

RETAIL

Nearly 1 in 4 holiday shoppers will skip stores: report

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Most consumers will shop in-store and online this holiday season. Image credit: Treasure Data

By SARAH RAMIREZ

This upcoming holiday shopping season, more U.S. consumers will gravitate towards new preferences and habits popularized during the COVID-19 pandemic.

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According to a [new survey](#) from customer data platform Treasure Data, 39 percent of consumers plan to skip shopping at physical stores this holiday season. The exponential growth of ecommerce has been one of the defining trends of the pandemic era, with two-thirds of consumers shopping online more than they did prior to the pandemic.

"Luxury brands need to realize that consumers will increasingly utilize online channels for the largest of purchases, so those high-end brands that are not building a great online experience or direct-to-consumer (DTC) purchase options, may miss out compared to their competitors," said Tom Treanor, chief marketing officer at [Treasure Data](#), Mountain View, CA.

"Having a DTC presence is vital for brands and can often lead to more sales and a better relationship with their consumers, since the control can be placed back in their hands," he said.

The findings are based on a July 2021 national survey of 1,000 U.S. citizens.

Clicks-and-bricks

While almost one in four consumers expect to shop entirely online for the holidays, omnichannel is still the preference for almost half of shoppers. Forty-seven percent of respondents plan to shop both online and in-store this season.

The pandemic has also contributed to more acceptance of alternative fulfillment options.



Neiman Marcus was one of a number of retailers to introduce contactless curbside pickup during the pandemic. Image credit: Neiman Marcus

More than 80 percent of shoppers have used "buy online, pickup in-store" offerings, with 32 percent citing it as their fulfillment method of choice. The remaining 68 percent still favor home delivery for online purchases.

This preference for omnichannel also applies to how consumers want to interact with brands.

Nearly three-quarters of shoppers, 73 percent, want to receive marketing communications via email. Eight in 10 consumers use their primary personal email addresses when signing up with retailers.

Text messaging is the second-most favored communication method, with 45 percent of consumers showing interest in texts from brands. This is followed by social media and push notifications, at 33 and 24 percent, respectively.

Despite personalization becoming more prominent in marketing, Treasure Data found that only 22 percent of respondents were interested in customized messaging while 78 percent preferred to protect their privacy.

"As data privacy concerns are on the rise, it shouldn't be a surprise that most respondents want brands to respect their valuable information," Mr. Treanor said. "The public has seen many times how, when data is shared online, it can often be misused without the consumer's consent.

"Although consumers are more likely to make a purchase that is catered to their unique tastes, according to this survey, they value anonymity more than these personalized offerings," he said. "And interesting note, that even though privacy is a top value for consumers, the majority, 82 percent, still use their primary email address when signing up for accounts with retailers."



Text message marketing is more popular than social media or push notifications. Image credit: Facebook

Another recent shift has been consumers shopping directly on brand-owned channels, instead of a larger, multibrand retailer. Two-thirds of respondents report doing so recently, underscoring the importance of brands establishing their own presences online or in physical locations ahead of the holidays.

"Direct-to-consumer really does have a place and adds more value than just another revenue stream," Mr. Treanor said. "While the pandemic certainly has a role in this shift, there are plenty of benefits consumers are finding when purchasing directly from the retailer including less supply chain risks, lower costs, sometimes free shipping and better customer support."

Digitizing car sales

The rise in ecommerce goes beyond goods such as apparel, footwear and jewelry, as more consumers take auto

purchases online.

According to Treasure Data, 75 percent of consumers conduct online research before visiting a car dealership and 30 percent have purchased a vehicle online.

Luxury automakers are taking note and adapting to the evolving climate.

Earlier this year, British automaker Bentley Motors introduced online offerings to digitize the car buying experience during the COVID-era. Through Bentley's Digital Commissioning Experience, clients are now able to remotely personalize their vehicles with the help of the automaker's retailer experts.

The January launch came after the U.K. declared its second national lockdown amid rising COVID-19 cases, leaving dealerships closed for sales visits and test drives ([see story](#)).

German auto manufacturer BMW Group is making aggressive investments in digitizing its sales and marketing in a bid to give consumers more custom options and grow its electric vehicle business. Amid the COVID-19 pandemic, the auto group will continue to make its sales process as contact-free as possible.

Eventually, drivers are expected to have the ability to configure custom vehicles entirely online. Already, staff in more than 60 markets are able to sell vehicles remotely and offer virtual tours ([see story](#)).

"This is consistent with the trend of consumers trusting online channels for even their largest purchases such as real-estate and luxury goods," said Treasure Data's Mr. Treanor.

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