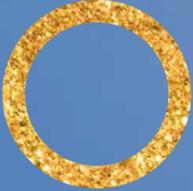


criteo.

2019 EMEA

# Festive Season Report

Add some sparkle to your  
marketing strategy



# TABLE OF CONTENTS

## 2 Introduction

A fresh approach to optimizing the festive season

## 3 A festive season: the science of magic

A land of celebrations

A season of opportunities

## 6 Golden Quarter: Unmissable for retailers?

Black Friday continues to shine

Retailers are increasingly optimistic in Europe

Analysing purchasing habits

## 9 The EMEA market: Understanding its complexity

A quick analysis of shopper personas in Europe

Cash in on the opportunity

A game of timing?

## 17 Trends 2020: What can retailers look forward to?

## A FRESH APPROACH TO OPTIMIZING THE FESTIVE SEASON

Described as the **'Golden Quarter'**, the last three months of the year provide retailers with a number of key shopping moments with which to entice consumers. From Halloween offers to discounted gifts that can add some sparkle and magic in the run up to the festive season, the popularity of promotional events during this period continues to grow giving retailers a chance to multiply business opportunities and boost their performance.

While China's Singles Day has overtaken Black Friday and Cyber Monday combined as the biggest global promotional event, Black Friday remains hugely popular across the EMEA region recording annual average growth of 117%. This optimism is backed up by 67% of retailers in our survey who expect sales to increase during Q4.

However, consumers are becoming more complex in their purchasing choices which means a 'one size fits all' approach increasingly lacks relevance in e-commerce strategies. A fresh approach includes a wider range of metrics that takes into account the economic landscape, as well as cultural and demographic drivers in order to map consumer shopping habits across the festive season more accurately. Looking under the bonnet to also see what motivates EMEA shoppers to purchase in-store or online is increasingly a key part of retail analysis.

With this report we wish to help retailers navigate the opportunities throughout this festive season and make this a truly magical business moment.

So sit back, enjoy the festivities and add some sparkle to your retail strategy along the way!

### Shruthi Chindalur

EMEA Executive Managing Director



# A festive season: the science of magic

The power of the festive season for retailers is undeniable. The lead up to Christmas can inspire consumers with a magical glow; whether it's the eye-catching shop windows of London's Oxford Street, the twinkling lights of the Champs Elysees, the sweet aromas of mulled wine and roasted chestnuts so evocative of the Christmas markets across western Europe, or enjoying a yuletide trip to Dubai. It's when advertising is at its most inventive and appealing in the hopes of enticing consumers to spend and generating a bumper sales period for retailers.

Dubbed the 'Golden Quarter', it's the period between October and the end of December where the consumer festive calendar is at its peak. Throughout this period there are plenty of key shopping moments such as Halloween and Christmas that have traditionally focused on the allure of the in-store shopping experience to the more contemporary online shopping opportunities of Black Friday, Cyber Monday and Singles Day.

This golden period is key for retailers in Europe, Middle East and Africa (EMEA), and knowing which points in the festive calendar to focus on will depend on four key themes:

- **the festive occasion**
- **strategic importance**
- **diversity of the market**
- **consumer profile**

This report aims to outline the trends affecting these themes. This will help enable EMEA retailers to assess their ecommerce strategy going forward, and takes into account the thinking behind each festive occasion, and why it matters.

It's all about taking the magic of the festive period and transforming it into a science in order to attract and retain customers throughout the Golden Quarter and beyond.

# A land of celebrations

## A FEW FESTIVE MOMENTS IN EUROPE

### 1 UNITED KINGDOM

#### **Oxford Street Christmas Lights:**

You know Christmas is coming when on November 6th Oxford Street is transformed by sparkly, glowing lights.

### 2 GERMANY

#### **Weihnachtsmärkte:**

These traditional markets open their doors at the beginning of Advent, which is the start of the festive season.

### 3 FRANCE

**La Fête de Saint Nicolas :** Mainly celebrated in eastern and northern France, the French Christmas season begins on 6 December with parades, as well as gifts and sweets for children.

### 4 ITALY

**Epiphany:** According to Italian folklore, La Befana is a witch-like woman riding on a broom who leaves gifts for children on January 6th.

### 5 SPAIN

**Reyes Magos:** With festive street lighting and cheerful music, the Spanish celebrate the arrival of the Three Kings who ride camels through the streets of the city, throwing sweets at the children.

### 6 RUSSIA

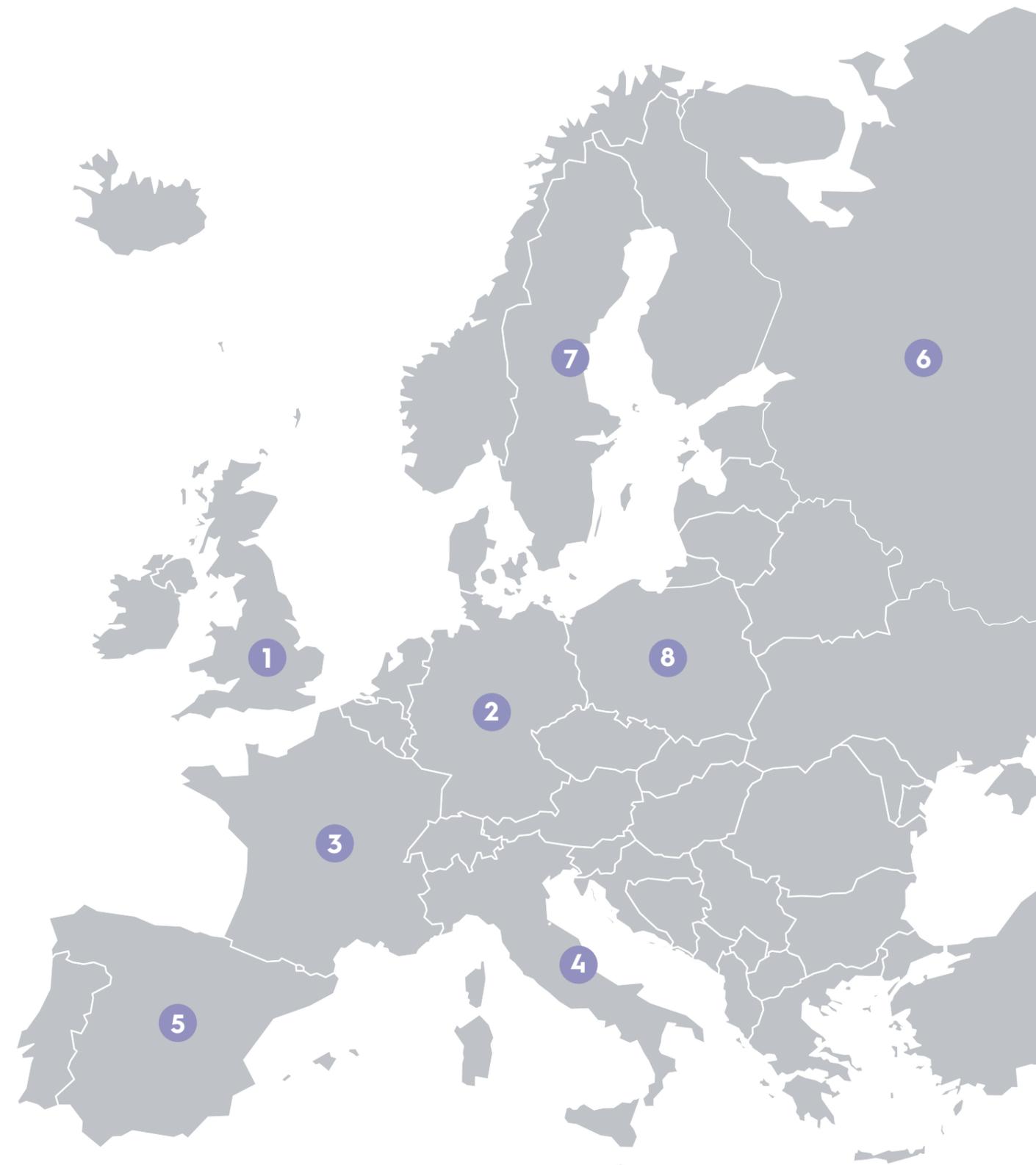
**New Years Eve:** The biggest celebration is on the evening of December 31st when Russian people gather with their families and friends for a New Year dinner and stay up until midnight. At 11:45pm they listen to the President's speech and as he finishes, everybody counts as the chimes of the clocks on the Kremlin's Spasskaya Tower ring 12 times and the New Year begins!

