yottaa

2013 Thanksgiving Holiday Shopping:

Key Trends & Insights

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Introduction/Methodology

This report summarizes a study Yottaa conducted on U.S. online shopping activity during the Thanksgiving holiday in 2012 and 2013.

In this study, "Thanksgiving Holiday" is defined as the week starting from the Tuesday before Thanksgiving Day through the following Tuesday. This period is the most important week of the year for online commerce, encompassing both Black Friday and Cyber Monday. We compare activity in this period from 2012 and 2013 with the hope of discovering trends in user behavior. Metrics covered in the report include:

- Revenue
- Conversion rate
- Bounce rate
- Abandon rate
- Average order value
- Pages per visit
- Time on site
- Time to Start Render
- Time to Display
- Time to Interact

For each metric, data is broken out by traffic source: PC, Tablet, and Smartphone.

Data used in this study are based on metrics collected by Yottaa. The sample includes less than 50 e-commerce sites that were carefully selected to include a broad range of size (by annual revenue) and category. Also, we made sure to include only consumer products sites (as opposed to B2B and wholesaler sites, which generally don't see such a pronounced change in sales during the holidays).

Summary Trends in Thanksgiving Holiday Shopping

The biggest online shopping day is Cyber Monday, followed by Black Friday. Compared to daily averages for sites in this study, Black Friday generated 406.8% more revenue and Cyber Monday generated 552% more revenue. For some sites, Cyber Monday was a truly a blockbuster, generating as much as 3000% of average daily revenue. These revenue figures were accompanied by comparatively modest (but still substantial) increases in site traffic: Cyber Monday showed traffic levels at 206.4% above baseline, and Black Friday at 123.2%. On average, the Thanksgiving week we studied generated 5.3% of the entire annual revenue for these sites.

Year over year trends summary

Holiday shopping also continues to grow year over year. 2013 Thanksgiving holiday revenue grew by 29.8% year over year, and traffic grew by 23.60%.

Thanksgiving Holiday Daily Traffic Pattern
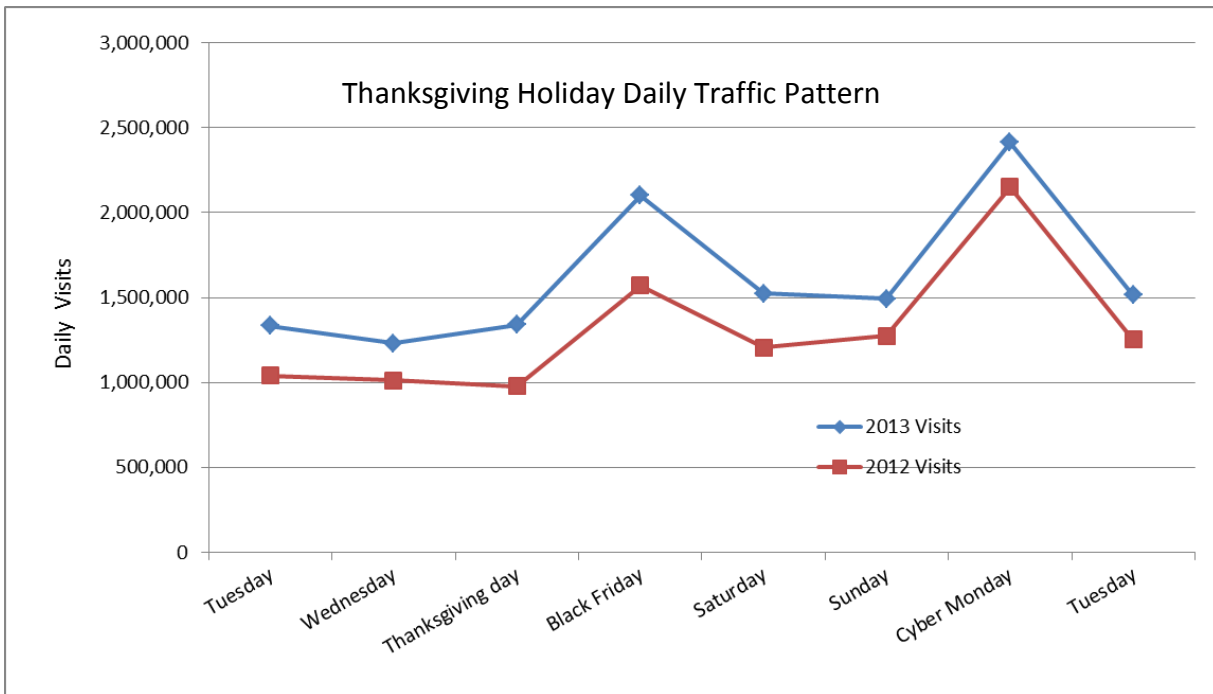
Mobile shopping plays an increasingly important role. Compared to 2012, mobile traffic (including smartphones and tablets) grew 77% and revenue grew 78%.   PC (including laptops and desktops) traffic grew by only 6.4% and revenue by 20.6%.

