

## Black Friday 2018: Expectations and Consumer Spending Intentions

*Expectations and purchasing intentions for Black Friday*

- A survey by OrangeBuddies Media

### **Black Friday worldwide**

Black Friday originated in America, but it is becoming a popular shopping event worldwide. In more and more countries, the number of retailers participating in Black Friday with special promotions and extreme discounts is on the rise. The big question is how you, as a retailer, can stand out amidst all these offers and how you can approach consumers correctly and at just the right time. To succeed, you must be aware of consumers' expectations and purchasing intentions, so that you can respond to them in a targeted manner.

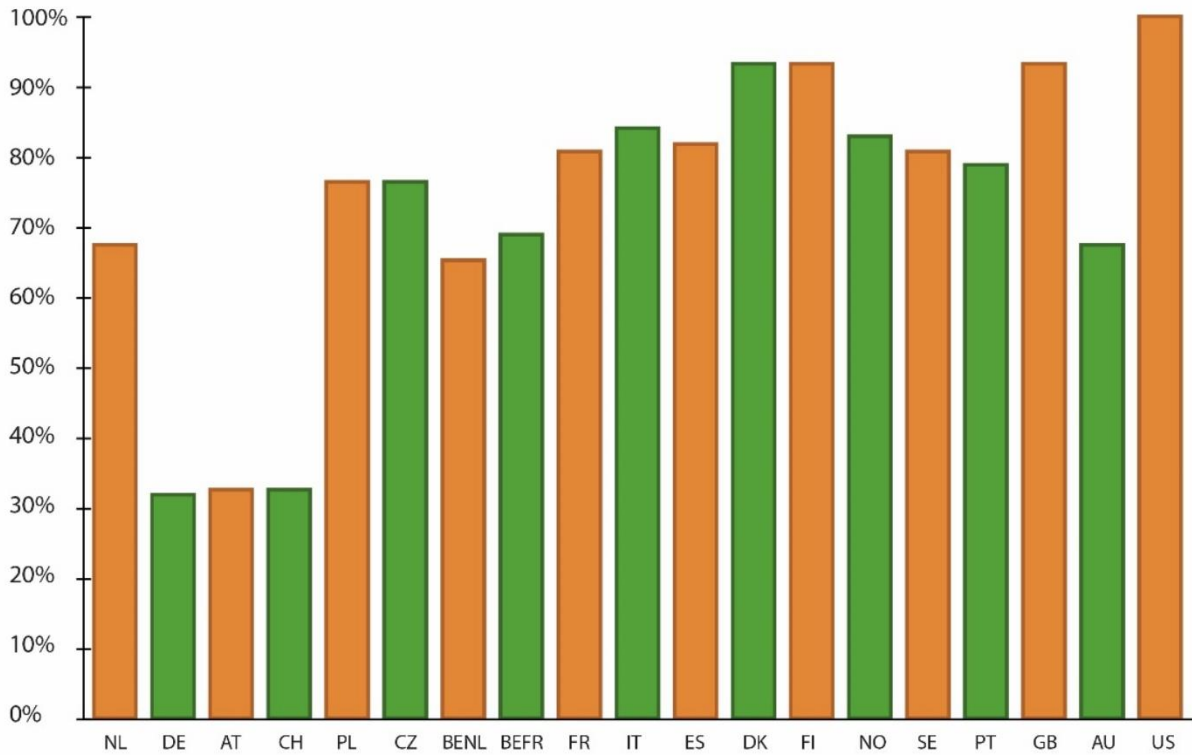
Within the cashback communities of OrangeBuddies Media, the largest provider of cashback and shopping platforms worldwide, the rise of Black Friday is also clearly visible. In this report we share the results of our survey into consumer behaviour for Black Friday, which attracted over 26,000 respondents worldwide. We have made a number of interesting findings, which can be very useful to e-commerce players.

### **Black Friday & cashback survey**

To get a detailed insight into the expectations and intentions of consumers worldwide for Black Friday, OrangeBuddies Media carried out a survey. The participants were presented with a series of questions on their awareness of Black Friday and their behaviour, expectations and purchases during this event. Over 26,000 people took part in the survey, which guarantees a clear view of what the average consumer worldwide knows about Black Friday, what they expect and what they think they will end up buying. The survey was completed by consumers from the Netherlands, Germany, Austria, Switzerland, Poland, the Czech Republic, Belgium, France, Italy, Spain, Denmark, Finland, Norway, Sweden, Portugal, the United Kingdom, Australia and the United States.

## **SECTION 1: AWARENESS OF BLACK FRIDAY**

Every year, Black Friday becomes more known and popular. However, there are striking differences between people's awareness of the event worldwide (graph 1). Black Friday originated in the United States, so it will come as no surprise that 100% of respondents in the United States are familiar with it. Nowadays, virtually all respondents in the United Kingdom are familiar with this yearly shopping event too. A high awareness percentage was also measured in Scandinavia, followed by Italy, Spain and France. The survey shows that at the moment, Black Friday is the least known in Germany, Austria and Switzerland.



Graph 1: Awareness % per country

In most countries, both men and women are familiar with Black Friday, yet the biggest discrepancies were found in the United States and France. In these countries, the percentage of female respondents that is familiar with this event is two to three times higher than the percentage of male respondents.

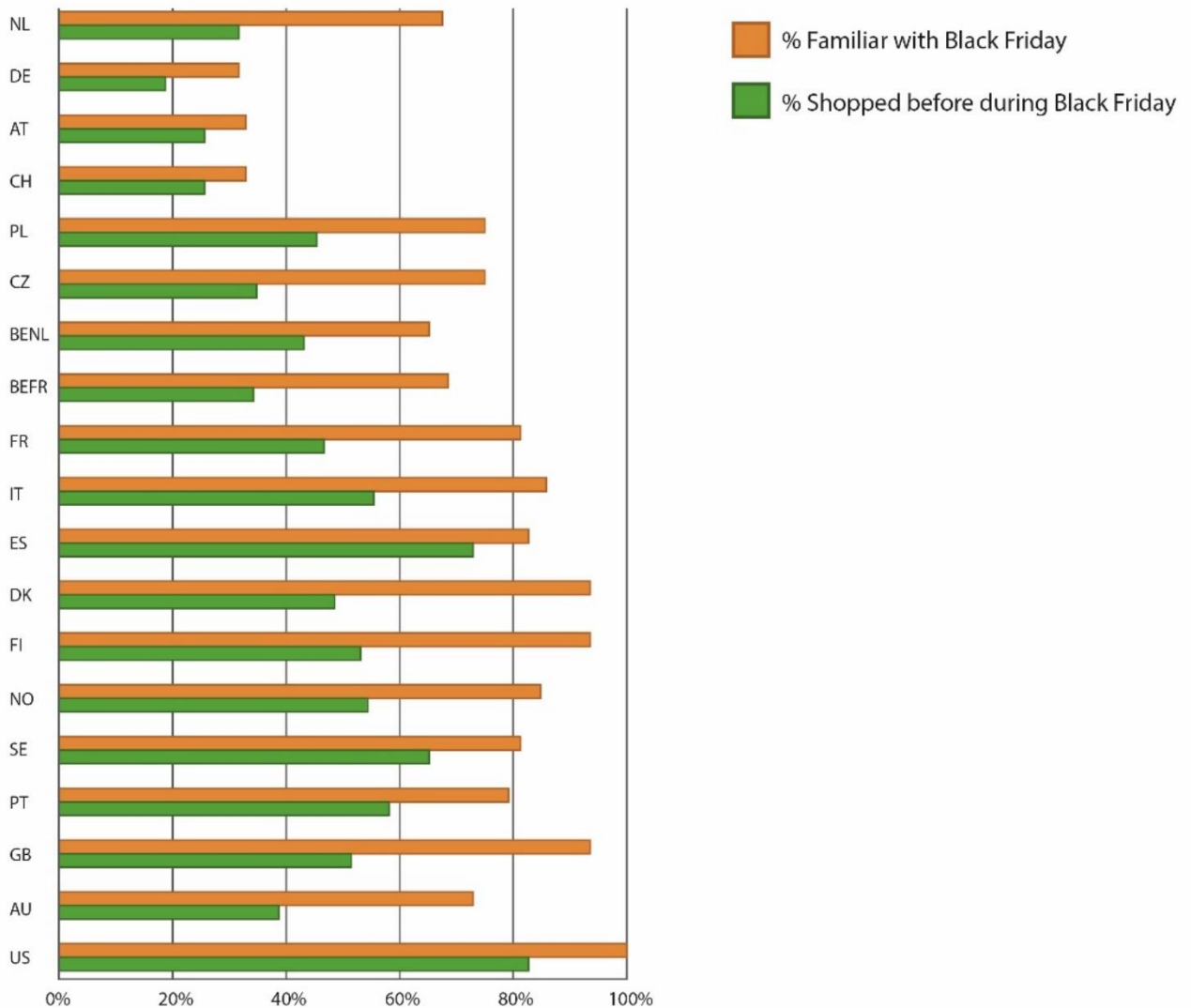
Globally, the average age of consumers who are familiar with Black Friday is 35 to 65 years. In the Scandinavian countries, there are clear peaks, up to age 65+.