### 7 SWEDEN

**Luciafest:** Santa Lucia brings light into the darkness of the winter nights at the Luciafest on December 13th. Then she moves into the houses as Queen of Lights with her Lucia procession, consisting of Tärnor (girls) and Stjärngossar (boys).

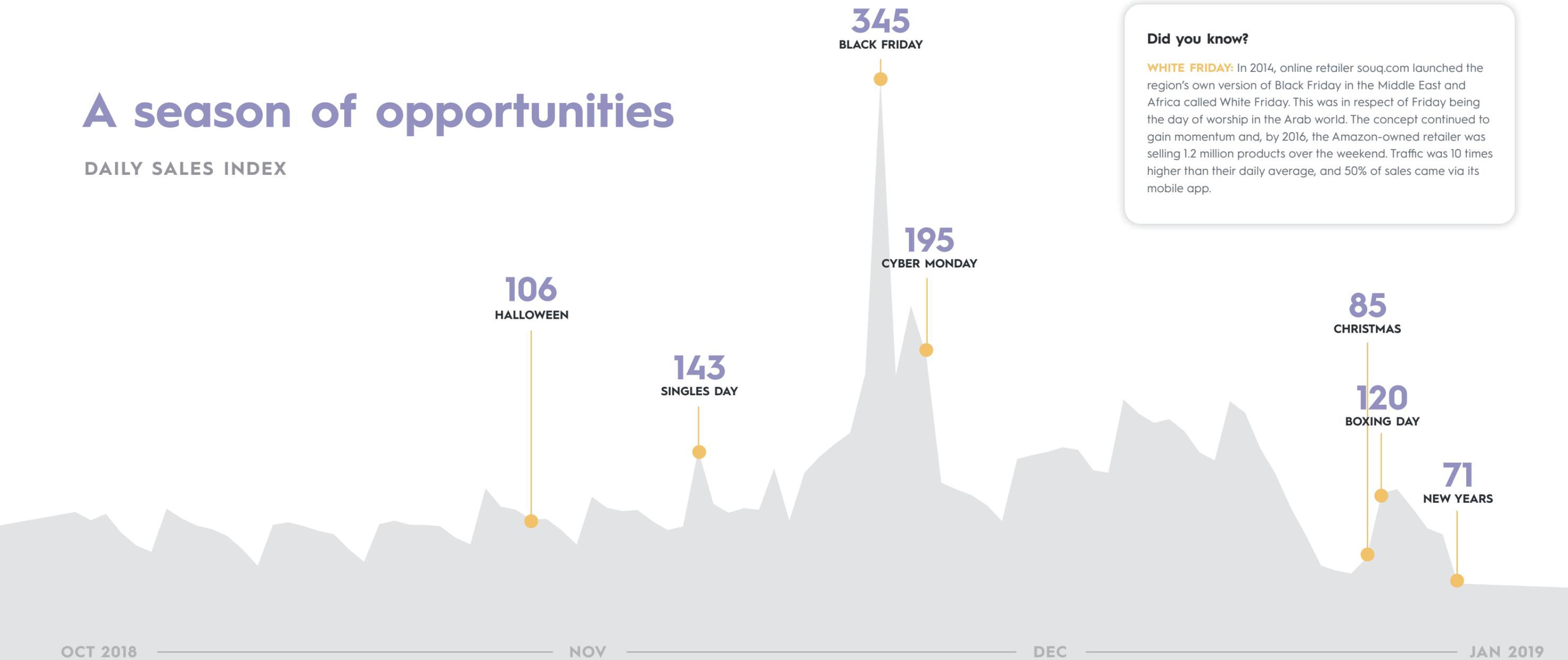
### 8 POLAND

**Wigilia:** December 24th is a most traditional day which includes plays, a Christmas mass at midnight, and 12 dishes for dinner which symbolically represent the 12 apostles.



# A season of opportunities

## DAILY SALES INDEX



### Did you know?

**WHITE FRIDAY:** In 2014, online retailer souq.com launched the region's own version of Black Friday in the Middle East and Africa called White Friday. This was in respect of Friday being the day of worship in the Arab world. The concept continued to gain momentum and, by 2016, the Amazon-owned retailer was selling 1.2 million products over the weekend. Traffic was 10 times higher than their daily average, and 50% of sales came via its mobile app.

Source: Indexed values based on average sales in the first four weeks of October (1-28) 2018. All retail. EMEA. Criteo data

### HALLOWEEN

Celebrated on October 31st, Halloween is thought to have begun as an ancient Celtic ceremony called Samhain to mark the end of the growing season. It then evolved into a religious ritual called "All Saints Day" to honour the dead when people would dress up and light fires to ward off unwanted spirits. Emigrants from Europe took the Irish tradition of trick or treating to the US which contributed to turning it into the huge celebration it now is.

### SINGLES DAY

Starting life as an anti-Valentine's Day in China in the 1990s, Singles Day is celebrated on 11/11, representing singledom, and offers big discounts on a wide range of products. While still not well known outside China, it is beginning to gain in popularity in the Middle East and North Africa where marketplace platforms awok.com and souq.com have added Singles Day to the online shopping events calendar. In 2016, souq.com saw a 500 per cent increase in the number of orders received on Singles Day compared to 2015 and it sold more than 100,000 products.<sup>(2)</sup>

### BLACK FRIDAY

Arguably the most famous and established shopping day during the Golden Quarter. It runs the day after the US celebration of Thanksgiving, which falls on the fourth Thursday in November and traditionally marks the point where retailers record positive revenue and returns into ledgers in black numbers – hence the name. Black Friday has now been adopted by most European countries where electronic goods and mobile phones are the top discounted items. The Netherlands, Germany, Sweden, France and Italy all have their own Black Friday websites where bargain hunters can get the latest news and discounts.

