IBM Benchmark

US Online Retail Holiday Shopping Recap Report 2011

Did you like this report? Tweet about it.

Overview

While a lot of retailers are still working to get the last dollars in for their fiscal year, the big shopping days of the holiday season have come to a close. The 2011 online retail holiday performance was groundbreaking on a number of fronts. We saw some of the largest online spending in history coupled with exponential increases in mobile traffic and the continued dominance of Facebook as a social media traffic channel.

This report provides a recap of the online retail data we tracked throughout the 2011 holiday season as well as overall performance metrics and trends from the year in review.

Thanksgiving

Retailers began to offer their Black Friday promotions early, in some cases beginning at 10:00PM on Thanksgiving. Shoppers took advantage of the early sales driving a 39.3 percent increase in online Thanksgiving day spending.

Traffic and sales from mobile devices was over two-times the levels in 2010. Mobile traffic went from 6.5 percent to 15 percent while sales from mobile devices went from 4.3 percent in 2010 to 11.1 percent in 2011.
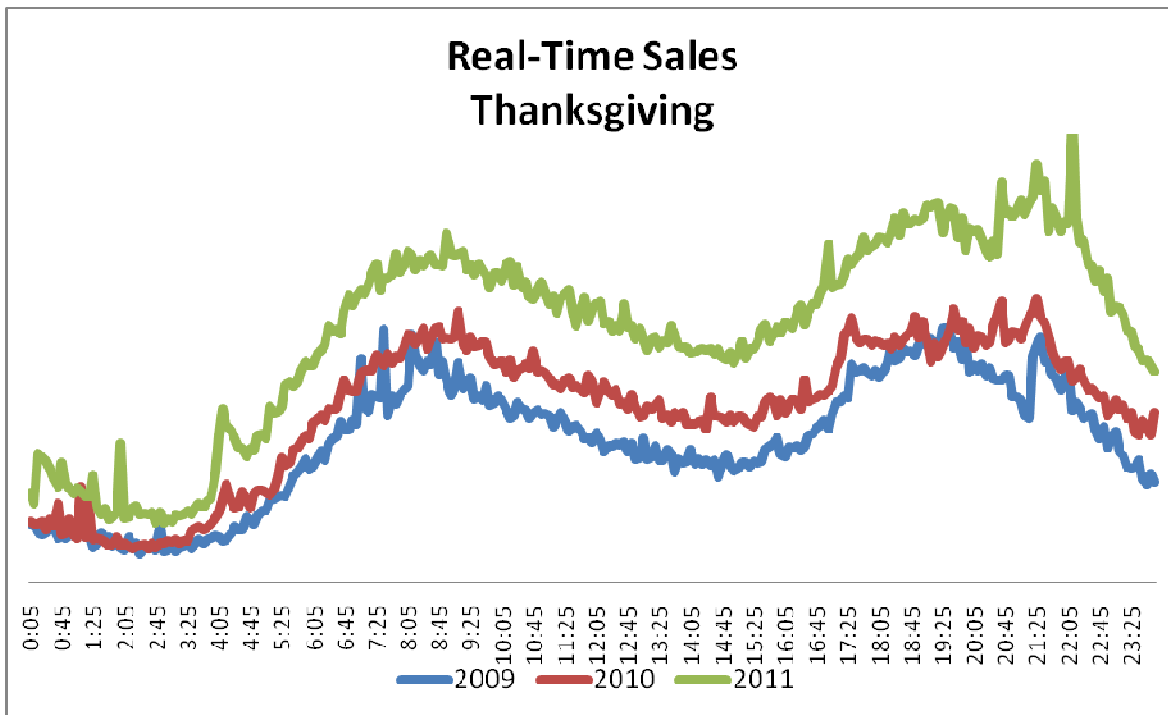

Online sales for Thanksgiving hit record numbers in 2011 with sales growing 39.3 percent over Thanksgiving 2010.

Black Friday

Continuing the momentum from Thanksgiving, Black Friday saw 24.3 percent online growth compared to the same day in 2010. With mobile playing such a big part in this year's holiday shopping experience, the big winners were those retailers that delivered a smarter commerce experience with compelling, relevant deals that people could easily access from their channel of choice.

- **The Mobile Bargain Hunter:** Black Friday witnessed the arrival of the mobile deal seeker who embraced their devices as a research tool for in-store and online bargains. Mobile traffic increased to 14.3 percent on Black Friday 2011 compared to 5.6 percent in 2010.

- **Mobile Sales:** Sales on mobile devices surged to 9.8 percent from 3.2 percent year over year.

- **The Apple Shopper:** Mobile shopping was led by Apple, with the iPhone and iPad ranking one and two for consumers shopping on mobile devices (5.4 percent and 4.8 percent respectively). Android came in third at 4.1 percent.

- **The iPad Factor:** Shoppers using the iPad led to more retail purchases more often per visit than other mobile devices with conversion rates reaching 4.6 percent compared to 2.8 percent for overall mobile devices.

- **Surgical Shopping Goes Mobile:** Mobile shoppers demonstrated a laser focus that surpassed that of other online shoppers with a 41.3 percent bounce rate on mobile devices versus online shopping rates of 33.1 percent.

