

# HOLIDAY 2020

*Retailer perspectives on the 2020 holiday shopping season*

**From rethinking the holiday shopping timeline to reimagining traditional sale events, retailers are actively planning ahead to ensure they are ready to meet consumers' holiday shopping needs.**

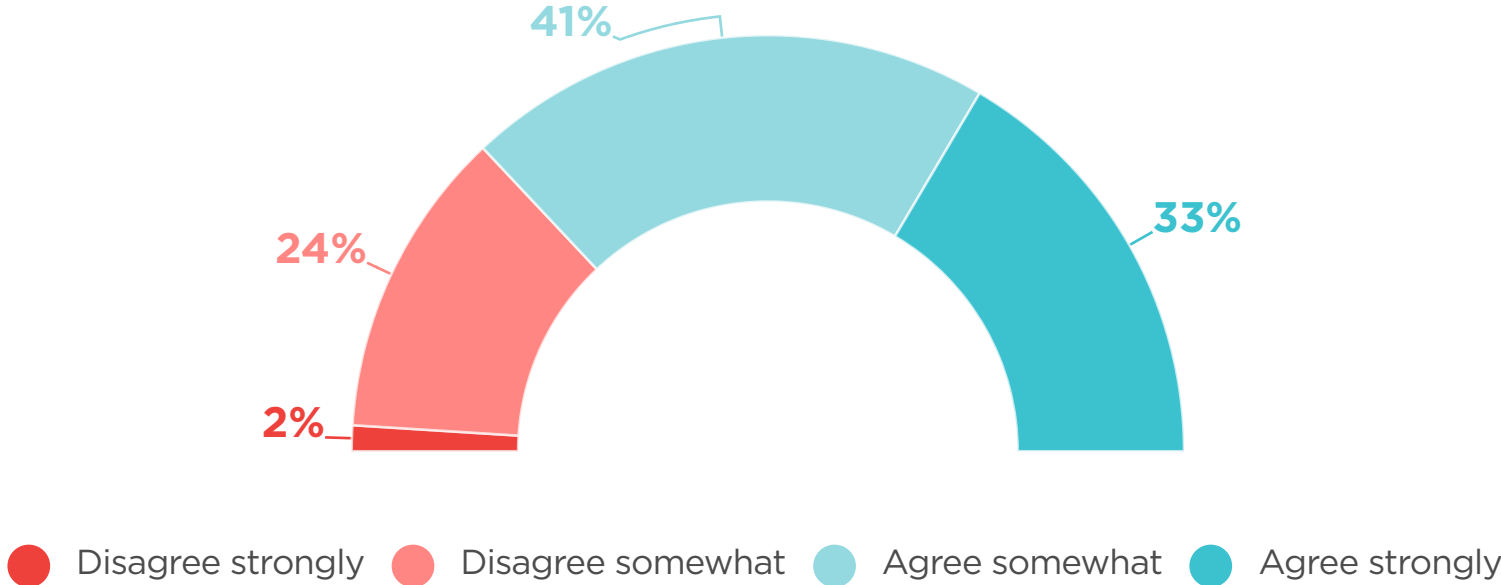
NRF surveyed 54 retailers to understand how they are approaching and planning for the 2020 holiday shopping season.



# GENERAL APPROACH TO THE SEASON

# A longer holiday shopping season

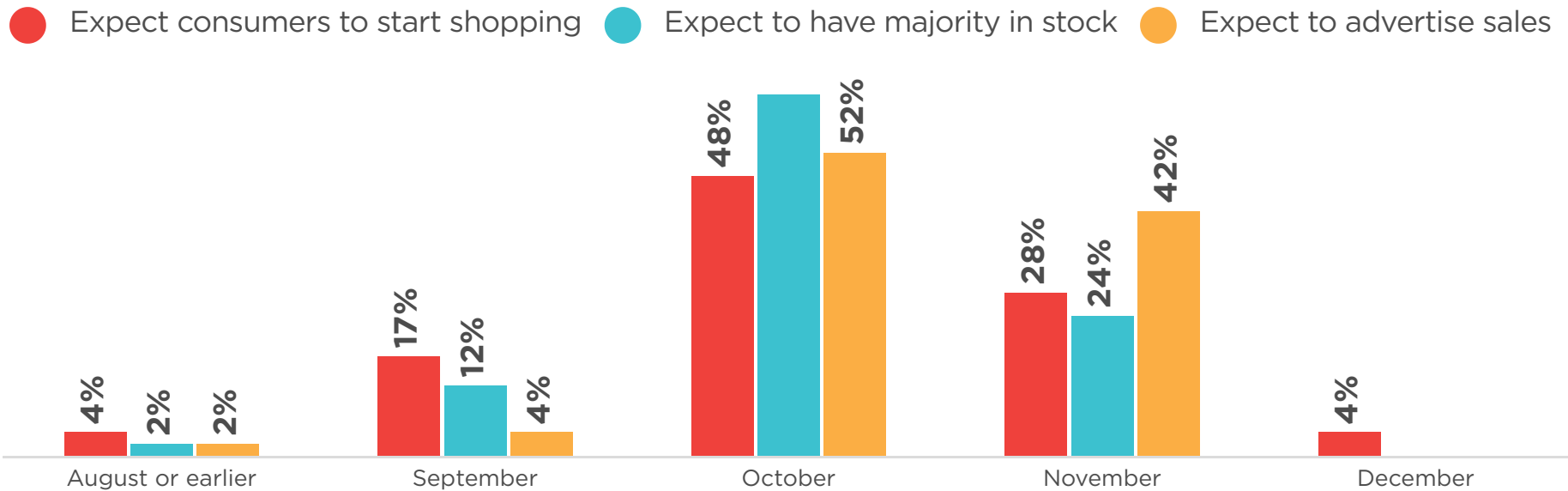
*How strongly do you agree or disagree?  
Given the current state of COVID-19, consumers will likely  
spread their holiday shopping out over several months.*



The majority believe that overall, **this holiday season will be longer than last year's**. 74% agree that consumers are likely to spread out their holiday shopping over several months.

