

Black Friday Report 2012

IBM Digital Analytics Benchmark



Summary

US shoppers once again took advantage of early promotions this holiday season, driving a 17.4 percent increase in online sales Thanksgiving Day. This increase set the stage for 20.7 percent growth on Black Friday. The biggest surge came from mobile consumers, with sales reaching 16.3 percent, led by the iPad. This data is the result of cloud-based analytics findings from IBM.

As part of IBM's Smarter Commerce initiative, the IBM Digital Analytics Benchmark revealed the following trends as of 12:00 am PST:

- **Consumer Spending Increases:** Online sales on Thanksgiving grew by 17.4 percent followed by Black Friday where sales increased 20.7 percent over last year.
- **Mobile Shopping:** Mobile purchases soared with 24 percent of consumers using a mobile device to visit a retailer's site, up from 14.3 percent in 2011. Mobile sales exceeded 16 percent, up from 9.8 percent in 2011.
- **The iPad Factor:** The iPad generated more traffic than any other tablet or smart phone, reaching nearly 10 percent of online shopping. This was followed by iPhone at 8.7 percent and Android 5.5 percent. The iPad dominated tablet traffic at 88.3 percent followed by the Barnes and Noble Nook at 3.1 percent, Amazon Kindle at 2.4 percent and the Samsung Galaxy at 1.8 percent.
- **Multiscreen Shopping:** Consumers shopped in store, online and on mobile devices simultaneously to get the best bargains. Overall 58 percent of consumers used smartphones compared to 41 percent who used tablets to surf for bargains on Black Friday.
- **The Savvy shopper:** While consumers spent more overall, they shopped with greater frequency to take advantage of retailer deals and free shipping. This led to a drop in average order value by 4.7 percent to \$181.22. In addition, the average number of items per order decreased 12 percent to 5.6.
- **Social Media Sentiment Index:** Shoppers expressed positive consumer sentiment on promotions, shipping and convenience as well as the retailers themselves at a three to one ratio.
- **Social Sales:** Shoppers referred from Social Networks such as Facebook, Twitter, LinkedIn and YouTube generated .34 percent of all online sales on Black Friday, a decrease of more than 35 percent from 2011.

Holiday sales growth was led by several industries which include:

- **Department stores** continued to offer compelling deals and promotions that drove sales to grow by 16.8 percent over Black Friday 2011.
- **Health and Beauty** sales increased 11 percent year over year with consumers once again choosing to pamper themselves this holiday.
- **Home goods** maintained its momentum this year, reporting a 28.2 percent increase in sales from Black Friday 2011.
- **Apparel sales** were also strong this holiday with Black Friday numbers showing an increase of 17.5 percent over 2011.

