

Is Black Friday 2020 cancelled?

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Shopping is bound to look different this year, but will stores be pushing for online sales to avoid endless queues, or will retailers tailor the in-store experience to reflect the times? We asked experts from the dentsu SSA network to weigh in.



Name: Sevan Jaghlassian

Portfolio: Digital Strategic Planner dentsuX



Her take: The impact of lockdown and the Covid-19 pandemic has shifted business operations as well as the mindset and behaviour of people, driving them online. People couldn't travel and many were working from home and as a result, online shopping skyrocketed.

We also saw comparison shopping emerging as a trend as people tried to reconcile their basic needs with their economic situation. Recent studies by Google demonstrate that apparel and electronics have trended upward, in addition to food and beverages, toys, games, home and garden, beauty and gifts. We expect people to shop earlier this year so that they can compare prices and find exactly the right product at the right price.

Many consumers have shifted from shopping in-store to adopting online shopping. Google reports that to avoid crowds and ensure there is stock of a desired item, shoppers will choose digital as a means to solve both problems in real time. And while essential items are a number-one priority, if they can afford it, people will include a few spoils for themselves and

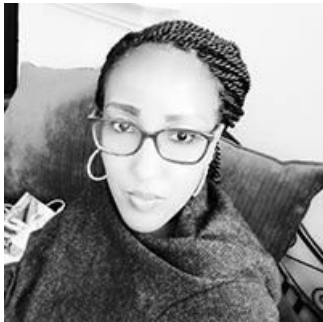
loved ones.

This year, retailers have to be more tactical and ensure that their ads stand out and directly tap into consumer sentiment. By examining demand over the past three to six months, they will be able to better package their sales. Competition is going to be tougher than ever before with so many new businesses entering the e-commerce arena.

The earlier brands start their campaigns, the better. Retailers should build up their audiences as early as possible to ensure they have reached the right people – ahead of their competitors. They should look at impactful mediums and placements calling out the top products on sale and cross-sell with secondary messaging from Black Friday to Cyber Monday for the last essential push of the week!

Name: Mary Mwangi

Portfolio: Business Director, Carat, Kenya



Her take: Black Friday will look very different in 2020, and very grim if insider reports are to be believed. Of course, the coronavirus pandemic is the source of all the upheaval. Retailers and brands have had to contend with the reality of a world forever altered and a recession, which will, inevitably, lead to low consumer spending.

For those who opt for an in-person shopping experience, there will be a change in the customer experience and retailers and shop owners will be saddled with the burden and expense of creating a safe shopping environment for both customers and employees. This means social distancing, regulated opening times, increased hygiene protocols and dealing with stock issues.

Generally, spending is down across all industries because of lockdown measures imposed on shopping, dining and travelling. The unpredictable end of the pandemic means that consumers are less inclined to spend, with many concerned about how the pandemic will affect their income. This notwithstanding, the time spent indoors has caused consumers to spend more on home entertainment, DIY kits and groceries.

Looking beyond the factors that would ordinarily determine consumer spend – such as consumer confidence, unemployment levels and cost of living – the pandemic appears to have significantly altered how and where consumers choose to spend their money. According to a [survey by McKinsey & Company](#), every industry appears to have been affected. As consumers grapple with uncertainty, their buying behaviour has become more erratic and tilted in favour of reduced spending on all non-essential products and services. A World Economic Forum article by Katie Jones on [consumer spending during the pandemic](#) shows that globally, consumers are continuing to spend, sometimes more than they did pre-pandemic, on essentials such as groceries and household supplies, but spend is declining on eating out and out-of-home entertainment.

While the above report questions whether the recession will dampen consumer spending, it argues that consumers appear to be prioritising the buying of essential goods over more generalised expenditure and luxury items.

It's clear that consumers are still spending, but their needs have changed, so retailers will do well to quickly anticipate consumer needs and then meet them.

Name: Khalid Khalpey

Portfolio: Financial Administrator dentsu SSA



His take: We are living in interesting times. Black Friday 2020 will be characterised by fierce competition between e-commerce and retailers for the attention of the consumer.

E-commerce in 2020 has received a [massive boost in consumer activity due to Covid-19](#). This shift, along with a host of industries pivoting and opening themselves to e-commerce platforms, has resulted in a host of new online shoppers that previously were wary of this technology, but had to, given the situation, engage with it out of necessity and safety, as indicated by Susan Meyer in her article on [the effect of Covid-19 on online shopping behaviour](#).

What I'm expecting to see is a strong push from companies with e-commerce platforms to entice their consumers, both retail and online, so as to maintain their market share, possibly even growing it. As online portals service more consumers per hour than traditional in-store retailers, this will lead to a significant increase in targeted advertising in the digital space. However, with South Africa at Level 1 lockdown, traditional in-store retailers will be aggressively marketing this Black Friday to lure customers to venture out into retail spaces and try to get consumer habits back to some sense of normality.

Malls have seen an increase in consumers as they are slowly but surely making their way back, but the constraints on operating will hamper their sales push.

An e-commerce sales victory over retailers is to be anticipated as we edge closer to the inflection point as indicated by the Accenture report [Rethinking the E-commerce Opportunity in South Africa](#).

References

[South African e-commerce is a Covid-fired market of risk and reward](#)

By Nqobile Dlodla

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