# Holiday season timeline

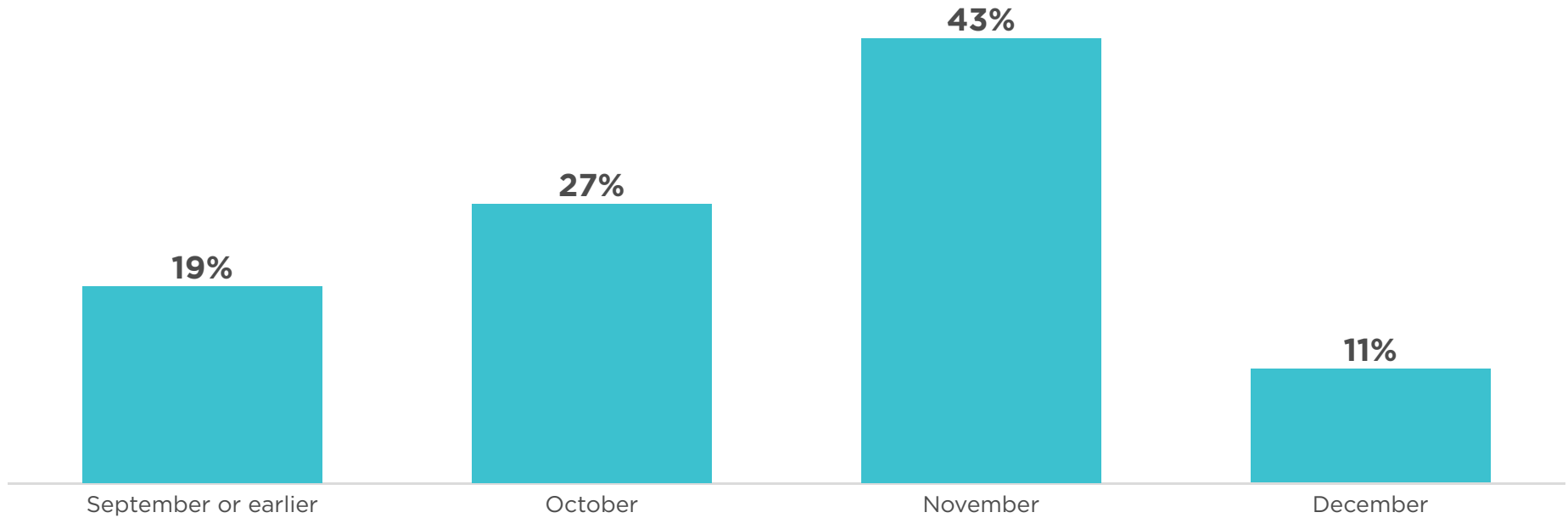
*When do you expect consumers to start holiday shopping this year?  
When do you expect to have the majority of your holiday merchandise in stock?  
When do you plan to start advertising your holiday sales and promotions this year?*



**Almost half of respondents expect consumers to start their holiday shopping in October this year.** And retailers will be ready with holiday inventory and sales.

# But consumers may not be adjusting their plans yet

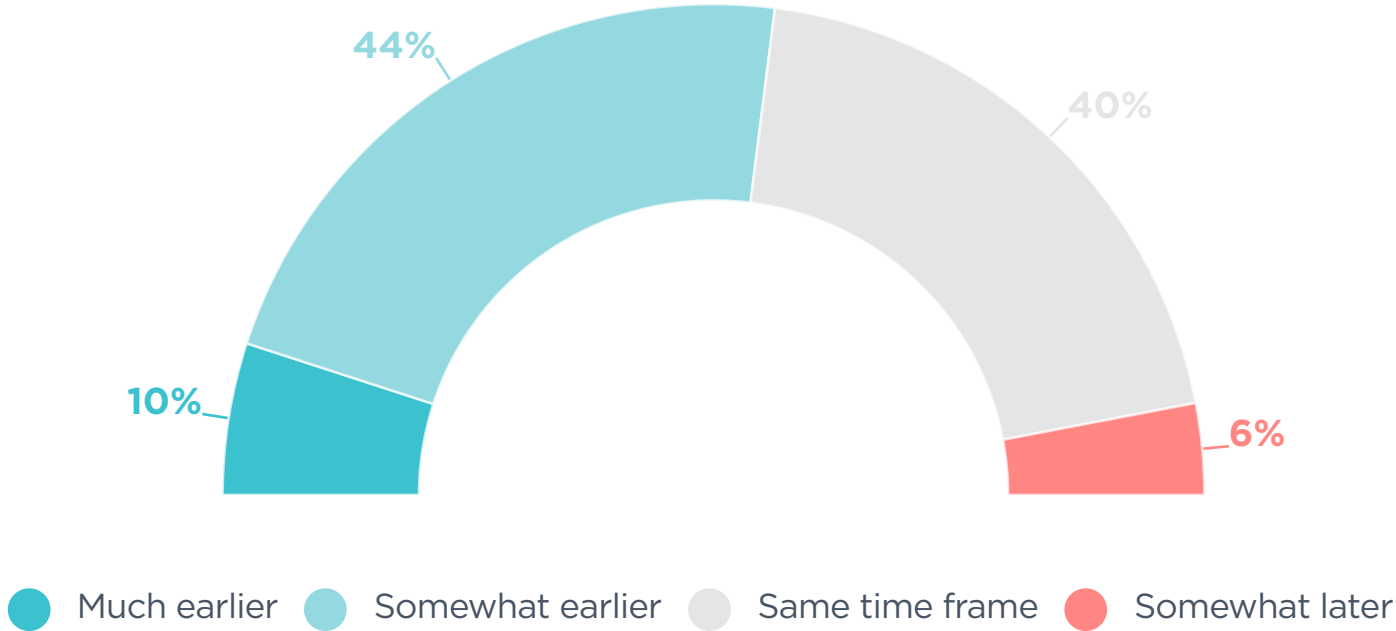
*When consumers plan to start shopping for this holiday season:*



**As part of addressing the gap between when retailers kick off the holiday season and consumers plan to shop, NRF is launching a consumer education campaign to encourage consumers to start shopping early and avoid the last-minute stresses of the holiday season, like shipping delays.**

# Advertising promotions and sales earlier

*Are you advertising your holiday sales and promotions earlier or later than last year?*