US Retail

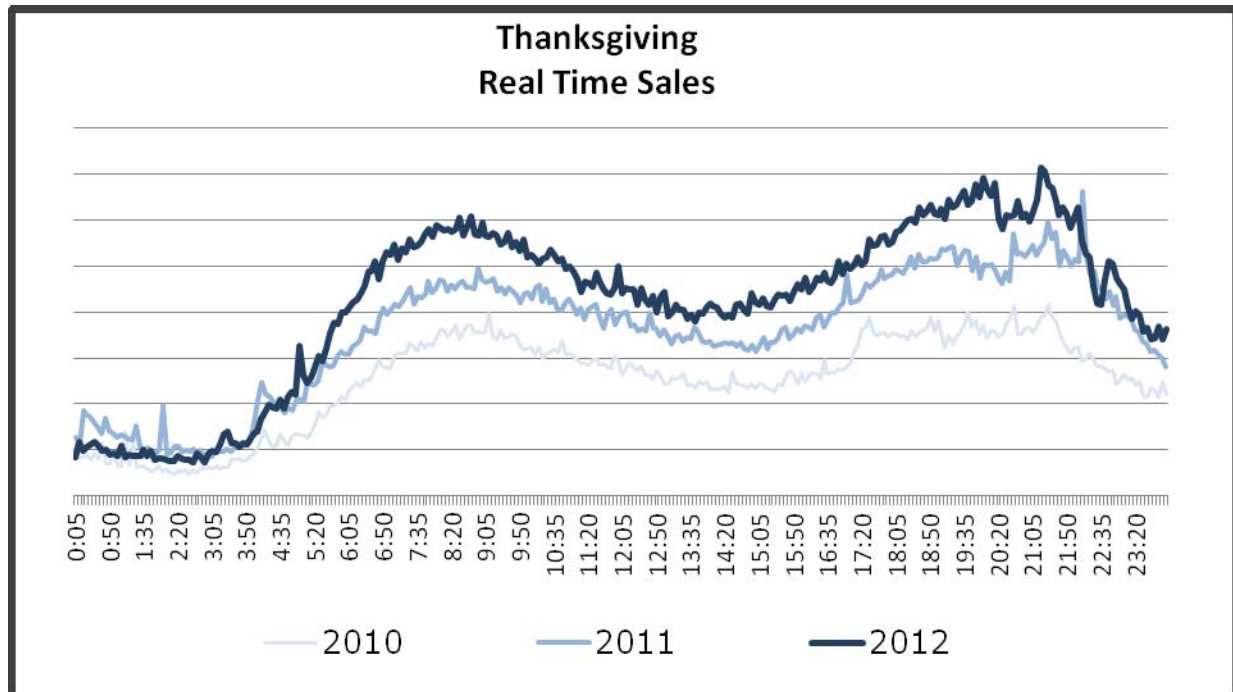
Black Friday 2012
vs. Black Friday
2011



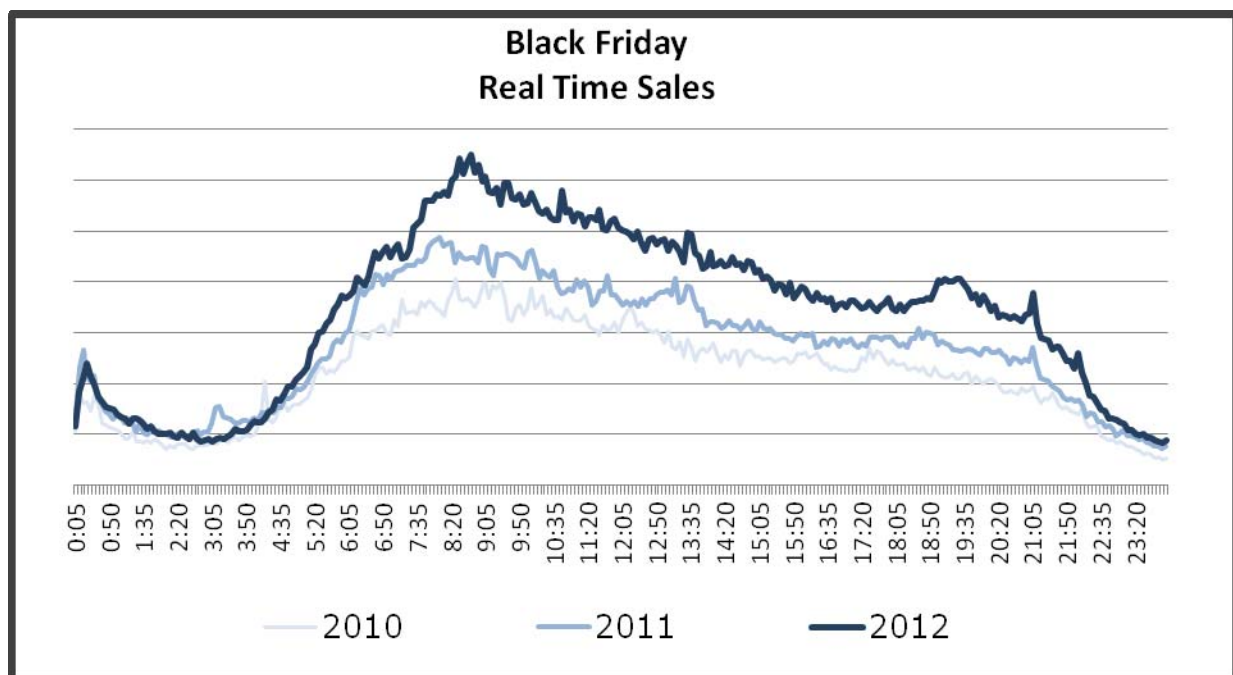
Sales	20.68%
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	Black Friday 2012	Black Friday 2011	% Change (y/y)	Friday Nov-16-12	% Change (d/d)
Transaction Summary Metrics					
Items per Order	5.56	6.37	-12.72%	9.30	-40.22%
Average Order Value	\$181.22	\$190.10	-4.67%	\$210.69	-13.99%
Conversion Summary Metrics					
Conversion Rate	4.58%	4.57%	0.22%	4.20%	9.05%
New Visitor Conversion Rate	3.72%	3.55%	4.79%	3.46%	7.51%
Shopping Cart Sessions	11.50%	11.30%	1.77%	9.80%	17.35%
Shopping Cart Conversion Rate	34.34%	34.47%	-0.38%	33.28%	3.19%
Shopping Cart Abandonment Rate	65.66%	65.53%	0.20%	66.72%	-1.59%
Session Traffic Summary Metrics					
Average Session Length	6:39	7:26	-10.54%	6:22	4.45%
Bounce (One Page) Rate	34.92%	33.10%	5.50%	36.43%	-4.14%
Browsing Sessions	47.49%	47.23%	0.55%	46.67%	1.76%
Page Views Per Session	7.24	7.59	-4.61%	6.79	6.63%
Product Views Per Session	1.80	1.79	0.56%	1.66	8.43%
Mobile Summary Metrics					
Mobile: % of Sales	16.26%	9.84%	65.24%	10.90%	49.17%
Mobile: % of Site Traffic	24.04%	14.33%	67.76%	18.96%	26.79%
Mobile: Bounce Rate	40.48%	41.31%	-2.01%	42.54%	-4.84%
Mobile: Conversion Rate	2.72%	2.78%	-2.16%	2.16%	25.93%
Mobile: Session Length	4:07	4:03	1.65%	3:46	9.29%
Mobile Device: Android Traffic	5.53%	4.05%	36.54%	4.74%	16.67%
Mobile Device: iPhone Traffic	8.71%	5.38%	61.90%	7.31%	19.15%
Mobile Device: iPad Traffic	9.75%	4.75%	105.26%	7.23%	34.85%
Social Summary Metrics					
Social: % of Sales	0.34%	0.53%	-35.85%	0.63%	-46.03%
Social: % of Site Traffic	0.81%	0.92%	-11.96%	0.95%	-14.74%
Social: Facebook Referral Traffic	0.68%	0.69%	-1.45%	0.82%	-17.07%
Social: Twitter Referral Traffic	0.00%	0.02%	-100.00%	0.00%	0.00%

