

*All I Want For
Christmas Is...*

*Online Retail Customer
Christmas Wishlist*

The Twelve Days of Christmas...What's Inside?

Online
Retail
Customer
Christmas
Wishlist

Merry Christmas From
IMRG & Emarsys

3

'Tis The Season,
Introduction

4

1st Day of Christmas
We Asked How
Customers Found the
Experience of Christmas
Shopping

5

2nd Day of Christmas
We Found Out About
Customer Concerns

6

3rd Day of Christmas
We Found Out Whether
People Enjoy Christmas
Shopping

7

4th Day of Christmas
We Asked Why Some
People Don't Enjoy
Christmas Shopping

8

5th Day of Christmas
We Asked Whether
People Thought They
Were Good at Buying
Presents

9

6th Day of Christmas
We Found Out How
Brands Can Best Inspire
Customer Gift Ideas

10

7th Day of Christmas
We Asked How
Customers Preferred to
Shop

11

8th Day of Christmas
We Asked What
Bothered Customers
When Shopping

12

9th, 10th and 11th
Day of Christmas
3 days for 3 Key
Takeaways

13

And on The 12th Day...
We Can Conclude

14

Merry Christmas, from IMRG & Emarsys

Online
Retail
Customer
Christmas
Wishlist

Emarsys

“Whether it’s planning for Black Friday, Christmas, or the January sales, it’s vital that marketers and retailers are giving customers what they want. Understanding how they want to shop and the frustrations they feel when doing so is key to this. This report brings together data and insights to ensure it’s a success for everyone involved.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

Emarsys, now an SAP company, empowers digital marketing leaders and business owners via its omnichannel customer engagement platform. Built to accelerate business outcomes and time to value, the platform rapidly aligns desired business results with proven customer engagement strategies while delivering superior one-on-one experiences and measurable results. Emarsys is the platform of choice for more than 1,600 leading brands around the world. We are trusted to deliver the predictable, profitable outcomes that businesses demand and the highly personalized experiences that customers deserve.

For more information, visit www.emarsys.com

IMRG

“Here at IMRG, we’ve collaborated with Emarsys, to bring together an extensive guide to customer sentiment ahead of the Christmas shopping period. With such a vast sample, we’re excited to look at what exactly is on everyone’s mind when it comes to festive buying this year, and how you can utilise this knowledge to better prepare your business.”

We help our members understand and improve their online retail performance through a busy programme of performance benchmarking, data analysis, insight, best practice-sharing and events. We have been tracking online sales since 2000 – and now measure over 120 individual metrics in a series of indexes, providing in-depth intelligence on online and mobile sales, delivery trends, marketing ROI and channel performance.

Download more reports and view our event calendar at www.imrg.org

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> Contents



'Tis The Season For Festive Shopping

Online Retail Customer Christmas Wishlist

As Christmas 2021 approaches, shoppers are looking ahead to the festive season, thinking about buying their Christmas gifts. While some may be optimistic about the run up to Christmas, others are feeling nervous, as the press has paid particular attention to supply chain issues, and the rising costs of gas, petrol and bills. People may have less money to spare this year compared to last, as they are no longer working full time jobs while staying at home, generating spare income. While we're all looking forward to seeing our loved ones this Christmas (fingers crossed), opinion seems to vary when it comes to customer attitudes towards shopping. At both ends of the scale, we're seeing a mixture of hesitancy and optimism, when it comes to the festive season.

Emarsys undertook a survey providing crucial information regarding customer behaviour and sentiment ahead of the peak-trading period this year. Eight questions were asked to 2,000 UK respondents, in order to gauge people's attitudes ahead of the most important time of the year. Emarsys asked customers questions relating to whether they were excited for the period ahead, and what they were concerned about. After two years of unprecedented change in the world, this leaves us with one question... what exactly is on everyone's Christmas wish list this year?

What You'll Find Out:

- How do customers best describe their approach to Christmas shopping?
- What concerns do customers have about Christmas shopping?
- Do customers enjoy seasonal shopping?
- Why don't some customers enjoy Christmas shopping?
- What could help improve poor shopping experiences?
- What experiences are customers hoping for this Christmas?
- What puts people off festive shopping?

