

## **Cyber Monday: Biggest online shopping day in U.S. history pits Amazon vs. Walmart**

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Safely back in their office cubicles, Americans let their fingers do the shopping Monday, racking up \$6.59 billion in online sales by the end of the day.

Cyber Monday topped out at a new online record, compared with Black Friday <u>online sales</u> of \$5.03 billion, according to Adobe Analytics. That's up from the previous record for Cyber Monday, which was last year's \$5.65 billion, a 16.8% increase.

The strongest surge in purchases was forecast between 8PM and 11PM in every time zone, when deliberating shoppers finally commit to what they've been loading into their online <u>shopping</u> carts all day and over the "Turkey 5"—the five shopping days starting on Thanksgiving and continuing through Cyber Monday. That surge rolls across the country as each U.S. region hits the witching hour for buying.

Shoppers "know the deals end at midnight so it's the final rush," said Tamara Gaffney, Adobe's strategic insights engagement director.

Amazon likely took the biggest chunk of those sales. It is estimated to have a 42% share of all online sales, according to Slice Intelligence, a market research firm.

"The problem for everybody else is that Amazon has basically become a verb. It's the reflex reaction to start on Amazon and then you go other places only if you can't find what you want there," said Bob Goodwin,



consumer electronics practice lead at InfoScout, a consumer-behavior research company.

Walmart, though, is making serious inroads. Its prices on average are now just 0.3% more expensive than Amazon, according to Market Track, a data analytics company. Last year its prices were 3% higher, it says.

"With investments in buying online and pickup in-store, as well as the acquisitions of Jet, ModCloth, Moosejaw, and Bonobos, the most interesting story will be how much ground" Walmart has made up, said Ken Cassar, principal analyst with Slice .

## Shopping is at hand, not desk

Cyber Monday started from the days when few people had a fast Internet connection outside of an office. Monday was the first work day after the Thanksgiving holiday, and the first time they could painlessly shop online. Retailers responded with special "cyber" deals.

That's no longer the case on several levels—fast connections are the norm and people shop online at all hours at home. What's more, they're increasingly ditching computers as their primary shopping devices.

Mobile users now make up 47.4% of all visits to shopping websites, Adobe found. A full 39.9% of those were on a smart phone and another 7.6% on tablets.

One feature that's helped drive this trend has been the ever-moresophisticated ability of our phones to autofill information.

Instead of having to type in name, address, credit card info and more with big fingers on a small screen, more and more retailers are



leveraging autofill to make the process easier and smoother.

"The retailers know full well that the wave of mobile shopping is coming" and they're retooling their sites to be as user-friendly as possible, said Gaffney.

Smartphone traffic was up 22.2% year-over-year as of Monday morning while smartphone revenue was up 39.2%.

When it came to hitting the "buy" button, computers still play a role. Only about 24.1% of revenue comes from smart phones—or less than the percentage using phones to shop, said Gaffney.

## Too much to scroll through

With the ongoing move by consumers to shop on their smart phones, the biggest retailers' size and depth of products can be their downfall.

While people like one-stop shopping, trying to scroll through thousands of possible version of a particular item is not easy. "So the smaller retailers who are more boutique-like have a better chance," she said.

This advantage will only last a few years though, she believes. In the future, big retailers will find ways to make themselves look smaller, delivering exactly what the customer wants "almost as if they were mind readers, but still giving you a huge catalog that you can choose from," she said.

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