

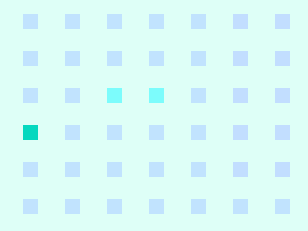


The eTailer's Get-Ready Guide

for

BLACK FRIDAY

2020



Nov. 27

Black Friday 2020

Nov. 30

Cyber Monday 2020

Nov. 26–30

Cyber Five, Black Week,
or Cyber Week

Coming Soon to Your Store

Black Friday, Cyber Monday, Cyber 5, Black Week, Cyber Week

Black Friday, Cyber Monday, Cyber 5, Black Week, Cyber Week, whatever term you use, they're about driving revenue thru pre-holiday sales deals.

And even though Black Friday falls on the day after the US Thanksgiving Day holiday, it's not a US-only event. Nor is Cyber Monday that happens the following Monday.

In the US, Black Friday is traditionally a brick-and-mortar event reserved for shopping at (and fighting for entry into) physical stores. Cyber Monday was Black Friday's online counterpart. Outside of the US though, and increasingly in the US too, Black Friday is an online event.

Worldwide, 2020 will bring changes to both Black Friday and Cyber Monday — changes that offer **huge opportunities for eCommerce companies.**



Inside

- 3 Shoppers Have Gone Online in 2020
- 4 Are You Ready for All That Opportunity?
- 6 Is Your Website Ready?
- 7 What's Your Strategy?
- 10 What's Your Budget?
- 11 Before Black Friday: Get Your Campaigns Ready
- 13 On Black Friday: Run Your Campaigns
- 14 After Black Friday: Rewind, Learn, and Go On

\$20 billion

in sales on Black Friday 2019 globally¹

\$30 billion

in sales on Cyber Monday 2019 globally²

Shoppers Have Gone Online in 2020

The COVID-19 pandemic is driving more shoppers online. As early as May 2020, shoppers in Germany, the UK, and the US were buying more online than before.³ They were also buying items online that they hadn't before.³

In 2020, because of COVID-19, Black Friday in the US will largely go online too. Many brick-and-mortar stores have already said they won't open their doors November 27. That means shoppers will be looking for Black Friday deals on the web as well as Cyber Monday offers! Insights for the 2020 online holiday shopping season include:

- Up to 30% of global retail sales will be done online⁴
- 41% of consumers who usually shop in stores on Black Friday won't this year⁵
- Shoppers don't plan on spending less for holiday shopping in 2020 than in 2019⁶
- 72% of shoppers plan to shop more online this holiday season⁵

And shoppers spent \$20 billion on Black Friday in 2019 and \$30 billion on Cyber Monday. Add those figures to more shoppers going online, and 2020 will be big for eCommerce.

Consider that if shoppers don't spend less this year, that makes for up to **\$50 billion in potential eCommerce revenue in 2020!**



Are You Ready for All That Opportunity?

With added opportunity, there's added challenge too.

Holiday risks for eCommerce sellers in 2020 include potential logistical challenges and added competition. And while planning for Black Friday 2020 is like planning for any promotion, you want to answer some key questions, so you're ready for new and normal challenges.

The first thing to ask yourself is do you want to do promotions for Black Friday and/or Cyber Monday at all? Advertising costs for Black Friday promotions can be three times more than normal. Granted, revenues can be five times higher too.⁷

Figure 1 shows the pros and cons of participating. If you decide to run promotions, read on for how to prep for maximum success.

PROS of Offering Black Friday Promotions

- Customer acquisition and retention
- Brand awareness
- Incremental sales
- Earlier fulfillment can help you avoid last-minute holiday rush orders
- Inventory reduction/clearance
- Sales and revenue

CONS of Offering Black Friday Promotions

- Lower margins
- Increased product returns
- High competition
- Higher bid and ACoS requirements
- Negative brand and revenue impact if a problem occurs, such as a site crash

Figure 1: The pros and cons of offering Black Friday and Cyber Monday promotions

70%

of shoppers want to pay as little as possible for delivery⁸

25%

of shoppers will pay a premium for same- or next-day delivery⁸

If You Advertise, Are You Covered Logistically?

