

MikMak

Giving Consumers All They Want for the Holidays

2022 eCommerce Holiday Trends and Insights





2022 Holiday Guide

01 Holiday Overview

02 Plan Ahead for Demand

03 Make Your Product a Priority

04 Drive Frictionless Commerce

05 Best Practices & Next Steps



New macro shifts in 2022 will impact the holiday shopping season

eCommerce is a leading indicator for all commerce and thus sees constant shifts in consumer preferences as shoppers adapt to new technology, content formats, and changes in macro circumstances. The earlier brands put robust, data-driven eCommerce strategies in place, and the clearer they are able to provide the right messaging to consumers when and where they are shopping, the more successful these brands will be this holiday season.

Understanding consumers and their needs is more important than ever

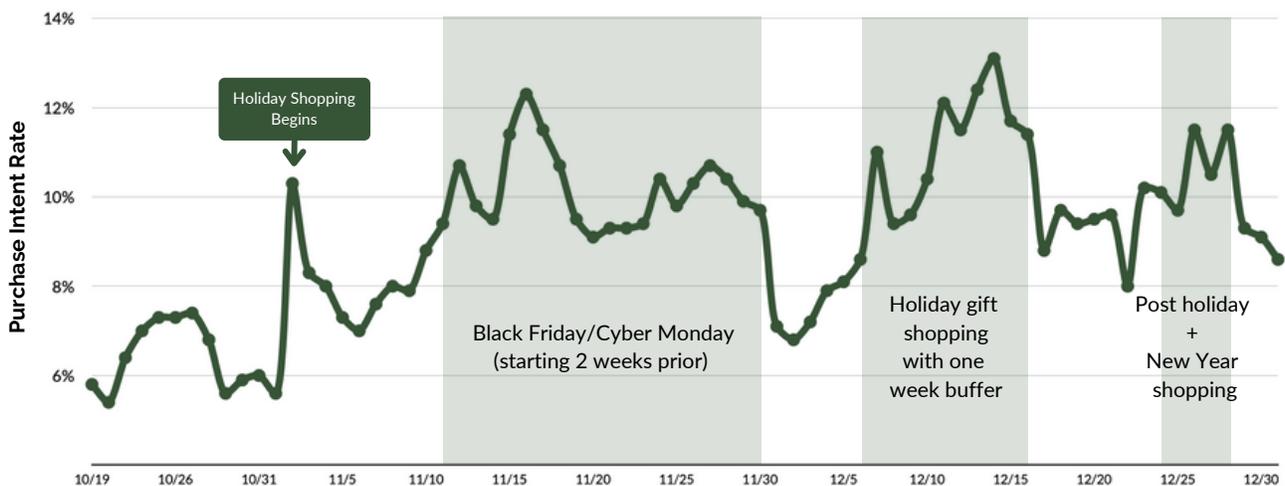
This year, with the increasing cost of taking a product to market and mounting economic pressures, brands must pay attention to three key areas in the shopping journey to make sure that increasingly price-conscious consumers can get what they want, when they want it, in a way that is cost-effective:

- **Plan ahead for demand** so inventory is available where the buyers are
- **Become a priority to your ideal shoppers** and make it easy for them to purchase and pay for your product
- **Optimize your frictionless commerce experience** to not only drive higher conversions but also at a lower cost

Holiday Shopping starts Nov 1

With increasing inflationary pressure, supply shortages and delays, and higher prices of goods, consumers are facing more trade-offs than ever when making purchase decisions. As such, consumer loyalty to brands and retailers is lower in 2022 so they can make sure they get what they want, at a price they want, this holiday season. Knowing when buying peaks will occur will help brands better prepare.

MikMak's Shopping Index shows that this year, holiday shopping will begin on Tuesday, November 1, and continue to the end of the year. While currently, the overall purchase intent rate is 5.5 percent, this can more than double during peak holiday shopping dates. That means shoppers are twice as likely to make a purchase for holiday shopping than for the rest of the year.



*Source: MikMak Shopping Index, data from 10/19/2021-12/31/2021

This year, brands can also anticipate three major sustained surges in demand. It is important to shorten the path-to-purchase as much as possible during these demand surges as consumers will be making trade-offs between delivery time, pricing, and projection of inventory availability.



