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**Subject:** Cyber Monday 2023 Overview: Smartphones



## MARKET INTELLIGENCE REPORT



### Smartphone

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Dec 05, 2023



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## PRODUCT UPDATES

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## PRODUCT UPDATES

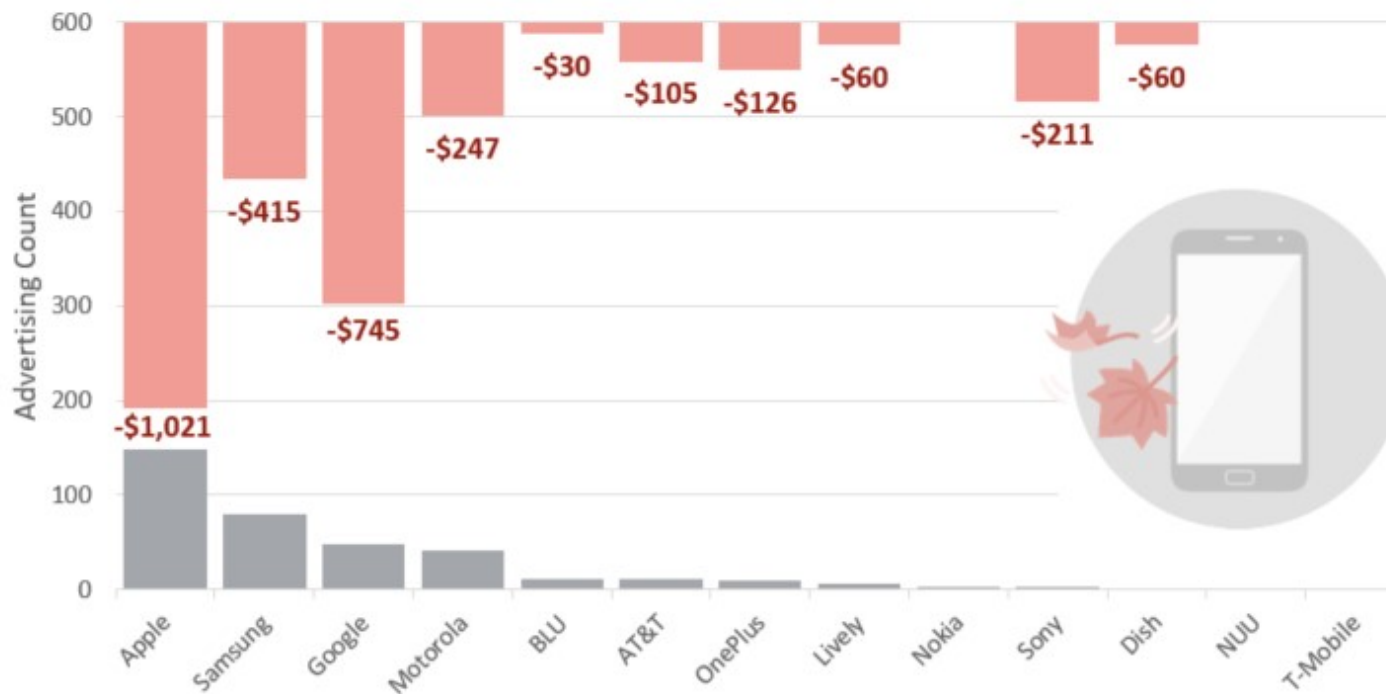
**gapSnapshot: Smartphone Advertising Drops YoY & MoM in November 2023**

This week's Snapshot explores advertising for smartphones during the month of November 2023 by brand. It compares each brand's overall advertisement count and the average value of incentives offered during the month. The chart includes a mix of Trade-Ins, Instant Savings, Free Gifts, Gift Cards, and/or Bundles. Postpaid, prepaid, and other segment advertising is reflected in the chart.

### gap impact summary

- November 2023 advertising drops 39% YoY (365 vs. 601 ads [in Nov 2022](#)), & falls 23% MoM (vs. 471 in October 2023) as smartphones make up lessening part of “early” holiday push
- Apple leads monthly ad landscape YoY, its 41% share is 6ppts up from November 2022
- Samsung's 22% share of November 2023's advertising is -11ppts under its influence last year
- Google & Motorola trail far behind w/ respective 13% & 12% shares of November 2023's advertising
  - Double the share for Google YoY, but -1ppt down for Motorola YoY
- Apple also continues to lead in average incentive values this month w/ \$1,021 average, well above its \$650 average from last year, an increase of 36% in value
- Trade-ins are most common tactics across advertising landscape, holding 28% share of the marketing mix YoY
- Instant Savings are November 2023's next most common incentive type, present in 19% of the month's advertising, +9ppts YoY