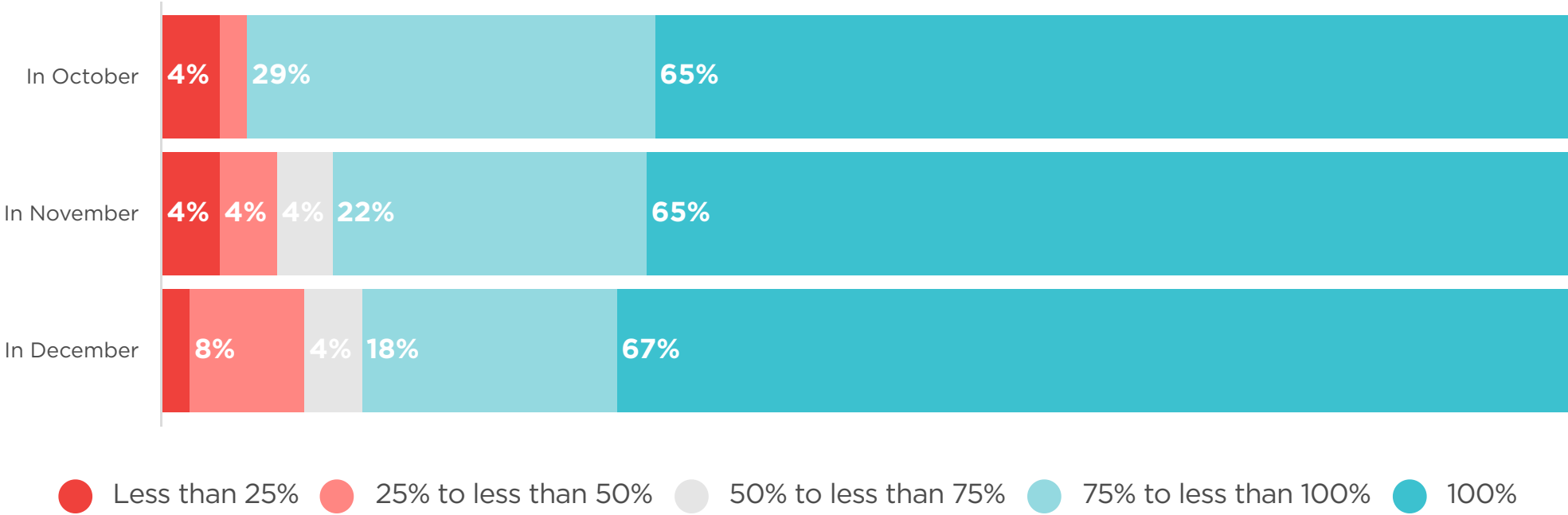


**Given that retailers are expecting a longer season, with a kickoff in October, the majority say they'll begin advertising their holiday sales promotions earlier this year.**

Source: NRF Holiday Planning Survey 2020

# Store openings throughout the season

*Considering the current COVID-19 situation, how many of your stores do you expect to be open for holiday shopping this year?*



**Roughly two-thirds expect all of their stores to be open in October, November and December.**

Source: NRF Holiday Planning Survey 2020



# Shopper safety in stores

*What steps are you taking to ensure customers feel safe shopping in your stores?*

”

***Signage, messaging and physical changes that demonstrate what we're doing and what's expected of customers.***

”

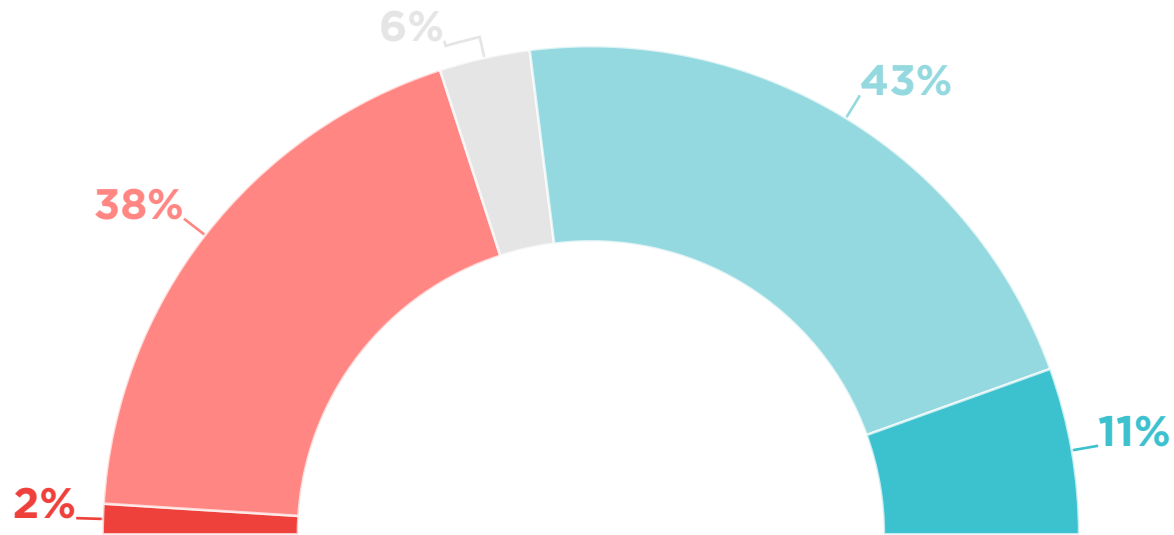
***Mask requirements at all locations. Implementation of social distancing practices and stringent sanitation and cleaning practices.***

”

***Emphasizing CDC guidelines for employees and customers including social distancing, masks, cleaning and cashier barriers.***

# Most are cautiously optimistic about holiday sales

*Please indicate whether you expect holiday sales to increase or decrease compared with last year:  
(overall sales)*

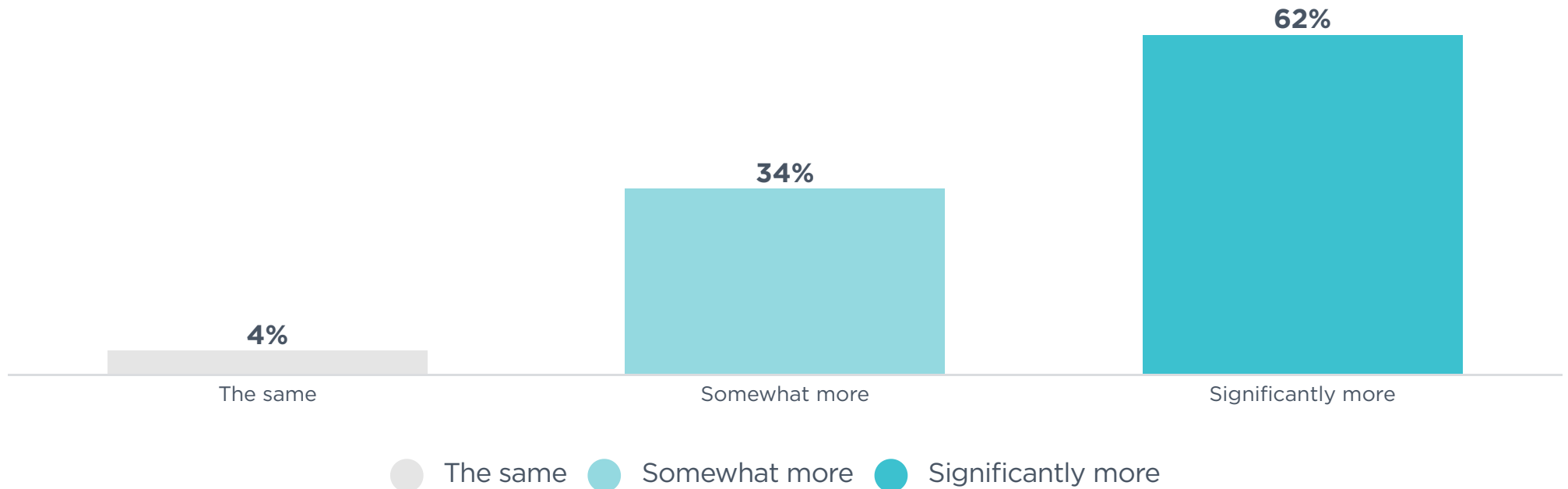


● Decrease significantly ● Decrease somewhat ● Stay the same ● Increase somewhat ● Increase significantly

**The majority say they do expect their overall holiday sales to increase compared with last year.**

# More holiday sales from online shopping

*Are you expecting more or less of your holiday sales this year to come from online-only sales?*