### CYBER MONDAY

This retail event takes place the Monday after Black Friday. Originally promoted as an online version of Black Friday, ecommerce sales now dominate both events. Cyber Monday began to differentiate itself by offering big discounts on clothing, toys, shoes and beauty products although, again, there are growing retail product similarities with Black Friday. However, the popularity of grabbing a bargain ahead of Christmas has seen both Black Friday and Cyber Monday increasingly popular events across the EMEA.

### CHRISTMAS EVE & CHRISTMAS DAY

With the Christmas table a massive part of the festivities, it is the food retailers that are the winners on the day itself. It's also a traditional time when shopper will splash out on luxury food and drink, spurred on by tantalising advertising in the run up.

### BOXING DAY

Boxing Day in the UK or St Stephen's Day in Ireland and regions of Spain is typically a time when the rich gave to the poor. In Victorian times, it was traditionally a day off for the servants who each received a special Christmas 'box' filled with goodies

from their masters – hence the name. In some European countries such as Hungary, Germany, Poland, and the Netherlands, Boxing Day is celebrated as a second Christmas Day.

### NEW YEAR SALES

These sales, starting at the beginning of January, across Europe and the Middle East for many retailers signal the end of the festive period and a time for consumers to pick up a bargain such as unsold clothes lines sold at a discount in order to prepare and make way for the Spring season.



# Golden Quarter: Unmissable for retailers?

As the popularity of Black Friday and other promotional events grows, the festive season is becoming a strategic period for retailers. It's when the ability to influence consumer spending is at its strongest, giving brands a powerful Q4 opportunity to boost annual revenues. With a golden chance to improve profits at stake, it's a period that retailers can no longer afford to miss. Particularly as the economic backdrop, notably in Europe, becomes more challenging and competition from online pure plays such as Amazon increases.

Certainly, with consumer spending during the festive period increasing year on year, retailers have a lot to be optimistic about. So as the festive season approaches, understanding what consumer metrics are growing in importance and how consumer thinking impacts choice will help ensure marketing strategies are primed to make the most of the opportunities ahead.

# Black Friday continues to shine

From Halloween in October through to the New Year sales, the choice of promotional events during the festive period has increased considerably with consumers embracing the cycle of promotions to cherry pick bargains in the run up to Christmas. For retailers, success over this period has a lot to do with Black Friday.

The event has grown into a firm consumer favourite, with year-on-year growth averaging 117% across the last five years. Notable growth peaks in South Africa (9900%), Turkey (4900%), and Italy (3233%)<sup>(6)</sup>, places Black Friday as a key strategic event in the EMEA retail calendar, closely followed by Cyber Monday.

UK shoppers spent approximately \$10.6bn<sup>(9)</sup> between Black Friday and Cyber Monday, with the average online spend equating to \$42.13m per hour. German shoppers spent an estimated \$7.35bn online and in-store, and French consumers indulged in a \$6bn weekend spending spree.

## Black Friday Sales: Gaining popularity in Europe



Source: Indexed values based on average traffic and sales in the first four months of October in each respective year. All retail, EMEA, Criteo Data

## More than just a normal business day



Source: Indexed values based on average traffic and sales in the first four months of October in each respective year. All retail, EMEA, Criteo Data

# Retailers are increasingly optimistic in Europe

It's no surprise that with such consumer interest, retailers are increasingly optimistic on their chances to improve annual revenues during the festive period, with 67% in our survey<sup>(3)</sup> expecting sales to increase during Q4. Sales expectations are equally matched by an increase in the annual marketing spend. However, the motivation behind marketing budget increases is not uniform with responses fairly evenly split between the ability to achieve targets; keep up with the competition; and expectations of annual sales growth as the top three choices.

By contrast, the potential to increase the marketing budget and the ability to have a presence in more markets were slightly lower down the motivational scale. Nevertheless, the economic rationale for increasing the marketing budget to capitalise on the potential of the festive period remains strong.

## How do you expect your company's sales to perform during the holiday season?



"Criteo market survey 2019". Survey conducted in France, Germany, Italy, Spain, UK, with 532 marketers with spending authority on digital ad spend

## Top 5 reasons marketers plan to increase their spending against last year's holiday season



Source: Criteo Marketer Survey, June 2019

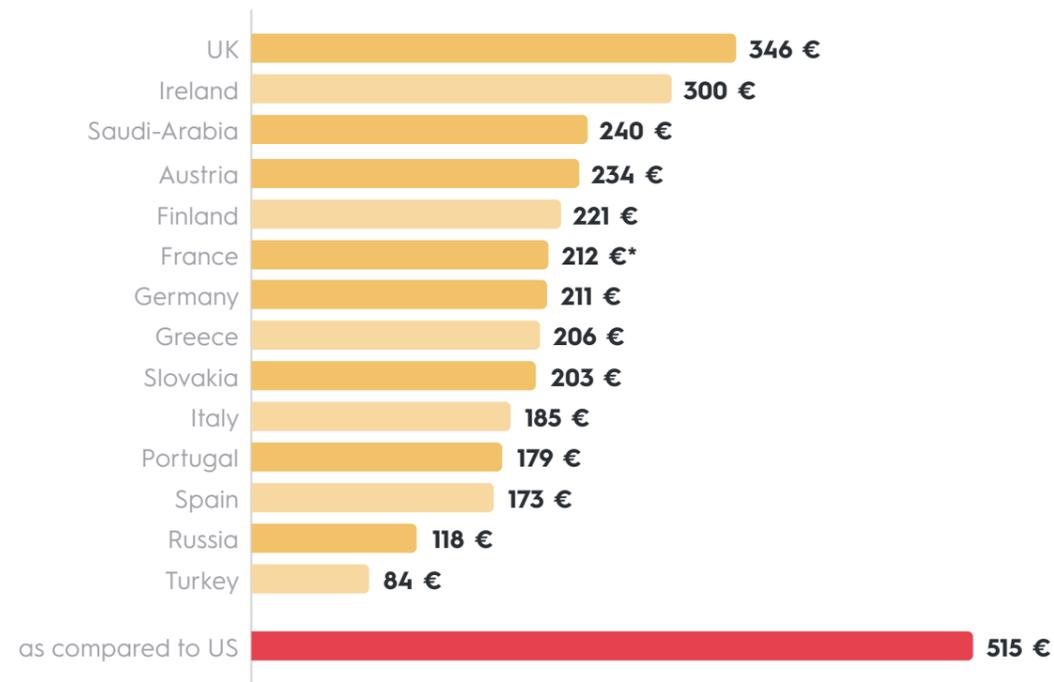
# Analysing purchasing habits

While the figures show that consumer interest in promotional events across the festive period is on the rise, by analysing what and when consumers buy can provide retailers with the collateral to implement an effective marketing and advertising campaign. In addition, the festive season is a period when consumer spending habits change from essential buys to bargain hunting, gift buying and luxury purchases. Top selling items during the period include

high tech, beauty, fashion and sporting goods.