## Smartphones: November 2023 Advertising by Brand



\*includes print & online advertising for November 2023; unlocked, prepaid & postpaid segments

\*gap intelligence panel includes: Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, Sam's Club, Target, T-Mobile, US Cellular, Verizon, Walmart



Source: "Advertising" tab within the December 3, 2023 Pricing & Promotions Report in [Dashboard](#) Recent

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## Cyber Monday 2023 Overview: Smartphones

Cyber Monday (Nov. 27) this year saw shoppers spend 9.6% more than in 2022, for a total of \$12.4 billion, [data from Adobe Analytics](#). Cyber Monday 2022 was the single biggest online shopping day of all time, and numbers surpassed that as well as Adobe's prediction of \$12 billion. During the peak shopping hour (10 - 11 AM), online shoppers spent \$15.7 million every minute. Compared to an average shopping day from earlier in the

(October 2023), several key categories saw dramatic upticks during the shopping holiday, including appliances (+103%) and electronics (+103%).

Cyber Week 2023 (Nov. 23 - Nov. 27) also showed a year-over-year (YoY) improvement, with an increase to reach \$38 billion, driven by record breaking days on Thanksgiving, Black Friday, and over the weekend. Franchises were responsible for 60% of consumers' overall spending during the event, including electronics (\$21.7 billion), clothing (\$19.2 billion), furniture (\$14.7 billion), groceries (\$6.8 billion), and toys (\$3.1 billion). Adobe anticipates spending for the full 2023 holiday season (Nov. 1 - Dec. 31) to reach \$221.8 billion, a YoY increase of 4.8%.

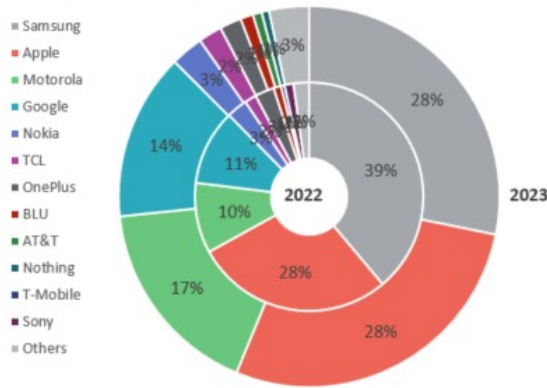
### gap impact summary

- Cyber Monday 2023 (Nov. 27) shoppers spent \$12.4 billion, increasing 9.6% YoY
  - Online spending reached \$15.7 million/minute during peak hour
- Cyber Week 2023 showed a YoY increase of 7.8% to \$38 billion
  - Record breaking days on Thanksgiving, Black Friday, & over weekend
- 23% of all smartphones were on sale during Cyber Week 2023, 3-points lower saturation vs. 2022
- Overall average discount level of 30%, 2-points deeper vs. 2022, 3rd consecutive year of improved discounts
- Samsung & Apple tie w/ 28% shares of 2023's event, Motorola keeps deepest average savings level YTD

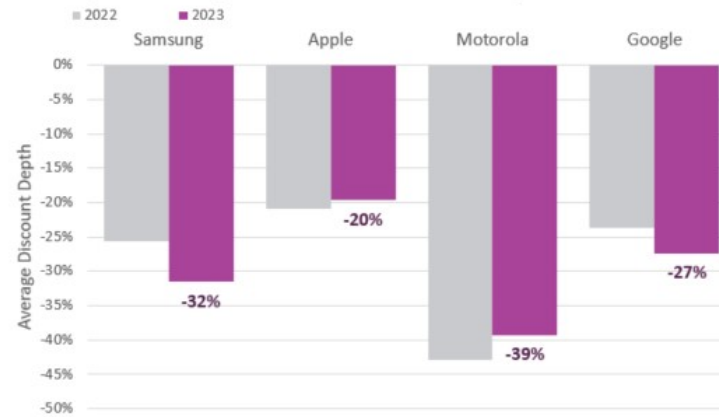
### Smartphones

Within gap intelligence's online collections, 23% of the smartphones listed across merchants were being promoted during Cyber Week 2023, down 3-points from 26% last year, and the overall average discount level for this year's event was 30% off, 3-points deeper on-year. This year's overall average savings level is the strongest yet for Cyber Monday, marking a 3rd consecutive year of deepening discounts for the sale event.