Once you decide to offer Black Friday and/or Cyber Monday deals, make sure you cover the logistical side of things.

Do You Have Enough Inventory on Hand and Can You Ship Quickly?

Even if you have a good inventory management system and staff covering logistical challenges already, keep in mind that you need to be able to deliver what you sell.

- Make sure you **have enough of the items you're planning to promote in stock** and can ship them out quickly — ideally the day they're ordered or the very next day.
- Plan for higher **demand for best-selling, seasonal, and discounted items.**
- **Get your shipping plan in order** and find out what your competitors are doing. Know that while 70% of shoppers want to pay as little as possible for delivery,
- 25% will pay a significant premium for same- or next-day delivery.⁸

Also make sure your website is ready. Read on to find out how.



137%

increase in traffic to the top 100 shopping sites on Black Friday 2019⁹

112%

increase in traffic to the top 100 shopping sites on Cyber Monday 20⁹

90%

of online shoppers won't wait for a slow web page to load¹²

Is Your Website Ready?

More online shoppers combined with successful promotions can increase your web traffic. If that results in slow website performance and load times or your site crashing, your opportunity for added revenue is lost. Not to mention the potential PR nightmare.

On Black Friday 2019, US retailer Nordstrom Rack's site went down.¹⁰ Angry customers took to social media to complain and made a bad situation even worse. Many likely spent their dollars elsewhere too.

Another US retailer, Costco lost an estimated USD ¹¹ Million due to an outage and extended slow site performance.¹¹



Check Page Speed

Visitors want fast load times. Up to 90% won't wait for a slow page to load.¹² The ideal load time is 3 seconds or less. As you plan for Black Friday, make sure your development team knows to expect more traffic and that you need fast load times now and when that traffic hits. An easy way to test your page speed is with [Google PageSpeed Insights](#).

Provide a User-Friendly Checkout Process

Users want a quick, easy checkout process. Consider making users click as little as possible and avoid anything that slows them down during the process. Don't make the user click a link to see shipping costs, for example, show her right on the page she's on.

Think Mobile

39% of all US eCommerce purchases on Black Friday 2019 were made on mobile phones.¹³ Don't stop at optimizing your page load times for desktop, think mobile too!



What's Your Strategy?

To maximize your return on Black Friday, you need a strategy that includes:

- What you want to accomplish
- What your competition looks like
- What your website can handle
- What your inventory levels can handle
- What's worked for previous Black Friday or other promotions
- What your budget is
- What your plan is if you run out of inventory or have other issues
- What your campaigns are going to look like: single-day event, multi-day event, different offers each day, countdowns, coupons, percent or dollars off, free shipping, etc.
- What channels you'll run promotions on

What's Your Competitive Landscape?

In 2020, you aren't just competing with your traditional competitors. You're competing with brick-and-mortar retailers moving their sales efforts online. You're competing with more and more brands selling direct to consumers. And as the number of sellers competing for dollars grows, the need to stand out and get customers' attention is greater than ever.



At Finch, paid media strategists use Google Ads Auction Insights, SEMrush, and Google's Industry Report to do competitive analyses for clients and help determine the right competitive strategy.



Black Friday Strategy Checklist

- Establish goals
- Understand your competition
- Know what your website can handle
- Ensure adequate inventory
- Know what's worked before
- Plan your budget
- Have a backup plan if you run out of inventory or have other issues
- Determine what your campaigns will look like: single-day event, multi-day event, different offers each day, countdowns, coupons, percent or dollars off, free shipping, etc.
- Determine what channels you'll run promotions on

What's Worked Before?

One key to success this year is looking at what worked and didn't work before. Even if you haven't specifically done Black Friday promotions, look at the data from other promotions you've run to see what might translate to Black Friday success.