- **The Social Influence:** Shoppers referred from Social Networks generated 0.53 percent of all online sales on Black Friday. Facebook led the pack, accounting for 75 percent of all traffic from social networks.
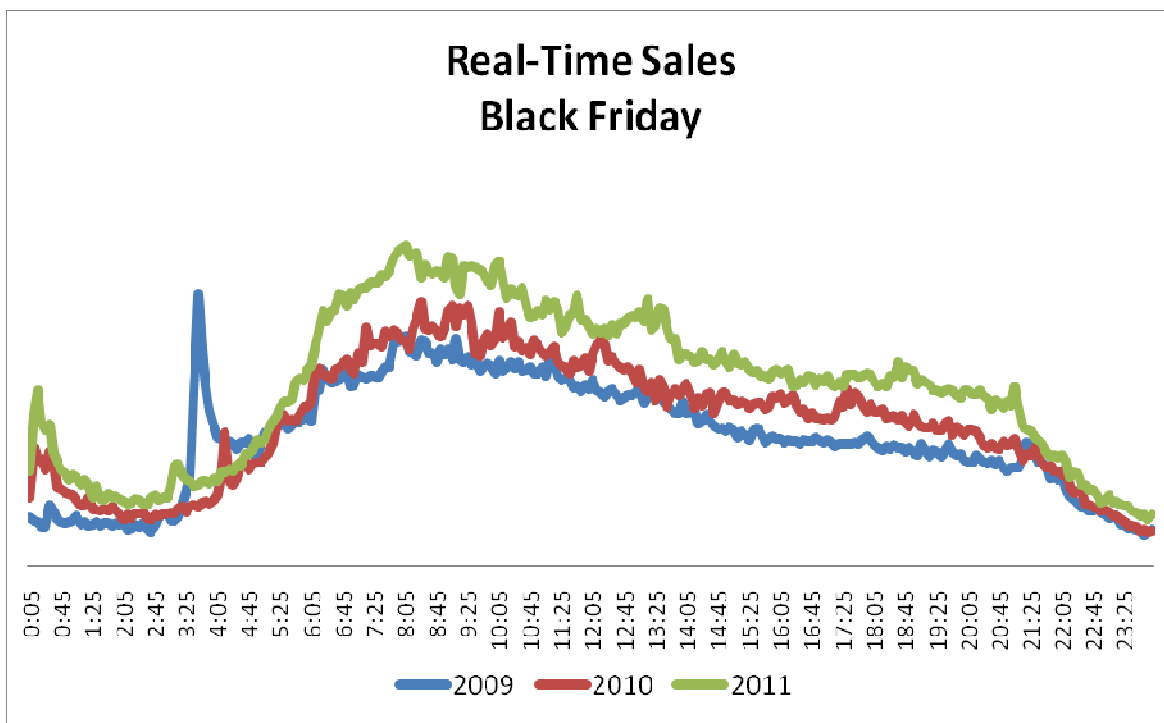
Online sales for Black Friday 2011 accelerated starting at 6:00AM PST and maintained a strong lead over Black Friday 2010 throughout the day.

US Retail – Black Friday

	Black Friday 2011 vs. Black Friday 2010*
Sales	24.34%

	Black Friday 2011	Black Friday 2010	% Change (y/y)*	Friday Nov-18-11	% Change (d/d)*
Transaction Summary Metrics					
Items per Order	6.37	7.44	-13.52%	7.58	-15.75%
Average Order Value	$190.10	$190.80	-0.20%	$188.82	0.78%
Conversion Summary Metrics					
Conversion Rate	4.57%	4.61%	-6.27%	4.14%	10.47%
New Visitor Conversion Rate	3.55%	3.80%	-13.13%	3.02%	17.51%
Shopping Cart Sessions	11.30%	11.28%	-2.82%	9.99%	13.35%
Shopping Cart Conversion Rate	34.47%	35.21%	-1.68%	33.20%	3.54%
Shopping Cart Abandonment Rate	65.53%	64.79%	0.91%	66.80%	-1.77%
Session Traffic Summary Metrics					
Average Session Length	7:26	7:39	-2.89%	7:13	3.23%
Bounce (One Page) Rate	33.10%	32.11%	0.56%	34.27%	-4.14%
Browsing Sessions	47.23%	48.79%	-2.89%	46.04%	2.83%
Page Views Per Session	7.59	8.14	-5.03%	7.17	6.31%
Product Views Per Session	1.79	1.78	1.91%	1.64	9.51%
Mobile Summary Metrics					
Mobile: % of Sales	9.84%	3.18%	209.61%	7.78%	26.49%
Mobile: % of Site Traffic	14.33%	5.56%	157.54%	11.18%	28.73%
Mobile: Bounce Rate	41.31%	42.47%	-2.33%	43.19%	-4.43%
Mobile: Conversion Rate	2.78%	1.97%	32.51%	2.38%	16.74%
Mobile: Session Length	4:03	3:57	2.26%	3:48	6.65%
Mobile Device: Android Traffic	4.05%	1.43%	185.34%	3.53%	15.09%
Mobile Device: iPhone Traffic	5.38%	2.52%	114.92%	4.33%	24.67%
Mobile Device: iPad Traffic	4.75%	1.33%	260.69%	3.18%	49.63%
Social Summary Metrics					
Social: % of Sales	0.53%	0.55%	-3.90%	0.59%	-10.18%
Social: % of Site Traffic	0.92%	0.88%	4.61%	1.04%	-10.98%
Social: Facebook Referral Traffic	0.69%	0.72%	-3.34%	0.81%	-13.92%
Social: Twitter Referral Traffic	0.02%	0.08%	-76.96%	0.03%	-36.70%