Smartphones: Cyber Week Share of Online Deals



Smartphones: Cyber Week Discounts by Brand



\*includes discounts off MSRP during Cyber Weeks November 2022 & 2023

\*gap intelligence panel includes: Amazon, AT&T, Best Buy, Boost Mobile, Costco, Cricket Wireless, MetroPCS, Sam's Club, Target, T-Mobile, US Cellular, Verizon, Walmart

Like last year, the Cyber Week 2023 deal landscape was controlled by Samsung, although it was responsible for only a portion of the promoted items, a reduction from its 39% share last year. Samsung held only a slight lead over Apple, with a steady 28% share of the deals both this year and last. Although Google has continued to gain broader support with its latest Pixel generation, Motorola moves back into a third place rank within the Cyber Week promotional mix with a 14% share versus 17% last year. It should be noted that both brands gained three to seven points YoY in the overall mix, which was reflected in Samsung's lower share at this time.

Some of the largest discounts for Cyber Week 2023 were issued to older generation smartphones in the prepaid and unlocked segments, while Metro maintained its consistent practice of giving away free models in the prepaid segment. The average discount depth was \$309 in value this year, down from \$329 maximum in 2022. Samsung's unlocked Galaxy Z Flip4 and Galaxy S23 Ultra had the largest savings in the segment with discounts up to 79% off at Best Buy, yielding aggressive net prices of \$544 and \$544, respectively. Samsung's postpaid Galaxy A53 5G was also discounted heavily at Best Buy for Amazon and Verizon, dropping up to 94% to low \$49 and \$24 net prices with activations through the national chain. Google had an 88% discount on its Pixel 6a for Verizon at Best Buy, dropping the model to \$49 net, while Motorola's Moto G Stylus 5G (2023) and Moto G Stylus 5G (2023) at \$9 and \$19 after 95% savings through Boost Mobile were among the most noteworthy prepaid segment deals.


## Online Promotional Events

Within Cyber Week, special online promotion events were launched by several merchants, but smartphones were the primary focus.

part of any of these. Instead, other categories like small kitchen appliances and TVs maintained the spotlight on national merchants for the online-centric sale period.

### Cyber Monday Advertisements


BestBuy.com ran special “Cyber Deals” on Sunday, November 26 that ran into Monday, featuring specific deals from Apple and Samsung, plus a generalized offer from the latter brand. Apple advertised a \$100 instant savings on its iPhone 15 Pro and iPhone 15 Pro Max with qualified activation (AT&T, Verizon) while Samsung took the offer a step further with \$200 savings for Cyber Monday on the unlocked Galaxy Z Flip5 256GB, plus an added \$100 Best Buy gift card. Samsung also advertised a blanket offer to “Save on Samsung Galaxy phones” in order to occupy space on Best Buy’s Cyber Deals sale while not providing further details.



Ends Monday.


**Save up to 50% with Cyber Savings Events.**

Shop in store and online.



iPhone 15 Pro and iPhone 15 Pro Max  
Save \$100 instantly  
with qualified activation.  
Terms and conditions apply.

[Shop Now](#)




Samsung - Galaxy Z Flip5 256GB (Unlocked)  
- Graphite

★★★★★ (164)

Cyber Monday Deal  
**\$799.99**  
Save \$200 Was \$999.99

Free \$100 gift card & 1 more with purchase  
A \$100.01 value

[See Details](#)



Save on all Samsung Galaxy phones  
with qualified activation.  
Terms and conditions apply.

[Shop now](#)

### Outlook

The smartphone market’s largest entities, Apple and Samsung, continued to define much of the deal landscape last week, as Motorola and Google worked to hold their leads over a wide array of lesser brands in the marketplace.

lessening overall deal count YoY and lack of presence within more Cyber Monday-specific promotional event advertising illustrates a waning interest to feature smartphones prominently for the online-focused sale week. The increase in average discount depth during this year's event shows that brands are still working to offer the best at this time of year to maximize consumers' attention.

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## INDUSTRY REPORTS

### Sam's Club Opening Two Distribution Centers in 2024

Sam's Club [announced](#) it will be opening two new distribution centers in early 2024 near St Louis, Missouri and Minneapolis, Minnesota. It is part of a multi-year plan to improve network and end-to-end fulfillment capabilities for club merchant. The plan focuses on improved omnichannel fulfillment and larger stores. Sam's Club also previously announced plans for new distribution centers near Atlanta and Oklahoma City. The two facilities opening in 2024 are:

- St. Louis (Edwardsville, Illinois) campus opens in January 2024
  - 370,000 square-foot facility with more than 100 positions
- Minneapolis (Shakopee, Minnesota) opens in March 2024
  - 365,000 square-foot facility with more than 80 associates

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### Amazon Reports its Best Black Friday & Cyber Monday Shopping Event To-Date

From November 17 through 27, 2023, Amazon held its Black Friday and Cyber Monday shopping events, during which it sold more than one billion purchased items. The company [stated](#) that the event was its largest ever, with shoppers saving an average of 10% more versus last year.