When asked during which month Black Friday takes place, more than half of all respondents who stated they are familiar with Black Friday in all countries gave the right answer: November, in some countries followed closely by October. This shows there is still some uncertainty. It is interesting to note that people know what Black Friday is, but they do not always know exactly when it takes place.

## SECTION 2: CONSUMER EXPECTATIONS IN TERMS OF PURCHASES

### Prior purchases on Black Friday

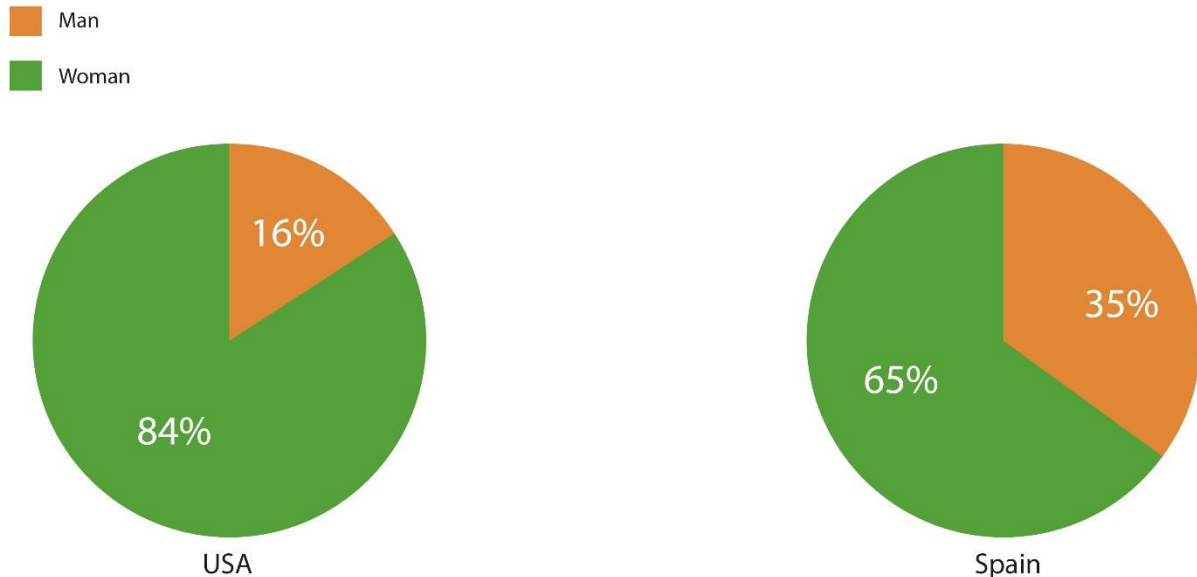
Although consumers worldwide seem to generally be familiar with the phenomenon of Black Friday, the number of respondents that have actually made purchases on this day is slightly lower (graph 2).



Graph 2: Familiar with Black Friday vs. shopped before during Black Friday

In the United States, 82% of consumers have made prior purchases on Black Friday. That is no surprise of course, since Black Friday has been incredibly popular there for years. It is mainly women who are looking to snap up a bargain in November (graph 3). Virtually all respondents in the United States who have previously made purchases on Black Friday are planning to do so once again in 2018.

Not only in the United States, but in Spain too many purchases have been made during the previous editions of Black Friday. Despite the fact that it was mainly women who made these purchases, the percentage of men is higher than in the United States (graph 3). These respondents also stated that they once again intend to shop on Black Friday.



Graph 3: US/Spain consumers who shopped before (gender)

Respondents in Germany, Austria and Switzerland are the least familiar with the event, which is also clear given the number of consumers who have previously made a purchase on the day. In fact, a mere 25% of respondents in these countries state they have shopped on Black Friday in the past. However, it is striking that in these countries, the percentage of male shoppers who have made prior purchases is higher than that of their female counterparts. Moreover, 100% of these consumers expect to shop once again on Black Friday 2018.

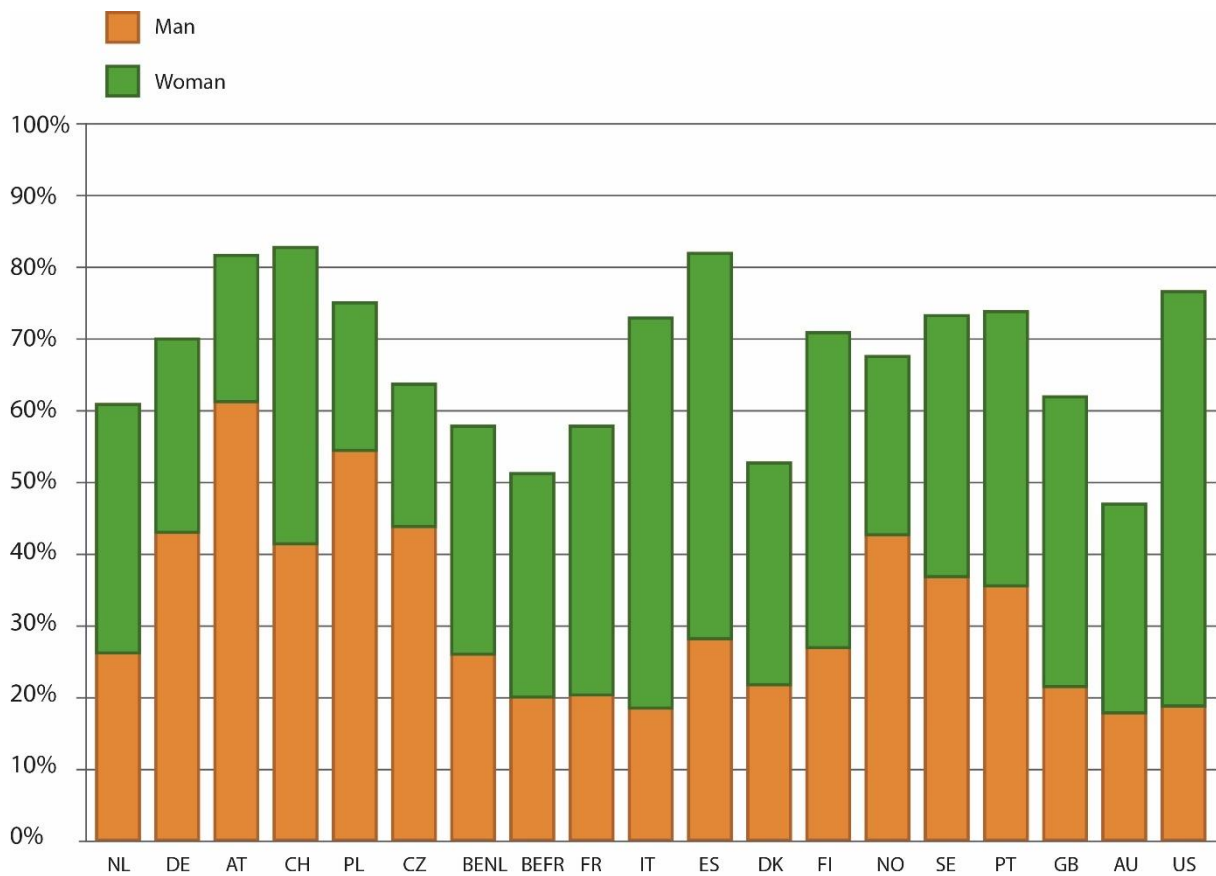
In Belgium, there appears to be an interesting difference between Flanders and Wallonia. In Flanders, 50% of consumers state they have bought something on Black Friday, while in Wallonia the percentage does not even reach 10%. That being said, almost 70% of respondents in both regions are familiar with the event.

