

~~\$200~~

\$20



~~\$300~~

\$16

The Future of Holiday Shopping & Referral Marketing

Talkable

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The Future of Holiday Shopping and Referral Marketing

The Ho-ho-holiday sales period is the most anticipated time for eCommerce brands, as they often mean sweet promo campaign opportunities and an uptick in sales. This year it may be more difficult to break through though; with rising competition, supply chain disruptions, and inflation knocking on the door. The Talkable team has decided to create a guide to help eCommerce marketers navigate the holiday season and make the most out of this sales period with the help of a referral marketing channel.

We'll take a look at:

- #1** What to expect from shoppers this holiday season **with statistics from Meta, Mastercard, and Deloitte;**
- #2** Why referral campaigns work so well during Black Friday, **with aggregated data insights from eCommerce brands;**
- #3** How to prepare for sales season **with top tips and campaign examples from Talkable clients.**

What Can We Expect from Shoppers?



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Spending Is Expected to Rise Despite Inflation

Mastercard's SpendingPulse report forecasts that consumers will spend 7.1% more during the 2022 U.S. holiday season (Nov. 1 to Dec. 24), compared to the year-end period last year.

The September report predicts that consumers will spend 4.2% more via eCommerce and 7.9% more in stores compared to last year. Clothing, luxury items, electronics, and jewelry industries expect to see a 2-5% increase in spending.

So what does this equal for the eCommerce economy? This holiday season, eCommerce sales should grow by \$260B (+13%) more than last season.

How Stress is Shaping Consumer Behavior

While sales forecasts look encouraging, the sentiment for groups of holiday shoppers is a bit more gloomy.

About 59% of survey respondents said they were stressed about holiday spending, according to a 4Over survey of 1,004 U.S. consumers, and 73% said they're watching their spending more closely in 2022. What this means for brands, is that consumers will be looking for new, more careful ways of spending for holidays, whether it will be deal hunting, switching between brands, or planning shopping lists in advance.

Also, shoppers expect to **see an ad 2 to 5 times before taking action**. They take more time to make a decision, especially on bigger purchases, which is often the case with Christmas presents. Now is a good time to audit your ad campaigns and adjust frequency caps.

On a cheerier note for brands, the holiday season is the prime time for impulsive

What Can We Expect from Shoppers?

purchases. According to the 2022 Meta Holiday Guide, 91% of shoppers are more likely to try a new brand or product during the holiday season, and 63% of shoppers will make an unexpected purchase. With the tightening of wallets, more consumers will be using credit cards to work through the holiday season this year, which will give them room for impulsive purchases. Also, the pandemic made many people improve their lives in many aspects including financial stability.

When to Start the Promo Campaign?

Remember when Black Friday was a single day, and shoppers camped in parking lots in hopes to snag the new flat screen for 70% off before they ran out? Today's economic culture is shifting the way our consumers shop and buy. Black Friday was just a day, last year it was a week, this year... brands are already in strategy meetings preparing for their biggest promotion of the year.



What Can We Expect from Shoppers?

87% of shoppers report that they will begin their Black Friday research earlier than ever, with 93% turning to their digital and social channels for inspiration and promotions.

- Consumers begin to think of their holiday shopping and festive planning **in October**;
- Referral marketing channels saw an increase of **43% in shares**;
- Despite inflation, consumers are projected to spend more, and earlier, this holiday season.

Did You Know?

Walmart Wish Lists

Ahead of the holidays, Walmart unveiled a new set of features for its eCommerce site and app aimed at personalization and ease of shopping. The retailer also upgraded its gift registries with newly recommended items. Customers can start registries by selecting from lists of popular and wanted items.

Wish lists on Walmart extend now to holiday shopping as well, with kids able to select coveted items for the family to see. This taps well into the general trend of planning holiday shopping ahead of time, as Walmart's creative "wish list" makes planning much easier for its audience. Walmart also enables friends and family to share their present ideas with each other, with mechanics that are very much like referral programs.

Cyber Monday Spend Projection

Adobe forecasts that consumers will spend \$11.2 billion during Cyber Monday, a 5.1%

What Can We Expect from Shoppers?

year-over-year increase. This number could be bigger if not for the early discounting in October, which has been pulling up spend that would have happened closer to Cyber Monday. This year, big retailers like Target and Kohl's (and Walmart - see above) announced holiday deals in early October, incentivizing customers to shop earlier.