Methodology

The research was conducted by Opinion Matters, with 2,000 UK nat rep general respondents, from 25.10.21 - 29.10.21. Opinion Matters abide by and employ members of the Market Research Society which is based on the ESOMAR principles.

Read on to find out what key insight we drew from this survey.

"IMRG and Emarsys asked customers questions relating to whether they were excited for the period ahead, and what they were concerned about"



On The First Day of Christmas...

We Asked How Customers Found the Experience of Christmas Shopping

How would you best describe your approach to Christmas shopping this year? Select best match



“It’s interesting to see that so few consumers are concerned about the supply chain issues that have dominated the headlines in recent months. However, considering the resilience that both retailers and shoppers have built up during the turbulent pandemic period, it is perhaps not surprising. While we might have expected the public to be more extravagant this year due to last year’s disappointment, it’s clear that shoppers are simply wanting a return to normal.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

The first question that we asked our pool of 2,000 UK-based customers, was ‘How would you best describe your approach to Christmas shopping this year?’. We saw some interesting answers come out of it, as there was a clear winner. The most popular answer was ‘I am putting in around the same amount of effort’, which accounted for over 35% of respondents. Overall, 75% of people said it would be the same expenditure, or less, suggesting there is a split in customer attitudes after the pandemic; either it’s made people want to celebrate more, or spend less. It seems to have balanced out fairly evenly.

This 35% staying the same is positive news, as it means that shoppers may not have been as negatively influenced by worrying press surrounding Christmas delays, and the disappointment of last year’s UK U-turn. In fact,

many of them are continuing their festive traditions as normal, according to this dataset, while a further 26%, said they wanted to put ‘a bit more’ or ‘more effort to make it special’ this year’s Christmas – this can be seen in the first two bars of the graph. Those respondents aged 16-24 were most likely to describe their approach as putting in more effort to make it special with 19% compared to 8% of those aged 55+.

Last year, we may have predicted that customers would be keen to go all-out on Christmas 2021, because of the disappointment of the U-turn year. However, it seems this is all forgotten, and we’re experiencing a relatively regular-looking dataset. The previous year’s uproar has died down...merely a ghost of Christmases past.

Online
Retail
Customer
Christmas
Wishlist

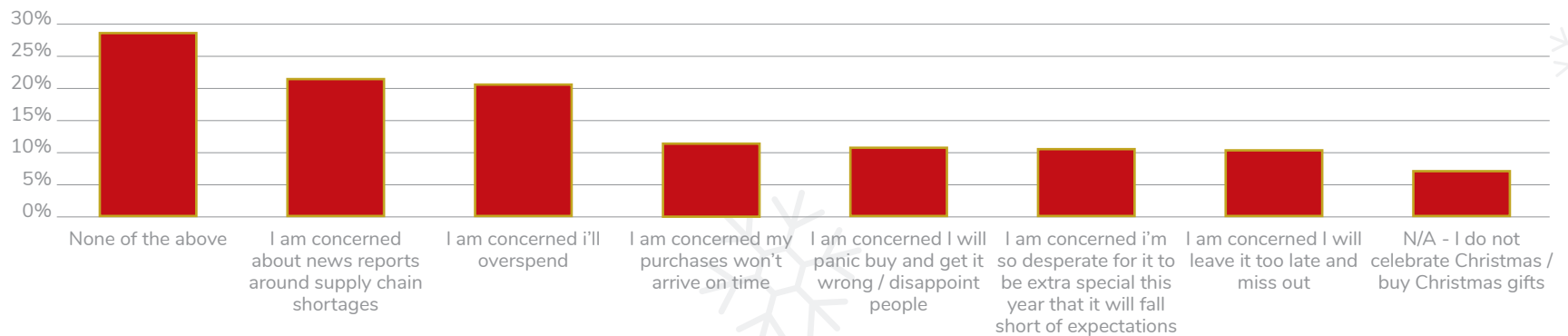
> Contents



On The Second Day of Christmas... We Found Out About Customer Concerns

Online
Retail
Customer
Christmas
Wishlist

Which of the following statements, if any, reflect your concerns about Christmas shopping this year particularly? Please select all that apply.



