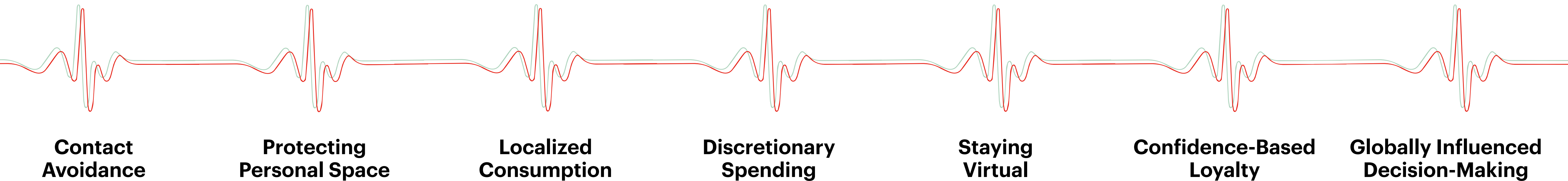# Creating Next: Holiday 2020

Shopper Insights & Implications
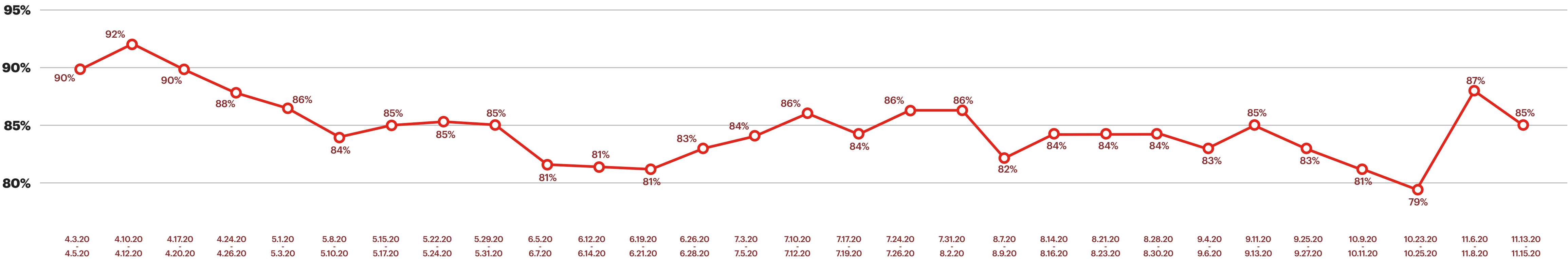
NOVEMBER 2020

An Alternative Holiday

In years past, forecasting for the last quarter of the season seemed, comparatively, like a much more straightforward effort. But this is a year when retailers have been trying to serve their shoppers, keep employees safe, and still have products shipped out on time in the middle of a pandemic. It's hard to see what's on the immediate horizon, especially with **the forced adoption of alternative fulfillment options such as drive-thru, pick-up, and delivery.** But Big Red Rooster believes this will result in a new dynamic this holiday, which will also indicate a new, disrupted retail reality for 2021 and beyond. These are the results of a CARAVAN survey fielded in partnership with ENGINE Insights October 30 – November 1, 2020 with 1,000 U.S. adults.

Contact Avoidance

Protecting Personal Space

Localized Consumption

Discretionary Spending

Staying Virtual

Confidence-Based Loyalty

Globally Influenced Decision-Making

Despite an increased sense of security in-store, shoppers are **straying toward alternative forms of fulfillment**

Concern about the coronavirus had decreased in recent weeks, before returning to peak

Concern About The Coronavirus

Question: How concerned are you about the coronavirus? % represents Top 2 Box (Very or Somewhat).
Source: ENGINE Insights, COVID-19: Pulse of the Consumer, November 2020 (N=1,002)

But, despite this concern, people are feeling increasingly safe in physical stores

44%

Strongly agree they **felt safe on their last shopping trip**

"I felt safe shopping in-store."

26% July 2020

24% August 2020

27% Sept 2020
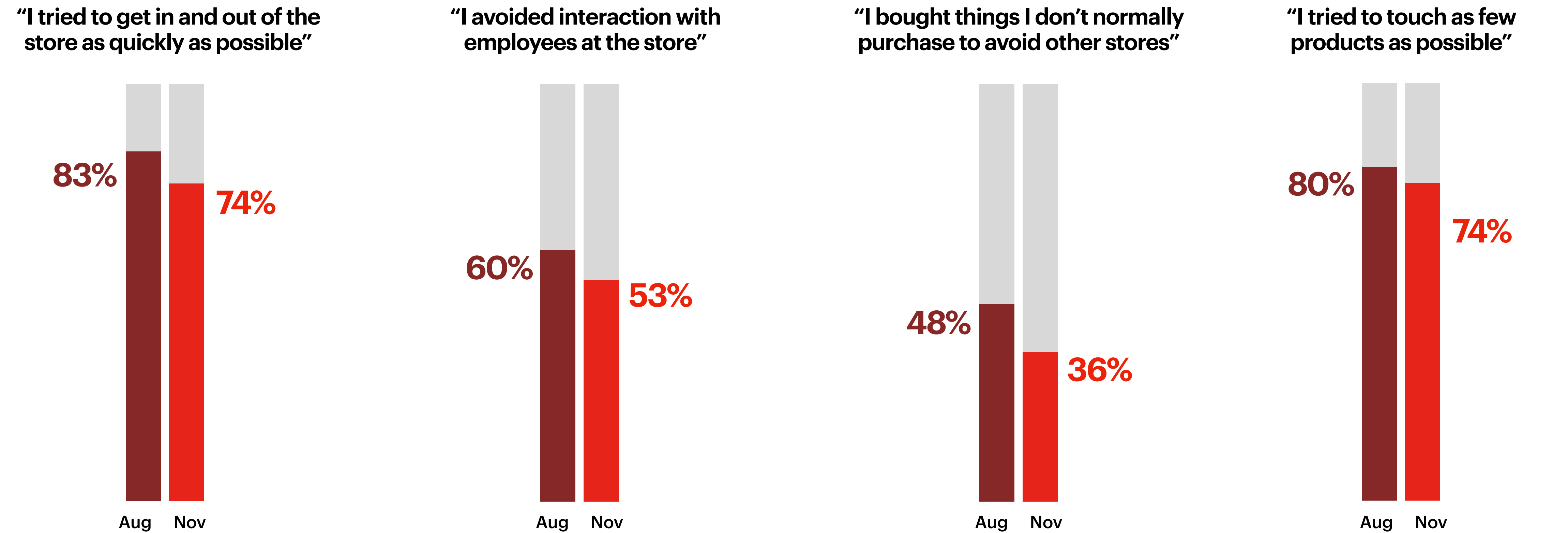
44% Nov 2020

51% Gen X   41% Millennials   50% Boomers

Question: Thinking about your experience in-store on your most recent shopping trip, how much do you agree with, "I felt safe while shopping in-store"?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=295)

They're reversing some of the in-store changes they've made to feel safe

"I tried to get in and out of the store as quickly as possible"

83%
74%

Aug   Nov

"I avoided interaction with employees at the store"

60%
53%

Aug   Nov

"I bought things I don't normally purchase to avoid other stores"

48%
36%

Aug   Nov

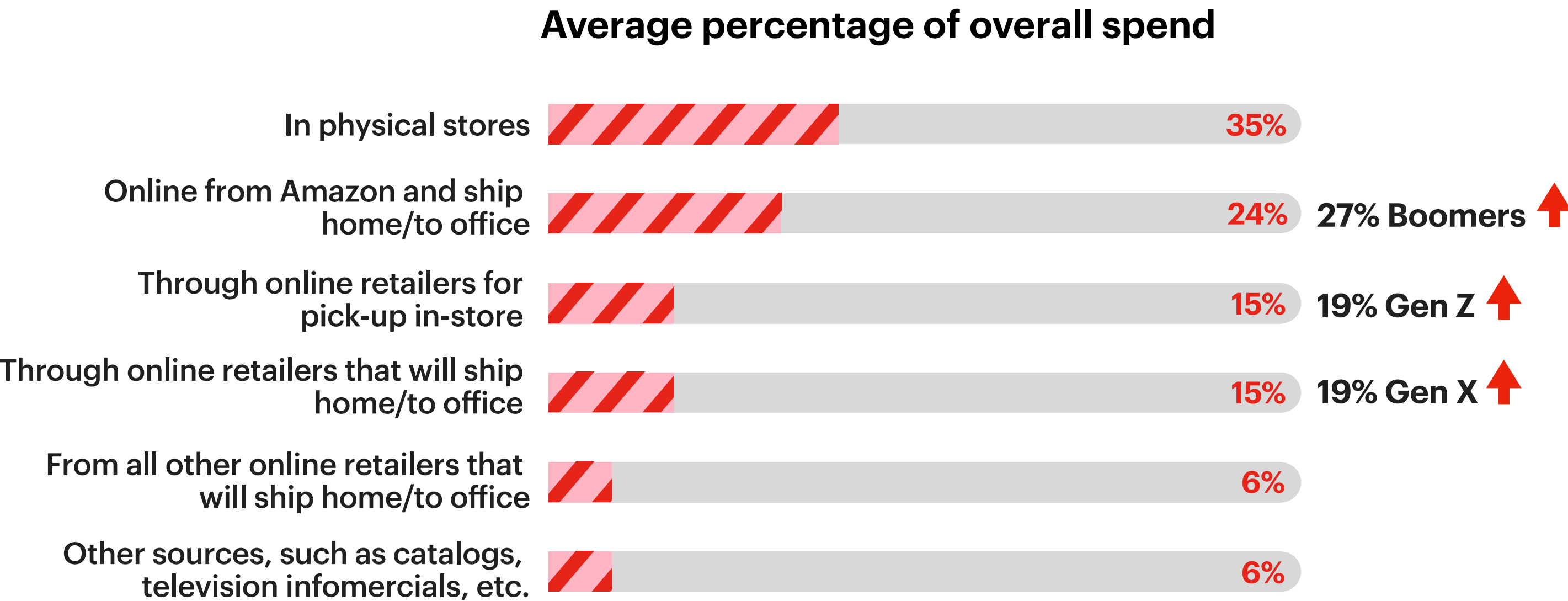**"I tried to touch as few products as possible"**

