

Growing Your Brand During the 2023 Holiday Season, Commerce-First

Benchmarks & Insights for Multichannel
Brands to Convert Holiday Shoppers

MikMak

2023 Holiday Season Overview

With a backdrop of inflation, appealing to your consumer's needs and knowing where to spend your next marketing dollar is vital to success this holiday season. This guide shares benchmark data and insights from the MikMak Shopping Index to help:

- **Accelerate sales and market share** by making sure your products are discoverable by consumers and arming your teams with the right competitor and retailer insights
- **Drive profitability and reduce costs** by collecting first-party data to improve your marketing effectiveness throughout the holiday season
- **Set your brand up to succeed in 2024** by keeping a pulse on the latest eCommerce marketing trends and creative best practices

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Holiday 2023 Overview

As prices stabilize, core inflation is still affecting US consumers

According to the MikMak Shopping Index, eCommerce conversion rates have shown signs that consumers are more trepidatious when completing a purchase this year -- however, they are still spending. The economic backdrop emphasizes the need for brands to look for efficiencies in their marketing and media spend. The brands that can keep investing despite this backdrop will gain share and withstand the test of time.

Learn more about how brands can win market share in economic uncertainty from this BRAVE COMMERCE episode featuring **Sucharita Kodali of Forrester**.

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Retail media has taken flight, and shows no signs of slowing

According to eMarketer, retail media ad spend will more than double by 2027. This growth is more rapid than the digital ad market overall. With retailers having significant access to first-party data, retail media is a huge frontier for marketers looking to reach shoppers when they are most likely to buy. However, as retail media grows, an advanced need for data transparency and standardization will matter most for brands.

Interested in learning more about Retail media? Check out this BRAVE COMMERCE episode featuring **Michal Gellar of Newell Brands**.

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Gen Z is gaining buying power, motivating marketers to innovate

According to the MikMak Shopping Index, Millennials and Gen Z have the highest eCommerce Purchase Intent Rates compared to other generations. Keep a close eye on the preferences and shopping trends surrounding different demographic segments this holiday season, and in years to come, as younger generations age into having more disposable income.

Learn more about marketing to Gen Z from this BRAVE COMMERCE episode featuring **Soyoung Kang of eos**.

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Accelerate Sales and Market Share

Make your products discoverable

As the holiday season approaches, it becomes increasingly important to make sure your brand reaches consumers where they are, when they are most likely to buy. To start, here's a look at the top days and times people are shopping.

Last year, Purchase Intent Rates* peaked on December 3rd at 10 percent, with more sustained Purchase Intent Rates throughout the season than we saw in 2021. This is likely due to an early kickstart to the season with October's Amazon Prime Day, followed by Black Friday and Cyber Monday deals carrying through longer periods of time. We expect to see similar this year.

eCommerce Shopping Traffic Trends Purchase Intent Rate Peaks (All Categories)



*Purchase Intent Rate = The number of times a shopper has clicked through to at least one retailer during a single session

Predicted Peak Dates by Industry

Toys & Gaming	Grocery	Beauty	Alcohol
Saturday 12/2	Weds 11/1, Sat 11/25* (The day after Black Friday)	Friday 11/3	Friday 12/1

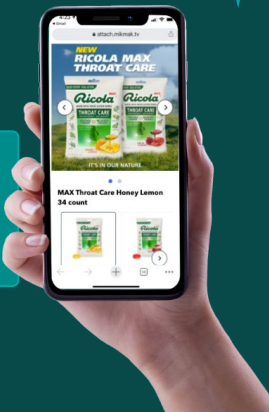
Brand Success Story

Ricola leveraged MikMak to quickly launch shoppable influencer campaigns across Instagram and TikTok.