“While most consumers seem to be avoiding getting swept up in scaremongering stories about stock issues this Christmas, there are still some concerns as we approach the big day, including overspending. This is no surprise. The festive period is known for being expensive, but add to that rising prices for essentials like fuel and gas, budgeting for gifts remains a troubling thought for many. However, the final quarter of the year is also well-known for its sales, with Black Friday and Cyber Monday allowing brands to give their customers better deals. Not only can these dates save shoppers money, but they also serve as a huge opportunity to gain and retain loyal, repeat shoppers. After all, a customer should be for life, not just for Christmas!”

Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

In our second question, we asked customers ‘Which of the following statements reflect your concerns about Christmas shopping this year particularly?’. We wanted to gauge what exactly shoppers were worrying about in the run up to the season. The good news is that the most popular answer was ‘none of the above’ at just under 30%, which suggests far more people are choosing to ignore media frenzy surrounding the shopping season.

The most common concerns seemed to be regarding supply chain shortages and overspending. Those living in Northern Ireland were most concerned about supply chain shortages, when thinking about their Christmas shopping this year with 29% feeling this way. Within context,

these worries align with current issues which keep arising in the press. Customers are concerned by shipping problems and a lack of lorry drivers keeping their products held in delays, and the fear of overspending against their budget, as there’s a current focus on the high prices of gas, petrol, and energy bills. Equally, people haven’t got the income saved up which they would’ve had last year (when working from home during a lockdown, with full-time salaries) or have possibly spent a lot of their savings since; equating to a fifth of respondents worrying about money. A quarter of women were worried about overspending, compared to only 15% of men who felt the same. On the plus side, these tough economic circumstances do support discounts as a driver for sales, as they help gain more sales during discount campaigns.

> Contents

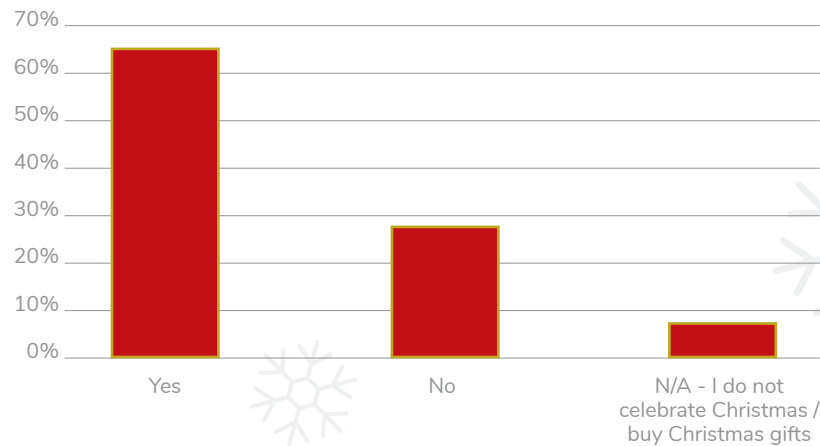


On The Third Day of Christmas...

We Found Out Whether People Enjoy Christmas Shopping

Online
Retail
Customer
Christmas
Wishlist

Do you enjoy the experience of Christmas shopping / buying gifts for people?



In our third question we asked, 'Do you enjoy the experience of Christmas shopping and buying gifts for people?'. The results were extremely positive, as almost 70% of respondents enjoy the process of shopping during the festive season. 25-34 years olds enjoy buying gifts the most, at 76%, compared to only 56% of those aged 55+. This could be because the process of shopping for loved ones is far slower and more of an emotional process than the frenzy of sales and Black Friday shopping; overall, most people seem to like this process. Building this long term, slowed-down experience for customers can be crucial in ensuring that they enjoy the act of browsing, choosing, and checking out, as part of seasonal festivities, as opposed to a panicked last-minute choice due to discounting.

“Building this long term, slowed-down experience for customers can be crucial in ensuring that they enjoy the act of browsing, choosing, and checking out.”

“Shopping for Christmas presents for friends and family should be an enjoyable experience. While it’s clear from the data that not everyone feels that way, there is a simple fix from retailers.

