

## It's the start of Black Cyber Friday Monday Prime Shopping Holiday Season ... here's how you win

This year's holiday shopping season is shaping up to be the strangest ... and longest ... ever. That's not good news for anyone. And it will turn out to be disastrous for many companies.

As the COVID-19 crisis continues, particularly in the United States, this year's holiday shopping season is shaping up to be a strange, almost entirely digital, multiweek hybrid of #OptOutside, Cyber Monday, and, strangely enough, Amazon Prime Day.

### Consider this:

- Many of the [biggest names in retail](#) have already announced they will be closed for Thanksgiving this year amid concerns about COVID-19.
- Even before the coronavirus crisis, Cyber Monday was morphing into [a weeklong event](#). Last year U.S. consumers spent \$4.2 billion online on Thanksgiving and [another \\$7.4 billion](#) on Black Friday. Cyber Monday itself saw some [\\$9.4 billion in online sales](#).
- Amazon postponed its Prime Day event earlier in the year as the company scrambled to meet soaring demand for essentials. Now the company says it will hold the event in October. Last year Amazon's Prime Day sales topped its results from 2018 Black Friday and Cyber Monday [combined](#).
- Amazon hopes moving its Prime Day event will let the company cash in on what analysts say is a move by consumers to start holiday shopping in October this year. Brick and mortar retailers seem eager to support that shift as a way to prevent store crowding later in the season. Target and other major players plan to [start their holiday promotions in October](#) ....with an emphasis on online purchasing.
- In the U.K., the sooner-rather-than-later pressure is even stronger. John Lewis & Partners opened their iconic online Christmas shop on Aug. 24, the earliest start in the company's history.

**What this means for performance marketers is clear:**



**intense competition across the spectrum of digital advertising starting right now.**

# How to handle a “holiday” season that runs for a third of the year

To understand what 2020’s holiday season will look like, consider what happened in recent years to a very different shopping season.

In 2017 analysts at The NPD Group noted that back-to-school shopping no longer involved a distinct season. Rather, it had morphed into several distinct mini seasons.

That change was driven by the arrival of Amazon Prime Day in the summer of 2015 as well as an increase in budget-conscious consumers eager to find deals quickly. And as NPD noted, [the shift to mini seasons was an online phenomenon](#). The brick-and-mortar season remained about the same as in prior years.

Here at <intent>, we believe something similar is happening this year with holiday shopping.

There’s no longer one Christmas season. Cyber Monday is no longer a one-day, or even a weeklong event. It goes for months now. Prime Day in October marks a mini holiday season just as Prime Day in July

## Our advice?

**Performance marketers will do best by thinking about the 2020 holiday season as three distinct mini seasons ... each of which requires particular tactics.**

## Mini Season 1: Thinking about it

**Although it is time for performance markers to dive into the craziness of this year, consumers are in no big rush.**

Consumers are wading into the market. They’re thinking about what to buy for the holidays. They’re wondering about what deals will be available. They’re curious; They’re not committed. You may already be seeing an increase in website traffic and an uptick in open rates for email marketing. But you’re likely not yet seeing a jump in conversions.



It’s natural for a performance marketer to look at an environment like that and decide to spend money on convincing consumers to convert now.

You may be running digital ads like that yourself. You’ve certainly seen them. Retargeting campaigns are particularly aggressive this year.

That’s probably not the best approach available to you.

Rather, the tactic for Mini Season 1 is to shoot for a softer conversion while adopting a more sophisticated approach to the hard conversion.

**To understand what we mean, it’s helpful to know a bit about how <intent> works.**

## What is an <intent> Score?

<intent> Scores are the secret sauce that powers our platform by turning complex machine learning predictions into easy-to-understand audiences you can treat differently to maximize profit.

Our machine learning models use more than 400 indicators to predict user behaviors, such as likelihood to convert, in real-time. However, raw machine learning output is hard to act on. Our scores distill all that predictive power into one simple number – automatically creating audiences based on predicted behavior. Users in the highest score audience (very likely to buy) are **25X more likely to purchase** than users in the lowest score audience (very unlikely to buy.)

Last year a client developed a soft-conversion plan to use “teaser” ads in October and early November. The idea was to get potential customers to sign up for alerts about Black Friday and Cyber Monday deals. The goal was a sign-up rather than an actual sale.

<intent> worked with the client to build three campaigns aimed at visitors we identified were either considering purchase or likely to purchase.

### *But this is the thing that makes real-time machine learning so helpful:*

Our model processes things as they happen and responds in microseconds. And the model spotted something that no human could: some of the consumers who were “thinking about” buying and had been brought to the site by the call to sign up for alerts changed behaviors once they arrived ... causing them to move into the likely to buy audience. In other words, some of these “thinkers” could be moved to make a purchase sooner.

As you can see in the image below, the campaigns wound up generating actual sales conversions (in addition to the sign-up conversions) and did so at a great Cost Per Acquisition.