Small Business Saturday Trend

Small Business Saturday is the initiative for supporting small businesses in their communities and online. It falls right in the middle of the holiday shopping season, between Black Friday and Cyber Monday (November 26 this year). In 2021, 51 million shoppers participated in Small Business Saturday. It is a powerful movement that draws customers' spending away from market leaders and well-established retailers.



The Perfect Pair: Referrals & Holiday Shopping

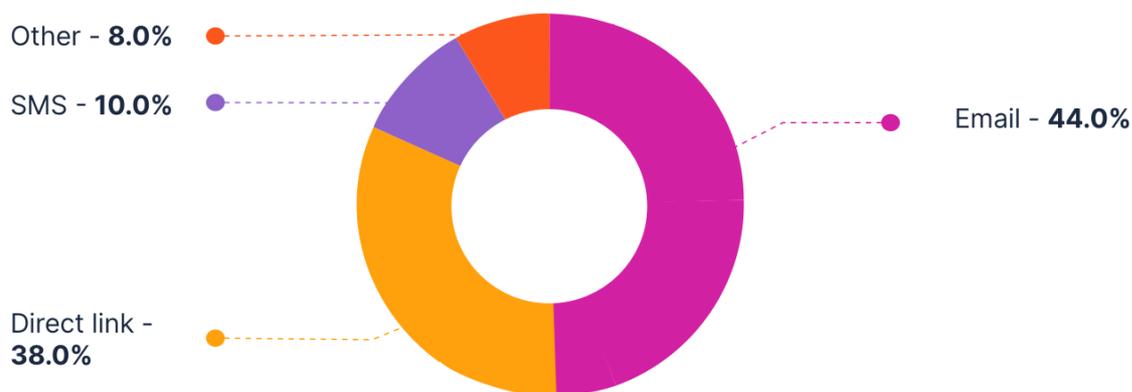


Referrals & Holiday Shopping

Talkable does not play a passive role in our clients' holiday promotion planning. We are an extension of your team, and will help you launch Black Friday and Holiday campaigns proven to convert. Talkable clients who customize their referral marketing campaigns saw 2.4X channel revenue growth compared to brands without a customized referral marketing campaign.

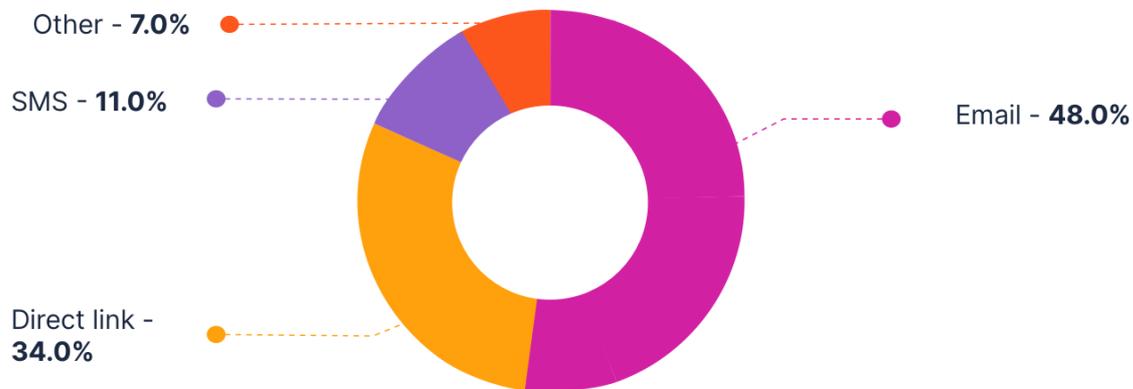
- Referral sales are 139% higher during Black Friday, and 328% higher if the brand launches a special Black Friday referral campaign;
- Referral sharing is 3x higher on Black Friday;
- Referral sales are 2x higher in the 6-8 weeks after your Black Friday Sale;
- Campaigns that run for less than 14 days yielded 5X more referral sales than campaigns extended longer than 14 days;
- Email is the highest converting channel (44-48%) during the Black Friday sales period;

Sharing Channels During a Non-Holiday



The split in revenue between sharing channels for non-holiday time looks like this: email 44% - direct link 38% - SMS 10% - others 8%. Almost half of the revenue comes from shares through email. On Black Friday, that division skews into email even more, and we observe revenue split as email 48% - direct link 34% - SMS 11% - others 7%.