2.8x Higher Purchase Intent Rate on TikTok

1.6x Higher Purchase Intent Rate by influencer

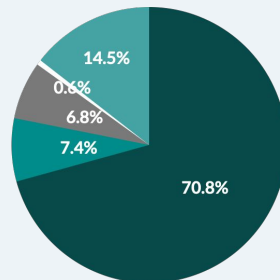
55% Of consumers preferred to shop at Target



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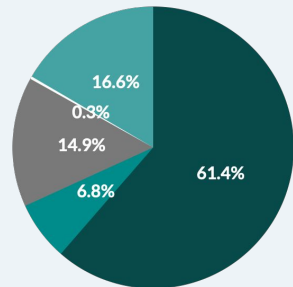
Social Commerce is the third shelf

2023 Media Mix



- Social ↑ (9.4 p.p)
- Programmatic ↑ (0.6 p.p)
- Search ↓ (8.1 p.p)
- OTT/CTV ↑ (0.3 p.p)
- Other ↓ (2.1 p.p)

2022 Media Mix

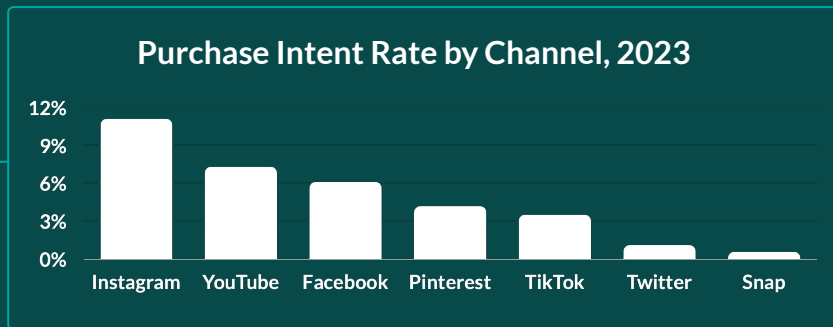


- Social
- Programmatic
- Search
- OTT/CTV
- Other

Instagram is the top channel for 2023

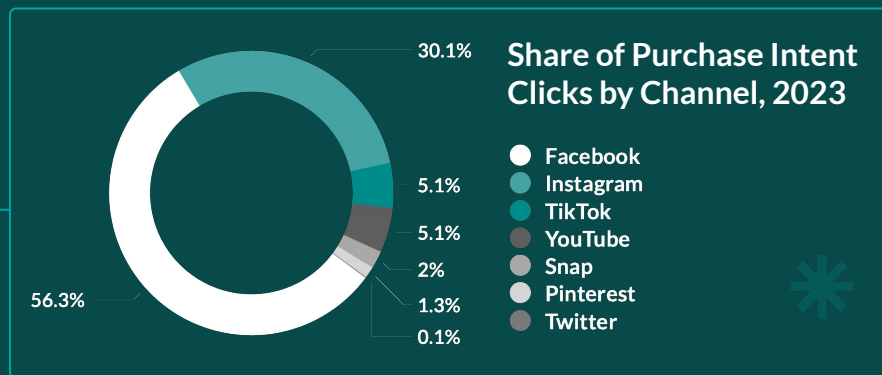
As shown on the previous page, social commerce has only grown over the years and today, more shoppers than ever before are engaging in social-first product discovery. According to a Statista report, global sales through social media platforms climbed to an estimated \$992 billion in 2022. That figure is expected to hit \$2.9 trillion by 2026.

According to the MikMak Shopping Index, Instagram drives the highest Purchase Intent Rates for eCommerce brands at 11.1 percent. YouTube follows with 7.3 percent. Facebook, Pinterest, and TikTok drive Purchase Intent Rates of 6.1, 4.2, and 3.5 percent, respectively.



In terms of Purchase Intent Clicks, Facebook drives the most in-market traffic for eCommerce brands at 56.3 percent. Fellow Meta channel, Instagram follows with 30.1 percent. TikTok and YouTube tie for third most Purchase Intent Clicks at 5.1 percent. Snap follows with 2.0 percent. Traffic for TikTok has been increasing incrementally year over year. Pay extra close attention to this channel during the holiday season.