If you're an alcohol brand, your holiday demand surge is a little different. MikMak's Shopping Index shows that alcohol eCommerce brands have one sustained surge between the Saturday before Thanksgiving and the Sunday before Christmas. This is a sign that consumers are combining purchases for multiple social events into one bulk order. Anticipated surge dates:

Nov. 19, 2022 - Dec. 18, 2022

Drugstores are important retail channels in 2022

Despite consumer loyalty to retailers being lower this year, it's still important to know where consumers prefer to check out first. MikMak's Shopping Index found that drugstores may not have been the preferred retailer in the years past, but are becoming more popular retailer destinations as prices increase and discretionary income decreases.

Top 10 Retailers

(by share of purchase intent clicks)

- | | |
|---------------------|------------------------|
| 1. Walmart (26.9%) | 6. Drizly (3.5%) |
| 2. Amazon (19.2%) | 7. Ulta (1.9%) |
| 3. Target (14.9%) | 8. Kroger (1.8%) |
| 4. Walgreens (4.2%) | 9. Amazon Fresh (1.6%) |
| 5. Instacart (3.6%) | 10. CVS (1.4%) |

Inventory management is competition management

Even with supply challenges, brands need to keep demand up. How?

01 If your products are on the shelves, focus your spending on awareness-based media so consumers know where to buy your products.

02 If your products are in stock, but your competition isn't, you may be in a position to win market share by displaying your availability to frustrated shoppers ready to switch brands.

03 If you have limited products on shelves, don't lose market share during this time. Turn on inventory management capabilities with a partner like MikMak so your consumers know where to buy your products right away!

04 Remember, even if you have limited supply, you don't want to stop spending; because the less traffic you send the retailers, the lower you will begin to rank in search.

[Learn more about MikMak Inventory Management here](#)



Basket sizes are bigger in 2022

Due to inflationary pressures, consumers are more price-sensitive than ever this holiday season. That means they will be thinking about affordability earlier in the shopping journey, and more receptive to discount messaging throughout the process. They will also have an increased willingness to switch brands and retailers for better deals, even shifting toward private labels.

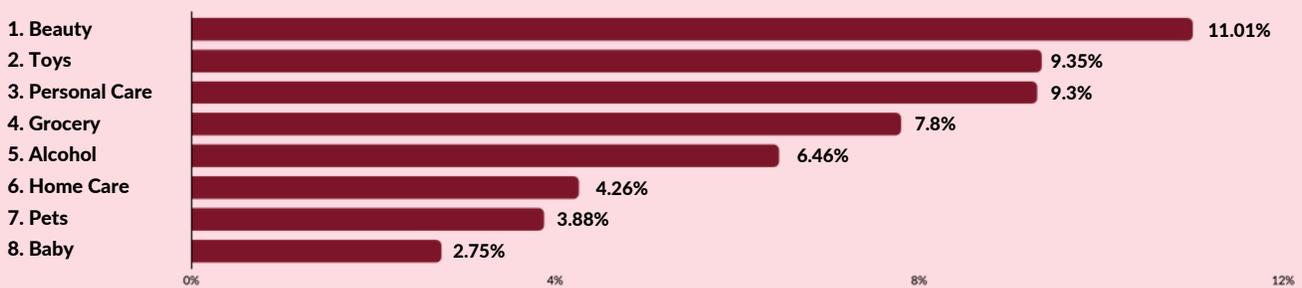
One way that consumers have been saving money this year is by combining shopping trips into bigger baskets.

The rising fuel and labor costs mean saving on gas and delivery from multiple smaller purchases can go a long way. MikMak's Shopping Index found that the average basket size in 2022 to date is nine items, higher than the seven-item average in 2021.

This year, the top categories being purchased online include beauty products, followed by toys & electronics, and personal care products. We expect the popularity of many of these categories, particularly necessities, to continue.

Categories in high demand in 2022

(Popularity determined by categories with the highest Share of Purchase Intent Clicks)



Source: MikMak Shopping Index, based on a sample of the top 40 brands driving over 56% of all Purchase Intent Clicks from 1/1/2022-6/13/2022

Stay close to the data

This holiday season, brands need to keep hands on the keyboard more than ever before. You can make strategic optimizations through designing a robust data strategy, A/B testing messaging and creative, and even more creative strategies at check out to encourage purchase.

