THE ULTIMATE BLUEPRINT

for Black Friday
and Cyber Monday

data axle

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Optimizing Black Friday and Cyber Monday Campaigns with Data

Black Friday and Cyber Monday are monumental events on the retail calendar, offering unparalleled opportunities for marketers and advertisers to boost sales and visibility. With the increasing volume of data available, savvy marketers can harness this information to optimize their campaigns, ensuring they reach the right audience with the right message at the right time. In this whitepaper we explore how successful advertisers leverage these shopping events to smash their goals, along with real-world case studies and examples of successful campaigns.

The Increasingly Critical Impact of Black Friday and Cyber Monday

"Going along with the crowd" or "trying to keep up with the competition" are not good reasons to develop a campaign around these cultural touchstones. Black Friday and Cyber Monday continue to dominate the retail landscape, with billions of dollars spent by U.S. consumers each year. The increasing reliance on online shopping, the growth of mobile commerce, and the rise of flexible payment options like BNPL are shaping the future of these shopping events. Retailers who leverage data to understand and target their audience effectively can maximize their success during these crucial days.

Black Friday and Cyber Monday by the Numbers

Black Friday Spending Statistics

$4.97 billion

Overall Spending:

In 2023, U.S. consumers spent approximately $4.97 billion online during Black Friday, according to Adobe Analytics.

76.2 million

In-Store vs. Online:

Black Friday continues to see substantial in-store traffic. In 2023, about 76.2 million people shopped in physical stores on Black Friday, according to the National Retail Federation (NRF).

$321.41 average

Average Spending:

The average spending per shopper during the Thanksgiving weekend, which includes Black Friday, was about $321.41 in 2022, as reported by the NRF.

221% increase

Popular Categories:

Electronics, apparel, and toys are among the most popular categories. In 2022, electronics saw a boost with a 221% increase in sales compared to the average day in October.

Cyber Monday Spending Statistics

$12.4 billion

Overall Spending:

Cyber Monday continues to be the largest online shopping day in the U.S. In 2023, consumers spent a record $12.4 billion online, marking a 9.6% increase from the previous year, according to Adobe Analytics.

51.8%

Mobile Shopping:

Mobile shopping plays a crucial role on Cyber Monday. In 2023, about 51.8% of online sales were made via smartphones, demonstrating the growing trend of mobile commerce.
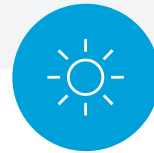
$15.7 million

Time of Day:

The peak shopping hour on Cyber Monday in 2023 was between 10 PM and 11 PM Eastern Time, when consumers spent $15.7 million per minute, highlighting the importance of evening promotions.

Trends and Insights

Extended Shopping Period

Both Black Friday and Cyber Monday are no longer limited to just one day. Many retailers extend deals throughout the weekend and even offer pre-Black Friday and Cyber Week sales, capturing a larger share of consumer spending.

Buy Now, Pay Later (BNPL)

The use of BNPL services surged during these shopping events. Adobe Analytics reported a 14% increase in BNPL orders during Cyber Monday 2023 compared to the previous year, indicating growing consumer preference for flexible payment options.

Omnichannel Shopping

Consumers are increasingly adopting an omnichannel approach, blending online and offline shopping experiences. Retailers offering options like buy online, pick up in-store (BOPIS) saw a 50% increase in orders during Black Friday weekend in 2022, according to Adobe Analytics.

① Understanding Customer Behavior and Segmentation

Data Utilization:

By analyzing historical purchase data, web traffic, and customer behavior, marketers can segment their audience into distinct groups based on buying patterns, preferences, and demographic information.

Example:

An online electronics retailer might identify high-value customers who frequently purchase premium gadgets. Tailoring exclusive early-bird deals for this segment can enhance engagement and sales.

Case Study:

Amazon uses sophisticated algorithms to analyze customer data, providing personalized recommendations and targeted deals. During Black Friday, Amazon's personalized email campaigns based on browsing and purchase history resulted in significantly higher click-through rates and conversions.

② Predictive Analytics for Inventory Management

Data Utilization:

Predictive analytics can forecast product demand, helping retailers manage inventory more effectively and avoid stockouts or overstock situations.