	2012 TRAFFIC	2013 TRAFFIC	YEAR-OVER-YEAR GROWTH (%)
PC	75.8%	65.2%	6.4%
SMART PHONE	13.0%	20.5%	95.7%
TABLET	11.3%	14.2%	56.1%
TOTAL	100.0%	100.0%	23.6%

Table 1: Thanksgiving Holiday Traffic Trending vs. Mobility

In percentage terms, PC traffic shrank from 75.8% of all traffic in 2012 to 65.2% in 2013. Smart phone traffic grew from 13% of all traffic in 2012 to 20.5% in 2013. Tablet traffic grew from 11.3% to 14.2%.
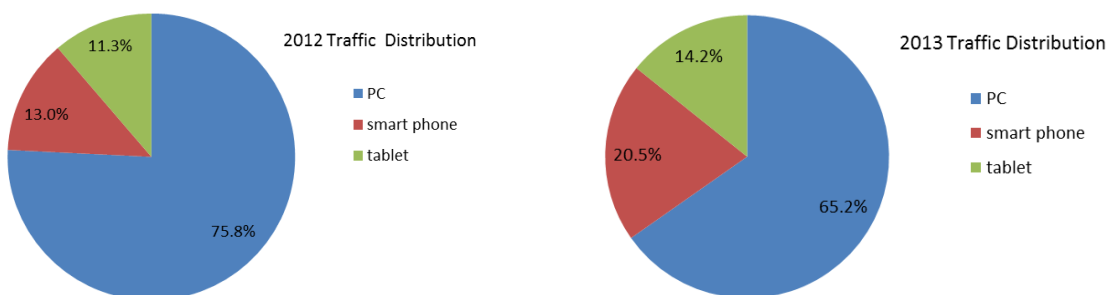
Revenue from PC users shrank from 83.7% of all revenue in 2012 to 77.7% in 2013. Smart phone revenue grew from 4.2% in 2012 to 7.1% in 2013. Tablet revenue grew from 12.1% to 15.3%.

	2012 REVENUE	2013 REVENUE	YEAR-OVER-YEAR GROWTH (%)
PC	83.7%	77.7%	20.6%
SMART PHONE	4.2%	7.1%	116.4%
TABLET	12.1%	15.3%	63.7%
TOTAL	100.0%	100.0%	29.8%

Table 2: Thanksgiving Holiday Revenue Trending vs. Mobility

Trending in Key User Engagement Metrics

Time to Start Render, Display and Interact

"Time to Start Render" is a key user engagement metric. It is a **visitor's first moment of engagement with a page,** measured by the elapsed time between when the request was sent and the first visible element started to get rendered.

Time to Display is the moment when a visitor can meaningfully engage with a page. It is measured by the elapsed time from when a request was sent to the moment the most of the visible page content have been displayed.

Time to Interact is the moment when the user can interact with every element on the page in a fully engaged mode. It is measured by the elapsed time from when a request was sent to the moment the user can fully engage with on-page elements such as clicking links, scrolling, and using media.

	2012 (SECOND)	2013 (SECOND)	YOY CHANGE
TIME TO START RENDER	2.587	2.493	-3.6%
TIME TO DISPLAY	5.850	6.019	2.9%
TIME TO INTERACT	7.202	7.519	4.4%

Table 3: Industry Average Time to Engagement Metrics and YoY Change

Overall, the speed of user engagement hasn't changed year over year. In fact, it has been slightly slower in 2013. This is largely because the complexity of web pages has been growing.

Revenue

Overall Thanksgiving holiday revenue grew by 29.8% year-over-year (YoY). Revenue from PC shoppers grew 20.6%, and from tablet shoppers 63.7%. Revenue from smart phone shoppers grew 116.4%.

	THANKSGIVING 2012 REVENUE (AVG)	THANKSGIVING 2013 REVENUE (AVG)	YOY GROWTH FOR THANKSGIVING REVENUE (%)
PC	**$3,127,471.44**	**$3,770,192.52**	**20.6%**
SMART PHONE	**$158,286.13**	**$342,457.84**	**116.4%**
TABLET	**$452,266.86**	**$740,266.32**	**63.7%**
TOTAL	**$3,738,024.43**	**$4,852,916.67**	**29.8%**

Table 4: Year-over-year (YoY) Thanksgiving Holiday Revenue Growth

User engagement Optimization plays a big role for holiday success. The average Yottaa customer grew thanksgiving holiday revenue from 2012 to 2013 by 41.5% Compared to the e-commerce average, Yottaa customers generated 17.5% more revenue during the 2013 Thanksgiving holiday.

	2013 THANKSGIVING REVENUE	VS. INDUSTRY AVERAGE	YOY GROWTH (%)
PC	**$4,337,734.70**	**115.1%**	**30.9%**
SMART PHONE	**$419,143.11**	**122.4%**	**393.1%**
TABLET	**$944,959.26**	**127.7%**	**73.1%**
TOTAL	**$5,701,837.08**	**117.5%**	**41.5%**

Table 5: YoY Thanksgiving Holiday Revenue Growth for Yottaa Customers

Conversion Rate

Conversion rate is a key metric for all companies doing business online. And for eCommerce sites, where conversion rate is most often defined as the rate at which site visitors make a purchase, it's also a direct link to revenue. The change in eCommerce conversion rate YoY during the Thanksgiving holiday is a 3.2% increase on average, showing an increasingly willingness for consumers to do holiday shopping online.

	2013 CONVERSION RATE(AVG)	AVERAGE YOY CONVERSION RATE CHANGE
PC	2.65%	3.0%
SMART PHONE	**1.02%**	**51.6%**
TABLET	**1.67%**	**2.6%**
TOTAL	**2.20%**	**3.2%**

Table 6: Average 2013 Conversion Rate and YoY Change

Below, Figure 1 shows the distribution of conversion rate percentage change from 2012 to 2013 during the Thanksgiving holiday. While conversion rates increased on average, not all sites saw an increase YoY. The increase in overall conversion rate appears to be driven primarily by increases in smart phone conversions.