- 01 Get agile with your data strategy.** Stay close to the eCommerce data you have on hand to find and respond to shifting consumer price-conscious shopping habits as they emerge.
- 02 Test and learn messaging early.** Get it right before it gets expensive. Consider testing different deal-based, budgeting messaging.
- 03 Find your ideal consumer** and make it clear to them why your product is an essential part of their life.
- 04 Get creative at all stages of shopping.** Explore co-promotional partnerships. Consider incorporating Buy Now, Pay Later.
- 05 Couple promotions for added incentive.** If taking a trip to a farther location is the only way to save the sale at check out, what are ways to make the trip more "worth it" for your shoppers? Discounts & promotions that drive basket size. Lower the cost of travel for shoppers by offering gas gift cards, credit, or other ways to defray the cost of fuel in making purchases.

CASE STUDY

Help fuel price sensitive shoppers find products locally

Olly saves market share by enabling multi-retailer, omnichannel checkout options for products that are currently out-of-stock (OOS) through their brand.com

[Read the full Case Study here](#)



Commerce media is consolidating in a cookieless world

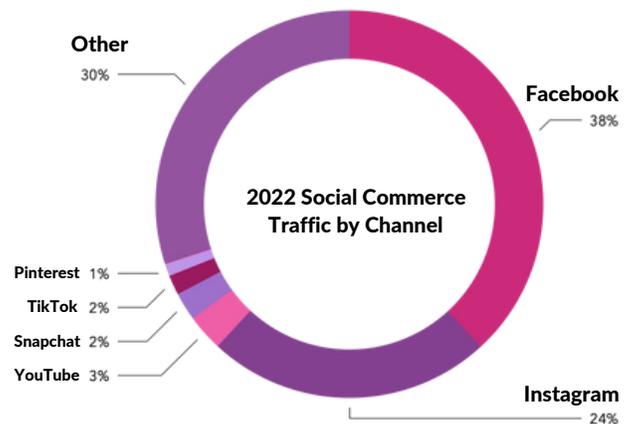
The acceleration of eCommerce has changed the game for digital marketers, making it an imperative for them to not only understand how consumers shop, but who is making these decisions. This is happening against a background where consumer data regulations are increasing, and third-party cookies are being deprecated.

However, this doesn't change the reality that the internet often knows what shoppers want before they know it themselves, and that better ways of collecting, understanding, and utilizing consumer data have emerged.

One of the ways this has been occurring is that brands are moving their digital spend toward retail media. eMarketer estimates that Amazon alone will take over 12 percent of the digital ad marketplace.*

Social commerce shifts

MikMak's Shopping Index has seen social commerce traffic sources become less diversified in 2022 compared to 2021. This year, Facebook and Instagram together drove over 61 percent of all eCommerce traffic. Awareness-level platforms like YouTube (3.1%) saw a drop while Snapchat (1.7%) and TikTok (2.4%) drove more online shoppers than Pinterest (1%).**



*Source: US Ad Spending, 2022, eMarketer.

**Source: MikMak Shopping Index, data from 1/1/2021-12/31/2021 and 1/1/2022-7/12/2022

CASE STUDY

Leveraging insights for creative & messaging that drive conversion

Clairol drove a major lift in sales at Target by leveraging MikMak Sales Insights to inform creative, messaging, and landing page optimizations

[Read the full Case Study here](#)