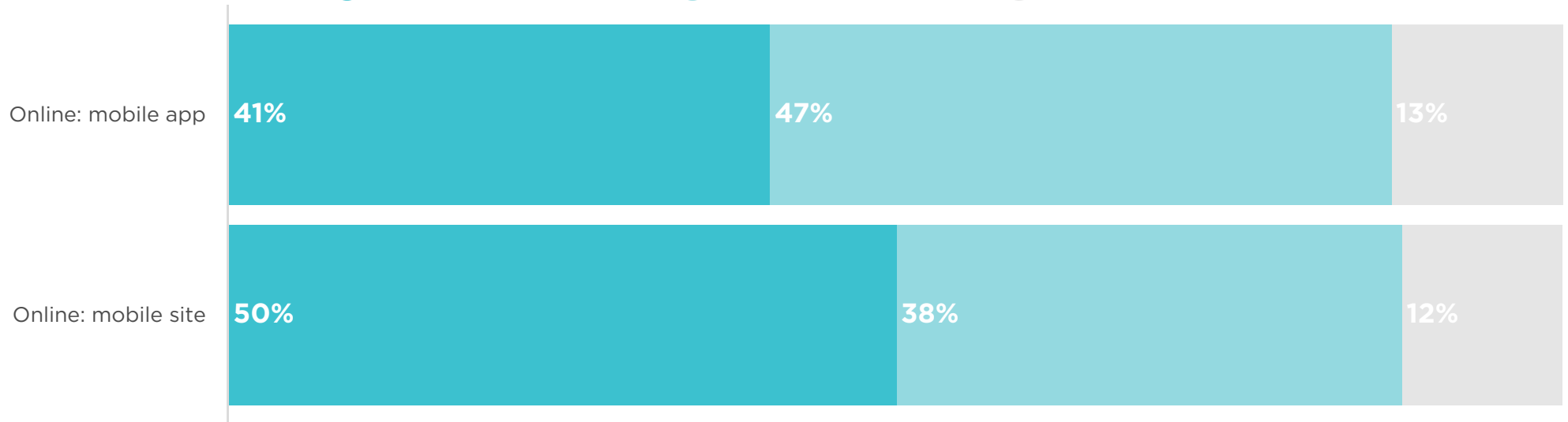


**Digital purchases will be the primary driver of growth this year.**  
96% are expecting more online-only holiday sales.

# Mobile sales expected to increase

*Please indicate whether you expect holiday sales to increase or decrease compared with last year:  
(mobile app, mobile site)*

● Increase significantly ● Increase somewhat ● Stay the same



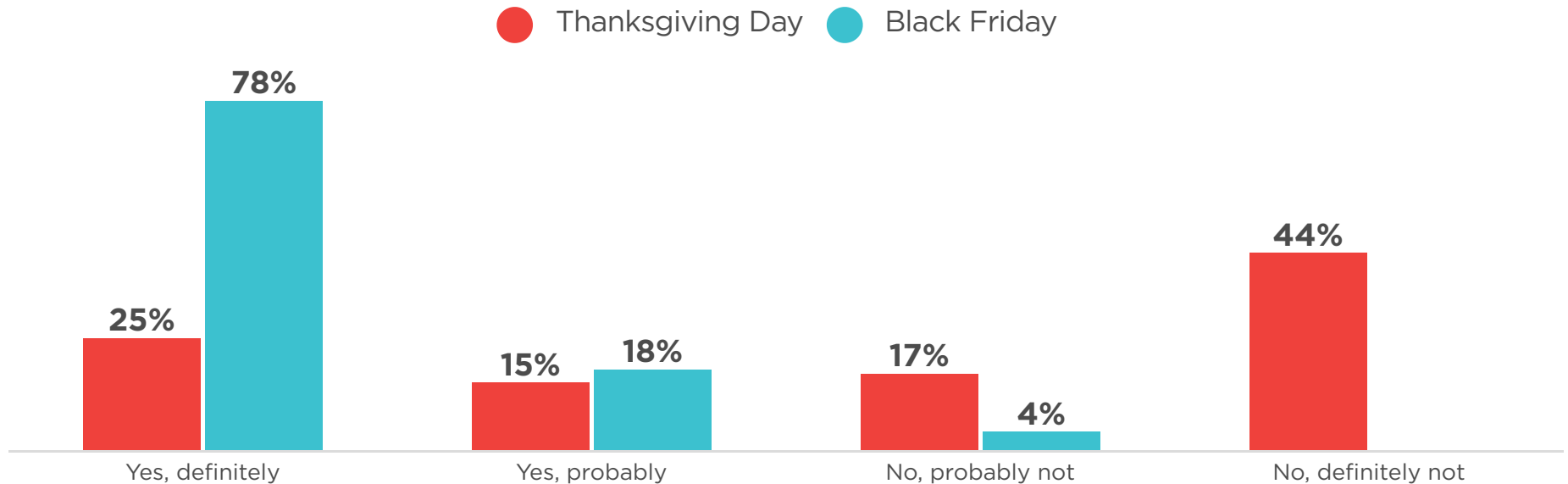
**Mobile — whether it's through a retailer's app or mobile website — is also expected to increase:** Half report they're expecting a significant increase just from a mobile site.



# EXPECTATIONS FOR THE SEASON

# Openings for Thanksgiving and Black Friday

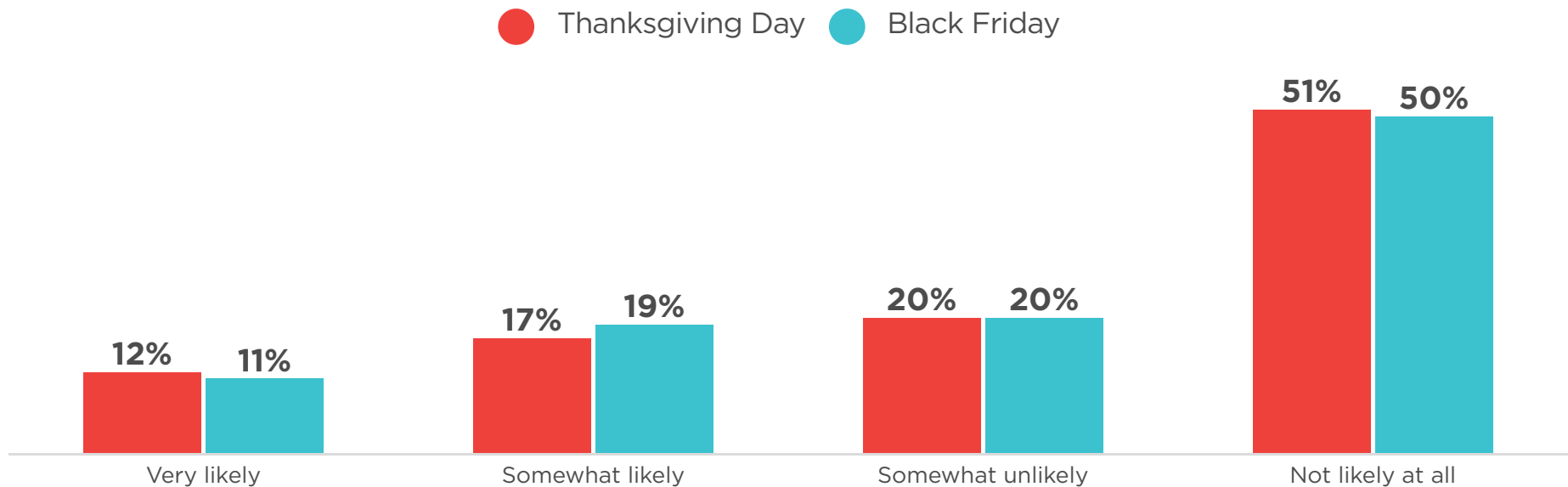
*Do you plan to have your stores open on Thanksgiving Day/Black Friday?*



