



**TEN THINGS WE
LEARNED FROM BLACK
FRIDAY 2015: AN
AFFILIATE WINDOW
WHITEPAPER**

The Affiliate Window Strategy
Team

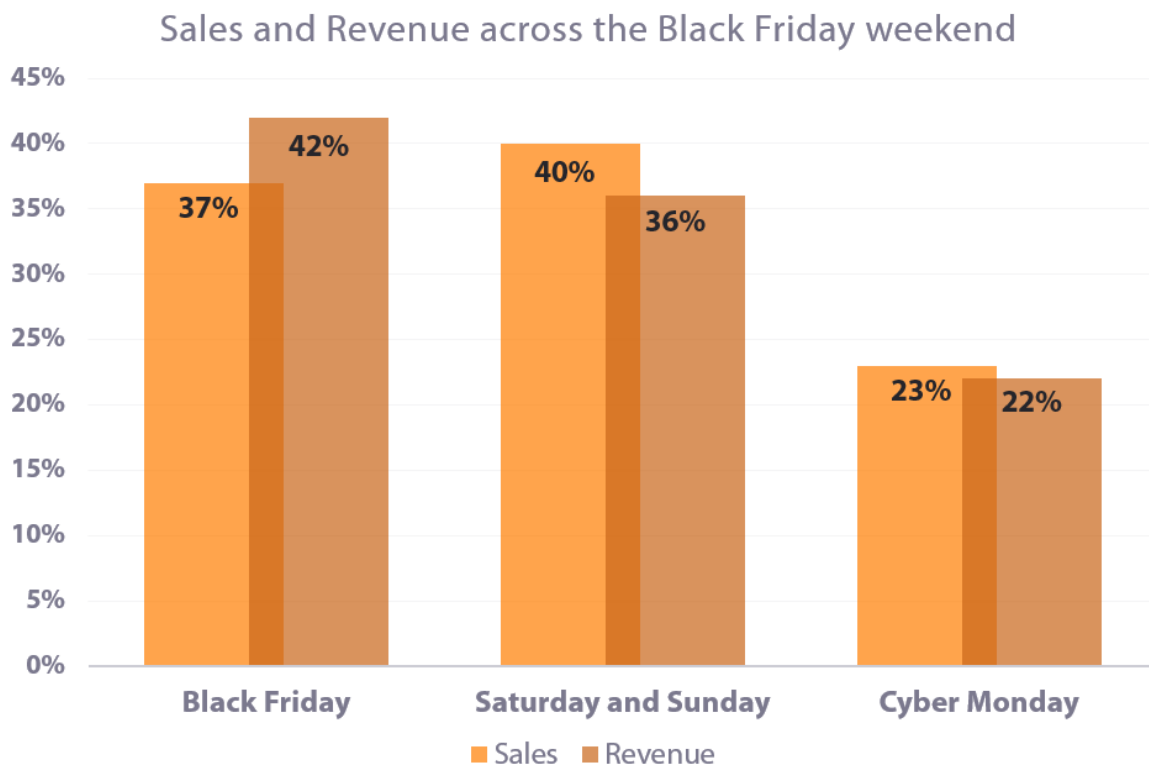
DECEMBER 2015

Ten things we learned from Black Friday 2015

This year Affiliate Window's publishers generated £100m in revenue for 1,600 UK and US retailers across the four day Black Friday weekend bookended by Cyber Monday. With a 46% hike in sales revenue for 2015 and with the dust settled on another record-breaking trading period, what does the underlying data tell us?

1. Cyber Monday is dead

If 2014 was the year when Black Friday swiped the crown from Cyber Monday, then 2015 represents the year when it was ceremoniously coronated. The figures across the Affiliate Window network provide a stark contrast showing how Cyber Monday's previously imperious position has been consigned to something quite ordinary:



Whilst sales for Cyber Monday were up 30% and revenue up 37% year on year, in itself representing impressive growth, the uplift was overshadowed by Black Friday performance. As one of the two critical pre-Christmas trading days, Cyber Monday couldn't even muster its one quarter share of sales or revenue across the four day period.