As shown in Figure 1, there is a significant movement YoY of conversion rate for smart phone-based shopping, while

Distribution of Conversion Rate Percentage Changes From 2012 to 2013
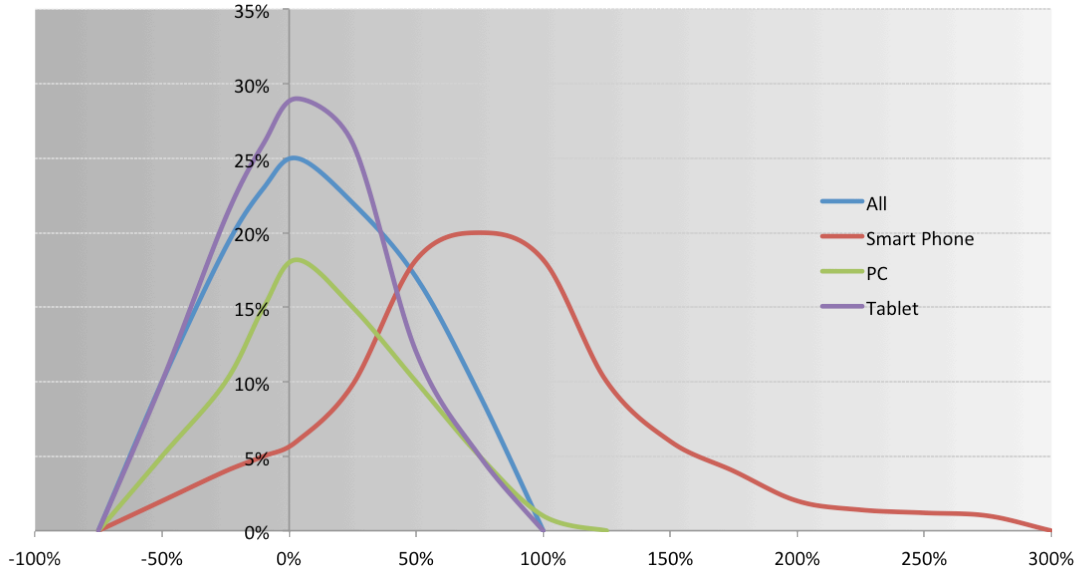
 the movement on other devices was limited. This reflects growing customer willingness to make transactions on their phones, as well as significant progress made by e-commerce vendors in targeting smart phone visitors in the last year. Despite the impressive growth, however, the average conversion rate on smart phone is still 70% lower than on PC, indicating that there's still a much higher barrier for consumers to clear before buying on phones.
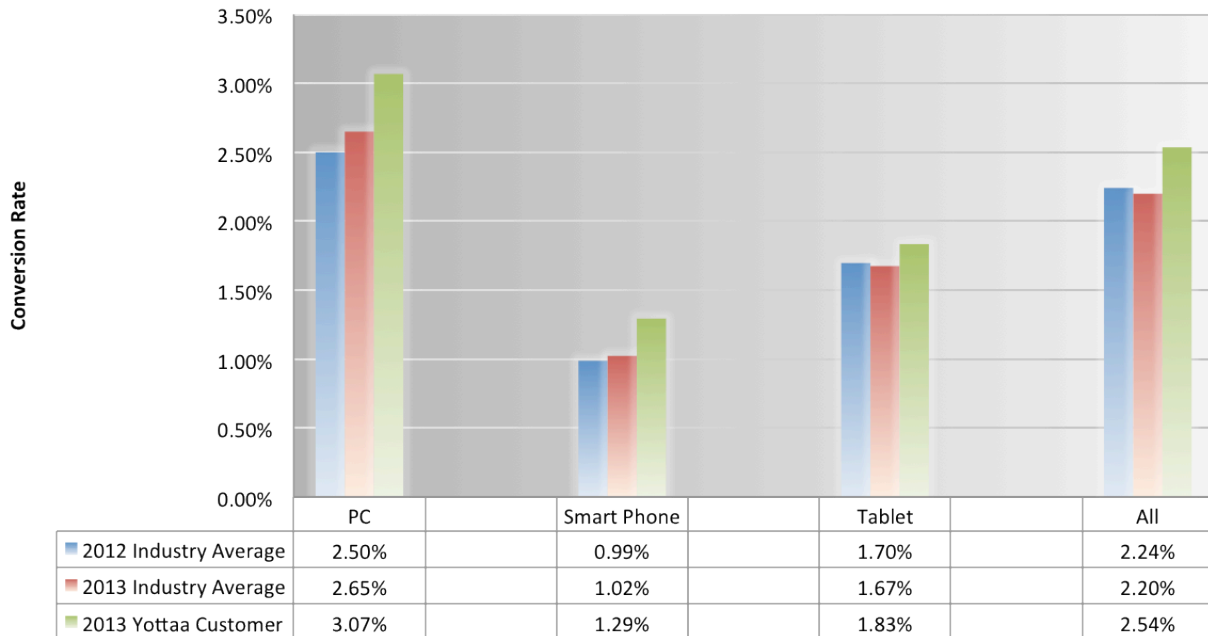
The percentage change of conversion rate growth on Tablet is at 2.6%, slower than the 3.0% growth in conversion rate on PC and far behind the 51.6% growth on smart phone. This is possibly a reflection of the fact that few e-commerce sites have a tablet-specific website. There are clear differences between the experience of browsing on a PC and a tablet, as well as differences browsing on a smart phone and a tablet. Each experience requires targeted design and features, and it seems vendors are lagging further behind on tablet than the other two, especially given that tablet use is rising.

