

Black Friday And the Cyber 5

2022 Background Briefing

A Short History of Black Friday



Black Friday began in Philadelphia in the 1950's. Visitors rushed into the city on the day between Thanksgiving and the annual Army-Navy football game on Saturday. Because of the chaos caused by the crowds and traffic, Philadelphia police began calling the day "Black Friday". Local retailers took advantage of the influx of shoppers but disliked the term and tried to rebrand it as "Big Friday" in 1961, but the name change didn't stick.

Eventually, retailers embraced Black Friday, post-rationalizing it as the day when profits went "into the black". With the growth of big box stores in the 80's and 90's in the US, Black Friday spread across the country and then the world. With the rise of the internet, Cyber Monday was born in 2005 as an online shopping day. Recently more "shopping holidays" have been added to the calendar (see below for Cyber 5) and Black Friday has expanded to start as early as mid-October.

Black Friday Goes Global

World average one-day sales increase 663%
(Source: Black Friday Global)



What are the Cyber 5?

The Black Friday shopping weekend now stretches from Thanksgiving Thursday to Cyber Monday. The Cyber 5 (or the Turkey 5 as Amazon calls them) represented 20% of all online sales in the US last November/December.
(Source: Retail Dive)

Small Business Saturday

Started by American Express in 2010, this day is all about highlighting small businesses and their owners, and encouraging people to "shop local".

Cyber Monday

Because Black Friday sales traditionally took place in brick-and-mortar stores, Cyber Monday began as a companion e-commerce event on the Monday after Thanksgiving in the US. It has grown dramatically – see stats below.

Giving Tuesday

With so much consumption over the Cyber 5, Giving Tuesday was founded in 2012 as an antidote - a "global generosity movement" to encourage "giving back".

Black Friday by the Numbers

\$8.9 BILLION

2021 Black Friday online sales in the US (missing the record \$9 billion set in 2020)
Source: VMLY&R COMMERCE

£9.42 BILLION

2021 Black Friday total weekend sales (online and offline) in the UK
Source: SaleCycle

\$10.7 BILLION

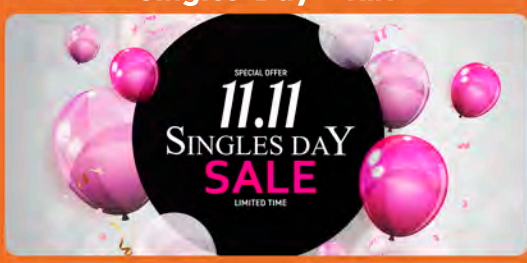
2021 Cyber Monday sales in the US (down for the first time ever, 1.4% lower than 2020)
Source: VMLY&R COMMERCE

180 MILLION

US consumers shopped during the Cyber 5 in 2021 (down from 186 million in 2020)
Source: VMLY&R COMMERCE

How Black Friday Compares

Singles' Day – 11.11



The 11.11 Global Shopping Festival (led by Alibaba out of China) generated \$85 billion in worldwide sales in 2021, close to 10x Black Friday in the US.
(Source: Business Insider)

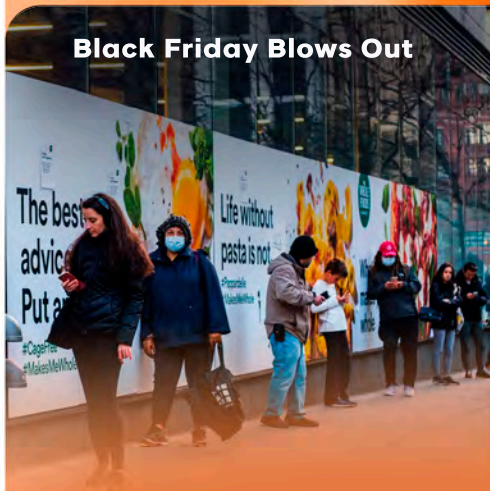
Amazon Prime Day



E-commerce sales at Amazon's own event reached \$12 billion over two days in the US this year, topping the individual sales numbers for Black Friday and Cyber Monday.
(Source: CNET)

Trends That will Continue

Black Friday Blows Out



Originated as a one-day event, Black Friday now starts as early as mid-October in the US – more than six weeks ahead of Thanksgiving. This year, US retailers like Target and Walmart began sales super-early, to get the jump on the competition, bring purchases forward, clear excess inventory, and fight Amazon which held a "Prime Early Access Sale" in October.

Convenience Wins



Not so long ago, shoppers would camp outside stores to take advantage of "doorbuster" specials. These days, much of the action is on screens – particularly on mobile (44.4% of all online sales on Black Friday 2021). If shoppers "want it now", curbside pickup is increasingly popular, representing 20% of all online orders placed on Black Friday last year.
(Source: VMLY&R COMMERCE)

Buy Now Pay Later Surges



Last November in the US, total Buy Now Pay Later (BNPL) spending was up 422% on 2019 levels. In a tough economy, with consumers challenged by rising costs and interest rates, we expect BNPL to continue to grow this year.
(Source: Forbes)

New Trends to Track in 2022

Bricks Are Back

While digital will grab the headlines, physical stores will also be popular, particularly after two years of the pandemic. Nearly 40% of consumers plan to shop in person on Black Friday in the US, and the final two weeks lead-up to Christmas will also be strong for brick-and-mortar businesses.
(Source: eMarketer)

Conscious Consumption

Shopify's global research survey shows that 40% of consumers will pay more for climate-conscious products and 76% worldwide are looking to spend on quality items that last. How will retailers and brands demonstrate corporate responsibility this Black Friday in the products they offer and the systems to deliver them?

Social Commerce

Washington Post reports that 60% of Gen Z and 56% of Millennials will do at least some holiday shopping on TikTok, Instagram, YouTube and similar apps. This year, social media will be as much a destination for Black Friday as stores.

Two Opposite Sales Trends

1

As life goes back to normal post-pandemic, items like luggage, jewelry, and formal wear will become popular.

2

As people still spend more time at home, items like appliances and small kitchen furnishings will also be top sellers.

Categories with the biggest lifts will be clothing, shoes & jewelry, electronics; home & kitchen (Source: SimilarWeb)

Standby for the post "Black Friday and the Cyber 5" report