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2021 Holiday Habits Report from Bluedot Reveals Overwhelming Consumer Concern Over Merchandise Shortages, Empty Shelves, and Price Increases

Holiday shoppers turn to mobile apps and social media platforms to tackle the problem

SAN FRANCISCO, Oct. 14, 2021 -- Bluedot, a customer arrival platform that empowers brands to provide real-time interactions and pickup solutions, unveiled its 2021 Holiday Habits report. The annual report, now in its second year, examines consumer shopping behavior during the fast-approaching holiday shopping season and is based on a survey conducted last month of 1,058 Americans. Among the key findings, consumers indicated they expect to face merchandise shortages and therefore plan to shop for holiday gifts earlier this year. The report also uncovered a surge in consumers planning to shop on mobile apps and social platforms for holiday gift purchases.

Consumers appear to be keenly aware of the supply chain and staffing challenges crippling retailers across the country. Eight in 10 (82%) expressed concern over merchandise shortages and more than half (59%) are concerned with price increases. Three-quarters (76%) plan to shop online or on mobile apps as a way to tackle the problem while nearly one in four (24%) plan to shop in-store earlier.

According to the data, 9 in 10 plan to use mobile apps for holiday shopping this year, and the vast majority (73%) plan to purchase at least half of their gifts via mobile. The report also uncovered an increase in mobile app downloads with the majority (64%) expecting to download at least one new retail app this year, up from 61% in 2020.

"A fragile supply chain and staffing challenges are having a crippling effect on retailers. The fight for share of wallet will not happen at brick-and-mortar, but digitally this year," said Judy Chan, Bluedot CMO. "For retailers, the data only reinforces the importance of getting a mobile strategy right. This includes robust functionality, loyalty programs and social commerce, as well as location technology which eliminates the unwanted friction consumers are currently experiencing at pickup such as the excessive wait times at curbside revealed in this year's report."

Highlights

<u>Supply chain:</u> Consumers are worried about merchandise shortages and service this year

- The vast majority (86%) are concerned with supply chain issues, lack of merchandise, and labor shortages, and 8 in 10 expect merchandise shortages to impact their holiday shopping.
- Top concerns: Inventory shortages / limited supply (60%), pricing increases (59%), and empty shelves (43%), followed by long lines and wait times (40%).
- In response, consumers plan to shop more on the web (45%) and mobile apps (31%). Additionally, consumers expect to shop for different or alternative items (28%),

shop in-stores earlier (24%), or purchase more experiences or gift cards (20%).

Mobile apps: Mobile shopping surges

- 9 in 10 plan to use mobile apps for holiday shopping this year, remaining consistent with 2020 levels.
- The vast majority (73%) plan to do at least half of their holiday shopping on mobile apps.
- 64% plan to download at least one new retail app, up from 61% in 2020.
- 81% plan to use at least one retail mobile app for holiday shopping.
- The top reasons consumers plan to use mobile apps: fast and easy (57%), can't find items in-store (38%), check in-store inventory (27%), and earn and redeem loyalty points (25%).
- Nearly a third (32%) plan to purchase holiday gifts via social media platforms such as Instagram, TikTok, Snapchat, and Facebook.

<u>Curbside:</u> Consumers aren't happy with curbside pickup

- Two-thirds plan to use curbside pickup, down slightly from 80% in 2020.
- Among the problems: Excessive wait times rank as the top (42%) followed by having to text, call or email upon arrival (30%), inaccurate order (26%), not being acknowledged upon arrival (30%), and poor or lack of instructions on where to park (22%).

- 25% are satisfied with curbside pickups.

BOPIS: Most consumers plan to buy online and pickup in-store

- More than three-quarters (79%) plan to utilize BOPIS, a nominal dip from 81% in 2020.
- Among the dislikes: Too many people in line (46%) and excessive wait times (42%) ranked at the top, followed by inaccurate orders (24%), having to flag down staff, and an inability to find their order (14%).

<u>Generational:</u> Holiday shopping habits vary by generation

- Gen Z and Millennials are downloading more apps this year with 24% of Gen Z and 21% of Millennials planning to download three or more new retail apps this year.
- Millennials plan to do the majority of their shopping via mobile apps followed by Gen X. 56% of Millennials and 49% of Gen X plan to do 75% or more of their shopping on mobile apps.
- More than any other generation, Gen Z (42%) is the most likely to purchase holiday gifts through social media platforms.
- Millennials (62%) and Gen X (57%) plan to utilize curbside pickup the same amount or more often this year.
- The vast majority of Millennials (86%) plan to use BOPIS this holiday season. Baby Boomers are the least likely to use the service with a third expecting not to use BOPIS at all.
- Gen Z (40%) and Millennials (36%) are more likely to turn to mobile apps to deal with merchandise shortages.

Survey Methodology

The survey was conducted via SurveyMonkey September 28 - 29, 2021 among a national sample of 1,058 American adults aged 18 and older. In addition to looking at the overall sentiment, the survey was categorized by generations: Baby Boomers (30%), Gen X (29%), Millennials (26%), and Gen Z (15%).

About Bluedot

Bluedot is a customer arrival platform that empowers brands to provide real-time interactions and pickup solutions. The company's hyperaccurate location technology identifies exactly when and where a user arrives whether that's entering a store, pulling into a curbside pickup space, or at a parking lot. Bluedot enables brands to provide timely messaging and offers, automated loyalty identification, frictionless curbside pickups, and more. Easy to implement, Bluedot is inherently compliant with GDPR and CCPA.

Bluedot works across key industries including retail, restaurants, theme parks, and transportation. The global brands that trust Bluedot for their location strategy include Federal Realty, McDonald's, Dunkin', Six Flags, and IAG. For more information on Bluedot and its solutions, visit bluedot.io.