

**DMS**

# 2020 Holiday Season: Consumer Mindsets & The Growth Of Ecommerce



# 2020 Holiday Season: Consumer Mindsets & The Growth Of Ecommerce

## Introduction:

By: Lily Trevisanut, EVP of Operations

We believe the 2020 holiday season promises to be unlike any other, with opportunities for ecommerce brands stronger than ever before. Although uncertainty continues to surround us, digital marketers that align their strategies with the needs and mindsets of consumers will be rewarded this year.

Here's what is making 2020 unique:

- Consumers are still limiting their brick-and-mortar store shopping trips, which means ecommerce will likely become the primary place for holiday gift browsing. Listicles are expected to be strong performers for building brand awareness and driving sales.
- Unemployment is up, and people are still playing catch up on bills from earlier this year. That means cost-savings promotions, like coupon codes, free shipping and BOGO purchases will be powerful.
- Social gatherings will be limited, streamlining face-to-face interactions. Inexpensive upsells are likely to be effective at encouraging additional purchases — especially for consumers who want to send gifts to people they won't get to see.
- The parcel industry — including the FedEx, UPS and the U.S. Postal Service — are already heavily burdened, which means earlier orders will be required for delivery by Christmas.

So how should brands and retailers adjust to the unique opportunities of 2020? Marketing messages must reflect the mindset and the sentiments of consumers. Putting an offer out there isn't enough. Brands must show that they understand how consumers are feeling, what they're hoping for and what they're missing. Marketers that meaningfully connect with consumers early in the season and offer simple shopping experiences are likely to see repeated business throughout the holiday season.

## About This eBook

As advertisers finalize efforts to drive engagement and convert sales in Q4, Digital Media Solutions® (DMS) is offering a collection of content to inspire innovation and guide holiday ecommerce advertising and advertising strategies. The *2020 Holiday Season: Consumer Mindsets & The Growth Of Ecommerce* ebook presents curated *DMS Insights* articles, originally published during the window of January to September 2020, focusing on the changes in consumer behaviors, the growth of ecommerce and how brands have effectively responded.

The *2020 Holiday Season: Consumer Mindsets & The Growth Of Ecommerce* ebook was published to help digital marketers better understand the rise of ecommerce alongside evolving consumer expectations and create strategies that will meet consumers where they are with what they need.

As the leading provider of technology and digital performance marketing solutions, DMS offers innovative, performance-driven brand and marketplace solutions to connect consumers and advertisers. We carefully selected the articles featured in the *2020 Holiday Season: Consumer Mindsets & The Growth Of Ecommerce* to help brands and digital marketers optimize their marketing and advertising efforts.

## Table Of Contents:

To be directed to a specific article, click the article title listed in the bullets below.

### **Section 1: Consumer Behaviors That Brands Can Leverage To Scale 2020 Holiday Ecommerce Sales**

- 5 Consumer Behaviors That Will Shape The Remainder Of 2020
- Shifts In Consumer Habits & Values Emerge As Pandemic Persists
- Discounts And Downturns: The Power Of Digital Coupons On Consumer Spending
- From Boomers To Gen Z, Credit Cards Reign As Preferred Method Of Payment
- BNPL Gains Traction With Consumers & Merchants During COVID-19
- Shoppable Entertainment Is The Latest Evolution Of Ecommerce

### **Section 2: How Ecommerce Evolved To Align With Consumer Demands**

- Consumers Demand Variety, Don't Want All COVID-Focused Ads
- Brick-And-Mortar Businesses Going All In With Digital Will Drive Long-Term Success
- Big Box Stores See Uptick In Ecommerce Sales
- Big Brands Shift To DTC Strategies As Consumer Behaviors Evolve
- Purpose-Driven Social Media Campaigns Help Brands Connect With Target Audiences

### **Section 3: Preparing For The 2020 Holiday Season Amidst COVID-19**

- 2020 Holiday Season Predictions For Digital Marketers
- Ecommerce Opportunities Abound For Brands As Brick-And-Mortar Retailers Limit Holiday Hours
- Retailers Must Adapt To Ecommerce Sales Rush And Delivery Woes This Holiday Season
- 3 Digital Strategies Brands Can Use To Overcome Shipping Challenges This Holiday Season
- Holiday Returns Are A Chance To Nurture Consumer Relationships
- Buy One Gift One Marketing Strategies Evolve As Needs Shift

### **Section 4: Leveraging Ecommerce Shopping Trends To Drive Holiday Sales**

#### Food & Wine

- Consumers Are Stocking Up On Wine And Brands Need To Find Their Niche To Stay Competitive
- The Coronavirus-Related Amplification Of Specialty Meat And Seafood Deliveries
- Coffee (At Home) Wars: Battle Of The Quarantine-Friendly Brews

#### Toys, Puzzles, Games & Sports

- From Puzzles To Arts & Crafts, Demand For Toys That Educate & Entertain Grows
- Cornhole & Other Non-Traditional Sports Get Off The Bench & Reach New Audiences
- Catch & Keep: New Audiences Get Hooked On Fishing During COVID-19
- Golf Marketing Tees Up For Success & Draws In New Audiences During Social Distancing

#### DIY, Personalization & Photos

- DIY Brands & Retailers Likely To Have Strong Sales This Holiday Season
- Printing & Photo Brands Earn Space In Consumer's Hearts And Phones

#### Mattresses, Furniture & Home Goods

- DTC Mattress Brands Optimize Marketing Strategies With Eco-Friendly Options And Charitable Partnerships
- Pools And Outdoor Toy Sales Are Gaining Popularity During Quarantine
- Garden Marketing Blooms Across The Country While People Stay Close To Home

#### Subscriptions & Subscription Boxes

- Subscription Boxes Experience Growth Amidst Coronavirus
- Consumers Want Comfort & DTC Brands Evolve To Offer It
- The Subscription Industry Hones In On A New Audience: Kids



# Adtech-Enabled Digital Performance Advertising

Our proprietary advertising technology provides  
unprecedented visibility into consumer actions  
and campaign performance.



(877) 236-8632 | [connect@DMSgroup.com](mailto:connect@DMSgroup.com)

# Section 1: Consumer Behaviors That Brands Can Leverage To Scale 2020 Holiday Ecommerce Sales

---

This year, consumers prioritized product accessibility, availability and cost above brand loyalty, providing opportunity for new brands with strong sampling strategies. Additional shopping behavior shifts were focused on seamless and touchless interactions, including payment and last-mile alternatives. Ecommerce sales soared as more consumers embraced digital experiences to avoid crowds and in-person transactions.

The following articles illustrate shifting consumer behaviors and trends that brands can leverage to scale holiday sales this year.

- [5 Consumer Behaviors That Will Shape The Remainder Of 2020](#)
- [Shifts In Consumer Habits & Values Emerge As Pandemic Persists](#)
- [Discounts And Downturns: The Power Of Digital Coupons On Consumer Spending](#)
- [From Boomers To Gen Z, Credit Cards Reign As Preferred Method Of Payment](#)
- [BNPL Gains Traction With Consumers & Merchants During COVID-19](#)
- [Shoppable Entertainment Is The Latest Evolution Of Ecommerce](#)

## 5 Consumer Behaviors That Will Shape The Remainder Of 2020

Original Publish Date: July 6, 2020

COVID-19 has had a momentous effect on all aspects of daily life. Shifts in societal norms and economic stress have resulted in many consumers adopting a series of new or renewed behaviors. After adjusting habits and priorities for more than four months, consumers are not likely to quickly abandon the habits they have heavily relied on to get through these difficult times. Here are five consumer habits that should continue to shape how marketers and brands interact with audiences in 2020.

### #1 Baby Boomers & Older Generations Will Complete More Purchases Online.

The values, priorities and sentiments of each generation are heavily shaped by their experiences. A heightened need to stay indoors amidst health concerns drove [Baby Boomers](#) and older consumers online for their daily purchases. The effects of the coronavirus may cause Baby Boomers to embrace online shopping in new ways and adopt these behaviors permanently. Additionally, electronic payment methods are becoming the preferred option among many consumer segments.

### #2 Consumer Purchases Will Be Driven By Discounts, Access To Alternative Payment Methods And Optionality That Enhances The Online Shopping Experience.

Many businesses were forced to shut down as a result of COVID-19, and unemployment rates surged. Consumers transitioned from shopping in-store to shopping online for everything from [fashion](#) to groceries. Economic downturns traditionally spur increased consumer demand for discount and coupon offers, and 2020 was no different. In addition to seeking promo codes, consumers also began embracing alternative payment methods and sought out optionality during online checkouts.

### #3 Consumers Will Maintain New Grocery-Related Shopping Habits And Values.

Stay-at-home orders drove most consumers to replace dining out with cooking and consuming most meals at home. The renewed need to prepare meals at home catapulted in-store and online grocery sales. In addition to the growth of grocery purchases overall, many consumers who were once making food decisions based on nutrition and quality altered their priorities to value availability, affordability and the convenience of a longer shelf life. As a result, processed foods and [CPC](#) pantry items experienced spikes in sales. Subscription boxes also attracted new audiences who sought the benefits of convenience and predictability, particularly related to food and beverage purchases.

### #4 Consumers Will Increase Expectations For Brands To Exhibit Social Responsibility.

COVID-19 became a period of necessary empathy and compassion. As consumers navigated new norms, they sought goods and services from brands that exhibited a commitment to [social responsibility](#). During a time of crisis, brands that offered assistance and displayed authenticity, sincerity, good will and compassion toward their customers were welcomed. In addition to quality, consumers are increasing their prioritization of brands that align with their values.

## #5 Consumers Will Display Heightened Value & Need For At-Home Activities, Fun And Leisure.

Activities reserved for fun, sports, exercise and leisure are returning to American homes and backyards as people avoid crowds. Periods of self isolation and restricted access to gyms and similar fitness-related businesses entice consumers to take virtual fitness classes and purchase in-home gym equipment. Sales of pools and other outdoor toys and sporting equipment soared as many consumers battled boredom and sought at-home entertainment. Sports that encouraged safe social distancing like golf also saw upticks in consumer participation and related sales. The already booming video game market drew even larger audiences.

## Marketers Must Stay Abreast Of Evolving Consumer Needs & Values

The full societal effects of COVID-19 on consumer behaviors are still to be determined. As with any major national or global event, the coronavirus will likely shape many aspects of consumer values for years to come. As industries comply with new regulations, procedures and expectations, brands cannot return to old strategies without examining them through a new lens.

Customers are seeking products and services from brands that offer seamless, omni-channel experiences and offer positive user experiences and optionality. Consumers want to feel brands are aligned with their personal values and have a sense of compassion. Brands have a heightened responsibility to connect with new audiences in ways that will continue to bolster engagement, retention and loyalty. This is a time for brands to prioritize learning as much as possible about their target audiences, create updated customer profiles and implement marketing strategies that will reach consumers where they are and also where they are going.



## Shifts In Consumer Habits & Values Emerge As Pandemic Persists

Original Publish Date: August 27, 2020

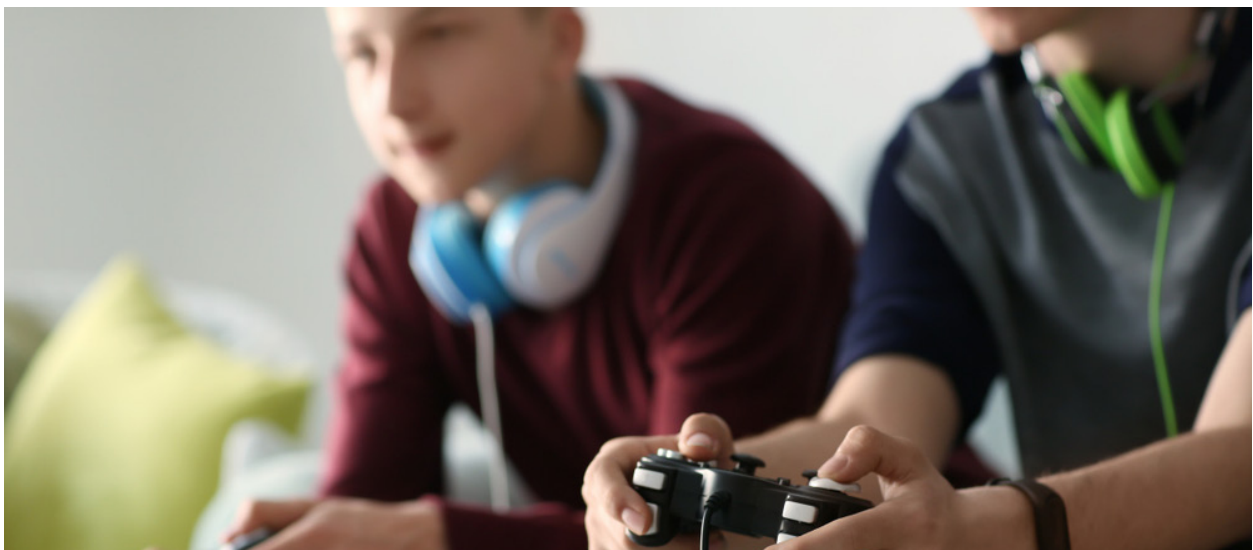
As a result of the global pandemic, many consumers have been shifting their behaviors and [spending habits](#) to place a stronger value on digital experiences, and purchases motivated by availability, essential items and convenience. Data from major research firms has illuminated how COVID-19 has reshaped behaviors across many consumer segments and demographics. In response to these evolving consumer trends, brands are altering their marketing strategies to effectively adapt to rapidly changing consumer needs and values amidst a new normal.

### Consumers' Previous Brand Loyalty Changes During Pandemic

While many brands rely on consumer allegiances and strive to gain and maintain loyalty among new customers, the [pandemic](#) has caused previously established brand loyalty to change course. Since the start of the pandemic, consumers have more actively reconsidered the brands from which they purchase goods and services. According to a Shopkick survey from March 2020, [85%](#) of U.S. consumers stated that in a time of crisis and uncertainty, selecting certain brand names no longer matters.

As we enter into the seventh month of COVID-19, a [McKinsey study](#) revealed that [75%](#) of consumers have “tried a new shopping behavior in response to economic pressures, store closings and changing priorities, with 36% of consumers trying a new product brand and 25% incorporating a new private-label brand.” Following those new brand purchases, [73%](#) of consumers shared their plans to continue purchasing from said brand moving forward.

Amidst the supply-chain obstructions caused by the pandemic, there was a major shift in consumer shopping habits. When customers couldn't purchase their favorite products from their favorite brands, they began trying out different options from brands they may not have selected otherwise. As a result, brands will need to continue adjusting their marketing tactics as customers deprioritize former brand allegiances and prioritize availability.





## Online & Digital Are Here To Stay

The combination of social distancing and stay-at-home orders placed a heavy demand on online and digital offerings, with this trend showing strong signs of remaining long after the pandemic. A recent [CMO Survey](#) from Deloitte revealed online sales grew [43%](#) between February and May. Essential items — including [groceries](#), personal-care products, over-the-counter-medicine and household items — are expected to see continued demand in regards to online purchases, exceeding 35% growth, according to [McKinsey Millennials](#), in particular, are showing the largest gravitation to online shopping, with [Gen X](#) following closely behind.

Overall, consumers across nearly all generations have become significantly more comfortable shopping online for products and services they typically preferred to purchase in traditional brick-and-mortar stores, pre-pandemic.

## Consumers Place Higher Value On Essential Items

Despite the gradual reopening of many businesses and activities, many consumers are still reeling from the pandemic-inflicted financial strains. Because of these ongoing financial concerns, consumers are limiting luxury or non-essential purchases, and focusing more on necessary purchases, like groceries and basic household items. Roughly [40%](#) of consumers admitted they have decreased their overall spending, with plans to continue these saving efforts by limiting any non-essential purchases.

“COVID-19 has wiped the slate clean — your priority products will have changed based on what is relevant to shoppers now, as will the keywords shoppers are using to find them,” said [Andrew Pearl](#), Vice President of Insights at Profitero.

## Availability & Convenience Are Key Motivators For Consumers That Remain Wary About Leaving Home

Many consumers are still hesitant to attend large gatherings, or even take a trip to the grocery store or hair salon, making product availability and convenience two key elements for shoppers. Even as some businesses and industries reopen, [a reported 73%](#) of consumers shared they [still feel wary](#) of resuming “regular activities outside the home.”

As a result of consumers’ increased time spent inside, brands have seen a massive spike in online entertainment as a digital alternative for in-person interactions and experiences. Fan-favorite video game, Fortnite, for example, recently held a virtual concert, which was viewed by [12.3 million](#) people.

While marketers can’t unequivocally determine the timeline or long-term impacts of COVID-19, many brands have begun re-strategizing their marketing efforts in order to prepare for future changes among consumers. According to Deloitte’s CMO [survey](#), the majority of marketers “considered themselves and their organizations unprepared for the events that transpired, and expect to invest more in training to develop improvisational (pivoting) skills, creative thinking, innovation and managing uncertainty within their workforce.”

“The economic and social disruptions caused by the virus will continue for many months and a ‘new normal’ for business seems likely in the long run,” said [Christine Moorman](#), Founder and Director of the Deloitte CMO Survey. “As a profession, business function, and organizational activity, marketing sits at the center of corporate responses to these challenges as companies shift their go-to market activities.”

It is likely we will see marketers responding to these shifting consumer needs and market conditions by investing heavily in digital experiences, added convenience and a clear understanding of what consumers deem “essential” during this time. Marketers who can pivot their strategies and adjust their messaging have an opportunity to reach, engage and convert new audiences. Additionally, the shift towards digital and online experiences empowers brands to learn more about their target audiences and harvest [first-party](#) data to create detailed profiles for lookalike audiences.



## Discounts And Downturns: The Power Of Digital Coupons On Consumer Spending

Original Publish Date: May 8, 2020

Consumers want products now, and they want them for less. 133 years after [Coca-Cola](#) launched the first coupon, promotional discounts continue to evolve as an effective and enduring marketing strategy for all industries — from travel to CPG. In 2019, [31 billion](#) digital coupons were redeemed by consumers worldwide. Current economic conditions and unemployment rates could accelerate the growth in coupon use.

### Consumers Are Cashing In On The Power Of Digital Coupons

Digital coupon use among U.S. consumers has been steadily growing since [2015](#). From 2015 to 2019, digital coupon use among consumers increased by [22%](#). According to the 2k19 Valassis Coupon Intelligence Report, 92% of survey respondents confirmed use of discount codes and coupons at least once in 2018. In 2019, major promotional discount offer sites such as Slickdeal, Groupon, eBates and RetailMeNot generated an average of [32.6 to 68.4 million website visits each month](#). The surge in coupon use is not expected to slow down, either. eMarketer projected the total number of adults redeeming coupons in the U.S. could grow to [145 million by 2021](#).

### Brands And Consumers Embrace Coupon Promotions During Economic Downturns

History shows that, when times get tough, brands often invest in coupon promotional strategies. During the Great Recession, the number of coupons redeemed by U.S. consumers rose 27% from 2008 to 2009, ultimately exceeding [3.3 billion](#). During that time, coupon distribution volume was extensive and aggressive.

Savings-oriented tactics, like coupons, when deployed correctly, can help brands connect with new customers, spur trial, discourage cart abandonment, increase brand loyalty and encourage positive consumer sentiments and emotions. During economic downturns, especially, consumers often prioritize brands that deliver the best value for their money — often equating value with affordability, savings and economizing. Principal Analyst for eMarketer, [Mark Dolliver, said](#), “Economizing will become standard procedure if the coronavirus crisis continues to roil financial markets.”

### Coupons And Savings Offers Have Major Impact On Customer Acquisition

Savings and discount promotions can encourage consumers to try new products and services, create happiness and stimulate reciprocity among consumers. The rush of securing a discount can evoke feelings of satisfaction and accomplishment. Whether it's a promo code for free shipping, “buy one, get one” deals or an offer that reduces overall transaction totals, the use of coupons can contribute to a key consumer sentiment, “[getting more value for your dollar](#),” according to eMarketer. The availability of discounts and perception of cost versus value can guide consumers to one product or brand over another. The concept of saving through the use of discounts can also cause consumers to increase the frequency of their shopping and their average order value per transaction. Incentives can be strong motivators for shopping behaviors.

## No Industry Is Immune To The Desire To Win A Discount

Retail is not the only industry experiencing coupon use among customers. In fact, consumer-price consciousness has led brands in nearly all verticals to promote special deals, discounts and savings offers. Consumers seek [deals on everything](#) they can purchase, including streaming services, airline travel, electronics, groceries, dining and fashion. Even luxury beauty brands, which were once considered “[immune to discounting](#),” have noticed more consumers seeking deals when preparing to buy. No matter the income bracket, consumers expect seamless shopping experiences and demand flexibility, affordability and optionality.

## Younger Generations Are Heavy Users Of Physical And Digital Coupons

[Millennial](#) and [Gen Z](#) spending and shopping habits will continue to draw the eye of marketers. In 2018, more than half of all Gen Zers (over 18 years old) and Millennials surveyed by the eMarketer Ecommerce Insights Report described the importance of discounts and coupons as “[very important](#)” to their overall shopping decisions. According to the [2k19 Valassis Coupon Intelligence Report](#), from 2018 to 2019, there was a [42%](#) increase in Millennials that “always use coupons.” [Millennial parents](#) are a particularly active segment of coupon users. More than 90% of Millennial parents surveyed claimed to visit social media sites, store websites, search engines or savings blogs to capture promo codes, coupons and savings offers related to their daily purchase needs and desired products and services.