Campaigns

Custom Nov 8 – 28, 2019

Campaign status: All, Campaign name contains cyber monday teaser View all

ADD FILTER

SEARCH

SEGMENT

COLUMNS

REPORTS

DOWNLOAD

EXPAND

<input type="checkbox"/>	<input type="radio"/>	Campaign	Conv. value	Avg. CPC	Bid strategy type	Viewable CTR	Avg. viewable CPM	Viewable impr.	Conv. rate	Conversions	Cost / conv.
<input type="checkbox"/>	<input type="radio"/>	<input type="checkbox"/> Display - Black Friday/Cyber Monday Teasers 2019	0.00	\$0.50	CPC (enhanced)	0.31%	\$1.39	617,818	0.00%	0.00	\$0.00
<input type="checkbox"/>	<input type="radio"/>	<input type="checkbox"/> Display - Black Friday/Cyber Monday Teasers 2019 - Intent Score 4-6	21,964.75	\$0.85	CPC (enhanced)	0.22%	\$1.66	56,721	7.64%	43.00	\$11.11
<input type="checkbox"/>	<input type="radio"/>	<input type="checkbox"/> Display - Black Friday/Cyber Monday Teasers 2019 - Intent Score 7-8	14,282.94	\$0.82	CPC (enhanced)	0.21%	\$1.39	47,982	9.59%	35.00	\$8.50
<input type="checkbox"/>	<input type="radio"/>	<input type="checkbox"/> Display - Black Friday/Cyber Monday Teasers 2019 - Intent Score 9-10	19,126.15	\$0.83	CPC (enhanced)	0.21%	\$1.53	30,157	12.13%	41.00	\$6.88

## Mini Season 2: Buying a bunch of it

**At the peaks of this year's holiday-shopping season, consumers will buy things. Lots of things. Black Friday, Cyber Monday, and Prime Day will all be crazy-high-purchase days.**

Your company will have other high-volume days of its own based upon the products you sell, shipping time, deals, discounts, etc. (Those days can be determined with great accuracy using only your first-party data.)

We expect digital advertising rates during the peak times this year to be extraordinarily high. Every retailer, DTC company, omnichannel player, and brand is chasing the same users with the same keywords on the same sites at the same time.

That's a recipe for brand disaster for many companies. Forced to buy ad inventory wherever they can, many companies will find their ads running on unsavory websites.

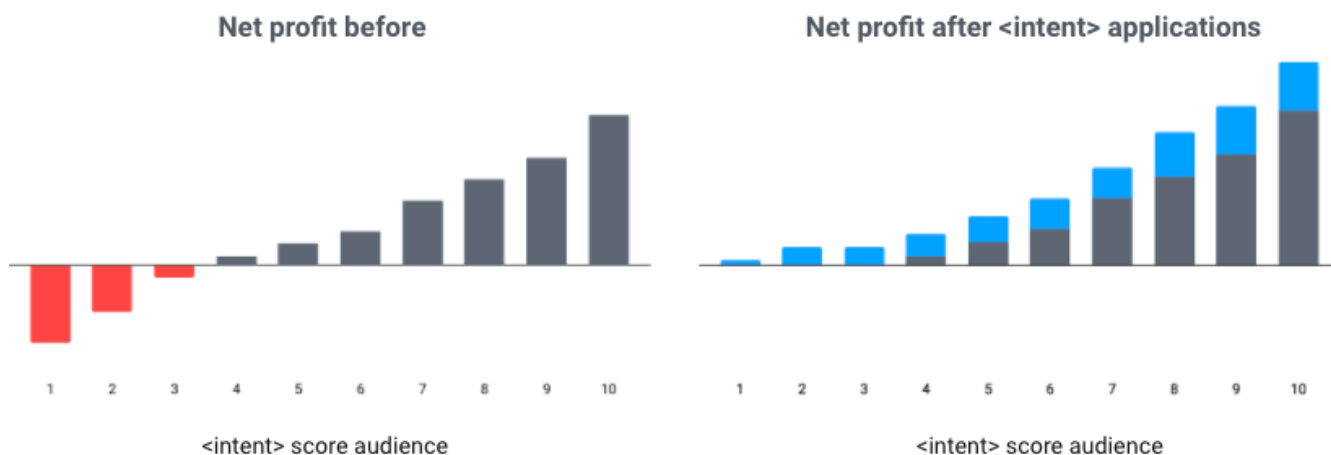
It's also a recipe for budget disaster. As competition for eyeballs grows and conversions lag, Return on Ad Spend will drift to embarrassing levels.

What's needed is a sophisticated approach in which budget is directed toward consumers who are most likely to convert (say those with an <intent> score of a 9 or 10.)

This is particularly important this year in retargeting campaigns. In 2020, the stakes are simply too high for you to spend your budget on non-converters.



### OPTIMIZE PROFIT PER USER



## Mini Season 3: Returning some of it

**The third mini season is when people who bought items begin to return some of them.**

Returns and reverse logistics have been a major challenge for retail and e-commerce for quite some time. And the problems are accelerating across the globe.