Many retailers appeared to run consistent promotion across the entire elongated weekend and as such perhaps retail fatigue had kicked in. Considering some retailers went to market early, stretching Black Friday into a week long event, perhaps it was unrealistic to expect Cyber Monday to post spectacular, comparative performance.

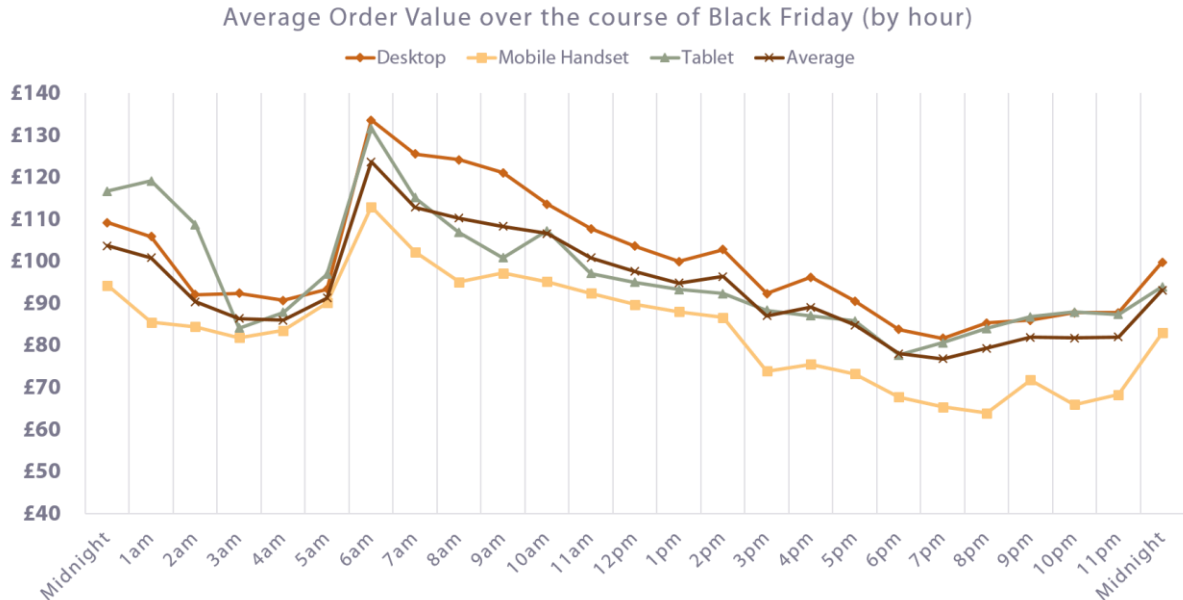
And finally consider this. If Black Friday has made Cyber Monday distinctly ordinary, Manic Monday (the first Monday in December), for years the biggest shopping day for UK retailers, is dead in the water, posting just 30% of the revenue recorded on November 27th.

2. Consumers spent more

Not only did consumers shun the high street to shop online, but they also dug deeper and splashed more cash. The average basket was a full £7.50 higher at just over £93, making it one of the highest ever posted. Compare this to an average Friday on the network of £71 and the impact is compounded. Typically a 'big box' electricals event, Black Friday for John Lewis and Currys – both clients of the network- marked exceptionally busy days and undoubtedly helped drive this figure up.

The picture was far from consistent across the day. Peaking between 6 and 7am with strong performance in the small hours, a trend has emerged of shoppers buying their big ticket items, possibly with a sense of urgency, fearful of the threat of limited stock availability. An interesting consideration for retailers, Black Friday continues to throw up unusual purchasing patterns in contrast to Cyber Monday which follows a more typical day's trading.