## COVID-19 Could Be The Catalyst For The Next Surge In Coupon Use

Over the past decade, frugal habits for some have grown to become saving obsessions for others. TLC’s show Extreme Couponing premiered shortly after the end of the Great Recession, and its popularity indicated shifts in consumer culture. According to retail data technology Inmar Intelligence, price incentives offered by many brands supported increased coupon redemption during the effects of the last financial crisis from [2008 to 2011](#). Consumer spending behaviors amidst the coronavirus could mirror those of the Great Recession.

The immediate effects of COVID-19 in March and April led to a decline in physical store shopping trips and an increase in bulk buying. With increased [grocery spending](#) came a rise in coupon use. Compared to 2018, digital coupons redemptions in March 2019 were up [56.4%](#). According to Progressive Grocer, enrollment in digital coupon programs from top grocery chains recently surged [93%](#) compared to the prior year. Inmar Intelligence Director of Business Intelligence, [Charlie Gage](#), noted in the company’s recent press release, “Now is not the time for CPGs and food retailers to back away from promotional activity. In fact, there is an even greater need to provide savings options for consumers to have them keep coming back for their essential items. It is important for retailers and CPGs to engage with shoppers and meet their demands for savings and digital solutions.” As unemployment remains near [record highs](#), more consumers may be looking for ways to stretch their budgets to get their essential daily products, like groceries.

## Brands Must Be Cautious Not To Discount Their Brands

While coupons have the potential to grow customer acquisition and customer retention, when coupons become prolific, consumers can start to expect them. Smart coupon, discount and promotional strategies keep an eye on motivation to buy and measure reasons for cart abandonment. Although coupons can be used to encourage purchases, the expectation of deals can also discourage consumers from ever buying



at full price. A sophisticated discounting strategy evaluates long-term consumer behavior to ensure the discounts are subsidizing the right behaviors and not discouraging purchases. Likewise, although discounts have become more common for luxury brands than in the past, it's important for brands to understand why consumers prioritize some brands over others. If expensive prices are part of the cache of a brand, discounts could have a long-time negative impact on brand perception even while resulting in short-term sales gains.

As consumers continue to navigate these challenging financial times, digital marketers have an opportunity to deploy innovative online campaigns promoting savings offers. Including coupons in marketing strategies for the remainder of 2020 could help digital marketers foster relationships with new customers and further develop brand loyalty with their current customers. The brands that will come out ahead of the economic downturn will likely be the ones who help their consumers by making everyday life more affordable. Savings incentives combined with [flexible payment options](#) and frictionless [omni-channel shopping experiences](#) could be defining factors that shape consumer ecommerce expectations and build brand loyalty for years to come.





# From Boomers To Gen Z, Credit Cards Reign As Preferred Method Of Payment

Original Publish Date: April 8, 2020

Across all generations, credit card debt is the most common type of consumer debt. With the rise of digital and mobile payment solutions, such as Apple Pay, Google Pay and Amazon Pay, and the overall increased ease of online transactions, personal credit cards are the preferred form of payment among [Baby Boomers](#), [Gen X](#) and [Millennials](#). But the credit card marketplace is competitive, which means credit card marketers must understand how different audiences are attracted to, motivated by and use credit cards.

## Why Consumers Are Attracted To Credit Cards

According to business.org, even though cash is the most trusted form of payment, personal credit cards are considered the [most convenient](#) method of payment by consumers. In 2018, [personal credit cards were the preferred payment method](#) among consumers. Although the popularity of credit cards applies across all consumer generations, different segments have different motivations for preferring to use personal credit cards in transactions. [62.3% of Baby Boomers](#) surveyed by Ascent claimed their main motivation for opening personal credit cards was the convenience of not having to carry large amounts of cash, while [71.9% of Millennials](#) claimed they opened credit card accounts to build their credit histories.

## COVID-19 Credit Card Use And Support From Credit Card Brands

Amidst recent societal shifts, such as social distancing, remote work and stay-at-home measures as a result of COVID-19, consumers of all ages are altering their spending habits. With an increased focus on contactless transactions, consumers are expected to increase their use of electronic payments, including personal credit cards, for their most essential purchases.

Brands such as [American Express](#), [Chase](#) and [Capital One](#) have already publicly announced a series of assistance-oriented options they intend to offer to their card holders, including waiving late fees, temporarily lowering monthly interest rates and deferring payments without incurring additional penalties. [Barclays](#), [Citi Bank](#) and [Synchrony](#) have also publicized their offers to increase credit lines and make credit more available for account holders who need access to money for basic necessities. Even though the new credit card deferred payment offers are available on a case-by-case basis, these major credit card companies have all acknowledged that, in order to maintain positive relationships with their customers, it is essential to offer support to those facing financial hardships.

Credit card loyalty in 2020 may not be based on perks and privileges offered with credit card incentives, but rather the [flexibility and financial leniency](#) allowed during times of crisis which could help keep card holders afloat. The companies that offer relief during difficult times may have the highest propensity to maintain customer loyalty in the future.

## BNPL Gains Traction With Consumers & Merchants During COVID-19

Original Publish Date: April 30, 2020

While retailers strive to maintain revenue during COVID-19, many are embracing buy now, pay later (BNPL) payment options. As consumers more carefully evaluate the importance of each purchase, many are gravitating toward merchants that offer flexibility. BNPL, today's version of layaway, is becoming increasingly popular for consumers seeking the balance between managing budgets and the need to immediately acquire products vital to their daily lives. BNPL is an [alternative payment method](#) that embodies both flexibility and control by enabling consumers to get the products they want first and submit payment later.

### Born From The Great Recession, Buy Now, Pay Later Joins The Alternative Payment Method Evolution

The financial effects of the coronavirus are mirroring that of the great recession, which in 2008 spurred consumers to welcome alternative payment methods while they avoided incurring fees, interest and further debt from credit cards or personal loans. Among [Millennials](#) and [Gen Zers](#), the Great Recession [reinforced](#) the value of paying via installments over time with less risk. Shane Happach, EVP and Head of Global eCommerce at payment technology platform Worldpay, highlights BNPL consumers as “[budget conscious and credit averse](#).” Consumer sentiments among Gen Zers and Millennials, who prioritize the ability to make purchases online or via mobile and maintain control over their debt, have [prompted a broader acceptance](#) of BNPL options.

Although recent data shows most consumers identify [credit cards](#) as their preferred method of payment, shifts in economic conditions and generational buying power could increase the market share represented by BNPL fintech companies. The Global Payments Report 2020 by Worldpay projects that, in the next three years, while credit card transaction volume will fall, BNPL transaction volume [will grow by at least 54%](#).

Similar to their credit card counterparts, many BNPL startups attract customers by offering [sought-after benefits](#) such as interest fees as low as 0% and no late fees. Unlike a credit card which offers a pre-approved credit line, BNPL apps offer [point of sale \(POS\)](#) installment loans. Many BNPL POS installments are micro loans which do not require hard credit checks against a consumer's record. This is appealing to consumers because it allows for purchases that will not max out their current credit card limit while also preventing credit inquiries from affecting their credit score. Credit card interest rates have a reputation among some shoppers for being both high and unforgiving. Additionally, revolving unsecured debt can become a vicious cycle which could lead to lasting negative effects on a consumer's financial health, often in the form of a lowered credit score. BNPL merchants may appeal to consumers because purchases completed through their platforms efficiently process transactions, both online and via mobile, with a lower perceived level of risk.

### Merchants Are Attracted To The ROI Of Flexible Payment Options

Online retailers must consistently focus on engaging their customers, driving repeat business, increasing average dollars spent per transaction and limiting cart abandonment — but they are also considering the cost effectiveness provided by each payment method featured on their sites. Payment methods can help scale conversions or discourage customers from completing transactions. Even though BNPL platforms typically [cost merchants more to use](#) compared to credit cards, the alternative payment platforms indicate

stronger performances related to the KPIs most important to retailers. The following BNPL platforms all reported increased average order value (AVO) for the retailers who implement their technologies:

- Affirm AVO increase of [85%](#)
- Splitit AVO increase of [20%](#)
- AfterPay AVO increase of [20-30%](#)
- Klarna AVO increase of [45%](#)

As most brick-and-mortar locations remain closed, driving online sales is vital for a retailer's survival. With the economic and societal shifts resulting from COVID-19, many retailers are trying to increase online transactions while overcoming a consumer's motivation to save versus spend during challenging times. Merchants who have implemented BNPL options at checkout have experienced positive results in acquiring new and high LTV customers, improving their shopper's experiences, growing AVO and minimizing cart abandonment.

### **COVID-19 Habits Accelerate Growth In Hobby, Home Office, Fitness And Home Appliance Purchases Among BNPL Platforms**

As economic uncertainty grew, it seems many consumers were more comfortable purchasing a variety of essential items when they had the option to make smaller payments over time without adding to their credit card debt.

Klarna Users Avoided Boredom: With most Americans staying at home, Klarna has reported upward trends in spending on [leisure, sport and hobby](#) products. Among Klarna's [1.1 million monthly active users](#) in the U.S., the BNPL platform highlighted week-over-week increases of [6%](#) for Gen Zers, [5%](#) for Millennials and [10%](#) for Gen Xers from the week of March 22 to March 29. Klarna also reported upward trends in purchases related to home and garden such as furniture, tools and home improvement. The DIYers and designers are filling their time and spending more money in the process. From the week beginning March 29 compared to the week beginning April 6, spending volume in the home and garden category grew among Gen X by 2%, Millennials by 5% and Gen Z by 26%.

Social Distancing Prompted Users To Purchase Appliances, Fitness Items And WFH essentials: As more consumers headed to the kitchen to dine in home while eating out was on hold, Affirm reported a [70%](#) increase in purchases in the kitchen supplies category. As gyms and fitness facilities remained inaccessible in many regions of the U.S., many consumers were motivated to seek alternatives for their [fitness](#) needs. Spending volume from March 15-April 8, 2020, compared to the period of January 1-March 14, 2020, was up [160%](#) in the home fitness category with large transactions for brands like Peloton, Mirror and Tonal. The national work from home transition for many was also the catalyst for [sudden and increased](#) spending for home office items such as standing desks and monitors.

### **Convenience And Optionality Will Be Key Drivers For Retail Success**

Even before the effects of COVID-19, consumers showed a strong preference for convenient and connected [omnichannel](#) experiences. The continued evolution of these expectations supports additional growth in alternative payments methods like BNPL. As customer preferences transform with market changes, retailers who embrace shifting expectations have the highest propensity to reap rewards in the form of increased sales and new customer conversions. Retail brands who offer a variety of checkout options have a greater probability of appealing to the needs of multiple consumer segments. To sustain future success, brands need to embrace the variety of consumer needs and highlight optionality.

# Shoppable Entertainment Is The Latest Evolution Of Ecommerce

Original Publish Date: August 11, 2020

Shoppable entertainment, the merging of commerce and creative streaming and video content, is gaining momentum, particularly as consumers get increasingly comfortable with ecommerce solutions. Brands that are open to new ecommerce innovations like shoppable entertainment can reach new users by offering seamless buying opportunities that appeal to younger, dialed-in consumers increasingly looking for ways to engage with content.

By providing a holistic experience where the lines between engaging in content and initiating transactions are blended, brands can offer a more complete experience and get to know their consumers better. VentureBeat explains, “These shoppable video experiences meet the viewers where they are, have the potential to unlock valuable user data, and empower brands to connect with consumers through more meaningful interactions.”

## Shoppable Video Campaigns Allow Consumers To Buy Directly And Digital Marketers To Leverage Data For Personalization

Shoppable entertainment isn't a new concept. Brands and consumers alike have been talking about how to buy their favorite whatever from their favorite TV shows since the eighties and earlier, and many of those consumer desires evolved into infomercials and home shopping channels. The rise of the internet, online shopping and the growing popularity of creative video content are now converging to make a more refined, seamless and integrated version of those earlier shoppable entertainment experiences.

Shoppable videos, which can include 360-degree showrooms, product galleries and video streamed fashion shows, are all becoming increasingly common with fashion designers. According to The Drum, Ted Baker, All Saints and ASOS have all run shoppable video campaigns, noting, the “first week of Ted Baker’s shoppable video units being live on its site, it tracked \$70,000 worth of clothing sales through the video.” And, other kinds of merchants have also found success, with some seeing an increase of 30% in conversion rates from shoppable video search results.

Video campaigns can also be served as ads, particularly on social media platforms, with users clicking to see tagged products and making purchases directly from the ad or being directed to a website. (When Instagram rolled out their Shopping channel in 2018, the social media juggernaut revealed that 90 million users tap on shopping posts to see the product tags every month.)

By understanding consumer preferences and gathering first party data through clicks, fill forms and purchases, brands can also offer hyper personalization of video campaigns. And, increasingly specific targeting and creative campaigns can change in real time based on user choices and profiles. The Drum notes, “Data-driven, dynamic video can enable advertisers to present only relevant products to consumers and optimise the shopping experience to the natural behaviours of whatever screen they are on.”

## Aligning Storytelling And Shoppable Entertainment Can Offer Authentic Connections

Today’s streamers are savvy, and have high expectations of brands and the experiences they provide. Connection, authenticity, transparency and creativity tend to resonate more with the modern consumer, which Amazon hoped to achieve with its interactive reality series Making the Cut. Amazon tapped the very popular, original hosts of Project Runway, Heidi Klum and Tim Gunn, to host their new shoppable reality series. Like Project Runway, designers competed in various fashion challenges with Klum and Gunn’s

guidance, and this time some of the designs could be purchased. Viewers grew attached to certain designers and the storytelling that accompanies the experience, which likely drove their purchasing decisions.

The shoppable entertainment experience wasn't without its hiccups, but the items sold out immediately and it's likely this is just the beginning for similar programming from Amazon and other retailers.

### **Offering Shoppable Entertainment Through Tiered Subscription Streaming Services Taps Into Current Consumer Behaviors**

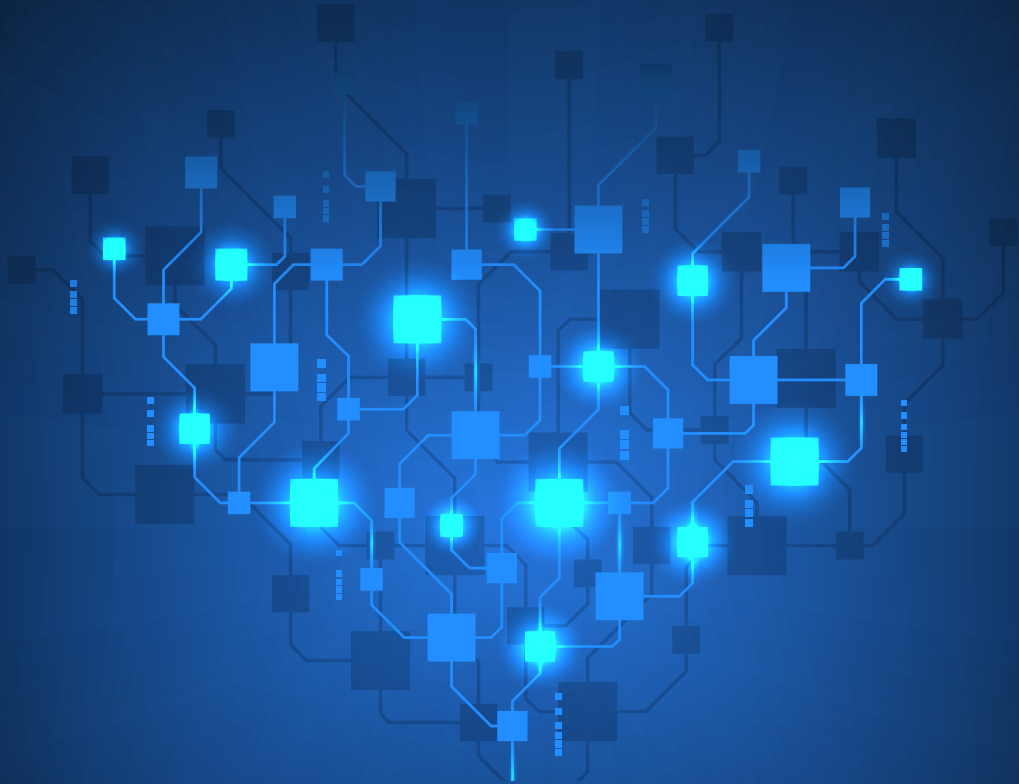
The Spirits Network is a digital streaming subscription service for premium spirits connoisseurs. Interested consumers can subscribe to different levels of streaming programming packages, and enjoy programming that features experts and celebrities talking about everything from the best whiskeys to the best techniques for making cocktails. The shopping starts when a specific bottle is mentioned during a show, a “buy-bar” pop-up appears, viewers can select it and be taken to the purchasing page for a seamless, one-click transaction. Viewers can also choose certain shows that match their interests, creating a profile that can be used for future recommendations or programming options. Depending on locations, bottles may be delivered within hours or a couple days, and some markets also offer monthly “curated spirits boxes and artisanal accessories.”

Although the Spirits Network has been around since 2019, the idea may be even more appealing to consumers now that Americans have adapted their alcohol purchasing to include delivery. Ecommerce sales of alcohol rose five-fold in the early weeks of April compared to last year, and Drizly is one of the big winners of the new consumer behaviors, with sales increasing 300%.

For digital marketers, the increase in ecommerce options has created new opportunities for advertising and targeting. In the case of the Spirits Network, their streaming model offers an additional outlet for sponsored content and affiliate sales for featured brands, while the Spirits Network brand itself has created a platform to sell their products that's creative, innovative and easy to use. From VentureBeat, “As brands and creators continue to blur the line between shopping and entertainment — and, in turn, commerce and content — those who create the most seamless experiences will be able to stay ahead of the competition and drive real impact.” Shoppable entertainment brings streaming audiences closer to a brand's messaging and keeps them in the content they elected to consume.



# Industry-Leading Distribution



Our data-driven digital performance  
advertising solutions deliver enough impact  
to significantly move the needle.



(877) 236-8632 | [connect@DMSgroup.com](mailto:connect@DMSgroup.com)

## Section 2: How Ecommerce Evolved To Align With Consumer Demands

---

Online sales during the holiday season have been climbing year after year, and the growth in ecommerce shopping in 2020 is expected to be dramatic. Adjusting to consumer demands, many brick-and-mortar stores are rolling out or expanding their digital footprints and figuring out how to create seamless experiences across channels.

The following articles provide examples of businesses evolving with the times, offering user-friendly ecommerce solutions and direct-to-consumer (DTC) strategies that are providing consumers with what they want this today and in the future.

- [Consumers Demand Variety, Don't Want All COVID-Focused Ads](#)
- [Brick-And-Mortar Businesses Going All In With Digital Will Drive Long-Term Success](#)
- [Big Box Stores See Uptick In Ecommerce Sales](#)
- [Big Brands Shift To DTC Strategies As Consumer Behaviors Evolve](#)
- [Purpose-Driven Social Media Campaigns Help Brands Connect With Target Audiences](#)

## Consumers Demand Variety, Don't Want All COVID-Focused Ads

Original Publish Date: October 1, 2020

Early in the pandemic, brands quickly pivoted their messaging and focused on connecting with consumers through sincere and empathetic marketing. However, marketing data from May suggests that consumers were growing tired of the “we’re all in this together” messaging and the over-sensitive expressions of empathy from companies who were not backing it up with action. According to a survey by market research platform [Dynata](#), [66%](#) of consumers found ads and social media messaging from brands to be repetitive, and [67%](#) wanted to see greater variety. While it is clear that consumers are bored of redundant COVID-focused marketing messages, the survey results don’t make clear what marketing messages consumers find relevant or memorable. Authentic, differentiated campaigns, like the ones detailed below, that use lighter tones to show support of the community may appeal to crisis-weary customers.

### Brands Lighten Up COVID-19 Inspired Marketing Efforts

A recent [survey](#) by market research firm Magrid for Marketing Dive showed that [50%](#) of Gen Z consumers and [30%](#) of all age groups surveyed feel boredom as the pandemic grinds on. Content described as fun is what they most want to see in marketing. [IKEA](#) and Twisted Tea are responding to this shift in attitude with humorous and clever ad campaigns.

#### Twisted Tea: Get Creative

[Twisted Tea's](#) new “Get Creative” campaign uses the pandemic theme but celebrates how their customers are living through it. It refers to 2020 as a “wild year” and salutes everyone who “gets wild with it.” The ads feature customers who have used creativity to party safely with their products, including a man who catapults a Twisted Tea to his friend from a safe social distance and a moving pool party in the back of a truck. Twisted Tea engages leverages the “pop-up concert” trend, within which bands that would usually perform in crowded bars or public arenas are entertaining outdoors, to spontaneously engage local audiences and encourage consumer-to-consumer marketing through a call for the shared stories on social media.

