

5 retail predictions ahead of the holiday season

Salesforce has released its latest *Shopping Index*, which analyses global data from more than one billion consumers, offering dynamic insights on global shopping patterns and trends.



Source: [Pexels](#)

Based on the *Salesforce Shopping Index*, here are five key holiday shopping predictions businesses should take note of this season.

Prediction 1: Shoppers will buy even earlier to avoid future price hikes

This year, the main motivating factor driving early purchases will be inflation. According to Salesforce research, 42% more shoppers worldwide and 37% more in the US plan to start buying gifts earlier – the number one behavioural change this holiday due to inflation.

"While we predict that the ASP (average selling price) will increase monthly between 8% and 12% for the remainder of 2022, there is a silver lining for holiday shoppers – the return of discounting," the company said.

Prediction 2: Loyalty shifts to value

As inflation rises, consumer loyalty is shifting, this time to experience and value. In fact, according to Salesforce research, half of all shoppers will switch brands this holiday due to pricing.

This means that 2.5 billion shoppers worldwide could ditch their brand for a lower-priced competitor. Some product categories – luxury brands, grocery, and department stores – are more susceptible to waning loyalty due to price sensitivity (either high prices or significant increases in prices).



What's topping shopper wish lists this festive season? Discounts!

28 Nov 2022



Prediction 3: Physical stores will drive growth across all channels

Last year, stores had a significant impact on digital sales, with store associates expanding their roles to become fulfillment experts, service agents, social influencers, and digital stylists.

"Sixty percent of digital orders are now influenced by the store – whether demand is generated or fulfilled. This year, with stores fully operational once again, we'll see consumers gravitate to the physical store in even greater numbers," said Salesforce.

Prediction 4: Shoppers will gravitate toward sustainable options

Over the last two years, new expectations have increased in importance to consumers – trust and impact. Salesforce has found that 88% of consumers now expect brands and retailers to clearly state their values. And shockingly, 64% will stop doing business with a company if corporate values don't align with their own.

This is especially true when it comes to the environment. According to Salesforce research, 83% of shoppers will seek out sustainable brands and products this holiday season.



Mattel launches NFT marketplace

22 Nov 2022



Prediction 5: Retailers will test NFT drops

Forty-six percent of shoppers said they would consider purchasing non-fungible tokens (NFTs), a digital asset that represents something unique or scarce stored on a blockchain. This could be a virtual version of a real item or a digital collectible.

"Younger shoppers particularly are drawn to 'digital twins' – a digital version of a physical good. Gen Z is four times more likely than Gen X to buy a physical good if it is paired with a digital twin this holiday," Salesforce said.

For more, visit: <https://www.bizcommunity.com>