Sharing Channels During Black Friday



- Since shoppers are already in a spending and giving mood, the post-purchase “Thank You” page is prime real estate for referral offers. Talkable clients with a customized pop-up on this page more than doubled their revenue compared to pre and post-holiday season.

? Why Do Referral Campaigns Work So Well on Holidays?

#1 The Power of Social Proof: Shoppers say close friends are 4x more influential on their purchasing decisions than celebrities or influencers. This works even better during the pre-holiday shopping spree.

#2 Premium Discounts and Promotions: Customers hunt for lower prices, and often referral discounts offer the best reward among all others on your website.

#3 Building Community: Another idea is suggested by consumer psychologist Kit Yarrow, speaking to Popular Science, he explains that shopping has an element of family tradition — thus satisfying us in connecting with others through a

Referrals & Holiday Shopping

shared experience. Sharing a brand you like becomes a pleasant part of the shopping experience.

#4 Activates Brand Loyalists: By segmenting the highest-value customers (AOV, number of purchases), and offering them a higher discount or special exclusive reward, you will delight and engage your loyal audience, and inspire them to share their favorite brand.

A Special Gift: Our Favorite Holiday Referral Campaigns



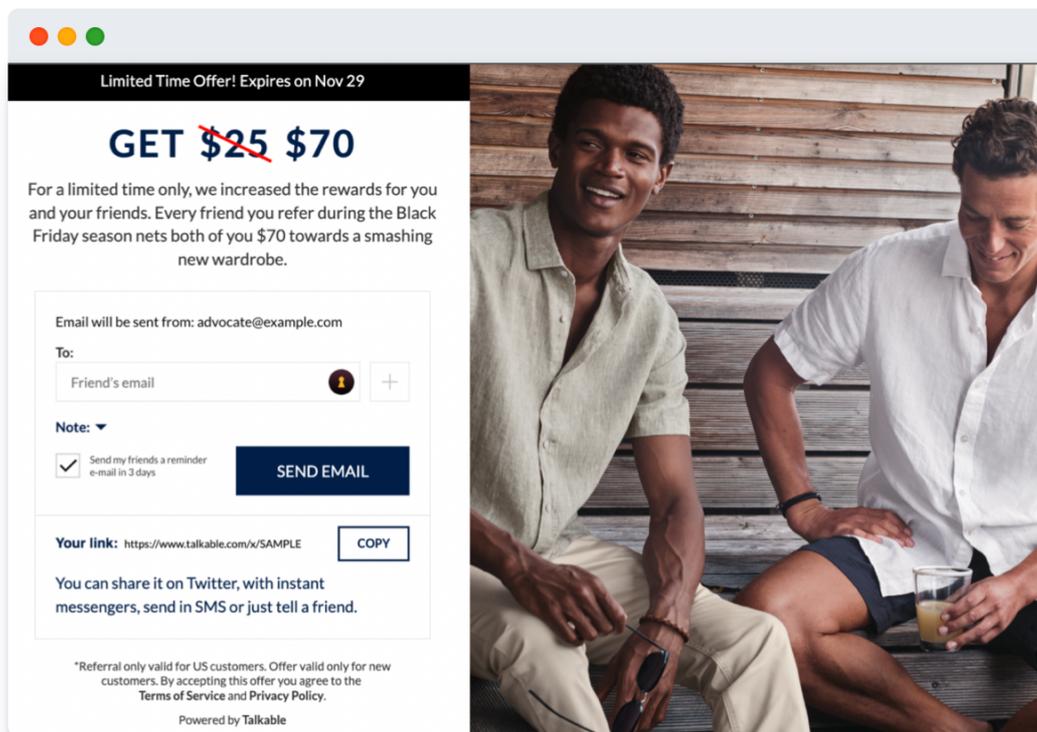
Our Favorite Holiday Referral Campaigns

Both industry statistics and Talkable analytics show that early planning, wish list campaigns, and word-of-mouth tactics are crucial components for Black Friday and Holiday campaign success.