Example:

A fashion retailer could use predictive analytics to determine the likely best-sellers during Cyber Monday and ensure they stock sufficient quantities of these items.

Case Study:

Walmart leverages predictive analytics to anticipate product demand. For instance, their data-driven approach during holiday sales events led to optimized stock levels and a reduction in lost sales due to out-of-stock items.

EXPANDING YOUR AUDIENCE
with AI Marketing

As the Q4 holiday season approaches, businesses are seeking innovative ways to reach larger audiences and maximize engagement. One powerful strategy is leveraging AI matching to drive higher Personally Identifiable Information (PII) to digital onboarding match rates. AI-driven identity resolution can help businesses link offline PII data like email addresses and phone numbers to online digital profiles with precision. This allows marketers to expand their digital reach and engage more potential customers, all while maintaining privacy and compliance standards.

Higher Match Rates = Better Targeting

AI matching algorithms have the capability to sift through vast amounts of fragmented data, identifying and unifying customer profiles across different platforms and devices. By increasing match rates between PII and digital identities, businesses can effectively target a larger segment of their audience during the holiday season. This heightened ability to match customer data ensures that marketing campaigns reach not just more people, but the right people, enabling personalized messaging that resonates with various segments of the audience, from frequent shoppers to high-value prospects.

Solutions providers such as Data Axle can help. For example, Data Axle offers AI-powered data enhancement and hygiene to improve modeling accuracy for clients. With its proprietary business and consumer data, Data Axle is identifying new connections and patterns previously unavailable and expanding standard attributes to boost campaign effectiveness and ROI. Data Axle also offers large language models (LLMs) and experience language models (ELMs) will increase brand safety and privacy while protecting intellectual property ownership. Diffusion models are also utilized to generate data that mirrors the data on which they are trained to create larger, more robust data sets.

Maximizing Impact During the Critical Holiday Season

The Q4 holiday season is a crucial period for businesses, with consumer activity at its peak. By enhancing your match rates through AI-driven PII matching, you can engage customers across more touchpoints, from email and social media to programmatic ads. This expanded reach enables businesses to drive more conversions, increase customer loyalty, and capitalize on the heightened purchasing behavior. AI matching ensures that your holiday campaigns achieve broader engagement, translating into higher sales and a competitive edge during the busiest time of the year.

③ Real-Time Analytics for Campaign Adjustments

Data Utilization:

Real-time analytics allow marketers to monitor campaign performance and make necessary adjustments on-the-fly. By tracking key metrics such as click-through rates, conversion rates, and customer sentiment, they can tweak messaging, offers, and targeting to maximize effectiveness.

Example:

A home goods retailer might notice that a particular ad is underperforming and quickly swap it out for a different creative that resonates better with the audience.

Case Study:

Best Buy uses real-time data to optimize its Black Friday campaigns. By closely monitoring social media and online activity, Best Buy can swiftly respond to trends, tweak offers, and manage inventory, ensuring a seamless shopping experience.

④ Social Media Listening and Influencer Marketing

Data Utilization:

Social media listening tools can provide insights into customer sentiment and trending topics. Collaborating with influencers who align with the brand can amplify reach and credibility.

Example:

A beauty brand can identify trending products and collaborate with beauty influencers to promote exclusive Black Friday deals.

Case Study:

Glossier utilized social media listening to gauge customer interest and trends leading up to Cyber Monday. By partnering with popular beauty influencers to showcase their products and deals, Glossier saw a substantial increase in traffic and sales.

⑤ A/B Testing for Campaign Optimization

Data Utilization:

A/B testing allows marketers to compare different versions of ads, emails, and landing pages to determine which performs better. This data-driven approach ensures that the most effective elements are used in the final campaign.

Example:

An online bookstore might test different email subject lines to see which one yields a higher open rate.

Case Study:

Wayfair conducted extensive A/B testing on their email campaigns for Cyber Monday. By analyzing the performance of different subject lines, images, and call-to-action buttons, they optimized their emails for maximum engagement and conversions.