#### IKEA: Look Forward, Get Healthy

[IKEA's](#) “Tomorrow Starts Tonight” campaign creates a compelling backstory to the famous tortoise and the hare fable. The slick TV and social media spot, directed by Sam Pilling, shows a hip but irresponsible hare the night before the big race, partying with his friends (no mask, no social distance), staying up late playing video games and watching YouTube videos. Meanwhile, the tortoise in his cozy IKEA-outfitted bedroom, is resting up for his big win. “Tomorrow Starts Tonight” is part of a lighthearted, larger campaign called “Look Forward, Get Healthy” which touts the benefits of sleep to promote IKEA bedroom furniture and soft goods while appealing to consumers trying to stay healthy in today’s risky environment.

## Brands Earn Consumer Recognition With “Feel Good” Campaigns

Consumers have a heightened awareness today of how businesses interact with stakeholders, local communities and society. Google and Walmart are seeking to earn brand loyalty through upbeat and positive “feel good” stories of their community-support practices.

### Google: Support The Places Near You

In the introduction to their “Support the Places Near You” campaign, [Google](#) states: “This year, people around the world are searching ‘near me’ more than ever. And right now, those places need our help. Support the places near you, with a little help from Google.” The Google campaign encourages users to visit local businesses that have continued to serve customers through the pandemic, such as drive-in movies, take-out restaurants and barber shops. Google is also encouraging users to support service organizations in their communities, including food banks and pet shelters. Even as people migrate their shopping online, Google is helping people find and support local businesses, and building brand equity at the same time.

### Walmart: Spark Of Opportunity

[Walmart's](#) new ad features the stories of managers who have moved ahead in the company and the upbeat [song](#) “Movin’ On Up” by Primal Scream. The polished managers hold photographs of themselves as awkward teenagers, crediting Walmart with providing opportunities, helping them build confidence, caring and showing empathy for others. In the ad, Walmart makes the claim that 75% of their management started as cashiers, including the President and CEO, Doug McMillon. The alignment of the song’s lyrics, “I was blind, but now I see. You made a leader out of me,” with the message, “The sky’s the limit with Walmart,” create the right tone for customers craving positive messaging and brands that support their employees through tough times.

## Brands Position Social Responsibility Front and Center

The pandemic accelerated the shift in consumerism from valuables to values. As such, companies with genuine and authentic corporate social responsibility (CSR) campaigns are connecting with conscientious customers. Nike, IcyHot and Mastercard have focused ad campaigns on their support for causes beyond the current crisis.

### Nike: You Can’t Stop Us

[Nike's](#) “You Can’t Stop Us” campaign, released at the end of July, can be seen as the model “moving past the pandemic” ad. And, the campaign was an instant success, garnering more than [20 million](#) viewers on Twitter in the first two days. Nike regularly makes relevant connections with causes larger than itself, including the much anticipated return to professional sports and support for student athletes, disabled athletes and Olympic athletes whose dreams are on hold due to the pandemic. Nike honors the integrity of activism and the grit needed to overcome injury. With their “You Can’t Stop Us” campaign, Nike helps America turn the corner on COVID-19, looking toward the future of sport while celebrating the persistence and resilience athletes have demonstrated throughout history, making the pandemic seem like just another challenge to overcome.

### **IcyHot: Student Athletes**

[IcyHot](#) is connecting to their audience's love of the game by showing support for student athletes who have been "sidelined" by COVID-19. The company has pledged to donate one dollar from every IcyHot product sold to the Shaquille O'Neal foundation, which supports school sponsored athletics. The IcyHot "Student Athletes" campaign drives interested consumers to their website, where they offer an application for the student athlete grant and resources for student athletes to "get game ready for when the time is right" to return to play.

### **Mastercard: Stand Up To Cancer: Treat Your Coworkers**

[Mastercard's](#) recent campaign features the new "co-worker," the family pet, with a humorous, lighthearted ad that shows the "silver lining" of the pandemic for those working from home: more time with the fur family. Every good dog deserves a treat, and Mastercard has pledged to donate a penny from each qualifying purchase to Stand Up to Cancer, with a total donation of up to \$4 million. With their pet-focused initiative, Mastercard shifts the narrative to a positive part of pandemic life and builds brand equity with civic-minded consumers who want to support something beyond the current crisis.

Successfully engaging marketing campaigns are not ignoring or turning their backs on the continuing crisis, but they are transitioning toward a more upbeat and positive tone, connecting with Americans who are continuing to live their lives in the best ways possible. Social responsibility remains a high priority for consumers, and ad campaigns that show authentic support for the community and causes beyond the pandemic are building brand equity.





## Brick-And-Mortar Businesses Going All In With Digital Will Drive Long-Term Success

Original Publish Date: April 23, 2020

It is a very serious time for retailers. Many have been forced to close their doors and furlough or lay off workers in order to stop the spread of coronavirus and maintain social distancing. However, the good news is that online retailers, especially retailers with significant digital footprints, are finding success as consumers move most of their shopping online. Brick-and-mortar retailers are following their lead. According to an article in [The Wall Street Journal](#) "The new coronavirus pandemic is deepening a national digital divide, amplifying gains for businesses that cater to customers online, while businesses reliant on more traditional models fight for survival." But that is changing as brick-and-mortar brands evolve.

Prior to coronavirus, the shift to digital for brick-and-mortars was a "[slow-moving trend](#)." Although prognosticators for more than a decade have speculated that all shopping would move online, the truth was more nuanced as even younger generations' shopping habits included [showrooming](#) and other preferences that relied on actual stores. The shuttering of hundreds of stores nationwide have made those conversations irrelevant for the moment, hastened the move to online for many brick-and-mortar retailers, and, many speculate, led to changes that are likely to be permanent when we return to the new normal.

### Bed, Bath And Beyond Successfully Made The Move To A Digital Mindset

Bed, Bath and Beyond very quickly pivoted to an all-in digital approach as soon as coronavirus required them to temporarily close a majority of their brick-and-mortar locations nationwide. By being proactive and getting in front of the problem, Bed, Bath and Beyond was able to offset an expected downturn in overall sales with growth in [ecommerce sales](#) – up [90%](#) year over year in April as of a mid-month report.

The home goods store took several steps to ensure a successful transition and embrace an omnichannel approach to digital sales. Bed, Bath and Beyond's strategy [included](#) setting aside capital for investments in [BOPIS](#) (buy online, pick up in store) and curbside pickup, technological reconfigurations to improve site speed and checkout and the conversion of several locations to fulfillment centers for better delivery options. (11,000 orders have been filled since the implementation of curbside pickup on April 1, with BOPIS rolling out at the brand's Buy Buy Baby locations this week.)

"If there is a silver lining, I would say that given the monumental changes we've made to our business over the past four weeks, our ability to act decisively, partner up and move with speed and agility has been greatly enhanced," [said](#) Mark Tritton, President and CEO of Bed, Bath and Beyond. "I'm very proud of the ideas, inspiration and commitment that all our associates have made to serve our customers and our business."

### Effective Brand Messaging To Reach Audiences Should Be Authentic And Helpful

Bed, Bath and Beyond has had off-the-charts success with [sales](#) of bread machines and vacuums. The brand was able to move online, but still provide the same products and services they did before coronavirus. During uncertain times, consumers want the comfort and ease of finding something where they expect to find it, even if they are more understanding about delays and supply chain issues.

If a brand chooses to make a digital push during this crisis period, messaging should be true to the brand's identity and tuned into what consumers may be feeling. This isn't the time to announce exciting new plans for your brand's digital future. A recent blog [post](#) on Shopify noted, "During the coming weeks, brands

need to be sensitive to consumers' needs and rethink their marketing and advertising. That might mean pausing certain campaigns for certain products, and adjusting the copy and creative on ads to better speak to the realities of the COVID-19 pandemic."

By meeting audiences where they are with what they need, brands can be helpful and appropriate during a crisis.

### Targeting Consumers With Promotions, Rewards And Social Media Engagement

Although it is paramount that brands not appear to be exploiting the current global crisis in any way, there are a number of marketing strategies that traditional brick-and-mortar brands can use to effectively scale online revenues and strengthen consumer engagement:

- Social media use is [way up](#), meaning social can be an effective channel for brands to drive traffic to their websites, share stories about philanthropic endeavors and promote enhanced rewards programs and sales. But brands should not restrict their marketing to social. Most brands should leverage multi-channel digital campaigns, inclusive of [display advertising](#) and [paid search](#) to drive online traffic.
- Targeted [emails](#), especially to high-intent customers who've bought at brick-and-mortar locations in the past, can also be an effective way to increase online sales and encourage lasting brand loyalty throughout and after self-isolation. Brands elevating their digital strategies should consider expanding their [email databases](#) to enable regular email engagement to first-party lists.
- Review and update website [content](#) to confirm it is reflective of the times. Images of social gatherings may, for instance, discourage the sale of a fire pit. Conversely, a photo of a family spending quality time roasting marshmallows is likely to resonate in the current environment.
- Free shipping, local delivery and extended return/exchange times can drive business and make consumers feel more comfortable buying online.

### Brands Should Expect Consumers To Keep Shopping Online, Even After The Economy Re-Opens

Regardless of how long the quarantine lasts, a large swath of consumers will have become far more comfortable ordering online than they were before, whether it's for [groceries](#), [prescriptions](#) or [seafood](#). The dye will be cast, and businesses should continue to optimize their digital strategies to ensure their digital presences meet consumer expectations.

## Big Box Stores See Uptick In Ecommerce Sales

Original Publish Date: May 22, 2020

Whether by desire or necessity, consumers are [shifting](#) their spending habits online now more than ever. As a result, many big box stores are experiencing dramatic [ecommerce](#) growth.

### Target, Office Depot & Walmart Adapt To Increased Ecommerce Demand

[Target](#) recently shared it experienced record-setting digital growth, with [ecommerce sales](#) up more than [100%](#) in the first quarter of 2020. In April, digital sales rose by 275%. [According](#) to recent Bloomberg data, if comparable store sales of 7% remain, it would mark Target's best quarterly performance since 2000.

Target credited its same-day fulfillment options — curbside pickup and [delivery](#) — as two major selling points for consumers during this time. The convenience and ease of both pandemic-friendly shopping options have aided in consumers purchasing more online. After their first pickup, three-quarters of consumers use Target's online ordering again within three months, and their spending increases by nearly 25%, with online purchases, specifically, rising [50%](#).

Fellow big box store Office Depot also experienced a spike in ecommerce sales as of late, as the office supply retailer is continuing its pivot to a primarily B2B-focused supplier of products. According to Office Depot CEO [Gerry Smith](#), the company's ecommerce sales "experienced a significant increase in demand" in the first quarter of 2020 and aided in offsetting a decline in sales as a result of COVID-19. "...our ecommerce platform and retail stores are proving to be trusted means for customers to access the critical products and services they need," [Smith](#) added.

Looking to capitalize on its [74%](#) growth in ecommerce sales during Q1, [Walmart](#) recently announced it was rolling out an Express Delivery service in response to the growing demand for online sales and the corresponding delivery need — further boosted by a 190% increase in monthly downloads of its online grocery app.

### Ecommerce As A Whole Has Experienced Growth In The Past Year

Even before the coronavirus pandemic, ecommerce sales represented the majority of overall retail sales growth in the U.S. According to eMarketer, [\\$600 billion](#) in online sales accounted for 56% of overall retail growth in 2019, with projections expecting ecommerce sales to increase as much as \$6.5 trillion in 2023.

According to Adobe's latest Digital Economy Index, ecommerce sales rose [49%](#) between the initial shutdowns in March and the end of April. This jump is reflective of consumers spending money on products that will directly help manage the current pandemic.

Additionally, recent data showed ecommerce sales in April 2020 grew even faster than March when looking at factors like page views, order count, question submissions and more. April ended with an 88% increase in page views and a 96% increase in order count. With such a sizable spike, it's no surprise ecommerce ad spend nearly [doubled](#) at the start of the coronavirus outbreak.

## How & What Are Consumers Buying Online From Big Box Stores?

For marketers looking to capitalize on growing big box store ecommerce sales, it's imperative to identify how and what consumers are looking to purchase through their online shopping. The buy online pickup in store (BOPIS) option rose [208%](#) between April 1-20, compared to the same time last year. "The service is a win-win for retailers and consumers as shoppers can get items quickly and in person, and shows no sign of slowing down," said [Taylor Schreiner](#), Director of Adobe Digital Insights. Major retailers who utilize BOPIS capabilities are using them to grow engagement with consumers and provide shoppers with easy, seamless experiences at a time when shoppers need convenience the most.

The products that consumers are prioritizing have also evolved:

- [Wine, beer, spirits](#) and related accessories rose [74%](#) in April.
- Online books sales increased [100%](#) between March 12-April 12.
- From mid-March to mid-April, online apparel sales increased [34%](#) YOY.
- Online [grocery](#) aided dramatically in the overall increase in ecommerce sales between March and April, with a [110%](#) gain in daily sales.

Businesses that never deemed an ecommerce platform necessary are now quickly transitioning to position themselves for a new retail reality, as the behavioral changes are already in motion to completely alter the retailing landscape. Big box stores, specifically, are experiencing a major evolution in consumer shopping and spending habits due to the effects of the current pandemic. And in a future when consumers may be hesitant about unnecessary in-store shopping, businesses will need to leverage strong digital marketing strategies and provide seamless ecommerce experiences in order to maintain strong relationships with consumers.



# Big Brands Shift To DTC Strategies As Consumer Behaviors Evolve

Original Publish Date: September 2, 2020

As the world edges ever closer to a post-pandemic reality, brands that have embraced digital strategies are likely to be more prepared to meet evolved consumer behaviors that stick around in the new normal. In light of current trends, direct-to-consumer (DTC) marketing and sales strategies have recently been embraced by several major CPG brands. In addition to meeting consumer desires, DTC brands are discovering a new wealth of first-party data that allows them to learn more about their customers and optimize offerings and campaigns over time.

## DTC Strategies Produce First-Party Data, Allowing Brands To Offer Personalization

One of the biggest challenges for brands that are relying solely on traditional commerce strategies is limited access to consumer data and preferences. As brands shift to DTC marketing and sales strategies, they are collecting [first-party data](#), creating databases of knowledge that lead to opportunities to cultivate personalized relationships with consumers, target products to certain audiences and can inform future product development.

## PepsiCo Launches Two New Storefronts In Support Of DTC Efforts

In early May, PepsiCo unveiled two new online DTC storefronts that the brand conceived of and executed within the early months of quarantines. PantryShop.com and Snacks.com are the first major moves by PepsiCo to offer food and beverage using DTC strategies. PepsiCo has been very upfront about the benefits the DTC sites offer them in addition to meeting evolving consumer demands. "The quality, fidelity and speed at which we get consumer feedback is just changed by having this direct touchpoint with the consumer," [said](#) Gibu Thomas, Head of Ecommerce at PepsiCo.

The PepsiCo DTC sites sell items from across the Pepsi family of products, including seven bundles of products PepsiCo designed based on what they think consumers want, with plans to refine the offerings as the data starts rolling in. And, while the brand acknowledges the additional revenue streams from DTC are a "part of the equation," PantryShop.com and Snacks.com are primarily meant to be [complementary](#) to PepsiCo's retail business.

## Nestle Experiments With "KitKat Chocolatory" PopUp DTC Shop

KitKat Bars are a phenomenon around the world, especially in Japan where KitKat enthusiasts can buy hundreds of unusual KitKat flavors. Leveraging the popularity of their biggest brand, Nestle launched a brick-and-mortar KitKat Chocolatory in London's John Lewis stores and a pop-up direct-to-consumer online shop that also sold many of the bespoke variations the KitKat Chocolatory was offering. "We know how much people enjoy experimenting with new and exciting KitKat flavours, and the KitKat Chocolatory offers a whole new, premium KitKat experience, as well as the chance to create your very own personalised break and have it delivered right to your door," [said](#) Rabia Khan, head of KitKat Chocolatory at Nestlé UK and Ireland.

This is Nestle's first foray into DTC, other than partnerships with delivery services, and the small, unique and limited nature of their recent DTC effort likely offers more in the way of brand building than a lasting strategy, with Nestle [noting](#) "From Tokyo to Toronto, both online and offline, KitKat is reinventing itself as an upmarket chocolate experience with Millennial brand buzz, whilst staying true to its roots." However,

as with all DTC operations, the access to consumer data from the KitKat Chocology will allow Nestle to refine future DTC investments.

Brands that aggressively lean into digitally focused ideas, including DTC strategies, should be more able to personalize engagement, differentiate messaging in a way that resonates with consumers and develop customer loyalty now and into the future.





## Purpose-Driven Social Media Campaigns Help Brands Connect With Target Audiences

Original Publish Date: August 31, 2020

The expectation on brands to do more than provide relevant products and services is rapidly increasing. More and more consumers are gravitating their brand allegiances and preferences toward companies that are believed to be actively and positively impacting society at large. To align with the evolving values of their target audiences, brands are engaging in strategic partnerships to further their social responsibility efforts.

COVID-19 has been a time of societal and economic uncertainty for many industries. Hershey's, Staples, and Hellmann's are responding to the new normal with the launch of their latest social media campaigns, which feature charitable contests and partnerships with non-profit organizations.

### Hershey's Provides S'more Support To Small Businesses With Latest Social Media Contest

The global pandemic hit the restaurant industry hard, with quarantine and social distancing measures causing many small restaurants to close their doors or operate at a limited capacity. [Associate Marketing Director for Jet-Puffed, Allison Kelly](#) noted, "We are all looking for comfort and connectivity right now! Restaurants, specifically small and independent restaurants, have so many memories and traditions embedded in them and it's time to give back to that community." What's more comforting than melted chocolate sandwiched by gooey marshmallow and crisp graham crackers?

Hershey's, Jet-Puffed and Honey Maid recently came together to launch [a social media campaign](#) that will add sweetness in a time of stress. On August 10, the three brands asked small, local restaurants and food businesses to head to Twitter and Instagram and use the hashtag [#SmoresGivesBackContest](#) to show off pictures and videos of new or existing s'more menu items. Five winners will be selected on September 1 in celebration of "National S'more Day" and each win \$10,000.

According to Hershey's, s'mores represent feelings of connectedness and comfort. Senior Marketing Director for Hershey's [Bill Maclean said](#), "We wanted to bring attention to all of those local restaurants who have been affected. We want to provide some relief while celebrating these restaurants, their recipes and their love of S'mores." The Hershey's, "[S'mores Gives Back](#)" campaign leverages user-generated content ([UGC](#)) to remind consumers of the simple joys we all share. The campaign positions these brands as supporters of small businesses, which aligns well with the community-oriented values of many consumers.

### Hellmann's Helps Turn Virtual Crops Into Real Food Donations

[Pantry items](#) and video games have both surged in popularity and demand during COVID-19, turning Nintendo's "Animal Crossing" into a hot platform for brands to connect and engage with consumers. [Hellmann's Canada](#) is the latest brand to leverage Animal Crossing to interact with prospective customers and maintain relevance among current customers. The newest craze on Animal Crossing is the Stalk Market. Here players can buy turnips that they later sell to earn a profit which can be used for in-game purchases and character customizations.

Playing off the immense popularity of The Stalk Market, for one week in August, Hellmann's Canada allowed players to visit Hellman's Island and turn [virtual waste into real meals](#). Each turnip exchange represented one full meal Hellmann's donated to [Second Harvest Food Rescue](#). [Gina Kiroff](#), Director of Foods at Unilever Canada said in a statement, "When we noticed spoiled turnips is a real tension point

for many Animal Crossing players, we wanted to take advantage of the insight to create a fun consumer experience that would have real world impact.” The [#HellmannsIsland](#) campaign furthers Hellmann’s initiative to [prevent food waste](#), as Canada has the second highest rate of food waste.

To take advantage of this unique opportunity, players were driven to Hellmann’s Canada Twitter page to get the access or “dodo” code to the island and the time when the exchange would be accessible. While on Hellmann’s Island, players could also participate in fun photoshoots with backdrops and visit virtual bulletin boards to learn how to reduce food waste in real life. Through its partnership with Second Harvest Food Rescue, Hellmann’s Canada donated [25,000 meals](#) as a result of Animal Crossing engagement. Hellmann’s commitment to its social responsibility initiatives will help the legacy brand continue to connect with new audiences as it focuses on differentiating itself in the competitive [CPC](#) market.

### **Staples Launches UGC Campaign On Twitter To Recognize Teachers**

2020 has reshaped the face of organized education. Teachers and educators across the U.S. have quickly adapted to provide quality instruction during a time of social distancing. With the back-to-school season feeling a bit different this year, instead of encouraging consumers to purchase affordable school supplies, Staples’ latest social media campaign is dedicated to recognizing the immense impact teachers have had over the past few months. [Mike Motz, CEO, Staples U.S. Retail said](#), “It’s undeniable that this school year will look different for everyone. Staples knows that teachers will need our support more than ever — whether they’re teaching in the classroom, remotely or a combination of both.” The events of COVID-19 have put immense pressure on students, elevating the role teachers perform and making them a symbol of stability.