***Purchase Intent Clicks:** The number of times a shopper has clicked through to at least one retailer during a single session



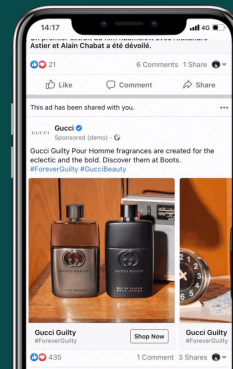
Strengthen Retailer Partnerships

According to a forecast from BCG, retail media spend is projected to more than double by 2027 to a \$100 billion market. In 2015, retail media represented roughly 5 to 20 percent of brand budgets. Now, that figure is as high as 50 to 75 percent.

Despite retail media's rapid growth and compelling value proposition, there are challenges that come along with it -- it is siloed, there is little to no standardization, there are gaps in reporting and there are few self-serve tools. By accessing and leveraging proprietary, retailer-specific consumer insights in joint planning discussions to unlock shelf space and media value, brands can strengthen retailer partnerships beyond retail media now and into the future.

MikMak Commerce for Retail Media

MikMak Commerce for Retail Media provides consistent and real-time reporting of retailer-specific performance data alongside national media investments including paid search, influencer media, display, video and more; empowering brands with the information needed to properly adjust and scale their retail media strategy.



Denise Woodward of Partake Foods explains how to scale a small business

“It’s tools like MikMak that give us the visibility on where our consumers are in the funnel from a consideration to purchase perspective and it allows us to support our retail partners.”

PARTAKE

Walmart is the top retailer across categories this holiday season

Do you know which retailers your consumers prefer to check out at, and how that varies based on media platform, day of week and more? Be sure your media and brand website drive your consumers to the retailers they prefer to check out with.

According to the MikMak Shopping Index, Walmart is the highest driver of in-market traffic for all product types, driving 32.8 percent of Purchase Intent Clicks compared to the Top 10. Beyond that, Amazon drives 23.5 percent of PI Clicks, and Target at 17 percent.



Average Basket Size

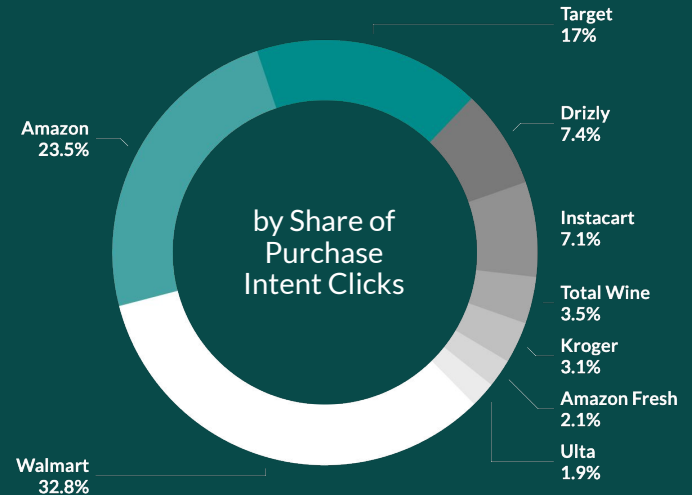
Basket Sizes are slightly smaller this year than last year, meaning consumers are buying less items per online shopping trip.

Now, more than ever, it is important to continue moving your supply. Partner with an eCommerce analytics software like MikMak to stay close to find real-time efficiencies in your strategy.

2022
9 items

2023
7.7 items

Top 10 Retailers for 2023



Inflation has changed what shoppers are buying

Top Products by Purchase Intent Rate, All Categories

1. Car Seat
2. Enchilada Sauce
3. Glass Bakeware
4. Laundry Detergent
5. Children's Playset
6. Flavored Coffee
7. Sliced Cheese
8. Body Fragrance
9. Veggie Burgers
10. Toothbrush

While the Consumer Price Index is lowering and inflation is overall cooling since last year, shoppers are still seemingly hesitant to purchase luxury items. Right now, the top products in the MikMak Shopping Index are largely everyday essentials such as car seats, grocery items, and household goods.

2023's Amazon Prime Day showed us that consumers are taking advantage of promotions for their everyday needs, rather than splurging on big-ticket items. This is likely going to be the case for holiday promotions such as Black Friday and Cyber Monday.



