



2019

# Holiday Marketing Guide

Key takeaways from 2018 and strategies for the 2019 holiday season

## Executive Summary

2018 was a year of unpredictability and unexpected consumer behavior related to holiday spending. Holiday sales grew by 2.9% from the previous year but fell short of the National Retail Federation's forecast which projected 4.3% to 4.8% growth year-over-year (YoY).<sup>1</sup> In addition, Q4 was a time of changing consumer behavior where sales in the first half of the holiday season grew at a much higher rate (5.1%) compared to the second half of the season (0.9%).<sup>2</sup> Whether this behavior was unique to 2018 or an indicator of what's to come, marketers should take a good look at last year's consumer preferences, shopping habits and attitudes toward each major Q4 holiday to make the most of the 2019 holiday season.

We analyzed over 8 billion emails sent in Q4 on behalf of hundreds of Data Axle clients across industries to assess the performance of holiday-themed messages (emails that referenced any of the nine themes we've outlined below) and to learn how timing and incentives impacted engagement. This report includes holiday insights from 2018, identifies opportunities for 2019, and offers best practices to capitalize on the upcoming holiday season and keep that momentum going well into the new year.

## Key findings

**Consumers started their holiday shopping earlier in the season:** Average conversion rates for themed campaigns in November (6.1%) were double December's average (3.1%).

**Cyber Monday increased its dominance as the biggest shopping day:** Despite a 25% increase in the number of brands using this event in their campaigns, conversion rates for Cyber Monday in 2018 increased by 57% YoY and were almost three times higher than those of standard emails.

**Brands are leveraging holiday themes, but may need to improve relevance:** More brands than ever sent holiday campaigns in Q4 but those emails drove average open rates of 10.5% and average click rates of 1% — both falling short of the engagement rates driven by standard (non-themed) emails over the same period.



# Adoption and engagement of themed campaigns

Year-over-Year (YoY) comparison

## Major holidays in the fourth quarter of 2018

1. Columbus Day - Monday, October 8
2. Halloween - Wednesday, October 31
3. Thanksgiving - Thursday, November 22
4. Black Friday - Friday, November 23
5. Cyber Monday - Monday, November 26
6. Green Monday - Monday, December 10
7. Christmas - Tuesday, December 25
8. New Year 2019 - Tuesday, January 1
9. General Holiday – Throughout Q4\*

\*Emails that reference the holiday or winter season without specifying a particular holiday or event

## Quick definitions

### Standard/Business as Usual (BAU) messages

For this report, standard emails (also referred to as business-as-usual) are marketing messages that do not have a holiday theme and are not part of a triggered program (such as Welcome, Reactivation, Transactional, and Birthday).

### Email offer types

Our analysis includes three of the most common offer types referenced in campaign subject lines:

1. **% off** and **\$ off**: These incentives advertise a specific percent off or a dollar amount off purchase. Examples include: “Ring in 2019 with 19% off” and “5% off with any purchase.”
2. **Free shipping**: A straightforward incentive that can include certain limitations, for example, “Free shipping on orders over \$50” or “Free shipping: today ONLY.”

## Adoption and engagement for themed campaigns

Year-over-Year (YoY) comparison

	Percent of brands with theme		Average open rate		Average unique click rate		Average click-to-open rate (CTO)		Average conversion rate**	
	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017	Q4 2018	Q4 2017
<b>Columbus Day</b>	9.9%	7.9%	14.0%	13.0%	1.1%	0.9%	7.9%	6.7%	1.4%	7.6%
<b>Halloween</b>	43.6%	38.9%	8.2%	6.9%	0.7%	0.4%	8.8%	5.4%	2.4%	5.4%
<b>Thanksgiving</b>	34.7%	31.0%	9.6%	9.1%	0.9%	0.8%	8.9%	8.3%	3.7%	3.9%
<b>Black Friday</b>	47.5%	37.3%	12.0%	14.0%	1.3%	1.3%	11.0%	9.2%	8.8%	6.4%
<b>Cyber Monday</b>	36.6%	31.0%	10.8%	12.0%	1.0%	1.1%	9.2%	9.5%	14.0%	8.9%
<b>Green Monday</b>	6.9%	7.1%	11.8%	13.2%	1.3%	0.8%	10.6%	6.2%	3.7%	6.5%
<b>Christmas</b>	37.6%	38.9%	10.3%	14.8%	0.9%	1.2%	8.9%	8.2%	2.9%	3.7%
<b>New Year</b>	30.7%	29.4%	7.7%	11.5%	0.8%	1.3%	10.1%	10.9%	2.8%	4.6%
<b>General Holiday*</b>	56.4%	46.8%	11.3%	12.8%	1.0%	1.1%	8.9%	8.3%	6.5%	3.9%
<b>BAU Average***</b>	–	–	12.6%	13.9%	1.1%	1.2%	9.0%	8.4%	4.9%	4.8%

\*Emails that reference the holiday or winter season without specifying a particular holiday

\*\* Conversion rate is defined as the ratio of unique email clicks to purchases

\*\*\* Emails that did not have a holiday theme and are not part of a triggered program

Findings from the 2018 holiday season show that over half (56%) of marketers sent messages with a general holiday/ winter theme, up 20% YoY and making it the most widely adopted theme in Q4. Following the trend from previous years, Green Monday was the least utilized Q4 theme with just 6.9% of brands using the event in their marketing emails.

In Q4 of 2018, all themed emails, except for Columbus Day, drove lower open rates than the 12.6% average for standard messages. In addition, conversion rates for themed campaigns decreased; with 6 out of 8 Q4 themes generating lower conversions than the 4.9% average for standard emails. Declining engagement and conversion rates for themed campaigns has been a consistent trend in recent years.