User Engagement Optimization clearly increases conversion rate. For Yottaa customers, the average Year over year conversion rate growth is 26.6%, versus 3.2% for industry average. On average, Yottaa customers have a 15.3% higher conversion rate than the industry average.

	2013 CONVERSION RATE FOR YOTTAA CUSTOMERS (AVG)	VS. INDUSTRY AVERAGE	AVERAGE YOY GROWTH FOR YOTTAA CUSTOMERS
PC	2.65%	115.8%	25.5%
SMART PHONE	1.02%	126.4%	70.3%
TABLET	1.67%	109.5%	8.7%
TOTAL	2.20%	115.3%	26.6%

Table 7: Yottaa Customer Average 2013 Conversion Rate and YoY Change

Conversion Rate Trending

	PC	Smart Phone	Tablet	All
2012 Industry Average	2.50%	0.99%	1.70%	2.24%
2013 Industry Average	2.65%	1.02%	1.67%	2.20%
2013 Yottaa Customer	3.07%	1.29%	1.83%	2.54%

Average Order Size

Average Order Size is another important metric impacting the bottom line for eCommerce sites. Average Order Size grew 7.5% YoY, from $191.67 in 2012 to $206.02 in 2013. This increase indicates that eCommerce vendors are succeeding not only in convincing customers to make more purchases, but also spend more each time they buy.

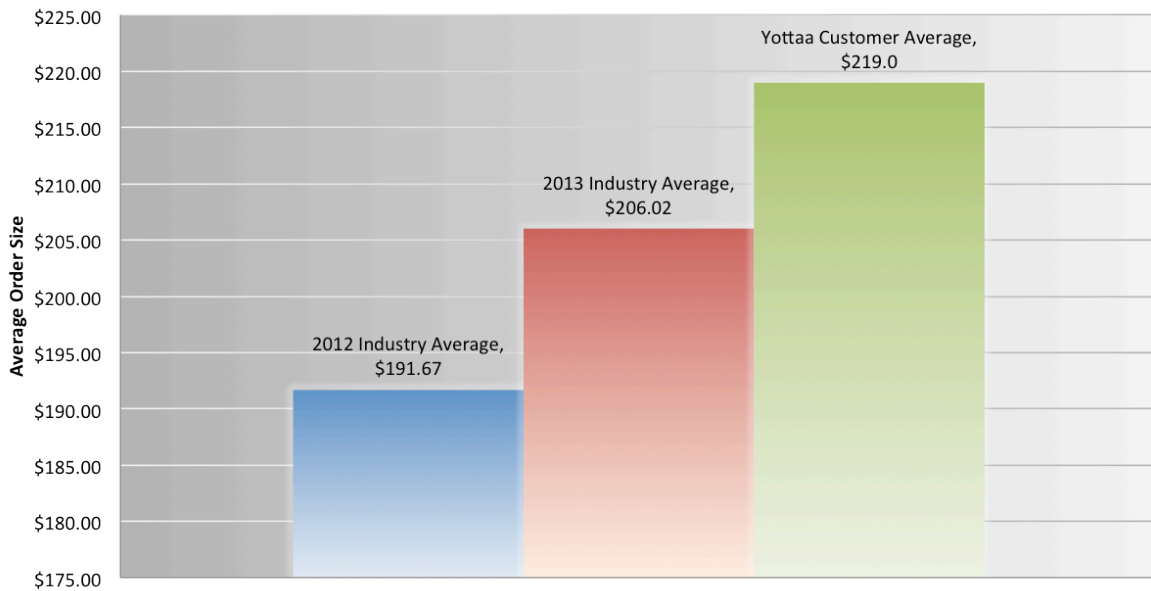|	2012	2013	YOY GROWTH
ORDER SIZE (INDUSTRY AVERAGE)	$191.67	$206.02	7.5%

Table 8: Industry Average Order Size and YoY Change

On average, Yottaa customers have a 6.3% higher order size, at $219.00, comparing to the industry average.

	INDUSTRY AVERAGE	YOTTAA CUSTOMER AVERAGE	PERCENTAGE DIFFERENCE
ORDER SIZE	$206.02	$219.00	6.3%

Table 9: Yottaa Customer Average Order Size

Bounce Rate

Bucking the trend of "positive" results in these survey statistics, average bounce rate increased 3.1% YoY, from 42.7% to 45.8%. That means more shoppers turned away from the sites surveyed after viewing only one page. At just 3% the increase was modest, and matched against the increases in conversions and revenue, it seems not to be representative of a widespread issue.