Section I Summary

Data-driven strategies are essential for optimizing Black Friday and Cyber Monday campaigns. By understanding customer behavior, leveraging predictive and real-time analytics, personalizing marketing efforts, listening to social media trends, and conducting A/B testing, marketers can significantly enhance their campaign effectiveness. The real-world examples of Amazon, Walmart, Best Buy, Target, Glossier, and Wayfair illustrate the powerful impact of data on successful holiday marketing campaigns. By integrating these approaches, marketers can ensure they maximize their reach, engagement, and sales during these critical shopping events.
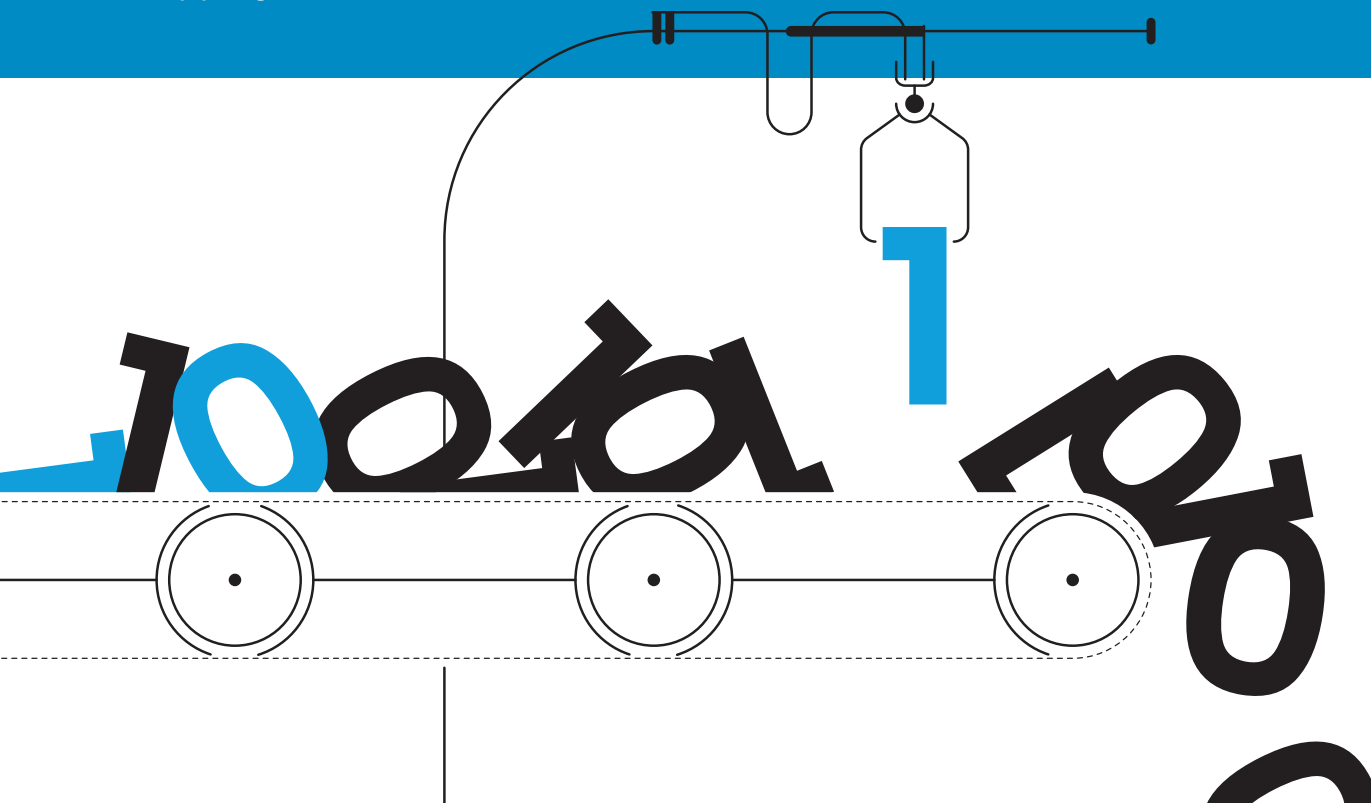
THE POWER OF IDENTITY RESOLUTION
in Q4 Advertising

Identity resolution is the process of connecting different data points and identifiers from various sources to create a unified, accurate view of an individual. This involves matching disparate information—such as email addresses, phone numbers, device IDs, and more—across platforms and channels to recognize a person as the same entity, regardless of where or how they interact with a brand.