80%
74%

Aug   Nov

Question: Thinking about your most recent experience in-store, how much do you agree or disagree with each of the following? % represents Top 2 Box (Somewhat or Strongly Agree).
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=295)

And yet, shoppers estimate only

35%

of their holiday spending will be in physical stores

Average percentage of overall spend

In physical stores		**35%**
Online from Amazon and ship home/to office	**24%**	**27% Boomers** ⬆
Through online retailers for pick-up in-store	**15%**	**19% Gen Z** ⬆
Through online retailers that will ship home/to office	**15%**	**19% Gen X** ⬆
From all other online retailers that will ship home/to office	**6%**	
Other sources, such as catalogs, television infomercials, etc.	**6%**	

Question: Of the total amount you plan to spend on gifts this holiday season, what percentage of your overall spending do you expect to do in each of these ways?
Source: ENGINE Insights, Holiday Season 2020, October 2020 (N=1,004)

# Many wish they had chosen alternative fulfillment instead of the store on their last trip

"I wish I had the option to use **self-checkout** in the store."

Specialty	50%
Home	49%
Electronics	61%
QSR	49%
Mass	42%
Grocery	40%

"I wish I had bought ahead for **pick-up** at the store."

Specialty	39%
Home	29%
Electronics	48%
QSR	40%
Mass	28%
Grocery	27%

"I wish I would have shopped **online** instead."

Specialty	26%
Home	23%
Electronics	35%
QSR	30%
Mass	21%
Grocery	21%

Question: Thinking about your experience in-store on your most recent shopping trip, how much do you agree with each of the following? % represents Top 2 Box (Somewhat or Strongly Agree).
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=295)

Shoppers **plan to be more disciplined this year** in when they buy, what they buy, and how much they spend

72%

plan to go to stores on **less busy days or times** to limit potential exposure

**"I plan to go to stores on less busy days/times in order to limit my potential exposure to COVID-19."**

33% Strongly Agree

39% Somewhat Agree

13% Strongly Disagree

14% Somewhat Disagree
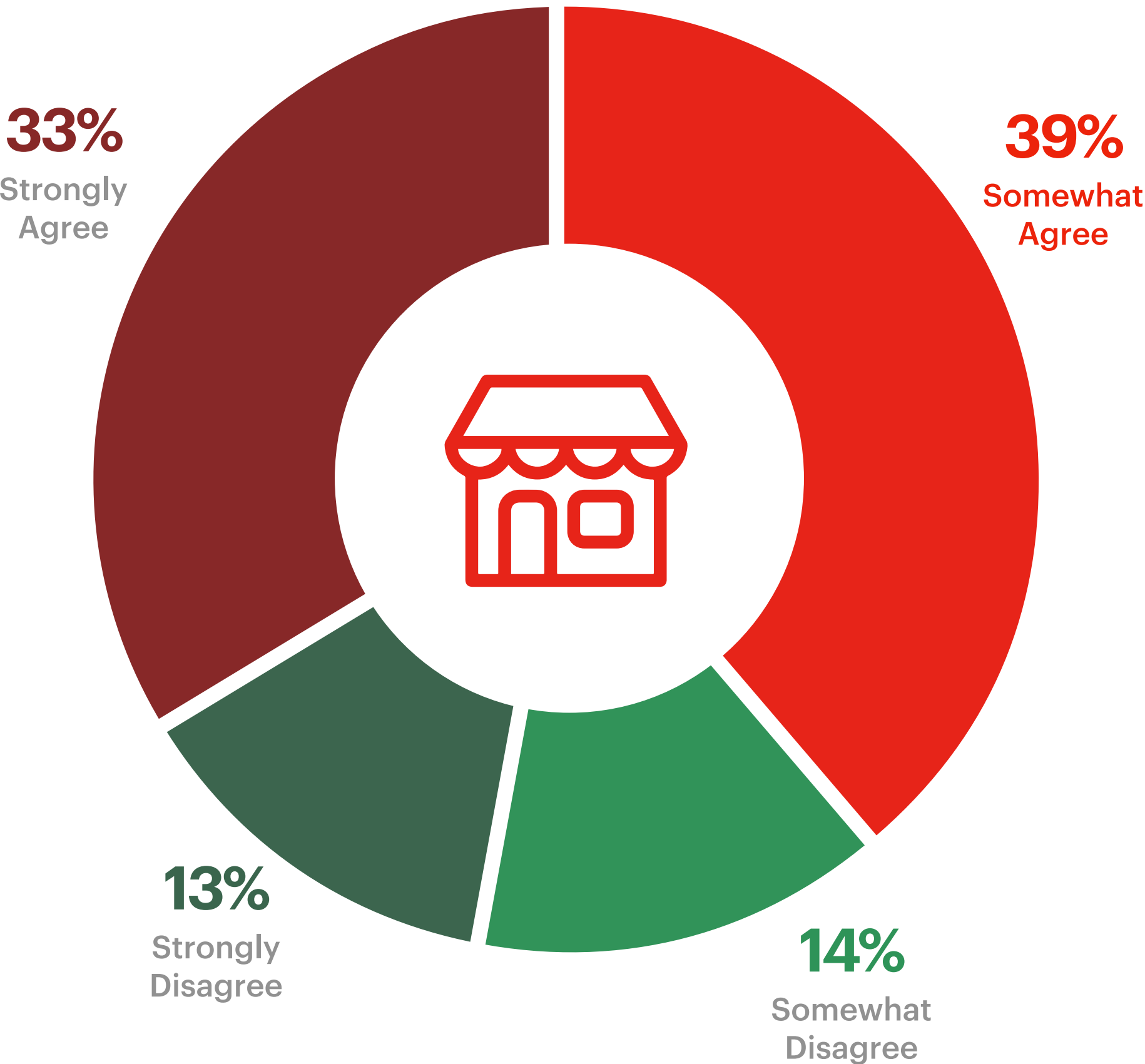
Question: To what extent do you agree that, "I plan to go to stores on less busy days/times in order to limit my potential exposure to COVID-19"?
Source: ENGINE Insights, Holiday Season 2020, October 2020 (N=1,004)

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Half

say they plan to **start shopping earlier this year** out of concern for availability

"I am starting my holiday shopping EARLIER this year out of concern that certain products will not being available in time."