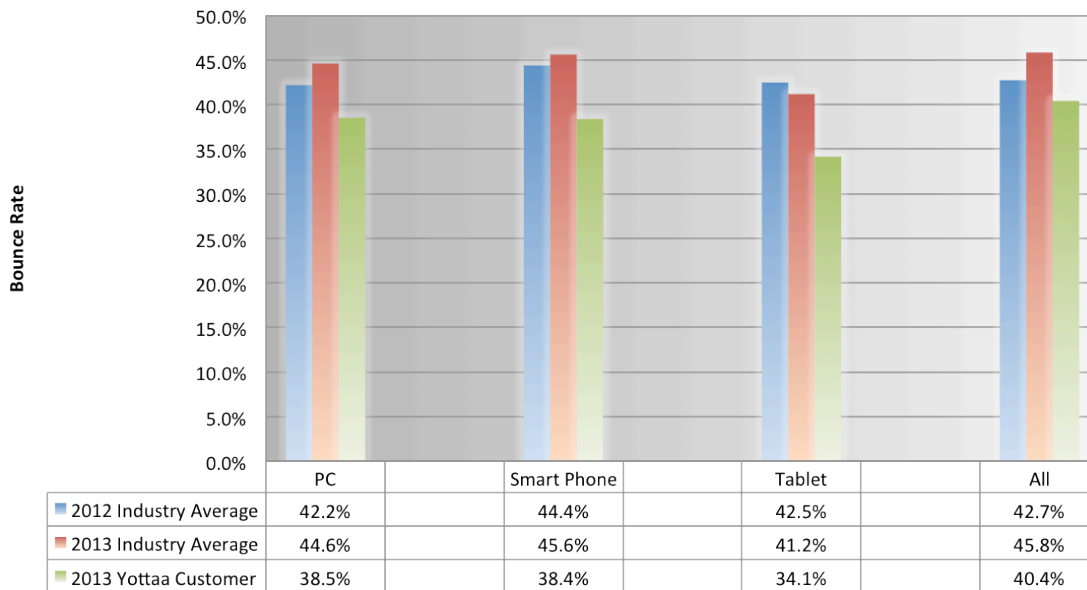|	2012 Bounce Rate(Avg)	2013 Bounce Rate(Avg)	YoY Change
PC	42.2%	44.6%	2.4%
smart phone	44.4%	45.6%	1.2%
tablet	42.5%	41.2%	-1.3%
Total	42.7%	45.8%	3.1%

Table 10: Industry Average Bounce Rate and YoY Change

Optimizing user engagement is an effective way to reduce bounce rate. Unlike the rest of the industry, Yottaa customers actually reduced bounce rated by 7.5% on average, YoY. Compared directly against the industry average, Yottaa customers have a 11.8% lower bounce rate than the industry average.

	2013 BOUNCE RATE FOR YOTTAA CUSTOMERS (AVG)	VS. INDUSTRY AVERAGE	AVERAGE YOY GROWTH FOR YOTTAA CUSTOMERS
PC	**38.5%**	**-13.6%**	**-5.2%**
SMART PHONE	**38.4%**	**-15.9%**	**-5.5%**
TABLET	**34.1%**	**-17.1%**	**-9.2%**
TOTAL	**40.4%**	**-11.8%**	**-7.5%**

Table 11: Yottaa Customer Average Bounce Rate

Bounce Rate Trending

	PC		Smart Phone		Tablet		All
2012 Industry Average	42.2%		44.4%		42.5%		42.7%
2013 Industry Average	44.6%		45.6%		41.2%		45.8%
2013 Yottaa Customer	38.5%		38.4%		34.1%		40.4%

Pages Per Visit

Pages Per Visit indicates the level of user engagement by showing how much the average user surfs the site before leaving. On average, Pages/visit increased by 7.6% from 2012 Thanksgiving holiday to 2013. Since decreasing pages per visit is typically seen as an indicator of lower engagement, this is another case where these sites have done "worse" YoY.

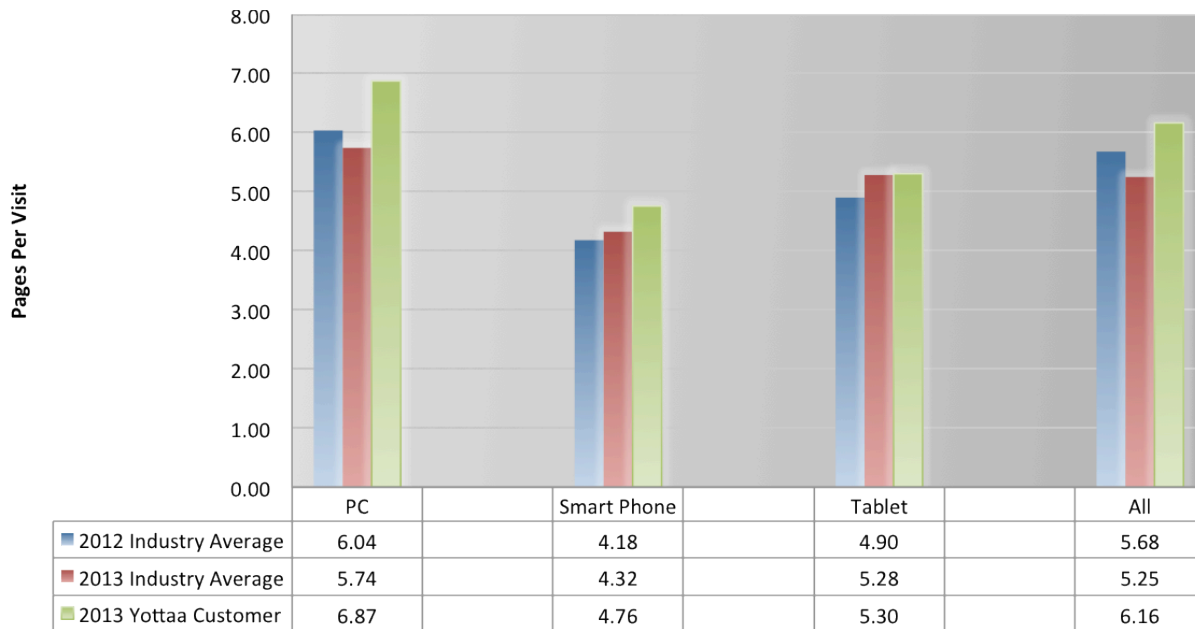|	2012 PAGES/VISIT(AVG)	2013 PAGES/VISIT(AVG)	YOY CHANGE
PC	6.04	5.74	-4.9%
SMART PHONE	4.18	4.32	3.4%
TABLET	4.90	5.28	7.8%
TOTAL	5.68	5.25	-7.6%

Table 12: Industry Average Pages Per Visit and YoY Change

Optimizing user engagement can increase pages/visit. Yottaa customers increased pages/visit by 1.7% on average YoY. Compared with the industry average, Yottaa customers have 17.4% higher pages/visit.