The key to this is allowing shoppers to browse in a relaxed and unhurried way, while using data to inspire their choices, making it as easy as possible to get it right.”Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

When looking at the data, it was interesting to note that men were more likely to answer that they don’t enjoy the process of Christmas shopping, compared to women. Overall, 73% of women said they enjoyed Christmas shopping, with only 58% of men agreeing. 10% more men answered that they don’t enjoy it compared to women. It could be key to ensure that men feel supported and heard when creating Christmas editorials, blogs and inspiration, in order to keep them engaged in the gift-buying process.

> Contents

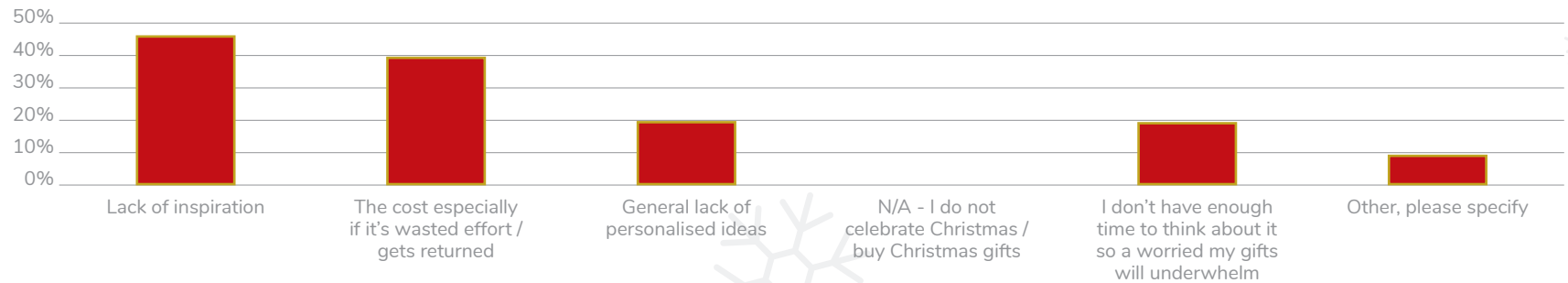


On The Fourth Day of Christmas...

We Asked Why Some People Don't Enjoy Seasonal Shopping

Online
Retail
Customer
Christmas
Wishlist

You said you do not enjoy the experience of Christmas shopping / buying gifts for people. Why is that? (Tick all that apply)



“With the key reason for not enjoying Christmas shopping being a lack of inspiration, it’s clear that retailers need to do more to help shoppers find the perfect present. Whereas last year, people were forced to go online to get their gifts, combined digital and in-person shopping is well and truly back for 2021, as such, shoppers have more options than ever. This means consumers are looking for personalised suggestions to help them perfect their present buying, rather than adding to the stress and confusion of searching for the perfect gift from scratch.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

On the fourth day of Christmas, we asked ‘You said you do not enjoy the experience of Christmas shopping and buying gifts for people. Why is that?’. The most popular answer was that 45% of people said they had a lack of inspiration, which could be a concern for retailers. The gender split on this answer was neutral, with hardly any difference.

People aren’t trying to be grinch this year. Instead, they may be more concerned with money than usual, due to the pressure of a more extravagant Christmas, thanks to last year’s cancellation. The second largest cause for concern was the cost of buying gifts, at 39%. 25–34-year-olds were the age group most concerned with the cost of gifting, particularly if it’s wasted or gets returned, whilst 16-24s and anyone older than 34 were less worried about money.

Similarly, a lack of personalised ideas, or lack of time (19%), seemed to follow closely as reasons for people not enjoying the experience of Christmas shopping. It could be that due to the increase in volumes of home deliveries and parcels shipped to the home all year round, the joy has been taken out of shopping, and receiving exciting parcels; a frustrating unintended consequence for retailers. We now have instant gratification... which is somewhat less gratifying.

