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Thanksgiving is a Weekend “Thing”

After several years in which retailers wavered over the advantages of opening or closing on Thanksgiving Day, the 2017 holiday season kick-off shifted from a Thanksgiving Day to a holiday weekend focus. Online sellers were ready for consumers day or night on Thanksgiving Day while a number of retailers closed for the day or opened their doors at 5 or 6 p.m. The change in focus resulted in part from evidence in prior years that Thanksgiving Day shoppers did not shop as much on Black Friday. It did not make sense for some retailers to open their doors all day on the holiday to beat some other retailer to the sale a day earlier.

What does this mean for the postal industry and private shipping companies? It means that there is market share left for pursuit by online sellers in 2018. The efforts to go after that share will continue with the shipping and packaging industry preparing to move on that business as well.

What Worked Well

Retailers' assessments seemed to hold true for 2017. Retailers improved their sales by shortening in-store Thanksgiving hours and working on omnichannel deals. *Retail Dive* reports that Gordon Haskett emailed to it estimates that “roughly 65% of consumers made a purchase either online or in-store this weekend, with a weighted average spend of \$420. About 50% of shoppers also said they spent more this Black Friday weekend than last.

“Electronics stole the show again with the biggest discounts of the day—with computers discounted by nearly 16% on average, followed by TVs (down 22%) and toys (down 17%), according to Adobe” Analytics. <https://www.retaildive.com/news/meet-the-winners-and-losers-of-black-friday-2017/511661/>.

The National Retail Federation (NRF) found that 11% of those who shopped over the holiday weekend shopped before 5 p.m. on Thanksgiving Day while another 11% started at 6 p.m. NRF says more than 174 million persons shopped in stores or online from Thanksgiving Day through Cyber Monday. That is three in four Americans. The NRF and Prosper Insights and Analytics produced the traffic count. Those sources had predicted only 164 million shoppers for the period. <https://www.businesswire.com/news/home/>

20171128006289/en. The 10 million “unexpected” shoppers were warmly welcomed.

Demographics

Trybe AS, which collects and analyzes data on shoppers' preferences, conducted its survey of holiday weekend shoppers and found that Thanksgiving Day shoppers tended to be women. It reported that women prefer shopping on Thanksgiving Day more than men, 34% vs. 30%, whereas men are in favor of shopping on Cyber Monday more than women, 56% vs. 51%.

Making a Day of It

The International Council of Shopping Centers (ICSC), which serves the retail real estate industry, released its own Thanksgiving Weekend Shopping Report showing that consumers visited and spent at local shopping attractions over the holiday weekend rather than focusing on Thanksgiving or even Black Friday. Its 2017 survey showed that, throughout the weekend, more than 145 million adults spent time at malls and shopping centers and estimated their spending, on average, at \$377.50. They did not shop until they dropped either. They dined out, too. Food/dining and entertainment garnered revenues of \$78.70 per adult over the holiday.

Tom McGee, President and CEO of ICSC said: “What we are seeing over the course of the year, and more so during the holiday season, is consumers' desire to take advantage of everything a mall has to offer whether that is dining, shopping or entertainment.”

Optimism Rises

“Thanksgiving Weekend is a great indicator for what will be a holiday season full of spending, as we are seeing a very positive consumer sentiment and willingness to spend,” said McGee. “Shopping centers across the country should feel very optimistic about the season ahead. While the shopping season is longer this year, it's not coming at the expense of the most popular shopping day of the year.”

Consumer confidence continues to climb to seventeen-year highs. The consumer confidence index rose to 129.5 in November, up from 126.2 a month earlier, according to new data released last week by the Conference Board.

In all, American consumers are projected to spend about \$680 billion this holiday season, marking a 3.6% to

(Continued on Page 3)

Short Takes

Amazon's holiday numbers will not be available for some time, but the company saw a stock jump that sent CEO Jeff Bezos' net worth over \$100 billion.

