



# Black Friday and Cyber Monday outlook report

Over 150 Shopify Plus brands share their strategies  
for 2020's Black Friday and Cyber Monday.

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# Why we wrote this report

## 2020 changed commerce.

In-person selling has been completely disrupted. Consumers and brands are subject to job insecurity and economic uncertainty. Supply chains have been pushed to their limits—and we haven't even scratched the surface. Needless to say, this pandemic has taken a heavy toll on brands around the world.

This has left many brands wondering, “What will Black Friday Cyber Monday (BFCM) look like this year?”

## This report shares how over 150 Shopify Plus brands plan to take on BFCM in 2020, including:

- **Consumer shopping predictions**
- **Participation in BFCM**
- **Strategies for participating in BFCM**

Data in this report is based on research conducted by Shopify's Market Insights team.

Research data was collected via an online survey among Plus merchants (n=165) between August 27 and September 4, 2020.

# Key takeaways



**Brands predict shoppers will buy more online this BFCM—and they're looking for a good deal.**



**The majority of brands surveyed intend to participate in BFCM by offering extended promotions beyond the weekend into the holiday season.**



**Brands plan to spend most of their BFCM budget on marketing this year to increase sales and acquire new customers.**

# Consumer shopping predictions for BFCM

Despite job insecurity and economic uncertainty in 2020, Shopify Plus brands still anticipate that shoppers will buy more online this BFCM—and expect to get a good deal while they're at it.

## 95%

of the brands we surveyed expected consumers to make more purchases online this year, instead of in-store.

## 86%

of brands expect online purchases this year to exceed the number of online purchases made during the same period in 2019.

## 90%

anticipate that consumers will be expecting deep discounts during Black Friday Cyber Monday.

This implies that commerce brands should consider participating in BFCM, and offering discounts is a great way for brand discovery at a time when shoppers are looking for discounts.

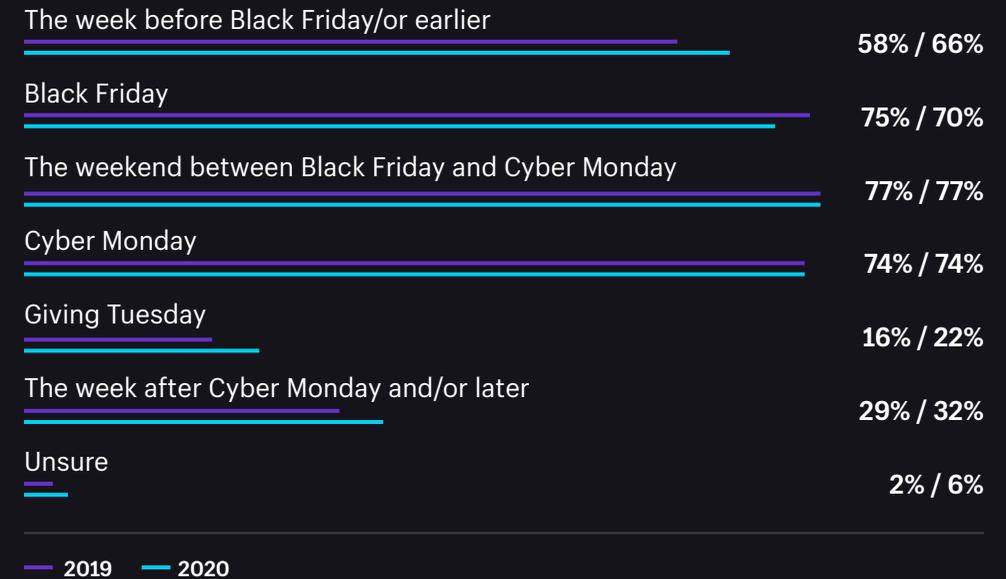
# Participation in BFCM

This holiday season, the majority of Shopify Plus brands surveyed will participate in BFCM: 78% of surveyed Shopify Plus brands said they plan to take part. And compared to last year, many are planning to offer extended promotions.

