



Adobe Digital Economy Index

Adobe Analytics | Prime Day 2021



Methodology

Most comprehensive report of its kind

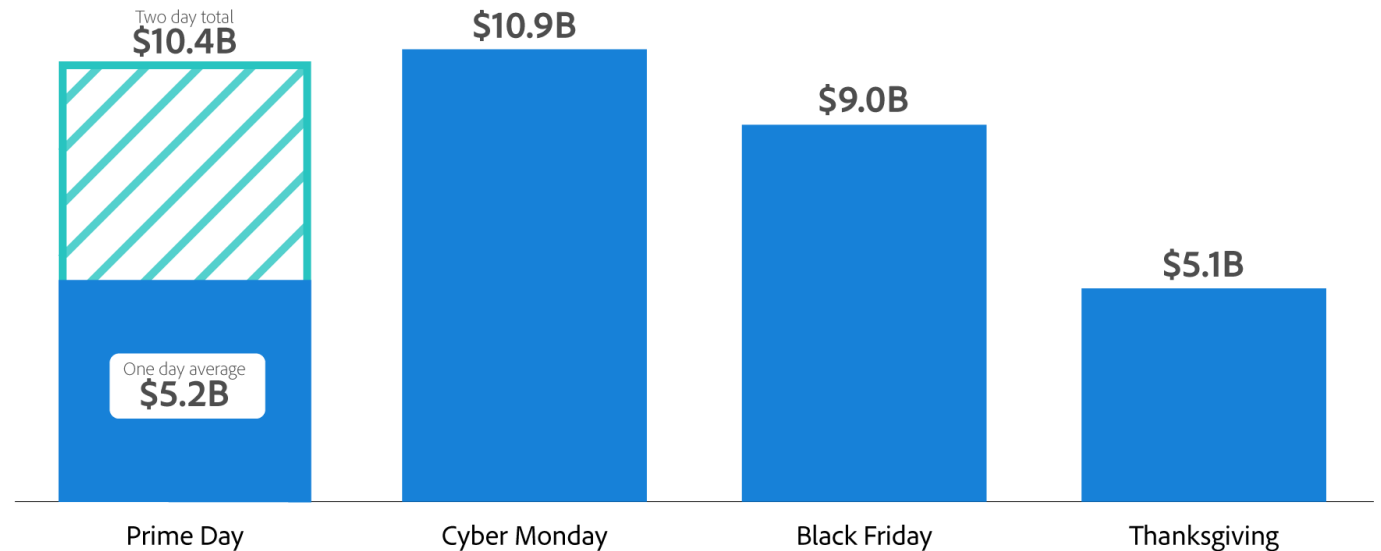
- The DEI is powered by Adobe Analytics, which analyzes 1 trillion visits to retail sites and over 100 million SKUs.
- Companion research based on a survey of 1,000 US consumers (18 years or older) fielded between June 2 and June 6, 2021.

Key Findings

- Prime Day is emerging as major shopping event, on par with high-profile shopping days like Thanksgiving & Black Friday, in terms of total online spend
- Online spending momentum remains strong, even as re-openings and vaccinations scale
- Consumer expectations and enthusiasm will ensure that Prime Day sales days will drive halo-effect gains for various online retailers, especially large ones
- Email reigns king as a growth channel for retailers to compete in attracting consumers over summer sales days
- Discounts for the two-day sales event are expected to be strongest across electronics and toys, but not as deep as winter holiday discounts
- Click-and-collect support gives retailers sizable edge in maximizing sales across summers sales, especially as consumers reticence about in-store shopping decreases

Prime Day is emerging as a major shopping “holiday”

- Last year both days of Prime Day surpassed Thanksgiving total revenue, at over \$5.1B each
- The total for both days (\$10.4B) is approaching Cyber Monday levels (\$10.9B) and surpassed Black Friday (\$9.0B)
- 2019 Prime Day was a \$5.8B shopping day
- 58% of consumers say they plan to be shopping online during over Prime Day 2021
- This year, we expect the Prime Day total to surpass Cyber Monday 2020



Total Online Spend by Holiday (2020)
Source: Adobe Analytics

Books, electronics, and appliances shine over Prime Day

- Over Prime Day 2020, books (112% boost*), electronics (77% boost), and appliances (52% boost) were the hot categories
- Housekeeping supplies (17% boost), apparel (11% boost), and jewelry (10% boost) lagged
- Whether it be the holiday season or interim shopping events like Prime Day, clothing, groceries, electronics and toys are the primary products consumers are looking for online**