Prioritize consumer-driven commerce

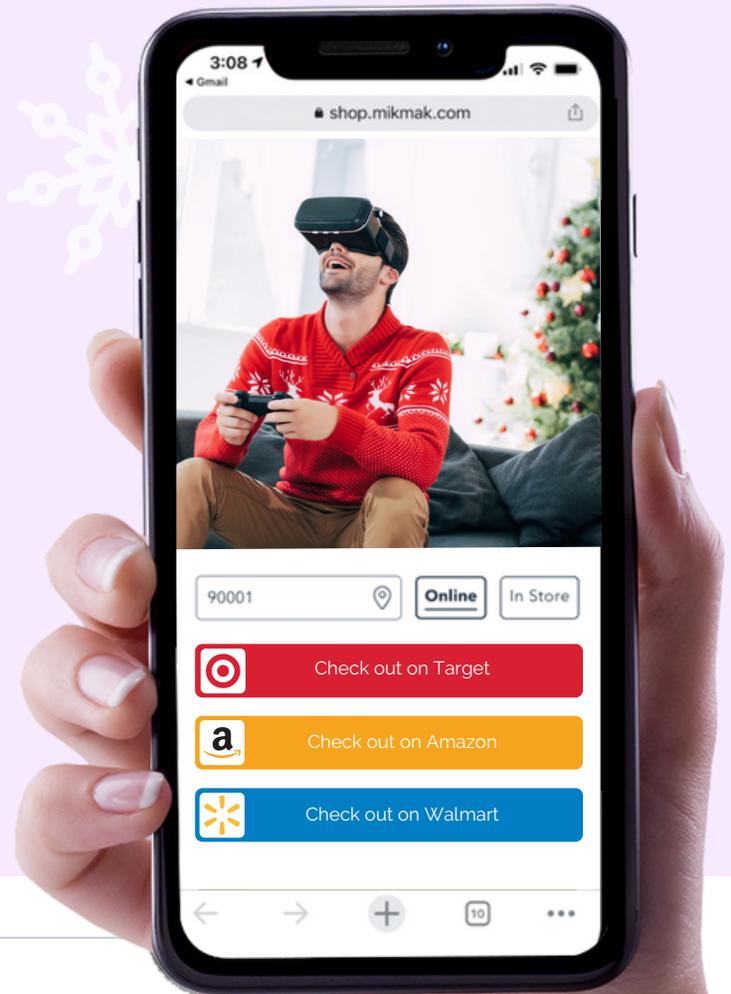
Brands know that seamless, frictionless commerce can lower drop-off rate and lead to higher consumer lifetime value. In other words, getting to know your consumer through eCommerce data gives brands insights into what they prefer. For example, MikMak Shopping Index has found that*:

- 60 percent of Amazon shoppers on the MikMak Platform came from Facebook and Instagram
- Amazon shoppers without children have the higher purchase intent rates

Incorporating preferred options and demographic relevance in a shopping journey can reduce this friction. MikMak helps you identify what's working and what isn't so you can tailor a shopping experience for your consumers.

*Source: MikMak Shopping Index, data from 1/1/2022-7/12/2022

- 01 Assess your data strategy.** Consider partnering with third-party measurement platforms like MikMak to gather your own first-party data.
- 02 Diversify your media portfolio.** It's not just social media and programmatic ads anymore. Also consider CTV and QR Codes.
- 03 Make your website do more for you.** How many consumers visit your website to research and consider purchasing but don't have a way to do so from there? MikMak on brand.com can help.
- 04 Combine brand media with conversion opportunities.** You are investing so much time and money to get consumers interested in purchasing. Make sure they do.



Your 2022 Holiday Cheatsheet



eCommerce is an always-on endeavor and keeping a pulse on consumer preferences and shopping habits allows brands to be agile when adapting to changes and making the most of investment. Successful brands in Holiday 2022 will be able to take this opportunity to forecast demand and even grow and protect market share.

Remember:

- **Consumers are price sensitive** and willing to change brands and retailers to get what they want.
 - **Consumers are opting for bigger baskets** and fewer shopping trips to save money as fuel prices increase.
 - **Don't discount drugstores as popular retailers.** They tend to be preferred when consumers are looking to get multiple items in one place at a lower price point.
 - **Start preparing early.** Use the data and insights to be fully optimized well before demand surges and when the cost of media increases more. If you anticipate the supply chain slowing down, incentivize earlier purchases.
 - **Get creative.** In your creative, in your media mix. In your partnerships. Test and learn discount messaging. Consider adding Buy Now, Pay Later.
 - **We're here to help.** MikMak helps multichannel brands gain deeper consumer insights to grow and protect market share. Contact us at marketing@mikmak.com!
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The MikMak Shopping Index is a collection of key eCommerce KPIs collected across hundreds of brands and over 250 channels and 2000+ retailer integrations to understand consumer online shopping behavior. With a sample size of up to 5M shoppers, MikMak's Shopping Index provides insights into current and developing industry trends, and forecasts demand and behavior in the online marketplace. The Index also includes data from MikMak Shopper Intelligence, which ties first-party eCommerce data to 1000+ demographic and psychographic data points, and can be segmented by product, retailer, and more. Shopper Intelligence is available through an industry exclusive partnership with LiveRamp.

MikMak's Shopping Index was developed to provide a standardized set of metrics, methodology, and benchmarks to help drive brands' business results and strategy.

To learn more about these metrics and how they drive eCommerce Performance, check out [**The Modern Digital Marketer's Guide to eCommerce Performance Metrics**](#)

[**Learn More**](#)

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