## Among Shopify Plus brands that said they'll take part in BFCM this year:

- **77% of them plan to run promotions on the Black Friday Cyber Monday weekend.**
- **66% would start their promos the week before Black Friday, or even earlier.**
- **32% plan to extend promotions into the week following Cyber Monday or later.**
- **22% look to tie into Giving Tuesday.**

## 2019 vs 2020 BFCM participation



**Brands plan to run these promotions primarily online (80%), while some plan to run them simultaneously online and in-person (20%)\*.**

\*Includes all surveyed brands with or without a retail location

For brands intending to sell in-person this holiday season, it's important to follow [best practices for reopening your retail store after COVID-19](#). Taking thorough safety precautions is important for building customer loyalty.

With the exception of holiday shopping moving predominantly online, this year's BFCM looks relatively similar to previous years. In fact, 65% of Shopify Plus brands surveyed don't plan on changing their overall approach to BFCM this year.

### Anticipated challenges

**The biggest anticipated challenge for Shopify Plus brands surveyed participating in BFCM this year is ensuring shipping carriers can deliver orders on time (45%).**

To combat this, ecommerce brands may consider implementing new fulfillment strategies, like buy online, pickup in store ([click and collect](#)). However, delivery times for international orders will be harder to control.

Merchants also anticipate challenges figuring out a marketing strategy (31%), and executing their desired marketing plan (29%). Now that shoppers are more open to trying new brands, it's important to focus on brand discoverability. Wherever your potential shoppers are, that might mean running new digital ad campaigns or [creating partnerships with influencers](#).



Believe figuring out a marketing strategy will be a main challenge



Believe executing the desired marketing plan will be a main challenge

# Strategies for participating in BFCM

## Planning for BFCM

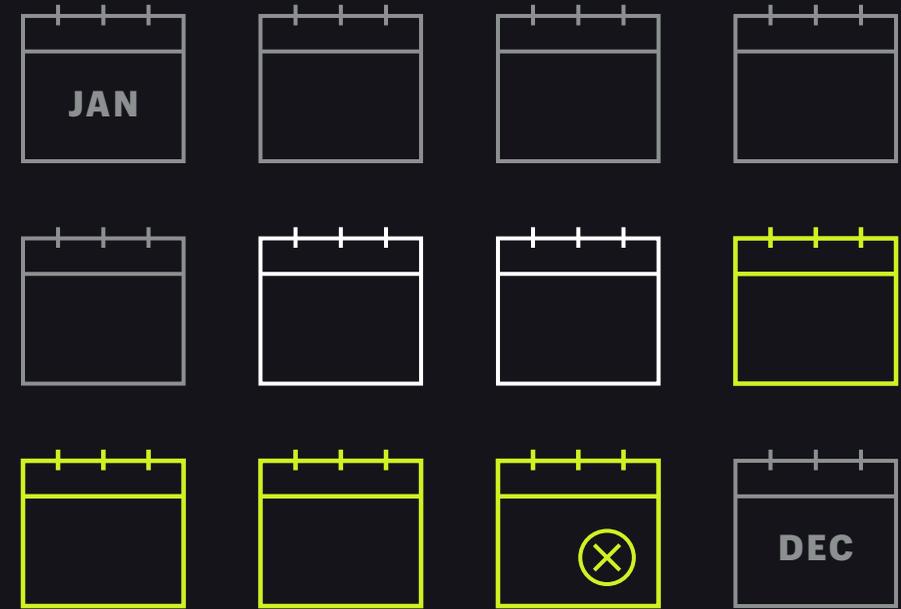
BFCM is one of the largest sales events of the year. Evidently, Shopify Plus brands start planning for it well in advance, including budget allocation, product strategy, sales channels, and promotions.

While almost 40% of brands we surveyed start planning for BFCM in September or October, 30% start planning well before then—some as early as 12 months in advance.



