2024 HOLIDAY FORECAST
RETAILERS MUST TACKLE SHORTER, MORE COMPETITIVE SHOPPING SEASON WITH DISCOUNTS, DATA, AND AI

The SSI indicates that shoppers are particularly price-conscious right now. 2/3 of global shoppers report that prices will dictate where they choose to shop in 2024 (up from 46% of shoppers in 2020), with less than one-third prioritizing the quality of the goods.

As consumers hunt for the best deals, retailers can use strong and strategic discounts to appeal to and convert shoppers. Retailers can also use AI to augment employees, increase operational efficiency, build deeper customer relationships, and drive higher margins.

Forecasts on the 2024 holiday shopping season (Nov. 1-Dec. 31):

With 47% of shoppers saying they are buying the same amount as last year, and 40% buying less, holiday sales growth is expected to be softer than in 2023, which increased 3% year-over-year (YoY) and totaled $1.17 trillion.

21% purchases this holiday season will be made on Chinese shopping apps such as Temu, Shein, AliExpress, and TikTok. Since the last survey in April 2024, there's been a 24% increase in the number of shoppers who report making a purchase through the app.

2/3 of shoppers say they're holding out on making big purchases until Cyber Week, largely because they believe this to be the best week of the season for deals and promotions. Global discount rates will rise briefly in October and peak at an average discount of 28% during Cyber Week. In the U.S., the average discount rate is expected to reach up to 30%.

18% of global orders during the 2024 holiday season to be influenced by a combination of predictive and generative AI. This amounts to $201 billion in global online sales. AI-embedded site search will drive a nearly 3x better conversion rate compared to online shoppers who don't engage with site search.

--Salesforce

Are you ready?

Chart: E-commerce 2017-2029 revenue trend

E-COMMERCE REVENUE FROM 2017 TO 2029

• E-commerce market revenue is projected to reach US$4,117.00bn in 2024.
• Revenue is expected to show an annual growth rate (CAGR 2024-2029) of 9.49%, resulting in a projected market volume of US$6,478.00bn by 2029.
• With a projected market volume of US$1,469.00bn in 2024, most revenue is generated in China.
• In the E-commerce market, the number of users is expected to amount to 3.6bn users by 2029.
• User penetration will be 40.5% in 2024 and is expected to hit 49.1% by 2029.
• The average revenue per user (ARPU) is expected to amount to US$1,620.00.

--Statista

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