The challenge in 2018 will be for online merchants to learn more about their customers than an email address and browsing history can reveal. "As the numbers come in after Black Friday, it is clear that more shoppers are opting to buy online rather than in-store, which is why it is more important than ever that retailers understand the behaviors and motivations of their online customers," Pini Yakuel, CEO of Optimove, said in a recent press release.

Marketing today means something different from what it has meant in the past. "Digital marketing took the reins on conversion rates this year, with paid search making up nearly 23.3 percent of sales this season. However, direct traffic and email campaigns were not far behind. All in all, promotional campaigns drove more than 70 percent of sales.

"The key to competition, outside of keywords, comes down to personalized campaigns and fostering brand loyalty that keeps consumers coming back. According to Salesforce, nearly 30 percent of revenue stemmed from shopping recommendations tailored to consumer habits with the help of A.I. insights.

"On Black Friday last year, our research showed that 71 percent of shoppers had bought something from the brand before at some stage," Yakuel said. "The challenge for retailers is to continue building on this relationship outside of the pre-Christmas and sales period." <http://www.dmnews.com/e-commerce/black-friday-digital-marketing/article/709842/>.

On the subject of seasonal optimism, *Retail Dive* explains: "Sales during the red-letter shopping weekend were a 'boom' that bodes well for the season, according to Joe Brusuelas, chief economist, middle market advisory firm RSM.

"In our estimation the improvement in employment, wages and overall spending over the past six months strongly suggested that the US household was quietly building momentum into the holiday season," he said in an email to *Retail Dive*. "We continue to make the case that this will be the best holiday spending season in the current business cycle."

<https://www.retaildive.com/news/black-friday-weekend-beat-nrf-forecast-by-10m-shoppers/511849/>.

"For retailers that missed the mark and are still working through loads of inventory, worry not. Online sales for most big retailers are extending throughout the week. And beyond that, eight of the 10 busiest shopping days, including Super Saturday (which this year falls the day before Christmas Eve) still remain." <https://www.retaildive.com/news/meet-the-winners-and-losers-of-black-friday-2017/511661/>.

Weak or failed websites generally represent the holiday news story that wasn't much to write about. Instead of showing the power of technology or a marketing message that worked, website failures during peak periods represent promise unfulfilled. It is as bad as last year's holiday candy found at the bottom of a drawer—too sticky to be sweet.

In 2017, Macy's, Lowe's, and U.K.-based retailers the Perfume Shop and Game saw traffic stall and dissipate on Black Friday. The glitches were fixed in short order, but the point is that, on Black Friday, orders come in fast and outpace the rate on other days.

For Macy's, it was credit card processing that slowed down. Effects were felt in stores in prime markets such as Chicago, Washington, D.C., San Diego, and online. Macy's experienced difficulties in 2016, too. It could ill afford the injury to its reputation that results from such difficulties. The retailer claimed the slowdown stemmed from "overcapacity," but the reason is never as helpful as the remedy. Customers can find what they want some other place and swiftly move on if they face slow loading, error messages, or the spinning symbol for lack of response.

Lowe's website crashed on Black Friday for about twenty minutes.

H&M suffered a full outage between 5:30 p.m. and 6:30 p.m. on Thanksgiving, followed by another outage at 4:30 a.m. on Black Friday. On Saturday, the site was down from 6:34 a.m. to 7:56 a.m. It had intermittent issues at additional times over the holiday weekend.

Gap's website slowed down between 11 a.m. and 1:30 p.m. on Thanksgiving Day, with load times during that period varying between 11 and 30 seconds.

Game reported an outage, per *Business Insider*. Perfume Shop did as well, per *The Sun*.

These failures serve as a reminder to test your website.

Thanksgiving is a Weekend Thing... (cont. from page 1)

4% increase from last year's \$655.8 billion, according to NRF forecasts. Those figures are in line with last year's 3.6% growth in holiday spending. <https://nrf.com/media/press-releases/consumers-and-retailers-win-big-over-thanksgiving-holiday>.

Analysts do not think the successful holiday weekend means lower prices will continue throughout the holiday season. To the contrary, a revitalized holiday weekend encourages sellers to hold fast on pricing until closer to Christmas Day. In response, consumers may wait for retailer desperation to stimulate bigger discounts. Last-minute shopping is not always about time constraints. It is about waiting for the other side to flinch.