If marketers want to make the most of their efforts, they should consider the following when creating their marketing calendar and selecting message themes:

- Higher Q4 email volume and consistent use of the same holiday themes across brands means marketers use similar tactics to compete for subscriber attention.
- Using themed campaigns to advertise sales events and offers can cause subscribers to tune out these emails because they're often perceived as irrelevant and inauthentic since they only aim to promote purchases.
- According to a recent study, 74% of Americans prioritize experiences over products or things.<sup>3</sup> In addition, the rise of the conscious consumer<sup>4</sup> means more and more shoppers look beyond the product label to consider how their purchasing habits support their values before deciding to buy. Both of these trends create consumers who purchase less frequently and prioritize product quality and manufacturing process over price. As such, holiday messages that heavily emphasize rock-bottom prices are not as appealing to this growing consumer segment.

This is not to say that holiday-themed communications don't work. Our findings highlight important (and often overlooked) factors that can help marketers make their holiday messaging more effective.

In the following sections, we'll dive into each Q4 theme and suggest practical recommendations to enhance the relevance of holiday campaigns and better address the emerging shifts in consumer behavior.





# Columbus Day

Monday, October 8

Despite an increasing adoption rate, Columbus Day was still the second-least utilized Q4 theme in 2018, only behind Green Monday.

	Adoption rate	Open rate	Unique click rate	Click-to-open rate	Conversion rate
Columbus Day 2017	7.9%	13.0%	0.9%	6.7%	7.6%
Columbus Day 2018	9.9%	14.0%	1.1%	7.9%	1.4%
BAU	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

The average open rate for Columbus Day messages increased by 7.7% YoY, surpassing the average open rate for BAU emails by 11%. This better-than-average performance could be due to the timing of the event – it’s the first official holiday in Q4 – which means lower competition as marketers ramp up volume later in the quarter.

## Conversion rate

Conversion rate for Columbus Day emails in 2018 showed a sharp decline YoY – it went from 7.6% in 2017 to 1.4% in 2018. This significant slide could be due to shifts in consumer attitude about Columbus Day. Even though many big-box stores like Sears, Kohl’s, Best Buy, and Macy’s continue to use Columbus Day as a platform for sales, there is a growing movement among consumers to recognize Indigenous Peoples’ Day instead.<sup>5</sup> This emerging trend could have affected a segment of consumers who opted out of participating in Columbus Day.

Another factor contributing to low conversion rates of Columbus Day messages is the increasing popularity of competing sales events that occur before (Amazon Prime Day, back-to-school, Labor Day) and after Columbus Day (Black Friday, Cyber Monday, Veterans Day).<sup>6</sup> The sheer number of options means subscribers can be more selective with the campaigns they choose to interact with.

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>% off</b>	45.7%	13.9%	1.4%	10.3%	2.6%
<b>No offer</b>	47.9%	14.3%	0.8%	5.9%	0.1%

\*Offer types that were too few to be statistically significant: \$ off, free shipping

## Key takeaways for 2019

Marketers should determine whether Columbus Day is relevant to their audience before participating. For example, they can identify if a consumer lives in a state that recognizes Columbus Day through demographic or preference center data. Marketers can also infer values and beliefs from audiences' psychographic attributes to see if Columbus Day would appeal to them.

Alternatively, brands may want to consider incorporating other events into their messaging. There are various fun energy moments in late September to early October that may be specific to your brand and industry – some of the energy moments around this time include the fall equinox, Breast Cancer Awareness month, Oktoberfest, International Coffee Day, National Taco Day and more. You can even consider creating an event to honor your brand's history or customers (e.g., Prime Day).





# Halloween

Wednesday, October 31

Halloween spend reached \$9 billion in 2018, just under 2017's record of \$9.1 billion. While slightly fewer shoppers - 175 million compared to 179 million in 2017 - indicated they would celebrate, the average spend per-buyer was a record \$86.79.<sup>7</sup> Our findings show that almost half (43.6%) of brands sent Halloween campaigns in 2018, up 12% YoY.

	<b>Adoption rate</b>	<b>Open rate</b>	<b>Unique click rate</b>	<b>Click-to-open rate</b>	<b>Conversion rate</b>
<b>Halloween 2017</b>	38.9%	6.9%	0.4%	5.4%	5.4%
<b>Halloween 2018</b>	43.6%	8.2%	0.7%	8.8%	2.4%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

In 2018, open rate for Halloween emails increased by 19% YoY while their unique click rate grew by 75% YoY. Regardless of this growth, both metrics still fell below the BAU average and Halloween email open rates were the second lowest among all themed messages.

This poor performance might be due to the fact that Halloween was in the middle of the work week which may have disrupted festivities for both adult Halloween enthusiasts as well as parents with trick-or-treaters. Halloween falling on a Wednesday may have also posed questions about whether to celebrate the weekend before or after, resulting in less anticipation of the holiday.<sup>8</sup>

## Conversion rate

The conversion rate (purchases per click) for Halloween emails in 2018 was just 2.4%, a YoY decline of 56%. The lack of a clear-cut, designated "celebration" day for this holiday likely presented a significant challenge since it made it harder for marketers to convey urgency or use countdown timers in their messages.

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>\$ off</b>	7.8%	7.3%	0.6%	8.8%	1.5%
<b>% off</b>	29.8%	8.5%	0.8%	9.2%	3.1%
<b>No offer</b>	60.5%	8.5%	0.7%	8.3%	2.2%

\*Offer types that were too few to be statistically significant: free shipping

More than half of all Halloween messages had no specific offers. Of the three offer types that were used, “% off” incentives had the highest average conversion rate. Yet, the 3.1% conversion rate for “% off” emails was still lower than the BAU average of 4.9% over the same period. These findings could possibly indicate consumers’ lukewarm reception of Halloween emails applied regardless of whether the messages included specific incentives in the subject lines.



## Key takeaways for 2019

In 2019, Halloween will fall on a Thursday, which means a more definitive date to celebrate (and prepare for!) the holiday – on the weekend following the Thursday. Marketers who offer products and services tying well into Halloween can choose to use the holiday as a sales event, creating messages with helpful content such as Halloween party ideas with suggestions on decorations, themes, food and games. Then as the Halloween weekend approaches, they can communicate urgency for Halloween offers and product availability through countdown timers or limited stock reminders.

Alternatively, marketers whose products are not synonymous with Halloween can use the theme to let their creativity shine and infuse personality into their messaging. This angle provides flexibility to explore nonstandard designs, communicate through new channels, and try a lighter and more fun approach to building rapport with consumers.