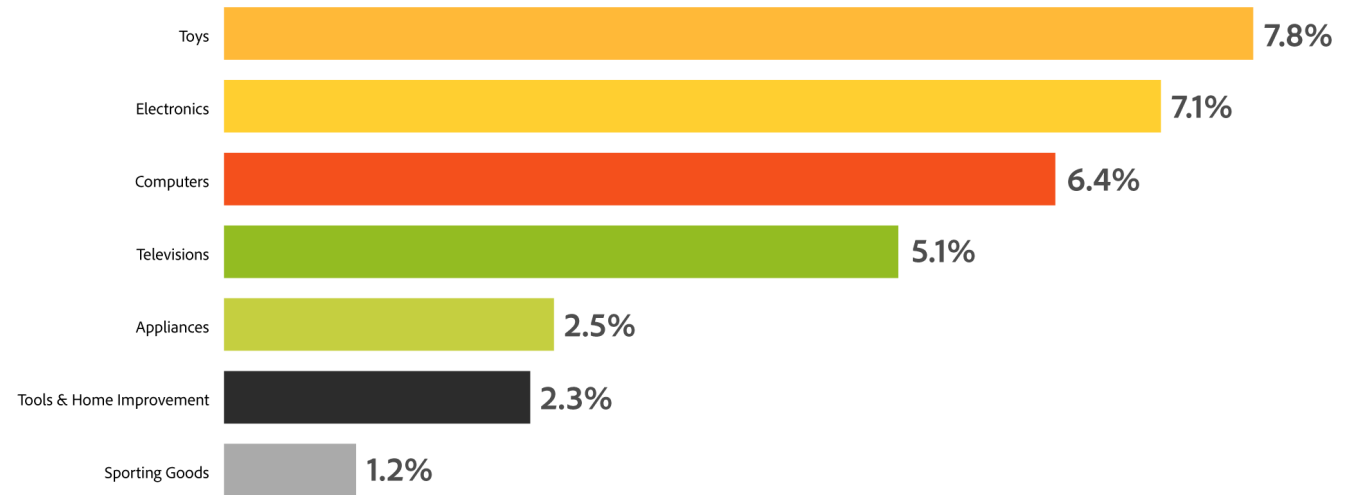


* October 13 – 14 vs. October 1 – 12

** Survey insight

Prime Day shows best deals in toys and electronics

- Most product categories show significant dips in prices on Prime Day as retailers try to entice consumers during this artificial holiday
- Toys and electronics show the steepest discounts at 8% and 7% respectively
- 47% of consumers expect other retailers to offer online deals because of Prime Day**
- 46% of consumers say they are saving money by shopping on Prime Day**



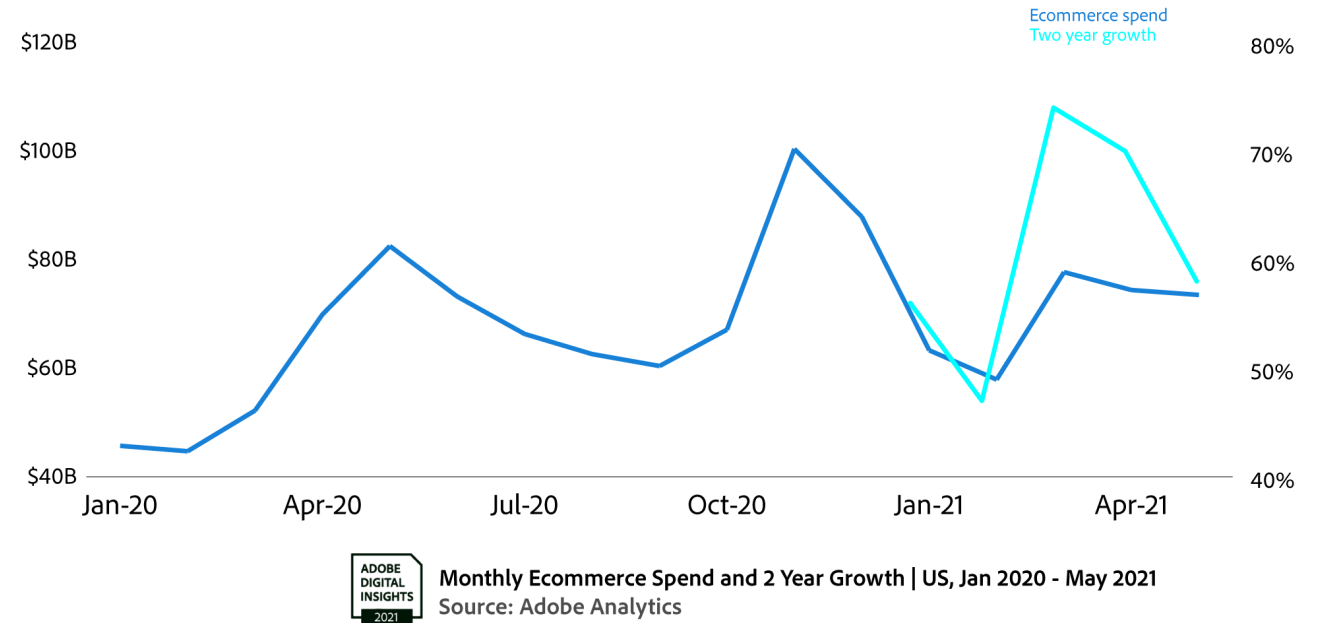
Discounts by Product Category on Prime Day | 2020
Source: Adobe Analytics