Rakuten Marketing says that some shoppers have played their hand, scooping up items on *Amazon.com*'s Prime Day in July. They continued shopping into the pre-Halloween period as prices made shopping attractive. Tony Zito, CEO of Rakuten Marketing, called the migration to earlier shopping "a marked shift in traditional retail patterns that is triggering changes in retail promotional strategies, including an extended peak holiday shopping period that has started as early as two weeks in advance of Black Friday this year." <http://www.retailwire.com/discussion/can-retailers-keep-their-holiday-sales-mojo-working-after-cyber-monday/>.

Spreading the Wealth

Shoppers wandered rather than focusing on a single sale or store. A majority (63%) made a purchase during the holiday visits to stores and malls and shoppers visited an average of six stores, compared to four last year, the ICSC reported.

As discussed below, the changing focus of shoppers' visits to the mall did not appear to detract from online holiday weekend shopping. Additionally, some retailers capitalized on shoppers' willingness to click and collect to improve their 2017 performance. According to the ICSC survey, many holiday shoppers took advantage of omnichannel capabilities with 25% purchasing online on Thanksgiving and/or Black Friday with plans to pick items up in-store.

Based on the ICSC's holiday weekend survey, it appears that while Thanksgiving weekend has become a "thing" consumers enjoy, it was not the end of their spending on holiday gifts and acquisitions. When asked their December expectations:

- 60% anticipate similar deals/promotions
- 28% of consumers say they think the deals/promotions in December will be better than what was found over

the past weekend

- 12% expect the deals/promotions won't be as good.

The ICSC was pleased with its 2017 outlook. <http://www.businesswire.com/news/home/2017112605055/en/Strong-Black-Friday-Positive-Sign-Brick-and-Mortar-Holiday>.

For a list of stores seeing record sales over the holiday weekend, see <https://www.digitalcommerce360.com/2017/11/28/cyber-monday-sales-6-59-billion-us-smartphones-accounting-for-21-2revenue/>.

Online Fever

Online sales trumped the growth rates in the retail sector. From Nov. 1-24, daily revenues online exceeded \$1 billion according to Adobe Analytics. <https://www.digitalcommerce360.com/vendor-profile/adobe-systems-inc>.

Total online revenues for the period exceeded \$38 billion. While the holiday weekend's numbers are still being tallied, Adobe Analytics predicts consumers will have spent \$19.7 billion. If those numbers prove correct, they would represent a 15.9% increase over last year's \$17 billion. This included about \$2.87 billion on Thanksgiving Day, a 12% improvement over last year. <https://www.digitalcommerce360.com/2017/11/26/weekend-in-review-2017-holiday-season-off-to-a-record-breaking-start>.

Personalization services provider Criteo also found that customers stayed home and managed to do their shopping online. The number of online shoppers on Thanksgiving increased 5.1% compared to last year while the number of purchasers increased 26.2%, indicating, according to Criteo, that people had "already shopped around for goods and were ready to buy." The firm described Thanksgiving as a "huge day for e-commerce."

Of these online sales, more than half seem to come from mobile devices rather than desktop browsers. Sales from smartphones, per Adobe Analytics, produced about one-third of online revenues. <https://www.businesswire.com/news/home/20171128006289/en>.

Business Insider reported in a Nov. 27 newsletter that this suggests that sites that failed to optimize for mobile devices failed to capture all the available interest. While some shoppers may have browsed online and bought in stores, the higher performance of desktops suggests more work could be done.

Brands Cheered

BigCommerce, the leading ecommerce platform for fast-growing and established brands, announced last week that its merchants experienced record-breaking

sales during Cyber Week, the five-day shopping period spanning Thanksgiving through Cyber Monday. Analysis of same-store sales for the five-day period showed a 21% year-over-year (YoY) increase in gross merchandise volume (GMV), led by a 24% increase in same-store sales on Thanksgiving Day. Merchants also benefited from an 8% YoY increase in average order value signaling shoppers' willingness to spend more on all devices.