17% Strongly Disagree

33% Somewhat Agree

28% Somewhat Disagree
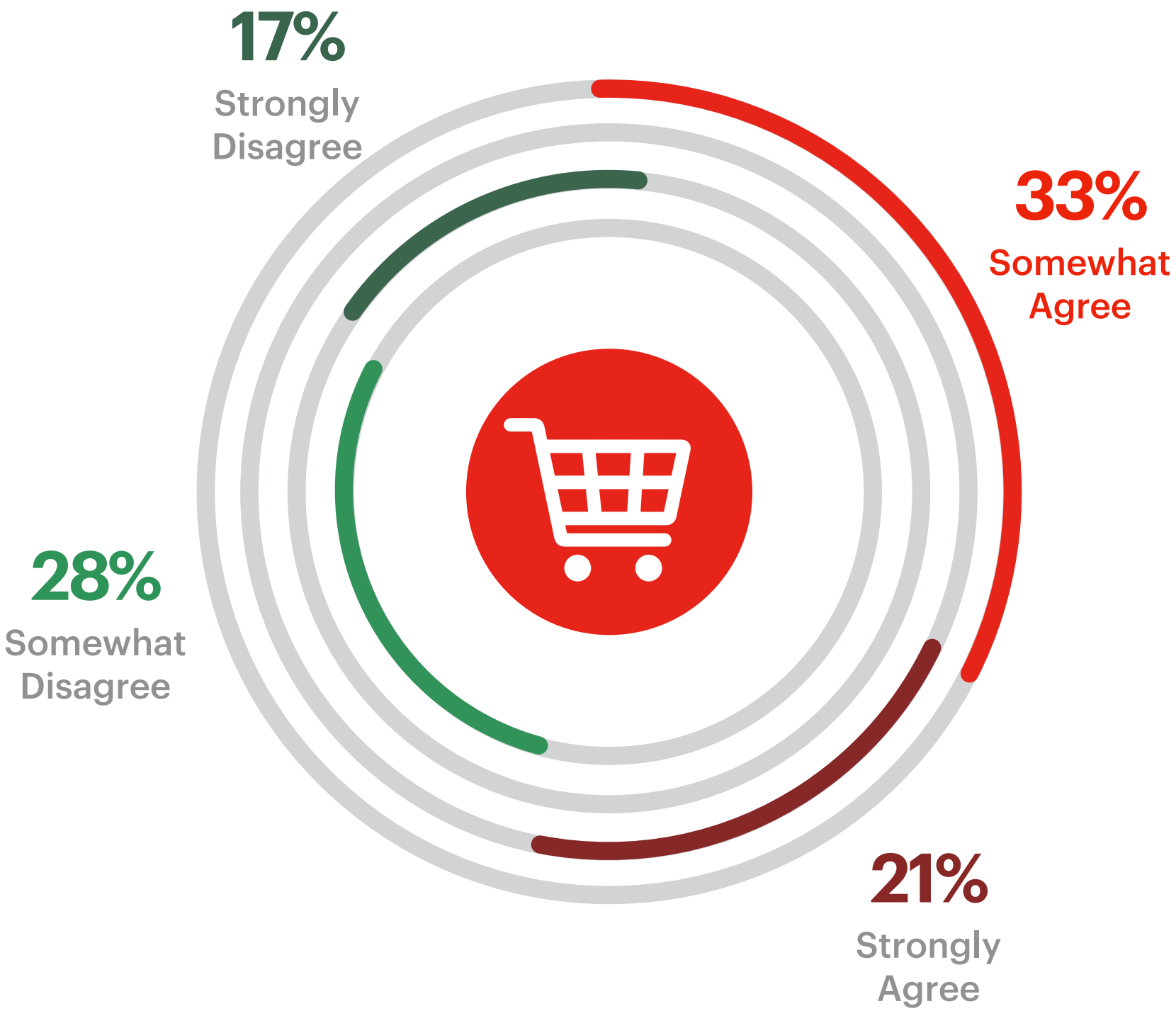
21% Strongly Agree

25% of **Millennials** Strongly Agree

17% of **Gen X** Strongly Disagree

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In fact, a third of shoppers plan to do most of their holiday shopping *before Thanksgiving*

NOW Before Thanksgiving

Thanksgiving/ **Thanksgiving weekend/** Cyber Monday

Still plan to shop on **Black Friday**

After Cyber Monday- **before Christmas week**

Week before Christmas, starting with Super Saturday

31%

44%

25%

15%

12%

35% Gen X

59% Gen Z

59% Gen Z
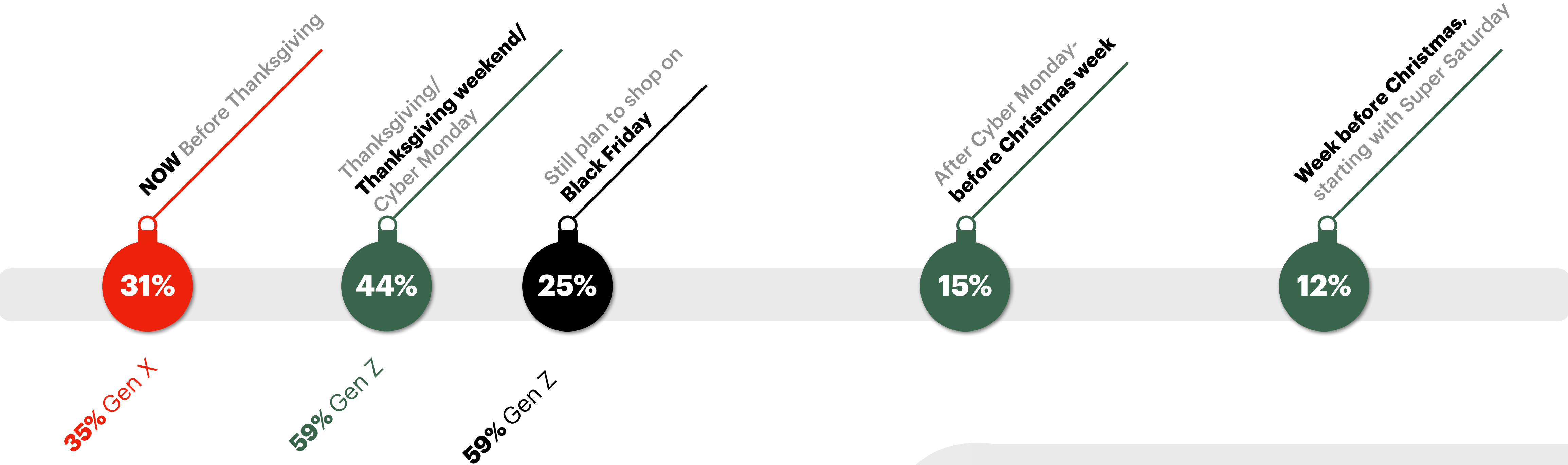
This is a **noticeable increase from 2019**, in which **16%** planned to finish their holiday shopping before Thanksgiving. (PwC, Holiday Outlook 2019)

Question: When do you plan to do MOST of your holiday gift shopping? Select as many as apply.
Source: ENGINE Insights, Holiday Season 2020, October 2020 (N=1,004)

Shoppers' budgets also look a little different this year; 44% plan to spend less than years past

Holiday budget per person

$874

$694

Last year,
before COVID

This year,
since COVID

11%
No response

11%
Spend more

44%
Spend less

$

34%
No change
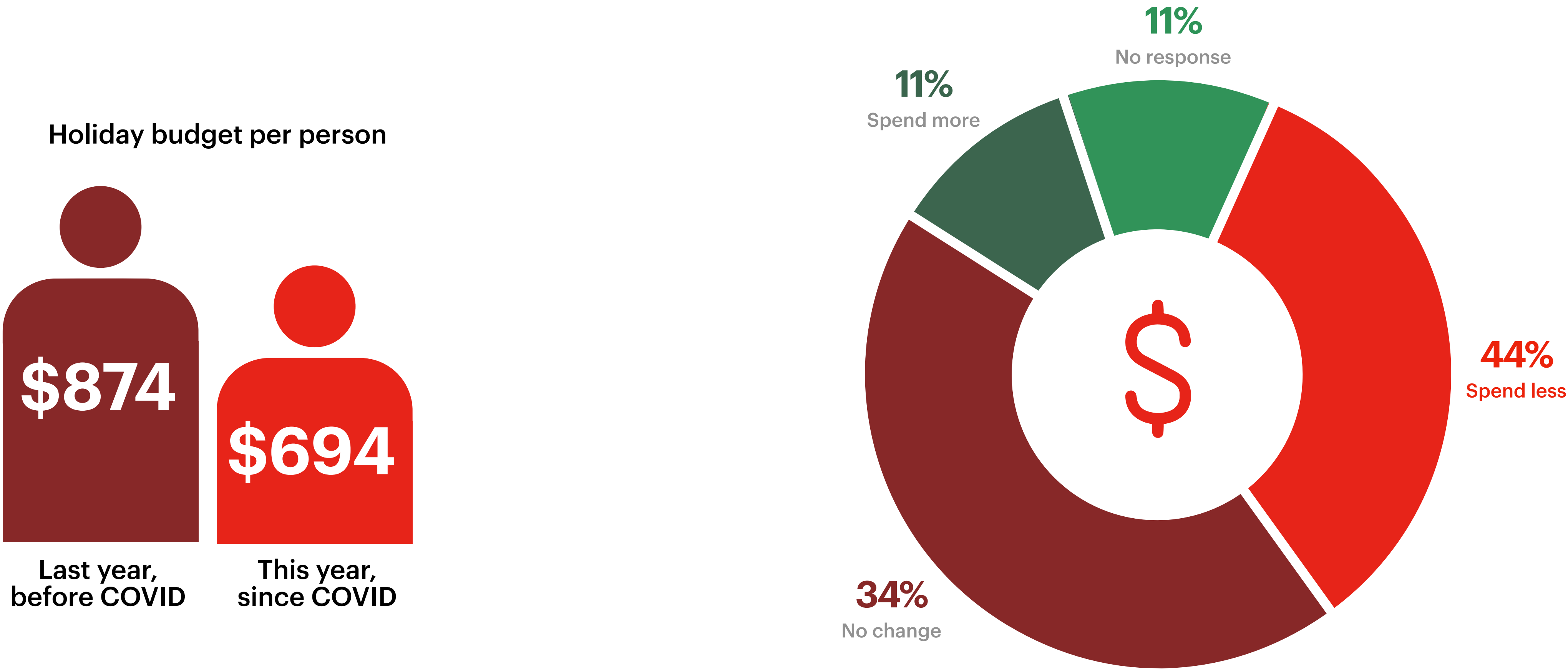
Source: JLL Research, Holiday Survey 2020

In-store trips are still driving the most impulse shopping

"I bought **ONLY** the products I planned to buy, without considering any others."