# Thanksgiving

Thursday, November 22

Adoption rates for Thanksgiving increased by 12% YoY, signaling that more brands are taking advantage of the occasion to thank their customers.

	<b>Adoption rate</b>	<b>Open rate</b>	<b>Unique click rate</b>	<b>Click-to-open rate</b>	<b>Conversion rate</b>
<b>Thanksgiving 2017</b>	31.0%	9.1%	0.8%	8.3%	3.9%
<b>Thanksgiving 2018</b>	34.7%	9.6%	0.9%	8.9%	3.7%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

Across the board, engagement (open, unique click and CTO rates) for Thanksgiving emails registered a moderate increase YoY, indicating that consumers were willing to engage with those types of messages to a larger degree. Still, open and click rates for Thanksgiving emails were lower than the BAU average.

## Conversion rate

Most well-executed Thanksgiving emails typically do not aim to drive purchases. Instead, they focus on appreciating those who support the brand – employees, customers and community. This explains why the average conversion rate for Thanksgiving emails remained mostly unchanged from 2017 and was 32.4% lower compared to that of BAU emails.

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>\$ off</b>	9.1%	8.8%	0.9%	9.9%	6.2%
<b>% off</b>	14.4%	10.5%	0.9%	8.8%	16.4%
<b>No offer</b>	76.5%	9.7%	0.8%	8.6%	1.9%

\*Offer types that were too few to be statistically significant: free shipping

For brands whose products or services cater to Thanksgiving shoppers – home goods, grocery stores, food prep, delivery services, etc. – sending Thanksgiving messages promoting a “% off” discount yielded the best results. These types of emails generated more than double the conversion rate of BAU messages. In contrast, more than three-quarters of Thanksgiving emails did not boast an offer in the subject line.

## Key takeaways for 2019

We all know that preparing for Thanksgiving get-togethers can be stressful – especially for the hosts. Brands that offer products and services that can tie in with the holiday should use the theme to engage consumers through empathy. A possible approach is to acknowledge the challenges of preparing for a Thanksgiving dinner and position your brand as a source of stress relief. This can be communicated through messages that offer recipe ideas, step-by-step guides, or services designed to help consumers such as extended store hours, more checkout lanes, and same-day delivery.

Most marketers should treat Thanksgiving as an opportunity to strengthen their connection with subscribers and build trust and loyalty. In the spirit of the holiday, brands could double down on the theme of gratitude and appreciation by commemorating Veterans Day as a lead-in to Thanksgiving. It's a great opportunity to highlight giving back, humanize your brand and make an impact.





# Black Friday

Friday, November 23

Almost half of marketers (47.5%) sent Black Friday emails in 2018 – a sizable 27% increase YoY. No longer exclusively a U.S. event, Black Friday has grown into an international phenomenon. In addition, it has extended beyond just Friday and turned into a weekend event – both in the U.S. and in many other countries.<sup>9</sup>

	Adoption rate	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>Black Friday 2017</b>	37.3%	14.0%	1.3%	9.2%	6.4%
<b>Black Friday 2018</b>	47.5%	12.0%	1.3%	11.0%	8.8%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

Even though open rates for Black Friday emails were not quite on par with those of BAU messages, their unique click and CTO rates outperformed standard emails. When compared to open rates of other sale-centric holidays in Q4 of 2018 (Cyber Monday, Green Monday and Christmas), Black Friday's open rate of 12.0% topped the list, followed by Green Monday at 11.8%, Cyber Monday at 10.8%, and Christmas at 10.3%. Black Friday is the second-most widely adopted theme in Q4 (after General Holiday) and as such, it boasts strong name recognition which translates into good open rates. In addition, the growing trend of shoppers starting their holiday gift search earlier in the season contributes to good engagement for Black Friday emails. More on this trend on page 30.

## Conversion rate

Black Friday conversion rate increased by 37.5% YoY and was almost double the BAU conversion of 4.9% over the same period. Examining the timing of deployment for Black Friday emails offers some interesting insights:

- 76% of the emails that achieved conversion rates of 5% and above were deployed during the week of Black Friday with 46% being sent on Black Friday. This is an indication that despite the email saturation during these few days, consumers continue to think of Black Friday as the best day of the year for bargain-hunting and are willing to sift through the noise to identify worthwhile offers.

- Interestingly, 26% of Black Friday messages were sent before November 19 with some being sent as early as November 1st. These emails' average conversion rate was only 4% (less than half the Black Friday average and lower than BAU). However, these early emails garnered a 13.1% average open rate and a 1.5% average click rate – higher than both the average BAU engagement and Black Friday engagement rates.

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>\$ off</b>	5.0%	10.4%	1.0%	10.0%	14.8%
<b>% off</b>	21.3%	11.0%	0.8%	6.9%	7.1%
<b>No offer</b>	67.3%	12.4%	1.5%	12.4%	3.6%

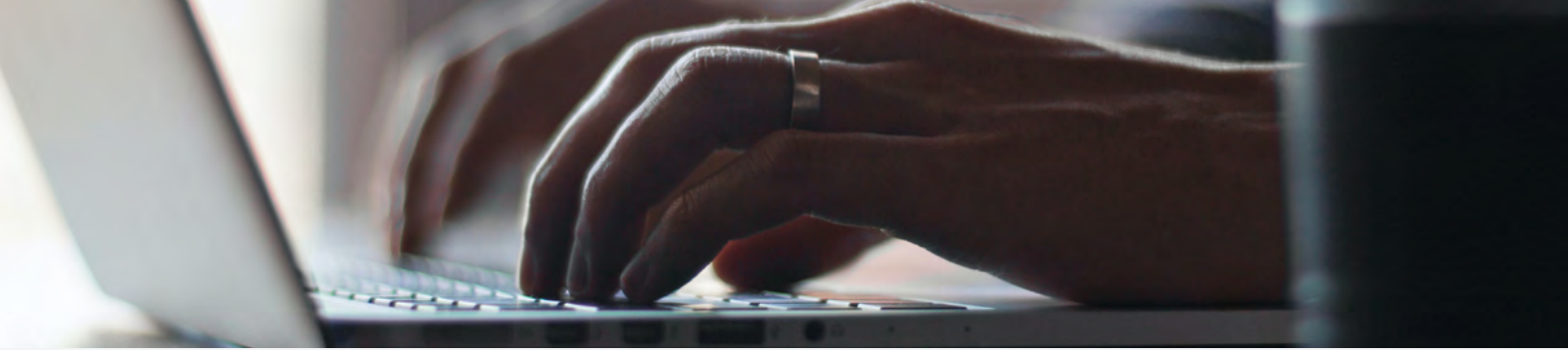
\*Offer types that were too few to be statistically significant: free shipping

