

CPG Holiday Season Sales Trends for Emerging Brands | 2022

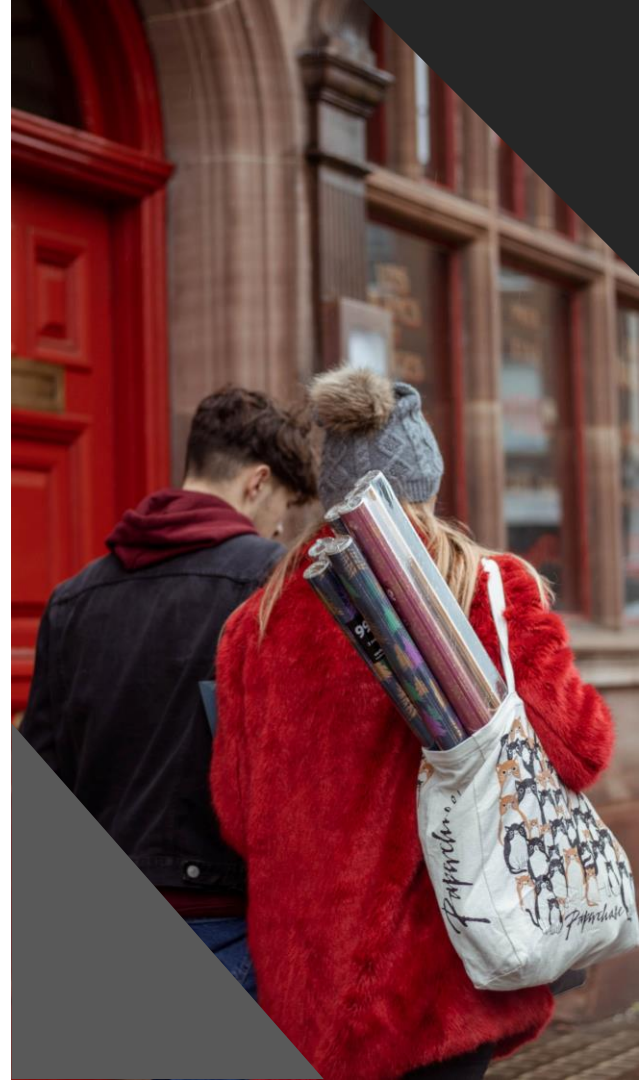


CPG Seasonal Sales Trends for Emerging Brands

As an emerging brand, holiday sales likely make up a large portion of your overall revenue. But, every year is different. So, it's hard to identify the CPG seasonal sales trends to focus on.

Our team at NielsenIQ has taken a look at some of the seasonal sales trends we've seen over the past couple of years to help. We've also factored in the current state of affairs to give you **better insight** into the upcoming holiday season and beyond.

Read on to learn what seasonal sales trends we've seen, what this may mean going forward, and how you can use this information to plan for seasonal sales spikes.



2021 CPG Seasonal Sales Trends Look Back

To better understand the present and prepare for the future, you need to evaluate the past. With that in mind, let's take a look at some of the results we saw in 2021 and identify whether these trends look to reemerge this year.

Here are a few sales trends we saw in 2021:

Beauty Brands Saw Strong Sales

Despite inflation concerns, supply chain issues, and the omicron variant, shoppers remained optimistic. Beauty and personal care experienced a strong sales resurgence across in-store **(+12.5%)** and online **(+27.8%)** channels compared to 2020. Tech giant Amazon accounted for **39.9%** of total online category purchases for the holiday season. However, in 2022, more consumers are moving to private label and less expensive alternatives, so luxury beauty brands may not perform as well regardless of channel.

Supply Chain Issues Impacted Demand

Businesses had to grapple with rising material costs, delayed shipments, and low stock. Unfortunately, this meant the most in-demand products could not keep up with demand. Luxury brands, popular toys and clothing, and FMCG products all faced shortages before and during the holiday sales season. This meant that many brands were forced to increase their price points to get the most out of their limited stock and cover increasing costs. While supply chain issues are less common in 2022, rising material costs are still a major concern for many brands.