	2013 PAGES/VISIT FOR YOTTAA CUSTOMERS (AVG)	VS. INDUSTRY AVERAGE	AVERAGE YOY CHANGE FOR YOTTAA CUSTOMERS
PC	6.87	19.7%	1.9%
SMART PHONE	4.76	10.1%	0.5%
TABLET	5.30	0.4%	1.8%
TOTAL	6.16	17.4%	1.7%

Table 13: Yottaa Customer Average Pages Per Visit

Average Pages Per Visit

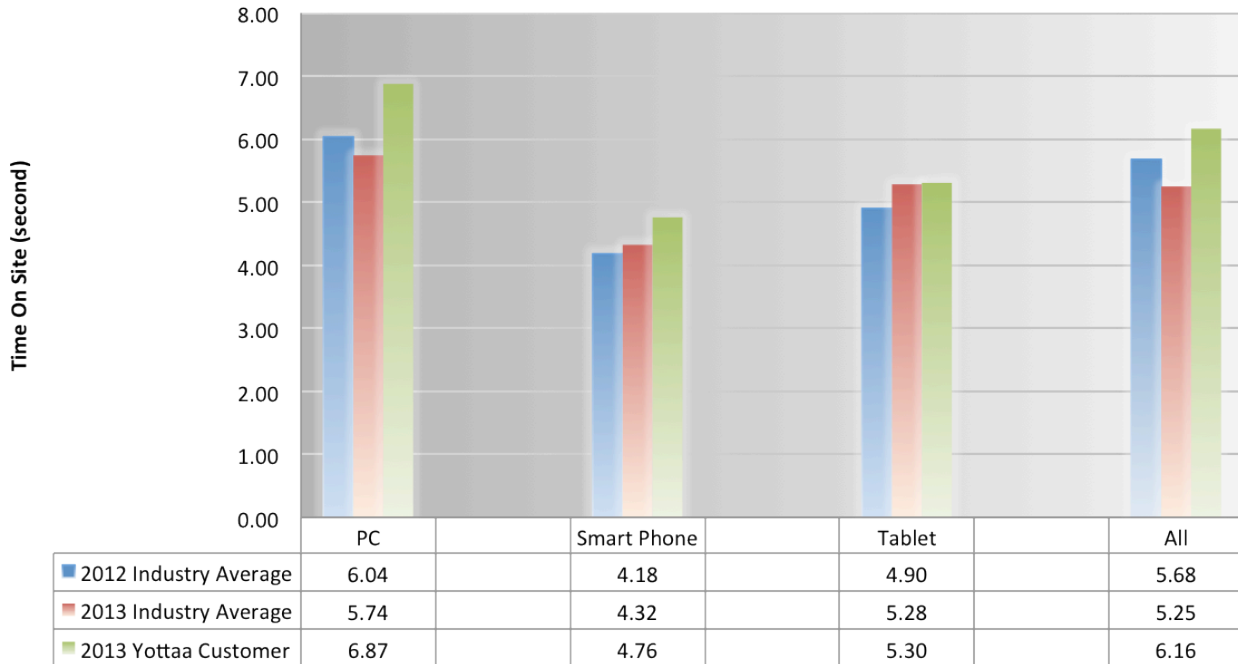|	PC		Smart Phone		Tablet		All
■ 2012 Industry Average	6.04		4.18		4.90		5.68
■ 2013 Industry Average	5.74		4.32		5.28		5.25
■ 2013 Yottaa Customer	6.87		4.76		5.30		6.16

Time On Site

Comparing 2013 Thanksgiving holiday to that of 2012, the average Time On Site went down by 6.9% from 213.66 seconds in 2012 to 198.88 seconds in 2013. Similar to Pages/Visit, a reduce Time On Site reflects a growing consumer tendency for getting things done quicker.

	2012 TIME ON SITE (SEC)	2013 TIME ON SITE (SEC)	YOY CHANGE
PC	220.87	213.55	-3.3%
SMART PHONE	176.94	162.01	-8.4%
TABLET	200.78	219.54	9.3%
TOTAL	213.66	198.88	-6.9%

Table 14: Industry Average Time On Site and YoY Change

Average Pages Per Visit

	PC		Smart Phone		Tablet		All
■ 2012 Industry Average	6.04		4.18		4.90		5.68
■ 2013 Industry Average	5.74		4.32		5.28		5.25
■ 2013 Yottaa Customer	6.87		4.76		5.30		6.16

Time On Site (second)

In contrast, Time On Site for ecommerce sites optimized by Yottaa grew by 6.2% on average comparing 2013 Thanksgiving holiday to 2012. On average, Yottaa optimized sites have a 20.0% higher Time On Site comparing to the industry average.