> Contents

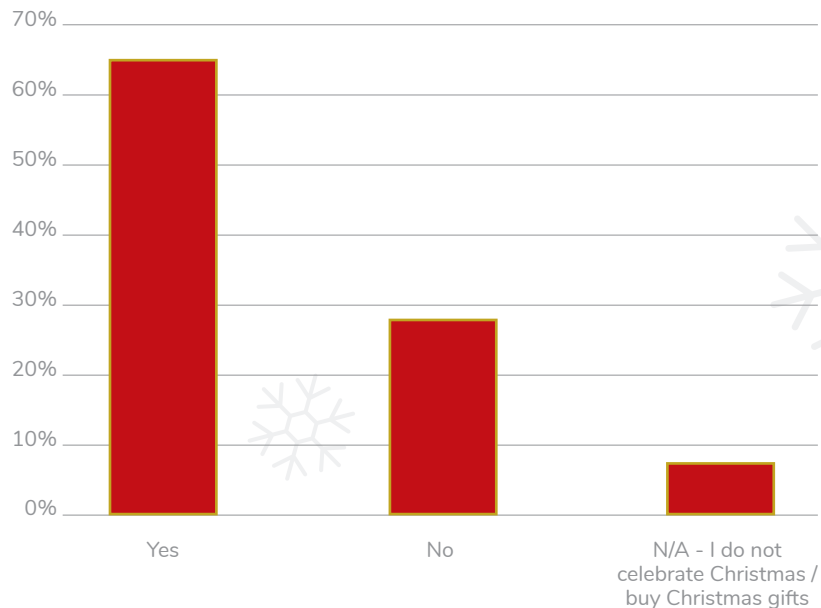


On The Fifth Day of Christmas...

We Asked Whether People Thought They Were Good at Buying Presents

Online
Retail
Customer
Christmas
Wishlist

Do you think you're good at buying / choosing presents?



On the fifth day of Christmas, we asked 'Do you think you're good at buying and choosing presents?'. Two thirds of Brits (66%) said they believe they're good at buying and choosing presents, which rises to 74% of women, compared to 57% of men, once again highlighting a potential lack of confidence in gift buying. The location with the least confidence in their gift-buying abilities was Scotland, where 33% said they believed they weren't good at it.

“Two thirds of Brits (66%) said they believe they're good at buying and choosing presents, which rises to 74% of women, compared to 57% of men...”

This doubt could link back to our previous question, as those who don't enjoy gift buying for reasons such as fear of overspending, and lack of inspiration, may also feel like they're not good at it.

“Shopping for Christmas presents for friends and family should be an enjoyable experience. While it's clear from the data that not everyone feels that way, there is a simple fix from retailers.

The key to this is allowing shoppers to browse in a relaxed and unhurried way, while using data to inspire their choices, making it as easy as possible to get it right.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

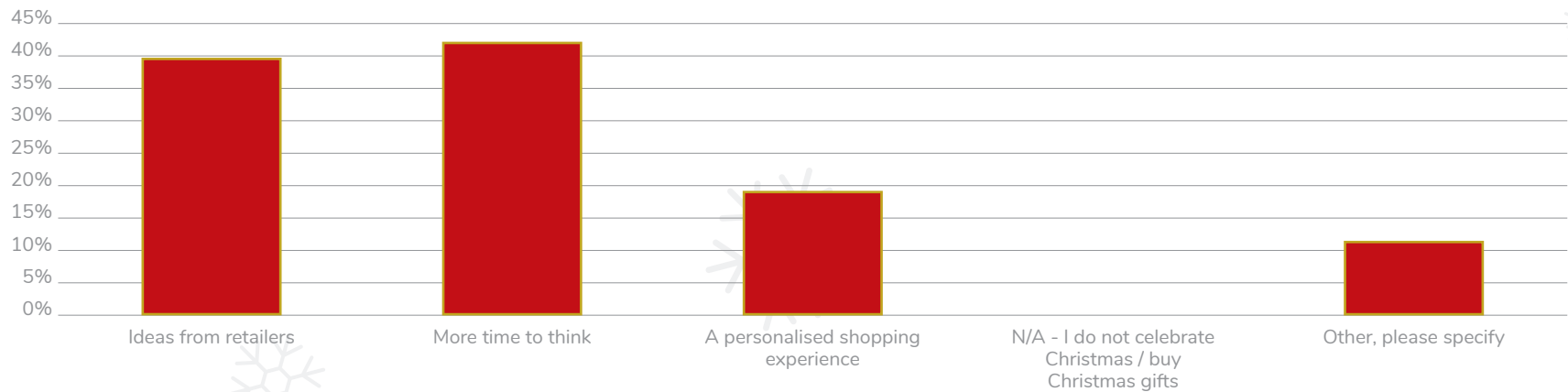
> Contents



On The Sixth Day of Christmas...

