

# Brands must prepare for a different kind of Black Friday

After putting everything they had behind Black Friday 2021, local brands are taking a much more sensible approach this year by becoming more niche.



Source: [www.unsplash.com](https://www.unsplash.com)

But, with inflationary pressures and a much more wiley consumer, South African retailers will have to fight for every sale.

“Last year we saw brands throwing everything they had at Black Friday with the, possibly naive, expectation that the retail holiday would pull them out of the pandemic slowdown. This year, brands have woken up to the fact that they can’t all compete on the same day and are approaching the end-of-year trade in a more incremental fashion, pacing themselves over a longer period of time. We are also seeing brands being a lot more critical of what they have going for them, beginning their planning well in advance and making the most of smaller budgets,” explains Chelsea Owens, business unit director at Incubeta.

While January brought a sense of renewed hope for a post-pandemic recovery, it wasn’t long before a war in Ukraine and global inflationary pressures applied a vice-like grip on consumer spending.



How brands can market to a frugal consumer

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“Brands are likely to be more cautious this year in light of all the market uncertainty. Lower disposable income and a general fear of the unknown is taking its toll,” says Calvin Van Rensburg, media and platform consultant at Incubeta.

“Global energy costs are already inflating prices and will of course add to delivery costs. All of this is squeezing margins and brands will have to apply every value-add they can to lure customers.”

The specialists share some quick insights that brands should watch out for as they finalise their plans for Black Friday 2022.

## **Consumers are much more aware of brand trickery**

With tighter purses going into Black Friday, brands must expect a more savvy consumer to know if they are offering meaningful savings. Whatever they do, brands should not try to get away with bumping prices in the weeks ahead of sale days to make the savings look bigger on the day.

Many consumers have a longstanding wishlist and have been tracking products across retailers in anticipation of Black Friday. Any disingenuous price manipulations will be exposed and could end up costing brands dearly.

## **Don't expect the latest products to be discounted**

Similarly, consumers should adjust their expectations. Most brands won't be discounting their latest and greatest products, but rather looking to shift older stock ahead of the festive season. Brands are keenly aware of minimising slow moving stock and leveraging all the hype of the event can help them do this.

## **Work that loyalty**

Brands who understand just how tight budgets are and who offer the options to buy using loyalty points such as Discovery Miles and eBucks are likely to win big.

## **BNPL will hit its stride**

In the same vein, having buy now, pay later (BNPL) payment options at the checkout will really count, especially when trying to move big-ticket items as well as encouraging shoppers to load up their baskets.

## **Load shedding will have taken its toll**

Another consideration when choosing what to mark down, and by how much, is to remember that many South Africans will have spent a good deal of disposable income buying generators or other solutions to mitigate the effects of load shedding. This may well impact shoppers' appetite for big ticket items.

## **People will be doing their Festive shopping early**

People will be shopping early this year. Not just because they are being frugal and will be planning well in advance, but South Africans are expecting to travel again this year and so they will be looking to buy and have their gifts delivered before they leave on their December holidays.

Retailers need to bear this in mind when splitting their inventory and efforts between Black Friday and festive season sales.

As a final piece of practical advice for all retailers, Van Rensburg says: “Brands must have clear measurable goals going into Black Friday. They should maximize their value-adds in addition to excellent prices. Consumers are looking for free

shipping, rapid delivery, flexi payment options, voucher savings, bundled deals and other wins which will influence who they choose to support," Van Rensburg sums up.

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