Analyze your Black Friday campaigns (and/or other promotions) from 2019 to determine:

- What keywords worked well and didn't work well?
- What product or product categories sold?
- What didn't sell?
- Which campaigns performed and which failed?
- How much did you increase spend and was it enough?
- What channels worked well?



With Finch Insights reporting in the Finch Advertising Management Platform, you can access data down to the individual SKU using built-in or custom reports and quickly analyze campaign performance history.



90%

increase in the likelihood of a shopper visiting a website after seeing both shopping ads and search ads¹⁴

What Channels Will You Use?

You want to define your channel strategy too. Search ads help drive high-intent, targeted searches and convert browsers into buyers. If you combine shopping campaigns with search, you can maximize conversions and awareness by having both show at the same time.

A study by Google found that seeing both shopping ads and search ads increases the likelihood of a shopper visiting a website 90%.¹⁴

Display ads help build awareness, drive retargeting and conversions, and acquire new customers. And they extend your reach because shoppers see display ads pretty much anywhere online.

All three help drive sales. And a mix of all three can maximize your ROAS and campaign success.

Finch strategists and the Finch Advertising Platform work across paid search, shopping, and display campaigns. Finch also spans Google, Microsoft, Amazon, and demand side platforms. The Finch Platform continuously and automatically optimizes your campaigns using granular data about what's worked, what hasn't, and what you want to achieve.



3x costs

for Prime Day advertising compared to normal advertising costs⁷

5x revenue

for Prime Day compared to normal revenue⁷

What's Your Budget?

Making money means spending money. Once you determine what you want to accomplish, you need to set your budget. And for Black Friday and Cyber Monday, you need to spend more on your advertising efforts to drive traffic and compete.

For Amazon's Prime Day, marketers spend up to three times as much to advertise than at other times. While a delayed Prime Day in 2020 may take spend away from Black Friday, consider at least doubling, if not tripling your advertising budget for Black Friday and related promotions.

Plan on Increased Search Volume

With increased web traffic comes increased search volume. To ensure those searching end up on your offers, consider increasing your budget for search for at least Black Friday and possibly all of Cyber Week.