In the context of marketing, identity resolution allows companies to piece together a complete customer profile, integrating both online and offline behaviors. This enables businesses to deliver more personalized experiences, tailor messaging to individual preferences, and optimize engagement by understanding the full customer journey. By consolidating fragmented data, identity resolution ensures marketers have a comprehensive view of their audience, improving targeting accuracy and customer relationship management.

Now, let's apply this to the Q4 holiday season. Advertisers can use identity resolution to view a complete picture of an individual's buying power and potential and leverage that when it comes to targeting and messaging during this crucial period. For example, understanding the full spectrum of a prospect's professional and personal identity can help marketers zero in on their target audience. A CEO likely holds more purchasing power and influence than a manager, but traditional B2B data alone might not capture their holiday shopping behaviors, spending patterns, or interests outside of work. By linking consumer data—like purchase history, income levels, and lifestyle preferences—with professional attributes, marketers can gain a more holistic view of each buyer's potential.

This unified approach enables companies to create more tailored marketing campaigns during the competitive holiday season, reaching high-value individuals with messaging that resonates with both their professional status and personal interests. A CEO, for instance, might receive messaging around luxury items or high-end services, while a manager could be targeted with offerings that match their budget and interests. Identity resolution helps marketers avoid one-size-fits-all strategies, delivering more personalized, impactful content that speaks to both sides of a buyer's identity.

Effective Audience Segments for Black Friday and Cyber Monday Campaigns

Targeting the right audience segments is crucial for maximizing the impact of Black Friday and Cyber Monday campaigns. By leveraging data, marketers can identify and reach the most valuable customer groups with tailored messages and offers. Here are some key audience segments to consider and how data can help identify and target them effectively:

① High-Value Customers

Characteristics:

- Frequent shoppers
- High average order value (AOV)
- Loyal to the brand

Data Utilization:

- Analyze past purchase behavior to identify top spenders.
- Segment customers who have a history of high spending and frequent purchases.

Targeting Strategy:

- Offer exclusive early access to Black Friday deals.
- Provide personalized offers and loyalty rewards.

Example: A luxury fashion retailer might send early-bird invitations and special discounts to its VIP customers to encourage early shopping and increase sales.

② Bargain Hunters

Characteristics:

- Price-sensitive shoppers
- Actively seek discounts and deals
- Less brand loyal, more deal-driven

Data Utilization:

- Monitor browsing behavior and search queries for discount-related keywords.
- Identify customers who respond to past promotions and discounts.

Targeting Strategy:

- Promote significant discounts and doorbuster deals.
- Highlight limited-time offers and exclusive savings.

Example: A consumer electronics store could create targeted ads showcasing massive discounts on popular gadgets to attract bargain hunters.

③ First-Time Buyers

Characteristics:

- New visitors to the website
- No previous purchase history

Data Utilization:

- Track new user visits and interactions on the website.
- Use demographic and behavioral data to create profiles of potential new customers.

Targeting Strategy:

- Offer welcome discounts or first-purchase incentives.
- Provide simple and attractive calls to action to convert new visitors.

Example: An online beauty store might offer a 15% discount on the first purchase for new customers during Cyber Monday to drive conversions.

④ Cart Abandoners

Characteristics:

- Added items to cart but did not complete the purchase
- High purchase intent but possibly distracted or undecided

Data Utilization:

- Use cart abandonment data to identify potential customers.
- Analyze items left in carts to tailor follow-up messages.

Targeting Strategy:

- Send personalized email reminders with special discounts on abandoned cart items.
- Use retargeting ads to remind customers of their abandoned carts and offer incentives to complete the purchase.

Example:

A home goods retailer could send a follow-up email with a 10% discount and free shipping to customers who abandoned their carts during the Black Friday rush.