"BigCommerce merchants of all sizes and in every category are seeing a fast start to the holiday selling season," said Jimmy Duvall, chief product officer for BigCommerce. "The significant increase in same-store sales this year further highlights that small and mid-sized retailers continue to thrive, even as Amazon and other

industry heavyweights expand into new markets and categories. We fully expect this to be the biggest and most successful online selling season in history, and look forward to providing our merchants the tools necessary to maximize sales." <https://www.bigcommerce.com/blog/cyber-week-2017/>.

What most concerns the big brands are those sales conditions over which they have little or no control. Weather is a variable for which no one can adequately plan. Bad weather can halt or delay arrivals of inventory and receipt of shipments. A possible shutdown of the U.S. government in December could disrupt shoppers' confidence in the economy, resulting in a revision of their holiday spending plans.

Black Friday

Black Friday is a traditional retail event that also serves as a means of measuring the health of that market sector. Retailers appear to have performed better than expected on Black Friday 2017. Forecasts from retail analysts were conservative prior to the holiday. A number of sources predicted that online sellers would benefit at retailers' expense. While online sellers showed better rates of revenue growth, retailers did better than expected in 2017.

The National Retail Federation (NRF) says more than 174 million persons shopped in stores or online from Thanksgiving Day through Cyber Monday. NRF predicted 164 million shoppers for the period.

Shoppers spent on Black Friday—both in stores and online. Black Friday generated a record \$5 billion in sales. <https://www.retaildive.com/news/meet-the-winners-and-losers-of-black-friday-2017/511661/>. That is a comeback from recent years. <https://www.retaildive.com/news/black-friday-losing-prominence-during-2016-holiday-shopping-season/428540/>. The good news for ecommerce was that Black Friday's resurgence came in part from a significant increase in online shopping.

Retail Scores Well

Black Friday saw 105 million adults make a trip to malls and shopping centers across the country. According to a survey from International Council of Shopping Centers (ICSC):

- 87% of Thanksgiving/ Black Friday shoppers took advantage of in-store and online purchasing.
- 74% of Thanksgiving/Black Friday shoppers spent the same or more than in 2016.
- 69% of those purchasing online and picking up in-store (click & collect) made an additional in store purchase. <http://www.businesswire.com/news/home/20171126005055/en/Strong-Black-Friday-Positive-Sign-Brick-and-Mortar-Holiday>.

Adobe Analytics conducted a survey that showed the most popular day for in-store shopping was Black Friday, cited by 77 million consumers, followed by Small Business Saturday with 55 million consumers. <https://www.businesswire.com/news/home/20171128006289/en>.

The NRF reports that the Black Friday weekend saw more shoppers walking the stores than it predicted. Of those shopping in stores, more than 64 million shopped both online and off, according to the study. Roughly 58 million shopped only online, while more than 51 million stuck only to stores. Those spreading their spending between retail and online spent on average \$82 more than the online-only shopper, and \$49 more than the store-only shopper.

So far, the results of Small Business Saturday Sales have been tough to measure.

By Cyber Monday, the shift from retail to online shopping was substantial. More than 81 million shopped online compared with more than 66 million shopping online on Black Friday.

The NRF credits the meteorologists for some of the retailers' gains. NRF head Matt Shay says good weather enhanced stores' traffic.

A second motivator was low pricing of popular items. Sixty percent made most of their purchases to take advantage of holiday discounts, and 48% reported having found lower prices over the holiday weekend than they did before the season's official kick-off.

More than forty percent (43%) of shoppers said they shopped at a department store, 32% at electronic stores, 31% at clothing and accessories stores, and another 31% at discount stores.

Demand focused on traditional items: 58% bought clothing or accessories, 38% bought toys, 31%

bought books and other media, 30% bought electronics, and 23% bought gift cards.