Want to hop on the sales-boosting train this Black Friday? Here are some time-proven campaign ideas from the Talkable Customer Success team:

→ Premium Referral Rewards

You can either increase the offered reward for advocates only to ensure a higher advocacy rate or make it for both advocate and friend or double the reward for a limited time.



Limited Time Offer! Expires on Nov 29

GET ~~\$25~~ \$70

For a limited time only, we increased the rewards for you and your friends. Every friend you refer during the Black Friday season nets both of you \$70 towards a smashing new wardrobe.

Email will be sent from: advocate@example.com

To:

Note: Send my friends a reminder e-mail in 3 days

[SEND EMAIL](#)

Your link: <https://www.talkable.com/x/SAMPLE> [COPY](#)

You can share it on Twitter, with instant messengers, send in SMS or just tell a friend.

*Referral only valid for US customers. Offer valid only for new customers. By accepting this offer you agree to the Terms of Service and Privacy Policy.
Powered by Talkable

Our Favorite Holiday Referral Campaigns

→ Use a referral campaign to promote a Black Friday onsite sale

Provide rewards for advocates for sharing an onsite sale with their friends. We usually recommend limiting the number of shares per one advocate (e.g. 5 shares via email) and updating all the images to match the general website holiday style.

Brands could also keep reward widget live but trigger the codes once onsite sales start or end (i.e. on December, 1) or even make the codes inactive during the Black Friday season, infusing more sales outside of the prime Holiday window.

The image shows a digital interface for a referral campaign. It is divided into two main sections. The left section is a form for sharing the offer, and the right section is the content of the shared offer.

Left Section (Form):

- Header: LIMITED TIME OFFER!
- Text: 213,979 people have already shared this offer with their friends
- Section: SHARE OUR BLACK FRIDAY SALE WITH FRIENDS!
- Text: Give Your Friends 50% Off Their First Order + Free Shipping. Once your friend makes a purchase of \$40+, you'll get \$10 to spend in the month of December!
- Form: EMAIL (Enter your email)
- Form: Subscribe to our newsletters
- Button: INVITE FRIENDS

Right Section (Offer Content):

- Logo: puravida LIVE FREE
- Image: A woman wearing a hat and jewelry, looking at the camera.
- Text: Hey,
- Text: You've got 50% OFF your next purchase at Pura Vida!
- Text: You can use your 50% off code beginning on December 2nd. Until then, check out our Black Friday sale: 40% OFF Site Wide + Free Shipping!
- Text: SAMPLE-COUPON-CODE
- Button: REDEEM NOW

Our Favorite Holiday Referral Campaigns

→ Launch a Limited-time Sweepstakes

Adding layers of gamification into your existing referral campaigns creates FOMO and adds to the overall shopping experience by making it fun and rewarding.

GIVE \$10, GET \$10 + A BONUS 2-PIECE HOLIDAY GIFT**

Give friends \$10 off their first order and you will get a \$10 voucher when they make a purchase* plus both of you will receive a bonus 2-piece Holiday gift and go in a draw to win a Holiday prize valued at \$500**

Your First Name

Your Email

Join the Kiehl's family to receive news on launches, special offers and referral program updates.
I have read and agree to the [Privacy Notice](#) and [Terms & Conditions](#).

