

RETAIL

Seamless online shopping propels sales beyond holidays: Coresight

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Shoppers are increasingly turning to ecommerce for holiday gifts. Image credit: Coresight Research

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With a long-gift shopping window, more consumers are flocking to online offerings for their holiday gifting needs.

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According to Coresight Research's "[Unpacking Holiday Gifting](#)" report, consumers are planning on buying a hefty number of gifts this year, with brands and retailers left with ample opportunities to provide seamless experiences. Online shopping is slated to be more than just a holiday trend, as consumers remain receptive to innovative services and brands capable of encouraging shoppers to return after the period.

"COVID-19 has altered shoppers' behavior, preferences, and propensity to spend, and online is the clear destination of choice for gift giving in 2021 and beyond," said Deborah Weinswig, CEO/founder of [Coresight Research](#), in a statement.

"However, innovation in digital gift cards and personalization and customization options for the recipient are yet to pick up pace and have the potential to enhance the online gift-buying experience substantially."

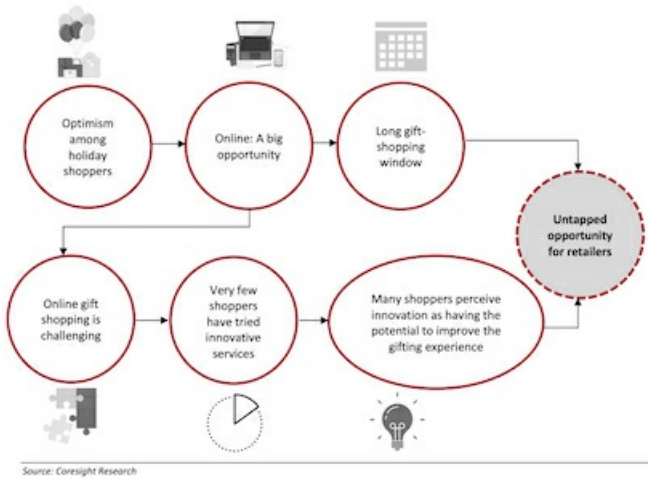
This study, sponsored by [GiftNow](#), is based on the analysis of data from an online survey of 298 adult omnichannel consumers in the U.S., who regularly buy holiday gifts.

'Tis the season

The shopping window has proved lengthy this year, with about 50 percent of shoppers saying that they planned to start their online shopping in October. Almost 60 percent of shoppers expected to continue shopping until December.

Consumers are also ready to spend, and they are flocking to ecommerce to do so.

Figure 1. Holiday Gifting in 2021 and Beyond: Summing Up the Opportunity



Brands and retailers have a breadth of opportunities in attracting online sales and loyal customers this holiday season. Image credit: Coresight Research

Half of all shoppers expect to purchase at least nine gifts this season, and more than 70 percent plan to spend at least \$300 on gifts. Thirty-five percent expect to purchase 12 gifts or more.

Seven in 10 respondents expect to purchase at least 40 percent of their holiday gifts online.

Almost eight in 10 respondents reported that they are "likely" or "highly likely" to use online marketplaces such as Amazon to make holiday purchases, and 85 percent say they will use this channel to search for gifts, making it the most popular channel for gift searching and purchasing.

Seventy-six percent and 83 percent of shoppers are "likely" to turn to online search for gift purchases or gift ideas, respectively, making it the second-most popular channel during the holiday season.

Half of shoppers say they are either "likely" or "highly likely" to purchase gifts from malls, and 40 percent plan to purchase from open-air shopping centers, suggesting consumers are not ready to totally abandon physical retail.

The U.S. Census Bureau reported that ecommerce accounted for 20 percent of holiday sales in 2020, with sales surging 32.5 percent year over year. Coresight expects online sales to comprise about 21 percent of total sales in the fourth quarter of 2021, with digital innovation further enhancing the online gift buying experience.

Physical gift cards top the list for preferred gifts that shoppers would like to receive this holiday season, with 55 percent of respondents citing them as their top choice. Digital gift cards are sizably less popular, with only 29 percent of survey respondents reporting that they would like to receive them as a gift.

This could be an opportunity for brands and retailers to innovate and expand their digital gift card offerings, to make the option more enticing for shoppers. Brands need to contemplate innovative features as well as challenges faced with online shopping.



Gift cards are in high demand this year. Image credit: Saks

Only 9 percent of respondents reported that they have used a customized digital unboxing experience, an innovative service that allows step-by-step unboxing through a video and can include features like confetti and personalized video messages. However, inventive offerings like this could be attractive to consumers.

About three-quarters of respondents believe that the overall gifting experience can be improved by having the ability for the recipient to acknowledge the gift or input their delivery preferences. Seven in 10 respondents believe that the

overall gifting experience would be improved if recipients could customize their gifts, such as color and sizing, before the item is shipped.

Improving the digital experience

With so many consumers relying on online offerings, luxury brands have ample opportunities to create seamless experiences that leave consumers with positive feelings.

Forty-six percent of respondents noted that differences in actual products compared to their online images and descriptions are challenging, while 56 percent say that products arriving late is their top issue.

During the holiday season and beyond, brands and retailers will benefit from continuing to provide seamless customer experiences, including return processes.

The possibility of returns is an immutable reality of retail, but also an opportunity to foster loyalty, according to a report from Narvar. With 88 percent of consumers relying on the accuracy of product details and reviews to inform purchase decisions, brands must also focus on balancing attributes like product photos and other technological offerings to satisfy consumers ([see story](#)).

Other retailers are introducing new experiences in services, including online platform Saks.

According to the retailer's Luxury Pulse survey, this year consumers are planning to shop earlier, dress for casual gatherings and give the gift of fashion. To meet these demands, Saks is bringing a robust selection of luxury merchandise to its site and seamless shopping services to provide ease this holiday season ([see story](#)).

If brands and retailers continue elevating the shopping experience, it is expected consumers will return well into the new year.

Almost 90 percent of shoppers expect to purchase the same or a higher proportion of gifts online for holiday 2022 compared to this year's holiday season.

"Retailers and consumers alike are realizing that empowering the gift shopper in the gift selection and delivery process can be a critical step in the digital gifting experience," said Pari Raccah, general manager for GiftNow at Synchrony, in a statement.