Among the department stores, there were clear winners and losers. Macy's and J.C. Penney offered deep discounts but did not drive in the customers. Simon-Kucher & Partners's Ricardo Rubi told *Retail Dive*: "With extended Black Friday sale dates, no-coupon promotions, at-door coupons, more and more coupons, the retailer is making an ultimate grasp for traffic – any traffic. . . . Once again, they resort to the extreme discounting that seems to resonate best with their dwindling base of consumers. The push towards a social media campaign that encourages shoppers to share their savings for all to see may be a push to attract the few consumers that may yet not be familiar with J.C. Penney's 'extreme couponing.'" <https://www.retaildive.com/news/meet-the-winners-and-losers-of-black-friday-2017/511661/>.

Business Insider reported that Best Buy understood how to drive sales. It had lines outside many stores as people awaited the chance to pick up a "doorbuster." *Retail Dive* reported the reason for its success: "According to data from QSR International, Best Buy was tagged the most in tweets categorized as 'very positive,' and it overall had the most successful advertising campaign of 15 brands studied. That's likely because the retailer took a different strategy this year—veering away from pushing a sense of urgency in its advertising language with phrases like 'sale ends soon,' 'limited time' or 'one day only.' Instead, the retailer opted for more helpful messaging about free shipping and financing options." <https://www.retaildive.com/news/meet-the-winners-and-losers-of-black-friday-2017/511661/>.

Online Outperforms

In the NRF survey, 42% of the holiday weekend shoppers shopped online. What did that mean in terms of revenues? A record \$5.03 billion was spent online by the end of the day on Black Friday, a 16.9% increase over the \$4.3 billion spent on the day last year, according to Adobe Analytics. <https://landing.adobe.com/en/na/solutions/digital-index/ctir-2840-holiday-predictions-2017/>.

Ecommerce platform provider Shopify reported data from its more than 500,000 merchants showing its platform's sales topped \$1 million per minute at the day's peak hour—up from \$555,716 per minute last year on Black Friday. That translates to 10,000 orders per minute.

Shopify's Black Friday data shows that mobile devices continued to produce more revenues than desktop browsers:

- 66% of orders came from mobile devices, compared with 58% last year.
- 34% of orders came from desktop browsers, down from 42% last year.

The breakdown of orders on Shopify was more than

6000,000 articles of clothing, 360,000 accessories, and 210,000 housewares items. <https://www.digitalcommerce360.com/2017/11/26/weekend-in-review-2017-holiday-season-off-to-a-record-breaking-start>.

Adobe Analytics produced its own estimates for the day. It found mobile devices produced 54% of visits and 37% of digital revenue.

Big Dollars for Big Deals

The average spending per person over the five-day holiday weekend was \$335.47, with 75% of that (or \$250.78 on average) spent on gifts. Millennials (25 to 34 years old) on average spent \$419.52, according to NRF's study. This made them the freest spenders among the different age groups.

On Black Friday, 25% of shoppers started at 10 a.m. or later on Friday. This suggests that those who rested on Thanksgiving Day went shopping earlier on Black Friday.

The leading retailer websites for the holiday weekend belonged to Amazon, Walmart, Best Buy, Target, Kohls, Toys R Us, Macy's, and Home Depot. <https://www.digitalcommerce360.com/2017/11/28/cyber-monday-sales-6-59-billion-us-smartphones-accounting-for-21-2-revenue/>.

Sentimental Journey

The U.S. consumer's continued interest in retail shopping on Black Friday is in part an expression of sentimental attachment to traditional Black Friday activity. Trybe AS, a global consumer research technology company, released real-time data on consumer shopping habits and behavior during Thanksgiving Day, Black Friday, and Cyber Monday.

The data presented in The Shopper Ticker by Trybe represents information collected within twelve hours after the Thanksgiving Holidays in the U.S. Unlike most Thanksgiving Holiday shopping surveys, Trybe's survey was based on consumers' real behavior and not only the prediction of their purchases.

Trybe took a different approach by asking consumers questions in regard to their emotions when shopping during the holidays, especially on days such as Thanksgiving when people spend the day with their family. "We wanted to understand how and why they were inclined to stand in lines, how it made them feel, and what they purchased, and for what reason," said Daniel Michalczyk, CEO of Trybe.