Black Friday messages without a specific offer in the subject line generated the highest open rates among Black Friday campaigns but only received a 3.6% conversion rate, significantly lower than emails advertising a specific offer. Black Friday messages promoting a "\$ off" offer generated a 10.4% open rate and a sizable 14.8% conversion rate. While many may view the low adoption of this offer type (5%) as an untapped opportunity, marketers should proceed with caution and test offers with their audience prior to Black Friday.

## Key takeaways for 2019

To arrive at the most effective Black Friday strategy, marketers may want to test the performance of earlier sends. For some, this tactic could boost engagement before the event and help build anticipation for it. Here are some deployment time frames savvy marketers could test:

- **Several weeks in advance of Black Friday:** As tempting as it is to announce Black Friday deals early on, marketers should consider that Black Friday messages well in advance of the event might be more effective at piquing interest, as opposed to driving conversions. As such, earlier deployments are a great opportunity to use incentives (entering a Black Friday sweepstakes, following a brand on social, or signing up for its loyalty program) to hook consumers early on and prime them for the day itself.
- **The week of Black Friday:** Themed promotions sent earlier in the week can be attractive to the right type of consumers like shoppers who are looking to purchase popular or limited-stock items, for example. To get their attention and encourage conversion, emphasize the benefits of buying early (i.e., avoiding the risk of an item selling out, experiencing high website traffic, or having to brave massive crowds to find something in store). Don't forget to include Black Friday-worthy offers in those messages.
- **On Black Friday and through the weekend:** To preserve the thrill and excitement of the day and maximize conversions, marketers should aim to save their best and biggest offers for Friday. You can announce the start of the sale early on Friday and wait until early Sunday to target shopping cart abandoners with a surprise incentive to encourage a purchase.



# Cyber Monday

Monday, November 26

According to eMarketer, Cyber Monday was the No. 1 U.S. holiday shopping day in 2018 based on retail e-commerce sales.<sup>10</sup> The popularity of Cyber Monday campaigns is also reflected in our Q4 findings. Adoption rates for the Cyber Monday theme increased by 25% YoY which may mean brands are doubling down on their efforts to engage consumers who opt to holiday shop online.

	<b>Adoption rate</b>	<b>Open rate</b>	<b>Unique click rate</b>	<b>Click-to-open rate</b>	<b>Conversion rate</b>
<b>Cyber Monday 2017</b>	31.0%	12.0%	1.1%	9.5%	8.9%
<b>Cyber Monday 2018</b>	38.6%	10.8%	1.0%	9.2%	14.0%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

The open rate for Cyber Monday emails dropped by 10% YoY and was also 17% lower compared to that of BAU messages. As email volume continues to grow (and so does the use of the Cyber Monday theme), the competition for subscriber attention around these shopping events is becoming harder to overcome. As consumers expect to be bombarded with Cyber Monday messaging, the novelty and excitement of the holiday is wearing off.

## Conversion rate

One important thing to note is that while open, click, and CTO rates for Cyber Monday emails have gone down, conversion rate for those messages has increased by 57% YoY, growing to almost triple the BAU average. This indicates that Cyber Monday messaging works well for consumers who are closer to purchasing because of the expectation that Cyber Monday means big savings.

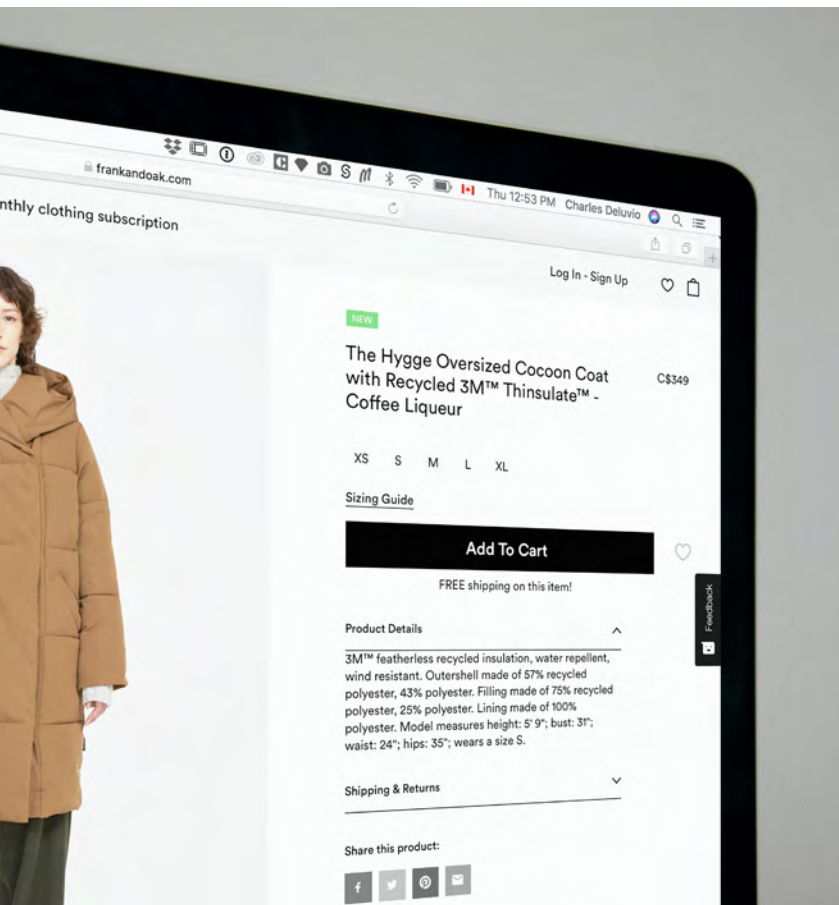
## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>% off</b>	23.6%	11.1%	1.0%	8.7%	13.3%
<b>Free shipping</b>	6.4%	7.5%	0.6%	8.0%	32.2%
<b>No offer</b>	67.2%	12.2%	1.2%	9.7%	5.9%