US Retail

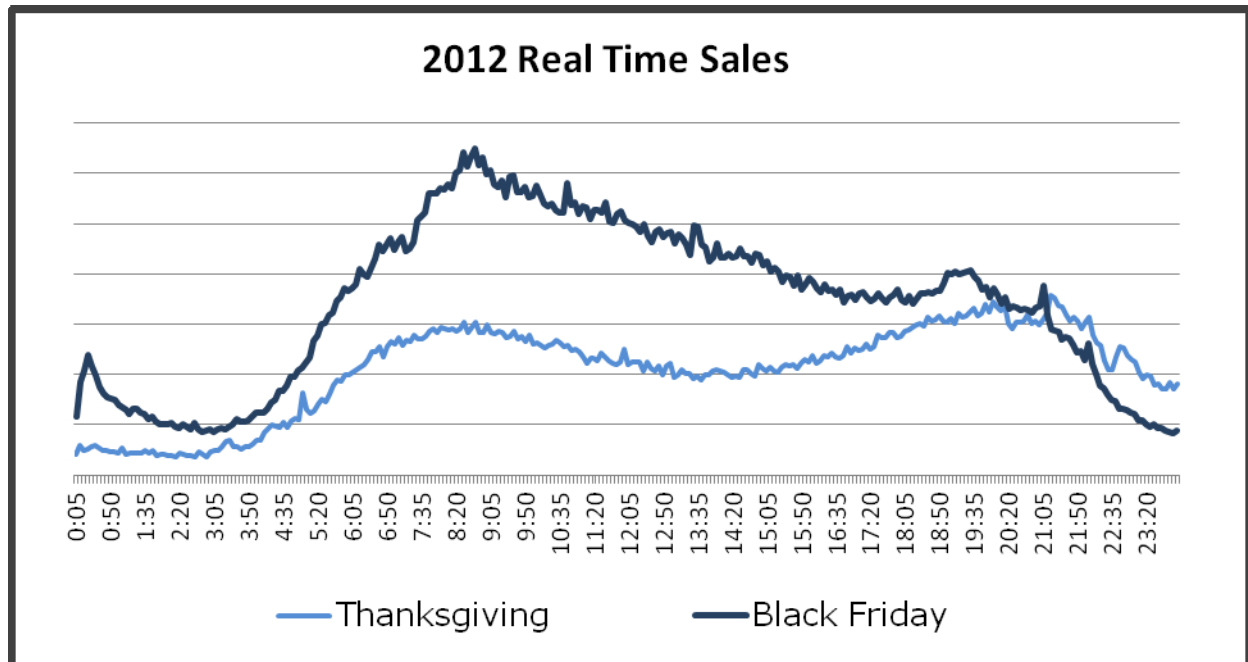


Online sales for Thanksgiving hit record numbers in 2012 with sales growing 17.4% over 2011.