"I bought the products I had planned **AND** other items that caught my eye."

	In-store	42%
	Drive-thru	69%
	Pick-up	51%
	Delivery	39%

	In-store	31%
	Drive-thru	5%
	Pick-up	14%
	Delivery	26%

Question: Which of the following best describes the recent purchase you made [INSERT FULFILLMENT TYPE]?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=1,003)

Although they are choosing alternative fulfillment over stores more regularly, the **experience is not yet perfect**

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Product availability is already a point of friction across all fulfillment types
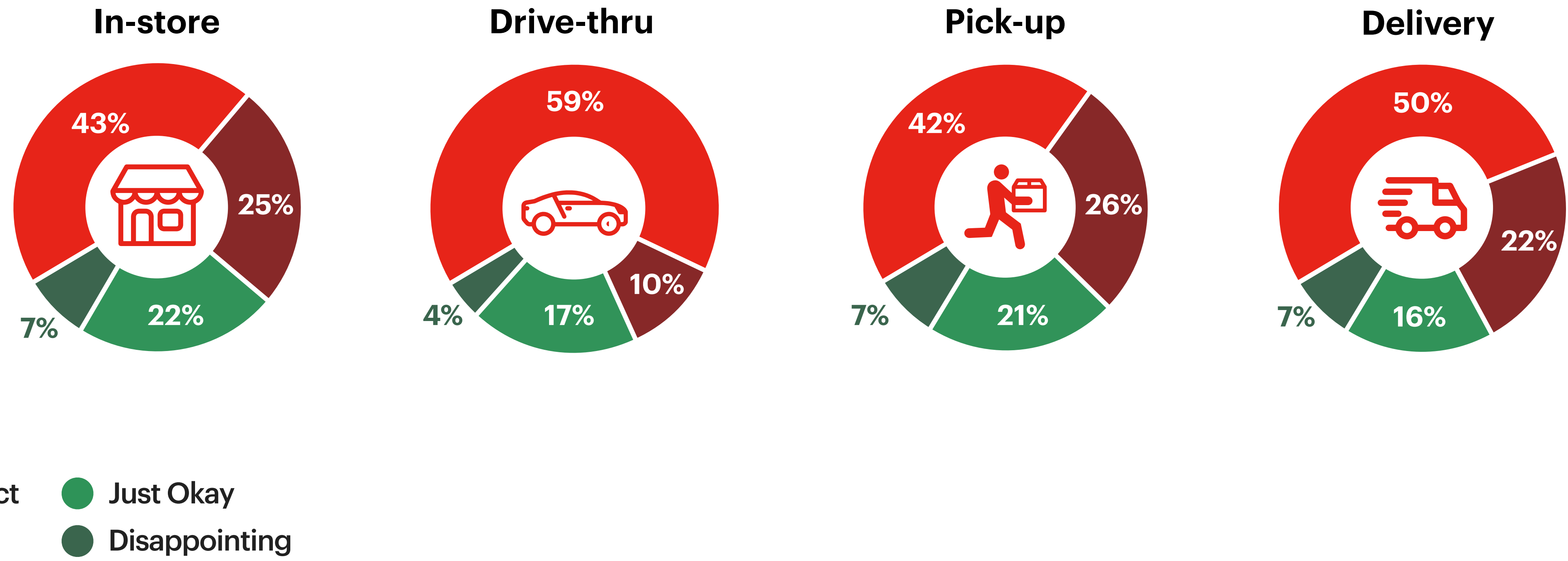
In-store

43%
25%
7%
22%

Drive-thru

59%
10%
4%
17%

Pick-up

42%
26%
7%
21%

Delivery

50%
22%
7%
16%

● Perfect   ● Just Okay

● Good   ● Disappointing

Question: How well did your most recent shopping experience meet your expectations around "product availability"?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=1,003)

About one-fifth, across the board, were disappointed in the speed or quality of service

Quality of Service

	👍	👎
In-store	73%	**22%**
Drive-thru	76%	**22%**
Pick-up	80%	**18%**
Delivery	74%	**20%**

Speed of Service

	👍	👎
In-store	71%	**25%**
Drive-thru	74%	**22%**
Pick-up	76%	**21%**
Delivery	80%	**17%**

Question: How well did your most recent shopping experience meet your expectations around "quality of service" and "speed of service"?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=1,003)

Many

shoppers would change the **human aspect of the pick-up process, in particular**

% who would change the human aspect a lot or somewhat

44% Pick-up

34% In-store

29% Delivery

27% Drive-thru
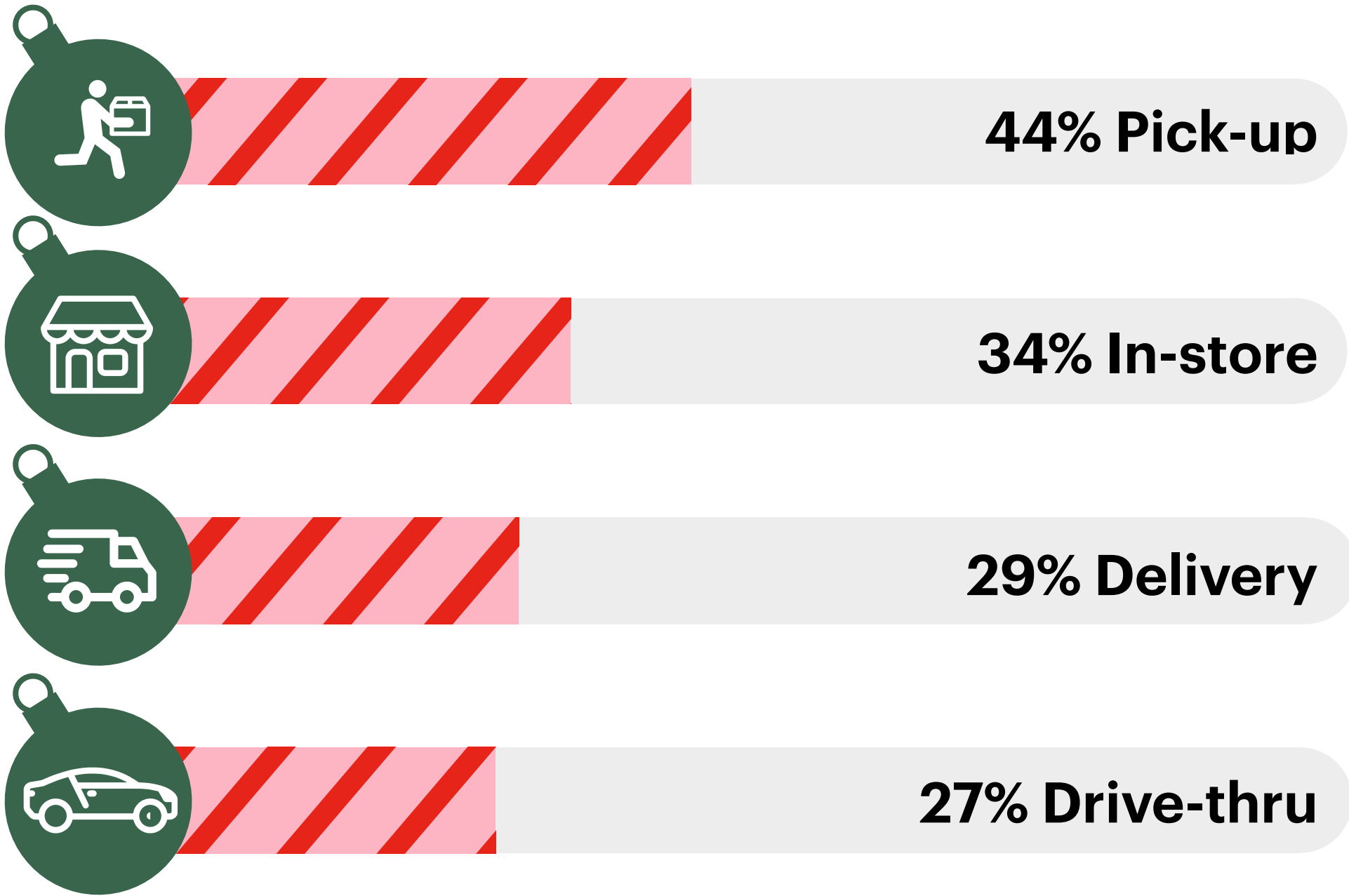
Question: If you had the chance to improve the experience during your most recent purchase, to what extent would you change the "human interaction / service"?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=1,003)

Over half of pick-up shoppers say they would like better communication and recognition

"I need clearer communication to understand where to park and how to initiate service."
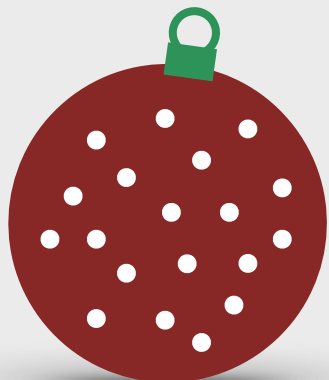
21%
Strongly agree

29%
Somewhat agree

"I would like store employees to know I've arrived without having to text or call."