In all countries, consumers who have made prior purchases on Black Friday expect to shop again in 2018.

### Waiting to shop until Black Friday

About three quarters of all respondents worldwide state that they are waiting to make certain purchases until Black Friday. The main reasons are the major discounts and attractive prices they are expecting during this shopping event. Both male and female respondents expect to make purchases in two key product categories, namely electronics and clothing & accessories, since they are anticipating major discounts on Black Friday.

Waiting to make a purchase is mainly popular among women, but in countries like Germany, Poland and Austria, it is men who wait for Black Friday (graph 4). In these countries, electronics top the shopping list.



Graph 4: Waiting to shop until Black Friday (gender)

### Popular product categories for Black Friday 2018

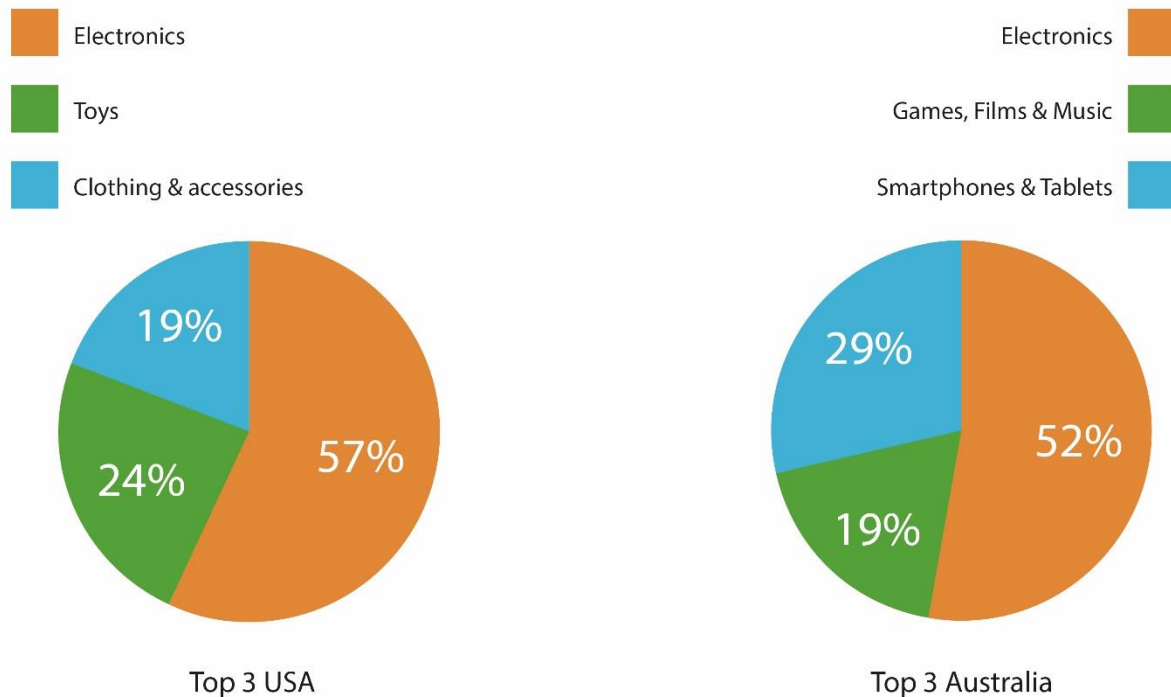
The majority of consumers who are familiar with Black Friday expect to make one or more purchases during this year's edition. Overall, the survey quite clearly shows in which product categories most purchases can be expected in 2018. The vast majority of female respondents go for purchases in the product category clothing & accessories, while male respondents prefer to buy electronics (graph 5). The third most popular product category varies between personal care products, toys and smartphones & tablets.

It is clear that men are far more interested in smartphones & tablets, while women prefer personal care products.



Graph 5: Popular product categories for Black Friday 2018

The only discrepancies the survey shows are in Australia and the United States, where clothing & accessories do not rank first or second. In those countries, electronics are by far consumers' favourite purchases on Black Friday. This goes for both male and female respondents. In the United States, electronics are followed by the product category toys. That is not surprising, since Black Friday is by definition considered the ideal time to buy Christmas gifts. In Australia the second spot is reserved for games, films & music (graph 6).

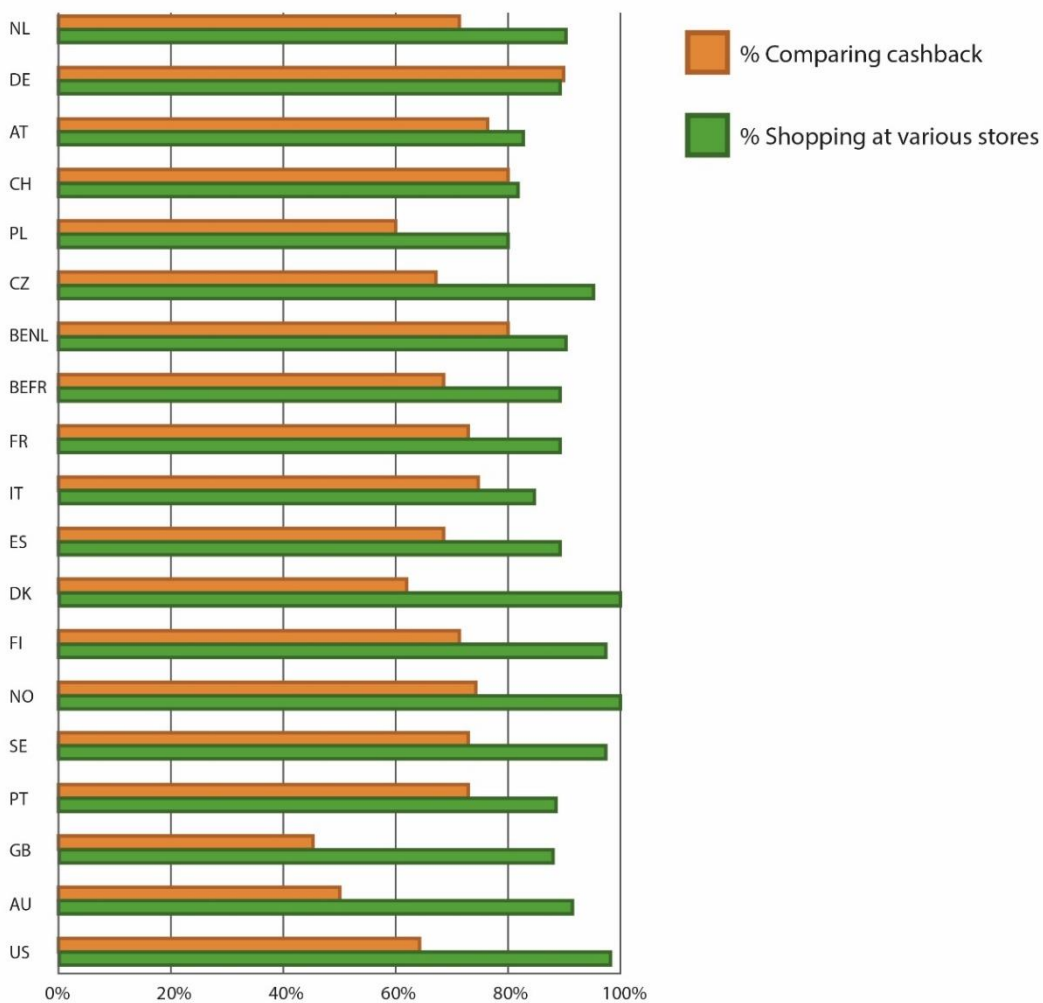


Graph 6: Top 3 popular product categories United States of America and Australia

In this survey, we also asked respondents whether they expect to make their purchases via a cashback website in 2018. The respondents all over the world made it clear they are definitely planning to make their purchases via a cashback website, because they do not like the idea of losing out on extra cash.