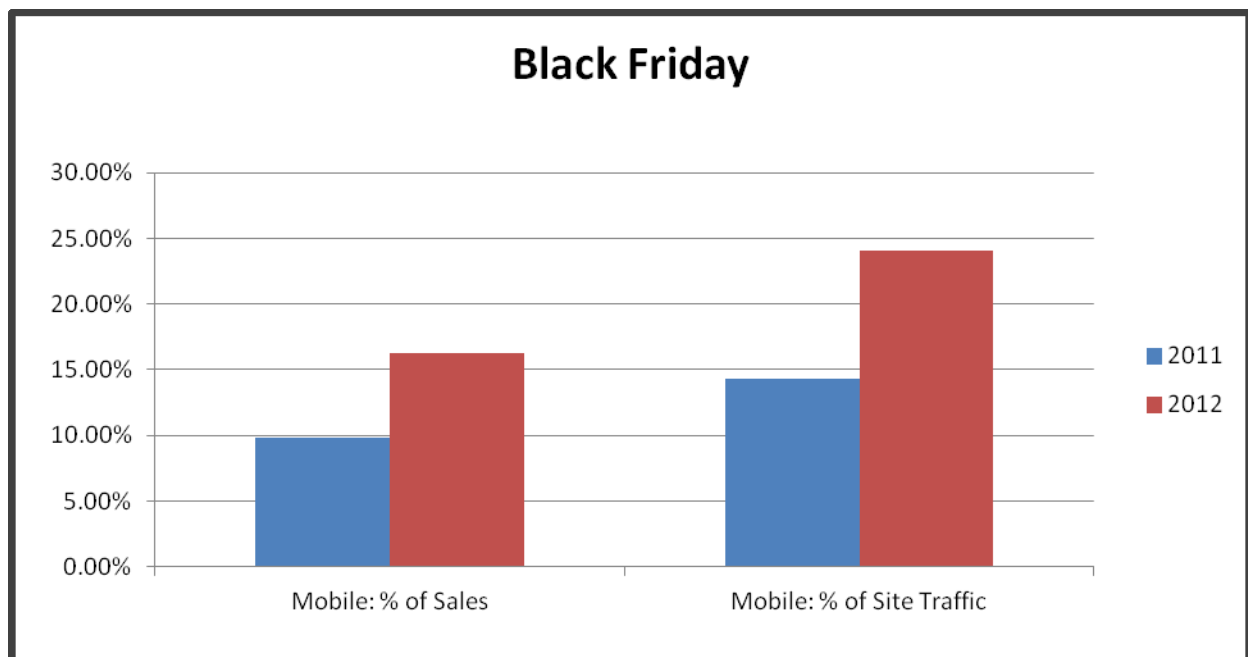


Online sales for Black Friday peaked at 8:45AM PST with sales increasing 20.7% over 2011.

US Retail



While Thanksgiving has become a marquee day for online shopping, Black Friday still delivers considerably higher sales.



On Black Friday 2012, online sales and traffic from mobile devices increased by 65.2% and 67.8% over 2011, respectively.

Apparel



Black Friday 2012 vs. Black Friday 2011

Sales	17.47%
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	Black Friday 2012	Black Friday 2011	% Change (y/y)	Friday Nov-16-12	% Change (d/d)
Transaction Summary Metrics					
Items per Order	2.41	2.5	-3.60%	2.6	-7.31%
Average Order Value	\$147.25	\$139.95	5.22%	\$147.64	-0.26%
Conversion Summary Metrics					
Conversion Rate	2.98%	3.24%	-8.02%	2.18%	36.70%
New Visitor Conversion Rate	2.25%	2.37%	-5.06%	1.64%	37.20%
Shopping Cart Sessions	9.16%	9.58%	-4.38%	7.20%	27.22%
Shopping Cart Conversion Rate	29.75%	32.28%	-7.84%	27.18%	9.46%
Shopping Cart Abandonment Rate	70.25%	67.72%	3.74%	72.82%	-3.53%
Session Traffic Summary Metrics					
Average Session Length	6:25	6:39	-3.51%	5:50	10.00%
Bounce (One Page) Rate	28.52%	26.04%	9.52%	32.51%	-12.27%
Browsing Sessions	47.85%	48.78%	-1.91%	47.03%	1.74%
Page Views Per Session	8.34	9.15	-8.85%	7.6	9.74%
Product Views Per Session	1.91	2.11	-9.48%	1.78	7.30%