#### Key Shopping Event Highlights

- More than 500 million items were purchased from small/medium independent sellers
- The event drove millions on new Amazon Prime memberships
- Millions of Amazon devices were sold, including Fire TVs, Echoes, & Ring products
- Best-sellers were personal safety alarms, games, tools, & beauty products
- The most Climate Pledge Friendly & Amazon Renewed items ever sold, including keyboards, game bars, Galaxy phones, blenders, & gaming consoles
- 300% increase in purchased units by Prime members through the [Buy with Prime](#) program
- Amazon hosted the first ever Black Friday NFL game through Prime Video, incentivizing consumers to watch & shop online

Amazon's holiday event was the company's third shopping event of the year, following Prime Day in July and Big Deals Day in October, kicking off the holiday season early in the fourth quarter. The e-commerce giant launched its 2023 holiday deals on popular items through Christmas Eve, including but not limited to Keurig brewers, Dewalt tools, and Sony headphones.

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## Black Friday Traffic Saw Increases Both Online and In-Store

National Retail Federation (NRF) conducted a survey of 3,498 consumers from November 22 through 26, 2022, that in-store shoppers during Black Friday increased by 3.3 million shoppers to 76.2 million. An increase in online shoppers were also seen with 90.6 million shopping online during Black Friday, up from 87.2 million last year. Cyber Monday, however, saw a decrease in the number of online shoppers to 73 million, from 77 million last year. NRF, there was a total of 200.4 million consumers who shopped between Thanksgiving Day and Cyber Monday, an increase from 196.7 million last year and the largest amount of shoppers during that time since NRF began tracking in-store and online in 2017.

More than half (55%) of consumers surveyed took advantage of early holiday sales and promotions with 35% specifically in the week leading up to Thanksgiving (11/16-11/22). By Thanksgiving weekend, 85% of consumers started holiday shopping and were about halfway (48%) done so far. Consumers also stated that 55% of Thanksgiving shoppers planned to shop online, up from 50% last year.



weekend purchases were specifically driven by sales and promotions with 31% saying a limited-timed sale convinced them to make a purchase they were hesitant about, both up around 2% from 2022.

*The top destinations during the 5-day period for shoppers were:*

- Online (44%)
- Grocery Stores and Supermarkets (42%)
- Department Stores (40%)
- Clothing and Accessories Stores (36%)
- Electronic Stores (29%)