**How do we shop on Black Friday?**

When we collated the respondents' answers, it turned out that most of them who stated they shop at various stores on Black Friday intend to buy products in the categories clothing & accessories or electronics (graph 5). Moreover, in all countries, more than half of consumers compare the proposed cashback before they make their purchase. In Germany, Switzerland and Flanders, this percentage is even more than 80% (graph 7).

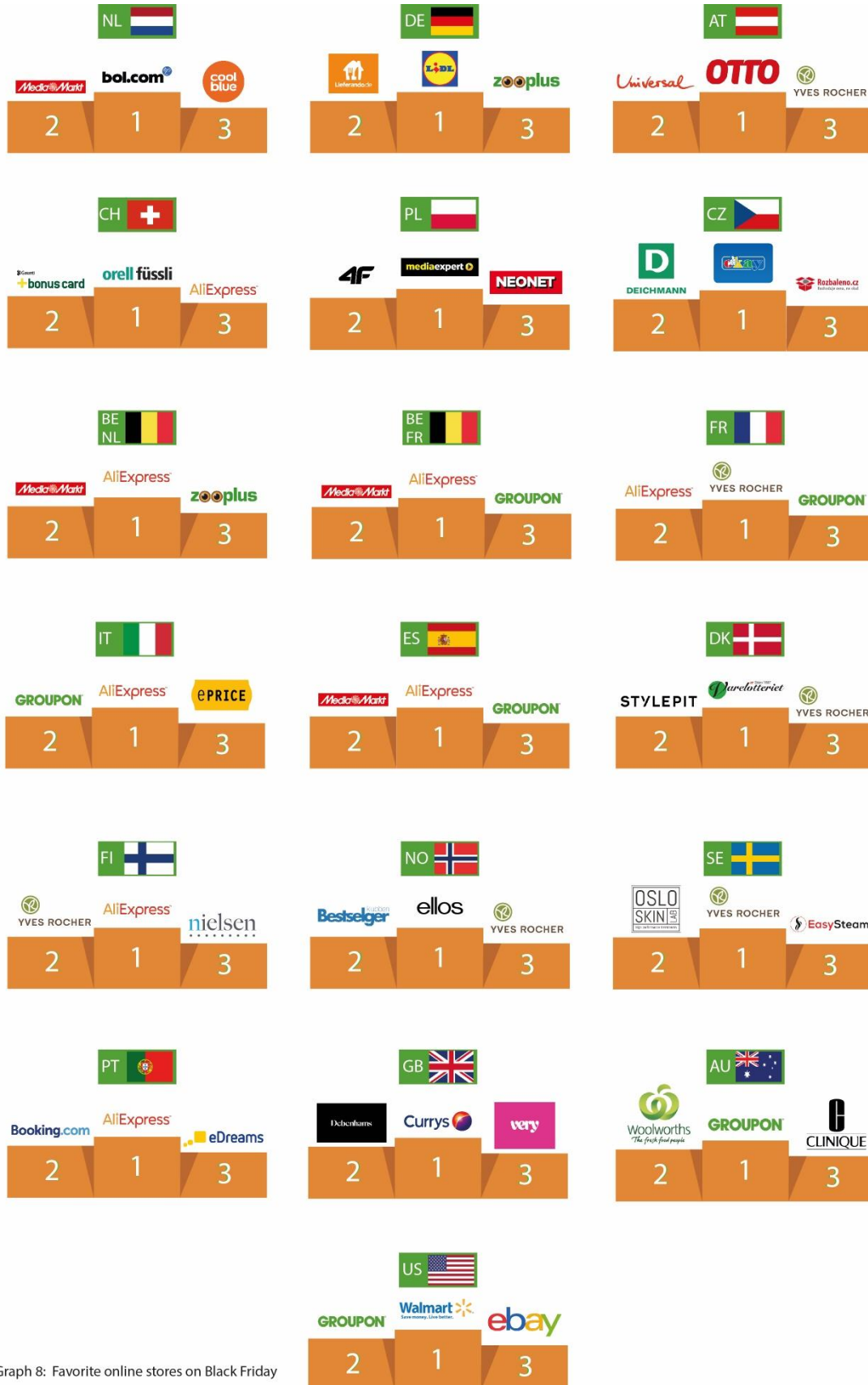


Graph 7: Comparing cashback during Black Friday

Consumers not only expect to shop at various outlets on Black Friday 2018, the majority also state they will shop mainly online. The percentages of consumers planning to shop online are particularly high in the Netherlands, Germany, Italy and Sweden (over 80%). The percentages for men and women in these countries are virtually the same, except in Italy, where it is mainly female respondents who are planning to shop online.

### Preferred online stores on Black Friday

Our survey also investigated which shops consumers prefer for their Black Friday purchases. It turns out that the most popular ones are mostly the large and well-known online stores (graph 8).



Graph 8: Favorite online stores on Black Friday

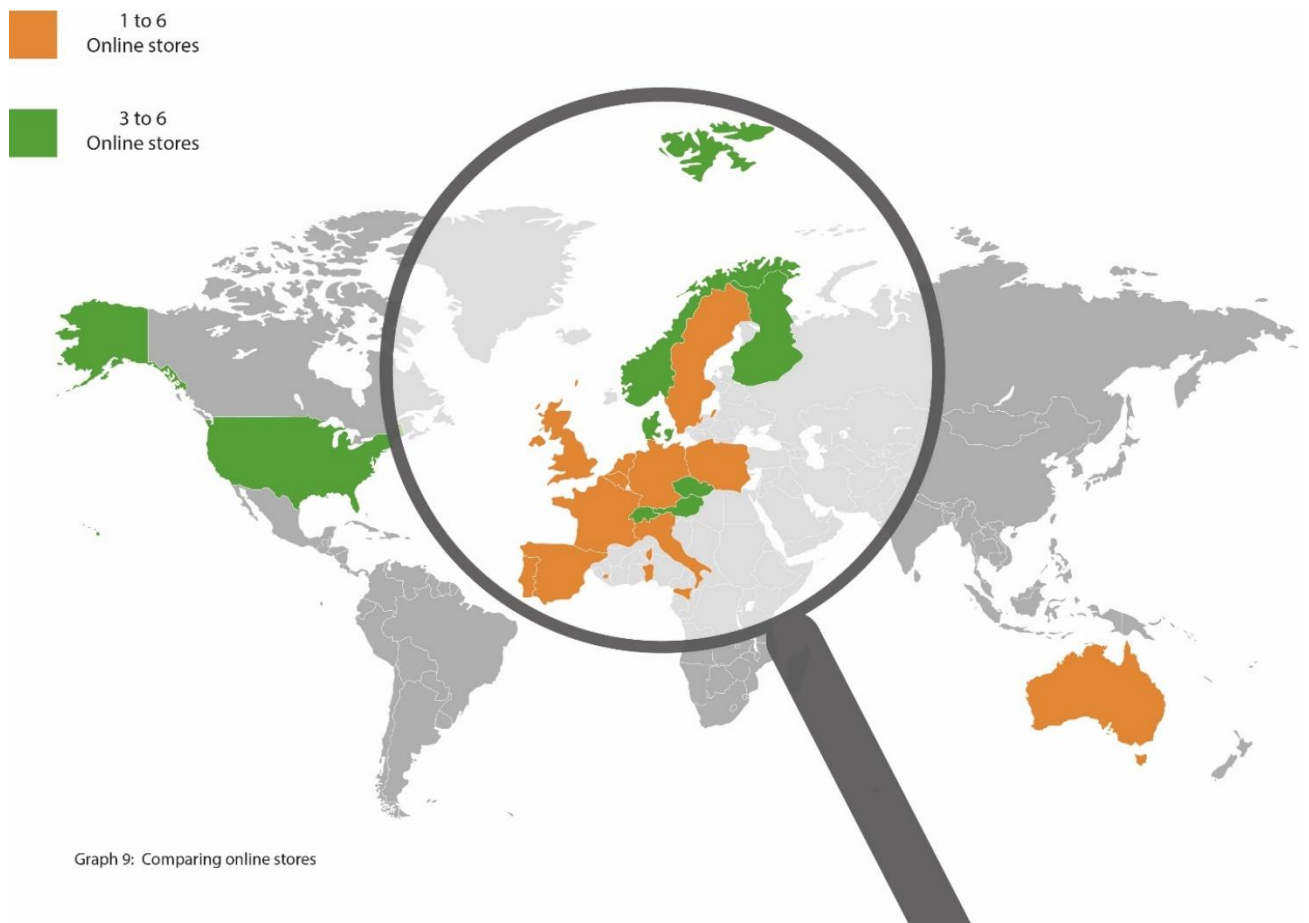


In several countries (including Spain, Belgium and Italy), AliExpress is a clear favourite for Black Friday purchases. This e-commerce platform is known for its cheap products and during shopping events like Singles Day and Black Friday, it launches extreme discounts and special deals.