Department Stores

Black Friday 2012
vs. Black Friday
2011



Sales	16.83%
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	Black Friday 2012	Black Friday 2011	% Change (y/y)	Friday Nov-16-12	% Change (d/d)
Transaction Summary Metrics					
Items per Order	3.49	3.42	2.05%	2.58	35.27%
Average Order Value	\$195.10	\$122.19	59.67%	\$247.74	-21.25%
Conversion Summary Metrics					
Conversion Rate	3.99%	3.44%	15.99%	3.17%	25.87%
New Visitor Conversion Rate	3.66%	2.64%	38.64%	5.08%	-27.95%
Shopping Cart Sessions	10.12%	13.47%	-24.87%	7.73%	30.92%
Shopping Cart Conversion Rate	35.68%	23.73%	50.36%	32.91%	8.42%
Shopping Cart Abandonment Rate	64.32%	76.27%	-15.67%	67.09%	-4.13%
Session Traffic Summary Metrics					
Average Session Length	6:37	8:23	-21.07%	5:12	27.24%
Bounce (One Page) Rate	27.32%	23.54%	16.06%	28.54%	-4.27%
Browsing Sessions	44.10%	50.81%	-13.21%	45.61%	-3.31%
Page Views Per Session	8.12	11.08	-26.71%	6.99	16.17%
Product Views Per Session	1.73	2.07	-16.43%	1.48	16.89%

Health & Beauty



Black Friday 2012 vs. Black Friday 2011*

Sales	10.96%
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	Black Friday 2012	Black Friday 2011	% Change (y/y)*	Friday Nov-16-12	% Change (d/d)*
Transaction Summary Metrics					
Items per Order	5.25	5.17	1.55%	4.93	6.49%
Average Order Value	\$98.63	\$121.30	-18.69%	\$101.58	-2.90%
Conversion Summary Metrics					
Conversion Rate	4.47%	4.82%	-7.26%	2.68%	66.79%
New Visitor Conversion Rate	3.41%	3.74%	-8.82%	1.96%	73.98%
Shopping Cart Sessions	14.34%	12.23%	17.25%	10.04%	42.83%
Shopping Cart Conversion Rate	29.45%	32.64%	-9.77%	26.16%	12.58%
Shopping Cart Abandonment Rate	70.55%	67.36%	4.74%	73.84%	-4.46%
Session Traffic Summary Metrics					
Average Session Length	6:57	7:23	-5.87%	6:25	8.31%
Bounce (One Page) Rate	37.86%	33.62%	12.61%	38.34%	-1.25%
Browsing Sessions	40.50%	39.65%	2.14%	41.29%	-1.91%
Page Views Per Session	6.38	6.85	-6.86%	5.76	10.76%
Product Views Per Session	1.23	1.28	-3.91%	1.16	6.03%

Home Goods



Black Friday 2012 vs. Black Friday 2011

Sales	28.22%
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	Black Friday 2012	Black Friday 2011	% Change (y/y)	Friday Nov-16-12	% Change (d/d)
Transaction Summary Metrics					
Items per Order	3.65	3.37	8.31%	3.99	-8.52%
Average Order Value	\$278.55	\$243.08	14.59%	\$303.62	-8.26%
Conversion Summary Metrics					
Conversion Rate	3.54%	3.46%	2.31%	3.75%	-5.60%
New Visitor Conversion Rate	2.77%	2.76%	0.36%	2.59%	6.95%
Shopping Cart Sessions	10.76%	9.82%	9.57%	8.97%	19.96%
Shopping Cart Conversion Rate	29.67%	31.72%	-6.46%	28.60%	3.74%
Shopping Cart Abandonment Rate	70.33%	68.28%	3.00%	71.40%	-1.50%
Session Traffic Summary Metrics					
Average Session Length	7:09	7:46	-7.94%	7:31	-4.88%
Bounce (One Page) Rate	32.88%	29.45%	11.65%	32.63%	0.77%
Browsing Sessions	50.16%	46.25%	8.45%	46.91%	6.93%
Page Views Per Session	7.6	7.99	-4.88%	7.29	4.25%
Product Views Per Session	2.32	2.17	6.91%	2.06	12.62%