⑤ Gift Shoppers

Characteristics:

- Seasonal buyers looking for holiday gifts
- May purchase across various categories

Data Utilization:

- Analyze seasonal buying patterns and historical data of holiday purchases.
- Segment customers who have previously bought gifts during the holiday season.

Targeting Strategy:

- Highlight gift guides and holiday bundles.
- Offer gift-wrapping services and holiday-themed promotions.

Example: A toy store might create holiday gift guides and targeted ads showcasing popular toys and bundle deals to attract gift shoppers.

⑥ Procrastinators

Characteristics:

- Last-minute shoppers
- High urgency and immediate purchase intent as the sale period ends

Data Utilization:

- Identify customers who make purchases toward the end of sales events.
- Monitor real-time data to spot peak activity periods.

Targeting Strategy:

- Emphasize the urgency with countdown timers and last-chance deals.
- Send reminder emails and notifications about the end of sales.

Example:

An online bookstore could use retargeting ads with countdown timers for Cyber Monday, urging procrastinators to take advantage of the final hours of the sale.

How Data Helps in Identifying and Targeting These Segments

Behavioral Analysis:

By tracking customer interactions on websites, social media, and email campaigns, marketers can understand customer preferences, interests, and purchase behavior.

Purchase History:

Analyzing past transactions helps identify high-value customers, frequent buyers, and seasonal shoppers. This data allows for personalized marketing and targeted offers.

Demographic Data:

Combining demographic data such as age, gender, location, and income with purchase behavior provides deeper insights into customer segments, enabling more accurate targeting.

Real-Time Analytics:

Real-time data monitoring allows marketers to make quick adjustments to campaigns based on current performance, ensuring that they capitalize on trends and customer behavior during peak shopping periods.

Predictive Analytics:

Using machine learning algorithms, predictive analytics can forecast customer behavior and demand, helping marketers tailor their strategies to meet anticipated needs and preferences.

Section II Summary

By leveraging these data-driven strategies, marketers and advertisers can effectively target these key audience segments, ensuring that their Black Friday and Cyber Monday campaigns are optimized for maximum impact and return on investment.

Expert Tips and Best Practices to Get a Head Start on This Crucial Shopping Season

① Leverage Data to Target With Precision

In today's competitive landscape, personalized marketing is more critical than ever. According to a recent study, 72% of consumers in 2023 said they only engaged with marketing messages that were customized to their specific interests. Retailers need robust data and analytical capabilities to create targeted holiday campaigns that resonate with their audience. Tools like personas and look-alike models can significantly enhance targeting efforts.

Personas:

A persona represents a segment of a brand's audience, encompassing demographic and psychographic attributes, behaviors, motivations, and purchase patterns. Personas help retailers understand their customers and craft relevant products and messaging. Different personas respond to different messages, channels, and creatives. Retailers investing in building out personas and tailoring their messaging, channel, and communication frequency preferences will gain a competitive edge as we approach the holiday season.

Look-Alike Modeling:

Look-alike modeling uses data about current customers to identify high-quality prospects. Once you have your look-alike model, you can build an audience of prospects resembling your high-value customers, increasing the likelihood of engagement and conversion.

Brand Example: Nordstrom

Nordstrom created a targeted holiday campaign using augmented third-party data based on key customer attributes. They tested multiple creative assets within the same segment to determine which messaging resonated best. Using a third-party vendor, Nordstrom optimized their customer lists and targeted them with programmatic display ads across various channels. Look-alike models were then used to target prospects with specially crafted holiday messaging, resulting in a 368% increase in audience engagement.

② Start Campaigns Early – Because Your Audience Is

Consumers are starting their holiday shopping earlier each year. In 2023, 43% of consumers began their shopping in November. This year, according to an NRF survey, 48% of retailers are preparing for consumers to start buying as early as October, and 62% say they will have the majority of their holiday stock ready by then.

Retailers should prepare by planning their offers to entice shoppers, ensuring their product supply meets demand, and strengthening their data analytics capabilities. This proactive approach will amplify campaign reach and significantly improve onboarding rates.