The data and trends shown for November 2017 include:

- Only 1 in 5 did not shop during the Thanksgiving Day, Black Friday, or Cyber Monday.

- The biggest categories of bought goods are electronics for men, while women purchased apparel and accessories. Electronics only comes second for women.

- While both genders predominantly use the three days to shop for other people, women do so more than men, women 82% vs. men 61%. Men buy for themselves at twice the rate vs. women, 26% vs. 13%.

The survey that was conducted by Trybe gathered close to 3500 respondents in U.S. across all states. The full version is accessible by visiting <http://bit.ly/2nd7nZL>. <https://>

www.prnewswire.com/news-releases/while-70-of-consumers-say-they-prefer-shopping-online-many-consumers-still-have-an-emotional-attachment-to-black-friday-300563445.html.

Positive Outlook

Retailers are happy with the Black Friday 2017 turnout and anticipate that shopping could remain at higher levels—barring bad weather or a government shutdown in December.

Cyber Monday

For Cyber Monday, Adobe predicted it to be the biggest online shopping day in U.S. history, soaring 16.5% over last year to reach \$6.6 billion in sales, and toys were expected to be the biggest hit. <https://landing.adobe.com/en/na/solutions/digital-index/ctir-2840-holiday-predictions-2017/>.

Night and Day

People got up earlier for shopping on Cyber Monday, according to Adobe Analytics. About half (49%) started shopping early in the morning and 41% late in the morning. Adobe estimated that three hours in the evening of Cyber Monday, from 8 p.m. through 11 p.m. in each local market could garner more online revenue than the average twenty-four-hour day. “Conversion rates likewise peaked during the last hour of Cyber Monday (between 11 p.m. and midnight) at four times the annual average.” <https://www.retaildive.com/news/7-lessons-from-cyber-monday/511770/>.

Prime Time

Three quarters of Cyber Monday shoppers used their computers at home, 43% were on a mobile device, and 13% used computers at work. https://www.businesswire.com/news/home/20171128_006289/en.

Trybe AS, which collects and analyzes data on shoppers’ preferences, reported its own survey results for the day. It found that Amazon, with its huge cache of Prime members, did the best: “Out of the consumers who bought something on Cyber Monday, 8 in 10 bought on Amazon.” <http://bit.ly/2nd7nZL>. Those same customers also increased their spending for the holidays. “GBH Insights has predicted the average Prime customer is spending 20 to 25 percent more on Amazon.com around the holidays this year.” <https://www.cnbc.com/2017/11/28/amazons-prime-customers-are-spending-more-this-holiday-season.html>. While consumers shopped on Thanksgiving Day, Black Friday, and Cyber Monday, their preferred day of shopping was Cyber Monday, with 56% of males and 55% of females. When asked if they

prefer shopping in-store or online, 70% of males said they preferred to shop online.

Mobile accounted for 64% of Cyber Monday sales with merchants using Shopify’s ecommerce platforms, according to Shopify. That was a 10% increase from Cyber Monday of 2016. Despite the growth, some analysts predict that Cyber Monday will become an anachronism. The shopping day came about because people delayed shopping for electronics online until they returned to work because computers in the workplace so often were faster and better connected to the Internet than people’s home computers. That is not the case now.

Pricing Policies

Discounting was steep but not appreciably deeper than in previous years. At 20% to 50% off, regular price discounts remained roughly flat from last year, according to retail analysts with FBR. Only a few large retailers that the analysts covered upped their discounting game this year, including Chico’s, Gap Inc., Francesca’s, and Urban Outfitters.

The best deals were for toys, discounted by 18.8%, followed by TVs at 21.1%, and computers at 14.7%, according to Adobe. *Retail Dive* says: “Compare those figures to Black Friday, when discounts favored appliances, jewelry, tablets and televisions. Toys, together with apparel, were also the most likely product to be out of stock.” <https://www.retaildive.com/news/7-lessons-from-cyber-monday/511770/>.