*NOTE: The percent change for year-over-year and day-over-day calculations are based on matched retailer lists for each time period.
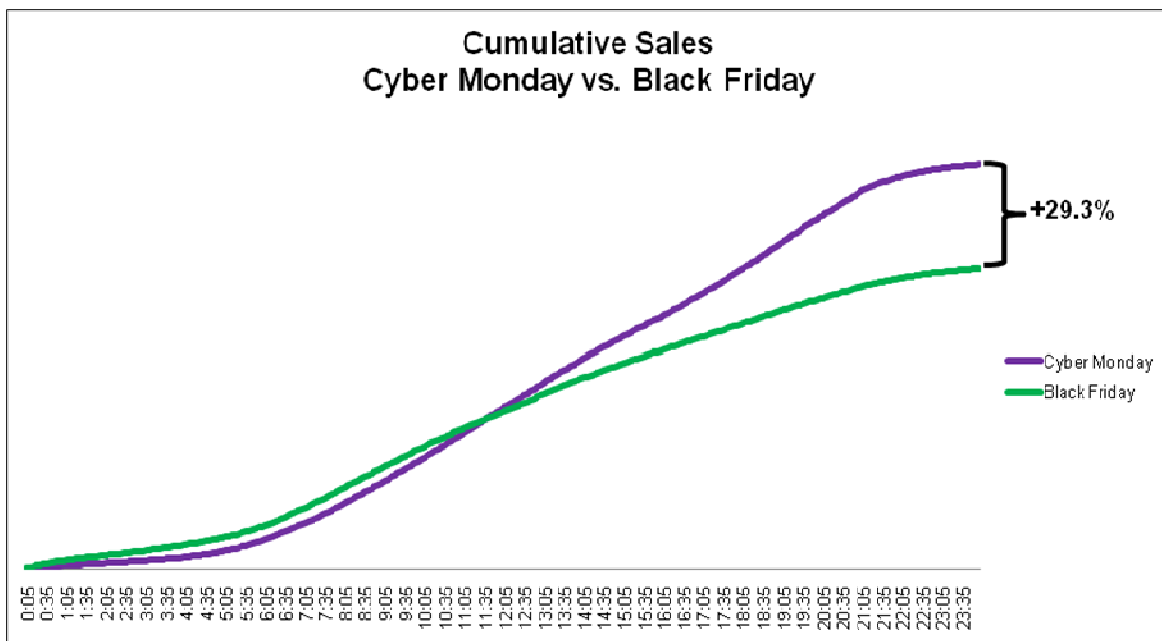
Cyber Monday

The online retail sector delivered strong growth on Cyber Monday 2011 with sales outpacing Cyber Monday 2010 and Black Friday 2011 by 33.0 percent and 29.3 percent, respectively.

Cyber Monday 2011 Compared to Cyber Monday 2010 (year/year)

- **Shopping Peaks at 11:05am PST/2:05pm EST:** Consumers flocked online, with shopping momentum hitting its highest peak at 11:05am PST/2:05pm EST.

- **Mobile Sales and Traffic Grows:** On Cyber Monday, 10.8 percent of people used a mobile device to visit a retailer's site, up from 3.9 percent in 2010. Additionally, mobile sales grew dramatically, reaching 6.6 percent on Cyber Monday versus 2.3 percent in 2010.

Cyber Monday 2011 Compared to Black Friday 2011

- **The Mobile Bargain Hunter:** Mobile traffic was 10.8 percent versus 14.3 percent on Black Friday. Consumer sales on mobile devices reached 6.6 percent versus 9.8 percent on Black Friday.

- **The Apple Shopper:** Apple's iPhone and iPad continued to rank one and two for mobile device retail traffic (4.1 percent and 3.3 percent respectively). Android maintained its position in third at 3.2 percent.

- **The iPad Factor:** Shoppers using the iPad also continued to drive more retail purchases than any other device with conversion rates reaching 5.2 percent compared to 4.6 percent.

- **The Social Influence:** Shoppers referred from Social Networks generated 0.56 percent of all online sales on Cyber Monday versus 0.53 percent on Black Friday. Similar to Black Friday, Facebook led the pack, accounting for 86 percent of all social media traffic.

While Black Friday is a strong sales day for online retailers, Cyber Monday is still the biggest day by nearly 30%.
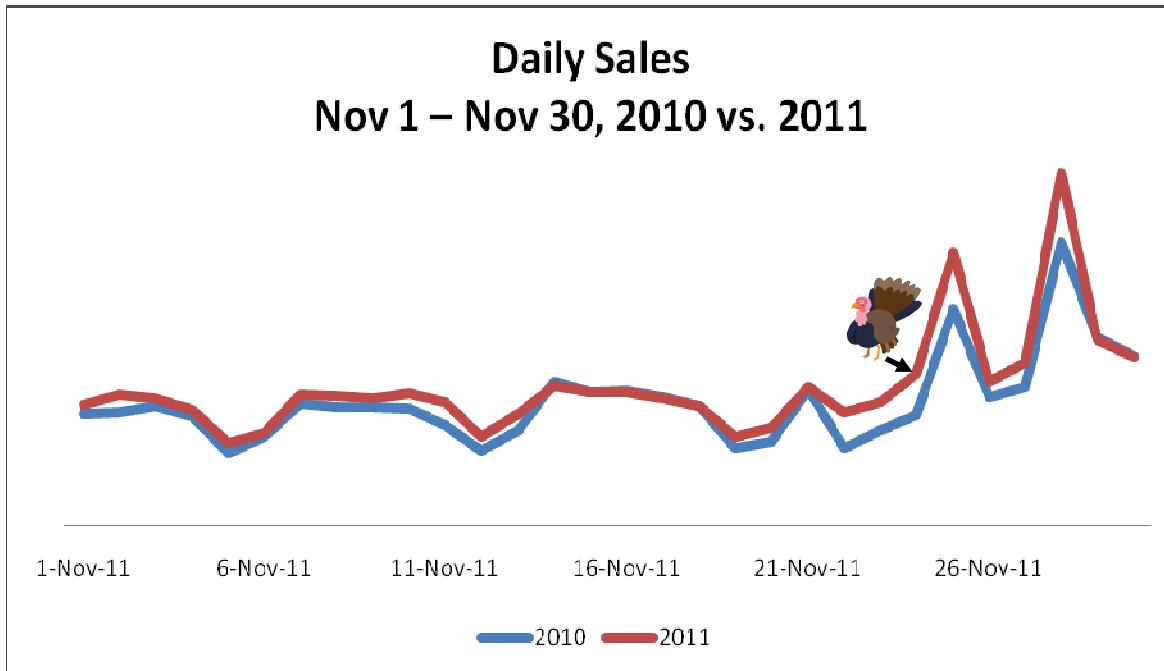
US Retail – Cyber Monday