6 in 10 report they will not have their stores open on Thanksgiving Day.  
**But nearly all say they will reopen on Black Friday.**

# Consumer plans for Thanksgiving Weekend

*How likely are you to shop **in stores** on Thanksgiving Day/Black Friday this year?*



**Consumers are, understandably, cautious about in-store shopping over the weekend.**  
Most say they're unlikely to visit stores.

# Retailers re-thinking Thanksgiving Weekend strategies

*How are you planning for Black Friday this year?*

”

*Appointment shopping, offering consistent deals across all channels, BOPIS with curbside.*

”

*Extending it over several weeks prior to and after Black Friday.*

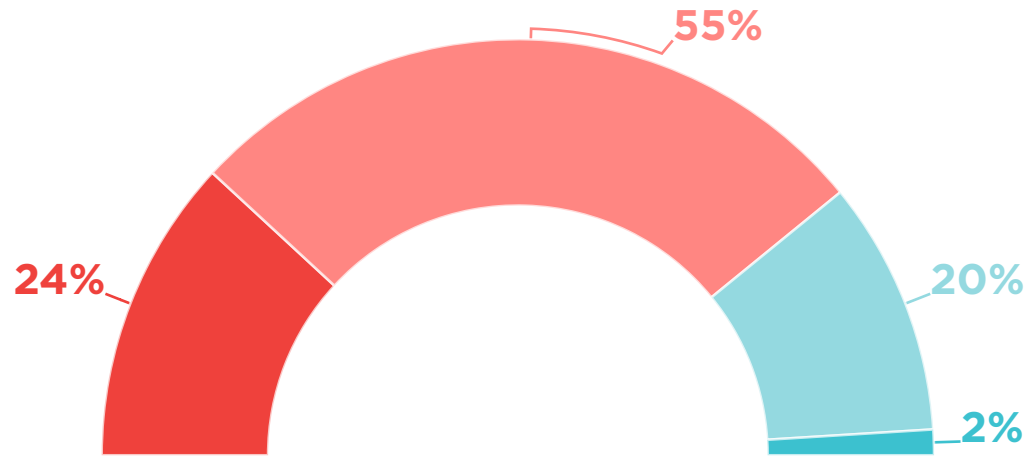
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*We have plans for all different scenarios, everything from managing a line out of the store, to curbside and ship from store to home.*



# Steeper discounts unlikely

*Considering the current COVID-19 situation, are you planning to offer steeper discounts for the holiday season this year compared with last year?*

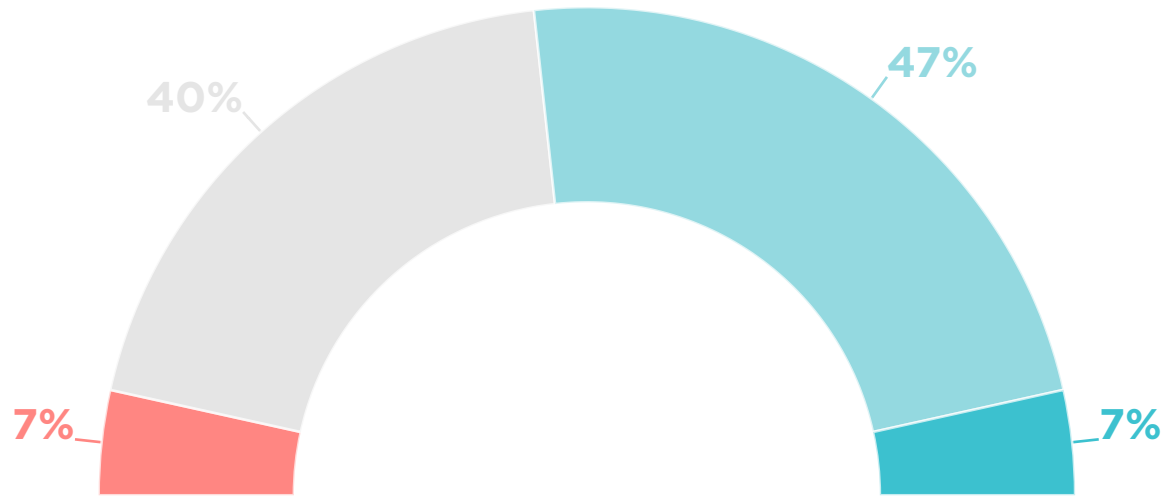


● No, definitely not ● No, probably not ● Yes, probably ● Yes, definitely

**Despite the pandemic, the majority are not planning to offer steeper discounts this holiday season than they typically do.**

# Gift card sales expected to increase

*Compared with last year, are you expecting gift card purchases to increase or decrease?*



● Decrease somewhat   ● Stay the same   ● Increase somewhat   ● Increase significantly