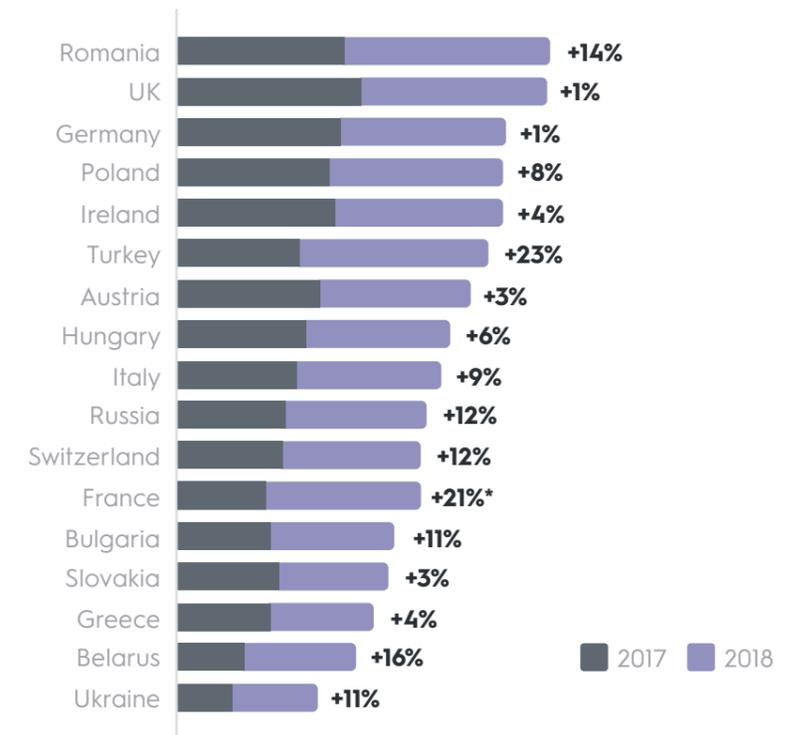
Retailers who have the ability to analyse data that records the top traffic searches, items purchased and the timing of purchases will have more accurate information available to nourish and boost the effectiveness of promotional campaigns and maximise the Golden Quarter sales bonanza.

## Average consumer spending during Black Friday



Source: Black-Friday.Global. Survey results of n=12,000 people from 55 countries.  
\*Survey OpinionWay-iloveretail.fr 'Les français et le Black Friday Novembre 2018'

## Increasing consumer participation from 2017 to 2018



Source: Black-Friday.Global. Survey results of n=12,000 people from 55 countries.  
\*Source: Survey OpinionWay-iloveretail.fr 'Les français et le Black Friday Novembre 2018'

## What do people buy?

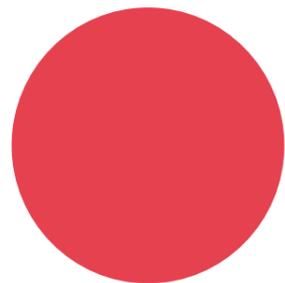


Source: Indexed values based on average daily sales in the first four weeks of October (1-28) 2018. All Retail. EMEA. Criteo Data.



# The EMEA market: Understanding its complexity

Building a customer profile has become increasingly complex. Consumers no longer comply to stereotypical silos that once helped retailers assess and address customer needs. As markets become more diverse, a 'one-size-fits-all' approach lacks relevance. Retailers have to factor in a wider range of metrics that include cultural, economic and demographic differences, alongside shopping habits and purchasing behaviours in order to paint a more accurate picture of what consumers in the EMEA look like and map out each individual client journey more accurately.



### **Zoom in on culture**

The EMEA is a diverse region that takes in countries in the western and eastern Europe, the Middle East and Africa. As the world becomes more of a melting pot of nationalities and online shopping channels act to remove physical borders, it is tempting to put cultural differences as a 'nice to have' rather than must have metric. However, the festive season in particular is a period when customs and traditions play a big role in how consumers behave. From the popularity of Bonfire Night in the UK to the Middle East's adoption of White Friday in respect of Friday being the day of worship in the Arab world, understanding more about consumer preferences during this period can help prioritise promotional events and allocate marketing budgets.

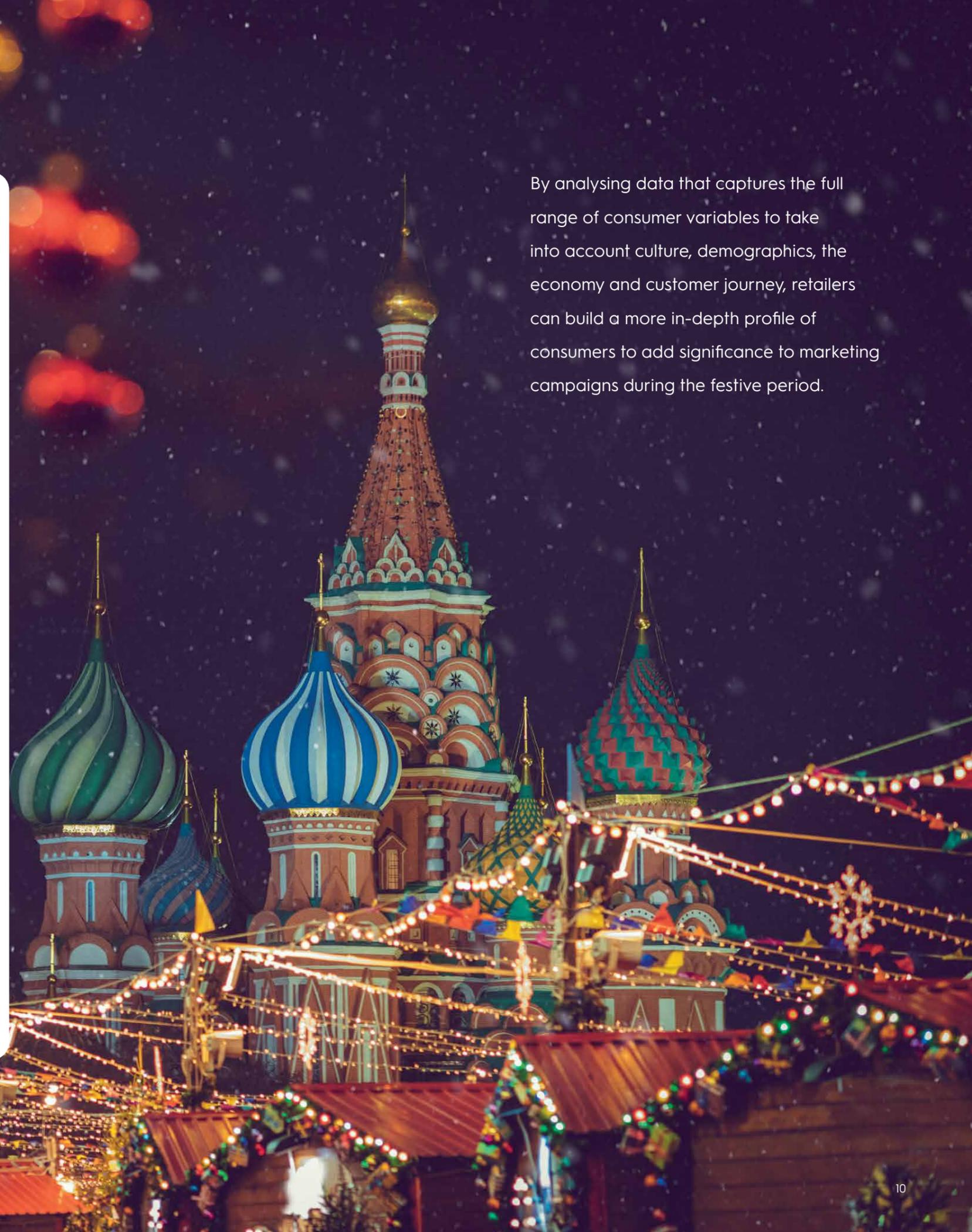
### **Factor in economic and demographic considerations**