	Cyber Monday 2011 vs. Cyber Monday 2010*			Cyber Monday 2011 vs. Black Friday 2011*	
Sales	32.96%			29.31%	

	Cyber Monday 2011	Cyber Monday 2010	% Change (y/y)*	Black Friday 2011	% Change (d/d)*
Transaction Summary Metrics					
Items per Order	7.31	6.41	12.96%	6.37	14.76%
Average Order Value	$198.26	$194.89	2.59%	$190.10	4.29%
Conversion Summary Metrics					
Conversion Rate	5.71%	5.60%	-1.80%	4.57%	24.95%
New Visitor Conversion Rate	4.39%	4.41%	-7.16%	3.55%	23.66%
Shopping Cart Sessions	12.98%	12.79%	0.39%	11.30%	14.87%
Shopping Cart Conversion Rate	37.69%	36.32%	3.15%	34.47%	9.34%
Shopping Cart Abandonment Rate	62.31%	63.68%	-1.81%	65.53%	-4.91%
Session Traffic Summary Metrics					
Average Session Length	7:30	7:47	-1.72%	7:26	0.90%
Bounce (One Page) Rate	31.51%	31.41%	-1.55%	33.10%	-4.80%
Browsing Sessions	46.90%	48.34%	-2.41%	47.23%	-0.70%
Page Views Per Session	7.74	8.14	-2.94%	7.59	1.98%
Product Views Per Session	1.73	1.75	0.94%	1.79	-3.35%
Mobile Summary Metrics					
Mobile: % of Sales	6.58%	2.25%	192.57%	9.84%	-33.13%
Mobile: % of Site Traffic	10.75%	3.88%	161.92%	14.33%	-24.98%
Mobile: Bounce Rate	41.44%	42.94%	-3.30%	41.31%	0.31%
Mobile: Conversion Rate	2.99%	2.24%	26.40%	2.78%	7.55%
Mobile: Session Length	4:10	3:59	4.57%	4:03	2.88%
Mobile Device: Android Traffic	3.21%	1.01%	219.60%	4.05%	-20.74%
Mobile Device: iPhone Traffic	4.06%	1.97%	106.62%	5.38%	-24.54%
Mobile Device: iPad Traffic	3.27%	0.85%	287.08%	4.75%	-31.16%
Social Summary Metrics					
Social: % of Sales	0.56%	0.41%	36.51%	0.53%	5.66%
Social: % of Site Traffic	0.93%	0.86%	6.84%	0.92%	1.09%
Social: Facebook Referral Traffic	0.80%	0.73%	9.20%	0.69%	15.94%
Social: Twitter Referral Traffic	0.02%	0.07%	-69.27%	0.02%	0.00%

*NOTE: The percent change for year-over-year and day-over-day calculations are based on matched retailer lists for each time period.

November

November sales finished up 15.6 percent over November 2010. Mobile traffic ended the month at 12.6 percent and mobile sales averaged 9.7 percent. Year-over-year daily sales aligned closely alongside 2010 with spikes on Black Friday and Cyber Monday hitting record highs.

Retailers were eager to get their promotions out earlier in November to try and capture a bigger portion of holiday shopping dollars. This was evident not just on Thanksgiving, but also that entire week starting from Sunday, November 20th through Saturday, November 26th. Sales for that week were 23.5 percent higher than the same week in 2010. In the graph below, you can see that daily sales levels in 2011 start to break away from 2010 a few days before Thanksgiving.

Daily sales for the month of November remained fairly steady until Black Friday and Cyber Monday, which continue to be the two largest online shopping days of the year.