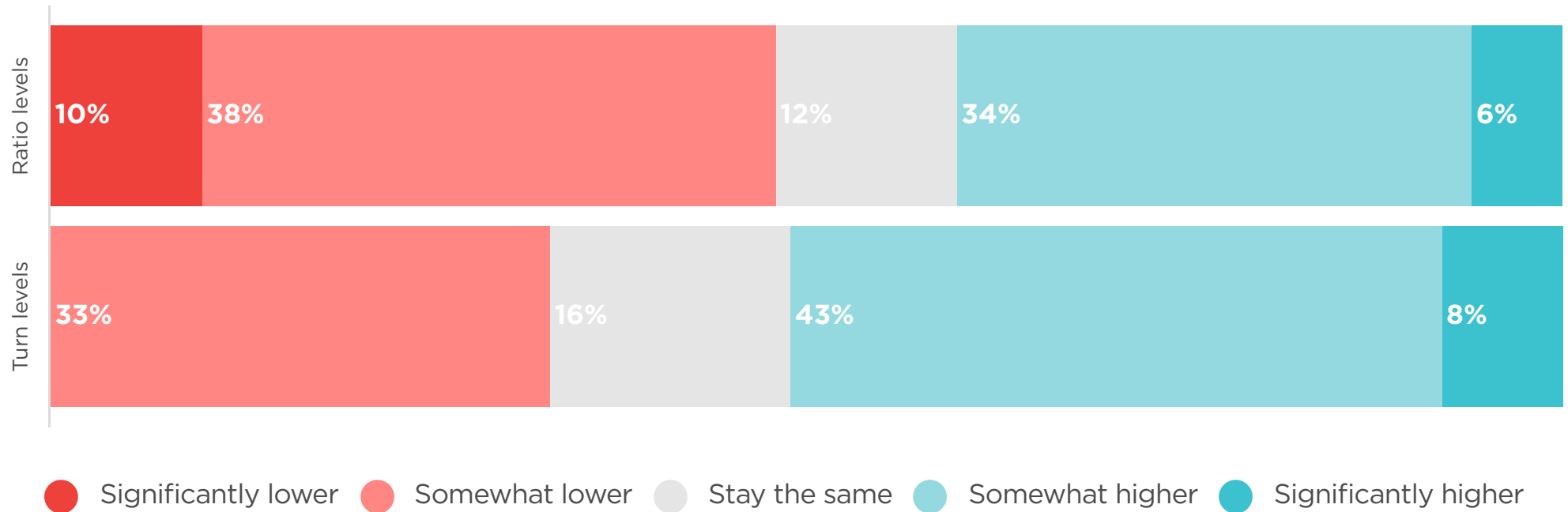
**Over half (54%) expect gift card sales to increase.**



# HOLIDAY INVENTORY AND MERCHANDISE

# Inventory ratio and turn levels

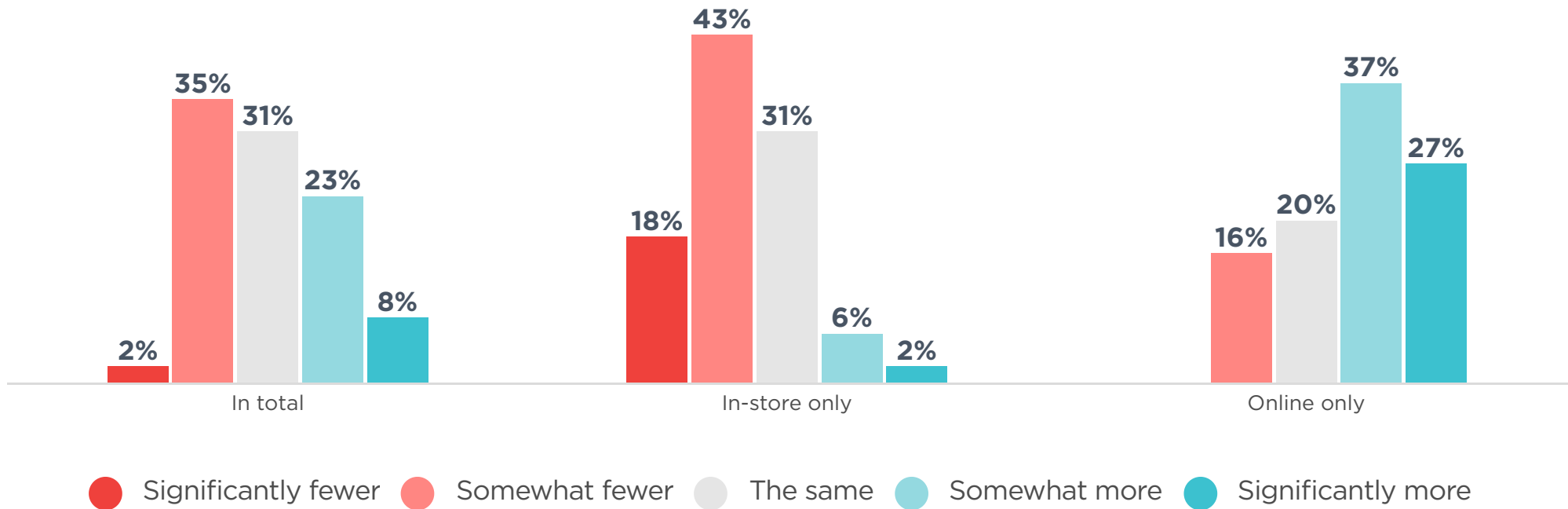
*Compared with last year, do you expect inventory ratio levels/turn levels this holiday season to be higher or lower?*



**40% of respondents anticipate higher inventory ratio levels, while just over half expect that for inventory turn levels.**

# Merchandise stock by channel

*For each of the below, please indicate whether you plan to stock more or fewer items this holiday season compared with last year.*



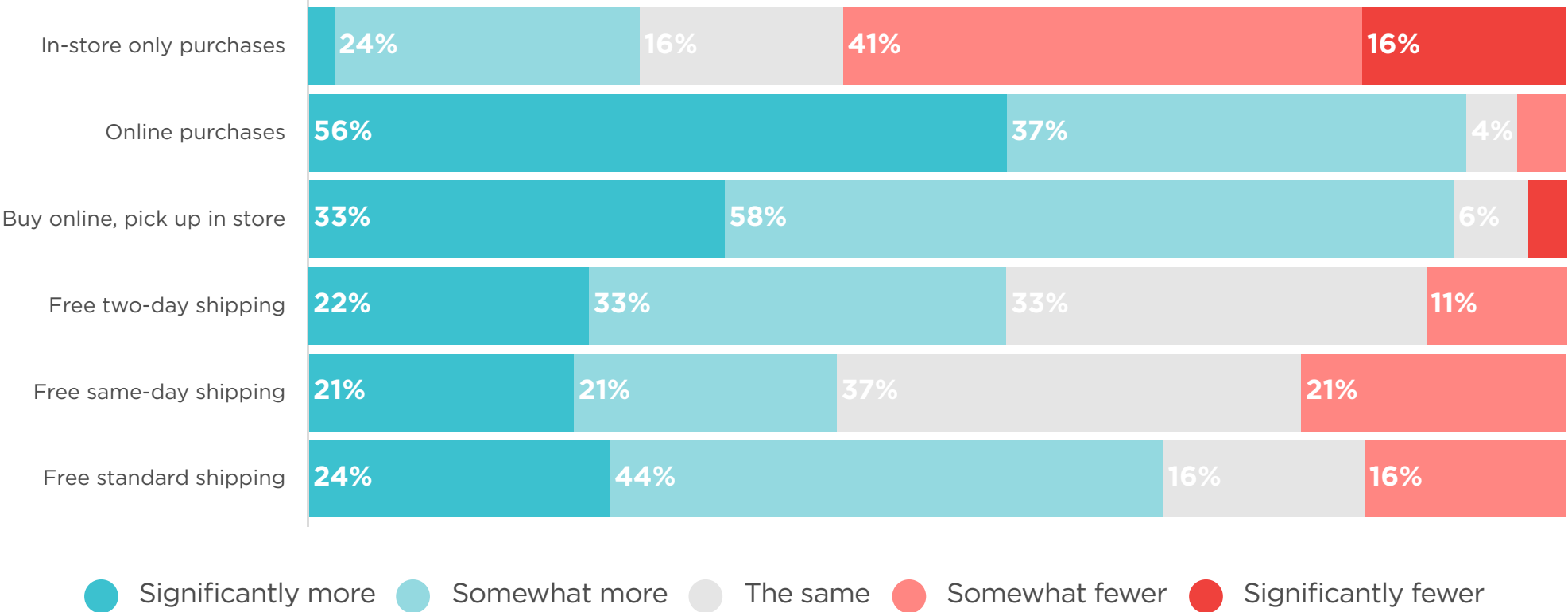
**Respondents were split in terms of how they are planning for their overall holiday inventory levels.** However, most (61%) are planning to stock fewer holiday items in store while 64% were planning to stock more items online.



