EPSILON® EUROPE

ANOTHER BLACK FRIDAY AND ANOTHER SET OF RETAILER CHALLENGES

WHY IS THIS IMPORTANT?

Much can happen in a year, and retailers can attest to this. A year on from Black Friday 2021, retailers face yet more challenges – but a different set – as they attempt to navigate this key trading time.

So how have things changed in the last year? Well, let's compare this year's challenges to those of 2021.

CHALLENGE 1

2021

THE CHANGING RETAIL LANDSCAPE

The volume of store closures meant many stores that would have supported a multi-channel Black Friday push weren't there. At the same time, consumer behaviours had permanently changed, accelerating the growth of online shopping.

One consistency between 2021 and 22 is that changing consumer behaviour continues to force retailers to evolve.

2022

RETAILERS ARE THINKING THE UNTHINKABLE

Ecommerce resistors are launching online services while rocketing logistics costs and inventory gluts are forcing retailers to take unprecedented steps to protect their margins.

CHALLENGE 2

2021

SUPPLY CHAIN CHALLENGES:

Material shortages and supply bottlenecks pushed up prices and impacted product availability. Meanwhile, the increased competition for driver and warehouse staff put a strain on retailers.

This year, shortages are being replaced by inventory gluts.

2022

INVENTORY LEVELS REMAIN VOLATILE

As consumer purchase behaviour normalises following the sky-high demand during the pandemic, retailers have amassed too much of the wrong stock and in the wrong locations.

CHALLENGE 3

2021

THE STATE OF HOUSEHOLD FINANCES

While some saved over the lockdowns, others were hit hard by job losses and reduced incomes. This impacted the willingness to spend and a shift to saving.

Finances remain challenged, but this year it's due to a different set of reasons.

2022

INVENTORY LEVELS REMAIN VOLATILE

Spiralling inflation, unprecedented energy cost rises, and a slide into recession are sapping the ability and willingness of consumers to spend.

CHALLENGE 4

2021

THE IMPORTANCE OF CHRISTMAS

Focus and spending saw a shift towards the Christmas period to compensate for the 2020 festive period being a non-event due to lockdown.

A different year and a different distraction could impact consumer spending and behaviour this year.

2022

A WINTER WORLD CUP

For the first time ever, the World Cup takes place in November. While the tournament often has a positive effect on retail sales, the timing of this year's event introduces a big unknown for retailers.

GET MORE ACTIONABLE INSIGHTS

HOW TO NAVIGATE BLACK FRIDAY UNCERTAINTY 2022

DOWNLOAD REPORT

Get more insights into Black Friday 2022, retailers' challenges, and strategies you can adopt to help you succeed.