By sharing stories on Twitter and Instagram, [Staples](#) is helping to shed light on outstanding teachers. Consumers can nominate teachers through September 26 by sharing videos, pictures and personal stories using the hashtag [#ThankATeacher](#) and [#contest](#) and tagging [@StaplesStores](#). Consumers can also shout out the incredible teachers in their lives via Staples’ ecommerce site. Staples will select 20 teachers from the submissions to each win a \$5,000 Staples gift card to purchase essential supplies for the upcoming school year.

### **Marketers Can Leverage The Power Of Social Media To Connect With Consumers Who Share Their Values**

Brands can leverage strategic social media campaigns and partnerships to reach new audiences, engage their core customers and give back. Twitter, Instagram, Facebook and other major social media platforms can help brands further their digital strategies, especially as they pertain to social responsibility campaigns. It is vital, however, that brands remain committed to promoting authentic purpose-driven initiatives in order to drive effective results. According to Walker Smith, Chief Knowledge Officer for Branding and Marketing at Kantar Consulting, “People are demanding that brands not just deliver a better self, but a better society as well.”

When executed correctly, brands can powerfully employ their social media channels to host contests, sweepstakes and UGC submissions that promote causes which embrace existing brand identities and align with the empathy of consumers. Whether it’s mayonnaise, chocolate or school supplies, consumers will feel better about patronizing brands that represent their values, and positive consumer sentiment is key for maintaining brand loyalty.

# Calculated Engagement

We deploy a robust database of consumer intelligence to develop scalable and reliable digital performance advertising campaigns that engage consumers and grow businesses.



(877) 236-8632  
[connect@DMSgroup.com](mailto:connect@DMSgroup.com)



## Section 3: Preparing For The 2020 Holiday Season Amidst COVID-19

---

Celebrations will look and feel a bit different this year, but brands are preparing for both ecommerce and brick-and-mortar conversion opportunities. With the potential for longer delivery times, brands and retailers are aiming to draw in consumers early and often.

The articles in this section review opportunities for retailers and brands to leverage the uniqueness of 2020 to boost holiday ecommerce sales.

- [2020 Holiday Season Predictions For Digital Marketers](#)
- [Ecommerce Opportunities Abound For Brands As Brick-And-Mortar Retailers Limit Holiday Hours](#)
- [Retailers Must Adapt To Ecommerce Sales Rush And Delivery Woes This Holiday Season](#)
- [3 Digital Strategies Brands Can Use To Overcome Shipping Challenges This Holiday Season](#)
- [Holiday Returns Are A Chance To Nurture Consumer Relationships](#)
- [Buy One Gift One Marketing Strategies Evolve As Needs Shift](#)

## 2020 Holiday Season Predictions For Digital Marketers

Original Publish Date: September 14, 2020

It's never too early to start humming holiday tunes. Ok, it may be a touch early for Silver Bells, but a little holiday prognosticating, especially considering the unique [holiday](#) season on the horizon, is always welcome. Our team of marketing minds here at Digital Media Solutions (DMS) has taken a look at 2019 holiday shopping trends, stacked them up against consumer behaviors in 2020 and taken a crack at predicting what it all means for this year's holiday season. Read on for DMS 2020 holiday season predictions:

### Will Holiday Retail Sales Grow Year Over Year?

In 2019, holiday retail sales grew [4.1%](#) from 2018 results to reach \$730.2 billion.

+

In 2020, despite pandemic-related uncertainty, the summer saw three months of sustained rising retail sales, although foot traffic to [brick-and-mortar stores](#) remains down as much as 43% from last year and YOY retail growth has slowed. And, although [59%](#) of respondents in a recent Service Management Group survey said they plan to spend the same amount during the holiday season as they spent last year, only 20% plan to spend more. In addition, holiday gatherings are in doubt, meaning not every favorite aunt will be able to deliver gifts in person.

= For the 2020 holiday season, we predict retail sales growth, especially in select categories.

With unemployment hovering around 8%, and many consumers tightening their purse strings, we predict retail growth in non-essential items (including holiday gifts, especially for those outside of immediate family) will grow – but at a slower rate in 2020 than last year, as consumers prioritize essential items. However, it's likely that store reopenings around the country, and consumers feeling excited about the holidays after a rough year, could lead to robust sales in some retail sectors, including [housewares](#), [appliances and electronics](#).

### Will Mobile Be A Major Player This Holiday Season?

In 2019, mobile accounted for [84%](#) of holiday ecommerce growth [and](#) “the total number of orders per shopper on mobile increased 38% YOY.”

+

In 2020, mobile ecommerce sales are predicted to be \$339.03 billion, up from [\\$268 billion](#) in 2019, likely a result of increased reliance on ecommerce overall during quarantines. However, a [resurgence in desktop use](#) because of work from home has led to an increase in desktop searches during 2020.

= For the 2020 holiday season, we predict continued mobile growth.

The uptick in desktop use is likely short-lived, because, though some people will continue working from home, many will be back in the office and commuting. In general, it's likely people will be out and about more, which could increase mobile purchases, particularly if consumers are being served targeted ads through social media and optimized apps. Recent additions to [social media platforms](#), like [Facebook](#) and [Instagram](#) Shops, [Snapchat Brand Profile Pages](#) and [Pinterest's](#) Shopping Spotlights, are also going to increase access to turn-key purchasing on mobile across consumer groups, leading to another record-setting year for mobile sales.



## Will Promotions And Coupons Be A Major Part Of Holiday Shopping In 2020?

In past holiday seasons, many retailers were able to leverage promotions and deliver “conversion-rate increases roughly three times that of retailers without similar sales” during the holiday season, [according](#) to McKinsey & Company. For example, Kohl’s gave 25% off coupon codes for certain days in December, and consumers that spent more than \$50 on Black Friday were given major discounts or [cash for future holiday shopping](#).

+

In 2020, [digital coupon apps](#) like Target Circle and Ibotta offered ways for consumers to save, and more than [six in 10](#) U.S. adults will use digital coupons this year. When used judiciously, coupons and promotions are being touted by retail insiders as a smart way to offset downturns that may happen this holiday season because of economic anxiety.

= For the 2020 holiday season, we predict promotions will be essential.

Consumer concern about the economy will almost certainly drive holiday shoppers to seek out discounts and promotions. And, with the dominance of ecommerce, retailers will undoubtedly include coupons and promotions as part of their digital strategies, and these strategies could be effective as more retailers make a play for some of [Amazon’s](#) business. In addition to seeking out promotions, consumers are also likely to read reviews and compare prices across retailers, as they focus on getting the best bang for their buck. [According](#) to a recent study by Service Management Group, one third of respondents said “value for the money” was the “most important factor” when choosing where to shop this year. Brands would be smart to focus on cost-savings for consumers when it makes sense for their brands and business objectives.

## Will Ecommerce Dominate This Holiday Season?

In 2019, online and other non-store sales during the holidays were up [14.6%](#) YOY. (Non-store sales typically refer to direct sales, telemarketing, catalog sales and similar.)

+

In 2020, [ecommerce](#) sales increased [44.4%](#) YOY in the second quarter of the year, for a total of \$200.7 billion. Ecommerce is the most significant silver lining of the pandemic for retailers, with brands like Amazon seeing a [40%](#) revenue jump from the same time last year.

= For the 2020 holiday season, we predict ecommerce will be a major factor.

Many consumers, who’ve grown accustomed to online ordering, will avoid crowded stores and take advantage of brands launching multichannel digital strategies targeting holiday shoppers with promotions intended for use on their ecommerce sites. Upsell offers and a variety of last-mile delivery solutions will also factor within ecommerce strategies and results this year.

## Will BOPIS And Other In-Store Fulfillment Options Be A Factor This Holiday Season?

In 2019, buy online pick up in store (BOPIS) grew 35% YOY, and [71%](#) of shoppers said they'd prefer picking up their order in stores rather than pay for expedited shipping during the holiday season.

+

In 2020, between March and June, BOPIS orders rose [367.2%](#) due to increased use of ecommerce while many stores were limiting crowd sizes and many consumers were avoiding public places. Plus, heading into the holidays, many retailers are concerned about [shipping costs and limitations](#).

= For the 2020 holiday season, we predict many consumers will choose alternative pick-up and delivery options for their purchases.

Alternative delivery options will be leveraged frequently by consumers this holiday season as consumers look to reduce shipping fees and retailers promote in-store fulfillment strategies that mitigate increased shipping costs from couriers. The consumer behaviors acquired during the pandemic will be easy for many consumers to continue, including curbside pick-up and [BOPIS](#).

## Will Consumers Start Their Holiday Shopping Early This Year?

In 2019, the seven days before Thanksgiving saw [26%](#) sales growth YOY, and other shopping days, including Black Friday, Small Business Saturday and Cyber Monday, also saw double digit sales jumps.

+

In 2020, in order to decrease concerns about crowds, several major brands including [Target](#) and [Walmart](#) have called off Thanksgiving Day shopping, with speculation that ecommerce campaigns may launch earlier and replace “doorbuster style” brick-and-mortar sales.

= For the 2020 holiday season, we predict holiday shopping will start earlier.

Retailers concerned about shipping delays and meeting the crush of ecommerce orders are going to lean heavily on early sales, allowing consumers longer lead times for delivery while retailers and manufacturers spread out demand for top products. The [growing comfort](#) across generations, including [Baby Boomers](#), with online ordering could mean an early shopping push from people still staying primarily at home, and likely big ecommerce wins for the Thanksgiving shopping weekend.

## Brands And Businesses Must Respond Proactively With Digital Marketing Solutions To The Trends That Will Shape The 2020 Holiday Season

Consumer behaviors will largely dictate the holiday trends this year, but, like so much in 2020, the holiday season may hold some surprises and will require brands to stay smart and ready to adjust as needed. Taking a hard look at past holiday seasons, and considering the ways in which pandemic-related shifts in preferences and habits could change this year's holiday shopping, may serve brands well as they plan their digital strategies this holiday season.

## Ecommerce Opportunities Abound For Brands As Brick-And-Mortar Retailers Limit Holiday Hours

Original publish date: July 30, 2020

[Target](#) and [Walmart](#) recently announced that they will not be open on Thanksgiving Day. In a statement about the change, Target [said](#): “Let’s face it: Historically, deal hunting and holiday shopping can mean crowded events, and this isn’t a year for crowds.” The move comes at a time when health and safety are major concerns around the world, and brands want to be perceived as caring about their workers and putting socially responsible behavior ahead of sales.

Being closed on Thanksgiving Day also aligns with the increased adoption of ecommerce by consumers of all kinds. Less brick-and-mortar shopping over the holidays suggests the need for all brands to amplify their digital presences leveraging creative multichannel strategies and mobile-first optimizations. The [holidays will be different](#) this year, but brands and retailers can still be a part of new traditions and behaviors.

### Digital Marketers Can Reach Consumers Enjoying Quieter Thanksgivings This Year

The decision by retailers to close on Thanksgiving is reflective of the quieter holiday that consumers will be having overall, with less travel and fewer gatherings due to people still observing social distancing guidelines. Last year, shoppers spent [\\$4.2 billion](#) shopping online during Thanksgiving, so digital marketers should seize the opportunity to leverage their ecommerce capabilities, many of which have been refined over the last several months due to the pandemic.

### The Increase In Ecommerce Sales Allows Brands To Embrace Multichannel Marketing Strategies

When Allbirds found their brick-and-mortar business disrupted by COVID-19, they quickly pivoted to an omnichannel solution that benefited their employees, their brand and their customers. The brand was able to [deploy](#) their retail employees to ecommerce roles, add live chat options and feature in-store displays online. The new digital tools were so effective for Allbirds that they plan to continue many of the online implementations even when regular business is restored. Allbirds is just one example of how retailers can effectively combine brick-and-mortar capabilities and digital solutions to meet changing consumer behaviors. These kinds of user experiences and sales integrations are likely to be an important part of Thanksgiving strategies for brands straddling ecommerce and the busy shopping weekend.

### Mobile Usage Offers Digital Marketing Strategies Likely To Convert For Retailers During The Holidays

Last Thanksgiving, “nearly half the revenue on Thanksgiving Day came from smartphones, a 24.4% increase from last year [2018],” according to [CNBC](#). Despite the change in circumstance many shoppers will experience this year, retailers shouldn’t shy away from aggressive mobile marketing strategies. In fact, there are likely to be many ansty shoppers passing the time on their phones this Thanksgiving, and brands can reach them with smart mobile tactics, including:

- Websites that are mobile optimized, fast and ready for increased traffic.
- Frictionless purchasing experiences, eliminating cumbersome check-out procedures that can lead to cart abandonment.

- Free or discounted shipping and alternative payment methods like [“buy now pay later.”](#)
- Helpful, meaningful and fresh content marketing that speaks to the new and unusual holiday experiences consumers are having.
- Targeted campaigns that reach and engage tightly defined audience segments via attractive, concise and clickable SMS and email messaging.
- Sales and promotions that integrate brick-and-mortar capabilities, like buy online pick up in store ([BOPIS](#)).

### A Holiday Like No Other Could Be A Silver Lining For Digital Marketers

Despite tightened budgets and uncertainty about the future, different can be good for marketers. The holidays won't be the same as in years past, and neither will the marketing campaigns. Families may be looking for new ways to celebrate, shop and gather, which marketers can help facilitate through effective strategies that authentically and effectively meet consumers where they are.

Effective holiday marketing campaigns will require brands to stay agile, as Helen Normoyle, Boots' Chief Marketing Officer [pointed](#) out: “We’re dealing with a set of questions and circumstances that we’ve never had to deal with going into Christmas, and that’s why flexibility will be key.” Adding, “We’ll be looking for flexibility to move our creative assets and messages across to different channels.” Brands that are ready and willing to meet this novel retail challenge and adapt as necessary, may find silver linings to the upcoming holiday season.



# Retailers Must Adapt To Ecommerce Sales Rush And Delivery Woes This Holiday Season

Original Publish Date: September 9, 2020

The end of summer is quickly approaching, which can only mean one thing: The holidays are coming.

Like so many other milestones many of us had previously taken for granted, this year's holidays will be different because of COVID-19. The impact the pandemic has had on the ability to gather and celebrate affects many holiday traditions, including shopping in person. The rise of ecommerce will play a major role this year, with retailers expecting significant upticks in online holiday shopping, and couriers, like UPS and FedEx, [charging a premium](#) for what is going to be [unprecedented delivery demand](#).

As with other pandemic-related shifts in consumer behaviors, brands will need to stay alert and ready to adapt. Brands that want to meet demand, scale revenues and have happy customers may find success by launching holiday campaigns early, offering alternative pick-up options and creating online experiences that encourage loyalty, despite shipping and delivery hiccups.

## Shipping Costs And Timing Will Be Major Factors This Holiday Season And Brands Should Be Ready

Throughout the pandemic, there have been shipping delays and supply issues. (Throwback to the [toilet paper wars](#) of 2020.) Although many of these kinks have been worked out, retailers are bracing for shipping to be very costly this year, with surcharges set to take effect throughout the fall. "Quarterly delivery volumes have climbed about 20% from a year earlier for UPS and FedEx, and 50% for the post office. In the holiday season, total package volume is set to jump as much as 70% from last year," [said](#) Mike Lambert, Chief Operating Officer at Green Mountain Technology, a consulting firm for shippers.

A Wall Street Journal [article](#) by Paul Ziobro, who covers the shipping beat for the WSJ, reports that UPS said "the surcharges reflect the available capacity to handle and ship packages." And, in order to mitigate costs and delays, the courier is encouraging its shippers, many of whom are major retailers, to offer alternative delivery options of their products and avoid buying bottlenecks by spreading out sales and encouraging buying throughout the holiday season instead of just on Black Friday, for example.

The USPS, recently under heavy scrutiny across the country, has also increased pricing for its commercial package customers. "The price increases are not at all surprising. Americans are turning to ecommerce at accelerating rates, and with the pandemic likely to be with us until at least the end of the year, ecommerce demand will stay exceptionally strong for some time," [said](#) Paul Steidler, Senior Fellow at the Lexington Institute, a policy think tank.

Brands will need to manage expectations in order to manage shipping delays. By being clear about cut off days for ordering, additional charges and the range of shipping options, brands may be able to avoid dissatisfied customers and still reap the benefits of a busy ecommerce season.

## Brands Focused On Consumer Experience And Safety May Find Loyal Customers

There are going to be bumps in the road this holiday season, but brands that can offer otherwise satisfying shopping experiences to consumers, like frictionless payments and comprehensive [return policies](#), are more likely to engender loyalty and patience when supply or delivery issues don't go as planned. Additionally, brands that offer a variety of delivery options, like curbside pick-up or buy online pick-up in



store ([BOPIS](#)), can avoid shipping issues, still meet consumer needs and make clear that safety is a priority. For example, doorbuster sales that cause huge crowds are unlikely this year. Instead, brands may opt for email or SMS campaigns that advertise sales with long lead times available online or in-store.

Many retailers have already called off in-store shopping this [Thanksgiving](#), reiterating a commitment to the health and well-being of their customers and emphasizing the importance of family during uncertain times. The move also allows brands to invest more fully in multichannel campaigns that can reach consumers where they are, when they are ready to shop. Brands that are not acting quickly and pivoting as needed are likely to struggle this holiday season, because the pandemic has accelerated the need for digital solutions and smart online strategies. “Those retailers that thought they had time to build new online facilities, build new online experiences, just lost that time,” [said](#) Michael Brown, a Retail Management Consultant at Kearney, a consulting firm.

### Digital Marketers Should Start Holiday Campaigns Early To Avoid The Holiday Rush

Sapna Maheshwari and Gillian Friedman reported in [The New York Times](#) that “companies including [Hasbro](#), [Target](#) and [Macy's](#) have signaled plans to offer discounts over a longer period, starting as soon as late October.” And, Macy's plans to start Black Friday deals “in full force” after Halloween, according to Jeff Gennette, CEO of Macy's. [Walmart](#) recently released its “Hottest Toys” list for 2020, which, while not strictly a holiday promotion, is getting parents in the mindset to start making their lists.

By launching campaigns early, retailers can limit the holiday crush and give themselves a better chance to meet consumer expectations. The supply chain will be impacted less by spreading out sales, and shipping expectations can more easily be managed. (People want their packages on time, they don't necessarily need them quickly.) There are likely to be many consumers on stricter budgets this year also, who may find a longer shopping season with attractive promotions, more appealing.

It's important for brands to remember that the holidays — despite how strange and difficult 2020 has been — are special to people. Digital marketing strategies should still be positive, happy and focused on family and the joy of the season. By facilitating frictionless online shopping, that factors in the demands of delivery and changing consumer preferences, brands can focus on making the holiday season successful and reminiscent of seasons past.

### 3 Digital Strategies Brands Can Use To Overcome Shipping Challenges This Holiday Season

Original publish date: September 10, 2020

The recent surge in ecommerce shopping because of COVID-19 has led to increased volume for couriers like FedEx, UPS and the USPS. With the holiday season quickly approaching, all three couriers have [announced](#) surcharges that retailers will have to reckon with through smart digital strategies and consumer outreach.

It is likely that “online retailers will be handicapped by the already heavy burden on the parcel industry, disallowing consumers to buy at the last minute,” according to [Lily Trevisanut](#), EVP of Operations at Digital Media Solutions (DMS). To understand the [holiday outlook](#) for retailers, it’s important to see the numbers that couriers have been dealing with throughout the last seven months of consumers relying on ecommerce and online shopping.

- At UPS the “average daily shipping volume rose [21%](#) in the [June] quarter, faster than the company has ever recorded, with a 65% increase in shipments to homes.”
- At FedEx the “average daily package volume increased [25%](#) year over year,” and “residential deliveries made up 72% of FedEx’s total volume — up from 56% the year prior” in the quarter ending May 31.
- At USPS, “Shipping and packages revenue increased by [\\$2.9 billion](#), or 53.6%, on a volume increase of 708 million pieces, or 49.9%, compared to the same quarter last year.”

Plus, in order to make up for decreases in other delivery areas and meet anticipated delivery needs for the holidays, surcharges are being levied by all major parcel and courier services, with the expectation that retailers will pass those expenses along to consumers as needed.

There are a lot of [question marks surrounding this holiday season](#), with a shaky economy and consumer confidence unknown, but the 2020 holiday season is a critical time for retailers. According to the National Retail Federation ([NRF](#)), holiday sales often account for 20% of retailer’s annual revenue and 30% for “hobby, toy and game stores.” Last year [190 million](#) people shopped Thanksgiving weekend, including Cyber Monday, up 14% from 2018. The success of the unique 2020 holiday season could depend, in part, on how retailers respond to potential delivery delays and shipping cost concerns, making the difference between a successful holiday season and one that can’t meet consumer needs.

Here are three shipping-related strategies online retailers can deploy during the holidays to meet demand:

#### Offer Shipping And Delivery Alternatives To Avoid Additional Shipping Costs

Throughout the pandemic, retailers have explored a variety of ways to create contactless delivery that meets the social distancing demands of consumers. The contactless delivery trend is going to be critical for success during the holidays, with retailers stepping up efforts to [facilitate in-store fulfillment strategies](#), like buy online pick up in store ([BOPIS](#)) and in-store delivery, which can cut down on shipping costs. (Most parcel delivery service surcharges only apply to residential deliveries.) An added benefit of BOPIS or “click and collect” options is that these last-mile strategies can also drive in-store shopping, a perk during a time when many shoppers may not be regularly choosing to shop in crowded stores.