# HOLIDAY SUPPLY CHAIN AND FULFILLMENT

# Fulfillment orders year over year

*Compared with last year, do you expect to fill more or fewer orders for each of the below?*

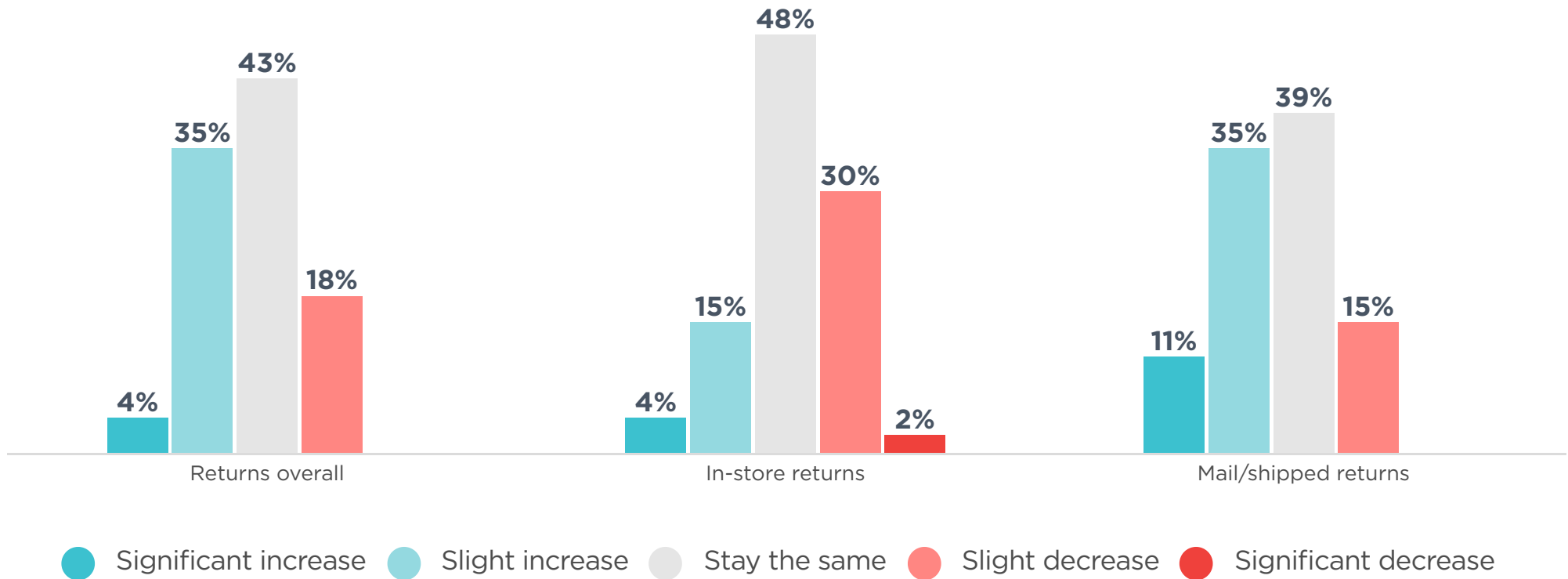


**Respondents expect they will fill more orders this year for online purchases, BOPIS transactions, free standard shipping and free two-day shipping.**

Source: NRF Holiday Planning Survey 2020

# Holiday returns year over year

*Compared with last year, are you expecting an increase or decrease in returns this holiday season?*

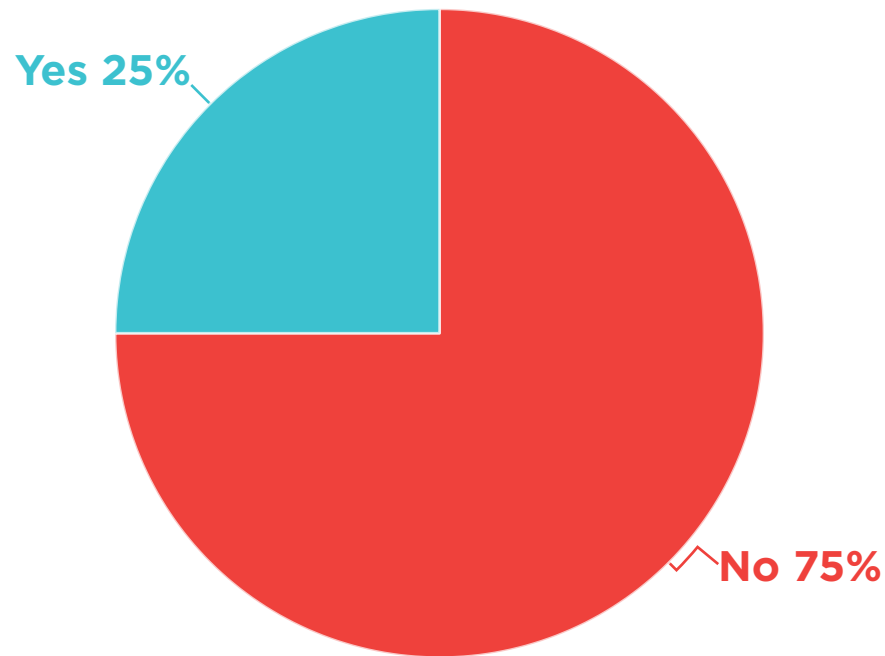


**Over one-third expect they will see higher return levels overall this season, while 43 percent expect it will be similar to last year.** Respondents are more likely to say they expect higher levels of mail-in returns compared with in-store returns.