If you haven't started planning yet, you can use our [2020 12-point Holiday Checklist](#) to make sure you're ready for the upcoming holiday season.

## When to plan for BFCM



18%

3 to 4 months before Black Friday

7%

5 to 6 months in advance

5%

7 to 12 months out

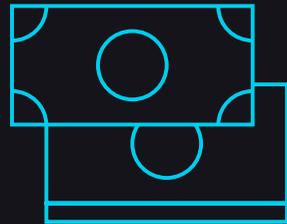
# Budget

Shopify Plus brands participating in BFCM plan to spend most of their BFCM budget on marketing, inventory, shipping and fulfillment, and staff.



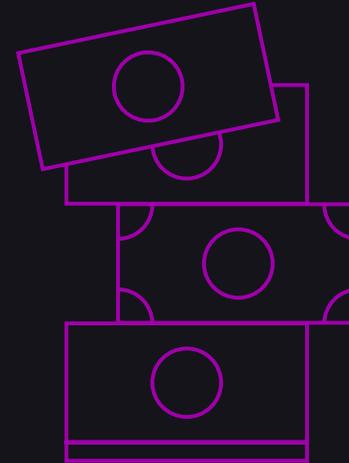
Staff

2%



Shipping and fulfillment

12%



Inventory

18%



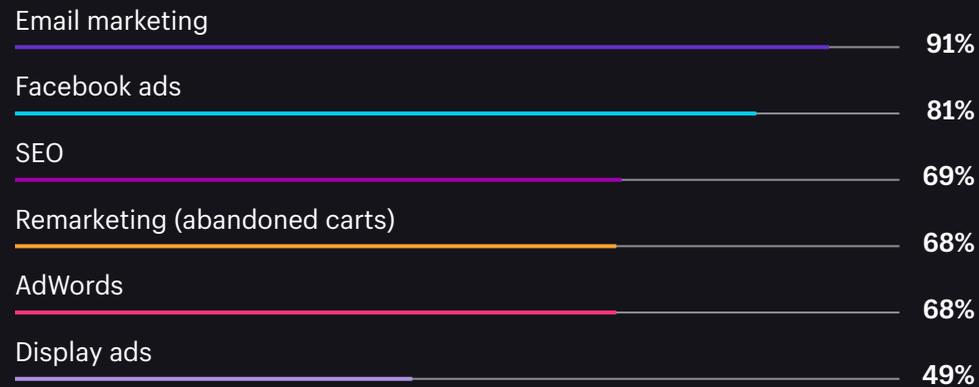
Marketing

68%

## Marketing

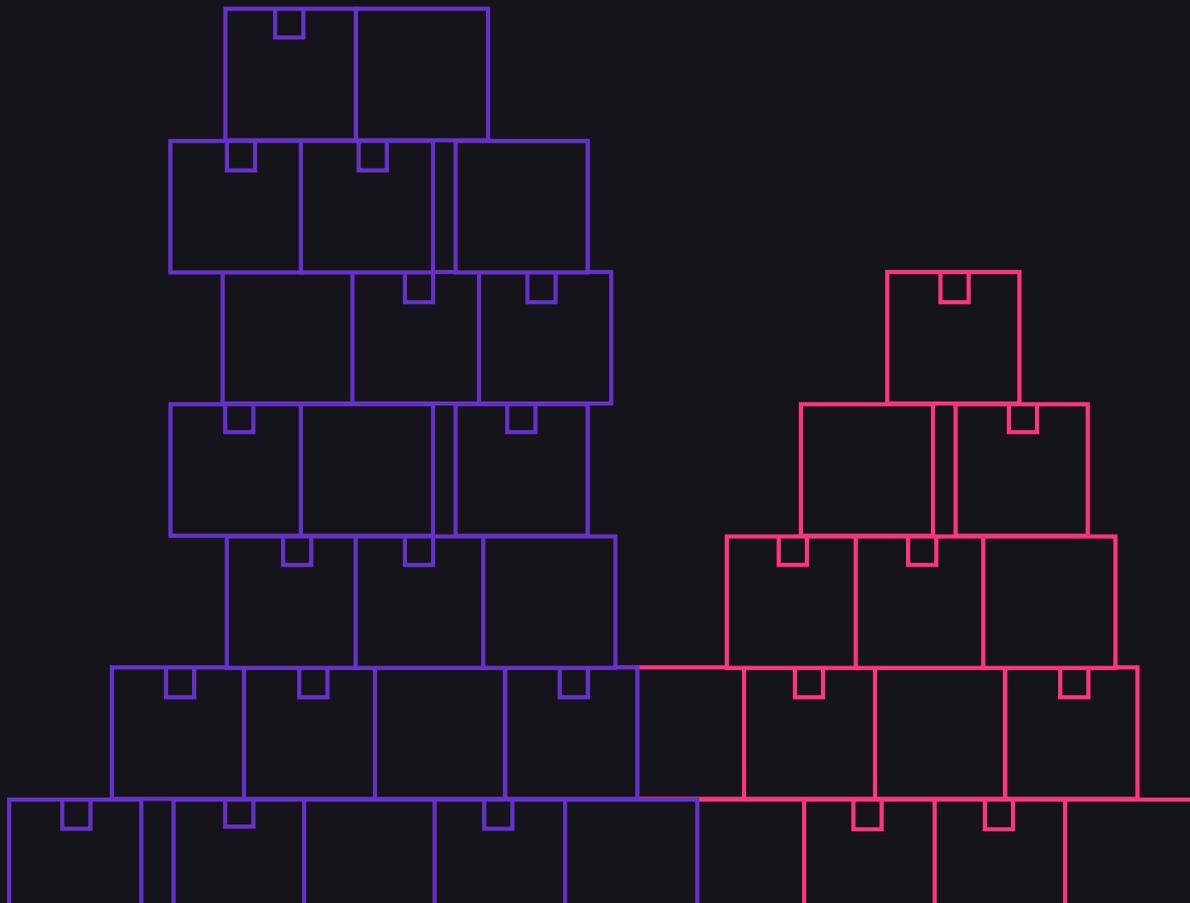
