

Cyber Monday likely to be busiest online sales day (Update)

November 25 2012, by Mae Anderson



In this Friday, Nov. 29, 2008, file photo, carts full of merchandise ordered online are rolled to the main packing area for shipping at the Overstock.com warehouse, in Salt Lake City. Cyber Monday, coined in 2005 by a shopping trade group that noticed a spike in online sales on the Monday after Thanksgiving when people returned to their work computers, is the next in a line of days that stores are counting on to jumpstart the holiday shopping season. This year it is expected to be the biggest online shopping day of the year for the third year in a row. (AP Photo/Douglas C. Pizac)

Americans clicked away on their computers and smartphones for deals on Cyber Monday, which is expected to be the biggest online shopping day in history.

Shoppers are expected to spend \$1.5 billion on Cyber Monday, up 20 percent from last year, according to research firm comScore. That would not only make it the biggest online shopping day of the year, but the biggest since comScore started tracking shoppers' online buying habits in 2001.

Online shopping was up 26.6 percent on Cyber Monday compared with the same time period a year ago, according to figures released Monday evening by IBM Benchmark, which tracks online sales. Sales from mobile devices, which include tablets, rose 10.2 percent. The group does not track dollar amount sales.

The strong start to Cyber Monday, a term coined in 2005 by a shopping trade group that noticed people were doing a lot of shopping on their work computers on the Monday following Thanksgiving, comes after overall online sales rose significantly during the four-day holiday shopping weekend that began on Thanksgiving.

"Online's piece of the holiday pie is growing every day, and all the key dates are growing with it," said Forrester Research analyst Sucharita Mulpuru. "The Web is becoming a more significant part of the traditional brick-and-mortar holiday shopping season."

It's the latest sign that Americans are becoming addicted to the convenience of the Web. With the growth in smartphones and tablet computers, shoppers can buy what they want, whenever they want, wherever they want. As a result, retailers have ramped up the deals they're offering on their websites during the holiday shopping season, a time when stores can make up to 40 percent of their annual revenue.



In this Monday, Dec., 1, 2008, file photo, an Amazon.com employee grabs boxes off the conveyor belt to load in a truck at their Fernley, Nev., warehouse. Cyber Monday, coined in 2005 by a shopping trade group that noticed a spike in online sales on the Monday after Thanksgiving when people returned to their work computers, is the next in a line of days that stores are counting on to jumpstart the holiday shopping season. This year it is expected to be the biggest online shopping day of the year for the third year in a row. (AP Photo/Scott Sady)

Amazon.com, which started its Cyber Monday deals at 12:01 a.m. Monday, is offering as much as 60 percent off a Panasonic VIERA 55-inch (139-centimeter) TV that's usually priced higher than \$1,000. Sears is offering \$430 off a Maytag washer and dryer, each on sale for \$399. And Kmart is offering 75 percent off all of its diamond earrings and \$60 off a 12-in-1 multigame table on sale for \$89.99.

Delisa O'Brien, 24, took advantage of some of the deals on Monday.

O'Brien, who said she would rather shop online than deal with the crowds in stores, bought an H-P Notebook for \$399 on Hewlett Packard's website for her mother. The company threw in a free Nook e-book reader with her purchase.

Chas Rowland, 34, a pastor in Vicksburg, Mississippi, said that he prefers shopping online on his iPad. On Cyber Monday, he bought clothes at several online retailers, toys at Toys R Us and electronics and phone accessories from Best Buy. He got at least 40 percent off everything and free shipping on some items.

"The best part was that I got to sleep while everyone else was standing in lines all night long on Black Friday," he said.

How well retailers fare on Cyber Monday will offer insight into Americans' evolving shopping habits during the holiday shopping season. With the growth in high speed Internet access and the wide use of smartphones and tablets, people are relying less on their work computers to shop than they did when Shop.org, the digital division of trade group The National Retail Federation, introduced the term "Cyber Monday."



In this photo taken Tuesday afternoon, Nov. 13, 2012, file photo, Daniel Holmquist raises his forklift to the top shelf of the Sierra Trading Post Fulfillment Center's racks to pick a product off the shelves at the facility in Cheyenne, Wyo. Cyber Monday, coined in 2005 by a shopping trade group that noticed a spike in online sales on the Monday after Thanksgiving when people returned to their work computers, is the next in a line of days that stores are counting on to jumpstart the holiday shopping season. This year it is expected to be the biggest online shopping day of the year for the third year in a row. (AP Photo/Star-Tribune, Kyle Grantham)

As a result, the period between Thanksgiving and Cyber Monday has become busy for online shopping as well. Indeed, online sales on Thanksgiving Day, traditionally not a popular day for online shopping, rose 32 percent over last year to \$633 million, according to comScore. And online sales on Black Friday were up 26 percent from the same day last year, to \$1.042 billion. It was the first time online sales on Black

Friday surpassed \$1 billion.

For the holiday season-to-date, comScore found that \$13.7 billion has been spent online, marking a 16 percent increase over last year. The research firm predicts that online sales will surpass 10 percent of total retail spending this holiday season. The National Retail Federation estimates that overall retail sales in November and December will be up 4.1 percent this year to \$586.1 billion.

But as other days become popular for online shopping, Cyber Monday may lose some of its cache. To be sure, Cyber Monday hasn't always been the biggest online shopping day. In fact, up until three years ago, that title was historically earned by the last day shoppers could order items with standard shipping rates and get them delivered before Christmas. That day changes every year, but usually falls in late December.

Even though Cyber Monday is expected to be the biggest online shopping day of the year, industry watchers say it could just be a matter of time before other days take that ranking.

"Of all the benchmark spending days, Thanksgiving is growing at the fastest rate, up 128 percent over the last five years," said Andrew Lipsman, a spokesman with comScore.

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