We Found Out How Brands Can Best Inspire Customer Gift Ideas

You said you did not think you were good at buying/choosing presents. What do you think would help you / give you more confidence?
Please select all that apply.



Online
Retail
Customer
Christmas
Wishlist

“It’s essential to look at retaining customers, instead of drawing in new customers, ensure that you’re continually inspiring your current buyers.”

On the sixth day of Christmas, we asked ‘what do you think would help you and give you more confidence?’ to those that don’t think they’re good at buying gifts. Those who answered, said that ‘more time’ would be the biggest help, with 42% answering with this response, followed closely by ideas from retailers, at 40%. This suggests that wish lists and editorials could help give people ideas and help inspire customers.

Almost a third (32%) of respondents aged 25-34 who do not think they are good at buying and choosing presents, say a personalised shopping experience would help give them more confidence. This is compared to only 11% of those aged 45-54. Increasing the length of your engagements with customers, such as the aforementioned slower shopping experience, where the customers enjoy choosing and buying, as opposed to being rushed into sales. Furthermore, it’s essential to look at retaining customers, instead of drawing in new customers, ensure that you’re continually inspiring your current buyers and keeping them loyal, for happy Christmas shopping.



On The Seventh Day of Christmas... We Asked How Customers Preferred to Shop

Which, if any, of the following statements do you agree with? Please select all that apply.



Online
Retail
Customer
Christmas
Wishlist

We asked customers, "Which, if any, of the following statements you agree with?" in order to gauge how they felt. Over a quarter (28%) of Brits would prefer that someone just tell them what they want, while a fifth (20%) said they would like a more sustainable Christmas this year, and to waste less – which is particularly true for those aged 25-34, of which 25% were focused on sustainability.

Nearly one in 10 (8%), of respondents admitted that they have re-thought a friendship or relationship because of the randomness or inappropriateness of gifts they've received, suggesting that people place a lot of weight on Christmas shopping.

Despite the disappointment of last year, very few people plan to invest in Christmas this year, once again supporting the idea that perhaps the woes of last year are forgiven.

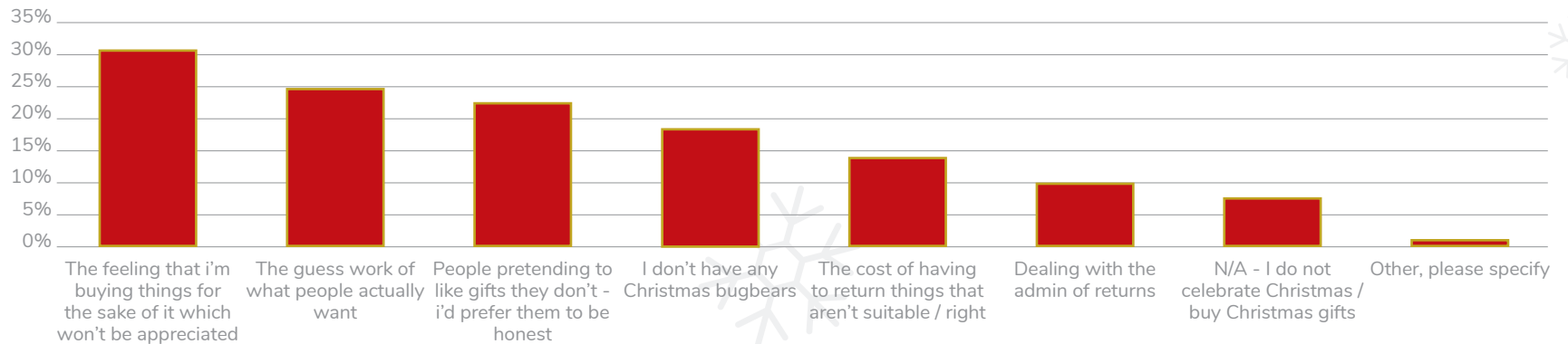
"When it comes to getting the perfect Christmas present, most Brits want the recipients to simply tell them what they want. This may well be connected to the fact that so many struggle to get inspired when it comes to buying gifts. With nearly one in ten going so far as to reconsider a friendship or relationship due to bad gifting, it's more serious than some may have thought to get this right. Retailers really do have a lot of responsibility to help shoppers – both in perfecting their own wish lists to avoid disappointment and also in helping them buy the most relevant and perfect presents this year for their loved ones." Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

> Contents



On The Eighth Day of Christmas... We Asked What Bothered Customers When Shopping

What, if anything, are your biggest Christmas bugbears? Please select all that apply.