**Comparing online stores and product prices**

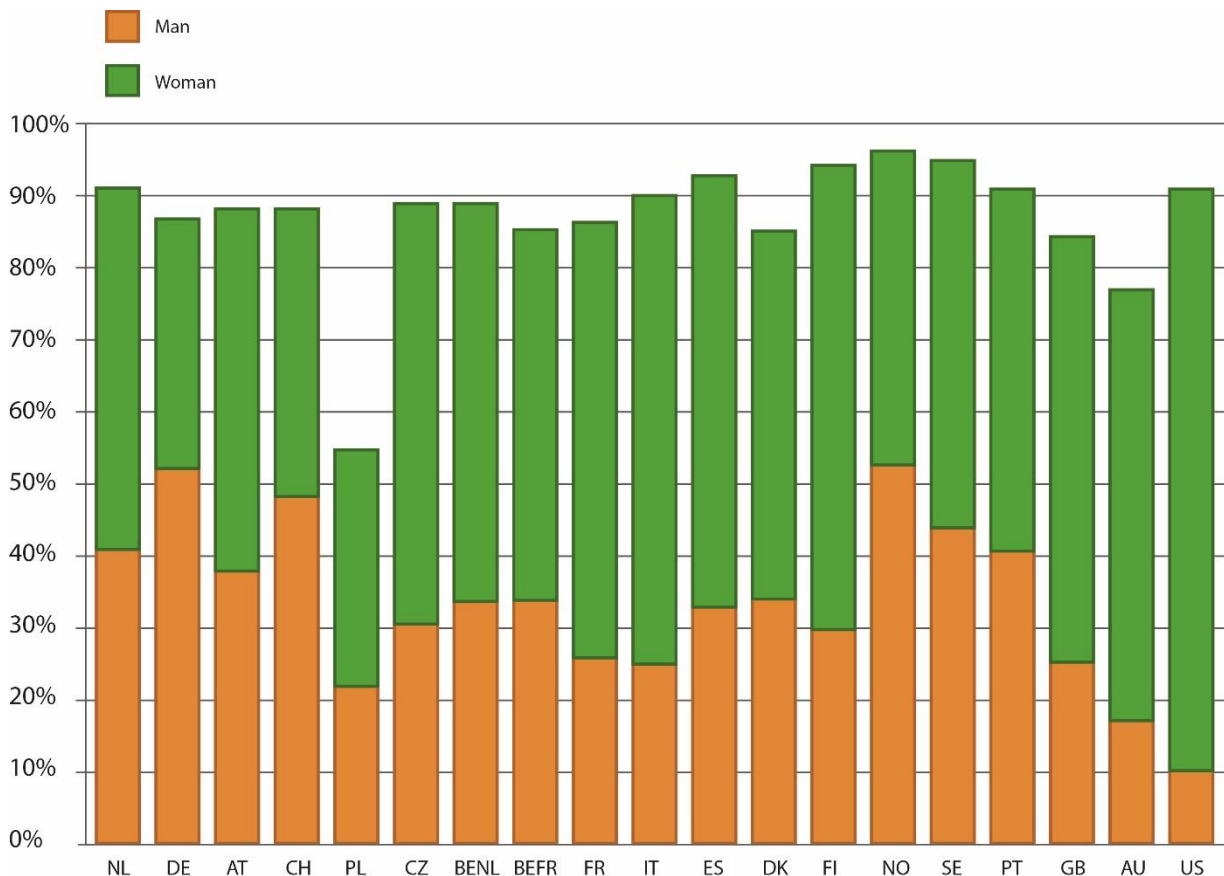
The cashback amount consumers can receive plays an important role in deciding on their Black Friday purchases. Both male and female respondents worldwide stated that they choose an online store partly because of the cashback they can receive.

The survey shows that most consumers compare various online stores before making a purchase. In some countries, consumers compare on average 3 to 6 online stores, while in others the range is wider, from 1 to 6 online stores (graph 9).



Graph 9: Comparing online stores

When asked whether they compare product prices on Black Friday, consumers in all countries agree. Virtually all respondents (90 to 100% in every country) compare product prices before making a purchase. In many countries there are hardly any differences between men and women, except in the United States, the United Kingdom, Australia, Italy and France (graph 10). In these countries, it is mainly women who compare product prices. The same goes for comparing various online stores.

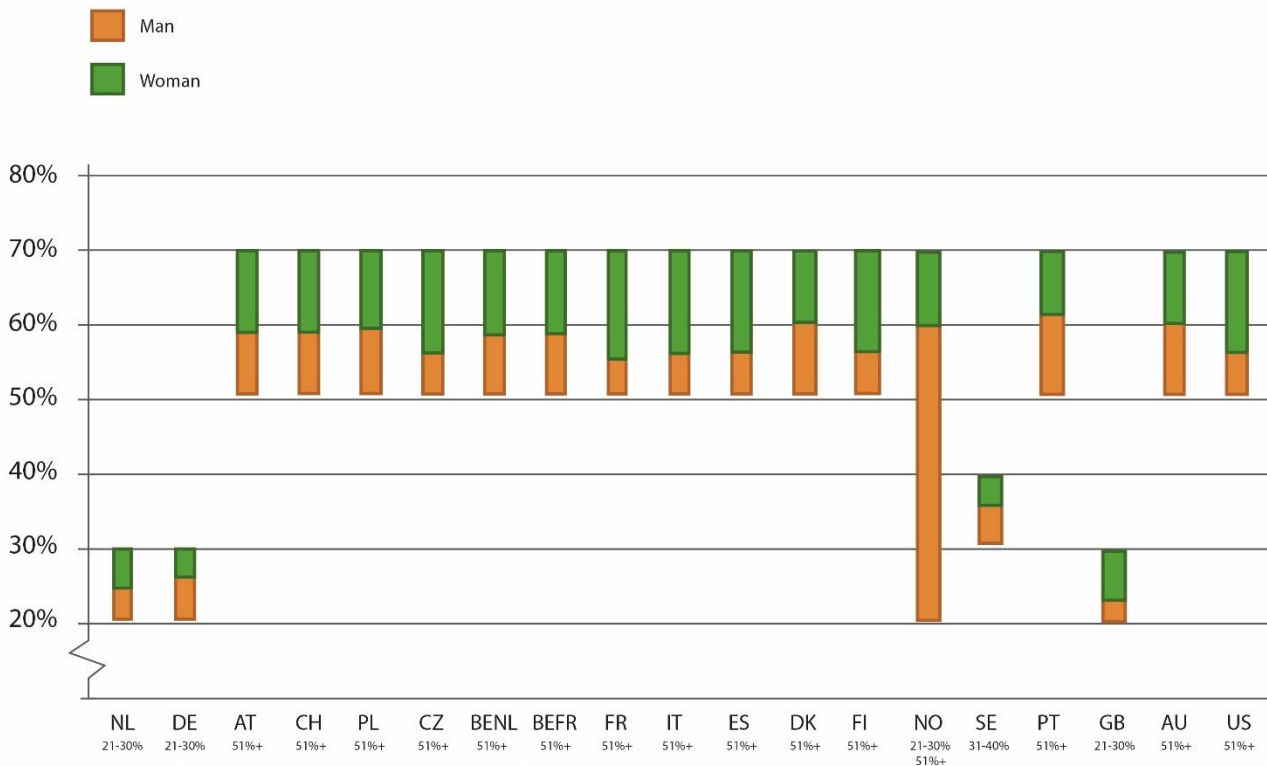


Graph 10: Comparing product prices

### SECTION 3: CONSUMER EXPECTATIONS IN TERMS OF DISCOUNTS

#### Expected discounts at online stores

Black Friday is known for its extreme discounts, but how high do consumers estimate these discounts will be? Our survey shows that in no less than 15 out of 19 countries respondents expect discounts of over 51% in online stores on Black Friday. That corresponds to the 'extreme discounts' the event is known for. It is mainly female respondents who expect excessively high discounts. In the remaining countries, respondents expect more moderate discounts of 21 to 30% (graph 11).