22%
Strongly agree

33%
Somewhat agree

"I would like to be recognized as a loyal customer when I pick up my order."
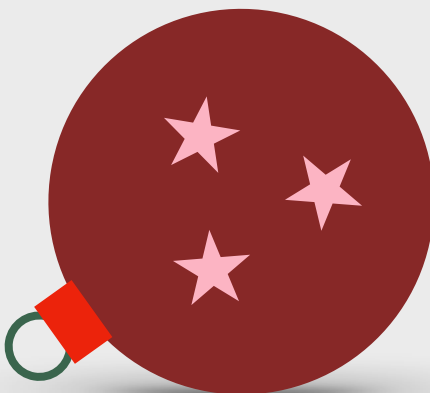
27%
Strongly agree

38%
Somewhat agree

Question: Thinking about your next pick-up, how much do you agree or disagree with each of the following?
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=252)

70%

of pick-up shoppers
would prefer to pick up
**multiple orders from
a single location**

"I would prefer to go to a single location to pick up all of my online orders made recently, even if I purchased from multiple retailers."

32%
Strongly
Agree

38%
Somewhat
Agree

10%
Strongly
Disagree

14%
Somewhat
Disagree
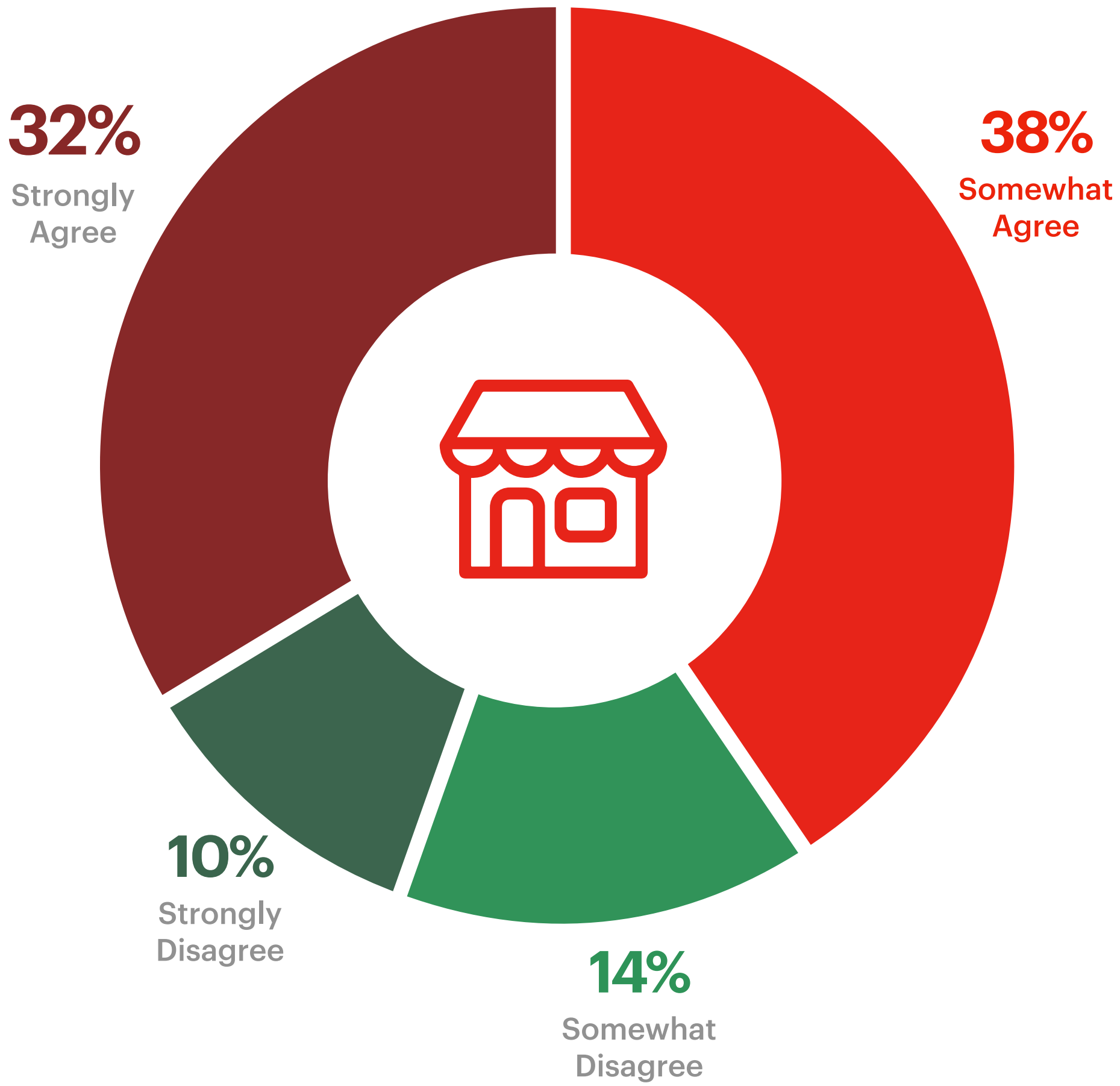
Question: Thinking about your next pick-up, how much do you agree with, "I wold prefer to go to a single location to pick up all of my online orders made recently, even if I purchased from multiple retailers."
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=252)

Certain sectors are **winning and losing** in each fulfillment type

Big Red Rooster explored experience across 6 sectors, finding universal desire for change

% of shoppers desiring change

"Overall experience" is just okay / disappointing
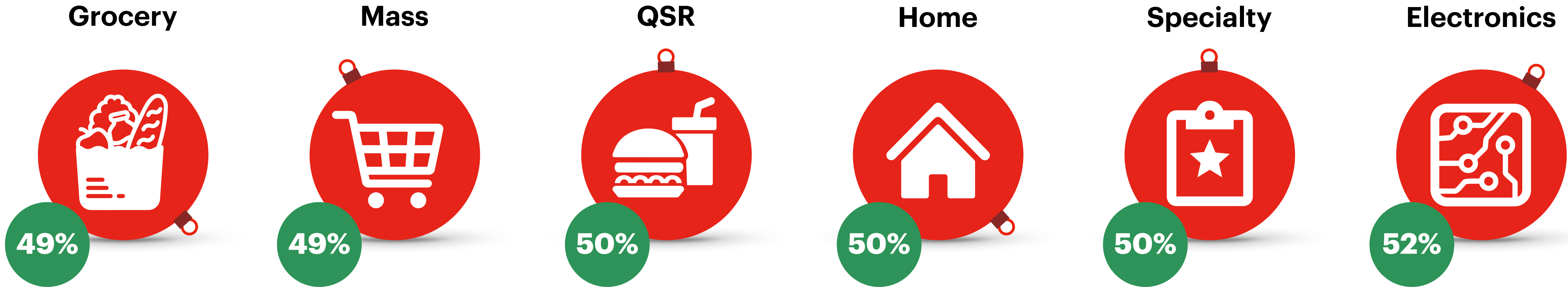
Grocery	Mass	QSR	Home	Specialty	Electronics
49%	**49%**	**50%**	**50%**	**50%**	**52%**

Question: How well did your most recent shopping experience meet your expectations around "Overall experience"? % represents Bottom 2 Box (Just Okay or Disappointing).
Source: Big Red Rooster, Creating Next: Holiday Survey, October 2020 (N=1,003)

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Best practices vary by sector with each winning and losing on different factors

Winners (top 2 box)

Losers (bottom 2 box)

Winner	Factor	Loser
QSR 73%	Speed of service	Grocery 30%
QSR 73%	Quality of service	Mass 27%
Electronics 76%	Order accuracy	QSR 24%
Electronics 62%	Opportunity to change my order	Grocery 25%
QSR 72%	Products being in-stock	Grocery 41%
QSR 71%	Safety protocols	Grocery 29%
Electronics 67%	Contactless payment/transaction	Grocery 27%
Grocery & Specialty 70%	Instruction for where to go/what to do	Electronics 29%
Grocery, Mass, & QSR 69%	Hand-off of my order	Home Improvement 31%

Question: How well did your most recent shopping experience meet your expectations around each of the following? % represents Top 2 Box and Bottom 2 Box.
Source: Big Red Rooster, Creating Next: Holiday Survey, November 2020 (N=1,004)

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Grocery and Mass dominate in-store trip types while other sectors have shifted significantly