INVITE FRIENDS

Powered by **Talkable**

Complimentary 2-pc Gift

Limited Edition Holiday Prize

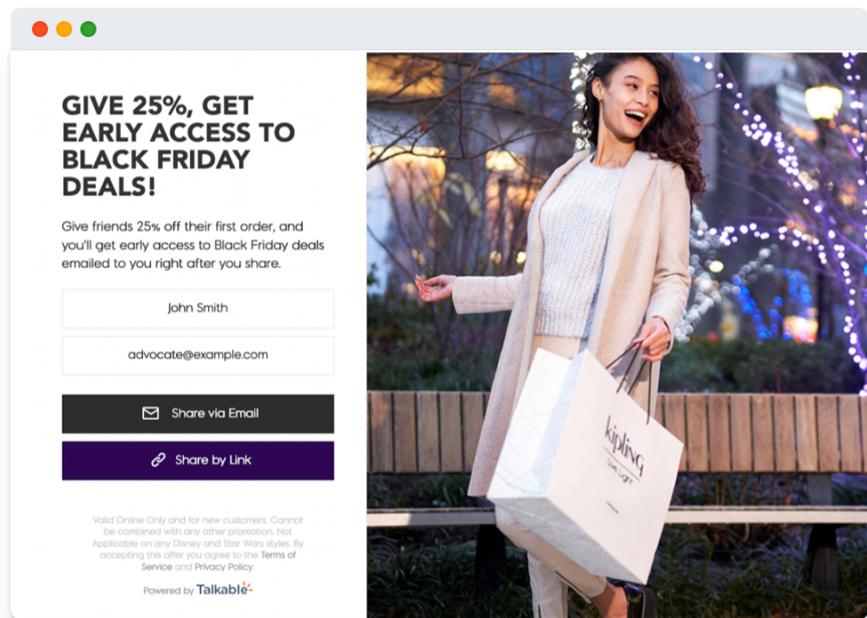
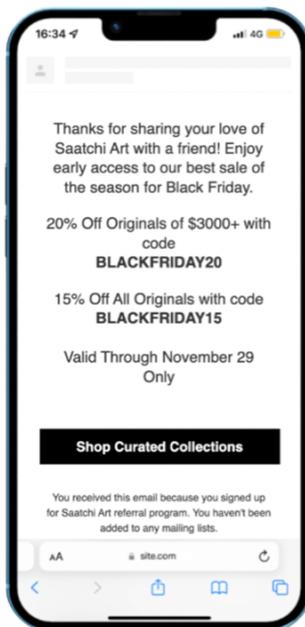
WIN! OVER \$500 VALUE

The image shows a promotional landing page for a Kiehl's referral campaign. The page is split into two main sections. On the left, there is a white form area with a red header. The header text reads 'GIVE \$10, GET \$10 + A BONUS 2-PIECE HOLIDAY GIFT**'. Below this, a short paragraph explains the offer: 'Give friends \$10 off their first order and you will get a \$10 voucher when they make a purchase* plus both of you will receive a bonus 2-piece Holiday gift and go in a draw to win a Holiday prize valued at \$500**'. The form includes two input fields for 'Your First Name' and 'Your Email', a checked checkbox for 'Join the Kiehl's family to receive news on launches, special offers and referral program updates. I have read and agree to the Privacy Notice and Terms & Conditions.', and a black button labeled 'INVITE FRIENDS'. At the bottom of the form, it says 'Powered by Talkable'. On the right, there is a large, festive graphic with a red background and gold confetti. It features two Polaroid-style photos. The top photo shows a 'Complimentary 2-pc Gift' of two Kiehl's products. The bottom photo shows a 'Limited Edition Holiday Prize' which includes a shopping bag, several Kiehl's products, and a motorcycle. A black circle in the top right of the graphic says 'WIN! OVER \$500 VALUE'. The background also has small illustrations of people on motorcycles.

Our Favorite Holiday Referral Campaigns

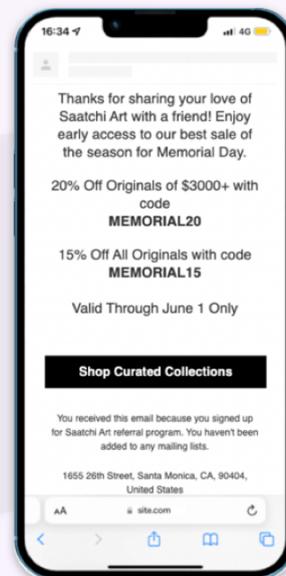
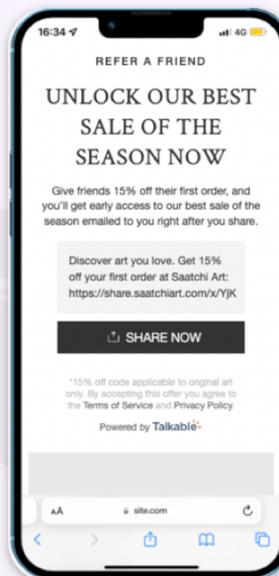
→ Early Bird Promos for VIP Customers

Provide your top sharers and purchasers with early access to premium Black Friday and holiday promotions. This will kick-start your holiday revenue and generate referrals earlier.