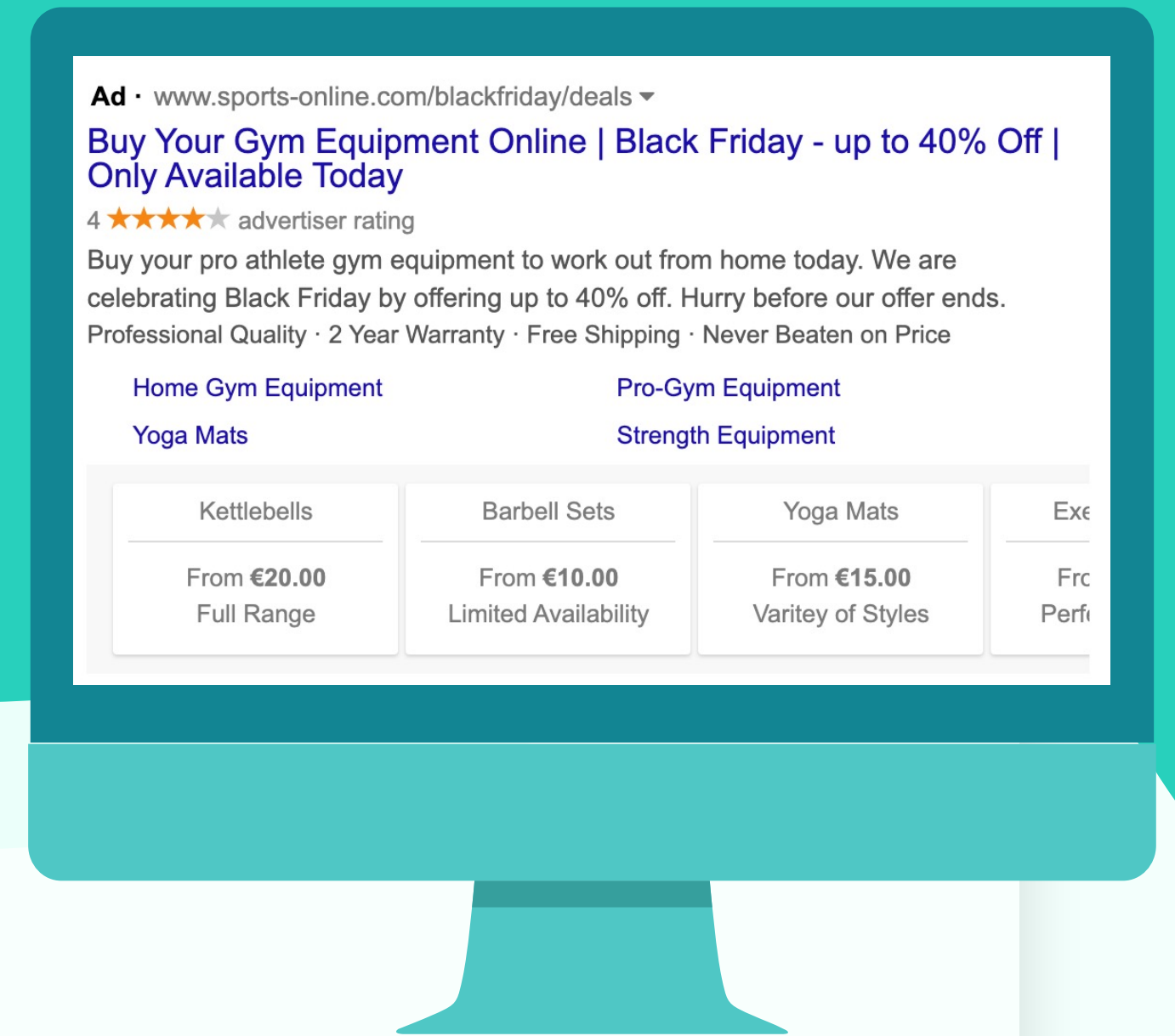
One caution: Don't go overboard and burn through your entire budget just for Black Friday. Even once it's over, plenty of shoppers make online purchases. So keep some budget for marketing after Black Friday.

While you want to set your ROAS and ACoS targets higher for Black Friday, you want to ensure they're high enough to deliver but not so high that you spend more to advertise than you earn.

Max Out Your Budget If Possible

If you can, set an unlimited budget. Doing so ensures you have maximum flexibility to compete for shoppers. With the right solution, you can set an unlimited budget and still make sure you meet your ROAS goal.

A Black Friday paid search ad that uses **Black Friday** in the headline, creates urgency, and uses all available ad extensions.



Before Black Friday: **Get Your Campaigns Ready**

For All Channels

- **Create your audiences** in advance; audiences can include Black Friday shoppers, Cyber Monday shoppers, in-market audiences, retargeting audiences from last year's event, and others.
- Use **"Black Friday promotion"** or similar language in your ad headlines.
 - In Germany, Black Friday is a trademark. Consider using Black Week, Black Weekend, or Black Deals instead.
- **Create urgency.** For example, use countdown ads.



For Paid Search



- Write your ads at least a **week in advance.**
- **Don't use generic Black Friday keywords**, which can quickly use up your budget.
- Use **Black Friday combined with product-specific keywords**, especially ones proven to work well.
- Turn previously paused keywords back on — keywords tend to convert better during Black Friday promotions.
- **Pause keywords** that you're not running promotions for to avoid using up your budget on searches that don't convert.
- Use **labels** on ad groups so you can easily pause pre-Black Friday ads and then pause Black Friday ads once it's over.
- Use **all available extensions**, including:
 - Promotion extensions
 - Callout extensions to highlight added promotions like free shipping
 - Price extensions
 - Relevant sitelinks, like top-selling categories
- Schedule paid search extensions to show only during specific times of the day or during Black Friday or Cyber 5.
- If you use Black Friday-specific URLs, **make sure the URL is live before you create the ad** so your ad isn't disapproved.
- **Set up automated rules** to activate your promotional paid search ads for each day and double-check the activation.