% of customers using each fulfillment type in past 2 weeks

	Grocery	Mass	QSR	Home	Specialty	Electronics
In-store	**80%**	**71%**	32%	64%	55%	43%
Drive-thru	14%	15%	14%	19%	**20%**	**30%**
Pick-up	9%	18%	14%	14%	**25%**	**30%**
Delivery	7%	9%	**57%**	11%	11%	10%
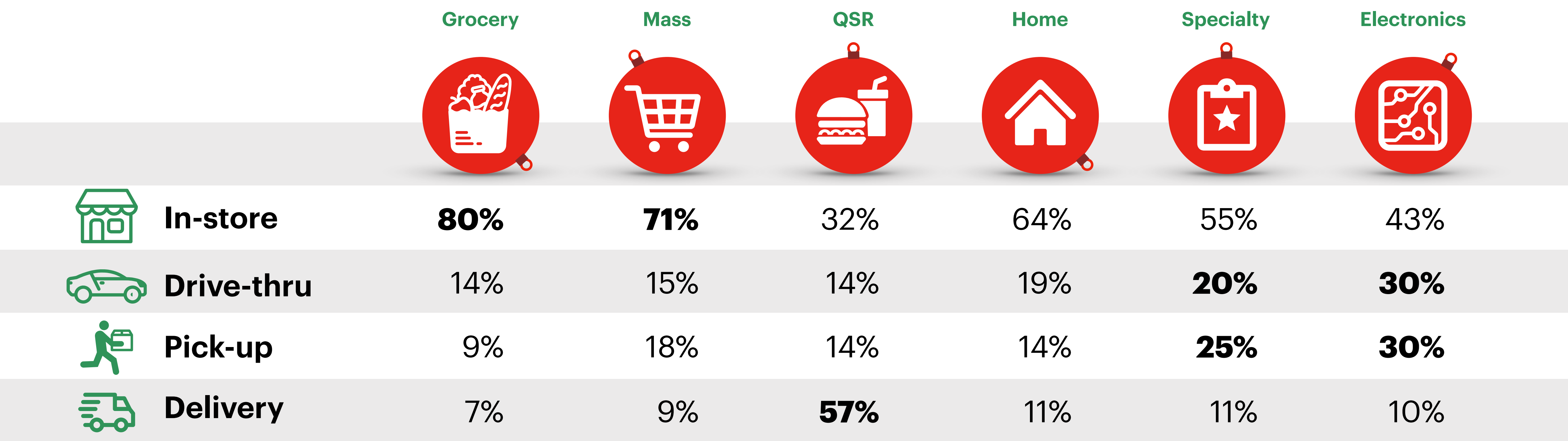
Question: At what types of retailers have you made a purchase in the past 2 weeks, and how did you make that purchase?
Source: Big Red Rooster, Creating Next: Holiday Survey, November 2020 (N=959 Grocery, N=798 Mass, N=791 QSR, N=471 Home, N=525 Specialty, N=435 Electronics)

Millennials over index on order pick-up in nearly every sector, and in delivery in QSR

Home Stores are winning the in-store experience

77%

say their last in-store **experience at a home improvement/home goods store was perfect**

21% say they were disappointed
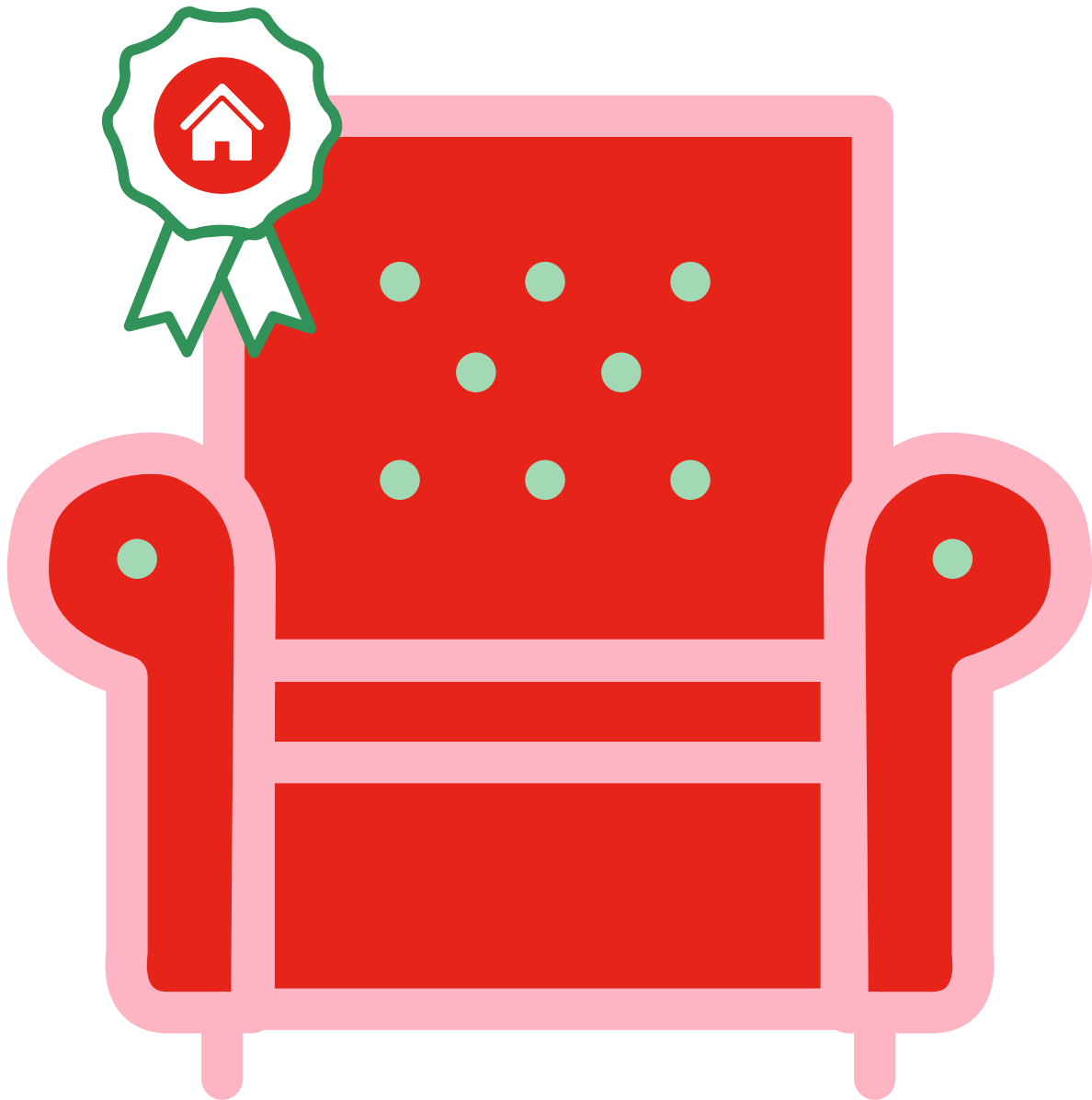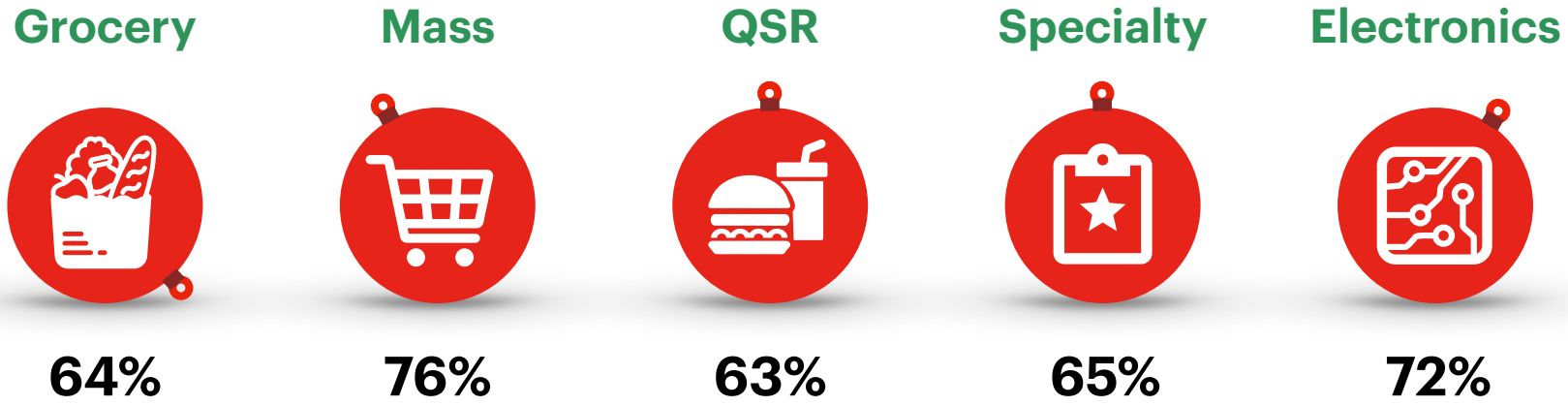
| 100% Gen Z | 65% Millennials | 76% Gen X | 79% Boomers |

% satisfied (Top 2 Box)

Grocery	Mass	QSR	Specialty	Electronics
64%	76%	63%	65%	72%

Opportunities to Improve:

26% Contactless payment

25% Safety protocols

21% Items in stock

Customers who visited this sector and used this fulfillment method; N=302

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Mass Retailers are losing the in-store experience

34%
say their last in-store
experience at a mass retailer was disappointing

% unsatisfied (Bottom 2 Box)