Case Study

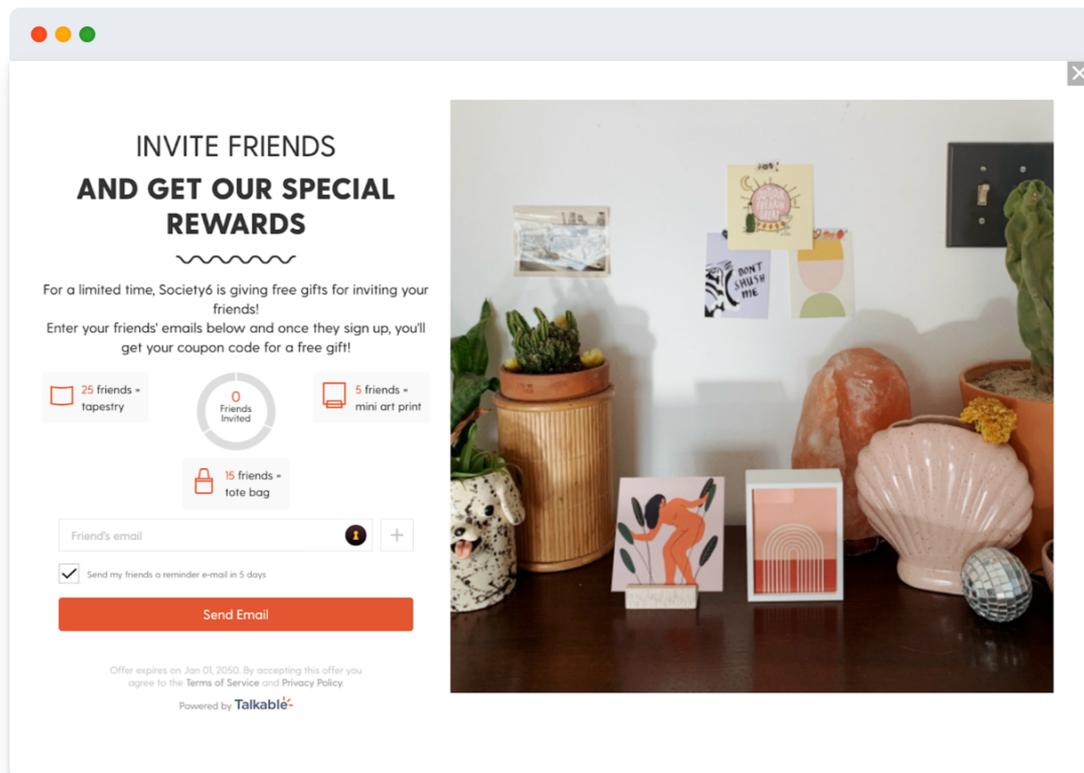
Talkable's client, Saatchi Art, an online gallery and platform for emerging artists, wanted to promote an early access sale just before Memorial Day. The brand's primary challenge was prohibiting the Memorial Day sale from cannibalizing the evergreen referral program campaigns. You can read more about the Saatchi Art campaign [here](#).