Graph 11: Highest expected discounts at online stores (gender)

Most of the female respondents who expect discounts of 51% or more intend to make a purchase in the category clothing & accessories. Most of their male counterparts intend to shop for electronics. Other categories mentioned in combination with discounts of at least 51% are personal care products, smartphones & tablets, and toys.

It is mainly consumers who have never before shopped on Black Friday who have high expectations in terms of discounts. Less than 50% of respondents who expect a minimum discount of 51% have made a purchase during a previous edition of the event. The only expectations in this view are consumers in Denmark and the United States, where respectively 75% and 100% of consumers have already made a purchase on Black Friday.

In this survey it is striking that consumers hardly ever mention categories like furniture, holidays and gardening & DIY when asked what they expect to purchase on Black Friday.

### How much do consumers spend on Black Friday?

In most of the countries assessed, the amount spent is 51 to 150 euro per respondent. However, there are a few clear exceptions, such as Spain and Finland, where consumers spend more, namely 51 to 200 euro. In Denmark, consumers state they spend the equivalent of over 200 euro.

### Interest in Black Friday promotions

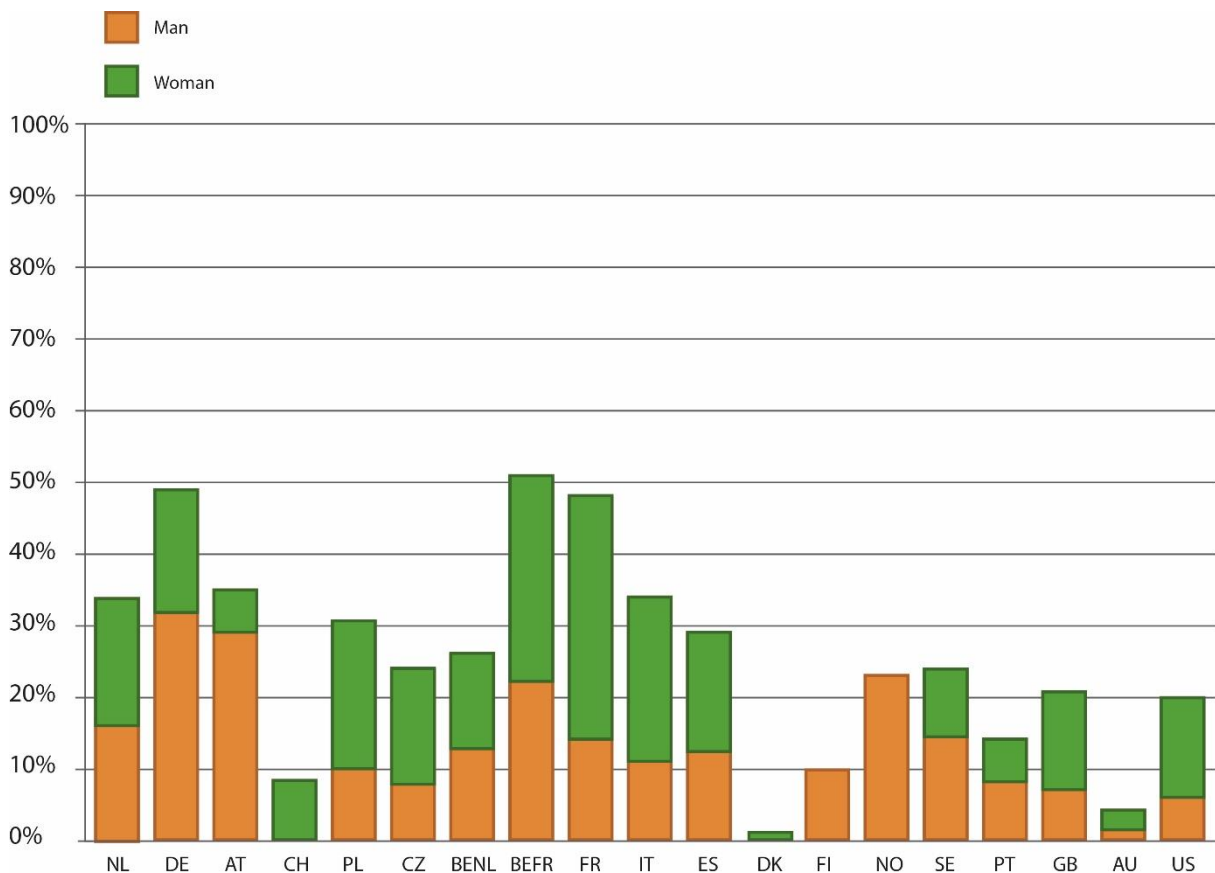
In all countries assessed, the respondents state they are interested in Black Friday promotions and discounts. However, this mainly applies to female respondents. In some countries, like Germany, Spain, Italy and Sweden, they even wait for the Black Friday deals to make their purchases.

In countries like the Netherlands, Germany and Sweden, 100% of consumers who state they are interested in Black Friday promotions actually wait for the event to make their purchases. In Denmark, Finland and the United States, consumers are less patient. In these countries, consumers who state they are interested in Black Friday promotions do not wait for the event and make their purchases beforehand.

## SECTION 4: BLACK FRIDAY & CASHBACK

### Expected Black Friday purchases with cashback

The survey also gives us an insight into the role of cashback on Black Friday. Among consumers who have stated they have made purchases with cashback on Black Friday in the past, there is a difference between male and female respondents in each country (graph 12). In a few countries, including Switzerland, Poland, France and the United States, it is mainly women who have made prior purchases with cashback on Black Friday. The male share is higher in Scandinavia, Austria and Germany, among others.



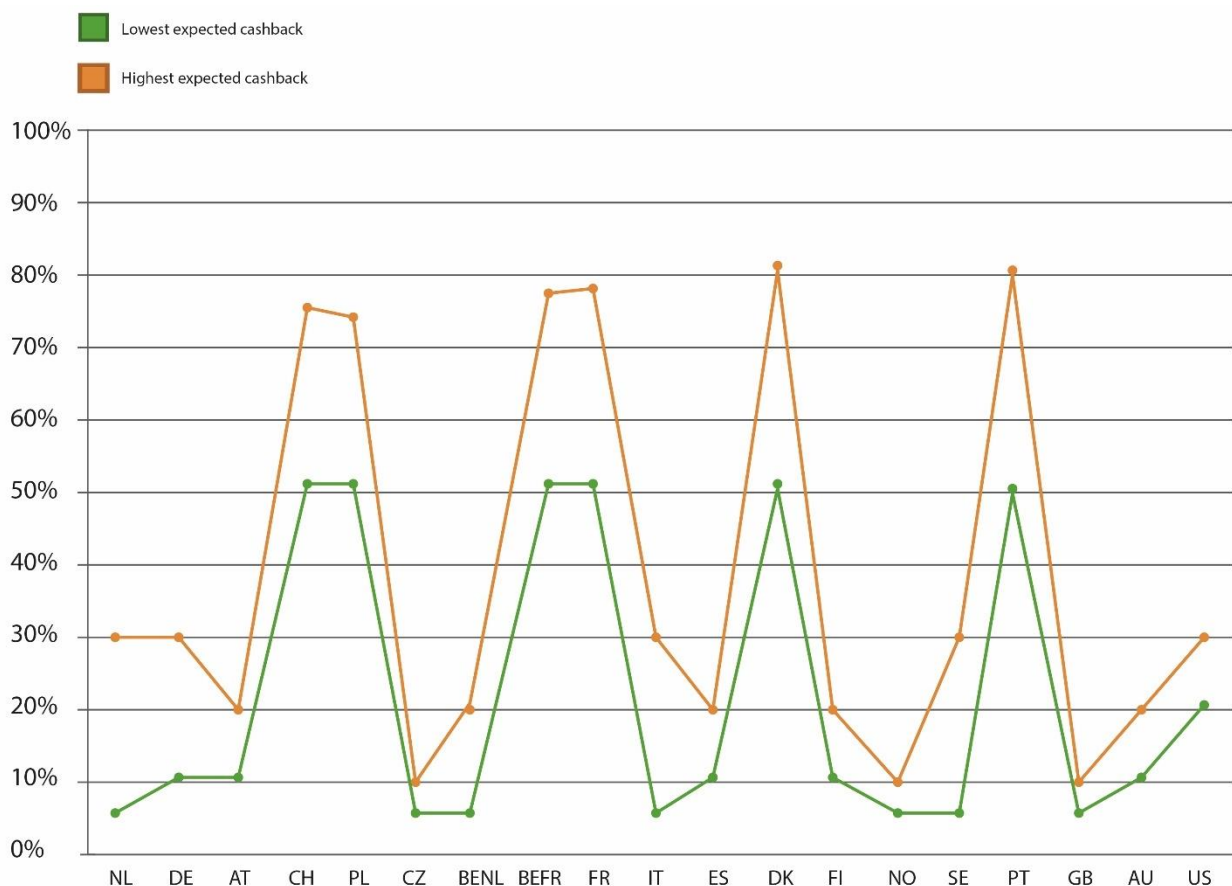
Graph 12: Prior purchases with cashback on Black Friday (gender)