Grocery	QSR	Home	Specialty	Electronics
33%	21%	21%	27%	21%

Opportunities to Improve:

39%
Items in stock

33%
Safety protocols

33%
Quality of service
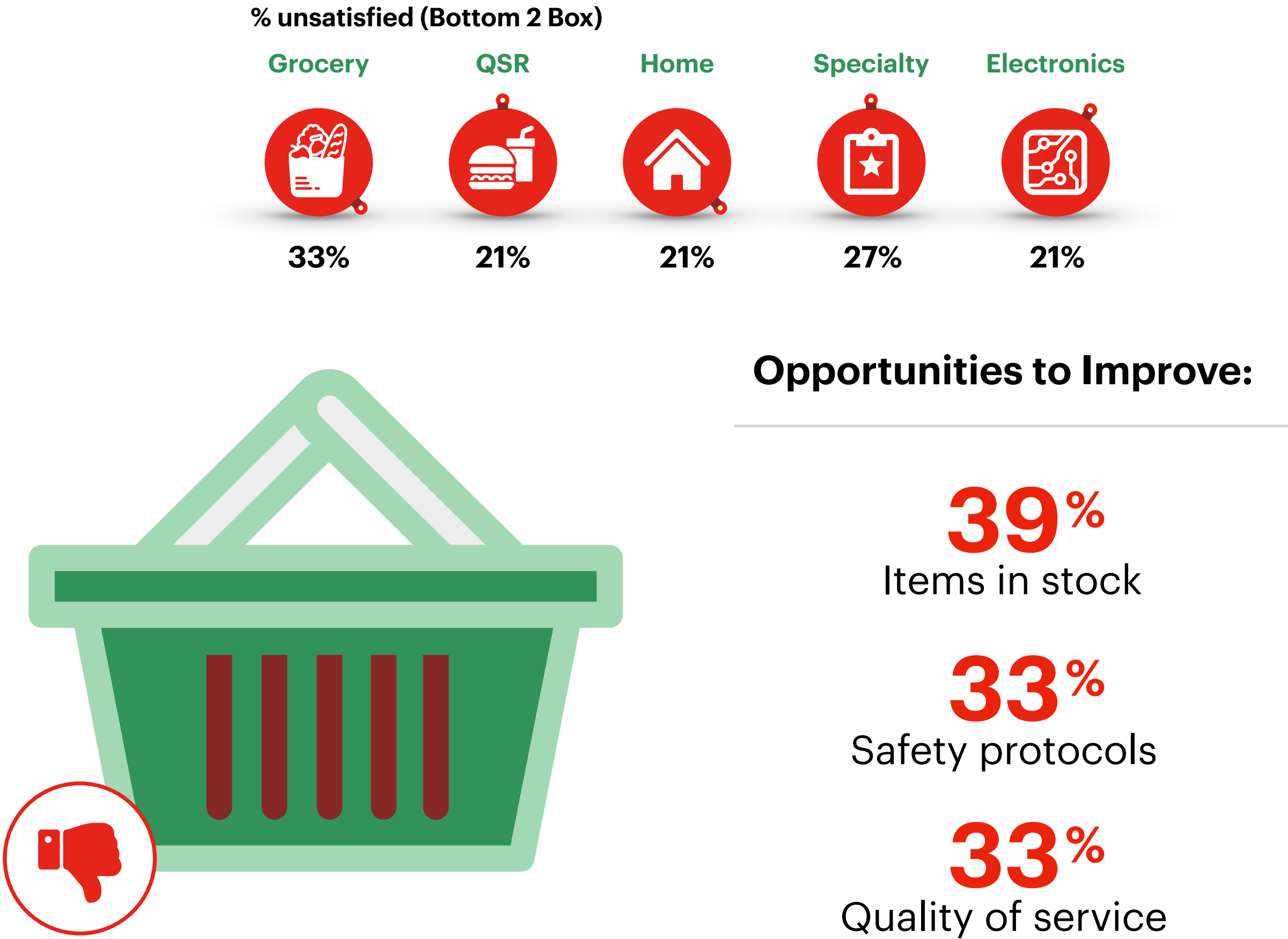
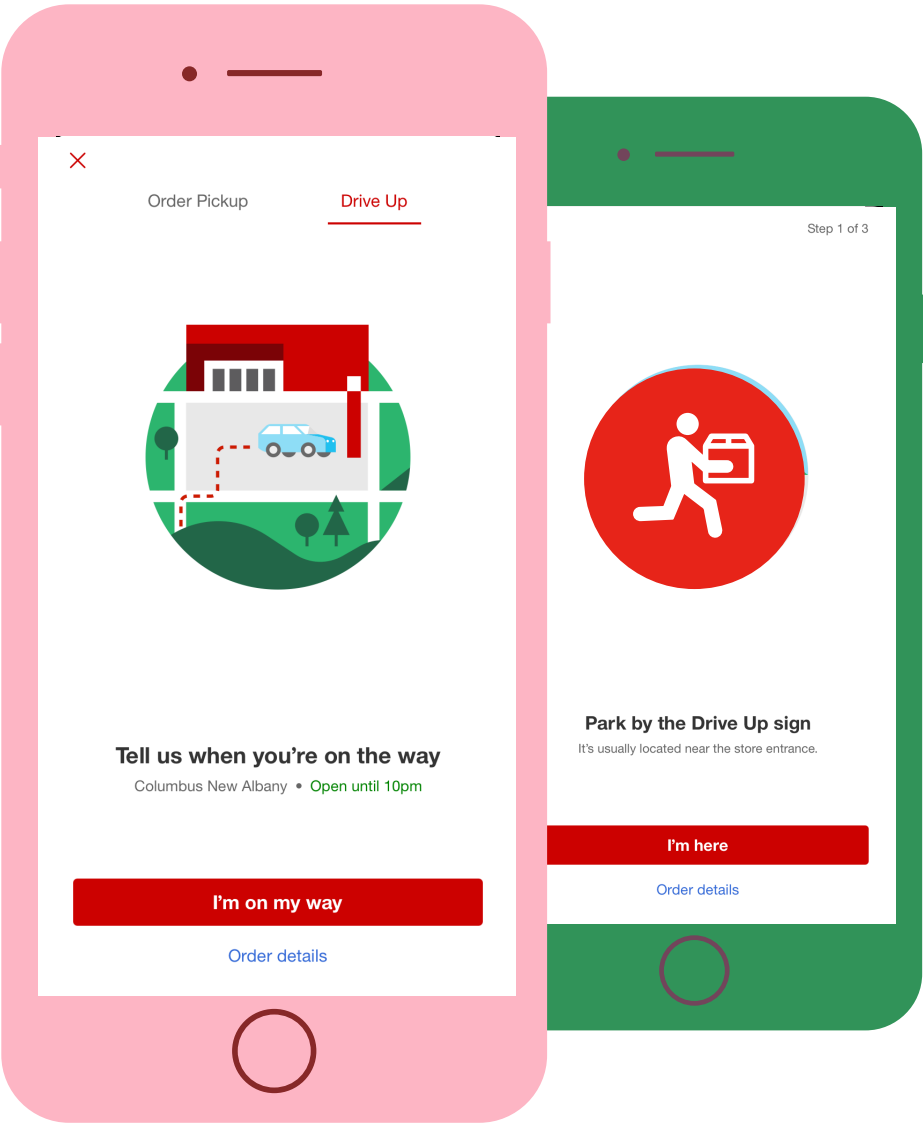*Customers who visited this sector and used this fulfillment method; N=567*

Grocery is winning the pick-up experience

82%
say their last pick-up
experience at grocery was perfect
16% say they were disappointed
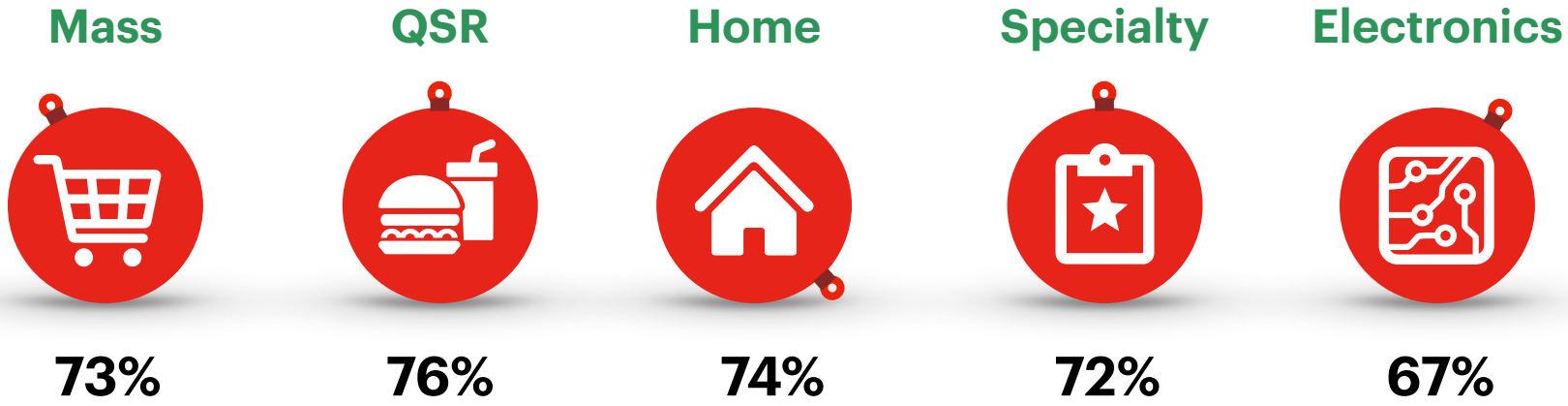
91% Gen Z   **76%** Millennials   **76%** Gen X   **87%** Boomers

% satisfied (Top 2 Box)

Mass	QSR	Home	Specialty	Electronics
73%	76%	74%	72%	67%

Order Pickup   Drive Up

Tell us when you're on the way
Columbus New Albany • Open until 10pm

I'm on my way

Order details

Step 1 of 3

Park by the Drive Up sign
It's usually located near the store entrance.