# Additional warehouse space

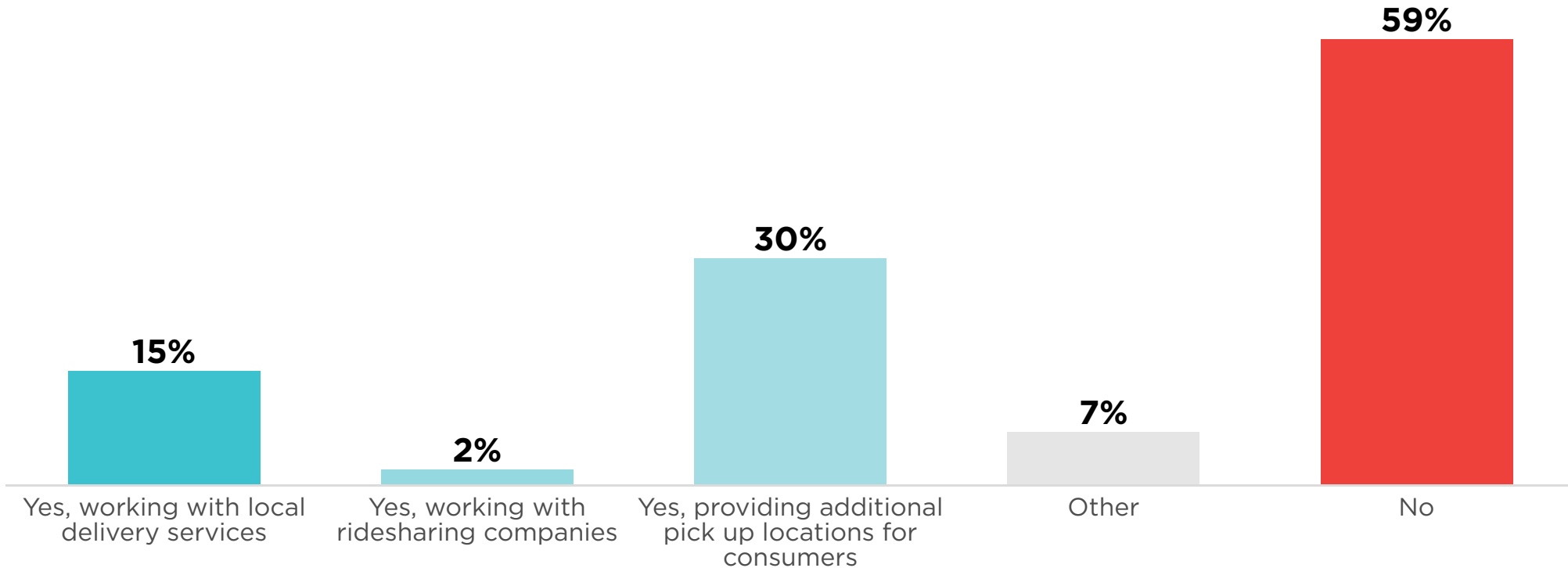
*Given the current situation with COVID-19, have you had to find additional warehouse space for the holiday season?*



**Despite the current COVID situation, 75% say they have not needed to find additional warehouse space for the upcoming holiday shopping season.**

# Last-mile delivery methods

*In light of the recently announced package rate increases, are you changing any of your last-mile delivery methods or providing expanded opportunities for customers to pick up their orders?*



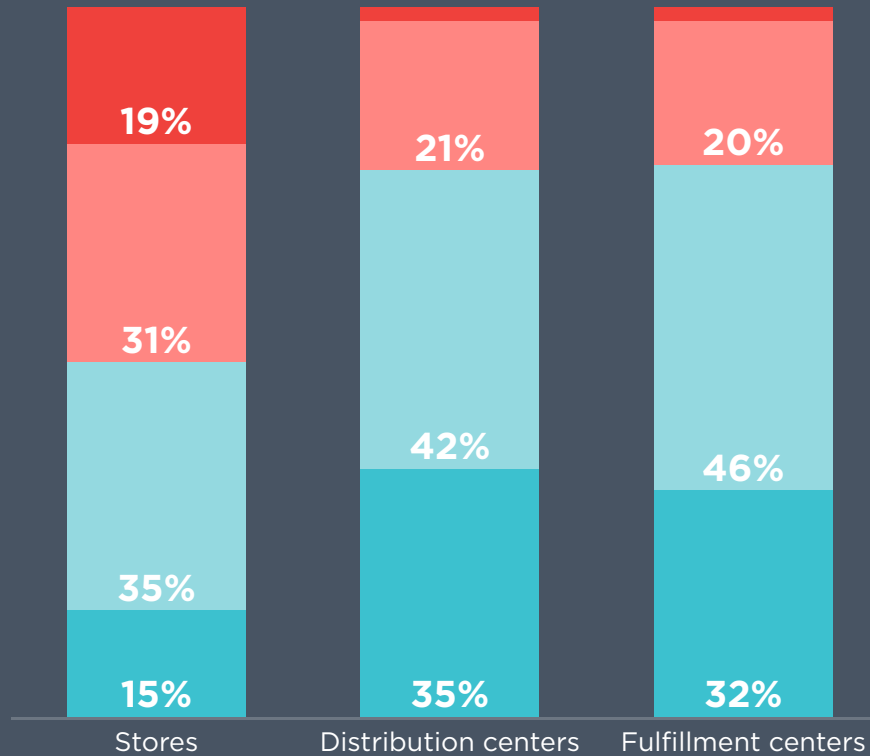
**Most note that they're not changing any of their last-mile delivery methods due to the recently announced package rate increases.** But three in 10 say they'll be providing additional pick-up locations for consumers.



# HOLIDAY HIRING

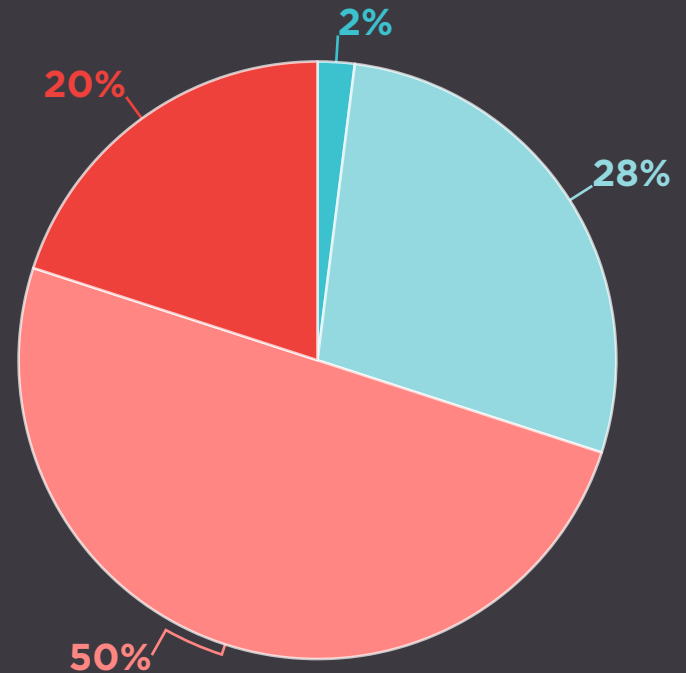
# Holiday hiring across locations

Please indicate if you plan to hire additional staff this holiday season for each of the below.



● Yes, definitely ● Yes, probably  
● No, probably not ● No, definitely not

Are you planning to hire additional security this holiday season specifically to enforce social distancing and face covering requirements among customers?



● Yes, definitely ● Yes, probably  
● No, probably not ● No, definitely not