Our Favorite Holiday Referral Campaigns

→ Email Opt-in Incentives

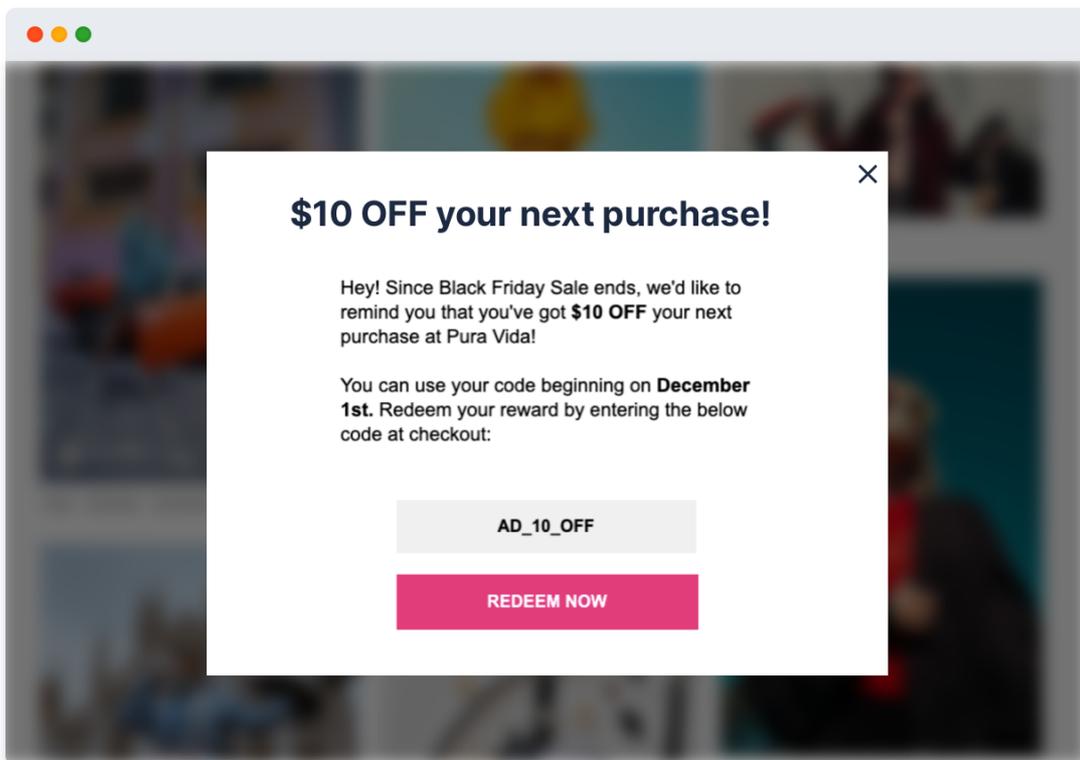
Black Friday is the perfect time to grow your email list and incentivize Advocates to share with as many friends as possible. Reward advocates once new customers sign up or reward new visitors with opt-in incentives when they provide their email.



Our Favorite Holiday Referral Campaigns

→ Post-Sale Follow-up

Reach out to those customers who missed the big Black Friday sale and send post-Black Friday email campaigns to remind them about the referral program. The holiday season is a perfect time to remind customers of referral discounts.



Our Favorite Holiday Referral Campaigns

Bonus Tip

Use the power of the native SMS channel to boost the referral program performance to the next level. **Attentive Mobile**, the official Talkable partner, allows brands to leverage SMS as another touchpoint and channel in the buyer's journey. You can easily and quickly remind them of their rewards and incentive them to refer more friends.



Kind reminder here 🤗
You've got \$10 OFF
your first purchase at
Pura Vida!



Promote your Black Friday refer-a-friend program to your SMS list to increase sharing and engagement. Mobile messages have a 99% open rate.

Takeaways

Customers are eager for premium and creative promotions from their favorite, and new, brands during the holiday season. Shoppers will perform extensive online research, ask their family and friends for recommendations, and look for extra ways to bring joy to their families and communities.

For eCommerce brands, this means an additional opportunity to either attract new buyers or engage existing ones, and a referral program is just the right tool to do this. If you'd like to learn more tips and tricks, feel free to [reach out to our team](#).

Sources

[Holiday shopping insights with Facebook's interactive report](#)

[Site and App Enhancements Take the Guesswork Out of Online Shopping](#)

[Mastercard SpendingPulse: U.S. retail sales expected to grow 7.1%* this holiday season](#)

[Holiday Shopping Outlook 2022](#)

Thanks for reading!

Our mission is to help great companies **grow**.

Talkable is changing the way companies acquire and retain customers, by quantifying and accelerating the oldest marketing channel ever — word of mouth. We don't just build refer-a-friend programs.

We make them succeed.

Trusted by globally
recognized brands

LaserAway

puravida
LIVE FREE

WELLA
PROFESSIONALS

ROTHY'S

Get in touch - we'd love to
know how we can help:

Let's talk

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