That being said, the growing popularity of Black Friday is evident if we compare the percentage of consumers who have made prior purchases with cashback and the percentage of consumers planning to do so in 2018. In virtually all countries, about 70 to 90% of respondents expect to make a Black Friday purchase with cashback in 2018. Lower percentages were registered in Poland and Denmark only.

### Cashback levels on Black Friday

When asked which cashback levels they expect on Black Friday, all respondents agree. In all countries, consumers expect not only extra high discounts in online stores during the event, but also higher cashback levels on cashback sites. Most respondents have shopped with cashback on Black Friday in the past.

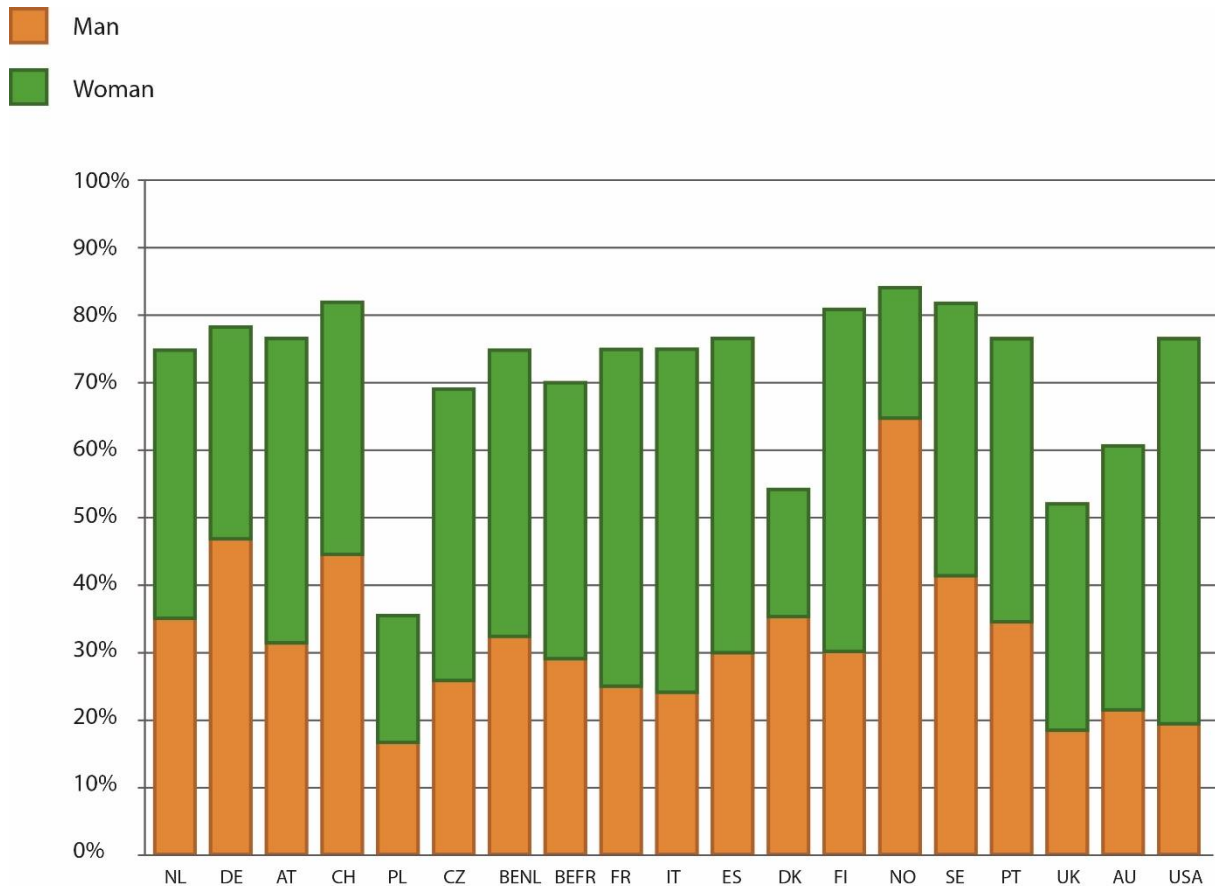
The actual cashback percentage that respondents expect to receive on their purchases varies a lot between the different countries, e.g. from 6 to 10% in the Czech Republic to over 50% in France (graph 13).



Graph 13: Expected cashback on Black Friday

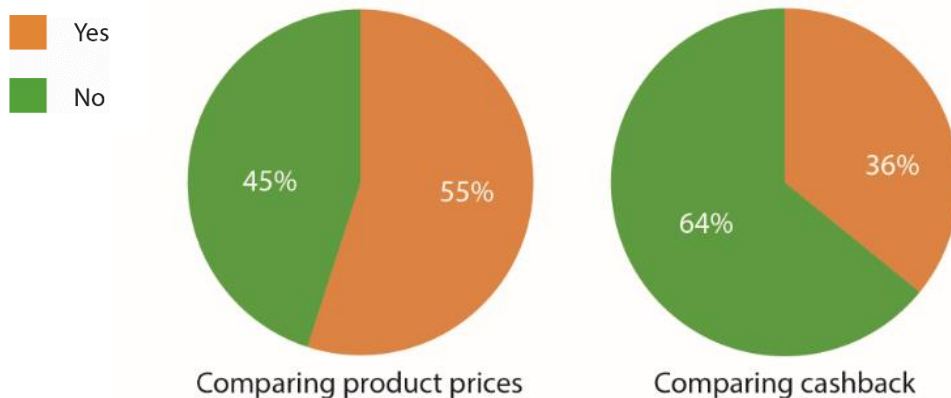
### Comparing cashback for Black Friday purchases

Consumers worldwide do not only compare product prices for their Black Friday purchases, they also compare the cashback on these purchases. The majority of consumers in all countries do this, but the ratio of male to female respondents varies (graph 14).



Graph 14: Comparing cashback for Black Friday purchases (gender)