“Overall inflation is starting to decline, as food and appliance prices stabilize. However, core inflation is continuing to impact consumers spending online. MikMak data indicates a YoY decline in eCommerce conversion rates, which coincides with inflation and interest rates continuing to rise. Consumers are spending, but they are spending on essentials. [...] It's a further proof point that consumers are being more strategic about discretionary categories, and considering what they are willing to do on their own, like nails, versus paying for a service. This trend is likely to continue until inflation stabilizes.”

- Rachel Tipograph, Founder & CEO of MikMak, [RetailToday](#)

Beat the Competition

Knowing where consumers are buying your products and your competitors' products will help you better understand how and where to position your brand, as well as where to spend your next dollar. Looking at MikMak Benchmark Insights will help uncover these trends.

Brand Success Story

A healthcare brand gained market share by leveraging MikMak Benchmark Insights to identify white space opportunities in their and their competitors' media mix

15.8% Purchase Intent Rate through Google.

3x Higher Purchase Intent Rate on Google than the category average Purchase Intent Rate.

+14% Increase in Purchase Intent Rate for the healthcare brand.



Social Channel x Retailer Mix by Category

Top 5 Social Channels by Purchase Intent Rate

Toys & Gaming

YouTube x amazon

1. YouTube
2. Instagram
3. Twitter
4. Facebook
5. TikTok

Beauty

Pinterest x amazon

1. Pinterest
2. Instagram
3. Facebook
4. YouTube
5. TikTok

Grocery

YouTube x Walmart*

1. YouTube
2. Pinterest
3. Instagram
4. Facebook
5. TikTok

Alcohol

Instagram x DRIZLY

1. Instagram
2. Facebook
3. YouTube
4. Twitter
5. Pinterest

Drive Profitability and Reduce Costs

Improve Marketing Effectiveness

Across eCommerce, shoppers are most likely to buy on Sunday at 2 PM ET. However, this varies across categories. Be aware of when and where to reach your consumers to put your media in front of them when they're most likely to shop.

Top Days of The Week, by Purchase Intent Rate (All Categories)

1. Sunday
2. Tuesday
3. Wednesday
4. Thursday
5. Monday

Top Times of Day, by Purchase Intent Rate (All Categories, EST)

1. 2 PM
2. 1 PM
3. 5 PM
4. 7 PM
5. 8 PM

Brand Success Story

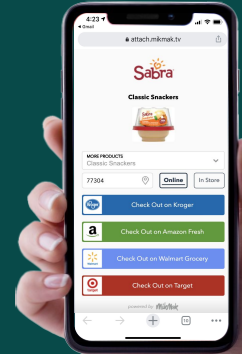
Sabra drove higher purchase intent than competitors and improved media efficiency by leveraging MikMak Insights to make campaign optimizations

2x Increase in Purchase Intent Rate after switching campaign objectives

+86% Increase in Purchase Intent Rate after updating campaign creative

+50% Higher Purchase Intent Rate than the Grocery vertical on Facebook/Instagram

[READ FULL CASE STUDY](#)



Toys & Gaming

by Purchase Intent Rate

Top Days of The Week

1. Sunday
2. Saturday
3. Monday
4. Tuesday
5. Wednesday

Top Times of Day (EST)

1. 5 PM
2. 4 PM
3. 6 PM
4. 1 PM
5. 10 AM

Grocery

by Purchase Intent Rate

Top Days of The Week

1. Tuesday
2. Wednesday
3. Thursday
4. Monday
5. Saturday

Top Times of Day (EST)

1. 1 PM
2. 12 PM
3. 2 PM
4. 3 PM
5. 4 PM

Beauty

by Purchase Intent Rate

Top Days of The Week

1. Thursday
2. Sunday
3. Wednesday
4. Tuesday
5. Monday

Top Times of Day (EST)

1. 5 PM
2. 2 PM
3. 1 PM
4. 8 PM
5. 4 PM

Alcohol

by Purchase Intent Rate

Top Days of The Week

1. Thursday
2. Wednesday
3. Tuesday
4. Friday
5. Monday

Top Times of Day (EST)

1. 7 PM
2. 6 PM
3. 8 PM
4. 5 PM
5. 2 PM

Creative Best Practices to Improve Marketing Effectiveness

Using a variety of media types can help your brand reach omnichannel shoppers. Given that Facebook and Instagram remain top social channels for eCommerce this season, Disruptive Digital, alongside MikMak, put together some best practices for Meta.

