

Black Friday online shift sparks industry rethink

BY LUKE TUGBY

Black Friday sales trumped last year's for a raft of retailers but questions remain over how the promotional bonanza will evolve after sales shifted from stores to online and the duration of the event was extended.

Ecommerce spend in the UK jumped 36% to £1.1bn on Black Friday, according to IMRG and Experian. Online sales across the four-day weekend – including Cyber Monday – hit £3.3bn.

In contrast bricks-and-mortar stores suffered as Black Friday footfall slumped 4.5%, according to Springboard data, raising questions over the role stores play in the discount extravaganza.

The amount spent in stores on Visa cards slipped from £1.14bn to £1.13bn on Black Friday, while online spend soared 24% to £760m.

Some analysts suggested shoppers preferred to keep away from stores following the mayhem in certain supermarkets last year, while the extension of the promotion over several days also meant footfall and spend was less concentrated on Black Friday.

Verdict analyst Andy Stevens said many retailers made a conscious effort to try to transfer spend online. "It's a lot easier for them to deal with and they can spread promotions across a number of days without impacting store staff," he said. "I think we'll continue to see a calmer Black Friday in stores in the coming years.

"But you'll always see stores getting involved because retailers will want to increase footfall and get people to buy across multiple categories."

Independent retail consultant Richard Hyman agreed it would be problematic for multichannel retailers to limit Black Friday to online. "You can't do one thing online and not in store," he said.



John Lewis celebrated its best-ever trading day on Black Friday. The department store group said there was a different pattern to trade this year as sales were driven mainly by ecommerce, causing its website to crash temporarily.

But John Lewis retail director Mark Lewis insisted physical stores were still a vital part in the promotional weekend as customers "like to mix and match channels" they use to shop.

The rising popularity of click-and-collect is also expected to ensure stores remain an important channel during Black Friday. The number of shoppers who picked up online orders in store increased 33% on Black Friday, according to CACI.

Amazon, Ao.com, Dixons Carphone and Shop Direct also reported record trading days on Black Friday. Amazon said it sold 7.4 million items.

Shop Direct said sales rocketed 64% compared with Black Friday last year. Chief executive Alex Baldock said Black Friday is here to stay, but believes some retailers may pull back from the event, mirroring Asda's move this year.

Baldock told *Retail Week*: "I think we'll see a bit of a shake-out as more companies take the strategic decision not to participate. But Black Friday won't disappear as customers love it so much."

Shoppers also took to their handheld devices to bag deals, with Dixons Carphone reporting that one in three sales on Black Friday was via a mobile or tablet.

IMRG editor Andy Mulcahy believes the idea of Black Friday as a single day had disappeared. "Extending the period out has been a success for retailers and things have run more efficiently.

"The nature of this type of Sales event makes it hard to predict and the Black Friday period doesn't feel quite like it's settled into a definite pattern quite yet."

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