Online
Retail
Customer
Christmas
Wishlist

“Christmas is no time to be a Grinch. However, many Brits have bugbears about the festive period. Whether it's worrying about buying presents just for the sake of it – or worse, having someone pretend to like the gift they've chosen, there are several elements of the festive buying process that don't fill shoppers with joy. One way for retailers to alleviate this is by removing the cost of returning unwanted items and taking further stress and admin out of this situation.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

On the eighth day of Christmas, we asked, 'What are your Christmas bugbears?'. Reassuringly, almost 20% of people said they didn't have any, suggesting they're fairly content.

The biggest bugbears turned out to be the feeling they're buying something for the sake of it (31%), the guesswork of what people want (30%), and people pretending to like gifts (23%).

Although it's a small percentage relative to the rest of our data, 14% of respondents said that they didn't like the cost of returning things, suggesting this is an important barrier to overcome, in order to encourage happy shopping. When combined with 10% saying the 'admin of returns' puts them off, general concerns over returns actually makes up nearly a quarter of respondents.

On The Ninth, Tenth, and Eleventh Day of Christmas... We Got Together 3 Key Takeaways for 3 More Days

Online
Retail
Customer
Christmas
Wishlist

Smooth and Slow Shopping

- Many shoppers feel as though they need more inspiration or time to choose. They hate 'stress shopping'
- Build up a relationship with existing customers, so that they continue shopping with you
- Encourage customers to really enjoy the Christmas shopping period, with personalised campaigns and editorials

Banish the Bugbears

- Smooth over that shopping process to help retain customers
- Returns should be as easy as possible
- Create suggestions for meaningful gifts customers can buy

Concern with Costs

- Younger customers in particular have reservations about spending this year
- Discounts could drive sales this year
- Reassuring customers that costs won't drop any lower in further sales, means that they know to commit to a purchase now

> Contents

And on The Twelfth Day... We Can Conclude

So, what have we found out relating to customer expectations ahead of Christmas this year? And what would an ideal wish list look like?

Customers are feeling nervous about overspending or supply chain problems causing delays. However, a lot of them are willing to spend more or the same amount on Christmas this year, despite this. Sales may be a good driver for attracting customers with money worries, or reassuring them not to stall, as the discounts won't drop any lower. On a positive note, most people enjoy Christmas shopping. However, it's the older demographic, and more likely, men, who may need more inspiration and more time to think. This can be resolved by providing a smooth shopping process, with plenty of inspiration and editorial input with existing customers – particularly focusing on those personalised gifts. In terms of looking to the future, it seems bright. Customers are still enthusiastic and joyful about the experience, even if somewhat indifferent to home deliveries by now, so one major factor to develop could be the sustainability of their Christmas – it may just be the holly on the Christmas pudding.



“Christmas is a busy time for both retailers and shoppers, but this doesn't mean it has to be a stressful experience. In fact, after last year's unprecedented situation, it's more important than ever that the festive shopping period is as smooth and enjoyable as possible.

“Understanding your customers means knowing what they want — and this is a great step towards easing some of their main concerns and issues with shopping at this time of the year. It's vital that consumers have a great experience, from feeling relaxed to getting a good deal on a gift to ease any concerns about overspending this year.

“That gift should also be something they feel confident about giving to the recipient. By inspiring their gift choices and making personalised suggestions, retailers can feel confident that they're taking some of the stress out of browsing and choosing an item. By helping your customers to get it right, you're building long-term loyalty and trust in your brand, which is something that should be at the top of every retailer's own Christmas Wishlist.” Payal Hindocha, Director Customer Engagement Solutions GTM at Emarsys

Online
Retail
Customer
Christmas
Wishlist

> Contents

Christmas Wishlist

- *A happy, relaxed shopping experience*
- *Lots of inspiration for what to buy*
- *The option to buy discounted items*
- *An easy returns process*
- *Sustainable festive shopping*
- *A personalised experience*