

2020 digital holiday sales climb to \$1.1tn globally - Salesforce

New data from global CRM company Salesforce shows a 50% increase in digital spend when compared to the 2019 shopping season, making 2020 one of the biggest digital holiday shopping seasons to date. Consumers spent \$1.1tn online worldwide, compared to \$723bn worldwide in 2019.



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The [2020 Holiday Shopping Report](#) highlights data and trends that shaped the holiday season and will impact how consumers shop in 2021.

Key 2020 holiday shopping insights

Salesforce combined insights from over one billion global shoppers across more than 40 countries powered by Commerce Cloud between 1 November and 31 December 2020. This season's top highlights and trends include:

- **Digital commerce surged later in the year, despite an earlier start to the holiday season:** Although retailers kicked off holiday discounts and promotions earlier in October, the bulk of this year's digital sales were still generated during traditional shopping holidays. Total [Cyber Week digital sales reached \\$270bn](#) globally, while the first two weeks of December accounted for \$181bn in global sales.

- **Retailers offering kerbside and other pickup options grew almost twice as fast as those that didn't:** With strained shipping systems and consumers prioritising safety, retailers with curbside, drive-through and in-store pickup options outperformed those without these services.

US retailers who offered these options increased digital revenue by 49% on average year-on-year, while retailers who didn't only saw 28% average growth year-on-year. Retailers offering kerb, drive-through and in-store pickup options also experienced 54% digital revenue growth year-on-year in the five days leading up to Christmas, compared to 34% growth of those who didn't.

- **Consumers embraced financing options:** With consumers looking to pay for big ticket holiday gifts in installments, buy-now-pay-later usage saw a year-on-year increase of 109%, with the biggest increase taking place the week before Christmas.

- **Sporting Goods and Home Goods were the hottest product categories:** Revenue for Sporting Goods grew 108% compared to the previous year, Home Goods grew 89% and Food and Beverage kept pace with 80% growth. Active Apparel (35%), Footwear (39%) and General Apparel (40%) experienced the least growth in revenue this holiday season.

- **Retailers brace for 'returnageddon':** Over \$330bn in online purchases are expected to be returned globally – about 30% of all purchases made – as a result of this holiday's e-commerce spike.



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"The 2020 holiday season was defined by the pandemic and forced retailers and brands to innovate quickly with the introduction of services like kerb pickup, virtual concierges and a focus on social messaging and live streaming to reach shoppers in new ways," said Rob Garf, VP, industry strategy for retail, Salesforce.

"We expect to see these new innovations remain in 2021 with holiday strategies becoming the new standard that consumers expect from their favourite retailers and brands."

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