More than two-thirds of Shopify Plus brands surveyed (68%) anticipate spending most of their BFCM budget on marketing.

As to where their marketing spend will be, 91% of brands plan to spend on email marketing, 81% on Facebook ads, 69% on SEO, 68% on remarketing (targeting abandoned cart shoppers), 68% on AdWords, and 49% plan to spend on display advertising in the form of online ads. With the rise in popularity of [omnichannel marketing](#), it's not surprising to see Shopify Plus brands using a combination of multiple marketing channels to reach customers.



Budget

**2/3** Plus merchants plan to sell the same products that they typically sell.



## Inventory

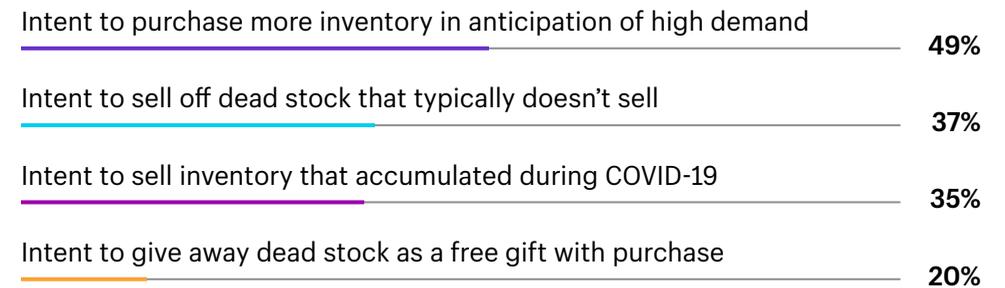
### The main goal for Shopify Plus brands during BFCM is to increase sales (84%).