## Link Promotions To Shipping Times, And Make Recommendations To Increase Average Order Value

Even with surcharges meant to cover the increased need for staffing and technology at couriers, brands should expect shipping delays and difficulties this holiday season. Retailers can manage shipping issues by offering regular communications via email and SMS that link promotions to order dates, order quantities or shipping schedules and update customers on order statuses. While some brands in the past may have been able to promise Christmas Eve delivery for orders placed by December 23, that may not be an option this year. Therefore, it's important for retailers to make turnaround times clear to consumers from the outset. Increasing average order value by making recommendations based on what's already in consumers' carts, or previous first-party purchase data information, is another way retailers can use customer communications to address the increase in shipping costs.

## Start Promotions Earlier To Create Excitement And Test Procedures

[Amazon](#) has announced that it will hold [Prime Day](#) in October, a month not typically associated with holiday shopping. Insiders speculate that other retailers may follow suit in order to generate excitement and test the procedures and processes set in place to meet ecommerce demands. Early sales represent a "huge opportunity to pull forward demand from holiday [2020] and also test what works and what doesn't in the current environment," [said](#) Deborah Weinswig, CEO and Founder at Coresight Research.

A former executive at Macy's, Stephen Rector, [believes](#) that the same kind of enthusiasm for in-person [Black Friday](#) shopping can be created with the right kind of online sales. For example, an "hours-long" online sale for a sought-after item during the week could "create that same sort of frenzy online that retailers create in-store." Managing shipping delays may be easier for retailers if they can encourage shoppers to buy early.

Buy one get one (BOGO) promotions and inexpensive upsells are another option for catching consumers early, particularly in the browsing phase. Discount-style promotions are also cognizant of tighter holiday budgets, which may make consumers feel understood. Free shipping and coupon codes for shipping reductions can also be deployed. Trevisanut also recommends "educating the consumer on 'last day to order to receive by' dates to overcome parcel delay issues."

Throughout the 2020 holiday season, it's important for retailers to be judicious about when and where to execute free shipping, which will require listening to consumers and carefully tracking customer preferences. This holiday will be new for everyone — shoppers, retailers and couriers. The sooner brands make plans to deal with new challenges like shipping delays and increased ecommerce demand, the more likely they are to be able to navigate this unique holiday season successfully.

# Holiday Returns Are A Chance To Nurture Consumer Relationships

Original Publish Date: December 11, 2019

Returns are a part of any retailer's business. But how to handle returns, from company-wide policies through finalized returns, is what can differentiate a retail brand for consumers. And, perhaps more importantly, continuing engagement with consumers after a return, to maintain a positive relationship and encourage future sales, should be an integral part of product return strategies.

## Favorable Return Policies Have Led To Increased Returns And Evolved Shopping Habits

"As ecommerce retailers continue to provide more return-friendly policies, shoppers are buying and returning more online than ever before," [said](#) Andrew Lipsman, Principal Analyst at eMarketer. Like free shipping, free returns are becoming more commonplace, and during the holidays [many brands extend](#) the amount of days allotted for returns. A [record-breaking](#) 1.9 million returns are expected to take place on January 2, 2020, up 26% year over year (YOY).

The ease of returning has increased the comfort some shoppers feel buying online or with certain retailers, and led to an evolution in online shopping called [bracketing](#). Bracketing is when shoppers order multiples of something, usually in fashion or home goods, to see which looks or fits the best, and then return the rest. Shoppers are also returning purchases for the usual reasons, but the quality of their return experiences, ideally seamless, efficient and well-communicated, can make a significant difference in how shoppers perceive a given brand.

## Brands Can Build Trust With Consumers By Having Clear Return Policies

Like other touchpoints along the retail journey, returns are an opportunity to tout brand strengths, get to know consumers better and encourage engagement. However, in order to grow relationships with consumers, brands must establish trust, which can inspire future brand loyalty. This initial trust should begin with a clear and concise website that includes accurate product descriptions and an easily found and understood return policy.

"It's [the customer journey] a nuance a lot of people don't pick up," said Elain Szu, VP of Marketing at retail software company Narvar. "You need to think about the return process in terms of the full customer journey, not just when they're at the point of return. To build that brand loyalty you need to zoom out and think about every touch point that you have with the customer, and that really starts during the consideration phase when the customer is on the product details page." A wide-angle approach to the consumer experience can reduce confusion when it's time to make a return — [28%](#) of digital buyers consider a return "positive" if it's hassle-free.

## Brands Should Engage With Consumers Throughout A Return

In the lead up to last year's holiday season, [95%](#) of surveyed consumers stated that how a retailer handles returns influences whether they will make future purchases from that retailer. In order to nurture consumers in the midst of returns, retail marketers should maintain proactive communication throughout the process. For example, [Amazon](#), despite having some points of friction in their return process, has a higher rate of satisfaction from consumers because of proactive [tracking and communications](#).

Narvar's consumer report, [The State of Online Returns](#), found 24% of consumers were satisfied with their return processes when they received status updates, and 34% were satisfied when they were told their returns had been processed. Ongoing conversations with brands are generally favorable to consumers and also provide opportunities for marketers to offer promotions and easy exchange opportunities or simply to make the consumer feel listened to and appreciated in a way that isn't intrusive but encourages future business. This continuous engagement is particularly important with new customers, where churn after returns can be [four times](#) higher.

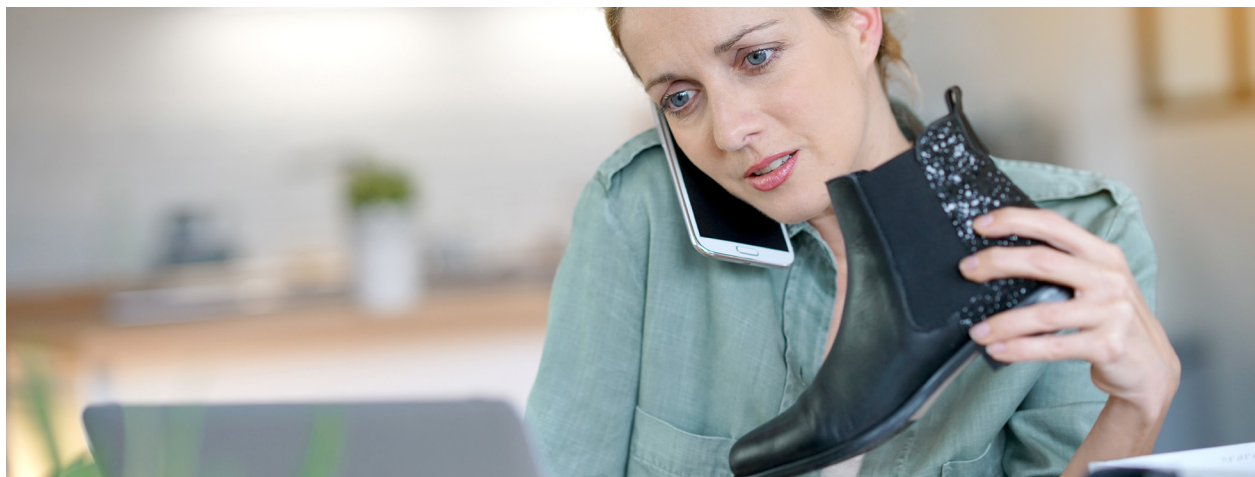
## **In-Store Returns Can Drive New Sales But Shouldn't Stop Retail Marketers From Optimizing Online Returns**

[BOPIS](#) or "buy online pay in store," is one of the many ways brick-and-mortar stores and online are merging, and BORIS, or "buy online return in store," is the flipside of that equation. Exchanges, in lieu of straight returns, are extremely important for retailers looking to mitigate the loss incurred from the [millions of packages](#) that start making their way back to stores after Christmas. And, BORIS is one way that retailers are encouraging exchange transactions.

[38%](#) of Americans think in-store returns are easier than returning online, although only 10% actually made in-store returns. Meaning, online is the preferred method to return something, but the online return process still feels intimidating or annoying — a consideration for brands trying to nurture loyalty through their return policies. Conversely, there are opportunities for stores with strong brick-and-mortar presences to turn in-store returns into exchanges or new purchases.

The previously mentioned Narvar study [found](#) that 22% of shoppers made unplanned purchases at stores they were returning to, 13% bought replacement items and 26% made exchanges. Overall though, [BORIS is down](#), with consumers favoring fast, easy returns that align with ecommerce purchasing, and increasingly, drop-off or third-party locations.

Although returns are not an enjoyable part of retail business, if handled properly they can be a point of positive engagement and communication with shoppers. Retailers should optimize their return policies from the very beginning to create healthy relationships with consumers that can be nurtured during and after the return process, hopefully facilitating future sales.





# Buy One Gift One Marketing Strategies Evolve As Needs Shift

Original Publish Date: July 21, 2020

The implementation of buy one gift one [purpose-driven](#) marketing campaigns from retailers is helping brands recalibrate during the disruption of COVID-19. Many brands have evolved and updated their buy one gift one programs, with some brands introducing campaigns that help frontline medical workers in light of recent events.

## Consumers Want To Leverage Their Purchases To Help People In Need

A recent eMarketer [podcast](#) revealed that consumers are two-thirds more likely to buy a new product if it includes a donation to someone in need, with [Generation X](#) the most moved by this kind of promotion. Remarking on the trend, Eric Haggstrom, Forecasting Analyst at Insider Intelligence, said “restores my faith in humanity. Charity through capitalism — I love it.”

## Toms, An Early Buy One Gift One Innovator, Has Recently Evolved Their Donation Strategy

Toms shoes was one of the most high-profile and early adopters of buy one gift one, or “One for One” as Toms called it. So it was [big retail news](#) in the fall when Toms sunsetted their one-for-one program. The popular program was replaced with donations of grants given by the Toms Global Giving Fund. Toms now donates a third of net profits from each shoe sale, or \$1 for each \$3 spent by a customer.

The donation still kicks in when a shopper buys a pair of shoes, honoring the concept of buy one gift one, despite the shift in the manner of giving. “We made the decision to decouple our impact from the One for One model we pioneered, and to expand our giving portfolio to include impact grants. This way, we can support organizations working to address some of today’s most pressing issues. As you can imagine, we didn’t make this decision lightly. But, we’re motivated by the opportunity to have meaningful impact in some new issues areas — areas that are important to us, and to you,” [said](#) Amy Smith, Chief Strategy & Impact Officer at Toms, in the Toms 2019 Global Impact Report

Recently, the shoe brand pivoted their Global Giving Fund to be entirely Covid-19 focused, with all donations going to Toms charitable partners on the frontlines during the pandemic.

## Warby Parker Buy A Pair, Give A Pair Program Offers Training And Eyeglasses

One of the criticisms of buy one gift one programs is that donating goods doesn’t always offer long-term solutions or integrate well with existing charities on the ground where donations are being made. Warby Parker solved for that by offering donations of eyeglasses with purchases, primarily to school children in the U.S., and also training men and women in under-served areas around the world to administer vision exams and sell glasses at “[ultra-affordable](#)” prices. Warby Parker’s programs have, in many cases, given much-needed glasses to adults for the first time in their lives.

During Covid-19, [Warby Parker](#) has changed some aspects of their giving model to meet the healthcare needs of their global partners: “While we continue to fund glasses distribution where we can without compromising the health of our partners or the community, we’ve decided to temporarily shift the majority of our efforts to prioritize public health and safety. Right now, we are responding to the immediate needs of our longest-standing partner, VisionSpring, to protect healthcare workers and slow Covid-19 transmission in high-risk communities where they work — principally in India, Bangladesh and

sub-Saharan Africa.” The majority of recent Warby Parker buy one gift one donations has gone to providing PPE and prevention supplies.

### Fleet Feet Partners With Feetures To Donate Socks To First Responders

Fleet Feet, a brand [committed](#) to a number of social responsibility initiatives, [partnered](#) with sock brand Feetures for a buy one gift one program that provides socks to medical professionals in select regions throughout the U.S. Running Insights [reported](#), “Building off of Fleet Feet’s charitable arm, Do the Run Thing, they came up with a program that would support both medical professionals on the frontline and Fleet Feet stores who, like almost all small and locally owned businesses, have had to drastically alter operations over the past month. Through the Buy One, Gift One program, customers can place Feetures sock orders for curbside pick-up at their local Fleet Feet store and Feetures will match their purchase with a donation to medical professionals in select regions, up to 20,000 pairs.”

Another sock brand, Bombas, also has a buy one gift one program, with donations going to homeless shelters around the country. According to the Bombas [website](#), “Bombas has donated over 30 million clothing items through more than 3,000 Giving Partners across the country.”

During a time when several international crises are converging to make business difficult for many brands and exposing great need across communities and industries, [purpose-driven](#) marketing strategies are [gaining traction](#). And, evolving, thoughtful buy one gift one programs can be an effective way for brands to amplify their social responsibility and still keep an eye on the bottom line.



# Proprietary Adtech

## That Takes The Guesswork Out Of Generating Results

The proprietary, end-to-end advertising technology suite, developed in-house at Digital Media Solutions® (DMS), connects digital advertisers with publishers and tracks digital performance advertising data in real time, offering valuable insight into consumer behaviors and campaign performance.



(877) 236-8632  
[connect@DMSgroup.com](mailto:connect@DMSgroup.com)

# Section 4: Leveraging Ecommerce Shopping Trends To Drive Holiday Sales

## Industries Booming During COVID-19 Could Become Top Gift Purchases Among Consumers

The economic, social and emotional shifts that evolved from the global pandemic were the catalyst for rising sales in verticals related to toys and hobbies, subscription services and home goods and more. Throughout the holiday season, the hot products of 2020 are likely to get hotter.

### Food & Wine

- Consumers Are Stocking Up On Wine And Brands Need To Find Their Niche To Stay Competitive
- The Coronavirus-Related Amplification Of Specialty Meat And Seafood Deliveries
- Coffee (At Home) Wars: Battle Of The Quarantine-Friendly Brews

### Toys, Puzzles, Games & Sports

- From Puzzles To Arts & Crafts, Demand For Toys That Educate & Entertain Grows
- Cornhole & Other Non-Traditional Sports Get Off The Bench & Reach New Audiences
- Catch & Keep: New Audiences Get Hooked On Fishing During COVID-19
- Golf Marketing Tees Up For Success & Draws In New Audiences During Social Distancing

### DIY, Personalization & Photos

- DIY Brands & Retailers Likely To Have Strong Sales This Holiday Season
- Printing & Photo Brands Earn Space In Consumer's Hearts And Phones

### Mattresses, Furniture & Home Goods

- DTC Mattress Brands Optimize Marketing Strategies With Eco-Friendly Options And Charitable Partnerships
- Pools And Outdoor Toy Sales Are Gaining Popularity During Quarantine
- Garden Marketing Blooms Across The Country While People Stay Close To Home

### Subscriptions & Subscription Boxes

- Subscription Boxes Experience Growth Amidst Coronavirus
- Consumers Want Comfort & DTC Brands Evolve To Offer It
- The Subscription Industry Hones In On A New Audience: Kids

## Food And Wine:

### Consumers Are Stocking Up On Wine And Brands Need To Find Their Niche To Stay Competitive

Original Publish Date: May 5, 2020

In the early days of the coronavirus pandemic, the term “stock up” was trending on [Google](#). People everywhere were stocking up on everything including wine and alcohol. Alcohol sales [increased](#) 22% for the week ending March 28, while wine sales saw an uptick of 10% and spirits 9%, as consumers rushed to fill their fridges and bars. “It’s like New Year’s every day,” [said](#) Mark Schwartz, owner of Little Mo Wine and Spirits in New York City. Schwartz saw alcohol sales shoot up fourfold, entirely through delivery.

Ordering wine in increments of six or 12, through wine services and clubs, has been a popular choice for people self-isolating during coronavirus, with wine clubs seeing huge upticks in memberships. “Direct-to-consumer wine club Winc has seen an unprecedented 578% increase in new member sign-ups week over week,” noted an [article](#) in Forbes. Brian Smith, COO and co-founder of Winc, added “Work from home and social distancing are accelerating at-home consumption and the broader adoption of ecommerce in wine. Until now, the category [ecommerce wine] has typically lagged behind other consumer categories.”

Wine brands looking to retain customers who buy large wine orders need to offer quality selection, service and shipping. And each bulk wine brand must make it clear which niche wine shopping audience they’re seeking to attract, as the wine category has (and wine drinkers have) significant price, quality and taste ranges.

#### Wine Clubs Altering Selection, Shipping And Delivery Options

Shipping delays are adversely impacting a lot of wine delivery services and wine club deliveries, but many brands are adapting by amending their shipping costs or offering delivery options. [Firstleaf](#), an algorithm-based wine subscription service that personalizes subscribers’ wine choices based on taste, geography and other factors ascertained during an initial quiz, amended their usual wine selection process because of COVID-19 causing supply issues. In order to continue sending wine in a timely manner, Firstleaf is offering new members six of Firstleaf’s favorite wines, which Firstleaf is able to guarantee will ship quickly. Members who still want curated wine selections will have to wait longer for deliveries. Although the favorites selection is not precisely what Firstleaf typically offers in terms of personalized service, the solution gives consumers a choice, and they aren’t left empty handed.

Showing there are many options to delivery issues, Gold Medal Wine Club is offering drive-thru pick up from their Santa Barbara warehouse — with a 10% discount — for the first time ever, and Martha Stewart Wine now has free shipping for orders of six bottles or more.

#### Wineries Offer Direct-To-Consumer Deals On Bulk Buys

Although it varies from state to state, many [wineries](#) will ship cases of wine directly to consumers. During the coronavirus pandemic, wineries are changing some of their typical policies in order to get wine to their customers as easily as possible.

According to [Wine Enthusiast](#), “Hamel Family Wines in Sonoma is offering complimentary shipping and future complimentary tastings for anyone whose reservations have been canceled due to closures. And Lail Vineyards, a high-end producer of highly allocated wines, is making all of its wines available online instead of only during allocation periods, and including nationwide ground shipping on all orders of any quantity.” Typically, wineries offer discounts for orders over 12 bottles, including one cent shipping, 25% off or other incentives that make bulk ordering a good buy.



### **WSJwine Offers Spring Promotions And Leveled Club Memberships**

For some brands, forging ahead with the promotions and brand character their customers are used to can be the best way forward. Although [WSJwine](#) is experiencing some delays with delivery, the brand continues to emphasize “stock-up” promotions of 12 bottles or more on their website, including deals for springy rosé wines and “buy 12 get three free” deals at discounted prices. WSJwine also maintains several levels of wine club, which offer different price points and regions for oenophiles of every stripe. By continuing to provide the services their customers are accustomed to and promotions that may appeal to new wine buying audiences, WSJwine is encouraging both brand loyalty and new customer acquisition.

By being innovative with their offerings, promotions and delivery options, wine clubs and services that offer bulk wine ordering are able to keep wine aficionados happy. Being proactive and quickly pivoting when needed can offer benefits to brands now and when the world returns to normal.



## The Coronavirus-Related Amplification Of Specialty Meat And Seafood Deliveries

Original Publish Date: April 6, 2020

While isolating during the coronavirus (COVID-19) crisis many consumers are turning to food delivery options instead of regularly going to grocery stores. Food delivery options include [major grocery stores](#), [meal kits](#) and bulk meat and seafood orders from brands like Omaha Steaks and Wild Alaskan Company.

Wild Alaskan Company founder Arron Kallenberg [said](#) the company experienced record-breaking membership additions in March, and with less product going to restaurants, the brand is uniquely positioned to meet consumer demand during this unusual time. As isolation continues and consumers adapt their shopping habits, bulk seafood and meat brands may be able to provide needed services while amplifying their market positions and consumer engagement. Here's a round-up of a few popular delivery services.

### Porter Road Recently Added Subscriptions

This Nashville-based butcher sells 100% pasture-raised beef from Kentucky and Tennessee, with all [butchering](#) and portioning done on site at the [Porter Road](#) facility. Shipped fresh and known for quality, Porter Road recently added a subscription service. Subscribers can choose two-, four- or eight-week delivery schedules, and options range from all-beef boxes to the Grill Master, which includes sausages and other grill faves. There are also more than 20 add-ons customers can select to add into their boxes. According to Porter Road, demand is high right now, so orders are taking slightly longer than normal to ship out.

### Omaha Steaks, One Of The First Direct-To-Consumer Butchers, Is Encouraging Stock Ups

[Omaha Steaks](#), founded in 1917, is probably the most widely known bulk meat delivery company, delivering steaks since 1953. With [\\$500 million](#) in revenues worldwide, the Nebraska-based company offers more than a dozen different steak cuts, pork products, chicken, seafood, wine and meal kits. Omaha Steaks has directly addressed consumer concerns about COVID-19 food safety and handling, shipping and availability.

The brand has had major sales in recent weeks, encouraging consumers to stock up, or alternatively, send care packages to friends or employees. Omaha Steaks also donated [7,000 lbs](#) of meat to Dandelion Pop-Up, a charitable endeavor working right now to help families in Omaha suffering from food insecurity during the coronavirus pandemic.