Continued...

Before Black Friday: **Get Your Campaigns Ready**

For Shopping

- Set up your campaigns at least a week in advance.
- Use [Google Shopping promotions](#) that show shoppers a “special offer” link (for example, 15% off, free shipping, etc.) to help increase your CTR.
- Mark the products you’re running deals on in your feed.
 - **Tip:** To optimize bidding, create a supplementary feed for all of your promo SKUs.
- To avoid having your ads disapproved, **update product prices** on your site first and then immediately in your feed.

For Display

- Allow 6 weeks to build out successful campaigns.
- Create your creatives in advance, including for multi-product, multi-day, countdown, stepped or sequential messaging, etc., depending on your chosen approach.
- Display ad burnout is high during holiday events, consider **different creatives for different ad types and stepped messaging** and before and during the event.

Promote Black Friday Promotions on Your Site, Social Channels, and Elsewhere

Don’t forget to promote your Black Friday and Cyber Monday deals on your website, social channels, and in emails. This is an added way to tell existing and prospective customers about your deals and convert them to buyers.

On Black Friday: **Run Your Campaigns**

Once your ads are set up and the big day or days arrive, you're not done yet. Throughout the promotion, you want to keep your eyes on things. Here are some tips to help.

For All Channels

- Regularly check your KPIs and make adjustments as/if needed throughout the day(s), such as ROAS for search and shopping and CTR or impressions for display.
- Check your budget to make sure you don't max it out and adjust as needed.
 - Go in knowing you may need to increase your budget cap.

For Paid Search

- Watch your bids to make sure your ads are showing; adjust your bids as needed.
- Keep on top of what's happening with your bids and ROAS by **analyzing your data in Google Analytics in real-time**. Google Ads doesn't offer real-time updates.

For Shopping

- Update your feed throughout each day(s) you run promotions.
- Check My Client Center (MCC) in Google Ads several times throughout promotion days to ensure inventory, update promotions, and adjust your budget.
- Analyze your data in Google Analytics in real-time to keep on top of what's happening with your bids and ROAS.

For Display

- Instead of using the creative you used leading up to the event, use new creative to avoid banner burnout.
- A/B test everything: creative, content, and your audiences. Agility is key to success.
- Consider stepped or sequential messaging. It's effective and creates a conversation between you and the potential buyer.



Automate Optimization

Finch Optimization in the Finch Platform lets you automatically have your ad bids dialed back to those used before Black Week.

After Black Friday: **Rewind, Learn, and Promote**

Once the fervor of Black Friday is over, there are a few things you want to do to keep your digital marketing efforts flowing smoothly.

For All Channels



- Adjust your bids back to levels used before Black Friday so you don't burn your budget.
- Pause Black Friday ads and extensions (unless already scheduled to end) and re-enable your previous ads.
- Collect your audience data and label it, so that you can use that audience again.
- Analyze and understand what creative worked and what didn't work to reduce time and cost for your next event.
- Consider a post-event campaign. People could still have money to spend or you may have some excess stock that can drive further revenue.





76.6%

increase in revenue for Black Friday 2019 compared to 2018¹⁵

17.9%

increase in CPV for Black Friday 2019 compared to 2018¹⁵

6.3%

cost savings for Black Friday 2019 compared to 2018¹⁵

Master Black Friday and Grow Your Brand Online Easily, Predictably, and Powerfully with Finch

Finch helps eCommerce companies worldwide master metrics, grow revenues, and increase awareness. A unique combination of strategy and technology includes:

- Strategic expertise for business growth
- The Finch Advertising Management Platform for:
- Automated data-driven campaign optimization across channels and platforms
- Actionable reporting insights across channels and ad platforms
- Built-in strategic workflow management and collaboration with your team and strategists