2021 CPG Seasonal Sales Trends Look Back

Convenience Was Top Of Mind

Consumers had become so used to the convenience of shopping from home that online sales and click-and-collect shopping were the go-to for many shoppers. This was across all categories and purchase volumes, so many brands that had a presence in-store and online saw strong sales. This trend looks to be the new norm, with convenience playing a major factor in shopping. In 2022, brands embracing omniselling are still outperforming their less omnipresent competition.

Groceries and Bev&A Sales Spiked

The 2021 holiday season was a time of celebration. Many consumers reunited with family and friends for gatherings that hadn't occurred for a few years. This meant that ample supplies of food and alcoholic beverages were purchased, bringing much-needed sales to many brands. These trends included both value and premium products, so brands in every category saw strong sales for the holidays. In 2022, this may not be the case as the recession continues to intensify and consumers are more cautious with their spending.



2022 CPG Seasonal Sales Trend Forecast

The 2022 holiday season will be challenging with the recession on consumers' minds, prices increasing across the board, and supply chain issues still looming. Early signs show that this year may be unlike any other.

With that in mind, here are five sales trends to keep an eye on this holiday season:

Omnichannel Selling Is the New Normal

Total CPG online sales are **up \$21 billion** over last year. But, **only 14%** of consumers are still solely shopping for FMCG products in brick-and-mortar stores. Adopting an omnichannel sales approach this season and targeting these budget-conscious consumers will be key. Consumers are also increasingly making pickup orders in conjunction with in-store shopping runs. More than one in five **(22%)** of shoppers now plan an in-store shopping trip combined with a prior online order.

Groceries Top the List

With the recession on consumers' minds, holiday grocery shopping in 2022 will take a hit. Consumers are leaning toward less-expensive alternatives. This may include buying private label products, smaller quantities of products, or switching to value brands. In early promotions, **38%** of consumers surveyed shopped for deals on groceries and everyday essentials instead of big-ticket items. Grocery brands will need to take advantage of the promotional period if they want to keep demand high and sales steady throughout Q4.

2022 CPG Seasonal Sales Trend Forecast

Frugality Is Center Stage

The 2022 holiday shopping season had a premature start with Amazon, Target, and Walmart all offering various versions of their own discounted deal days in October. But, **41%** of Americans say they didn't make a dent in their holiday shopping. Instead, they focused on buying everyday essentials. These consumers also noted disappointment in the level of discount being offered. As a result, most consumers prioritized smaller purchases and deals with **72%** indicating they spent **under \$200** on a mixture of holiday gifting and everyday essentials. Going forward, we expect to see consumers holding more tightly to their cash. This means your offerings and promotions need to hit the mark more than ever to gain traction.

Here are the top 5 most common private label category purchases:

- Beauty
- Pet
- Home Cleaning Supplies
- Vitamin + Supplements
- Oral Care

2022 CPG Seasonal Sales Trend Forecast

Amazon's Continued Dominance

While the early shopping results were weak, the strongest participant was Amazon. Since Amazon is the cause of the early shopping sale days, it's unsurprising that the eCommerce giant is seeing continued growth. Two areas where they saw strong gains were in apparel and private label. **51%** of consumers surveyed stated that they specifically shopped Amazon Prime Day 2.0 to find discounts on clothes/apparel. Meanwhile, private label sales were up across many different categories. Knowing where your category is faring best and putting your efforts behind can make all the difference.

Promotions Will Be King

The holiday sales season has always been built around promotions including Black Friday and Cyber Monday. This period is still going to be prime sales for most brands as many consumers eagerly await the sales. NielsenIQ's survey shows that **85% of consumers** stated that they will be checking out Black Friday and Cyber Monday deals in November. But in 2022, consumers are more concerned about buying daily goods. As inflation continues to impose a cost-of-living crisis on consumers, recent deal day shopping holidays have become less about bargains on big-ticket gifts. So, the size of the promotional discount on usual holiday fare must be larger than usual to entice.

Keep On Top of Trends with Retail Data

Understanding the state of the current market, your position in it, and evolving trends hinges on your ability to access up-to-date and accurate data. That's why it's vital to understand how CPG data can help your business grow and dedicate a budget to investing in a good data platform.

With Byzzer's reporting solutions, you can have all the data you need at your fingertips. Byzzer provides breakdowns of a wide range of attributes and markets in easy-to-digest reports. Best of all, we'll show you how to leverage this information for your action plan.

Interested in more valuable insights like these?

[Unlock Free Access to Byzzer](#)