Brand Example: Honeywell

Honeywell implemented real-time creative optimization to tease their Black Friday offerings well in advance of the holiday. They drove consumer interest and built intrigue by incorporating images that automatically revealed their Black Friday offers when a countdown timer reached zero. Consumers could also click on the banners to reveal each offer – scratch ticket style.

③ Reinforce E-Commerce Strategy

With 75% of Americans preferring to shop online and 88% indicating they will avoid traditional in-store doorbuster deals on Thanksgiving, an effective e-commerce strategy is crucial. Even before the COVID-19 pandemic, shoppers were trending toward making more mobile purchases. In 2022, over 50% of Cyber Monday purchases were made from a mobile device.

To capitalize on this trend, companies need to enhance their e-commerce strategies. Tactics such as free delivery, exclusive sales, loyalty programs, and adding reviews and ratings to products are all proven strategies for e-commerce success.

Brand Example: Amazon

Amazon creates a sense of urgency and exclusivity through their own sales event, Prime Day. Although typically held in July, the pandemic pushed Prime Day to October in 2020, demonstrating Amazon's flexibility and strategic planning. This approach keeps Amazon at the forefront, with creative promotions highlighting their superior savings compared to other retailers' Black Friday offers.

④ Stand Out from the Competition

Retailers have many options to capture consumer attention, from direct mail to email and display advertising. Using data from previous campaigns, marketing teams can determine the best ways to reach their target audience. With in-person events still limited, focusing on the digital channels that matter most to audiences is essential.

Brand Example: Lagavulin Whisky

Lagavulin Single Malt Scotch Whisky aimed to reach millennials by connecting with them on YouTube. They hired Parks and Rec actor Nick Offerman to shoot a 45-minute video of him sipping whisky next to a traditional holiday Yule log – a humorous approach designed to appeal to their millennial audience. The video went viral within hours, amassing two million views in a week and boosting the brand's YouTube channel subscribers by 400%.

Section III Summary

To optimize Black Friday and Cyber Monday campaigns, retailers must target the right audience using data-driven insights, plan early, reinforce their e-commerce strategies, and stand out from the competition. By leveraging personas, look-alike models, real-time creative optimization, and innovative digital marketing strategies, retailers can maximize their reach and engagement during an extraordinarily busy season.

CASE STUDY:
Data Axle's Targeted Campaign Success for a Smart Home Technology Company
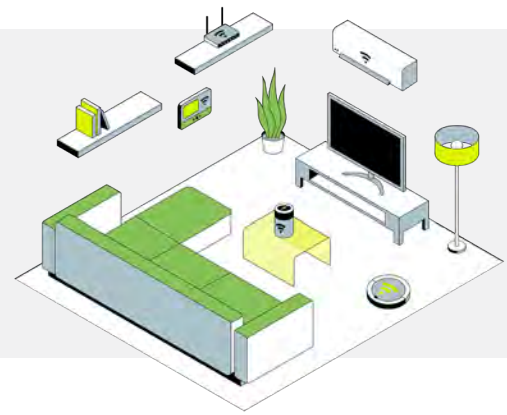
Background

Data Axle, a leader in data-driven marketing solutions, orchestrated Black Friday and Cyber Monday campaigns for a smart home technology company. The approach for these campaigns deviated from the typical broad homeowner segmentation, opting instead for more granular audience targeting. This case study explores the strategy, execution, and outcomes of these targeted campaigns.

Target Audience Segmentation & Results

1. Homeowner + Techie + Shopper:

Techies: Utilized consumer interest data to target prospects interested in the latest and greatest technology.

Shoppers: Leveraged a heavy coupon user model to predict households likely to have used coupons at least 12 times in the past three months.

2. Homeowner + Low/Medium Income:

Low Income: Households with an income range of $25,000 to $50,000.

Medium Income: Households with an income range of $50,000 to $120,000.

Campaign Performance

Both audience segments performed exceptionally well, surpassing channel benchmarks significantly. The performance metrics across various channels are detailed below:

Meta (Facebook/Instagram)

Techie/Shopper Audience: Achieved a 350% lift over the click-through rate (CTR) goal.

Low/Medium Income Audience: Achieved a 408% lift over the CTR goal.

LinkedIn

Techie/Shopper Audience: Achieved a 200% lift over the CTR goal.