December

US online retailers delivered 7.5 percent growth in December 2011 compared to the same month last year. Over the past couple of years, December has been the largest online shopping month for retailers with sales levels at 18 percent and 6 percent higher than November in 2009 and 2010, respectively. For the first time in 2011, November and December online retail sales were nearly flat indicating that November may soon outpace December in online sales.
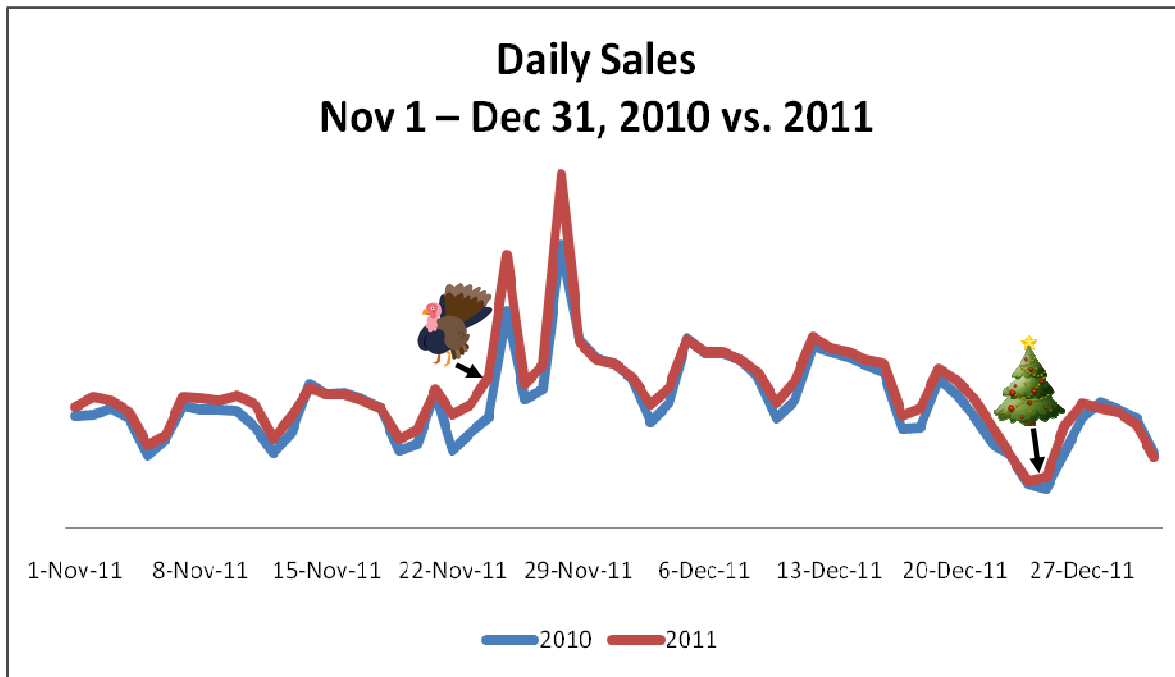
Overall December daily sales maintained higher levels than in November with a post-Christmas surge to finish out the year.

Online retailers showed continued growth throughout the year with November 2011 peaking at 15.6 percent over November 2010.

Mobile

Online traffic and sales from mobile devices were the big trends to watch this year as levels continued to increase by 0.5 to 1.0 percentage point every month in 2011. As the holidays approached, consumers used their mobile devices to find the best deals online and in store. Christmas Day produced some of the highest mobile traffic and sales figures seen in 2011. Part of this surge was driven by consumers looking for after-Christmas sales and promotions. The high mobile traffic volume was also likely attributable to the fact that smartphones and tablet devices were popular gifts over the holiday season.
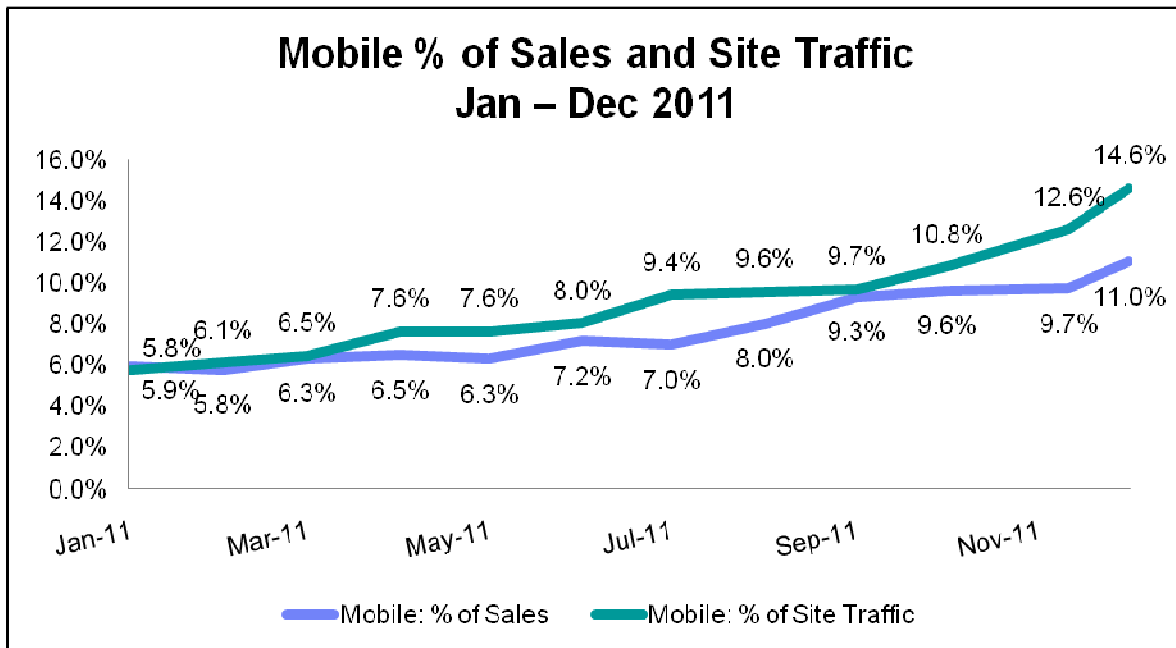
Online traffic and sales from mobile devices continued to increase throughout the year with mobile traffic topping out at nearly 15 percent in December.
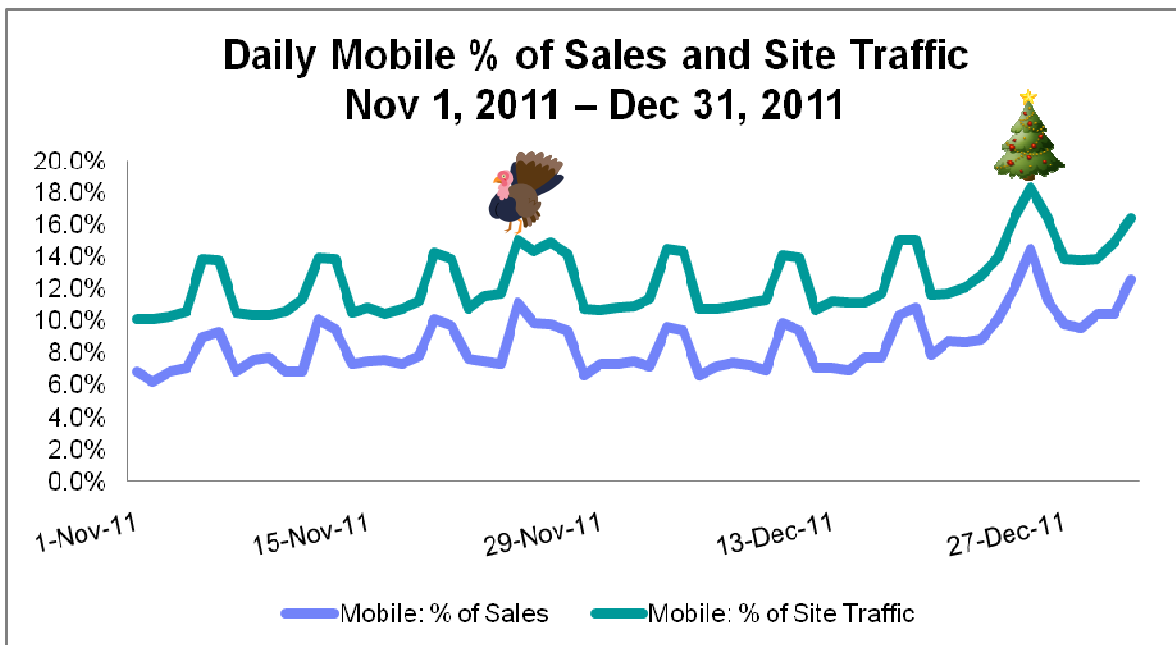