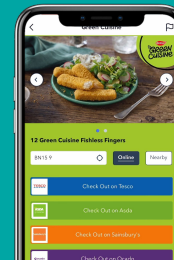
Read More on How to Drive Omnichannel Sales on Meta from Disruptive Digital

[DOWNLOAD NOW](#)

1. Feed-Based Video Ads

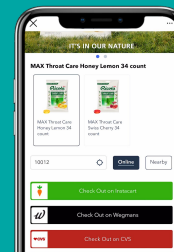
Design with sound off in mind.

- Capture attention within the first few seconds
- Showcase your brand early and consistently throughout the video
- Optimize for the 4:5 aspect ratio to maximize screen real estate
- Experiment and try new approaches to engage viewers effectively



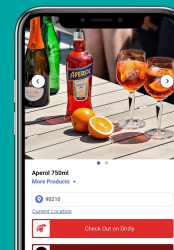
2. Reels (and Story)

- Keep it simple and highlight a single benefit or product
- Try unconventional angles or perspectives to make your content stand out
- Use varied layouts and interesting compositions
- Create a focal point in the foreground to guide viewers' attention



3. Image Ads in the Feed

- Consider the mobile best practices mentioned earlier
- Tailor the messaging to resonate with the target audience's needs
- Focus on your core products that drive the majority of omnichannel sales
- Pay attention to merchandising to enhance the appeal of your ads



Collect first-party data

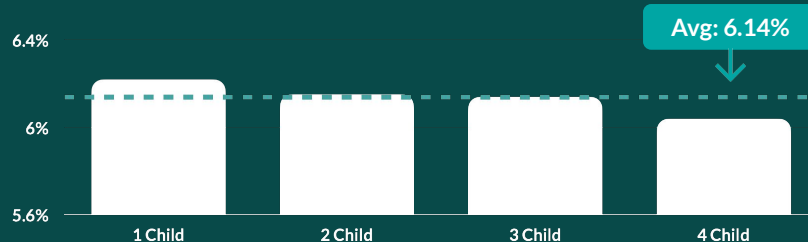
Having a consolidated view of your consumer data and target audiences can help you reach those who will buy your product with higher performance, at a lower cost.

Millennials and Households with one child are more likely to buy

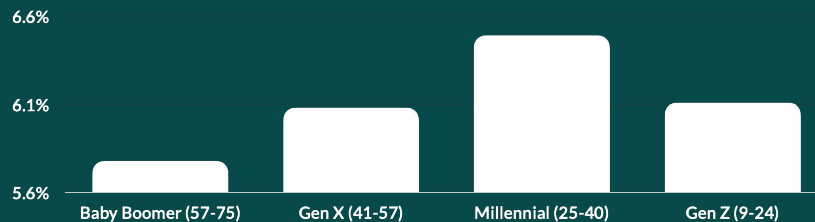
Starting in 2025, we anticipate that commerce will experience a large shift as Gen Z approaches 30 years old, only adding to the vitality of consumer data for brands. Brands will be built on top of real-time consumer data that shows how we shop, how we identify, what our needs and wants are, and what causes us to buy or not.

Right now, we see that one-child households are likely to buy, and that Millennials and Gen Z have the most purchasing power when compared to other generations. Keeping an eye on this level of insights can help you tailor your advertising to audiences that will purchase your product.