Low/Medium Income Audience: Achieved a 202% lift over the CTR goal.

Reddit

Techie/Shopper Audience: Achieved a 64% lift over the CTR goal.
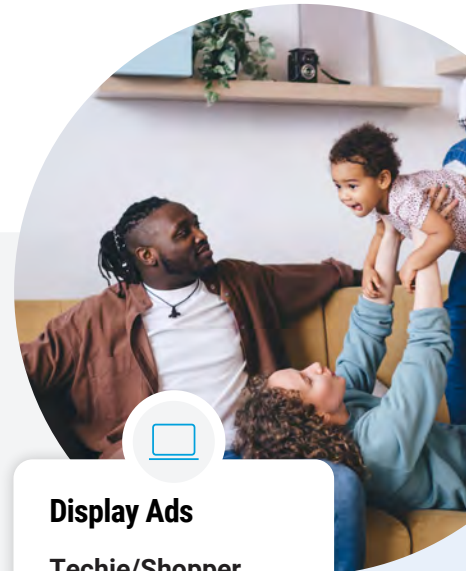
Low/Medium Income Audience: Achieved a 64% lift over the CTR goal.

Display Ads

Techie/Shopper Audience: Achieved a 103% lift over the CTR goal.

Low/Medium Income Audience: Achieved an 89% lift over the CTR goal.

Programmatic Audio

Focused on brand awareness to drive more engagement across the aforementioned channels.

UNLOCKING ROI INSIGHTS
## with Cross-Channel Attribution

Cross-channel attribution is key to fully understanding the effectiveness of your marketing efforts, especially during high-stakes seasons like Q4. As consumers engage with your brand across multiple touchpoints—social media, email, display ads, and more—it becomes increasingly challenging to pinpoint which interactions drive conversions. Cross-channel attribution allows you to track and assign value to each channel, giving a comprehensive view of how each platform contributes to overall revenue. This data-driven insight helps you allocate budget and resources to the most impactful channels, maximizing your ROI during critical selling seasons.

Mapping the Buyer Journey for Better Decision-Making

The Q4 holiday season is marked by heightened consumer activity, often leading to complex, multi-channel buyer journeys. Cross-channel attribution helps marketers understand how consumers interact with various platforms throughout this journey, whether they start with a display ad and finish with a purchase after receiving an email, or interact with multiple touchpoints before converting. By tracking this behavior, you can identify the role of each channel in driving conversions and optimize your strategy. Knowing where and when customers are most engaged allows you to deliver more targeted and personalized experiences that resonate with holiday shoppers.

Optimizing Campaigns for Maximum ROI

With cross-channel attribution, you can adjust your marketing efforts in real time to improve performance and stretch your holiday budget further. For instance, if attribution data shows that paid search is driving more last-minute holiday purchases, while social media builds awareness earlier in the season, you can allocate resources accordingly. This level of insight allows for precise budget shifts, helping you maximize returns and refine future campaigns. By applying cross-channel attribution, you gain a complete picture of your marketing ROI during Q4 and ensure that every channel is working in harmony to drive results.
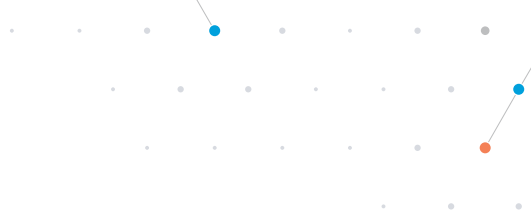
Key Takeaways

Data Axle's strategic pivot to more granular audience targeting for the smart home technology company's Black Friday and Cyber Monday campaigns resulted in outstanding performance across multiple channels. The success of the Techie/Shopper and Low/Medium Income segments demonstrates the efficacy of leveraging detailed consumer data to enhance campaign outcomes.

These results underscore the value of precise audience segmentation in digital marketing, providing a roadmap for future campaigns aiming to maximize engagement and conversion rates.

Conclusion

The holiday season sparks intense competition among retailers. However, with proper planning, informed audience targeting, creativity, and smart e-commerce strategies, retailers can make sure they stand out from the pack and exceed their goals.

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