### Wild Alaskan Company Offers Monthly Shares Of Their Sustainable Seafood

Wild Alaskan Company, which touts it's sustainable, wild caught seafood, offers consumers monthly shares or memberships. The membership option can be amended to change delivery options and include a choice of wild salmon, halibut or cod. Founded by Arron Kallenberg, the son of a commercial fisherman, Wild Alaskan Company is committed to applying the most environmentally beneficial practices to its seafood sourcing, maintaining the best policies for Alaskan wildlife and Bristol Bay. Like other similar companies, Wild Alaskan Company is experiencing some shipping delays due to increased demand, but it remains committed to business as usual. "We have not changed our prices, nor do we have any intention to do so as a result of this tragedy. We want to be part of the solution. We believe our core value proposition is good in good times and even more important in uncertain times like these," [said](#) Kallenberg.

### Crowd Cow Specializes In Meat From Independent Farmers

The Wall Street Journal calls [Crowd Cow](#) the meat delivery service “[for meat geeks](#).” Crowd Cow is focused on promoting sustainable, farm-to-table culture. The five-year old company wants consumers to know the breed they are eating, how it was raised and the farm it came from, ultimately letting customers pick the cuts they favor and choose the farm they'd prefer to order from. From Wagyu prime rib to pasture-raised turkey, Crowd Cow specializes in bespoke, high-end products via a number of formats including curated boxes and new subscription options. Crowd Cow's eco-conscious brand model is popular with younger consumers and could be appealing to those people isolating during coronavirus who want to support businesses trying to be environmentally ethical.

The benefit of bulk meat and seafood delivery options is that it allows consumers to stock-up during uncertain times, and if the quality is good and the business practices feel authentic, consumers can feel good about the purchases they are making. Bulk meat and seafood delivery brands can provide valuable services and, in doing so, can gain the trust of new customers that will ideally continue after this crisis is over.





## Coffee (At Home) Wars: Battle Of The Quarantine-Friendly Brews

Original Publish Date: May 1, 2020

Millions of consumers can't imagine a morning without a cup of hot [coffee](#) in hand, with American consumers drinking on average [two](#) cups of coffee every day. As so much of the world continues practicing [social distancing](#), packaged coffee sales soared more than 24% among retail channels during the month of March, [according](#) to recent research data from Nielsen. Looking ahead, the global coffee pod and capsule market is expected to [grow](#) from \$15.23 billion in 2017 to \$29.2 billion by 2025, encouraging many at-home coffee brands to get creative in their marketing strategies in order to get ahead.

### Folgers Refreshes Brand Identity Just In Time For Sales Spike

Folgers, a brand of J.M. Smuckers, was the leading brand of regular ground coffee in the U.S. in 2019, ranking high with consumers and earning more than [\\$1 billion](#) in revenue. With plans of entering into 2020 with that same competitive edge, Folgers launched a fresh take on its classic "The Best Part of Wakin' Up Is Folgers in Your Cup" campaign. The effort aims to break the tension of stressful mornings with a hot cup of Folgers coffee. The campaign ran across three broadcast spots, online video, digital banners, social media and digital radio as part of the Folgers approach to drive brand growth among younger consumers and make the [iconic](#) Folgers name more relevant to [Millennials](#) and [Gen Z](#).

"Over the last year we have been on a journey to transform our brands creatively, and we now have proof points in this new creative work for Folgers Coffee," said [Liz Mayer](#), J.M. Smucker Consumer Engagement & Omnichannel Customer Marketing Lead. "We needed to reinvigorate what is ownable to the brand's DNA, yet do it in a modern, relatable way and the new campaign delivers just that."

### Keurig Creates A Discounted "Starter Kit" To Entice Sales

Keurig is capitalizing on the rise of consumers spending more time — and drinking more coffee — at home, with the creation of the Keurig "Starter Kit." Consumers simply "build" their coffee kits by picking their machines, pods and delivery schedules. Consumers who [create kits](#) will receive 50% off select Keurig machines, 20% off the coffee pods or bags and free shipping. The only catch is that consumers must commit to an auto-delivery schedule and buy at least 16 boxes of pods and/or bags of Keurig coffee over the course of a year.

Keurig CEO [Bob Gamgort](#) also recently vowed to make single pods in the U.S. [recyclable](#) by the end of 2020, stating, "It's part of a bigger program to make sure that our environmental footprint is down." Gamgort hopes the brand's commitment to reduce its use of energy, water and solid waste, and use more recyclable products, will attract younger consumers, as he noted this generation wants "healthier products and those products that have a much lower impact on the [environment](#)."

### DTC Coffee Company 'Trade' Launches Virtual Campaign

[Direct-to-consumer](#) (DTC) subscription coffee service Trade hopped on the [virtual](#) meetup craze for their latest marketing campaign. Releasing its first video ad, Trade highlighted the appeal of getting together virtually for coffee during the pandemic, showing a dozen Trade employees discussing the bizarre "new normal" the world is living in. Each employee shot video footage from their personal phones, while receiving direction from a director via one of the video panels. The ad strategically places information about Trade's coffee delivery capabilities along with its vow to donate \$2 from the first bag in every order to support roasters and baristas affected by the closure of coffee shops.

Trade's recent campaign aims to build brand awareness through uplifting messaging and by tapping into the current videoconferencing uptick on platforms like Zoom to both work and socialize. The ad sends a

positive message of acknowledging the bizarre and uncertain times we are living in, while encouraging consumers to look on the bright side using the phrase, “at least we have coffee.” Trade’s subtle nod to its donations to coffee shop employees has the potential of appealing to consumers who want to purchase from brands that share their values and are interested in hearing how brands are [helping](#) out communities in response to the pandemic.

At-home coffee sales are falling in line with the “pantry-loading” effect we are seeing much of the country adapting as consumers continue to limit their shopping to the bare necessities. For at-home coffee brands trying to remain a must-have item in the eyes of consumers, marketers will need to showcase their convenience and unique offerings to compete in what has become a crowded space.



## Toys, Puzzles, Games & Sports:

### From Puzzles To Arts & Crafts, Demand For Toys That Educate & Entertain Grows

Original Publish Date: April 28, 2020

Someday this period of self-isolation will be over, and though we don't know when that will be, one thing is certain: there will be many stories to tell. Some serious, some funny, and a lot about managing [homeschool](#). Parents worldwide have gone from being parents to being educators, counselors, coaches, referees and parents. (And many while also working full time.) Depending on the age of the children, this is at best time-consuming and at worst, very, very difficult, so it's no surprise that, since quarantines began, there have been significant upticks in toy sales. Many of these toys help with homeschooling and with keeping kids and parents entertained during the long days at home.

"Consumers have prepared for their family's survival over an extended period by stocking up on the basic necessities, but as schools and workplaces closed, phase two of the big scramble began. U.S. parents loaded up on things to keep their kids occupied at home, help them navigate their new homeschooling situation, and to also be a source of entertainment for the whole family as we spend more time at home," [said](#) Juli Lennett, toys industry advisor from market research group NPD.

#### Toy Brands Are Seeing Major Sales Boosts During Self-Isolation

Many major toy brands are seeing huge sales growth since self-isolation began in March. "Toys that keep kids busy for a long time, or at least 45 minutes, while parents are working at home are what's soaring," [said](#) Isaac Larian, Chief Executive of Los Angeles-based MGA Entertainment. Larian notes that sales of Little Tikes brand of toys were up 100% year over year in March, adding, "We have never seen that before."

Similarly, Jay Foreman, Chief Executive at Basic Fun, [indicated](#) sales of Lite-Brite on [Amazon](#) were up 800% during the later weeks of March, and demand for building toys like Lincoln Logs and K'nex were also high.

MGA is hosting the [#WorldsBiggestPlayDate](#) (WBPD) on May 16, encouraging families to join in at home by downloading MGA's free party kits and entering the WBPD sweepstakes for a chance to win a grand prize package of toys. Last year, the WBPD was a big, live event in Pasadena, CA, but MGA created a virtual party this year because of social distancing requirements.

#### Adults Are Also Enjoying Puzzles And Playing Games During Quarantine

Many of the [toy sales](#) seeing upticks are enjoyed by the whole family, like puzzles. According to a recent CNBC [article](#), "Gamemaker Ravensburger has seen U.S. puzzle sales soar 370% year over year in the past two weeks." Board games including Monopoly, Scrabble and Clue have also been popular choices. Puzzles, board games and LEGO sets also offer fun for the whole family, allowing parents and kids to bond in a way that is enjoyable, instead of stressful, and which keeps kids off screens for at least part of the day.

An article from [The Guardian](#) on toy sales in the UK reported, "LEGO's Technic sets for a Bugatti and a Land Rover Defender were also among the top-selling toys, with total building set sales up by 59%." Sales numbers are from [NPD](#), for the week ending March 21. According to Rachael Larkman, a toy buyer for British department store John Lewis, it's likely the pricey LEGO kits may have been bought by adults using their extra time to finally tackle these complicated kits. Overall LEGO sales at John Lewis have risen threefold since self-isolation began, with Larkman noting, "There is a growing demand from parents for toys which provide an educational element to play."



LEGO launched #LetsBuildTogether, a social media campaign encouraging kids and families to share their LEGO builds online. LEGO is posting daily build challenges and charming educational posts on [Twitter](#) and [Instagram](#) to encourage participation and engagement with the interactive campaign.

### **Arts & Crafts And Outdoor Toys See Big Gains While Kids Are Learning At Home**

In addition to classic toys that are good for learning and play, NPD reports parents are also turning to activity-based toys, books and art supplies. Many of these items are for homeschooling, but the art supplies in particular are finding use for crafts that have been trending during self-isolation because of [coronavirus](#).

"The strongest growth in the office supplies space is tied to both traditional school supply list products and art and drawing activities. Current trending activities include rainbow scavenger hunts, kindness art and messaging, stained glass sidewalk chalk art, chalk games and car parade celebrations where consumers make signs for one another," [said](#) Leen Nsouli, office supplies industry analyst at NPD. "To spread kindness and make connections with one another while simultaneously social distancing, consumers are becoming very creative in how they interact."

Of course, gym classes are also part of regular school days, not to mention the need to tire out cooped-up kids, so it's not surprising [play equipment](#) like trampolines have also seen increased sales, up [20%](#) for the week of March 21.

### **While Amazon Prioritized Essential Items, Some Small Toy Stores Benefitted**

During the early days of quarantine, Amazon [announced](#) they would be prioritizing delivery of essential items, which drove some parents to smaller toy stores for their homeschool stock-ups. Many parents didn't want to wait for shipping delays or were worried about supply issues, and instead they flocked to their local toy stores for arts and crafts. Mary Arnold Toys, a family-owned toy store in New York City that's been in business for 85 years, saw holiday-type traffic during the first week that COVID-19 became a serious issue. After closing to in-store business, Mary Arnold Toys pivoted to puzzle, game and book bundles that can be delivered. "I'm hoping when the crisis is over, people will remember to support local businesses a little bit more," [said](#) Mary Arnold Toys owner Judy Ishayik

Many toy brands are making [philanthropic](#) donations to COVID-19 related charities and are offering support in other ways to harried parents. It's essential for indoor toy brands to stay top of mind for parents and kids, as sales will likely slow once parents have what they need and the summer provides a respite from homeschooling and offers more time outside. Brands must differentiate themselves from one another and effectively engage consumers to build relationships that will continue into the new school year, and after self-isolation ends.

## Cornhole & Other Non-Traditional Sports Get Off The Bench & Reach New Audiences

Original Publish Date: June 11, 2020

After nearly three months without America's dominant national sports games, some fans might (temporarily) bench the NBA, [NFL](#), NHL and MLB to embrace a new variety of unique professional sports. Mainstream [sports](#) have sat on the sidelines as cornhole, spike ball, disc golf and stone-skipping drew in audiences during televised socially distant and crowd-less matches.

### Traditional Sports Viewership & Participation Is Declining

Major sports leagues such as the NFL, MLB and NBA have been struggling over the past decade to retain their audiences' attention. [52% of adults](#) in the U.S. now watch sports only once a month or less. Likewise, a recent university study reported participation in football, basketball, baseball and soccer among 7-17 year olds has [steadily declined for the past 15 years](#). In addition to falling viewership and participation, the technology boom may also be contributing to the decline of traditional sports. While the expansion of [streaming services](#) and the growth of [social media](#) have allowed fans to watch their favorite teams from anywhere and any device on-demand, technology has also relieved fans from the pressure of having to watch sports games live.

### Non-Traditional Sports Rank High Among Younger Consumers

Sports fans are an aging demographic across nearly every major U.S. traditional sports leagues. For the 2017-2018 sports season, the [average age of TV audiences](#) was above 40 for each major U.S. sport:

- NFL: 50 years old
- MLB: 57 years old
- NHL: 49 years old
- NBA: 42 years old

The experience of watching, participating and engaging with sports entertainment has evolved. [Millennials](#) and [Gen Zers](#) are not embracing mainstream sports the same way as prior generations, and younger consumers are not limited to developing sports interest and enthusiasm based on sports offered in school or local programs. Gen Zers and Millennials also want to participate in sports that align with their values of inclusivity and community instead of athletic prowess and competition. According to a recent study by Whistle Sports, [57% of Gen Zers](#) said they feel, "non-traditional sports are more relevant to their generation than traditional sports," and [52% of Gen Z males](#) said they prefer non-traditional sports overall. The study also revealed that Gen Z prioritized activities they could [recreate with their friends](#) and noted traditional sports do not promote the same feeling of participation and inclusion. In 2020, YPulse sports research showed [70% of males ages 13-37](#) surveyed on their sports viewing habits said they do not need to watch traditional sports to feel up to date or relevant.

### Non-Traditional Sports Have Young And Growing Audiences:

#### Disc Golf's Casual Culture Attracts Consumers

Since its inception in 2009, disc golf has experienced a meteoric rise in participation. Although disc golf has rules similar to golf, it's informal and relaxed structure attracts many players without intimidation. According to the Professional Disc Golf Association (PDGA), in 2019, there were [53,000 active players](#) across the country, with 66% of disc golf players aged 39 and younger. The PDGA has an active social media presence, too, with 105,000 [Facebook](#) followers, 31,000 [Twitter](#) followers and 77,000 [Instagram](#) followers.

### **Spike Ball Creates An Inclusive Community**

Launched in 2008, Spikeball now touts 4 million players globally. In 2015, Spikeball was featured as a product on ABC's Shark Tank, and the sport has since grown into a community of players and fans. The Spikeball game is recommended for anyone 10 years and older, and most avid players are under 30. According to the brand's website, [Spikeball's mission](#) is, "to bring people together through competition and fun." Spikeball's ten core values promote community, connectedness, inclusion, individuality, creativity and fun.

### **Pickleball Goes After Multi-Generational Appeal**

Pickleball combines elements of tennis, ping pong and badminton and can be played indoors or outdoors. According to the USA Pickleball Association (USAPA), there were 3.3 million pickleball players in the U.S. in 2019. And although pickleball is regularly promoted to the silver-haired crowd, 44% of the core and casual pickleball players aged 34 or younger. The [USAPA attributes](#) the growth of pickleball to the sports, "friendly, social nature, and its multi-generational appeal."

### **Cornhole Grows Footprint With ESPN Partnership**

Cornhole, once a beloved backyard game and tailgate activity, has grown into a professional sport with pro-players and live coverage. The American Cornhole League (ACL) signed its first contract with ESPN in 2016 and aired its debut professional cornhole match live on ESPN2 in July 2017. Since then, the ACL has extended its contract with ESPN, expanding its content to include nine events and 30 hours of original programming featuring matches between amateur, collegiate and professionally ranked players across ESPN's platforms. ACL Commissioner and Founder [Stacey Moore said](#), "Our collaboration with ESPN has not only helped to further legitimize the sport of cornhole, it's given us exposure to a wide audience of sports fans to appreciate the game."

ACL relies on digital channels to maintain its growth trajectory, with 94,000 fans on Facebook and 33,000 followers on Instagram. [ACL's Facebook page](#) features videos on trick shots, professional matches, player interviews and cornhole culture. In March, ACL partnered with large sponsors for their [#TrickShotsForGood UGC](#) social challenge. For every trick cornhole shot posted tagging Johnsonville, the national sausage brand donated \$1 to the [Robin Roberts Cancer Thrivership Fund](#). Furthering its digital footprint, in August 2019, ACL relaunched its video platform as the ACL Digital Network on [iplayacl.com](#). The [ACL Digital Network](#) is a netflix-like experience for cornhole content viewing where users can access live and on-demand content from a variety of platforms and gain access to premium subscription content.

### **The Early Return Of ESPN: The Ocho & Shifting Consumer Demand**

Since 2017, every August 8, [ESPN](#) pays tribute to the cult classic comedy movie Dodgeball with a 24-hour broadcast of "The Ocho," airing lower-tier, quirky and often non-televised sporting matches. "The Ocho" provides a spotlight on non-traditional sports such as professional arm wrestling, disc golf championships, spike ball tournaments and cornhole matches. With COVID-19 quarantine creating content desperation among broadcast producers, ESPN decided to bring "The Ocho" back on March 22 via ESPN2 in an effort to satisfy its audience's growing need for new sports content amidst the [coronavirus](#) and absence of the NFL, NHL, MLB, NBA and other traditional pro-sports. The early launch of "The Ocho" could also signal ESPN's latest audience targeting strategy. In the programming announcement for the 4th annual "The Ocho" day, [ESPN said](#), "There is never a bad time to celebrate creativity and athletes at the top of their sport, no matter how weird or obscure it [the sport] might be. We at ESPN 8: The Ocho salute those who are blazing new trails with marbles and reaching new heights by stacking cups."

### Brands Teaming Up With Non-Traditional Sports Gain Authentic Access To Younger Audiences

As viewership demographics and fan bases change, brands who team up with non-traditional sports can reach new audiences. Interest in newer sports like cornhole, disc golf, pickle ball and spike ball are growing by the thousands. Similarly, [eSports](#) has been growing rapidly, currently captivating a global audience of 443 billion and generating more than \$1 billion in revenue. Because both non-traditional sports and eSports rely heavily on digital platforms for promotion, the sports associations and brands that partner with them can gain in-depth insights on their fans and viewers. Brands that capitalize on the opportunity to strategically [partner](#) with non-traditional sports and eSports can connect with younger audiences in new ways.



## Catch & Keep: New Audiences Get Hooked On Fishing During COVID-19

Original Publish Date: September 16, 2020

As a result of the global pandemic, consumer behaviors and values evolved, and many people developed interests in new hobbies and forms of entertainment. At-home hobbies were the first to take hold, for obvious reasons, but the summer months found people outside enjoying all that nature has to offer. From fly fishing in rivers to recreational fishing near the shore line, fishing has soared in popularity during COVID-19. Sports, outdoor and active apparel brands, like Columbia Sportswear, and fishing-related nonprofit organizations have an opportunity to innovate their marketing strategies to retain new numbers of fishing enthusiasts and build brand loyalty, turning this new trend from fad to future conversions.

### COVID-19 Hooked More Consumers On Recreational Fishing

The slow, serene nature and outdoor setting of fishing, coupled with the ability to enjoy time alone or with others at a safe distance, has positioned fishing to be an ideal distraction during COVID-19. The need to find a socially distant activity, engage in a calming hobby and spend time safely outside all created the perfect scenario for the rise of anglers (people who fish with a rod and line) in the U.S. Fly-fishing, especially, discourages crowds, as the activity suggests a [minimal distance of 75 feet](#) from one angler to another for safety.

According to the [Recreational Boating and Fishing Foundation \(RBFF\)](#) “2020 Special Report On Fishing,” [3.1 million](#) consumers tried fishing for the first time in 2020, growing the total number of U.S. consumers who fish recreationally up to more than [50 million](#). During Q2, the number of fishing licenses in the U.S. jumped 10.2% compared to the same period in 2019.

The need for escapism and serenity are key influencers driving interest among new fishing participants. Among all first-time fishers, [59%](#) noted the desire for a stress-free activity as their main motivator for participating, with interest in an outdoor activity a close second. Prior to their first fishing excursion, 71% of all first-time participants believed fishing would be relaxing and unwinding. Most consumers who fish typically engage in the sport while enjoying another outdoor activity. Specifically, 84% of campers noted that they engage in some sort of fishing activity.

### Fishing Brands Could Bait New Consumer Segments As Interest Grows

Despite challenges brick-and mortar stores are facing during the pandemic, the sports fishing equipment market is estimated to grow by [3.5%](#) this year, as the effects of COVID-19 encouraged a broader audience to embrace fishing.

### Female Participation In Fishing Is At An All-Time High

After a decade of fishing participation among women remaining relatively flat, in 2020 the number of female fishing participants grew by 3%, with the most growth among girls ages 13 to 17. According to RBFF, [35%](#) of female fishers claimed they would like to fish more often.

### Hispanics Represent The Fastest Growing Fishing Audience Segment

Year over year, fishing participation among Hispanics grew by 4%. In 2020, the total number of Hispanics who fish hit 4.4 million. Among all ethnic groups, Hispanic people represent the largest segment of new anglers. Additionally, in 2020, Hispanic fishing participants planned or attended more annual fishing outings than the average angler, 20.3 times per year compared to 17.5.