*Top Gifts Shoppers Purchased during the 5-day period were:*

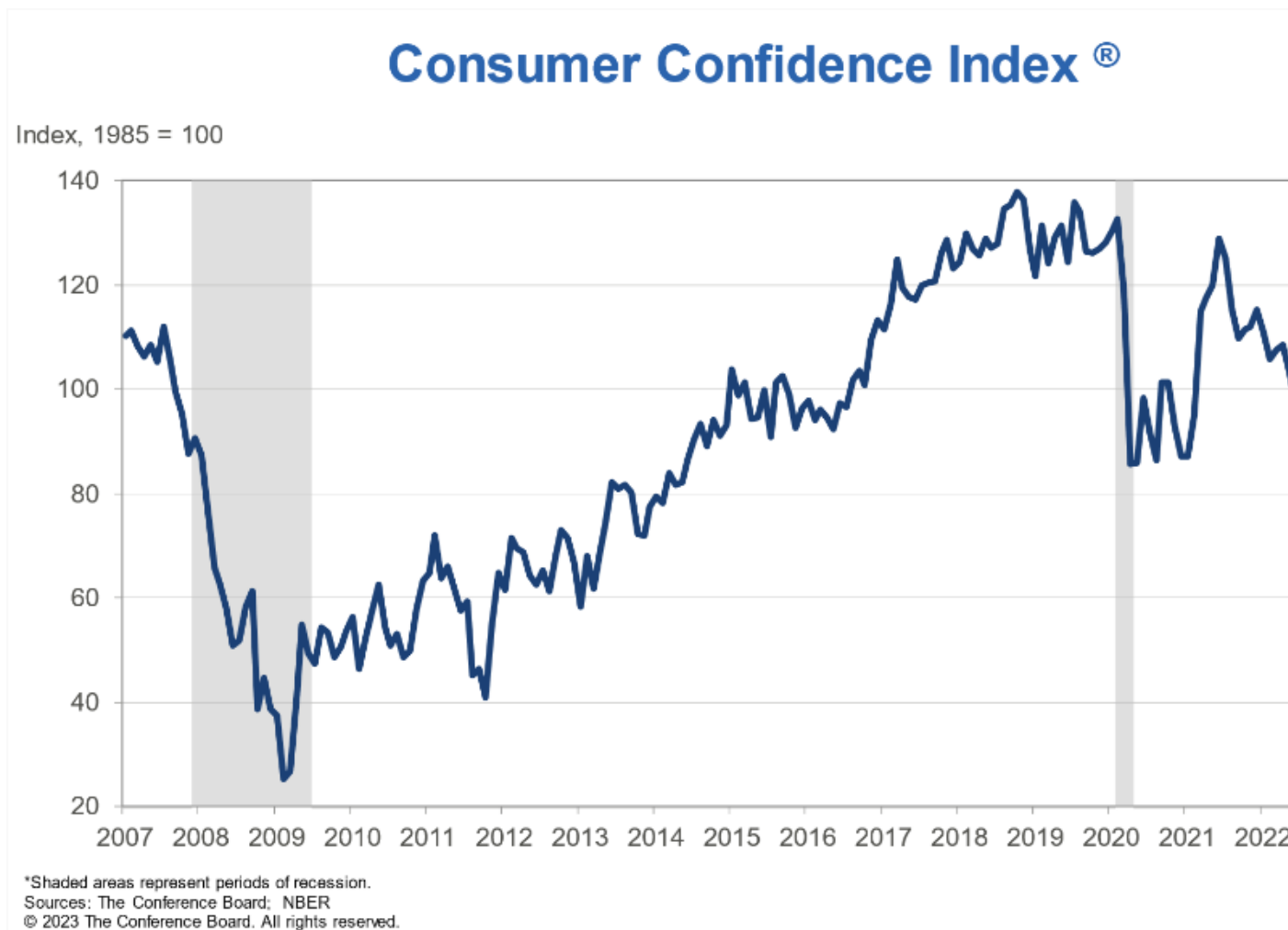
- Clothing and Accessories (49%)
- Toys (31%)
- Gift Cards (25%)
- Books, Video Games, and Other Media (23%)
- Personal Care or Beauty Items (23%)

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## Consumer Confidence Rebounds in November, After Three Months of Declines

The Conference Board reported an increased Consumer Confidence Index for the first time in three months, rising to 102.0 in November from a revised 99.1 in October. The Present Situation Index, which reflects consumers' assessment of the market, dropped only slightly to 138.2 from 138.6 compared to the previous month. Alternately, the Consumer Expectations Index, which looks at consumers' short-term outlook for income, business, and labor market conditions, increased to 77.8 in November, showing month-over-month gains from 72.7 in October. The gains in November in consumer confidence was driven by householders aged 55 and up, while householders aged 35-54 saw their confidence decline slightly.



### **Present Situation Index** - *Consumers' current business condition assessment*

- 19.8% said business conditions were “good,” up from 18.3% (+ 8.2% MoM)
- 19.5% said business conditions were “bad,” up from 18.8% (+ 3.7% MoM)
- 39.3% said jobs were “plentiful,” up from 37.9% (+ 3.7% MoM)
- 15.4% said jobs were “hard to get,” up from 14.1% (+ 9.2% MoM)

### **Expectations Index** - *Consumers' short-term outlook (next 6 months)*

- 17.3% expect business conditions to improve, up from 15.5% (+ 11.6% MoM)
- 19.5% expect business conditions to worsen, down from 20.9% (- 6.7% MoM)
- 16.1% expect more jobs to be available, up from 15.3% (+ 5.2% MoM)

- 19.6% anticipate fewer jobs, down slightly from 19.7% (- 0.5% MoM)
- 17.2% expect their incomes to increase, up from 15.6% (+ 10.3% MoM)
- 12.1% expect their incomes to decrease, down from 13.4% (- 9.7% MoM)
- 13.0% expect incomes to decrease, down from 14.1% (- 7.8% MoM)

## Present Situation and Expectations Index

Index, 1985 = 100



\*Shaded areas represent periods of recession.  
Sources: The Conference Board; NBER  
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Despite the increase in November, the Expectations Index remained below 80 for a third consecutive month, which historically signals a looming recession. November still saw around two-thirds of surveyed consumers stating a recession will either “somewhat” or “very likely” occur over the next year. The Conference Board noted that this information aligns with the brief recession it anticipates for the first half of 2024.

See also: [US Consumer Confidence Falls for the Third Consecutive Month in October 2023](#)

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