	2013 TIME ON SITE FOR YOTTAA CUSTOMERS (SECOND)	VS. INDUSTRY AVERAGE	AVERAGE YOY GROWTH FOR YOTTAA CUSTOMERS
PC	**257.01**	**20.3%**	**11.3%**
SMART PHONE	**190.69**	**17.7%**	**-0.1%**
TABLET	**230.64**	**5.1%**	**6.4%**
TOTAL	**238.58**	**20.0%**	**6.2%**

Table 15: Yottaa Customer Average Time On Site

Abandon Rate

Abandon Rate is a key metric that directly impacts business results. Reducing abandon rate can result in increased revenue. Abandon Rate went up by 3.79%, from 61.59% in 2012 to 63.93% in 2013.
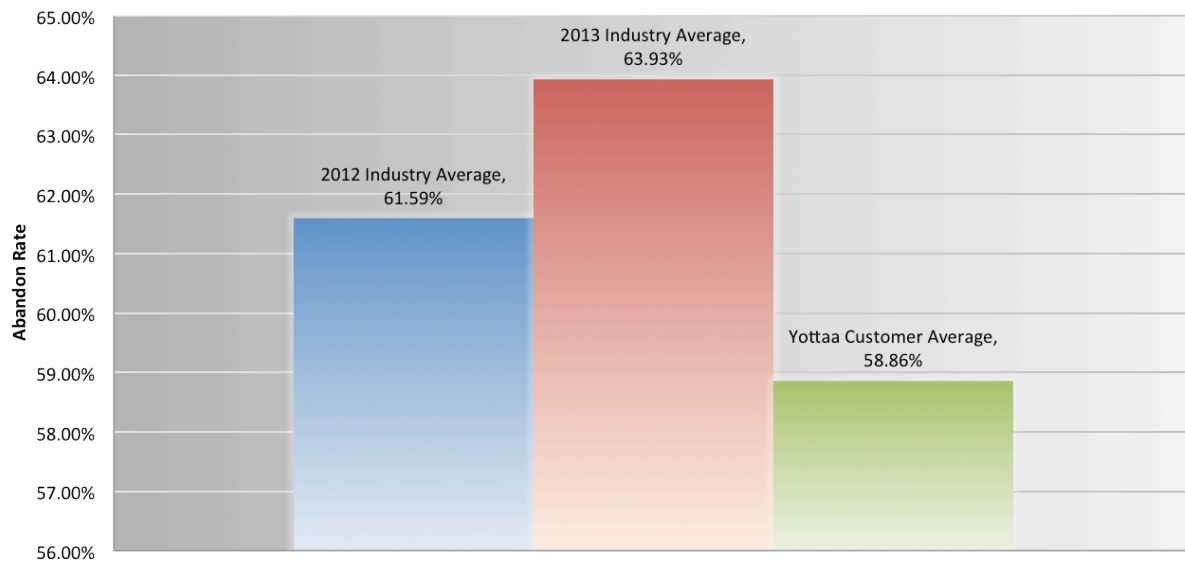
	2012	2013	YOY CHANGE
ABANDON RATE (INDUSTRY AVERAGE)	**61.59%**	**63.93%**	**3.79%**

Table 16: Industry Average Abandon Rate and YoY Change

On average, Yottaa customers have a 7.94% lower Abandon Rate, at 58.86%, comparing to the industry average.

	INDUSTRY AVERAGE	YOTTAA CUSTOMER AVERAGE	DIFFERENCE
ABANDON RATE (2013)	**63.93%**	**58.86%**	**-7.94%**

Table 17:   Yottaa Customer Average Abandon Rate

Key Findings

1. Big Sales Increase:

Holiday shopping continues to grow year over year. Comparing to 2012, 2013 Thanksgiving holiday revenue grew by 29.8%.

2. Consumers (Slightly) More Willing To Buy Online

Average conversion rate increased 3.2% YoY, showing an increasing willingness of consumers to buy online. However, the percentage change is small, indicating the slow-moving nature of widespread consumer preferences.

3. Mobility Is Growing Fast

The percentage of Thanksgiving holiday shopping traffic from mobile devices, including smart phones and tablets, grew from 24.3% in 2012 to 34.7% in 2013, while the PC traffic percentage shrank in kind, from 75.8% to 65.2%.

Revenue wise, the percentage from mobile devices grew from 16.3% in 2012 to 22.4% in 2013, while PC revenue slice shrank from 83.6% to 77.7%.

4. Huge Growth in Smart Phone Shopping

There is a significant conversion rate increase for smart phone-based shopping compared to the other two platforms (tablet, PC). The average conversion rate for smart phone visitors grew 51.6% YoY, while the growth of conversion rate on PC and Tablet were stuck at a mere 3.0% and 2.6%. This significant change can be attributed to e-commerce vendors making progress in targeting smart phone users through targeted websites.

That being said, the average conversion rate on smart phone is still 70% lower than on PC, showing there is still a higher barrier in convincing consumers to conduct transactions on smart phones.

5. Tablet Shopping Is the Next Growth Opportunity

The percentage change of conversion rate growth on Tablet was low at 2.6%, slower than the 3.0% growth in conversion rate on PC and far behind the 51.6% growth on smart phone. This reflects the fact that very few e-commerce vendors have a tablet-specific website. There are clear differences between the experience of browsing on a PC and a tablet, as well as differences browsing on a smart phone and a tablet. Each experience requires targeted design and features, and it seems vendors are lagging further behind on tablet than the other two, especially given that tablet use is rising.