How secure consumers perceive their economic background to be is a key factor in their retail purchasing habits. While we know that consumers are more likely to spend more during the festive period, the economic backdrop can play a huge role in the choice of products and the ultimate spend. When assessing the impact of promotional events consider whether the market is in a mature or growth phase when deciding on the type of products to promote. For example, with a growing middle class sector in Russia, the Middle East and Africa, luxury goods are now one of the fastest growing retail sectors. Feeding in such facts to data on individual consumers can help enrich campaigns.

### **Analyse the journey**

It's important to not only analyse what consumers do during the Golden Quarter, but how the decision making process to purchase plays out. Does the journey begin with browsing online followed by an in-store purchase? Are most purchases made in the morning or afternoon and what impact does the immersive in-store festive experience have on sales? We know, for example, that while most sales over the Christmas period are made in-store, online sales are growing faster with the use of smartphones and tablets the biggest drivers of online shopping growth.

By analysing data that captures the full range of consumer variables to take into account culture, demographics, the economy and customer journey, retailers can build a more in-depth profile of consumers to add significance to marketing campaigns during the festive period.



## A QUICK ANALYSIS OF SHOPPER PERSONAS IN EUROPE

### Likely to be...



**Opportunist**  
(willing to consider other options)

**Loyal**  
(to my favourite stores)

**A jumper**  
(buys from any store that offers a better price or selection)

### Top 3 reasons to...

#### stop a brand

- 57% Found a better alternative
- 53% Decline in quality/value/price too high
- 38% Poor customer service

#### return to a brand

- 73% They offer the best value for money
- 46% Customer service is good
- 44% They offer the best selection of products

#### buy a new brand

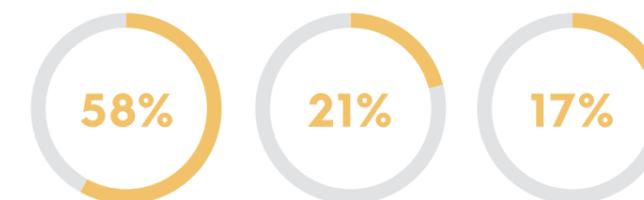
- 51% The brand offers me a trial/sample
- 51% The brand was recommended by a friend
- 50% The brand offers me a discount

#### purchase again the same brand

- 51% The brand has a easy to use website
- 50% The brand demonstrates that their brand's value aligns with my value
- 29% The brand has a convenient app

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.

### Likely to be...



**Opportunist**  
(willing to consider other options)

**Loyal**  
(to my favourite stores)

**A jumper**  
(buys from any store that offers a better price or selection)

### Top 3 reasons to...

#### stop a brand

- 47% Decline in quality/value/price too high
- 44% Found a better alternative to that brand
- 37% Poor customer service

#### return to a brand

- 66% They offer the best value for money
- 46% Customer service is good
- 46% They offer the best selection of products

#### buy a new brand

- 50% The brand offers me a discount
- 46% It was recommended to me by a friend
- 45% The brand offers me a trial/sample product

#### purchase again the same brand

- 50% Easy to use website
- 49% The brand provide me with a discount that's personalized and relevant
- 33% The brand demonstrates that their brand's value aligns with my value

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.



## Hugo

### FRANCE

Hugo is a 43 year old law professional living in the 16th arrondissement of Paris. He is married with two young children. Hugo enjoys spending time with his family in the green spaces of Paris.

### People like Hugo in France...

- 66% of them are open to consider a new brand
- 58% agree that brand value counts
- 42% of them shop on mobile end; vs 27% don't use mobile



## Emily

### UNITED KINGDOM

Emily is 30 and is a marketer in London living in Shoreditch, which is the creative hub of London's East End. Emily likes to spend time browsing the many interesting markets, bars and restaurants with her boyfriend.

### People like Emily in the UK...

- 79% of shoppers are willing to consider a new brand across all shopping categories
- 45% of them shop using mobile phone
- 41% of them agree that their purchasing decision is affected by a company's mission/values

Likely to be...



**Opportunist** (willing to consider other options)  
**Loyal** (to my favourite stores)  
**A jumper** (buys from any store that offers a better price or selection)

Top 3 reasons to...

stop a brand

- 56% Decline in quality/value/price too high
- 50% Found a better alternative
- 38% Brand is no longer available/out of business

return to a brand

- 56% They offer the best value for money
- 40% The physical location is convenient
- 39% They offer the best selection of products

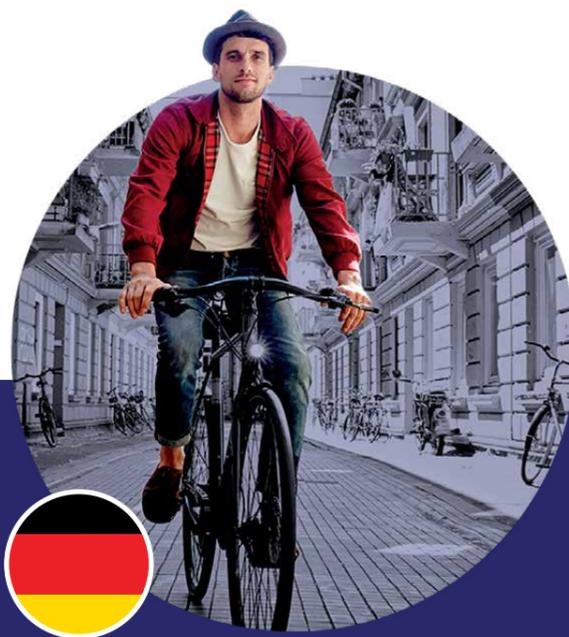
buy a new brand

- 51% The brand was recommended by a friend
- 41% I learn about the brand while browsing in a store
- 39% I like to try new brands

purchase again the same brand

- 44% They provide me with a discount that's personalized and relevant
- 43% They demonstrate that their brand's value aligns with my value
- 41% They have an easy to use website

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.



# Lukas

GERMANY

Lukas is 28 and a skilled craftsman working in the building industry. He is single and lives in Leipzig. Lukas likes to immerse himself in the culture of the city and visit its museums.

People like Lukas in Germany...

- 63% of shoppers are willing to consider a new brand across all shopping categories
- 42% of them agree that their purchasing decision is affected by a company's mission/values
- 42% of them shop using mobile phone



# Laura

ITALY

Laura is 32 and married. She works in public relations in Milan and lives in an apartment with her partner. She enjoys fashion and walking her dog.