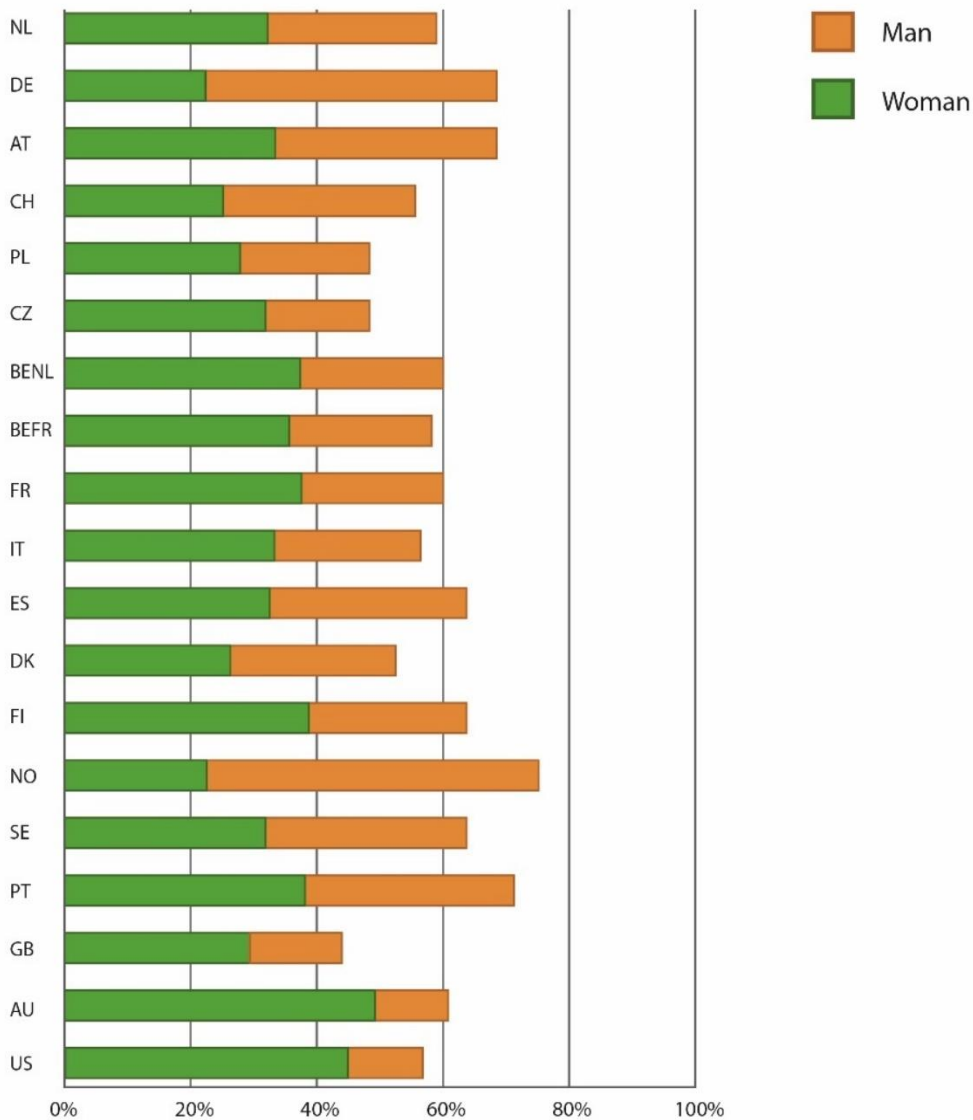
The only exception are Polish consumers, with only 36% stating they compare cashback levels on Black Friday. These results are in line with the results for comparing product prices and online stores. Once again, on average, the percentage is lower in Poland than in the other countries that participated in the survey (graph 15).



Graph 15: Comparing product prices and cashback in Poland

**Are online stores chosen for their cashback?**

As mentioned above, the survey shows that more than half of consumers in all countries compare cashback levels on Black Friday. On average, 50% of respondents state that this comparison determines which online store they choose to shop at (graph 16). This shows that the cashback received for purchases does in fact influence consumers' choices.



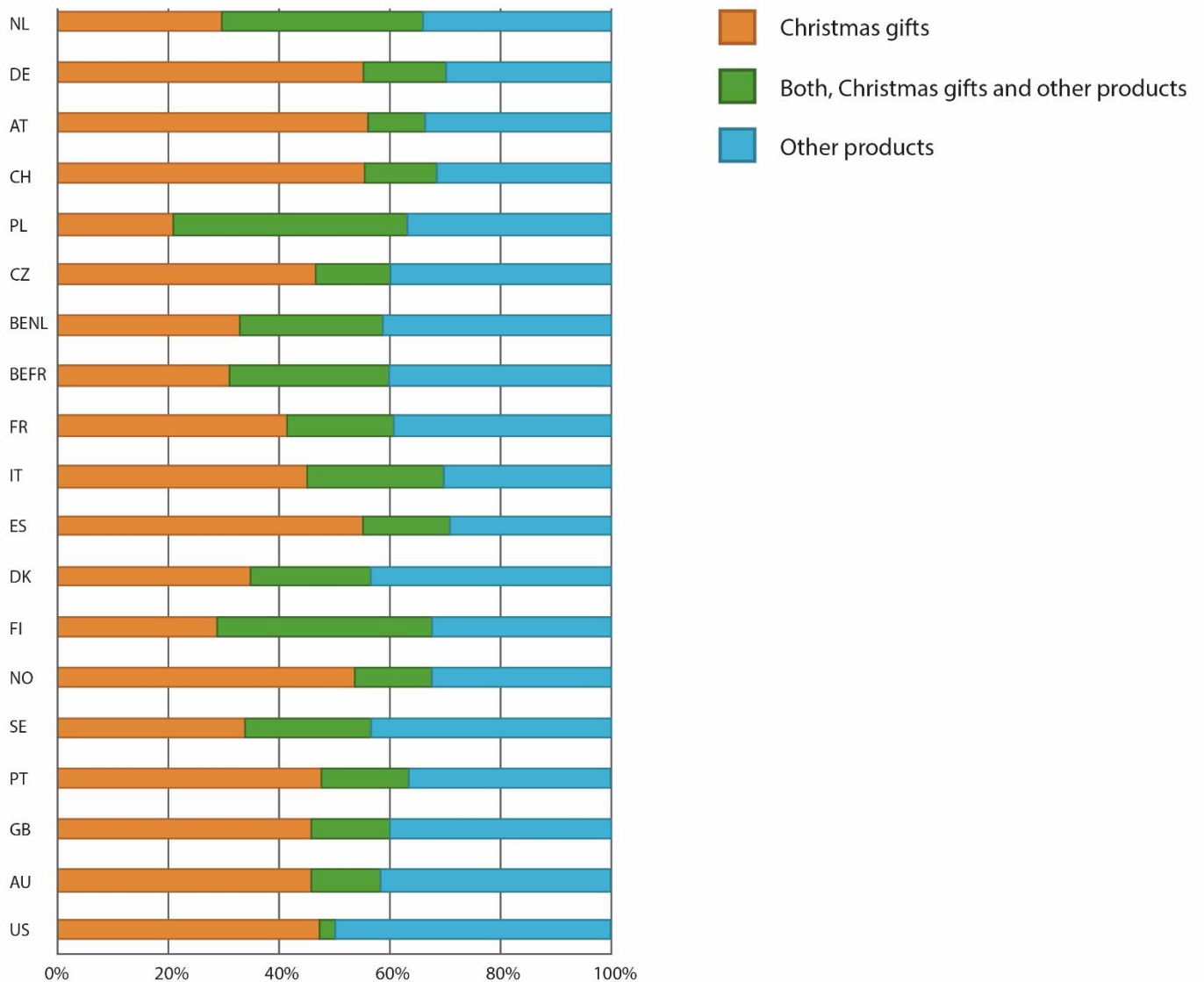
Graph 16: Cashback level and choice of store

The figures show that consumers in Norway, Portugal, Germany and Austria are more influenced by cashback than others when deciding where to make a purchase. The cashback level has the smallest impact on the online store chosen in the United Kingdom, Poland and the Czech Republic. In these countries, less than 50% of respondents state that the cashback to be received influences their choice.

## SECTION 5: REASONS FOR MAKING A PURCHASE ON BLACK FRIDAY

### Buying Christmas gifts on Black Friday?

Black Friday is a shopping event that is often labelled the start of the Christmas shopping season. In this survey, we asked respondents whether they actually buy Christmas gifts during the event or whether they also make other purchases on Black Friday. In most countries, 40 to 55% of consumers state they buy Christmas gifts (graph 17). Clothing & accessories and electronics are pinpointed as the main product categories for expected purchases.



Graph 17: Buying Christmas gifts on Black Friday



However, in a few countries the percentages differ from the average 40 to 55%. In the United States, Denmark and Belgium, respectively 50%, 46% and 42% of consumers shop both for Christmas gifts and other purchases not linked to the festive season. In Finland and Poland most purchases are not linked to Christmas at all (graph 18).



Graph 18: Black Friday Purchases Finland and Poland

## CONCLUSION

These findings are based on a survey among members of the OrangeBuddies Media cashback websites only. However, this does not affect their relevance. Given that over 26,000 respondents took part in the survey, it is safe to say that these results provide a truthful insight into the behaviour and expectations of consumers worldwide on Black Friday.

Black Friday is becoming an increasingly familiar and popular event, and this trend is expected to continue in the years ahead. It has become a very important yearly shopping event for the e-commerce sector. By getting an idea of what drives consumers on the markets where you operate as a retailer, and what their expectations are, you can come up with a targeted action plan.