November through the month of December.**

- Over half (54%) of those surveyed reported first seeing Black Friday deals on or before the second week in November.
- We have been seeing ads for “Extended Black Friday” at the beginning of the month and “Early Boxing Week” through the end of December.
- This makes specific focal points harder to predict and harder to manage progressive discounting.



**Bargain Hounds, Self-Gifters rule Boxing Day and Week (and Black Friday)**

- It is a self-gifting time, like Black Friday, when almost 1/2 of BF buyers were buying Black Friday promotions mostly for themselves in November.
- Therefore many of these hounds will be active both days - but splitting up visits and budget across these events.
  - 56% of those buying Black Friday promotions expect to shop Boxing Day, compared with 26% of those not participating at all in Black Friday shopping.
  - We expect the some to have maxed their budgets by Boxing Week and it will be a fairly muted shopping period.
- The web is providing an option for the crowd averse to dabble in deals, or at least browse first before selectively deciding to go for specific products in-store

<b>Canadian Non Auto, Non Food &amp; Drug stores Retail</b>					
<b>% change Dec. over Dec. last year</b>					
<b>2011 - 2015</b>					
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Furniture and home furnishings stores	2%	-2%	-5%	10%	7%
Electronics and appliance stores	-1%	-10%	-4%	4%	-5%
Building material; garden equipment & supplies dealers	5%	-7%	-3%	15%	8%
Clothing and clothing accessories stores	7%	-3%	2%	2%	9%
Sporting goods, hobby, book and music stores	4%	-5%	4%	7%	7%
General merchandise stores	4%	-2%	4%	4%	0%
Miscellaneous store retailers	4%	-5%	2%	-3%	2%
<b>Total Retail less Auto, Food, Drug stores</b>	<b>4%</b>	<b>-4%</b>	<b>1%</b>	<b>5%</b>	<b>3%</b>

*Source: Statistics Canada*

### Many sit out these deal-frenzy days.

- 2016 saw the highest level of Canadians (51%) ignoring Black Friday entirely since 2012, due to a reduction of ‘window shoppers’ who are only browsing.

**DIG360 - Leger Holiday Shopping 2016 Study**  
 Intention to Shop Boxing Day, Canadian Adults, By Black Friday Participation

Thinking about this year, how likely are you to go shopping whether online or in store for items from Boxing Day sales promotions (December 26th 2016)?

	Participation Black Friday				
	Total	Bought	Browsed	Aware but did not participate	Not aware
Weighted Totals :	1,578	468	291	805	14
<b>NET LIKELY</b>	<b>41%</b>	<b>56%</b>	<b>56%</b>	<b>26%</b>	<b>18%</b>
Very likely	13%	24%	14%	7%	0%
Somewhat likely	27%	32%	42%	19%	18%
<b>NET UNLIKELY</b>	<b>54%</b>	<b>38%</b>	<b>41%</b>	<b>68%</b>	<b>58%</b>
Somewhat unlikely	20%	18%	18%	22%	19%
Very unlikely	33%	19%	22%	46%	40%
I don't know / I prefer not to answer	6%	6%	4%	6%	24%

### Forty-one percent of adult Canadians are somewhat likely to be active on Boxing Day.

- At 56% of 18-24 year olds expecting to shop Boxing Day, this is a day for young shoppers.

**DIG360 - Leger Holiday Shopping 2016 Study**  
 Intention to Shop Boxing Day, Canadian Adults, By Age

Thinking about this year, how likely are you to go shopping whether online or in store for items from Boxing Day sales promotions (December 26th 2016)?

	Age Range					
	18-24	25-34	35-44	45-54	55-64	65+
Weighted Totals :	183	257	267	317	261	294
<b>NET LIKELY</b>	<b>56%</b>	<b>53%</b>	<b>50%</b>	<b>37%</b>	<b>35%</b>	<b>20%</b>
Very likely	22%	17%	20%	14%	9%	3%
Somewhat likely	34%	36%	31%	23%	26%	17%
<b>NET UNLIKELY</b>	<b>38%</b>	<b>40%</b>	<b>45%</b>	<b>55%</b>	<b>62%</b>	<b>76%</b>
Somewhat unlikely	23%	17%	19%	19%	21%	24%
Very unlikely	14%	24%	26%	36%	40%	51%
I don't know / I prefer not to answer	6%	7%	5%	8%	4%	4%

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## We expect the proportion of Canadians browsing or buying at least some items online has caught up to in-store

- We presume that the proportion of Canadians doing at least some online shopping for Black Friday will be a predictor for the overall season.
- However, please note that dollars spent and number of aggregate number of items will still favour stores.
- Of browsers only, who did not end up buying a Black Friday item, 71% were perusing websites. This data supports the known Canadian tend is to research product first, then head into stores if they are ready to buy.
- In 2013, 38% of Canadians shopped (browsed or bought) at a Canadian website for Black Friday deals and this proportion has grown steadily to 56% this year.
- This has come of course at the expense of physical stores, which has seen a shift in activity from 73% in 2013 to 48% in 2016 of Canadians who are browsing or buying Black Friday deals. Gray believes this could be a sound proxy for overall trends in online shopping in Canada, at least for Holiday promotions where many shoppers are averse to the crowds.

### About the Study

This DIG360 - Leger study was conducted as an Internet survey among the general public in all regions across Canada. A total of 1,578 respondents aged 18 years and older were interviewed between November 28, 2016 and December 1, 2016.

The final results were weighted using the 2011 census data by age, sex, mother tongue, region, education level, and the presence of children in the household to ensure a representative sample of the Canadian population.

### About us:

**DIG360 Consulting Ltd.** helps retail executives focus or recharge sustainable growth. They help develop customer strategies that resonate with the right target audiences, competing on better experiences and relationships. David Ian Gray leads DIG360 and is a recognized expert on shopper trends impacting the sector and resulting retail strategies [www.dig360.ca](http://www.dig360.ca)

**Leger** is the largest Canadian-owned market research and polling firm. Leger provides its clients with unique expertise in market research, business consulting and information technology in the fields of customer satisfaction, consumer insights, customer experience positioning, brand



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management, effective communication, corporate reputation, social acceptability and crisis management, particularly in the fields of healthcare, retail, financial services, lotteries, public affairs and entertainment. [www.leger360.com](http://www.leger360.com).

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