People like Laura in Italy...

- 80% of shoppers are willing to consider a new brand across all shopping categories
- 74% of them shop using mobile phone
- 63% of them agree that their purchasing decision is affected by a company's mission/values

Likely to be...



**Opportunist** (willing to consider other options)  
**Loyal** (to my favourite stores)  
**A jumper** (buys from any store that offers a better price or selection)

Top 3 reasons to...

stop a brand

- 54% Decline in quality/value/price too high
- 51% Found a better alternative
- 22% Brand is no longer available/out of business

return to a brand

- 71% They offer the best value for money
- 48% They have the lowest price
- 41% They offer the best selection of products

buy a new brand

- 51% The brand offers me a discount
- 44% The brand offered me a trial/sample product
- 38% I like to try new brands

purchase again the same brand

- 50% The brand demonstrates that their brand's value aligns with my value
- 33% They have an easy to use website
- 49% They have an easy to use app

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.

**Likely to be...**



**Opportunist**  
(willing to consider other options)

**Loyal**  
(to my favourite stores)

**A jumper**  
(buys from any store that offers a better price or selection)

**Top 3 reasons to...**

**stop a brand**

- 57% Found a better alternative
- 53% Decline in quality/value/price too high
- 38% Poor customer service

**return to a brand**

- 73% They offer the best value for money
- 46% Customer service is good
- 44% They offer the best selection of products

**buy a new brand**

- 51% The brand offers me a trial/sample product
- 51% It was recommended to me by a friend
- 50% The brand offers me a discount

**purchase again the same brand**

- 44% They have an easy to use website
- 43% They demonstrate that their brand's value aligns with my value
- 41% They have a convenient app

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.



# Javier

**SPAIN**

Javier lives in Valencia and is married with two children. He is 41 and has a managerial position at the Port of Valencia. He enjoys outdoor pursuits and walking along the coast with his family.

**People like Javier in Spain...**

- 76% of shoppers are willing to consider a new brand across all shopping categories
- 66% of them agree that their purchasing decision is affected by a company's mission/values
- 69% of them shop using mobile phone



# Johanna

**NETHERLANDS**

Johanna works part time in the healthcare sector. She is 35 and has a long term partner. Johanna lives in Rotterdam where she enjoys the modern architecture and city vibe.

**People like Johanna in the Netherlands...**

- 64% of shoppers are willing to consider a new brand across all shopping categories
- 51% of them shop using mobile phone
- 29% of them agree that their purchasing decision is affected by a company's mission/values

**Likely to be...**



**Opportunist**  
(willing to consider other options)

**Loyal**  
(to my favourite stores)

**A jumper**  
(buys from any store that offers a better price or selection)

**Top 3 reasons to...**

**stop a brand**

- 44% Decline in quality/value/price too high
- 44% Found a better alternative
- 34% Brand is no longer available/out of business

**return to a brand**

- 56% They offer the best value for money
- 45% They have the lowest price
- 39% Customer service is good

**buy a new brand**

- 51% The brand offers me a discount
- 46% It was recommended to me by a friend
- 38% The brand offers me a trial/sample product

**purchase again the same brand**

- 48% They have an easy to use website
- 41% They provide me with a discount that's personalized and relevant
- 36% They demonstrate that their brand's value aligns with my values

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.

Likely to be...



**Opportunist** (willing to consider other options)  
**Loyal** (to my favourite stores)  
**A jumper** (buys from any store that offers a better price or selection)

Top 3 reasons to...

stop a brand

- 56% Decline in quality/value/price too high
- 50% Found a better alternative
- 27% Brand is no longer available/out of business

return to a brand

- 57% They offer the best value for money
- 42% They offer the best selection of products
- 37% The physical location is convenient

buy a new brand

- 64% The brand offers me a discount
- 51% It was recommended to me by a friend
- 50% The brand offers me a trial/sample product

purchase again the same brand

- 54% They demonstrate that their brand's value aligns with my values
- 50% They have an easy to use website
- 37% They have a convenient app

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.



# Karolina

**POLAND**

Karolina is a graduate working in IT. She is 24 and shares a house with friends in Poznan. She enjoys the vibrant nightlife and going to the cinema.

**People like Karolina in Poland...**

- 88% of shoppers are willing to consider a new brand across all shopping categories
- 72% of them agree that their purchasing decision is affected by a company's mission/values
- 66% of them shop using mobile phone



# Julia

**SWEDEN**

Julia is 21. She is single and works for a fintech start-up in Stockholm. She lives in the city centre and enjoys spending time in the cafes and bars with friends.

**People like Julia in Sweden...**

- 71% of them shop using mobile phone
- 70% of shoppers are willing to consider a new brand across all shopping categories
- 46% of them agree that their purchasing decision is affected by a company's mission/values

Likely to be...



**Opportunist** (willing to consider other options)  
**Loyal** (to my favourite stores)  
**A jumper** (buys from any store that offers a better price or selection)

Top 3 reasons to...

stop a brand

- 55% Found a better alternative
- 42% Decline in quality/value/price too high
- 34% Poor customer service

return to a brand

- 60% They offer the best value for money
- 46% They offer the best selection of products
- 41% They have the lowest prices

buy a new brand

- 48% It was recommended to me by a friend
- 40% The brand offers me a discount
- 36% I like to try new things

purchase again the same brand

- 62% They have an easy to use website
- 41% They demonstrate that their brand's value aligns with my values
- 36% They have a convenient app

Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.



# Cash in on the opportunity

## The importance of the rational consumer

Value is a vital ingredient of what makes the Golden Quarter a retail success. Consumers love the potential to snap up a bargain during Black Friday or Cyber Monday, which is why they have become major promotional events. Underpinned by the offer of tempting discounts on a wide range of products, such events are now firmly on the radar of cost-conscious consumers looking for a good deal.

More recently, however, the idea of value based on purchase price alone has had a subtle makeover. This new breed of ‘value-seeking’ consumers is not only considering cost, but also bringing their own judgements and preferences into the mix to obtain what they believe is the ‘best’ value for their money. This notion of value now expands beyond economic necessity that sparked the growth of European discount retailers such as Ireland’s Primark and Germany’s Aldi and Lidl, to appeal to a category of consumers that simply want what they perceive as the ‘best’ value for money.

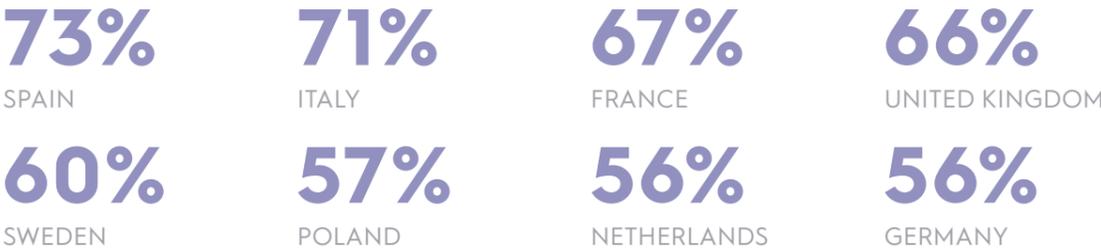
These middle-market consumers no longer see a stigma attached to own label products and are happy to shop in-store or online with a

non-premium or discount brand, so long as the experience matches up to their expectations.