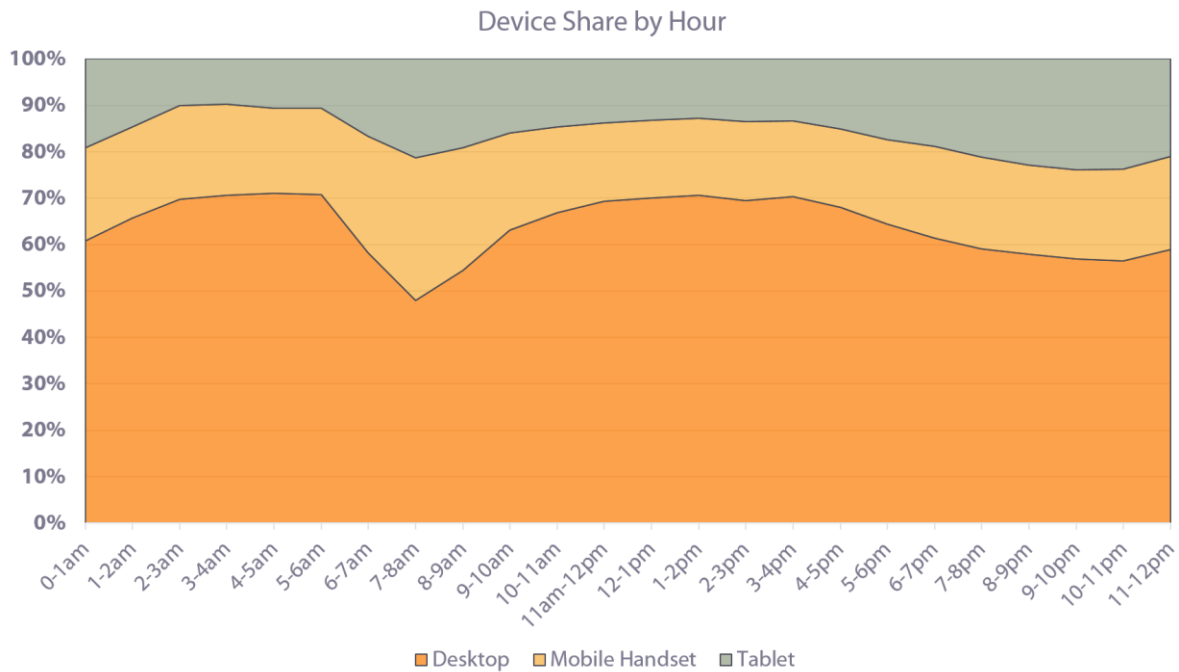
What is equally interesting is how smartphones held their own. Typically underindexing both tablets and desktop sales, handsets weren't far off the average and in fact pushed through the typical Friday AOV, peaking at an average basket of £113. For the first time this event felt like one that smartphones played an equal role in:



3. The first smartphone Black Friday

Having already mentioned that Black Friday 2015 saw handsets pulling in record baskets, the day also stood out because tablets saw their position as the major non-desktop platform supplanted. Driving almost one in three sales in the couple of hours before the working day kicked off, our cross-device data has shown smartphones act as a powerful driver on initial intent during this time but conversions can often trail far behind.

This wasn't in evidence on Black Friday, with handsets trumping tablets consistently until mid-afternoon when the position was reversed as this data plotted by hour across the whole day shows:



Overall, handsets accounted for 19% of sales, with tablets one percentage point behind.