Electronics remained a big draw. Amazon’s Echo Dot dropped in price from \$49.99 to \$29.99. Walmart had laptop deals and its *Jet.com* featured HDTVs, Home Audio, and wearable tech. Best-sellers included Google Chromecast, Apple iPads, Samsung Tablets, Apple AirPods, and Sony Playstation VR, Adobe found. Consumers also bought video games and consoles, among them Super Mario Odyssey, Nintendo Switch, and Microsoft Xbox One X. Winners in toys were PJ Masks

and Hatchimals & Colleggtibles, Funko Pop, L.O.L. Surprise dolls, and Ride On Cars, according to Adobe.

Price-tracking platform Wikibuy found that smart home devices and other electronics were among the best sellers on Amazon. The best sellers on the ecommerce giant's website were Echo Dot, Fire TV Stick with Alexa Remote, TP-Link Smart Plug, Instant Pot 7-in-1 Pressure Cooker, and AncestryDNA Genetic Testing Kit, according to Wikibuy.

Walmart drew closer to its competitor, Amazon, on pricing. According to a Market Track price study conducted for *Reuters*, prices at Walmart's website are now on average 0.3% more expensive than Amazon, compared to 3% higher than Amazon's in 2016. *Reuters* said wearable technology was different. Walmart's prices are 6.4% lower than Amazon this year compared to 12.6%

Amazon Dominates Holiday Sales

As already noted, Trybe AS reports that eight in ten purchases over the holiday weekend went to *Amazon.com*. (See *BMR 12/04/2017*, p. 6). Amazon also had its best day ever on Cyber Monday, beating its Prime Day results for 2017. <https://www.digitalcommerce360.com/2017/11/28/cyber-monday-sales-6-59-billion-us-smartphones-accounting-for-21-2revenue/>. This means that many smaller businesses using the Amazon ecommerce platform saw their fortunes rise as well. Amazon shoppers ordered nearly 140 million items from small businesses and entrepreneurs globally during on Cyber Monday, according to statistics Amazon CEO of Worldwide Consumer Jeff Wilke provided *Retail Dive*.

Amazon hosted 55% of all online transactions that occurred on Black Friday, as well as for more than 45% of online checkouts completed on Thanksgiving Day, according to data supplied to the publication *Dealerscope* by analytics company Hitwise. Based on this data, Amazon accounted for 7.14 million of 13 million transactions that occurred on Black Friday, as well as 5.64 million of the 12.5 million orders placed on Thanksgiving Day. <https://www.retaildive.com/news/amazon-cyber-monday-spark-small-business-growth/511879/>.

Based on predictions from retail analysts, Amazon could see 70% of U.S. shoppers make at least 26% or more of their holiday purchases at Amazon, and 40% will make more than half of their holiday purchases at Amazon reports *Retail Dive*.

Top Performers

AncestryDNA was one of the top selling products on Amazon on Cyber Monday, selling 800% more

higher in the same period a year ago. Walmart also made a move on sports and outdoor products, with Walmart's prices 1.3% lower compared to 3.5% higher a year ago.

Clean-up by Shippers

The boost to online revenues means money for the U.S. Postal Service and private shippers as well because online purchases usually mean delivery and many ecommerce sites offer free delivery to draw more traffic during the holiday season. Salesforce found that 85% of orders they tracked offered free shipping. According to FBR analysts, 67% of the retailers they covered offered free shipping with no minimum purchase, up from 60% last year. Businesses that offered free shipping if the order met a minimum dollar amount included Anthropologie, Athleta, Lane Bryant, Old Navy, and Urban Outfitters.

kits that day than it had during the entire 2016 holiday period, according to Vineet Mehra, the company's Executive Vice President & Chief Marketing Officer.

Tea Forte, which sells luxury tea blends and paraphernalia, sold "thousands of items" and reported a 550% sales increase over 2016, Tea Forte VP of Commerce Jurgen Nebelung said.

One Savvy Life, purveyor of infusion water bottles and trendy outdoor equipment, sold thousands of unit and saw a 30% year-over-year rise, according to founder Kelly Fedio.

Black Friday produced similar results on Amazon for businesses using the Amazon platform. <https://www.retaildive.com/news/amazon-devoured-55-of-black-friday-online-orders/511719/>.