Purchase Intent Rates by Household



Purchase Intent Rates by Generational Cohort



Top Demographic Cohort Audience by Category (by Purchase Intent Rate)

Alcohol: Baby Boomer

Beauty: Gen X

Grocery: Millennial

Health: Millennial

Household Goods: Baby Boomer

Personal Care: Baby Boomer

Toys: Millennial

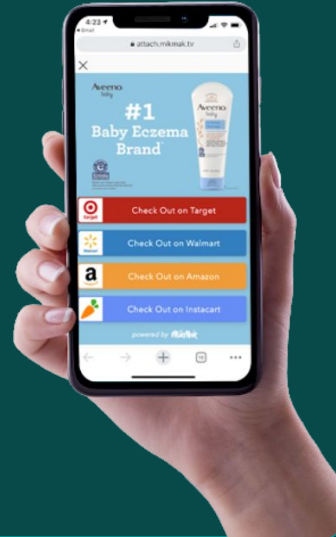
Brand Success Story

Aveeno Baby increased purchase intent by leveraging first-party data from MikMak Commerce to build new audience segments and optimize their media mix

1.25x Higher Purchase Intent Rate for campaigns using MikMak Audiences

31% Of Total Purchase Intent Clicks came from MikMak Audience segments

29% Of consumers preferred to shop at Target



[READ FULL CASE STUDY](#)

Save Time & Money

For an eCommerce strategy to be truly effective, sales must be connected back to how the buyer is shopping in real time. Brands must keep a close eye on the data to make sure they're connecting with their consumers when they're shopping.

Being agile and quick with your data, and focusing on your customer leads to brand growth. Here are just a few ways some of our brand partners are putting this strategy into action:

- **Internal sprint teams or “squads”** - Form a small sub-team and give them a very specific question to answer or a hypothesis to prove in a short amount of time.
- **Specific agency briefs** - Run a short, inexpensive test on social using MikMak to form the brief, and then ask them to build a creative amplification plan around it.
- **Question makers vs decision makers** - the people internally that will truly help extract the most value out of eCommerce data aren't always the decision makers; they are the people who know how to ask big questions and rally teams around finding the answers. Make these people your allies.



Additional Resources



Global Social Commerce Trends, Tips, & Predictions for Multichannel Brands

DOWNLOAD



State of Social Commerce Report: 2023

DOWNLOAD



How to Use eCommerce Data to Accelerate Brand Growth

DOWNLOAD

Tap into some key holiday industries with these BRAVE COMMERCE episodes:

**BRAVE
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Toys try Kate Crowley and Luke Sebire of LEGO

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**BRAVE
COMMERCE**

Consumer Electronics listen to Jim Mollica from Bose

 LISTEN NOW

**BRAVE
COMMERCE**

Alcohol we suggest this episode featuring Jay Sethi from Diageo

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**BRAVE
COMMERCE**

Sweets and Treats wisdom is packed into this episode with Mars' Anton Vincent

 LISTEN NOW

Your 2023 Holiday Cheatsheet

- Be mindful of inflation-based buying trends. Consumers are price-sensitive and willing to change brands and retailers to get what they want.
- Prepare early. Use the data and insights to fully optimize well before demand surges and the cost of media increases. If you anticipate the supply chain slowing down, incentivize earlier purchases.
- Deals are starting earlier; advertise yours by directing consumers to the appropriate retailer.
- Get creative in your media design, in your media mix, and in your partnerships. Test and learn discount messaging.
- We're here to help. MikMak helps multichannel brands gain deeper consumer insights to grow and protect market share. Contact us at marketing@mikmak.com!

The MikMak Shopping Index was developed to provide a standardized set of metrics, methodology, and benchmarks to help drive brands' business results and strategy. It is a collection of key eCommerce KPIs collected across hundreds of brands and over 250 channels and more than 4,000 retailer integrations to understand consumer online shopping behavior. The Index also includes data from MikMak Shopper Intelligence, which ties first-party eCommerce data to 1,000+ demographic and psychographic data points and can be segmented by product, retailer, and more. Shopper Intelligence is available through an industry-exclusive partnership with LiveRamp.

Data in this report is from June 10, 2022 - June 10, 2023