4. Black Friday is more than just a retail event

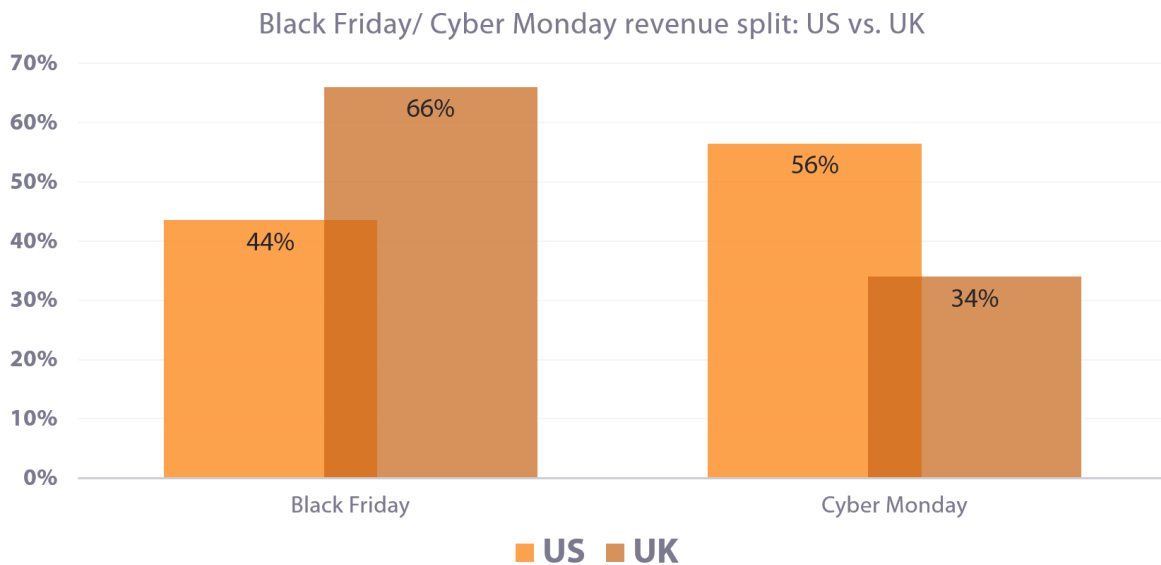
Traditionally viewed as a retail event, Black Friday offers advertisers in other sectors the opportunity to capitalise on the surge in online traffic. The big day is not one that should be narrowly defined by shoppers stocking up on their Christmas presents. Affiliate Window commissioned pre-Black Friday research that showed half of consumers were planning to take advantage of the deals on offer by purchasing gifts for themselves. Why then should Black Friday be just about buying for others?

This manifested itself in some of the advertisers who triumphed on Black Friday, with six of the top 20 being drawn from the telecoms sector, all going to market with strong deals and scooping up consumers who were hungry for the best offers out there, be it for friends, family members or indeed themselves.

5. The Brits have made Black Friday their own

Many column inches were expended in the run up to Black Friday bemoaning another American import the UK could well do without. But let's not forget that traditionally Black Friday has been an in-store experience in the US, with Cyber Monday the online bookend to the Thanksgiving weekend.

With the UK spending around £800 more per capita online than our American counterparts, the UK has been primed and ready to transform Black Friday into an online event for several years. If we accept IMRG's UK estimate of £1.1bn and Adobe's US figure of \$2.7bn, British consumers spent more than three times as much online this Black Friday than their US counterparts. Meanwhile, Cyber Monday remains king for Americans as demonstrated by this year's statistics:

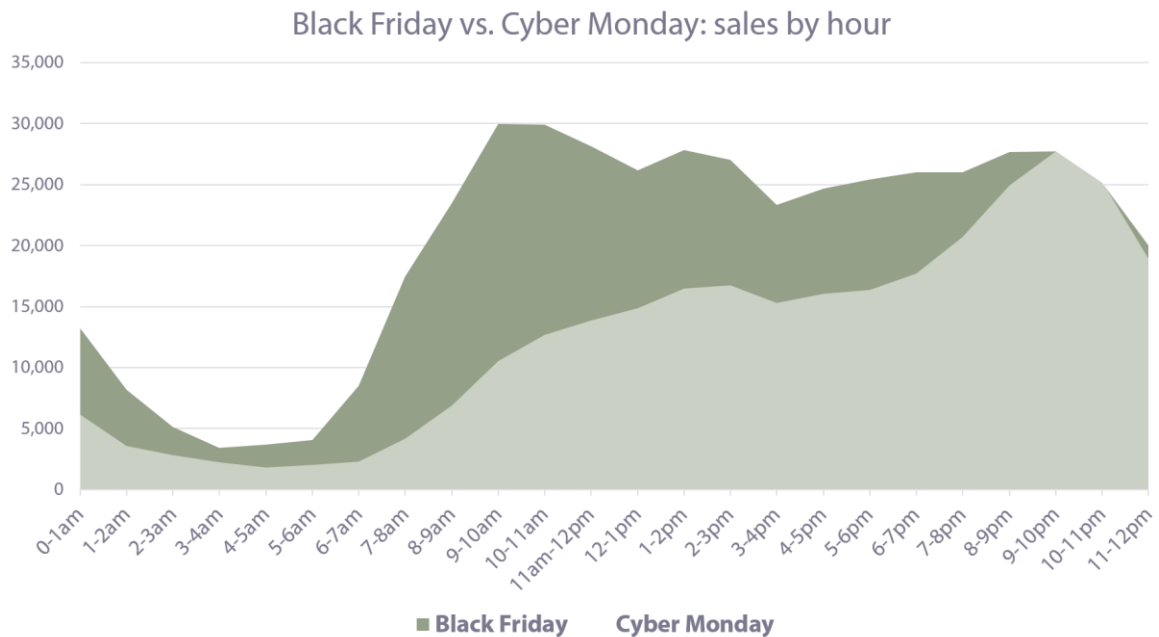


In the space of a few years Black Friday has re-written the Christmas trading calendar, and the UK, with possibly the most sophisticated ecommerce infrastructure, has embraced it.

6. Black Friday became even more of a daytime event

One of the most striking patterns to emerge in 2014 was the difference in spikes across the day. Black Friday has clearly primed consumers to react as soon as the starting gun is fired. This has manifested itself in a significant midnight spike, followed by a pre-work rush. That midnight Black Friday sales weren't matched by Cyber Monday until lunchtime sends out a powerful statement on shifting consumer behaviour and the importance of being ready.

By contrast Cyber Monday emulates a typical trading day. Unlike 2014 which saw a marked period at the tail end of the day where Cyber Monday was substantially bigger, there were only two minor peaks when Black Friday was challenged:

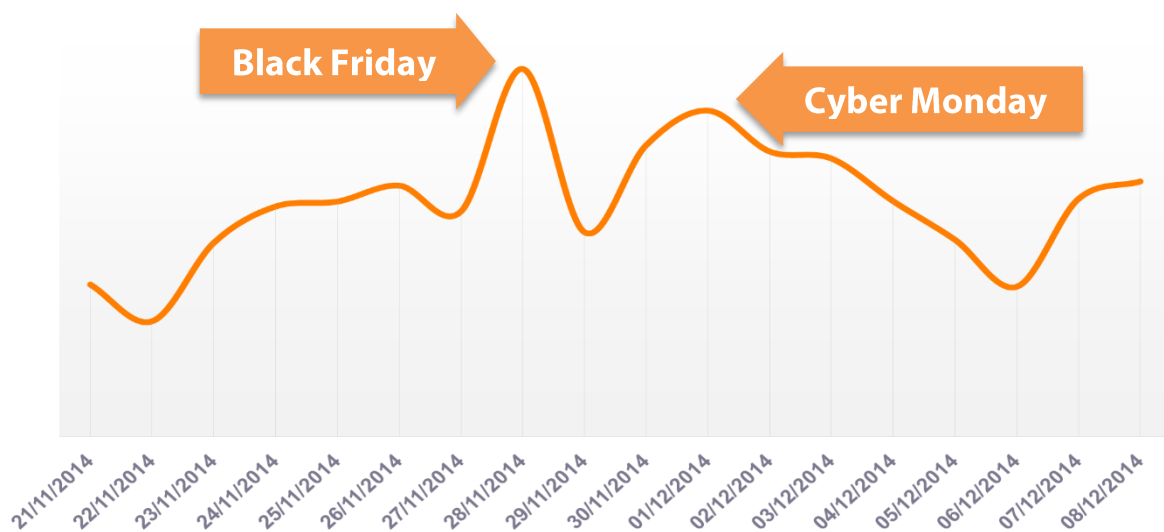


7. Europe caught the Black Friday bug

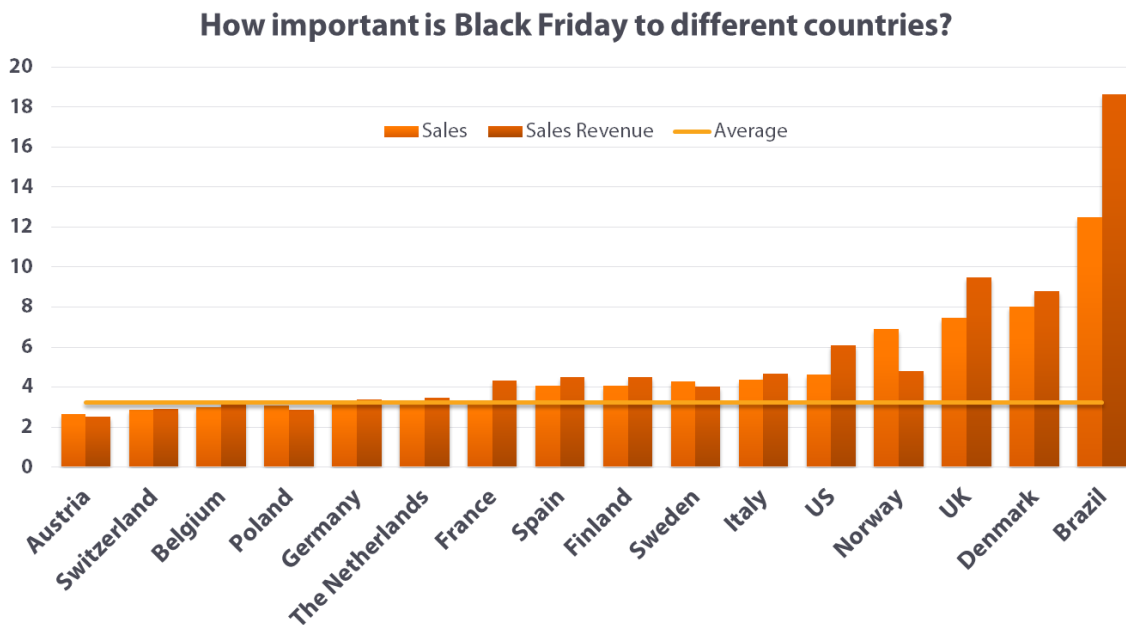
If the UK staked its claim to being the preeminent online market globally on Black Friday, then our European neighbours made a concerted effort to close the gap in 2015.

As part of the zanox Group, the largest European performance marketing network, we tracked sales across all major countries throughout the continent.

Last year Black Friday fell on 28th November and for many countries it was the first time that it felt the event had moved mainstream. This was certainly borne out in the zanox Group's data for 2014 that showed a noticeable spike when data from more than 40 global markets was considered and with Black Friday exceeding Cyber Monday for the first time:

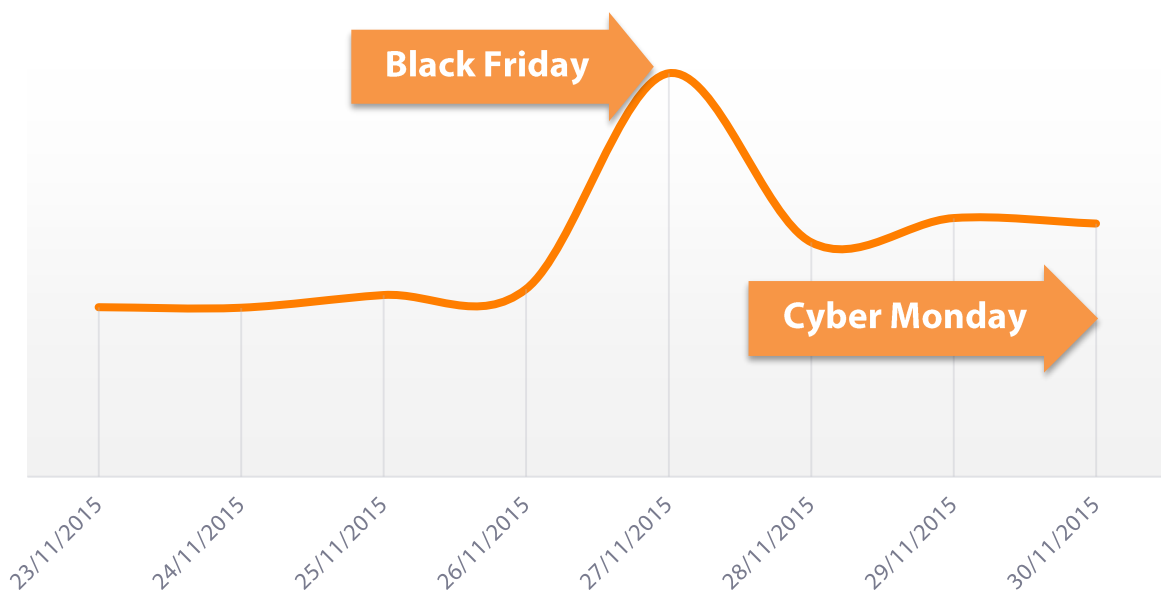


This trend however wasn't universal. In this chart you can see which countries over-performed on Black Friday compared to a normal day's trading during the Christmas peak:



While this data isn't definitive (there are cultural, seasonal and specific reasons that presenting topline data ignores), there's no doubt this chart helps to indicate the level of maturity and awareness of Black Friday in the respective markets.

So what did 2015 reveal? Well the contrast is quite marked with a more than 50% increase in revenue tracked across the Group. In fact our publishers, from the US to Australia, from Brazil to China were responsible for driving the first ever €100m day for the zanox Group, a likely sign that Black Friday is set to dominate the headlines for years to come:



8. It wasn't just Europe, transactions tracked across 80% of the world

While the zanox Group is predominantly focused on North America and Europe, it is evident that the €100m tracked on Black Friday wasn't constrained by national border; advertisers across the network were also benefitting from activity around the world. Transactions were tracked across 156 different countries. Outside of the traditional markets we operate within, East Asia drove a significant volume of sales with China leading the way.

Having seen UK advertisers [benefitting from China's 'Singles Day'](#) on 11th November, there was also a significant amount of activity across Cyber weekend.

And average spend varied significantly with the Nordics putting in a strong showing; Norway, Denmark and Sweden all featuring in the top ten countries by average basket spend. Japan topped the list with notable mentions for South Korea and Brazil.

With revenue driven by UK retailers outside of these borders set to more than double before 2020 we anticipate the overseas opportunity of events such as Black Friday featuring more and more in advertisers longer term plans.

9. Top spending locations in the UK revealed

Switching attention back to the UK, our data reveals the locations which saw the biggest spenders as well as the lowest average order values for the UK. Leamington Spa saw the highest rate of spending with average order values standing at £144.71. At the other end of the spectrum, residents of Hayes spent £33.97 on average.

The highest and lowest spending regions are included in the table below with the criteria for inclusion being those regions that had at least 200 transactions.