\*Offer types that were too few to be statistically significant: \$ off

At a whopping 32% conversion rate, free shipping offers were most effective at driving purchases from Cyber Monday emails. A closer look at these messages reveals that almost all of them offered free shipping as an additional benefit in combination with a percent-off discount. With just 6.4% of brands using a free shipping incentive for their Cyber Monday campaigns, this is a huge opportunity for marketers to test if that works for their audience.

Sixty-seven percent of Cyber Monday emails did not feature a specific offer in their subject lines. Instead, most emphasized a limited 24-hour sale window that urged immediate action or promoted a mysterious offer that required an email open. This approach may explain why emails without an explicit offer boasted the highest open rate (12.2%) among Cyber Monday messages. Once opened, however, these emails' 5.9% conversion rate (very low by Cyber Monday standards) indicate that the expectations set by their subject lines or email body were not met.



## Key takeaways for 2019

Cyber Monday findings illustrate the power of free shipping as a secondary offer. When subscribers are sorting through hundreds of Cyber Monday emails, offering free shipping is a great way to capture their attention. Flexible marketers can test the performance of free shipping as a standalone offer vs. dollar or percent discounts. In addition, they can test how free shipping fares against a dual incentive that features another offer. This test would help marketers determine the most effective mix and see what approach helps them maximize margins from Cyber Monday campaigns.



# Green Monday

Monday, December 10

Green Monday is the biggest online shopping day in December, falling on the second Monday of the month.<sup>11</sup> Green Monday was introduced to shoppers in 2007 as the last day to take advantage of standard shipping and still get purchases in time for Christmas. Since then, Green Monday has doubled in size. In 2008, it drove \$859 million of online sales and in 2016, that number was \$1.6 billion.<sup>12</sup> Despite this growth, only 6.9% of brands we analyzed sent Green Monday messages.

	Adoption rate	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>Green Monday 2017</b>	7.1%	13.2%	0.8%	6.2%	6.5%
<b>Green Monday 2018</b>	6.9%	11.8%	1.3%	10.6%	3.7%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement

Engagement metrics for Green Monday messages were a mixed bag. Open rates fell by 17%, while click rates saw a slight uptick, and CTO rates increased by 48% YoY. Green Monday emails can help marketers target two specific consumer subgroups – those looking to take advantage of standard shipping time for Christmas as they complete their holiday shopping online and those who missed out on Black Friday and Cyber Monday sales.

## Conversion rate

The conversion rate for Green Monday messages decreased by 38% YoY and fell under the BAU average. Since Green Monday is the biggest shopping day in December, the below-average conversion rate it drives is telling. Because of advances in online order fulfillment, Green Monday is no longer the unofficial last day for shoppers to make a purchase online and get it in time for Christmas. Amazon has set the stage for fast and free delivery and many retailers have adopted that policy with most major retailers offering free and expedited shipping year-round with a qualifying purchase.<sup>13</sup>

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>% off</b>	35.3%	8.5%	0.7%	8.2%	5.4%
<b>\$ off</b>	19.1%	9.5%	0.7%	7.3%	7.0%
<b>No offer</b>	41.2%	14.0%	1.3%	9.8%	3.7%

\*Offer types that were too few to be statistically significant: free shipping

Most Green Monday emails (40%) did not have an offer in their subject line and boasted an average open rate of 14%, beating the BAU average by 13%. Most marketers did not employ offers in Green Monday campaigns because of the nature of the shopping event; Green Monday was meant to nudge shoppers to complete their online shopping so they can receive items in time for Christmas. These messages used the tone of urgency as an incentive to rouse consumers into action. As free and expedited shipping becomes table stakes, the tone of urgency of Green Monday emails may become unnecessarily alarmist and underwhelming for shoppers.

## Key takeaways for 2019

Green Monday is a great example that one size does not fit all. The lesson from 2018 is that Green Monday emails can be used strategically to target smaller consumer sub-groups - like online shoppers who either missed Black Friday/Cyber Monday deals or shoppers who were looking to finish their gift shopping early and ensure their items arrive well in advance of Christmas Day. Brands that do not offer free or expedited shipping around the holidays can really capitalize on Green Monday and test how their audience responds to this event, especially if paired with a rare and well-timed free shipping offer.







# Christmas

Tuesday, December 25

Unlike most other Q4 holidays which registered increases in adoption rate, the number of brands that deployed Christmas emails remained virtually unchanged YoY. This may mean that marketers were more focused on holidays that occur earlier in the season or that perhaps they chose to shift toward a more secular approach to the holiday season, opting to use broader phrases like “Season’s Greetings”.

	Adoption rate	Open rate	Unique click rate	Click-to-open rate	Conversion rate
Christmas 2017	38.9%	14.8%	1.2%	8.2%	3.7%
Christmas 2018	38.6%	10.3%	0.9%	8.9%	2.9%
BAU	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement and conversion

Christmas emails registered a 30% drop in open rates, a 25% decrease in click rates, and a 21.6% decline in conversion rate YoY. While these numbers may seem dramatic, they are not unusual considering that Christmas is a traditional holiday, not a sales event. As such, Christmas emails do not typically contain promotional content but instead are focused on themes such as gift-giving, gratitude and reflection.

### Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
Offer	25.9%	7.6%	0.6%	8.1%	5.8%
No offer	74.1%	12.1%	1.1%	9.2%	2.1%

\*Since results generated from offer types used in Christmas-themed emails were not statistically significant on their own, we’ve combined all offer types into a single OFFER category for this holiday

Mirroring the trend from the previous year, the majority (74.1%) of Christmas emails in 2018 did not contain a specific offer in the subject line. These 'no offer' messages drove the highest open rate among Christmas campaigns (12.1%) and a predictably low conversion rate of 2.1%. This is not surprising considering that many Christmas messages have an e-card type of design and include greetings or value-added content like gift ideas, home decor inspiration, or tips for a stress-free Christmas dinner. These metrics suggest there is value in trying to engage consumers early – not necessarily to sell them right away – but as a way to build anticipation for the big day.

## Key takeaways for 2019

As we mentioned above, the majority of Christmas emails tend to be about building relationships with consumers over a holiday that focuses on togetherness. Christmas is an excellent time for marketers to focus on the human side of their brand by sharing stories from employees or customers, or showcasing the charity work they do. It's also a good time to lend a hand to subscribers and help them prep for the holidays through useful travel, gift, and decorating tips.

This is not to say that marketers don't have an opportunity to generate revenue through the use of this holiday theme. Here are two approaches that may work for brands based on the type of products and services they offer as well as their price points:



### Promoting small ticket items

#### Goal

Target price-sensitive consumers to encourage higher purchase frequency.

#### Tip

Consider a Christmas series. This can help keep a brand top-of-mind while giving consumers a variety of offers to choose from. The most common Christmas series is "12 days of Christmas" and it can be about anything that's pertinent to a specific brand – from daily offers or gift ideas, to countdown timers about shipping schedules, rates and cut-off days, as well as store announcements like expanded holiday hours, wrapping services, and more.

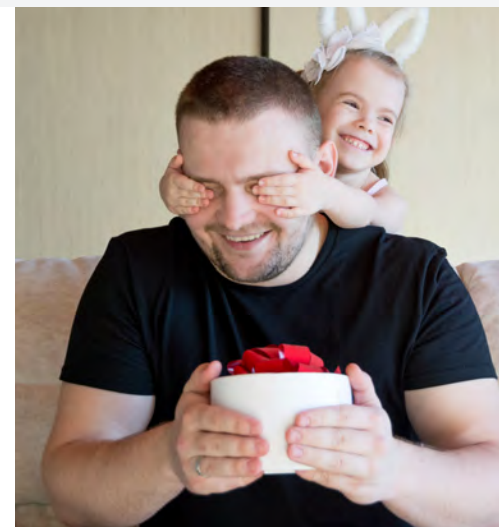
### Promoting large ticket items through experiences

#### Goal

Increase revenue and average order value by targeting consumers who value quality over price.

#### Tip

Consider Christmas campaigns that highlight memorable holiday experiences that make the customer feel special. Messaging that fits this approach speaks to self-care, holiday stress reduction, one-of-a-kind experiences, or product customization options curated to match the consumer's unique preferences.





# New Year's Day

Tuesday, January 1, 2019

Adoption rates for New Year campaigns grew by 11.2% YoY perhaps due to the versatility of the theme; Marketers used a variety of messaging approaches to capture consumers' attention including emails promoting items for New Year Eve parties, Year-in-Review content, Best-of-2018 summaries, New Year's resolutions, and short celebratory greetings or thank you messages.

	<b>Adoption rate</b>	<b>Open rate</b>	<b>Unique click rate</b>	<b>Click-to-open rate</b>	<b>Conversion rate</b>
<b>New Year 2018</b>	29.4%	11.5%	1.3%	10.9%	4.6%
<b>New Year 2019</b>	32.7%	7.7%	0.8%	10.1%	2.8%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement and conversion

New Year emails generated lower open, click, and conversion rates YoY. One contributing factor could be that in 2018 New Year's Day fell on a Tuesday which might have dampened the excitement of the holiday as opposed to 2017 when New Year's Day fell on a Monday, meaning that many consumers would be able to take a long holiday weekend.

Another factor contributing to lower engagement and conversion rates for New Year campaigns is a growing trend among younger consumers to stay in on New Year's Eve and avoid the cultural pressures to go out,<sup>14</sup> opting out of excessive spending on party cover charges<sup>15</sup> and ride-hailing services they would need to get home safely.<sup>16</sup> This attitude makes this consumer segment less receptive to the classic New Year emails that often speak to consumers who are planning a night out.

## Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>% off</b>	18.4%	12.6%	1.8%	14.0%	5.8%
<b>No offer</b>	73.5%	6.9%	0.6%	8.4%	0.7%

\*Offer types that were too few to be statistically significant: \$ off, free shipping



Almost three-quarters of all New Year emails in 2018 did not contain an offer – matching a trend going back the past three years. A closer look at these no-offer emails revealed three major subgroups that contributed to the lukewarm engagement rates:

#### **Ideas for the New Year party**

61% of New Year messages offered ideas of how to ring in the new year, what outfits to wear, and how to create a festive atmosphere. With New Year's Eve falling on a Tuesday, more consumers may have decided to stay in, making this type of messages irrelevant.

#### **New Year sales**

21% of New Year messages were promotional but without offering any specific details in the subject lines—mostly using references like “New Year deal” and “New Year savings.” Without a concrete discount or specific benefit called out in the subject line, these messages were too vague or lacked relevance, which contributed to low open rates.

#### **New Year messages**

The remaining 18% of New Year messages were focused on building relationships. Instead of driving conversions, these messages were focused on goodwill, gratitude, or end-of-year reflection, which did not necessarily feature a prominent call-to-action and did not intend to drive a click.

# Key takeaways for 2019

Marketers shouldn't feel compelled to include conversion-driving CTAs in New Year emails. Instead of sending promotional messages with limited success after a long holiday shopping season, marketers can opt for creating messages that aim to reconnect with their audience and remind them why they subscribed in the first place. This type of messages can go a long way to help brands avoid mass unsubscribes that typically happen in Q1 when consumers opt out of email programs they joined in Q4 with the purpose of receiving holiday offers.