* October 13 – 14 vs. October 1 – 12

** Survey insight

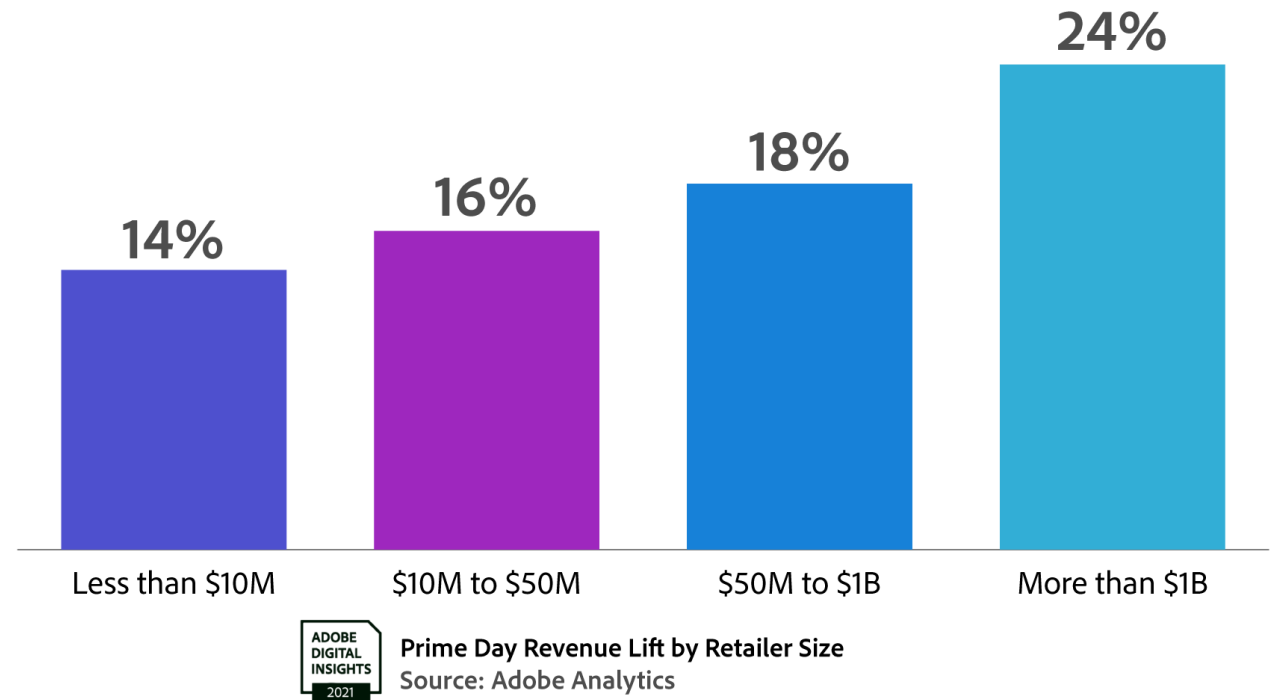
Ecommerce showing strong momentum even as reopenings and vaccinations advance

- The high base in 2020 is putting May YoY growth at -11%
- The closely watched two-year growth is strong at 58%, just below the stimulus-fueled growths of 74% and 70% for March and April
- If May growth levels were to persist, holiday 2021 would grow at 19.7% YoY
- Almost 31% of consumers* say they are planning to spend some of their stimulus dollars towards Prime Day deals
- May totaled \$73.5B in online spending