They also plan to use BFCM as an opportunity to acquire new customers (45%) and increase website traffic (42%).

Given this, most Shopify Plus brands surveyed (67%) plan to sell the same products they typically sell throughout the year during BFCM while 42% plan to sell the same products that they sold in a previous BFCM.

Almost half of Shopify Plus brands surveyed plan to purchase new/more inventory for BFCM in anticipation of high demand, while other brands intend to sell off dead stock or inventory that accumulated during COVID-19.

Whether your brand is dropping an exclusive new product or running a promotion this BFCM, many of these transactions will happen in flash sales. Ensure your brand is ready for heightened sales with our guide to [flash sales](#).



### Sales channels

Not surprisingly, almost all Shopify Plus brands intend to sell through their online store this holiday season (99%), aligning with their consumer shopping predictions. However, online marketplaces (67%) and social channels (62%) are also a predominant sales strategy for BFCM.

BFCM is a great opportunity for brands to connect with new customers and build customer loyalty, so it's important to sell where your customers are. If you haven't already, your brand may want to explore [selling on marketplaces](#) or implementing an [omnichannel retail](#) strategy.

Among surveyed Plus brands with a permanent retail location, 55% intend to sell in-person during BFCM. These brands predict a decrease in foot traffic at their retail location compared to previous holiday seasons. To combat this, brands with retail locations are leaning on social and email marketing, sales, and offering in-store/curbside pickup to increase foot-traffic.



\*Among surveyed Plus brands with a permanent retail location.



## Promotions and discounts

The Shopify Plus brands surveyed expect BFCM promotions to be highly effective (41%) at driving sales volume for their business. For the majority (57%), their promotional and discount strategies include a blanket discount on all items, whereas 27% of merchants will offer early access to products and 25% will offer VIP/loyalty member perks.

55% of Plus merchants surveyed also report plans to offer free shipping for BFCM sales. And for the other 45%, a word to the wise:

## If you don't already offer free shipping, you need to set it up ASAP.

[Not offering free shipping is the #1 reason for abandoned carts.](#)

Your brand may also want to consider incorporating charitable donations into your promotional and discount strategy given the increase in participation on Giving Tuesday this BFCM. Some brands achieve this by giving customers an option to add a [charitable donation at checkout](#).



**Shopify Plus brands intend to offer similar discounts to last year's BFCM**



**57%**

Offering blanket discounts



**55%**

Offering free shipping



**38%**

Offering gift with purchase

Among brands surveyed who participated in BFCM last year and plan to participate this year.

# Black Friday Cyber Monday with Shopify Plus

Shopify Plus is the only cost-effective enterprise platform that's built for change. Our platform enables brands to sell everywhere, manage complexity with ease, and integrate the tools and systems enterprise businesses rely on. And with 99.99% uptime, it's easy to see why 7,000 brands choose Shopify Plus to power their business through the Black Friday and Cyber Monday weekend—and beyond.

[Learn more](#)

## Whatever Black Friday Cyber Monday means for your brand, we've got you:

- Sell online, in-person, and everywhere in between with a [Shopify online store](#) and [Shopify POS with local pickup](#).
- Build powerful, automated holiday discounts and promotions with [Shopify Scripts](#).
- Replicate retail experiences online with [3D models](#) and [augmented reality \(AR\)](#).
- Automate repetitive holiday tasks, like hiding out-of stock products or notifying your team about a new curbside pickup order, with [Shopify Flow](#).
- Schedule holiday discounts, product drops, and design changes to your online store throughout the holiday season with [Launchpad](#).
- Ensure your loyal customers have the best chance to buy your exclusive products with [bot protection](#).
- Give international shoppers a localized buying experience by selling in their [preferred currency](#) and [language](#), automatically.
- Optimize your checkout before the flood of traffic with accelerated payment methods like [Shop Pay](#).