Technology has been a key enabler in this shift of emphasis, as it allows consumers to instantly compare and contrast similar products across different retailers on price comparison websites in order to form their own independent decisions. Marketplaces have taken this function a step further to allow consumers to not only research products based on price, but also to compare brands according to the levels of function, style and quality they prefer. Product recommendations are also taken into account.

Understanding this wider mix of factors that drive and motivate value-seeking customers is increasingly vital for retailers in the Golden Quarter. Having a strategy that recognises consumers are looking for value, but value on their terms will keep promotional events in Q4 engaging and relevant. In particular, a strategy that emphasises how products satisfy specific preferences at the right price tag will ensure value-seeking consumers are kept in the driving seat during the festive period, which is exactly where they want to be.

### % of consumers agreeing that their purchasing decision is affected by promotion, price or discount



Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.

## The rise of the conscious consumer

Alongside a shift in attitude of consumers seeking value, another trend retailers are witnessing is the rise of the 'conscious' consumer. The conscious consumer will base purchasing decisions on brands they closely identify with; this could be the values the company stands for, whether it uses locally-sourced products or is simply a company that is a small fish doing good things in a big pond. This category of consumer will also want the best value, but the decision to buy will be determined on whether or not the product or brand fits in with the beliefs and values that are important to them.

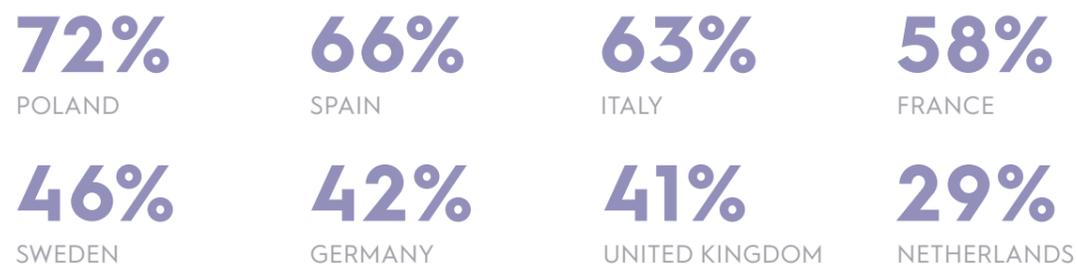
The factors that determine the decision-making journey of conscious shoppers can be diverse with overall buy-in affected by age and nationality. For example, a Mintel survey found that two in five UK women aged 16-24 would like to see more eco-friendly fabrics used in clothes and a quarter of Spanish and German consumers agree that being "better for the environment" is the number-one reason for buying natural and organic products.

As well as guiding retailers on specific likes and dislikes, the reach of the conscious

consumer can also be impressive. Animal welfare concerns have prompted a rise in vegetarianism and with 30 million vegetarians in Europe alone, it's a consumer sector providing a rich seam for retailers. Nor is purchasing power restricted to food retailers. Ethical and moral concerns regarding animal welfare among vegans in particular, are seeing these values extend beyond food to impact consumer choice of beauty, fashion and home care brands.

What is clear is that conscious consumers, particularly younger shoppers, want to feel more emotionally connected with the products they buy and are more prone to supporting brands which appeal to their conscious shopping selves. The Golden Quarter provides retailers with the ultimate period to appeal to the conscious shopper, particularly in the run up to Christmas when emotional investment in gifts is at its highest. By carefully analysing how their brand appeals to the conscious consumer, retailers have a three month window to emphasise those values. Equally important, brands need to promote those values before, during and after promotional periods in order to truly keep the conscious shopper engaged.

### % of consumers agreeing that their purchasing decision is affected by a company's mission or values



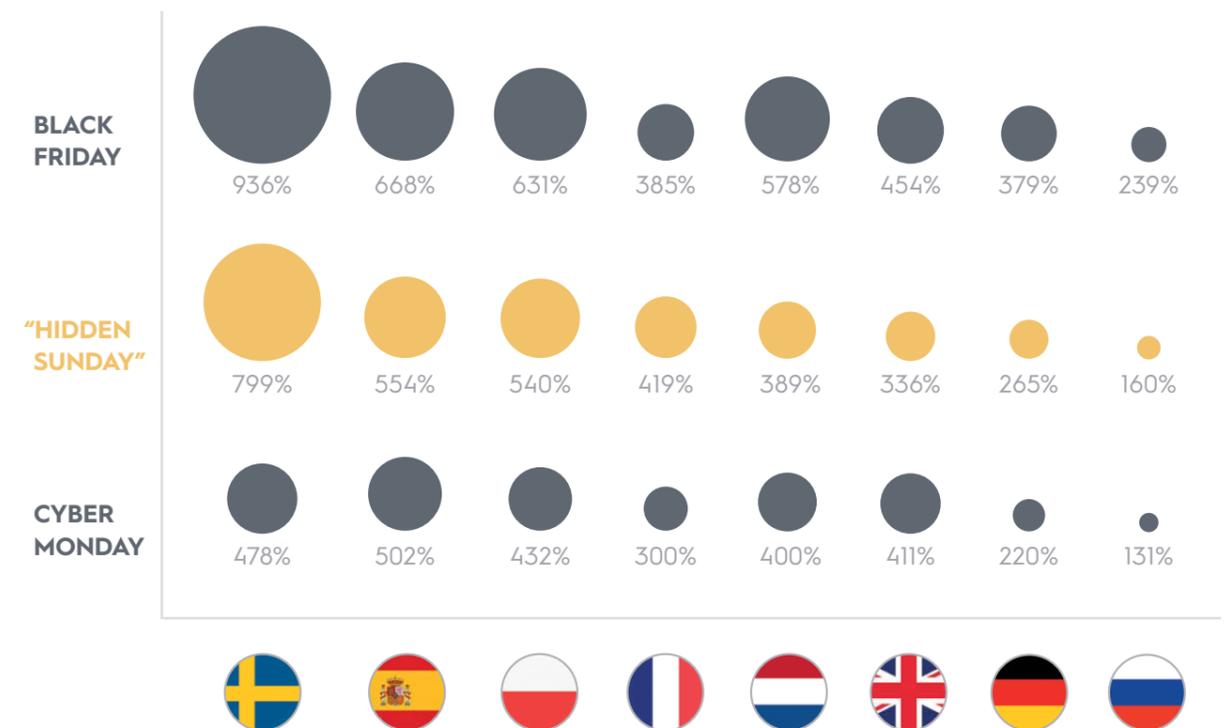
Source: Criteo, Why We Buy Survey, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United-Kingdom. July 2019.