6. Web Performance Is Not Getting Better

Though software and hardware are getting better, the complexity of websites , devices and last mile networks continues to grow. As a result, web performance is not getting better. In fact, Time to Display and Time to Interact are 2.9% and 4.4% slower from 2012 to 2013.

7. Shoppers Are Growing Less Patient

As online shoppers continue to adapt more online, they are becoming smarter and less patient. Average bounce rate went up from 2012 to 2013 by 3.1% from 42.7% to 45.8%, and average pages per visit went down by 7.6%. Average Time On Site went down by 6.9% from 213.66 seconds in 2012 to 198.88 seconds in 2013.

8. User Engagement Optimization Makes Huge Difference

User engagement optimization makes a huge difference. Using user engagement optimization tools provided by companies like Yottaa, e-commerce sites can reduce Bounce Rate by 11.8%, Abandon Rate by 7.94%, increase pages/visit by 17.4%, Time On Site by 20.0%, Order Size by 6.3%, and Conversion Rate by 15.3%. On Yottaa eCommerce sites on average improve revenue by 17.5% compared to the industry average.

Appendix: User Engagement Optimization with Yottaa

The rise of mobile computing has raised the bar for online businesses. Browsing increasingly occurs on the go, which requires websites to immediately engage users and then focus their attention with an engaging experience that responds to their device, browsing context and on-page interactions. The Yottaa Engagement Cloud ensures a personalized, responsive solution that adapts to visitor context and user actions to improve engagement and increase mobile and web conversions. If your website is integral to your business, Yottaa helps you deliver a more engaging site that improves your business, for any business.

User Engagement Challenges

The web today offers unprecedented opportunities to engage users and grow your online business. But these opportunities also present an increasingly complex set of challenges driven by the explosion of devices, platforms, networks, browsers, rich media, social integration and 3rd party tags. The time and effort required to optimize user engagement via traditional approaches, such as site re-coding and DIY optimizations, has increased by orders of magnitude. There has not been a holistic solution to maximizing engagement to drive conversions, until now.

The Solution: Yottaa Engagement Cloud

Yottaa Engagement Cloud is a comprehensive solution enabling mobile and web businesses to improve user engagement. Yottaa customers enjoy higher conversions, lower abandonment rate and deeper insights into optimizing key engagement metrics across the wired and wireless web.

Built on Yottaa's patented Context Intelligence™ platform, the Yottaa Engagement Cloud delivers 3 key elements that deliver maximum engagement:

Exceptional Mobile and Web Performance

The mobile revolution has created a significant challenge for legacy approaches to website optimization. In the US alone, 25% of users rely on mobile devices as their sole means of connectivity. 48% of time spent shopping online is on mobile devices, and when given the choice 35% of users will choose to browse your full site on a mobile device. A responsive site encourages users to interact and improves their perceptions of usability and quality. Users context switch every second, and in just one second a visitor's likelihood to bounce increases by 65%. Yottaa enables you to achieve exceptional performance for every visitor context: desktop, mobile and search engine, applied

USER ENGAGEMENT
Yottaa optimizes key engagement metrics

Time to Start Render
Initiate user engagement immediately to engage visitors, evoking curiosity and interest in your offering.

Time to Display
Improve perceived usability and grabbing the visitor's full attention by sequencing content processing and implementing responsive image to maximize sensory appeal.

Time to Interact
Keep users moving and accelerate interactions to maintain visitor focus, and ensure ongoing interactions as users are absorbed by your website experience.

Bounce Rate
Engage users by improving their perception of the time and effort required to accomplish tasks; after all, every second your visitors spend waiting for your site increases your bounce rate by 65%.

Pages per Visit
Increase site interaction with quick transitions and responsive page elements that engage users as they navigate and click.

Time on Site
Increasing visitor session times raises conversion potential and ensures your users engage with your valuable content.

Abandonment Rate
Eliminating frustrations caused by site disruptions, sluggish performance or content that cannot be rendered on a user's device improves goal attainment.

Conversion Rate
Avoid distractions and maintain focus to create engaged, loyal users and maximize revenue.

automatically without manual code changes.

Just in Time Content

Yottaa Engagement Cloud engages users by applying sequencing, prioritization and responsiveness as visitors flow through your site. Our proprietary Context Intelligence technology senses a user's location, browser, device, Internet connectivity, and in-page interaction to sequence content delivery and rendering, prioritizing page elements for optimal timing and order. This makes transactions more personalized, compelling and engaging, and results in increased pageviews and time on site, while lowering bounce rate and decreasing abandonment across your mobile and desktop sites.

Minimize Site Disruptions

A recent Aberdeen Group report suggests downtime costs around $225,000 per hour, and the average Fortune 500 company web site experiences 80 hours of downtime a year. Site disruptions don't just cost you money in the form of lost productivity and emergency maintenance costs; they also reduce your ability to generate revenue by over 22% annually. Yottaa maximizes uptime, ensures elastic scalability and minimizes site errors so your site generates revenue 24x7.

Guarantee Mobile and Web Success with Yottaa

Yottaa Engagement Cloud is an industrial-strength platform powered by a global network of over 30 data center locations distributed around the globe. It is trusted by mission-critical websites across ecommerce, financial services, media, software-as-a-service, consumer goods, business services, electronics, and enterprise software. Among our customers are G20 government sites, Fortune 500 companies, and the fastest growing startups approaching IPO, including popular online brands such as PC Mall, Bayer, H&R Block, Fossil, and HubSpot.