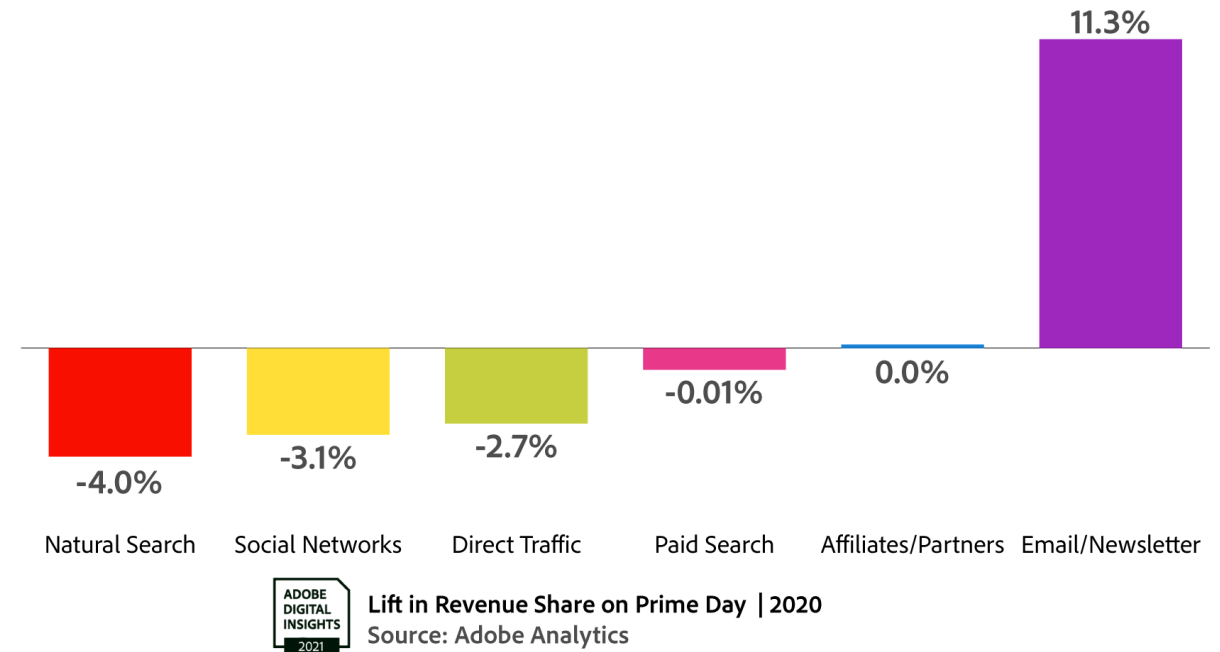
The largest companies are best at capitalizing on Prime Day

- The biggest players in ecommerce are the most successful at capitalizing on the Prime Day halo effect
- Retailers with over \$1B in sales in 2020 saw a 10% point higher lift in sales compared to their sub \$10M counterparts
- 34% of consumers prefer to buy from small businesses on days like Prime Day*



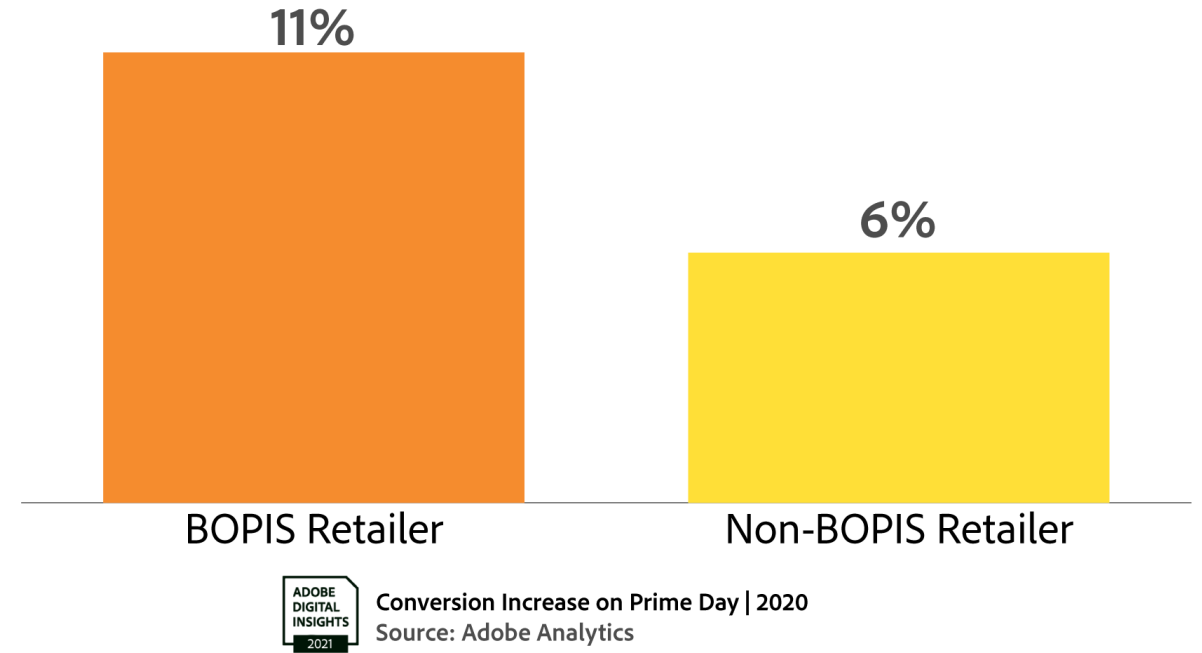
Retailers attract customers through their email inboxes on Prime Day