Daily online traffic and sales from mobile devices peak as a percentage of all online traffic on weekends.

Mobile Devices

Throughout the year, Apple iPhone maintained its lead as the mobile device with the most online traffic and sales. In the early part of 2011, Android devices held steady at second place, but a couple of months after the iPad 2 was released in March 2011, Android's lead over iPad began to close. Based on daily usage patterns, it's evident that consumers use their smartphones more consistently throughout the week whereas tablet usage sees a much greater volatility from the workweek to the weekend. This difference in usage patterns was all the more evident over Thanksgiving and Christmas weekend when consumers were typically off from work.
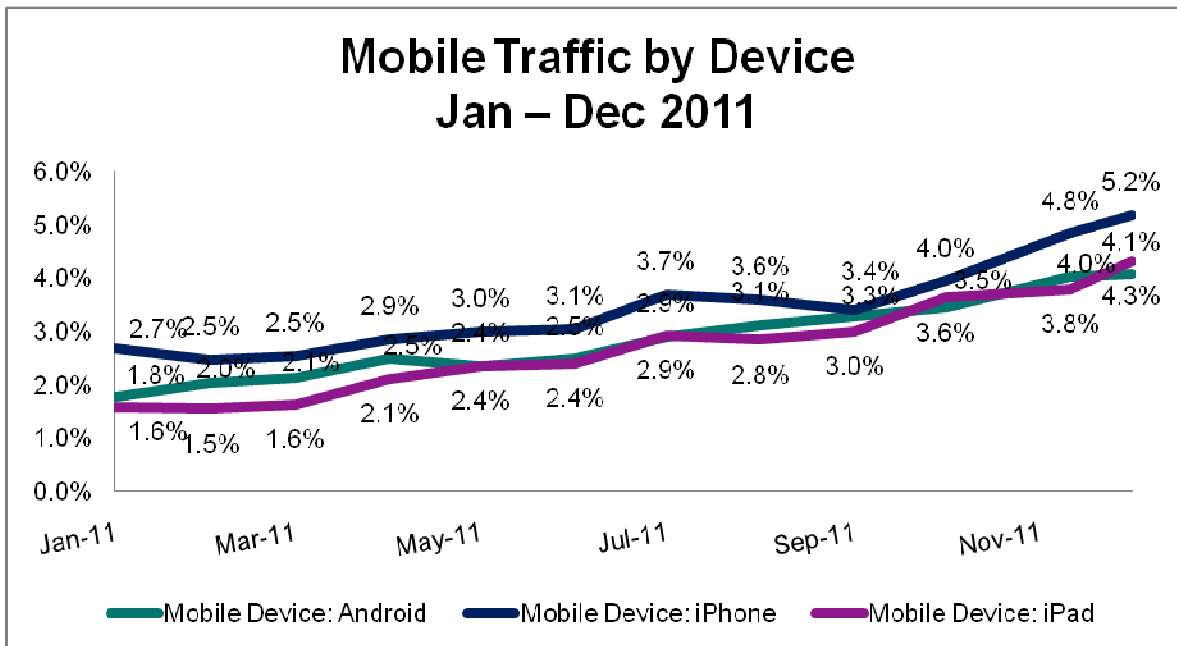