Even before the COVID-19 crisis, online returns in the UK were predicted to increase by 27.3 percent to hit a total of 5.6 billion pounds by 2023, according to GlobalData.

In 2018, online Black Friday returns hit \$1.6 billion pounds in England. The problem has grown so pervasive in England that British returns platform ReBound Returns gave the name “Make Up Your Mind Monday” to Cyber Monday, noting that British retailers were experiencing 140% more returns registered online than on an average weekday.

In other words, Cyber Monday has become the day when you return what you bought on Black Friday and order more stuff.



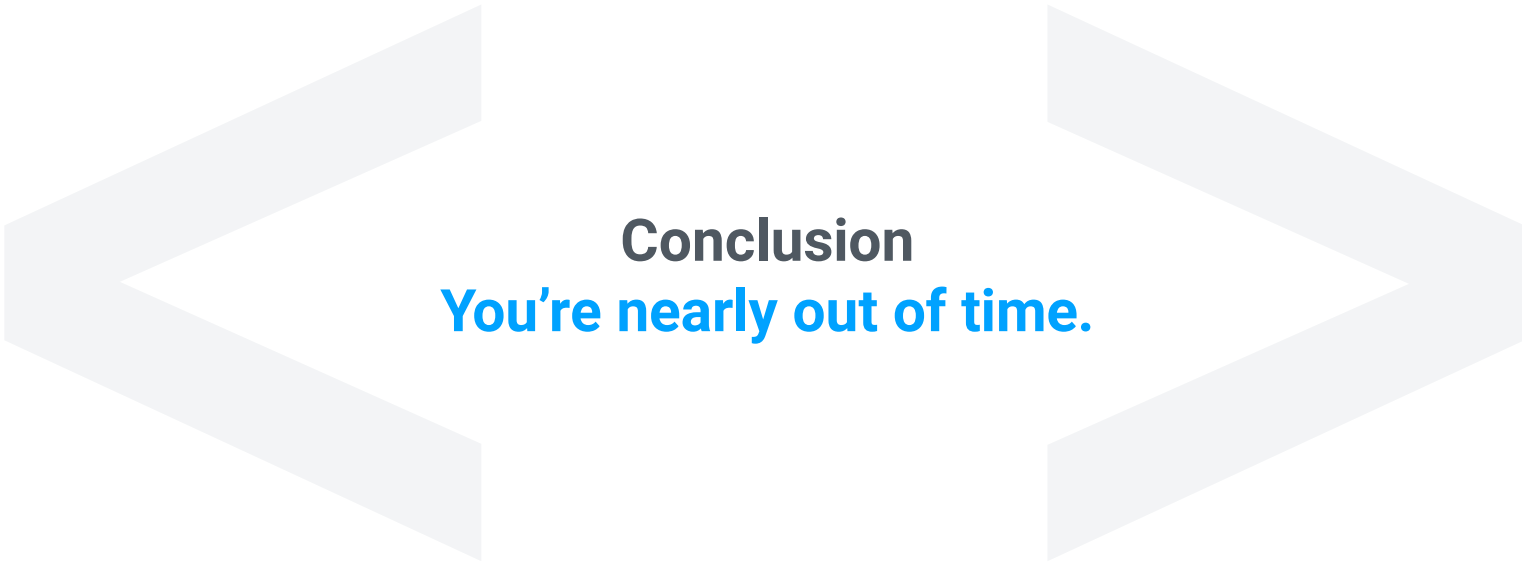
**This year things will be worse.**

In a world where few people feel comfortable in stores, and where few stores allow customers to try on clothing, consumers will behave logically: they'll buy things in multiple sizes and then return what doesn't fit.

The best possible response a performance marketer can have to Mini Season 3 in 2020 is to get it over with as soon as possible. Failing to do so will lead to [soaring shipping costs](#) for your company.

UPS has already announced it will have significantly higher holiday peak surcharges this year to offset the skyrocketing demand for residential drop-offs of packages. And in mid-August the U.S. Postal Service (USPS) announced it would add holiday surcharges for the first time in its history.

A sophisticated campaign of targeted advertising using <intent> scores, similar to those discussed in the sections about mini seasons 1 and 2, make that possible. The key is to let machine learning do what no human could: understand who intends to buy and move them through that process early in the holiday season.



## Conclusion

### You're nearly out of time.

The strange, COVID-19/Holiday season has already begun. As a performance marketer, you need every tool you can find to ensure you don't throw away your budget in what will be the most competitive environment of your career.

We'd like to help.

We're offering a free 30-day trial of a product we call <intent> Target. It uses only your first-party data. Integration is fast and easy. It gives you <intent> Scores in real time for every user you encounter on the Web and decides the most efficient thing you can do with them in microseconds.

If we haven't proved to you within 30 days that we can boost your profit, improve your ROAS, and provide a 10X return on your investment with us, then we'll walk away.

**Let's talk.**