## A game of timing?

Timing is crucial for retailers looking to lock in profits across the festive season. Throughout the Golden Quarter, traffic and sales begin to steadily increase starting in October and peaking as we reach Black Friday through to Christmas. Online shopping analysis can highlight which time of the week, day, morning or afternoon consumers are more likely to shop, allowing

retailers to align marketing promotions accordingly. As the festive season begins to unleash a consumer spending spree, the main aim for retailers is to reach the right customer, with the right offer at the right time in order to influence shoppers at every stage of the customer journey and maximise the true potential of the Golden Quarter.

### Peak sales during the Golden weekend



Source: Values based on average sales in the first week of November 2018. All retail, France, Germany, Netherlands, Poland, Russia, Spain, Sweden, United Kingdom. Criteo data.



# Trends 2020: What can retailers look forward to?

So what can retailers expect from the festive season and what are the key trends going forward? Certainly, the opportunity to increase sales and improve performance during the Golden Quarter is not going away any time soon. But there are subtle changes year-on-year that require retailers to ensure that their strategy has inbuilt agility and flexibility to cope with changes that occur across all phases of the festive journey.

## **Analyze to strategize**

Analyzing each festive occasion and their strategic importance to your business will help determine whether the marketing focus is on all, or just a select number of promotional events. While the popularity of Black Friday and Cyber Monday are the main events in the run up to Christmas in the EMEA, the growing recognition of China's Singles Day as an important event could see more and more EMEA retailers adding it to their promotional calendar. Retailers will need to be aware of any impact on their overall promotional strategy and put plans in to action sooner rather than later in order to stay competitive.

## **Factor in change**

Retailers need to factor in the diversity of the market and shifting consumer profiles. We know that a one-size-fits all solution is no longer an appropriate game plan for the complex changes in consumer habits retailers are now having to digest. Retailers should look to factor in the rise of value-seeking consumers and conscious shoppers by carefully analysing how culture, demographics, age and the economy impact the purchasing decision making journey. Sales conversion strategies need to be highly customised and be able to adopt the most appropriate messages at the most appropriate time to target and re-target consumers effectively in the run up to Christmas.

## **Data is the key to success**

Key to success will be the ability to smartly analyze data that helps build a research-rich profile of EMEA consumers in order to add valuable insights ahead of the festive season. Data is now the new currency with which retailers can unlock what drives consumers to make a purchase. Transparent, secure and trustworthy data and analytics can help expand brand awareness, enhance brand consideration and ultimately increase conversions. Together they comprise the main ingredients required for retailers to end the year on a magical performance note.

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Powered by cutting-edge AI, Criteo capabilities let you connect with more consumers in more places with hyper-relevant ads. By empowering companies of every size to compete with the biggest businesses in the world, we are leveling the playing field during the festive season and beyond.

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- **Identity data from more than 4 billion devices**
- **Interest data from over 1.9 billion monthly active shoppers globally**
- **Measurement data from \$800 billion in annual ecommerce sales**

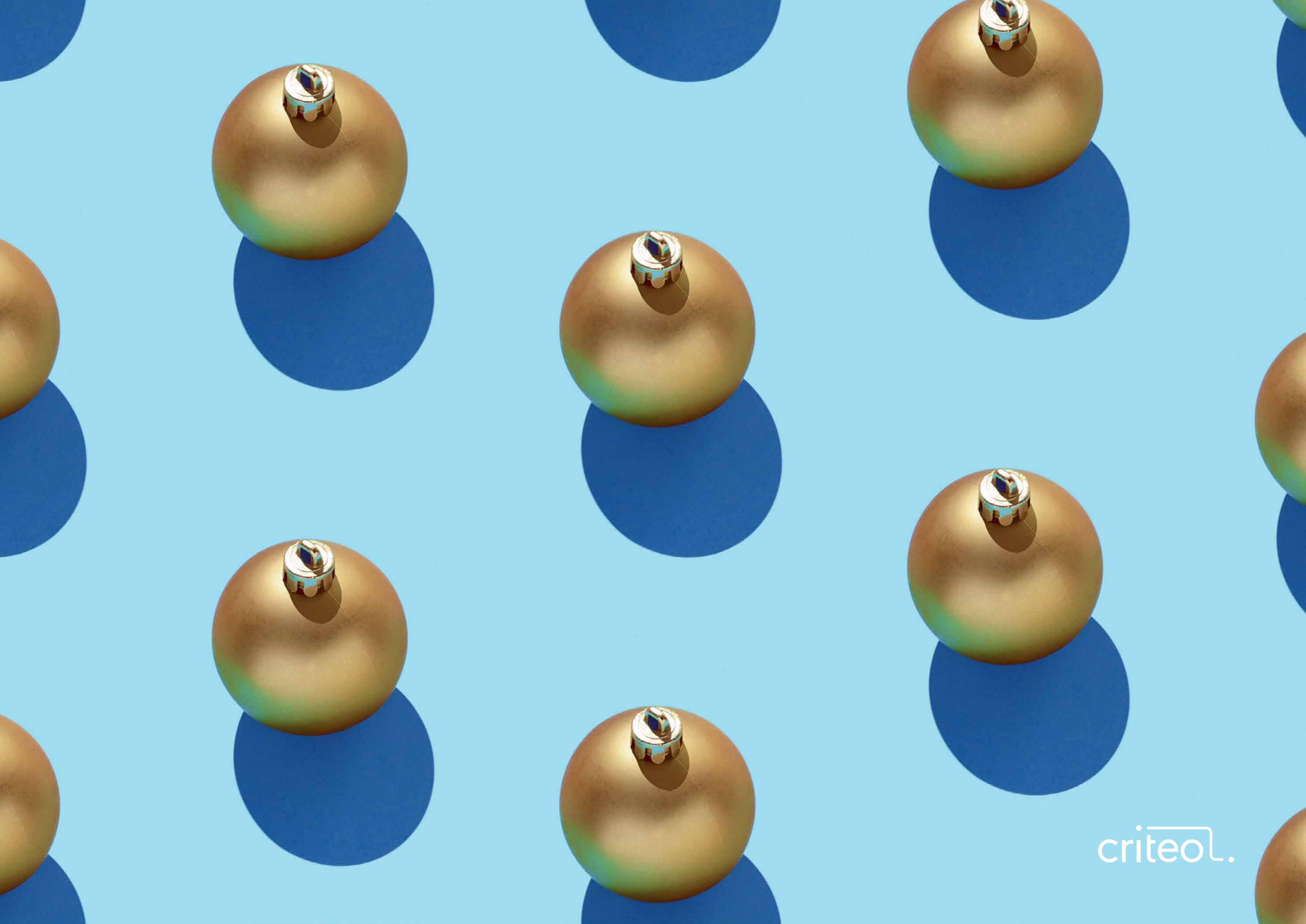
Criteo delivers the best possible ads to the best possible holiday customers. Together with businesses large and small, we're working to maximize the open internet opportunity, helping marketers worldwide reach all their holiday campaign goals.

### About Criteo

Criteo (NASDAQ: CRTO) is the advertising platform for the open Internet, an ecosystem that favors neutrality, transparency and inclusiveness. 2,700 Criteo team members partner with over 18,000 customers and thousands of publishers around the globe to deliver effective advertising across all channels, by applying advanced machine learning to unparalleled data sets. Criteo empowers companies of all sizes with the technology they need to better know and serve their customers.

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