As some younger consumer segments continue to shift their preferences toward staying in on New Year's Eve, marketers can tap into this emerging market.<sup>17</sup> Unlike previous generations who touted saving money as a primary reason for staying in, these consumers are about inviting the celebration into their homes.<sup>18</sup> Here are some approaches marketers can take for their New Year campaigns to speak to these consumers:

## **Reflect**

Use the year-in-review approach – highlight your best-selling, highest-rated, and most popular products or share memorable brand milestones from the past year so consumers feel like they're a part of your brand's journey.

## **Recharge**

It's the end of the year and the holiday season is winding down; consumers are exhausted and ready for some rest and relaxation. Brands can become a part of this shift from holiday-centric, high-stress activities like shopping to self-care through value-added content focused on customer appreciation. This can mean tips to unwind, experiences to help them relax, and ideas on ways to reward themselves.

## **Restart**

Encourage consumers to look ahead by getting them excited for the new year. Campaigns employing this strategy can include tips for setting and following resolutions, previews of highly anticipated products launching in the upcoming year, and incentives for customers to join a loyalty program or advance a loyalty tier.





# General holiday

Throughout Q4 of 2018

In 2018, campaigns that featured general winter themes without identifying a specific holiday saw a significant 22.6% increase in YoY adoption. Like we mentioned in the Christmas section, this might be due to a shift toward a more secular approach to celebrating the holiday season (opting to use phrases like “Season’s Greetings” or “Winter Wonderland”).

	Adoption rate	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>General holiday 2017</b>	46.8%	12.8%	1.1%	8.3%	3.9%
<b>General holiday 2018</b>	57.4%	11.3%	1.0%	8.9%	6.5%
<b>BAU</b>	N/A	12.6%	1.1%	9.0%	4.9%

## Engagement and conversion

Open rates for general holiday campaigns decreased by 11.7% and click rates decreased by 9% YoY, which could be a function of the sharp increase in adoption; Higher adoption means more general holiday emails landing in subscribers’ inboxes.

In contrast to declining engagement, conversions for general holiday emails doubled YoY, overtaking the average for BAU messages by 32.6%.

### Offer type findings

	Proportion of emails*	Open rate	Unique click rate	Click-to-open rate	Conversion rate
<b>\$ off</b>	4.7%	6.6%	0.5%	8.0%	1.4%
<b>% off</b>	25.9%	11.5%	1.0%	8.9%	5.8%
<b>No offer</b>	59.8%	15.3%	1.5%	9.7%	1.9%

\*Offer types that were too few to be statistically significant: free shipping

A closer look at general holiday emails shows that 40.2% included a specific offer and that a quarter of emails without an offer promoted winter blowout sales that emphasized urgency and limited product availability. The top performer in terms of open rates were messages without an explicit offer in the subject line whereas the top converters were emails that boasted a percent-off discount in their subject lines.

## Key takeaways for 2019

Out of the nine Q4 campaign themes we identified, the general holiday theme was most widely-adopted with almost two-thirds of brands (57.4%) deploying this type of message. As a result, it's become much harder to develop captivating messages that can stand out and prompt engagement. In order to cut through the holiday noise marketers can try the following tactics:



### Explore unconventional themes

Explore unconventional themes (outside of the holiday season) that better speak to your unique audience. Your audience gives you an incredible amount of data and it's up to you to use it for their benefit (and yours!). You can test a variety of traditional and quirky holidays, and energy moments to identify broader themes that appeal to your consumer.

### Speak your consumers' language

The tone, look and feel of holiday messages should match your audience's demographic, psychographic and lifestyle attributes. The holidays are a great opportunity to be even more creative with the tone of your communications.



### Establish a presence in places and channels that are relevant to your audience

Use email in tandem with other channels to spread the word about your brand and cultivate a loyal following.



## Other considerations

For Q4 campaigns in 2019

### Explore lesser-known themes

*(but only if they appeal to your audience)*

In 2018, several unconventional themes drove higher email engagement and conversion rates than BAU emails.<sup>19</sup> Using these types of unique events that subscribers relate to can create “energy moments” that build engagement outside of the standard holiday themes. But even though unique themes have the potential to boost engagement, best practices still apply. You must have a clear strategy for using a theme and ensure it relates to your audience and your brand. Here are a few lesser-known holidays to test:

### Singles Day

Black Friday may be the busiest shopping day of the year in the United States, but Singles Day is the busiest shopping day in the world. China’s alternative to Valentine’s Day is celebrated on November 11 (11.11). In 2018, Alibaba reported \$30.8 billion in Singles Day sales - nearly triple the sales of Black Friday and Cyber Monday 2017 combined.<sup>20</sup>

#### Why consider

As part of a growing global trend, Singles Day is celebrated worldwide by retailers who promote messages about self-love and give shoppers discounts to encourage them to “treat themselves.” Originally started in China in 1993, major U.S. retailers have increasingly adopted the holiday. But brands that want to take part should understand that it’s not all about low prices so a laser-focus on discounts is likely not going to create a long-lasting connection with subscribers.<sup>21</sup>







## Giving Tuesday (first Tuesday after Thanksgiving)

After several days (or weeks!) of shopping and consumption, this day is dedicated to giving back.<sup>22</sup>

### Why consider

Not just for nonprofits, Giving Tuesday is an excellent opportunity for brands to showcase their philanthropic side by sharing the charities they support, offering matching contributions, or pledging to donate a portion of their proceeds. Through the use of social media, the #GivingTuesday hashtag has grown into an inspiring movement for doing good and has become a chance for brands to build trust with consumers.<sup>23</sup>

## Super Saturday (last Saturday before Christmas)

This is the day for all procrastinators, when last-minute shoppers rush to brick-and-mortar stores in search of gifts. In 2018 many of these shoppers opted to buy last-minute gifts online and pick up in store, resulting in a never-before-seen surge of online purchases in the final days before Christmas 2018.<sup>24</sup>

### Why consider

More than half of consumers with shopping left to do (as of 12/19/18) said they still planned to buy online. In addition, reports show a 47% YoY growth of buy-online-pickup-in-store (BOPIS) purchases, indicating that many consumers are still gift-shopping in the final few days before Christmas – making them more receptive to Christmas campaigns with last-minute shopping themes.<sup>25</sup> Super Saturday campaigns, especially ones that aim to alleviate the stress from the holiday season, can capture the attention of this consumer segment. Marketers can develop effective Super Saturday campaigns by including dynamic content informed by product availability in nearby stores, offering last-minute in-store deals, and promoting in-store events focused on gift-finding and shopping assistance. Brands that offer in-store pickup for online purchases should consider holiday campaigns that highlight the option to shop online even after shipping deadlines have passed by offering the option to pick up in store.