- 1 Black Friday Results: U.S. Digital Revenue Hits Record High of \$7.2B and Big Discounts Reign, Salesforce Blog, Nov. 30, 2019, www.forbes.com/sites/johnkoetsier/2019/11/30/record-black-friday-sales-14-growth-to-72b-in-digital-revenue/#544116a46aff
- 2 Cyber Monday Results: Still the Top U.S. Digital Shopping Day With the Best Deals as Global Revenue Grows to \$8B, Salesforce Blog, Dec. 3, 2019, www.salesforce.com/blog/2019/12/cyber-monday-results.html
- 3 Have you deliberately purchased any of these products or services online instead of offline because of the COVID-19 / coronavirus pandemic? (as of May 31, 2020), Statista, May 31, 2020, www.statista.com/statistics/1107859/shifting-to-online-purchases-because-of-the-covid-19-pandemic-by-category/
- 4 How COVID-19 Will Shape the 2020 Holiday Season: 5 Predictions on the Future of Retail, Salesforce, July 30, 2020, www.salesforce.com/blog/2020/07/covid19-holiday-readiness-retail-commerce.html
- 5 Google-commissioned Ipsos COVID-19 tracker, US, ~n=745 18+ online consumers who plan to shop for the holidays, June 25, 2020–June 28, 2020
- 6 “Retailers Get Ready: Survey Shows COVID-19 Impact Hasn’t Disrupted Consumer Holiday Shopping Plans”, MarTech Series, July 8, 2020, <https://martechseries.com/mobile/mobile-marketing/e-commerce-and-mobile-commerce/retailers-get-ready-survey-shows-covid-19-impact-hasnt-disrupted-consumer-holiday-shopping-plans/>
- 7 Based on Kenshoo findings from Prime Day 2019, Prime Day 2019: Amazon Advertisers’ Revenue Was Up 5.8X, Kenshoo, July 17, 2019, <https://kenshoo.com/blog/prime-day-2019>
- 8 Parcel delivery, the future of the last mile, Travel, Transport, and Logistics, McKinsey & Company, www.mckinsey.com/~media/mckinsey/industries/travel%20transport%20and%20logistics/our%20insights/how%20customer%20demands%20are%20reshaping%20last%20mile%20delivery/parcel_delivery_the_future_of_last_mile.ashx, September 2016
- 9 The Numbers Are In! Black Friday & Cyber Monday, Similar Web, December 9, 2019, www.similarweb.com/corp/blog/the-numbers-are-in-2019-black-friday-cyber-monday/
- 10 Costco, Nordstrom Rack websites crash as furious customers try to shop Black Friday sales, Business Insider, November 28, 2019, www.businessinsider.com/costco-nordstrom-rack-sites-crash-with-black-friday-sales-2019-11?r=US&IR=T
- 11 Experts estimate Costco’s website crash on Thanksgiving could reach \$11M in losses, ABC News, November 29, 2019, <https://abcnews.go.com/Business/experts-estimate-costcos-website-crash-thanksgiving-couldve-cost/story?id=67386023>
- 12 Retail Systems Research eCommerce Report Warns Brands Must Optimize Digital or Face “Serious Consequences,” MarTech Series, August 12, 2020, <https://martechseries.com/mobile/mobile-marketing/e-commerce-and-mobile-commerce/retail-systems-research-ecommerce-report-warns-brands-must-optimize-digital/>
- 13 The future of shopping is on smartphones. This Black Friday proved it., Mashable, December 1, 2019, <https://mashable.com/article/black-friday-smartphone-shopping-sales-2019/>
- 14 Google Pushing Holiday Retailers to Use Both Text Ads & PLAs, Wordstream, April 3, 2015, www.wordstream.com/blog/ws/2013/11/20/google-plas-plus-text-ads
- 15 Based on internal data from Finch clients for the 2019 Black Friday season (November 23 thru November 29). Data is an aggregate taken from a set of clients in the US market.

Copyright © 2020 Finch. All rights reserved.