I'm here

Order details

Opportunities to Improve:

52%
Items in stock

30%
Opportunity to change order

29%
Order accuracy

*Customers who visited this sector and used this fulfillment method; N=133
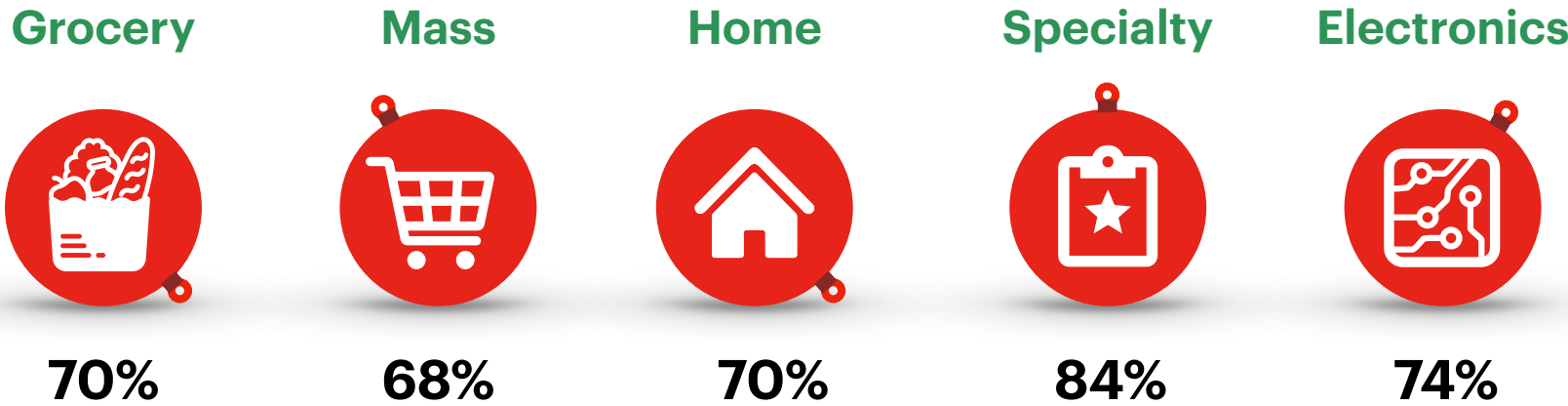
Directionally, QSR is winning the drive-thru experience

75%

say their last drive-thru **experience at QSR was perfect**

24% say they were disappointed

| 61% Gen Z | 65% Millennials | 78% Gen X | 76% Boomers |

Customers who visited this sector and used this fulfillment method; N=451

% satisfied (Top 2 Box)

Grocery	Mass	Home	Specialty	Electronics
70%	68%	70%	84%	74%

DRIVE-THRU
BURGER TOWN

Opportunities to Improve:

33% Contactless delivery

29% Quality of service

31% Speed of service

28% Order hand-off

30% Safety protocols

26% Order accuracy

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Specialty is winning the delivery experience

% satisfied (Top 2 Box)

Grocery	Mass	QSR	Home	Electronics
75%	77%	75%	71%	78%

79%
say their last delivery
experience with a specialty retailer was perfect
14% say they were disappointed
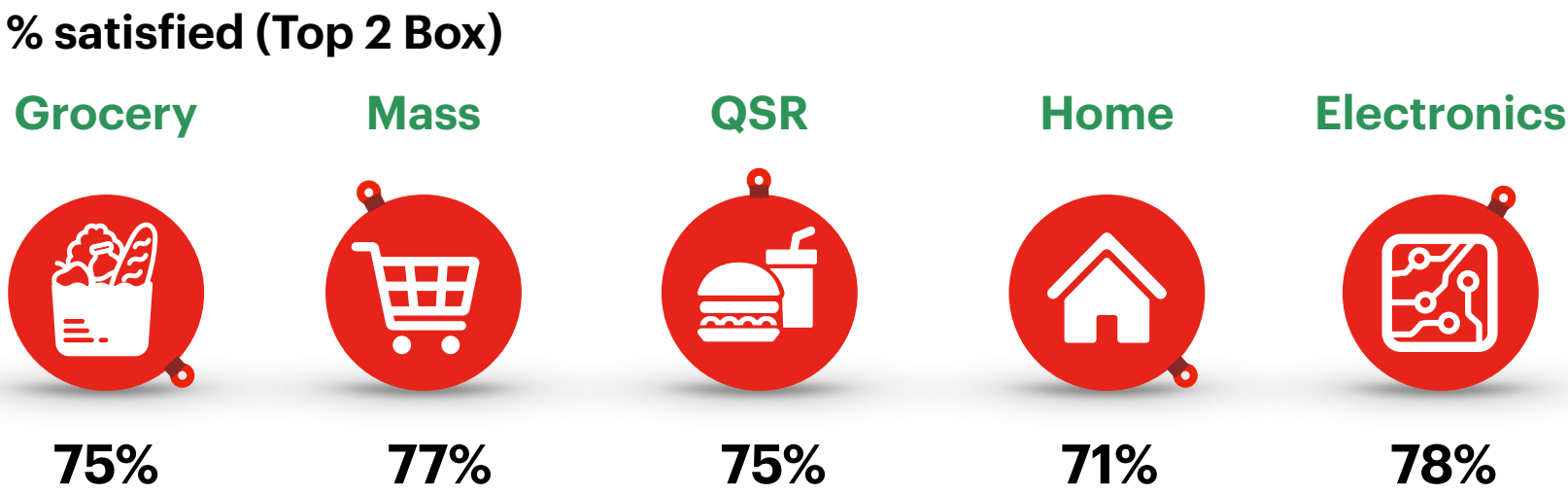
SAME DAY DELIVERY

94% **Gen Z** 　 68% **Millennials** 　 87% **Gen X** 　 76% **Boomers**

Customers who visited this sector and used this fulfillment method; N=134

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What we do.

Big Red Rooster is a multi-dimensional brand experience firm. From the workplace to the marketplace, we create transformative human experiences that accelerate business growth. We believe real estate is one of the most powerful components of your brand's marketing mix. It has the potential to have a transformational impact on people — reinforcing your mission, values, and culture — and on your bottom line. We activate brands across **immersive environments, interactive experiences,** and **integrated communications**. By using the power of human insights and design-thinking, we are able to realize your brand's growth potential.

Strategy Consulting

Research & Insights
CX Innovation
Retail Strategy
Corporate Culture
Experience Strategy

Experience Design

Workplace Design
Retail Design
Retail Planning
Visual Merchandising
Human Interaction Design

Brand Marketing

Brand Development
Strategic Planning
Activation & Awareness
Integrated Communications
Digital Experiences

Design Management

Architectural Services
Prototype Development
Multi-unit Rollout
Experience Guidelines
Project Management Services

What makes us different.

We have carefully built an interdisciplinary team of experts that continues to prove that by thinking and acting differently we deliver significant value and growth to our clients' businesses.

- Strategically-led, consumer-focused design that solves business challenges and capitalizes on new business opportunities
- Dynamic collaboration among our clients, experienced senior leadership, and our cross-functional teams
- Expertise across retail, service, and corporate channels
- Customized approach to every initiative

What we have done for our clients.

2019

Design Firm of the Year
by design:retail

AMEX
Brand Experience Design

Firehouse Subs
Restaurant Design

Champion
Retail Activation

Our clients.

Champion · ALDI · KOCH · AMERICAN EXPRESS · Krispy Kreme DOUGHNUTS · THE HOME DEPOT · Freddie Mac We make home possible® · Under Armour · Chick-fil-A · NATIONAL GEOGRAPHIC

Is your brand ready to create what's next?

About the study

In this time of widespread uncertainty and presumptions, Big Red Rooster, a JLL company, is asking consumers directly how their thoughts, feelings, and behaviors are changing. This CARAVAN survey was conducted in partnership with ENGINE INSIGHTS, through an omnibus study conducted three times a week among a demographically representative U.S. sample of 1,000 adults 18 years of age and older.

Contact us for more

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