Cumulatively, iPad and Android held a close race for second and third in terms of traffic from mobile devices.
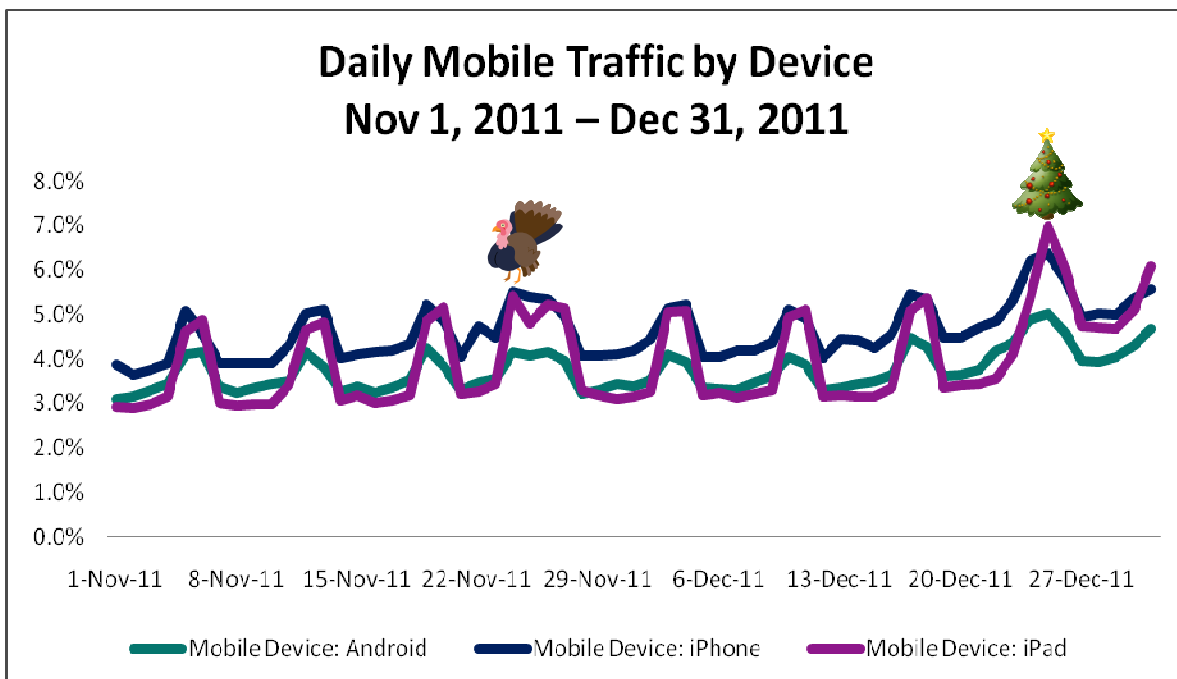

iPad traffic surpassed all other mobile devices on Christmas as tablets grew in popularity.