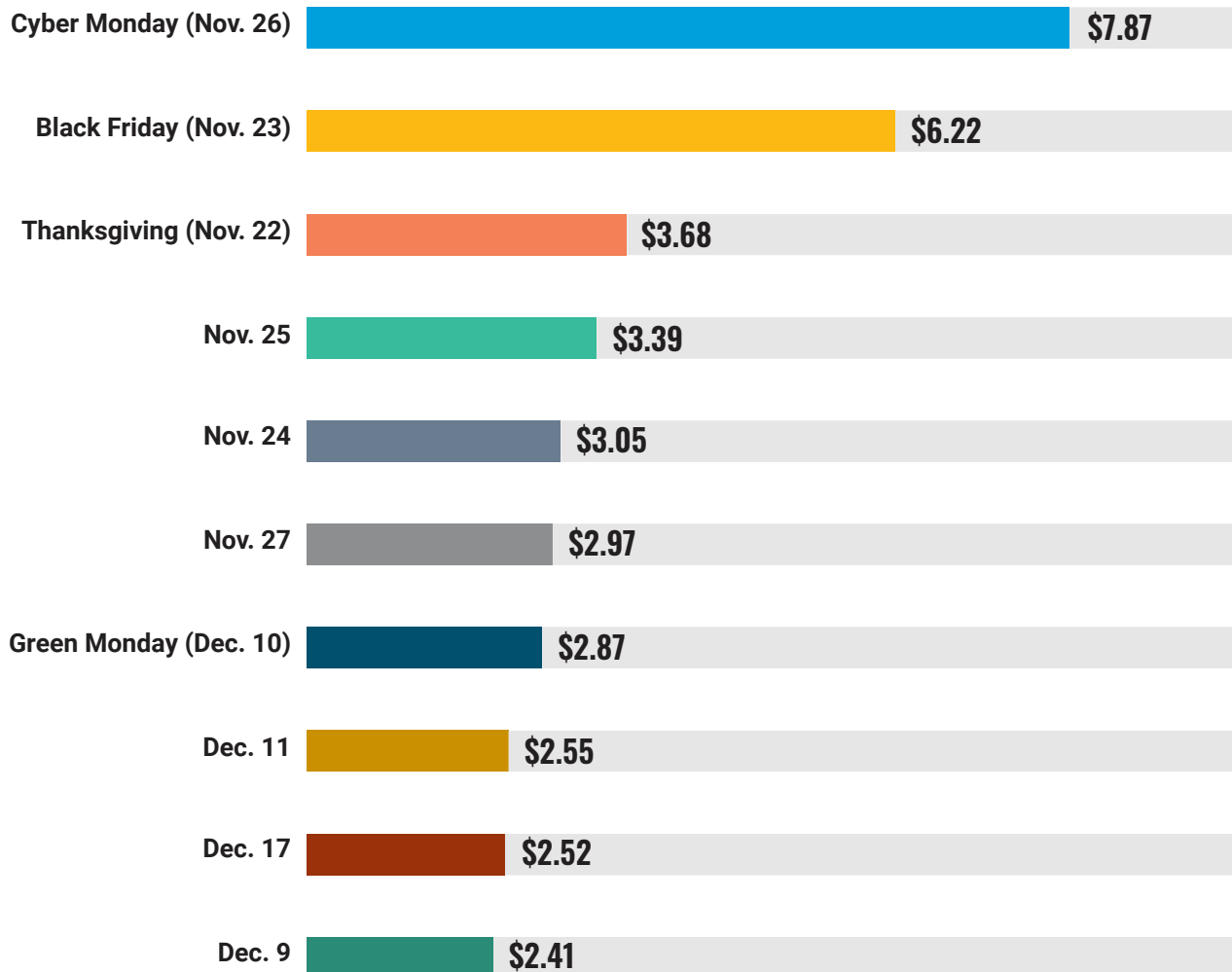


## Prepare for an earlier and shorter holiday shopping period in 2019

Consumers are doing the bulk of their holiday spending earlier in the holiday season. That shift was evident in 2018, as online revenue for retailers hit the \$100 billion mark 11 days earlier than it did in 2017<sup>26</sup> and with six out of the top 10 holiday shopping days in 2018 falling in November.<sup>27</sup>

### Top 10 US holiday season shipping days

Ranked by retail ecommerce sales, 2018 (billions)



*Note: represents activity on Adobe's platform, broader industry metrics may vary.*

*Source: Adobe, Jan 31, 2019*

This shift will likely be even more pronounced in 2019 when the number of days between Thanksgiving and Christmas will decrease from 33 to 27.

In order to prepare for an earlier and shorter holiday shopping season marketers should finalize holiday plans well in advance of Q4 with a focus on early holiday shopping and the built-in flexibility to shift their initiatives to last-minute shoppers in mid-December.



# Conclusion

When planning for the 2019 holiday season, marketers should adopt a strategy informed by insights from 2018 and developing consumer trends from 2019. Findings from the 2018 holiday shopping season remind us that consumer needs vary and they will seek out brands that can meet those needs. The first task for marketers is to listen to their audience and give them what they need this holiday season. Providing authentic, relevant and personalized content to shoppers will help foster customer loyalty and build long-term sales growth. Brands that fail to deliver on consumer needs risk falling behind and getting lost in the sea of promotions in Q4.

## Methodology

We used Data Axle's cross-channel marketing communication platform to track almost 8 billion emails sent in Q4 2018. We used search terms like 'Columbus,' 'Halloween,' 'Thanksgiving,' 'Black Friday,' 'Cheer,' and 'Christmas' to identify emails with specific themes, measure their performance and compare them to standard campaigns over the same time frame.

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