The Prime Imperative

The Amazon dilemma for most smaller merchants is that the online giant holds aa the cards, including having access to its Prime members. And membership, they say, has its privileges. GBH Insights analyst Daniel Ives predicts Amazon will take as much as half of all online sales from November through the New Year. Last year, its share was only 38% of the market for that period. That market is growing, too. "Adobe Insights, which measures roughly 80% of online sales from 100 major U.S. retailers, has forecast 2017 will mark the first holiday season to surpass \$100 billion in digital transactions." <https://www.cnbc.com/2017/11/28/amazons-prime-customers-are-spending-more-this-holiday-season.html>. What concerns merchants most is that Amazon will one day exercise its power over those using its platform in ways that they will not like.

Briefs

Amazon merchants worry that there could be such a thing as too much success. If they garner most of their sales from Amazon and Amazon dominates online sales, then today's ally could be tomorrow's toll-collecting troll under the bridge. According to *Retail Dive*: "More than half (52%) are concerned Amazon will take away their privileges, half are worried about high fees and 45% are scared that Amazon will compete directly with them, according to recent research from marketplace commerce platform Feedvisor." <https://www.retaildive.com/news/new-returns-policies-have-amazon-sellers-fuming/448649/>.

Some are reacting to this insecurity by exploring alternative platforms including Walmart's. But Walmart—a retail behemoth—still sits in Amazon's shade online. According to the data Hitwise provided to *Dealerscope*, Walmart came in second to Amazon on Black Friday, traditionally a retail day, by producing almost 1.14 million transactions. That 8.8% share does not measure up to Amazon's 55%. Walmart did better on Thanksgiving, taking almost 14% of online transactions. <http://www.dealerscope.com/article/hitwise-amazons-share-black-friday-transactions-will-shock/>.

What makes Walmart appealing to consumers may not be what makes it appealing to merchants. The Walmart site is competing with Amazon on price. According to recent data from Market Track, a data analytics company, that conducted research for *Reuters*, Walmart's prices online are just 0.3% higher than Amazon's—down from being 3% higher in 2016.

The significance of this price slashing may not yet be measurable. On the one hand, rumor has it that Amazon is the place to go for the lowest prices. On the other hand, Walmart's competitive pricing advantage is often noticed for a line of products—such as school supplies—and not across the board. There also have been signs that Walmart no longer offers the same low prices to online customers as it does in stores. <https://www.retaildive.com/news/walmart->

[narrows-price-gap-with-amazon/511675](https://www.retaildive.com/news/walmart-narrows-price-gap-with-amazon/511675/). All of this confuses the Walmart marketing message and the retailer's customers.

In the lawsuit over alleged trade secrets theft of Alphabet/Google/Waymo's self-driving car technology by competitor Uber, the judge has let the parties know that he is not pleased by the defendant's reluctant release of evidence that seems damning to its cause. The case was about to go to trial. A jury was about to be selected. Then the U.S. Attorney's Office in Northern California notified the judge that there was a letter to Uber from an attorney of someone appearing to be a whistleblower in the matter. It turned out there was correspondence with information not previously disclosed. A payment in the amount of \$4.5 million may have been made to the "whistleblower" and a further payment of \$3 million made to that person's attorney.

The judge delayed trial and said, "I have never seen a case where there were so many bad things done like Uber has done in this case."

The letter lists a number of alleged behaviors that disadvantaged Uber's competitors. An additional email turned up. Neither document appears to have been disclosed during discovery. The letter, addressed to Uber's deputy general counsel may have been, as the in house counsel said, erroneous or "fantastical," but that does not mean it was irrelevant.

The judge said, "on the surface, it looks like you covered this up." Uber's counsel offered an explanation of the company's behavior, but the judge delayed jury selection until late January and trial until early February to give the court and Waymo time to react.

While the subject matter of Waymo's case and the whistleblower's claims appear different, the revelation did not cast Uber in a favorable light. <https://www.nytimes.com/2017/11/29/business/waymo-uber-trial.html>.

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