## Columbia Sportswear Launches Partnership To Retain Diverse Fishing Audiences

Major sports apparel brand, [Columbia Sportswear](#) took steps to connect with younger and more diverse audiences in its latest brand partnership. Last month, Columbia Sportswear announced avid fishing, hiking and outdoor enthusiast and [NASCAR](#) star Darrell “Bubba” Wallace Jr. as their newest brand ambassador. Wallace is known as the, “fastest fish on the track,” and Columbia Sportswear stresses this on their [dedicated Instagram highlight](#) about Bubba.

Although consumer interest in fishing and outdoor activities is high, Columbia Sportswear stores struggled during mandatory closures for parts of 2020. With an opportunity to recover and capitalize on new consumer interest, Columbia Sportswear’s announcement of their partnership with a 26-year-old African-American race car driver is perfectly timed to connect with diverse Gen Z and Millennial audiences. In a press release Wallace [said](#), “Columbia Sportswear is a perfect fit for my lifestyle away from the track. I love spending time outdoors — boating, golfing, hiking, photography — just anything to help me decompress from a hectic racing schedule.”

## Outdoor Sporting & Apparel Brands Need To Focus On Catching & Retaining New Audiences

During 2020, many Americans developed a heightened interest in outdoor activities causing a [boom](#) in [outdoor product sales](#). Johnson Outdoors CEO Hele Johnson-Leipold [told reporter Tom Ryan of RetailWire](#), “[Consumers] are eager for recreational activities that are rejuvenating to the mind, body and spirit and safe to enjoy.” Brands selling fishing equipment and apparel have the opportunity to convert casual anglers into life-long customers, but digital marketers representing outdoor and fishing brands will need continued focus on engagement of new audiences to maintain mindshare.

The RBFF’s audience expansion campaigns, such as [Women Making Waves](#) designed for women audiences and [Vamos a Pescar](#) for Hispanic audiences, will continue to engage diverse audiences. Fishing outdoor brand marketers may want to support the messages of the RBFF as they continue promoting all types of fishing activities as fun, relaxing and low-cost ways to enjoy the outdoors no matter how the effects of COVID-19 evolve.





## Golf Marketing Tees Up For Success & Draws In New Audiences During Social Distancing

Original Publish Date: May 29, 2020

The NBA resorted to playing HORSE. Baseball's spring training came to a screeching halt. And the NFL hosted its iconic annual draft in a fully virtual format from Commission Roger Goodell's man cave. While most sports suffered as a result of social distancing, golf hit a hole in one with new audiences and is experiencing positive growth. The allure of the outdoors, a new abundance of free time and the opportunity to stay active while six feet from other players is attracting new segments of players to tee up and head to the green.

### Golf Is A Growing Sport In America

Even before COVID-19, interest in golf was gaining traction among new players and was a major U.S. sport. 34.2 million Americans teed off in 2019 while one out of every three Americans played golf, watched golf or read about the \$84 billion golf industry last year. Increased exposure to the once exclusive sport, from golf games and venues like Topgolf, Drive Shack and indoor simulators, are supporting golf's popularity growth.

### Golf Is Gaining Traction With First-Time Audiences

2019 was a banner year for new golfers, with 2.5 million people playing golf on a course for the first time — breaking the previous industry record which was set in 2000, when the height of Tiger Woods' popularity drove 2.4 million new players to the green.

### Golf Is Attracting Millennials & Gen Z Players

Even though the game debuted in the 15th century, golf's largest player segment is represented by some of the youngest generations, with 6.1 million players ages 18-34 steadily increasing their engagement with the sport every year. AdAge suggests that Millennials are now helping to revive the sport that was once ill-aligned with their consumer values.

### More Women & Girls Are Becoming Interested In Golf

According to the National Golf Foundation (NGF), 5.6 million golfers are adult women, with the number of women playing on golf courses steadily rising since 2012. In addition to appealing to more adult women, 36% of junior golfers (players under 18) are girls. In 2018, the LPGA launched the #inviteHER campaign to encourage women participating on off-course activities to feel welcome on the green for rounds of golf play. Executive Director of the LPGA Amateur Golf Association Jane Geddes, said, "We are committed to promoting an environment that makes all females feel more comfortable on the course so they develop into lifetime golfers."

### Recent Golf Sales Reflect A New Golfer

From March 1st through the 19th, golf courses in Somerset County, NJ experienced a dramatic 300% increase in the number of rounds played compared to March 2019. Golf courses around the U.S. reported similar surges. Meanwhile, Google shopping insights show that search volume for "golf" doubled from mid-March to mid-May.

Consumers are searching for limited-contact activities that allow them to safely be outdoors and active. As such, according to retail sales tracker, NPD Group, sales of off-course golf equipment soared in March. Sales of golf nets and screens, specifically, rose 144% and sales of putting and swinging mats increased 138% year over year. Interest in golf products could be an indicator of shifting consumer values. In an NDP press release, Senior Industry Advisor Matt Powell said, "The consumer lifestyle shift, as a result of

the current circumstances, has put the sports business in a unique position compared to most other industries. I anticipate we'll see a renewed emphasis on health and fitness for the long term."

Online golf retailers are feeling positive. Ed Byman, CEO of Global Value Commerce (GVC), owner of GlobalGolf.com, GlobalGolf.ca, 3balls.com and FairwayStyles.com, believes 2020 is a time for golf retailers to shine. "People are value-oriented right now," Byman said, "They still want to play, but instead of that \$550 driver, they might buy a \$299 driver."

### **In-Store Equipment & Product Sales Return To Golf Courses & Off-Course Retailers**

While the number of golfers actively playing is important, a majority of golf courses rely on the positive impact of in-store equipment, merchandise and related product sales to drive their revenues. During the height of mandated shutdowns in March and April, approximately 70% of golf retailers were closed to the public.

But, as states begin to re-open, golf retailers and on-course pro shops are inviting customers back in, allowing them to complete transactions and browse items in brick-and-mortar locations. With the exception of Michigan, New Jersey, Illinois and New York, by May 25th, 79% of golf retail stores and 66% of on-course golf shops were open and accessible for customers.

PGA Tour Superstore President and CEO Dick Sullivan noted in-store sales from the first two weeks of May were higher than the full month of May 2019\*. Sullivan said, "Some of it is pent-up demand, but this is the one sport that provides so many benefits — not only the health benefits of being outside and the exercise, but this great 400-year old game that's built on relationships." Core golfers (golfers who play a minimum of eight rounds of golf in a 12 month period) surveyed by the National Golf Foundation (NGF) noted that they are shifting their discretionary spending away from activities like travel, dining and entertainment. Continued consumer spending shifts could encourage golfers of all kinds to spend more on playing a game that allows them to enjoy the outdoors while practicing social distancing.

### **How Can Golf Hit A Hole-In-One & Retain New Audiences**

Innovative marketing initiatives such as LPGA's #inviteHER campaign and "The Match: Champions For Charity," which featured PGA superstars Tiger Woods and Phil Michelson playing alongside NFL legends Peyton Manning and Tom Brady, demonstrate how one of the oldest sports in the world can appeal to new audiences with fresh approaches. To maintain its positive momentum with new audiences, the golf industry and brands within will need to learn as much as they can about their new audiences and their reasons for playing, which are likely to be different than their parents' reasons for playing a round of golf. Marketers of golf should prioritize promoting positive and inclusive player experiences, as new golfers are looking to learn the game without feeling stressed or ostracized.

By learning more about the values and habits of their new audiences, golf brands have an opportunity to expand their reach and convert moderately interested players into lifetime golfers.

*\*(Note: Sales performance from May 2019 was compared to an equal number of stores open for business during the first two weeks of May 2020)*

## DIY, Personalization & Photo Brands:

### DIY Brands & Retailers Likely To Have Strong Sales This Holiday Season

Original publish date: September 24, 2020

The [pandemic](#) has introduced several new shopping behaviors among consumers, with many do it yourself (DIY) projects landing at the top of the popular trends list. “DIY creativity is at an all-time high. People, brands and everyone are so starving for human interaction that the content we’re seeing now is a little more honest, a little more direct, a little more personal and human,” said [TJ Leonard](#), CEO of stock media company Storyblocks.

As we enter into the final months of 2020 and the holiday season, brands and retailers are preparing for a different kind of holiday shopping experience, as they expand and invest in DIY offerings. From [hardware](#) stores to craft suppliers to major beauty brands, the rise of DIYers and growing desire for DIY options is trickling into the winter months, with consumers straying from experiential gifts and gravitating toward more thoughtful, relevant options.

#### Home Depot Taps Pinterest To Promote Thoughtful, Homemade Gifts For The Holidays

Home Depot [shared](#) its plans to adjust its 2020 holiday strategy in order to fit the needs and habits of today’s pandemic-friendly, DIY-loving consumer.

With many shoppers relying on Home Depot over the years for their holiday décor and similar festive needs, the home improvement retailer is expanding its holiday offerings by collaborating with [Pinterest](#) to encourage consumers to [create](#) “meaningful homemade gifts” this year. Home Depot also [announced](#) it will offer Black Friday specials for nearly two months and share holiday promotions on its mobile app.

Home Depot is capitalizing on the momentum it has experienced since the start of the pandemic and simultaneous DIY boom in an effort to continue its upward trajectory throughout this uncertain holiday season. Home Depot [reported](#) a major spike in revenue, with digital sales doubling during Q2, average purchases for consumers jumping 10% year over year and in-store shopping increasing by 25%.

#### Michaels Invests In Experiential Stores For DIY Shoppers

Michaels craft store expanded its already significant DIY offerings by [opening](#) two additional “test and learn concept stores” in an effort to give DIYers or “makers,” as the retailer calls them, a more interactive shopping experience.

Each of the Michaels concept stores [features](#) “trend hubs,” where shoppers can physically feel and test out any product — from markers to craft kits — before purchasing. Additionally, each store will [contain](#) a new feature called the “maker space,” where makers can participate in classes, follow along on screens to virtual crafting lessons and more.

“At Michaels, we are here for the maker, and the launch of our new concept stores is another way we are creating a more immersive and impactful experience for them,” says [Ron Stoupa](#), Michaels Senior Vice President of Marketing. “We are committed to testing and learning all we can around the wants and needs of our customers so we can provide the most engaging store experience.”

#### Walmart Dives Deeper Into The DIY Scene Through Network Partnerships

[Walmart](#) recently [partnered](#) with Discovery and the HGTV network for a new series, “Design At Your Door,” which follows home makeovers taking place during the pandemic. Each episode features products from

Walmart's home goods line and shows the products used throughout the home improvement process. The Walmart/HGTV collaboration will also highlight Walmart's products on Discovery's social channels and "[shoppable articles](#)" on the HGTV website. "We felt there was a great opportunity to show how people could shop from home, safely and contact-free, without having to compromise on price, style and assortment," said [Jill Toscano](#), Walmart's Vice President of Media.

For Walmart, partnering with a DIY giant like HGTV positions the retailer in front of a massive audience that is actively seeking DIY projects and potential purchases. And, with the holiday season looming, joining forces with the "Design At Your Door" series proves Walmart's ability to quickly pivot in order to spotlight the products consumers are gravitating toward ahead of one of the busiest shopping seasons.

### **Beauty Brands Continue To Capitalize On The DIY Boom**

Since the start of the pandemic, beauty brands have seen an [increased](#) use of Pinterest among consumers searching for products related to "wellness, self-care and DIY beauty treatment," causing major brands like [L'Oréal](#) and Aveda to [expand](#) their activity on the platform. "97% of searches on the platform [Pinterest] are unbranded. That [un-branded searches on Pinterest] allows brands to play into inspirational and trend-driven content, such as seasonal looks, that might not get as much engagement on other platforms," said [Rachel Goodman](#), Head of Beauty Partnerships at Pinterest.

Throughout Q2 and into Q3, popular beauty brand Butter London saw an [80%](#) spike in sales, which, according to the brand's General Manager Julie Campbell, is due entirely to the increased interest in DIY manicures. (At-home nail care experienced a jump in sales for the first time in [five](#) years during the start of the pandemic.) "What we're seeing is people are coming into the brand [Butter London], in particular for treatments and treatment kits," said [Campbell](#). "We are seeing our largest growth segment in the age range of 25-34 — people who grew up going to nail salons. They love their gel or SNS powder manicures, and realize they have to take this into their own hands now."

As a result of increased consumer demand, Butter London [added](#) additional DIY options and information across its social media channels and [increased](#) its ad spend "through Google keywords like 'at-home gel manicure' and 'nail treatment.'"

The holidays will inevitably look different this year, meaning brands and retailers must be able to quickly pivot to meet consumers' evolving habits and demands. Trends like the popularity of DIY options have remained on a steady uphill climb, with all signs pointing to the DIY-craze significantly impacting purchase behavior during this year's holiday shopping season. In order to remain competitive during a peak spending period, brands and [retailers](#) must alter their traditional holiday offerings to reflect consumers' growing desire for DIY products.

## Printing & Photo Brands Earn Space In Consumer's Hearts And Phones

Original Publish Date: July 30, 2020

Say, "Cheese!" From family photos to #nofilter selfies, throughout the digital revolution, consumers have not waned in their affection for printed and framed photos. According to global research firm Technavio, the photo printing and merchandising market was expected to grow [5% from 2019 to 2020](#) and continue expanding to reach a valuation of [\\$4.68 billion by 2024](#). While societal shifts from COVID-19 may be preventing consumers from taking photos of travel, gatherings and celebrations, the pandemic may have heightened feelings of nostalgia and the need for connection, thereby adding new value to printed photos and related items.

With more consumers spending a greater number of hours per day and week on mobile devices, major printing brands like Shutterfly, Snapfish, Keepsake and Vistaprint have positioned their mobile apps as solutions for consumers seeking the permanency of print products for personal and professional needs.

### Shutterfly Attracts Users With Storage Capabilities & Easy Mobile Ordering

Today, Shutterfly serves more than 10 million active customers, processing some 26 million orders per year. Mobile innovation has remained a primary goal for Shutterfly. Acquired in 2019 by [Apollo Global Management LLC](#), the company merged with Snapfish and expanded its product offerings and tech capabilities. Enhanced options and functionality for photo preservation and sharing has kept Shutterfly at the forefront of the industry. President and CEO [Hilary Schneider stresses](#) how customer-engagement and personalization have been critical to Shutterfly's ongoing success in a competitive market.

Shutterfly employs its [app](#) to draw in new customers and re-engage users with attractive offers. Although Shutterfly allows members to purchase photo prints and related items directly through its website, the digital photo brand encourages users to download the app, incentivizing them with exclusive app-only discounts and products. To ensure a [seamless customer experience](#), Shutterfly promotes a variety of [payment options](#) including Paypal and Apple Pay.

Shutterfly also engages its customers through social media, with relevant live classes and how-to sessions hosted on its [Facebook page](#). With [1.3 million Facebook followers](#) and nearly 200,000 [Instagram](#) followers, Shutterfly has united the interest of its customers by sharing #MyShutterfly user generated content (UGC) along with special sweepstakes opportunities, promo codes and photo hacks. With a community of 109,000 Pinterest followers, Shutterfly uses pinboards focused on life's special moments, from wedding to baby, the nostalgia of seasonal activities and lifestyle tips, like gifting and home decor. Across its brand channels, Shutterfly reminds consumers to "Let your camera roll shine" and "Relive your favorite moments."

### SnapFish Members Can Create Photobooks On The App

With more than 100 million members, [Snapfish](#) is one of the largest digital photo brands in the market. Going one step beyond photo printing services, the Snapfish app and website helps consumers turn photos into a wide array of personalized products. According to Snapfish, the photo brand gains nearly 1 million new members each month. As of 2019, Snapfish is under the [same ownership umbrella](#) as Shutterfly. And, similar to Shutterfly, Snapfish allows users to customize a variety of products through personalized photos, easily ordered photo prints stored on mobile devices and unique photo books featuring collages of consumer memories. Unlike Shutterfly, consumers can use Snapfish's mobile app to create coveted photo books. With the tagline, "Snap.Print.Save," SnapFish reminds consumers that it is as cost effective as it is efficient for ordering photo products. In 2020, SnapFish was [recognized by PCMag](#) for the best digital photo app in the low-cost category.

Snapfish seems to be targeting a slightly younger audience, with much of its social content aimed toward the needs of [Gen Z](#), featuring content such as [dorm decor](#), travel and DIY gifting tips. SnapFish's latest campaign launched this month with clear inspiration from recent societal shifts that have more consumers spending time at home and embracing the stay-cation. The SnapFish [summer photo scavenger hunt](#) is a [UGC campaign](#) that encourages families to complete a list of photos together. After capturing the moments on the list, consumers are encouraged to share their photos tagging @snapfishus.

## **Keepsake**

Founded in 2015, [Keepsake](#) is an online framing company that empowers consumers to have the photos on their phones professionally printed, framed and shipped right to their doors. According to Keepsake's company fact sheet, its framing app — free and available in the Apple and Google Play stores — has more than 100,000 users. With [48,000 followers on Facebook](#) and [29,000 followers on Instagram](#), Keepsake engages its community of customers with content that inspires them to take photos off their phones and give them life beyond the screen. Keepsake's Instagram profile emotes the feelings of a young, fresh and positive friend. From graphic posts to blog articles, Keepsake's content encourages consumers to turn the photos that would typically get lost on social media into art for their homes or the ideal personal gift.

## **Vistaprint Pivots To Make Business Cards Relevant During Virtual Networking**

Vistaprint is not a photo brand, but it is synonymous with printing needs. [Vistaprint](#) markets its services as an essential and cost effective solution for small business owners looking to expand their footprints and grow awareness among local consumers. The Vistaprint website features "[Ideas and Advice](#)" where users can find an array of articles offering business tips, basic marketing best practices, guides and templates useful for small business owners.

While the list of products Vistaprint offers seems never ending, one of its staple products has been its customized business cards. With [COVID-19](#) drastically changing the way people interact with strangers and aiding in the rise of virtual business meetings, the business card might seem irrelevant in a post COVID-19 world. Vistaprint, however, disagreed. Instead, the brand began increasing its promotion of its mobile app, [My Vista](#), as an innovative way to share business cards virtually. The app currently has more than 100,000 downloads and helps users share fully customized, professional business cards without the traditional exchange of printed items.

## **Securing Real Estate On Mobile Devices Is Key To the Growth Of Printing & Photo Businesses**

Although taking photos, framing art and passing out business cards are familiar practices to many consumers, all three of these actions relate to pastimes that could feel old-fashioned and obsolete in the current environment. Photos and printed items are unique because they are inherently aligned with sentiments related to the idea of preservation and permanency. To remain relevant and sustain growth in an evolving digital age, photo and print brands must continue to connect with the changing needs of their audiences. Driving traffic to a brand's website is not enough when the product lives on mobile devices. For digital marketers looking to reach new audiences and scale customer acquisition, a [mobile-first marketing](#) approach is essential. Consumers want to give new life to products that ignite feelings of togetherness, nostalgia and connection, but they want to do it by remaining where they are — on mobile. The experience of ordering photo and print products must feel as native as checking email or opening social media apps. Creating mobile apps that promote positive, simple, effective and enjoyable photo and print product experiences is vital to the sustainability of success for brands like Shutterfly, SnapFish, Keepsake and Vistaprint.



## Mattress, Furniture & Home Goods:

### DTC Mattress Brands Optimize Marketing Strategies With Eco-Friendly Options And Charitable Partnerships

Original Publish Date: July 29, 2020

Last year, [45%](#) of mattresses sold were purchased online, and 12% of all mattress sales were with direct-to-consumer (DTC) [brands](#). The competition among DTC mattress brands has increased as more and more DTC mattress companies open. A crowded market, particularly for a big ticket item that often can't be tried out before purchase, requires that brands differentiate themselves from other similar products. Whether it's offering the best promotion or making the most Earth-friendly product, a brand's digital marketing strategy needs to help them edge ahead of the competition.

#### Promotions Keep Many Mattresses Affordable For Consumers

Mattresses are notoriously expensive, and one of the appealing aspects of DTC mattresses is that they offer comfort without exorbitant price tags. However, with more than [175 "bed in a box" solutions](#) on the market, promotions can still be very effective ways for mattress brands to get noticed. For instance, [Casper](#), a leader in the DTC mattress universe, recently introduced its new Nova Hybrid Mattress, which debuted with a 15% off promotion. In another example, [Nectar](#) mattresses, as part of their list building strategy, is offering a limited-time-only (LTO) discount which can be activated after a user submits an email address.

#### Many Mattress Companies Form Strategic Partnerships With Charities

Corporate social responsibility ([CSR](#)) has become an increasingly important part of many brands' marketing strategies. CSR appeals to younger shoppers, who tend to prefer outspoken brands, and the right partnership can offer increased brand recognition and loyalty. Casper has made more than 70,000 donations of sleep products to charities including International Rescue Committee and Sense of Home, while Avocado Green Mattresses and [Bear](#) mattress give 1% of all sales to charities in line with their brand missions, including the environment and supporting young athletes. And, following a strategy similar to [buy one gift one](#), Leesa mattress donates [one mattress of every 10](#) sold to a child or family in need, working with charities that provide safe places to sleep for struggling families.