Transactions Summary Metrics

1. **Items Per Order**
The average number of items purchased per order
2. **Average Order Value**
The average value of each order

Conversion Summary Metrics

1. **Conversion Rate**
The percentage of sessions in which visitors completed an order
2. **New Visitor Conversion Rate**
Out of all new visitor sessions, the percentage that completed an order
3. **Shopping Cart Session Percentage**
The percentage of sessions in which visitors placed at least one item in their shopping carts
4. **Shopping Cart Conversion Rate**
Out of all visitors who placed items in their shopping carts, the percentage that placed an actual order
5. **Shopping Cart Abandonment Rate**
Out of all visitors who placed items in their shopping carts, the percentage that did not place an actual order

Session Traffic Summary Metrics

1. **Average Session Length**
The average length of time for a visitor session
2. **Bounce (One Page) Rate**
The percentage of sessions in which visitors only viewed one page before leaving the site
3. **Multi-Page Session Percentage**
The percentage of sessions in which visitors viewed more than one page
4. **Browsing Session Percentage**
The percentage of sessions in which visitors viewed at least one product page
5. **Page Views Per Session**
The average number of pages viewed by visitors per session
6. **Product Views Per Session**
The average number of products viewed by visitors per session

Mobile Summary Metrics

1. **Mobile: Percentage of Sales**
Out of all online sales, the percentage that was from a mobile device
2. **Mobile: Percentage of Site Traffic**
Out of all sessions, the percentage that was from a mobile device
3. **Mobile: Bounce Rate**
The percentage of sessions from mobile devices in which visitors only viewed one page before leaving the site
4. **Mobile: Conversion Rate**
The percentage of sessions from mobile devices in which visitors completed an order
5. **Mobile: Average Session Length**
The average length of time for a visitor session from a mobile device

6. Mobile Device: Android Sessions

Out of all sessions, the percentage that was from an Android mobile device

7. Mobile Device: iPhone Sessions

Out of all sessions, the percentage that was from an iPhone mobile device

8. Mobile Device: iPad Sessions

Out of all sessions, the percentage that was from an iPad mobile device

Social Summary Metrics

1. Social: Percentage of Sales

Out of all online sales, the percentage that was from a social site referral

2. Social: Percentage of Site Traffic

Out of all sessions, the percentage that was from a social site referral

3. Social: Facebook Referral Sessions

Out of all sessions, the percentage that was from a Facebook referral

4. Social: Facebook Referral Sessions

Out of all sessions, the percentage that was from a Twitter referral

About IBM Digital Analytics Benchmark

The IBM Digital Analytics Benchmark is the only analytics-based, peer-level benchmarking solution that measures online marketing results, including real-time sales data. All of the data is aggregated and anonymous.

IBM Digital Analytics Benchmark uses IBM's cloud-based digital analytics platform to rapidly collect and analyze intelligence on how consumers are responding to the products and services being offered to them, enabling clients to make accurate decisions on marketing expenditures. As a result, marketing teams can gain deeper insight about their consumers and present personalized recommendations, promotions and other sales incentives across the wide variety of channels—including social networks and mobile devices—where consumers interact with their brands.

About IBM Enterprise Marketing Management

The IBM Enterprise Marketing Management (EMM) Suite is an end-to-end, integrated set of capabilities designed exclusively for the needs of marketing organizations. Integrating and streamlining all aspects of marketing, IBM's EMM Suite empowers organizations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, efficient, timely, and measurable business outcomes.

Delivered on premises or in the Cloud, the IBM EMM Suite of software solutions gives marketers the tools and insight they need to create individual customer value at every touch. The IBM EMM Suite helps marketers to understand customer wants and needs and leverage that understanding to engage buyers in highly relevant, interactive dialogs across digital, social, and traditional marketing channels.

About IBM Smarter Commerce

IBM Smarter Commerce puts the customer at the center of your business and optimizes within and across the commerce cycle including the buy, market sell and service processes. By operationalizing their business around the empowered customer, companies can deliver personalized, highly relevant, and seamless experience across touch points, leading to greater customer loyalty. By helping our customers better capture, analyze, integrate and manage their data, they gain actionable behavior-based insights and uncover opportunities for revenue growth and efficiency.

For More Information

To learn more about IBM Digital Analytics Benchmark, please contact your IBM marketing representative or IBM Business Partner or visit the following website: <http://www-01.ibm.com/software/marketing-solutions/benchmark/>



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