Black Friday has continued to grow and is now undeniably a firm fixture in the retail calendar. But despite growing numbers of retailers and shoppers taking part in the event, there is a palpable and growing sense of disillusionment among consumers. In the years ahead, retailers and brands will need to be much more creative in how they use the event to drive genuine engagement.”

– Thomas Slide, Retail Analyst

This report looks at the following areas:

- Growth and disillusionment – Where next for Black Friday?
- Different strategies for making the most of Black Friday
- Black Friday and Christmas, a complex relationship

Black Friday has continued to grow, with spending around the event estimated to have risen in 2017, it is now a firmly established event in the UK retail calendar. In 2017, more retailers opted to take part, including some such as Next which had strongly objected to the event in the past, and it was spread over a longer period in an attempt to maximise sales and reduce the burden on logistical capabilities.

There was also a broader range of promotional strategies in action as retailers sought new ways to stand out from the pack. The consequence of this was that more people than ever before were exposed to the promotions.

But there are increasing signs of promotion fatigue setting in, with many Black Friday shoppers finding themselves disappointed by the offers available, while many consumers feel they have lost trust in retailers’ ability to be fair and honest with their pricing.
Inflation growth means real incomes are falling

Figure 1: Real incomes: inflation (CPIH) vs wage growth, Jan 2014-Nov 2017

Retail sales hold up

November the second biggest month for retailers

Black Friday sales reach £4.2 billion in 2017

Figure 2: Total spending (excl VAT) on Black Friday promotions, 2013-17

Companies and brands

Amazon dominates and blurs digital and physical

Diverse approaches to Black Friday promotions

The consumer

Over half of consumers engaged with Black Friday

Figure 3: How they browsed and bought during Black Friday 2017, by device, December 2017

Electricals and fashion the key categories

Figure 4: Items purchased during Black Friday 2017, December 2017

Average spending tops £200

Amazon dominates Black Friday shopping

Figure 5: Where they shopped for Black Friday promotions, December 2017

Most purchases on Black Friday are Christmas gifts

Figure 6: Proportion of Black Friday purchases that were Christmas gifts, December 2017

61% delay making a purchase until Black Friday

Figure 7: How they shopped during the Black Friday promotions, December 2017

Growing disillusionment with Black Friday

Figure 8: Attitudes towards Black Friday, December 2017

What we think

Growth and disillusionment – Where next for Black Friday?

The facts

The implications

Different strategies for making the most of Black Friday

The facts

The implications
Black Friday and Christmas, a complex relationship

The facts

The implications

**The Market – What You Need to Know**

Inflation growth means real incomes are falling
Retail sales hold up
November the second biggest month for retailers
Black Friday sales reach £4.2 billion in 2017

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Inflation on the rise...
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...meaning real incomes are falling
Figure 10: Real incomes: inflation (CPIH) vs wage growth, Jan 2014-Nov 2017

Confidence is holding up reasonably well
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...but November has been the quickest growing
Figure 15: Value of retail sales (excluding fuel) at 2015 prices, non-seasonally adjusted, Q4 2014-16

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Figure 16: Value of all retail sales (excluding fuel) at current prices, non-seasonally adjusted, by month, by food and non-food, Jan 2015-November 2017

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Black Friday sales hit £4.2 billion
Figure 19: Total spending (excl VAT) on Black Friday promotions, 2013-17

Electricals dominate spending
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Amazon dominates and blurs the digital with the physical
Diverse approaches to Black Friday promotions
Leading Players: Who Did What on Black Friday?

Amazon: dominant and innovative
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Dixons Carphone: earlier and longer than ever before

Argos: encouraging shoppers to buy early
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John Lewis: busiest day ever online

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The Consumer – What You Need to Know

Over half of consumers engaged with Black Friday

Black Friday is predominantly online

Electricals and fashion the key categories

Average spending tops £200

Amazon dominates Black Friday shopping

Most purchases on Black Friday are Christmas gifts

61% delay making a purchase until Black Friday

Growing disillusionment with Black Friday

How They Shopped on Black Friday 2017

Over half engaged with Black Friday
  Figure 29: Participation in Black Friday 2017, December 2017

Younger consumers more likely to engage...
  Figure 30: Participation in Black Friday 2017, by age, December 2017

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Figure 38: Items purchased during Black Friday 2017, by age, December 2017

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Appendix – Data Sources, Abbreviations and Supporting Information

Abbreviations
Consumer research methodology