Social

Social marketing continues to be a hot topic among companies looking to engage the hundreds of millions of individuals on social networks. For online retail, the percent of traffic visiting web sites from this channel has stagnated at 1.0 percent over the last year. However, this doesn't mean traffic levels haven't grown. It simply means that traffic from this channel is growing at about the same rate as all online retail traffic. The percent of sales from the social channels is a bit higher averaging about 1.5 to almost 2.0 percent during certain months of the year.
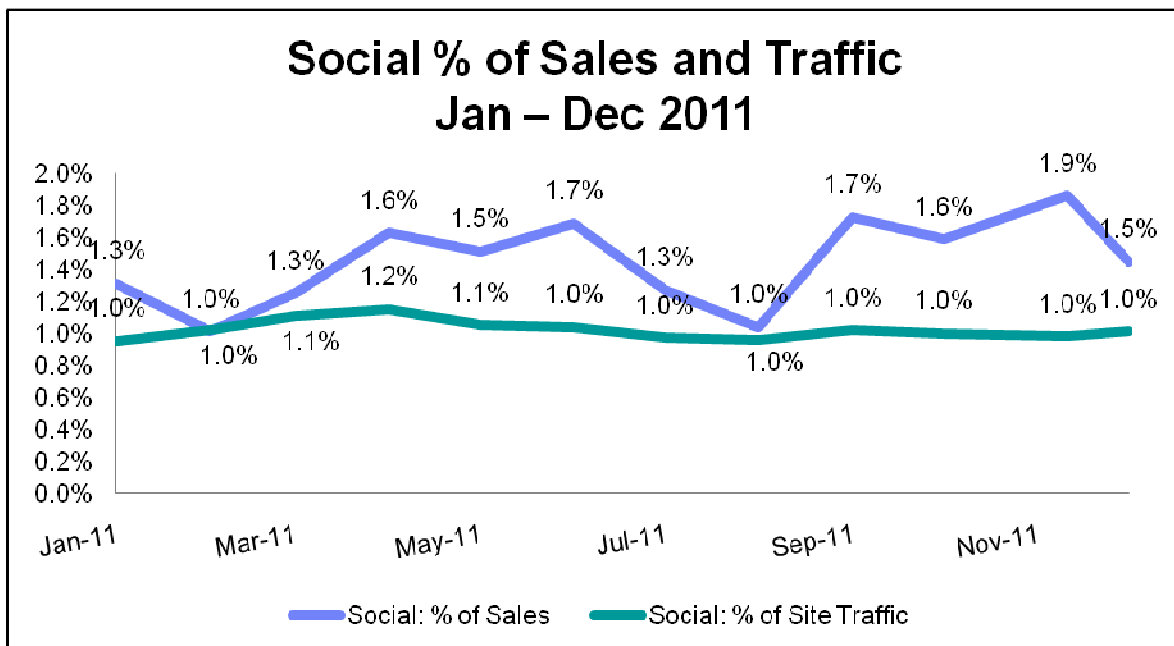
The percent of traffic from social channels hovered at 1.0 percent throughout the year while the percent of sales fluctuated hitting close to 2.0 percent in November.
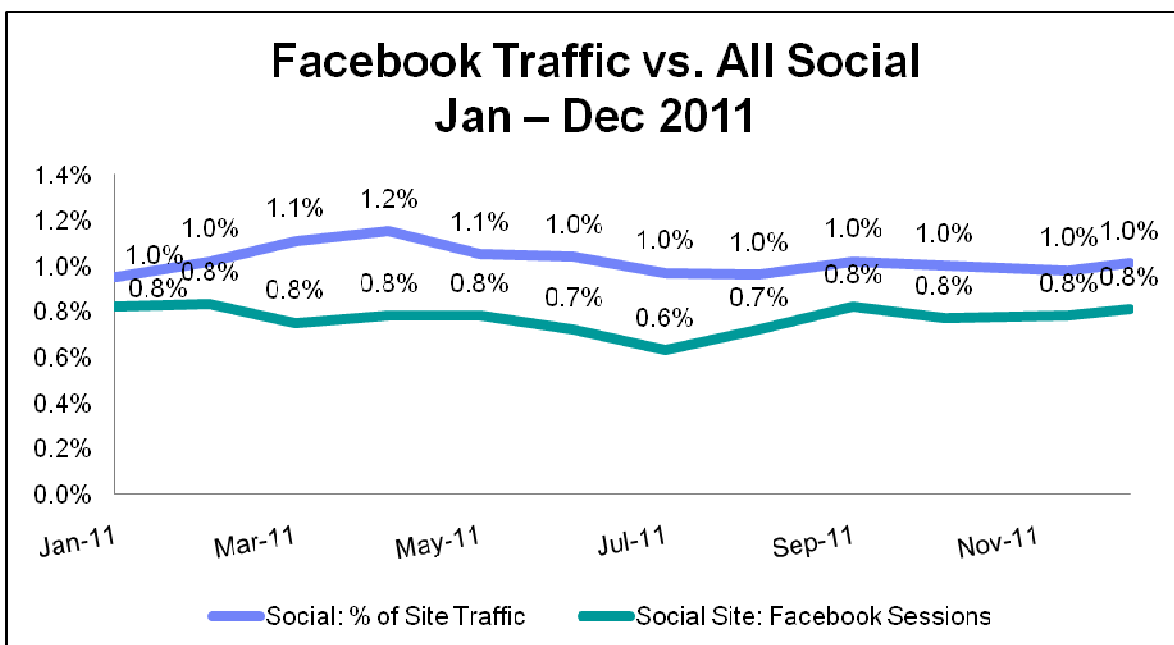
Facebook continued to dominate this channel comprising nearly 80 percent of all the traffic from social networks.

Summary

The 2011 online retail holiday shopping season proved to be a strong year. Retailers came out early with their seasonal promotions hoping to capture more of the holiday shopping dollars. Thanksgiving, Black Friday and Cyber Monday were such strong days that they almost pushed November sales to overtake December as the biggest online shopping month.

As we watched mobile traffic grow by nearly 1.0 percentage point every month, it was inevitable that mobile shoppers were going to play a big part this past holiday season. In the end, approximately 10 percent of all online sales and 13 percent of all online sessions were initiated from a mobile device during the months of November and December. It was those retailers who incorporated a mobile strategy into their holiday promotions that were the big winners this season.

Stay tuned for the 5th Annual Online Retail Holiday Readiness Report, which will be released mid-year. This report will provide in-depth analyses on the latest online shopping trends, as well as best practices to optimize online marketing and drive sales for the 2012 holiday season.

For additional data in regards to Black Friday and Cyber Monday 2011, visit:
http://www.coremetrics.com/solutions/benchmark-report-black-friday-cyber-monday-2011.php.

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 Coremetrics Benchmark

The IBM Coremetrics 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.

Coremetrics 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 solutions

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 online and offline marketing, IBM's EMM Suite empowers organizations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, timely, and measurable business outcomes.

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. IBM EMM provides robust web and customer analytics, event detection, campaign management, real-time interaction management and recommendations, lead management, digital marketing optimization, email marketing, targeted advertising, search engine marketing, and marketing resource management capabilities. Over 2,500 organizations around the world use IBM EMM solutions to help manage the pressures of increasing marketing complexity while delivering improved revenue and measurable results.

IBM's time-tested and comprehensive offerings are giving companies such as E*TRADE, ING, Intercontinental Hotels Group, Orvis, PETCO, United Airlines, Vivo and wehkamp.nl the power and flexibility required to provide their customers and prospects with what they expect today — a more consistent and relevant brand experience across all channels.

For more information

To learn more about IBM Coremetrics, please contact your IBM marketing representative or IBM Business Partner or visit the following website: **ibm.com**/software/marketing-solutions

Did you like this report? Tweet about it

IBM®