#### Organic Mattress Brands Offer Eco-Friendly Options For Consumers

The average mattress may not be made out of eco-friendly materials or be recyclable, and many DTC mattress brands have responded by creating eco-friendly products that are still comfortable and durable. There are multiple brands competing in the environmentally friendly mattress market within a market, but each offers something a little different to set it apart.

[Live and Sleep](#), which is a gel memory foam mattress brand, provides a gel foam pillow with each mattress order and offers a trial period of 30-100 days depending on the style of mattress. The three Live and Sleep mattress styles are all sold at varying price points and provide different features and comfort quality. The Live and Sleep founders tested more than 100 foam mattresses before creating one that was non-toxic, green and comfortable.

[My Green Mattress](#) was created when founder Tim Masters was in search of something that didn't exacerbate his daughter's allergies. My Green Mattress deploys their family-friendly campaigns across social media and in their content marketing, including a blog on their website, aimed at keeping families informed about how to stay healthy and rested. My Green Mattress also sells mattresses in kid and crib sizes.

[Avocado Mattress](#) is a 100% organic certified latex, cotton and wool mattress, making it one of the few DTC mattresses that isn't foam. Avocado Mattress is a vertically integrated business structure. The company raises their own sheep and rubber trees and owns the L.A.-based factory where the mattresses are made. This sustainable and ethical "farm-to-mattress" method is a defining feature of the Avocado Mattress brand and is reflected across their marketing strategies, including their #livegreen campaign which includes a video called "Bedtime Story" shared across social platforms, promoting the importance of caring for the planet.

Brands that are able to effectively target certain buyers, including families, eco-warriors or shoppers looking for deals may be more likely to engage niche audiences, generate leads and boost customer acquisition. Optimized marketing strategies, including charitable partnerships, can also create connections with consumers that encourage loyalty, positive reviews and word-of-mouth support.



## Pools And Outdoor Toy Sales Are Gaining Popularity During Quarantine

Original Publish Date: May 13, 2020

Summer is coming, and in many places around the country, quarantine continues. Cooped up kids and worn-out parents will be excited to get outside as much as possible, but public pools, summer camps and other outdoor activities may not be open this summer, which means families are looking for alternative solutions. Backyard fun, including pools, swing sets and outdoor toys, are seeing sales spike as many prepare for summer at home.

### Boredom + Hot Weather Equals Upticks In Pool Sales

Emily Vaca, founder of Minnidip, [Instagram](#)-friendly inflatable pools, [dubbed](#) “adult kiddie pools,” has seen a major increase in sales in late April, primarily in Southern California where temperatures are soaring. Another burgeoning pop-up brand Mylle has also seen significant and unexpected sales growth. “We just had a substantial increase in L.A. orders,” [said](#) Mylle founder Kriss Myllenbeck. “We have been a niche brand for an activity most people were only doing on the weekend, and now all of a sudden everyone is home on a Tuesday trying to deal with 90-degree weather.”

In-ground and traditional above-ground pools are also experiencing jumps in sales, especially after neighborhood pools make decisions to close for the summer. After the governor of Kentucky announced that pools would not be opening, Aurora Pools of Lexington sold 100 pools, which is not typical for this early in the summer. “We normally do between 300 and 400 above ground pools and 50 to 70 in grounds [in a typical season]. And this year, we’ll do that at least,” [said](#) Scott Farmer, Owner of Aurora Pools.

For brands experiencing unusual sales volume during quarantine, maintaining connections with consumers via opted-in [emails](#) can strengthen brand awareness and deliver increased engagement. By providing strong service, including availability and delivery updates, brands may be in better positions to maintain customer relationships after quarantines are lifted.

### Swing Set Sales Soar While Other Brands Find Themselves Playing Catch Up

Between homeschooling and working from home, many parents with backyards are grateful for “recess” and the chance to send little ones outside to play. The cooler the toys on the playground, the more likely kids are to stay outside longer — hopefully. Swingsets & Toy Warehouse in East Hanover, NJ, is experiencing unprecedented sales this spring. According to an article in [USA Today](#), the business “has seen about a 50% increase in sales of outdoor playsets, trampolines and basketball hoops.”

“Usually, families decide to buy swing sets when their children are age-appropriate. But now, I’m seeing even people with very young kids buying,” [said](#) Sue Williams, Sales Representative at Swingsets & Toy Warehouse.

The urgency to kit-out backyards with fun toys began early in quarantine with sales of outdoor toys like bounce houses, trampolines and playground sets up [20%](#) in late March. Indoor and educational toys like [puzzles](#) and legos also saw sales boosts this year.

Unfortunately, some brands that focus primarily on toys like dolls saw [industry-wide](#) declines. However, insiders predict sales of these kinds of traditional toys will increase in the coming months, with Mattel seeing some [growth](#) already in the past weeks. It’s likely that once many parents have the things they need for educational entertainment and outdoor play, interest in other toy categories will rise.

During this unprecedented time of shifting consumer behaviors, nurturing relationships with consumers for future sales and upgrades should be a priority. By being authentic and realistic about the products and services they provide, including current availability, brands are more likely to be trusted and stay relevant to consumers after quarantine-related sales cool off.

## Garden Marketing Blooms Across The Country While People Stay Close To Home

Original Publish Date: June 1, 2020

The need for many people to stay home the last several months, and most likely, stay close to home this summer, has increased sales of [pools](#), [home services](#) and gardening products. In particular, planting vegetables, like during previous financial crises in America, has caught the attention of many new and lapsed gardeners. Seed and garden supply companies have responded to the rise in gardening interest with improved or amended marketing strategies.

“When economic distress hits, gardening really takes off,” [said](#) Jamie Mattikow, President and CEO of Burpee.

### ‘Victory Gardens’ Spur Growth Of Vegetable Seeds And Seedlings

In 1943, there were more than [20 million gardens](#) around the U.S. These “Victory Gardens” supplied nearly 40% of the nation’s vegetables at that time. When quarantines began in March, many Americans were concerned about supply chain issues and planned their own victory gardens, leading to a huge surge in seed sales and other gardening supplies. “I would say vegetables are driving it,” [said](#) Mattikow, as opposed to flowers and other plants. “There’s a really, really high interest in vegetables.”

Although supply chains have stayed relatively steady throughout the pandemic, searches related to planting vegetables continued to trend on [Google](#). In some cases, interest in gardening practices increased traffic to seed and plant websites from people looking for gardening tips and tricks, with Mattikow noting that traffic to the advice section of the Burpee website had gone up 75%, and that was by mid-March.

### Gardening Brands Are Adjusting Marketing Strategies To Meet Demand

The increase in demand for gardening supplies has led several gardening brands to amend or pivot their marketing strategies.

#### Scotts Miracle-Gro Emphasized Digital Marketing

After the quarantines started, Scotts Miracle-Gro decided to re-approach their original marketing plan and tailor it to meet the new needs of consumers. The brand decided to emphasize the benefits of gardening and being outside instead of more “[product performance and promotions](#).” Scotts shifted much of its marketing to digital, where it could engage new gardeners with advice on how to get started.

#### Burpee Aims To Expand Gardening-Related Content Marketing With How-To Videos

Burpee, which has been mailing its catalog for more than 100 years, still relies on the vintage format for much of its business, although the brand now has a successful digital catalog. A second digital catalog, more targeted to buyers looking to expand their gardens was promoted in May. Burpee is also in the process of expanding their content marketing via [how-to videos](#), in “simple, bite-size” formats that are easy for new gardeners to understand.

#### Indoor Gardening Brands Find Success With Direct-To-Consumer Sales

Many seed companies have always been direct-to-consumer (DTC) brands, and now new DTC brands, like Modern Sprout and Nutritower, are finding their businesses more popular than ever as people take up gardening. “It’s been crazy, the amount of uptick we’ve seen in the past two weeks,” [said](#) Bryce Nagels, the founder of Nutritower, a hydroponic gardening company, in late March, and the Nutritower website still warned of low seed stock in late May.



Indoor-gardening brand Modern Sprout found themselves struggling when retail stores closed for quarantines, before a switch from wholesale to DTC helped save sales. The unexpected situation also compelled the brand to reconsider their online business and marketing and ramp up their prior efforts, which relied primarily on influencer partnerships and social media. “This really has forced us to pivot, and I think it’s a good thing. It’s been something we’ve been meaning to do for a long time and it’s really forcing our hand,” [said](#) Sarah Burrows, co-founder of Modern Sprout.

Whether people choose to keep gardening next summer with the same excitement will likely have a lot to do with how their gardens do this year, and brands that can offer advice and useful information may have better opportunities to develop loyalty from consumers who see them as helping their gardens grow and thrive. Increasing content marketing, more targeted digital marketing and seamless purchasing opportunities are all useful when it comes to creating lasting relationships with new customers.





## Subscriptions & Subscription Boxes:

### Subscription Boxes Experience Growth Amidst Coronavirus

Original Publish Date: April 27, 2020

With so much of the population sticking strictly to the necessities during the current [pandemic](#), it may come as a surprise to many that [subscription](#) boxes have experienced steady – and in some circumstances, increased – growth. Throughout what has been a very uncertain time for consumers, subscriptions have been able to offer predictability and convenience, proving the subscription industry is built for scale. Many subscription box brands have used this time to further innovate, adjust and launch new products, making their businesses even stronger for when the economy and consumer spending habits return to normal.

#### Several Industries See Surge In Subscription Box Demand

According to a recent subscription impact report, more than [22%](#) of companies have seen subscriber acquisition rates grow during the current pandemic. Food and beverage [subscription](#) boxes in particular have been in high demand, as much of the population is keeping grocery store trips to a minimum. The prepared-meal service, [Freshly Inc.](#), delivered 5 million meals in the month of March alone, a major jump from the 3.5 million the company predicted in February. Companies like Blue Apron and HelloFresh have also experienced a flood of new customers, as several first-time buyers are turning to these food services for their convenience and price.

“Within the span of 48 hours [in early March], we saw an increase in orders that surpassed the staff we had in place to fulfill this higher-than-expected demand,” said Blue Apron CEO [Linda Findley Kozlowski](#).

Similarly, subscription boxes surrounding the education industry have also seen an increased demand. KiwiCo, for example, which delivers STEM-based activities monthly for kids, has seen “a huge spike in subscriptions and one-off purchases” in its ecommerce store during the COVID crisis, according to the company’s Chief Product and Merchandising Officer, [Lisa Hom](#). Education, food and beverage subscription boxes are just a handful of the many industries that have proven their worth to consumers who are looking for convenient and safe options. As a result, many subscription box brands have been able to expand their customer bases during this challenging time. The hope, of course, is that this influx of new customers will build stronger businesses in the long run.

#### Subscription Marketers Should Remain Flexible & Understanding

The growing subscription box demand has been met with increased subscription box competition, and many subscription brands are having to consider a variety of options for customer acquisition and retention. Subscription brands looking to grow must remain flexible and understand the current environment, including the needs of consumers during the quarantine period.

Barkbox Inc., for example, is letting customers pause their subscriptions until people “feel more secure about their finances.” Brands like [FabFitFun](#) and [Birchbox](#), on the other hand, are taking more direct approaches to help those affected by the pandemic. FabFitFun began offering healthcare workers special editions of their subscription boxes, including both essentials and non-essentials meant for relaxation and boosting spirits. [Birchbox](#) is partnering with hospitals across the country to donate 45,000 of their signature beauty boxes to healthcare workers on the frontline.

When subscription brands show understanding, provide transparency with regard to product availability and deliverability, and offer the flexibility to temporarily close accounts, defer payments or pause subscriptions, consumers are likely to remember that and feel a sense of loyalty to the brands.

### **Subscription Marketers Have The Opportunity To Convert Customers Into Long-Term Members**

Stay-at-home orders are already subsiding, so [subscription](#) box brands that have benefited from coronavirus need to prepare to adjust again. With circumstances changing every day, subscription marketers should use this unique time to establish long-term buyers.

Subscription box brands must convey that their services have the ability to deliver much more than just beauty products, workbooks and easy meals. When marketed correctly, the appeal of subscriptions for consumers is found in value, access and convenience. And now more than ever, those factors are of the utmost importance in the eyes of many people.



## Consumers Want Comfort & DTC Brands Evolve To Offer It

Original Publish Date: August 4, 2020

"The longer we stay in this pandemic, the more our relationship with fashion will evolve," [said](#) Dawnn Karen, a fashion psychologist and branding consultant. Putting aside jokes about never wearing bras or buttons again, retailers are genuinely trying to figure out how lasting the impact of [COVID-19](#) will be on consumers shopping and fashion habits. Comfortable clothes, from slippers to hoodies, are trending upward with consumers and retailers responding.

According to an [article](#) in The Washington Post on changing fashion trends during the pandemic, "Slipper sales doubled in April, as Americans splurged on higher-priced options such as fur-lined Ugg products. Crocs, known for their homely but comfortable signature foam clog, also have been 'super hot.'" Additionally, the change in fashion circumstances is offering some [direct-to-consumer \(DTC\) brands](#) that specialize in comfy clothes, a chance to shine.

### DTC Brands Pivot To Match Consumer Experiences & Needs

When Birdies, a DTC shoe brand, was plotting their 2020 marketing strategies, the emphasis was on outdoor shoes, with "Travel Boldly" the chosen slogan. Then the pandemic hit, and the brand quickly had to change directions. Birdies was originally a slipper company, so they quickly pivoted to resuscitating retired slipper styles that had been popular, instead of reinventing the wheel. Bianca Gates, Birdies CEO, [noted](#), "Sales in the last two weeks of March, all of which are coming through the brand's direct ecommerce channel, surpassed last year's numbers in the same period."

Another popular DTC shoe brand, Saludos, focused on their sweatshirts in response to consumer demand. And, Rothy's, famous for their flats, found success with reusable, washable totes at a time when the brand was unsure of launching new bags. "[The pandemic] has served as a great reminder to meet the customer where they're at and to ensure that both our product selection and product storytelling are fitting our customer's needs and their current experiences," [said](#) Nick Brown, Founder of Saludos.

### Comfortable Underwear Sales Grow As More People Work From Home

Four weeks into lockdown, Figleaves, a lingerie brand in the U.K., [said](#) "sales of non-wired bras and bralettes are up 40%" compared to the same time last year. Structured bras were an early victim of the move toward comfortable clothing. If women were going to balance Zoom calls, homeschooling and all the usual life issues – during a pandemic – they were going to do it in comfort. Lively, a DTC lingerie brand, has created a "work from home" tab on their website that focuses on comfortable styles and bundled discounts, and the brand recently launched a line of comfy, branded sweatshirts and t-shirts. Many bra companies also sell pajamas, which saw sales soar [143%](#) in April. People really want to be comfortable.

### With More Time Spent On Social Media, Social Platforms Boost DTC Marketing Efforts

Social media is an important marketing channel for many DTC brands, because social campaigns can boost brand awareness and engagement while driving website traffic and ecommerce sales from some social platforms. (And, social media usage has [increased](#) during quarantines.) Helena Kaylin, founder of Mindd, a DTC bra company that only recently launched, has been keen to rely on organic growth, but [also](#) "focused on paid Instagram and Facebook ads" in order "to get in front of customers shopping at home."

### Nap Dresses Are Having A Moment, And Supporting Customer Acquisition

In a recent Fashionista survey, one respondent [said](#), "I am excited to dress up, but may never wear pants with buttons again." This attitude could explain the latest trend in comfortable clothing: The nap dress. A nap dress, not to be confused with a nightgown, is a dress pretty enough to sleep in and wear outside. "The

dressess are usually made of soft, breathable cotton, and in delicate florals or solid white, they are perfect for summer days. Simply add your favorite minimal sandal or wear one over a swimsuit. These dresses feel like special ‘treat yourself’ purchases — a stylish addition to your wardrobe, day or night,” [explained](#) POPSUGAR.

Hill House Home, which describes itself as “Home of The Nap Dress,” has a brand perfectly crafted around the comfortable lifestyle that demands a nap dress. The content marketing of Hill House Home includes the 40 Winks Blog which features stories from women about how they style their bedside tables and what their nighttime routines are, and the Hill House Home [Instagram](#) account is equally as cozy. Primarily a home company, their nap dresses have been a boon for the brand, particularly this summer. “Our biggest sales day ever was in December 2019, on the launch of the holiday plaid nap dresses. We launched our summer nap dresses [on July 1] and that replaced December as our biggest sales day ever by six times,” [said](#) Nell Diamond, Founder. Nap dresses are frequently the first purchase for people new to Hill House Home, which means sales of nap dresses are boosting the customer acquisition efforts for Hill House Home.

Digital marketers trying to meet the needs of consumers, from cozy slippers to cool summer dresses, need to be prepared for changes in the preferences of their consumers, but also for changes around the country. What isn’t allowed one day may be allowed a month later, which could impact the needs and wants of consumers. Successful brands stay in tune with 2020 and beyond through [social listening](#) and the agility to pivot as quickly as needed. The brands that can adapt are most likely to thrive.



## The Subscription Industry Hones In On A New Audience: Kids

Original Publish Date: January 6, 2020

The market for [subscription](#) boxes has moved far beyond just clothes, razors and easy-to-make meals. Today, it seems as though there is very little we can't have delivered right to our doorsteps with a click of a button. But now, many marketers are diving into new territory, taking on a much younger demographic with subscription boxes made specifically for kids.

### Subscription Marketers Make Room For A New Audience: Kids

Of the five product categories currently driving the most growth in subscription boxes (lifestyle, food, beauty, pets and kids), the number of boxes for children has [increased](#) the most as of late. And it makes sense, as [90%](#) of the younger demographic, specifically [Gen Z](#) shoppers, actively use subscription services — [Millennials](#) follow close behind at 70%.

The trick with subscription boxes for kids, however, is understanding the importance of targeting their parents just as much as the kids themselves. Whether a brand is targeting parents seeking affordable clothing options, [moms](#) and dads trying to be more environmentally conscious or families that want to allow their children to explore different toys to see which they like before purchasing, marketers are navigating the many ways in which they can attract kids and their parents.

An abundance of companies in the subscription industry have emerged ready to attract the younger market with kid-focused subscription boxes for toys, books, fashion and more:

[Monti Kids](#) sends a box of educational wooden toys, along with a detailed email and video instructions for parents on how to introduce each toy to their children.

[Kiwi Crate](#) offers a variety of subscription boxes filled with science and art projects to inspire kids to explore STEAM — science, technology, engineering, art and math.

[Bitsbox](#) was created to teach kids how to code. Each box offers a variety of coding projects that range in difficulty. Kids can log onto the Bitsbox website and use the code included to build and customize their apps, which can then be shared online or through mobile devices.

BabyGap announced the launch of [BedtimeBox](#), a new subscription service aimed to help parents keep up with their growing babies' pajama needs during the first two years.

[Rent the Runway](#) created RTR Kids, offering high-end designs for little fashionistas. The launch was an extension of their fast-growing startup, which was [recently](#) valued at \$1 billion.

For a more affordable clothing option, [Walmart](#) partnered with Kidbox to create a [kid-friendly](#) clothing subscription service designed for busy parents looking for easy-access clothing for their kids.

[Nike](#) launched its first shoe subscription service for kids called [Nike Adventure Club](#) following a successful test program which raked in 10,000 members.

Foot Locker recently invested [\\$12.5 million](#) in kids' apparel company Rockets of Awesome, which offers kids clothing subscription boxes to parents.

### The Larger Subscription Economy Remains On An Upward Trend

The [surge](#) in popularity of subscription boxes for kids stems from the abundance of innovation and success within the broader subscription landscape. Over the past five years, the subscription box market has grown more than [100%](#) year over year (YOY), with experts predicting the industry will continue this upward trend



for the foreseeable future. As of 2018, there were almost [7,000](#) subscription box companies globally.

According to a recent report from Fuel by McKinsey, the largest subscription box ecommerce companies brought in [\\$7.5 billion](#) in sales in 2018, up 30% from 2017 and up 525% from 2014. By 2023, [75%](#) of organizations selling direct to consumer (DTC) will offer subscription services, according to a report by the Subscription Trade Association (SUBTA), with global subscription commerce accounting for 18% of the market.

### **Subscription Boxes For Kids Offer Marketers The Potential For Long-Term Relationships With Parents**

The benefits of launching into the subscription box industry are evident. Beyond just a steady stream of revenue and increased [personalization](#) for consumers, marketers are now being given the opportunity to solve needs for parents of younger children. In doing so, marketers open the door to creating positive (and potentially long-term) consumer relationships and establishing brand [loyalty](#) among a new market.

Ultimately, the subscription industry doesn't seem to be disappearing anytime soon, but it is getting more crowded. Now, it's up to marketers to proactively identify [niche](#) audiences that are in need of subscription services. "Consumers are going to begin seeing subscriptions in every single part of their lives," said [Chris George](#), Co-Founder of SUBTA. "More than ever, brands are building relationships with their customers. And when you have ecommerce giants such as [Amazon](#) that can sell almost anything cheaper than anywhere and deliver it faster than anyone, your brand needs to build consumer loyalty to compete."





---

## Contact Us

(877) 236-8632

[connect@DMSgroup.com](mailto:connect@DMSgroup.com)

[Advertise With DMS](#)

[Become a Preferred Publisher](#)

[Investors](#)