Highest AOV in the UK

Location	AOV
Leamington Spa	£144.71
Hyde	£140.27
Hemel Hempstead	£123.19
Twickenham	£122.20
Lytham	£119.99

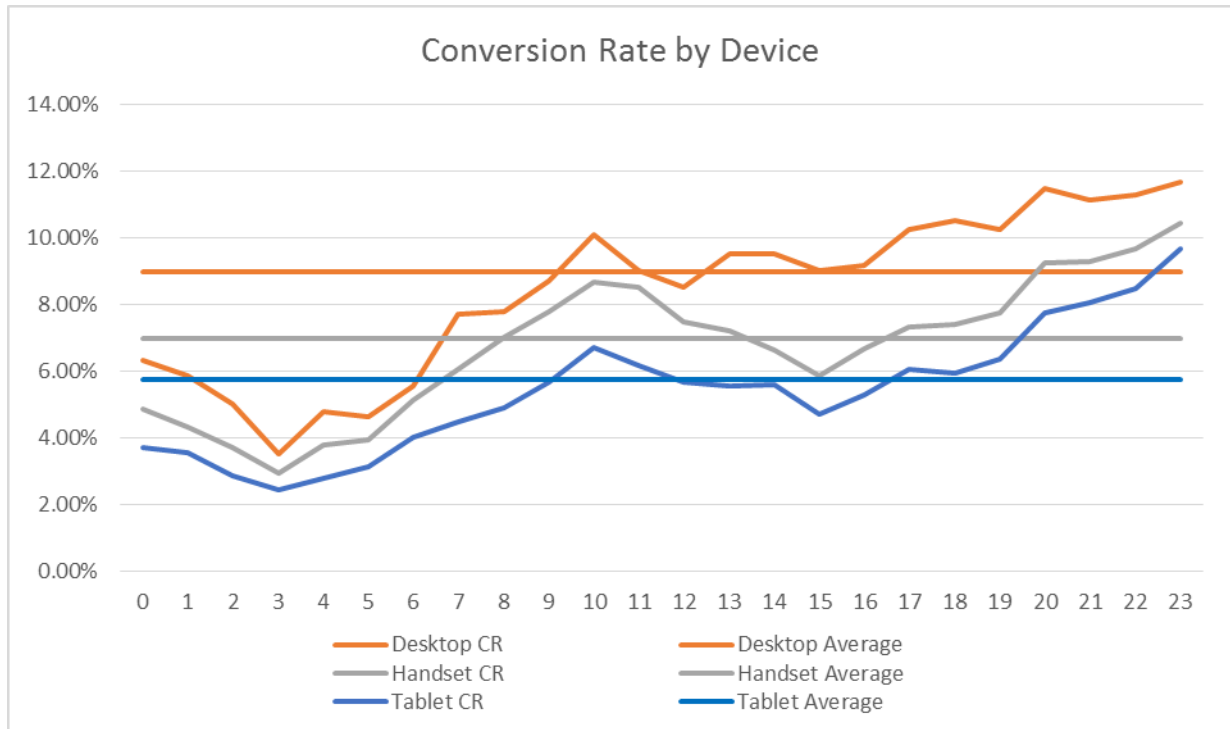
Lowest AOV in the UK

Location	AOV
Dudley	£74.11
Pontypridd	£73.99
Lancaster	£71.88
Kenn	£59.09
Hayes	£33.97

10. Smartphones morphed from a research to a converting device

Black Friday saw smartphone activity come to the fore. Typically we have seen smartphone traffic outstrip that of tablet devices but a disconnect in conversion rates has seen them trail somewhat in terms of transactions. Black Friday saw smartphone conversion rates increase dramatically – outstripping that of tablet devices throughout the day.

As the chart below indicates, smartphone conversion rates peaked at just over 10% while on average across the day this was 7%. Typically across the network we see smartphones convert at around 3.5%. On Black Friday consumers weren't just using their smartphones as a research device, they were the mobile device of choice to take advantage of time sensitive offers.



There is no doubt that Black Friday arrived like a juggernaut and smashed all records. While UK consumers may have abandoned the high street leading to a drop in in-store sales and footfall, they flocked online to grab the best deals.

What was once Manic Monday became supplanted by Cyber Monday, which in turn was toppled by Black Friday.

That the ever changing online retail landscape can shift so sizeably in such a short space of time presents both an enormous challenge and opportunity for advertisers. Whilst Black Friday currently wears the retail crown, who would bet against UK consumers wholeheartedly embracing another shopping phenomenon in years to come?

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