- In order to compete on Prime Day, retailers turn to their email lists, attracting consumers through targeted email deals
- Share of sales with email as the last touch channel increase by +11% during Prime Day
- Every other channel is flat or down in share during these days



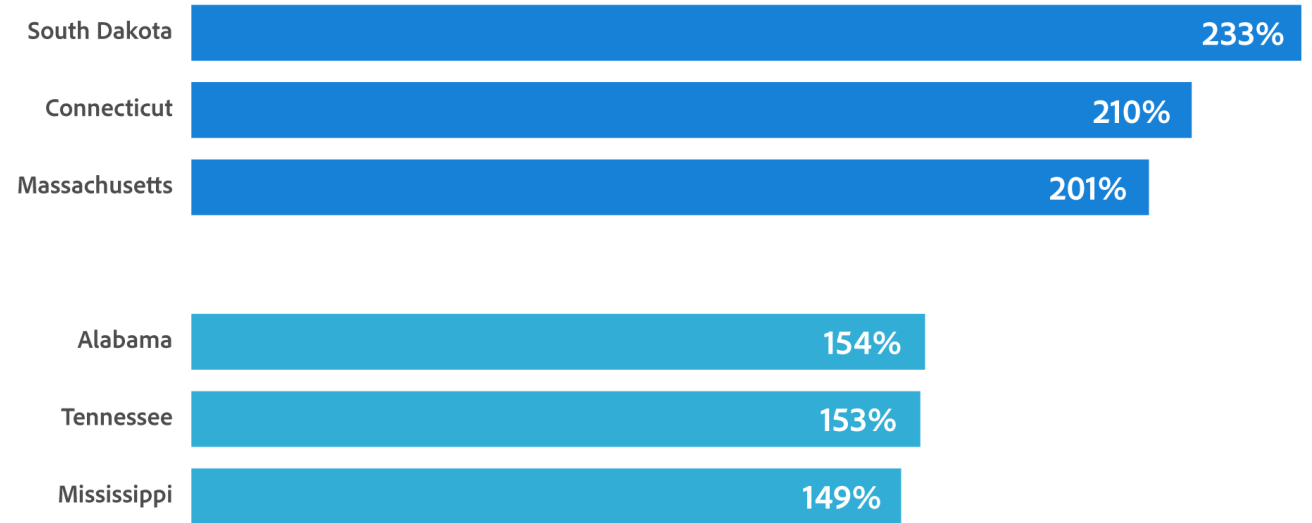
Physical presence gives an edge on Prime Day

- Retailers who offer a buy online, pick up in store (BOPIS) option see a lift in conversion that's twice as big as their counterparts that don't offer BOPIS
- In March 2021, 42% of consumers advised they were actively avoiding shopping in store
- Three months later, in June 2021, that number has decreased to approximately 30%



Prime Day adoption varies significantly by region

- South Dakota had the biggest lift on Prime Day 2020, with 233% boost over the two days. Connecticut came in close second with 210%
- Alabama, Tennessee and Mississippi saw the lowest lift, with still considerable 154%, 153% and 149%, respectively
- Enthusiasm about Prime Day varies across the US – only 51% of consumers in the West are planning on Prime Day shopping this year vs. 61% in the Northeast and South



Highest and Lowest Prime Day Revenue Boosts | US 2020
Source: Adobe Analytics

Laggards benefit the most from Prime Day

- Companies that showed the lowest growth in Q1 2021 showed the biggest lift in revenue on Prime Day 2020
- 33% of consumers say that they will be spending with other retailers besides Amazon over Prime Day*

