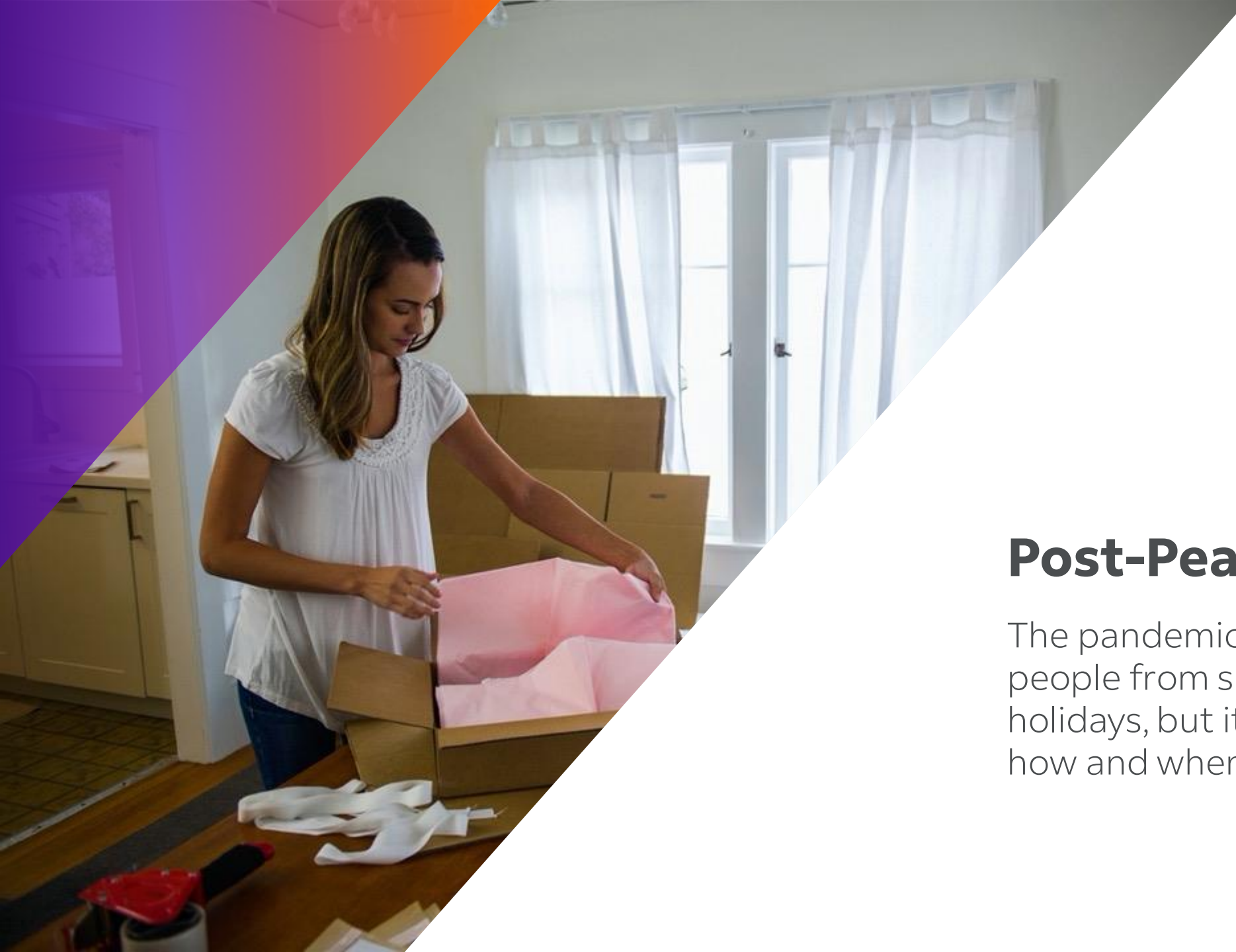


FedEx 2020 Post-Peak Report

A look back at the 2020 holiday season.





Post-Peak Report

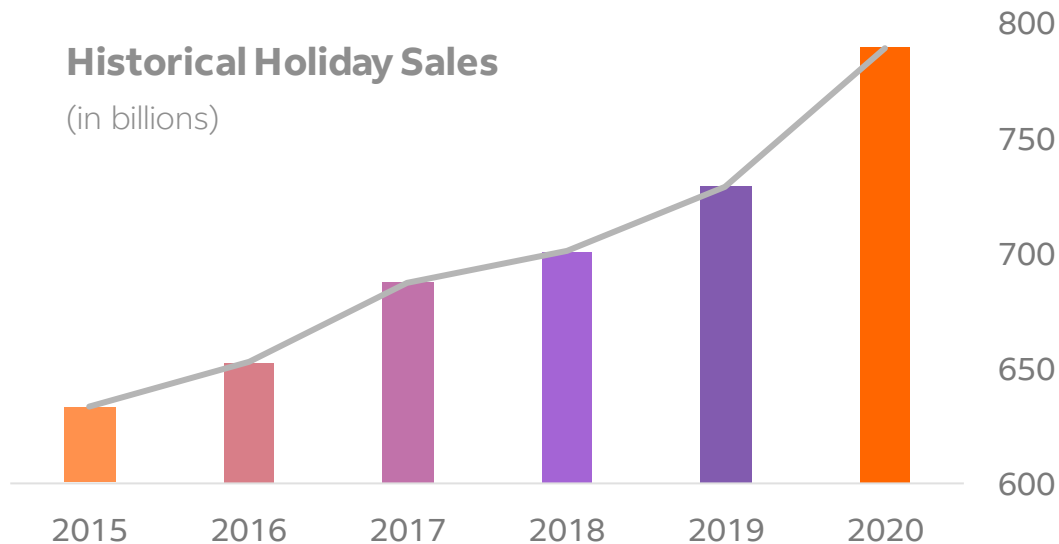
The pandemic didn't stop people from shopping for the holidays, but it did change how and when they shopped.

Post-Peak Highlights

- Sales stronger than ever
- E-commerce explosion
- Record-setting days
- Shopping started early
- On-time deliveries
- Freight weighs in
- Wrangling returns



Holiday sales grew more in 2020 than in the last five years, despite COVID-19



Sales grew 8.3% to \$789.4 billion—more than double the average increase of the previous five years.

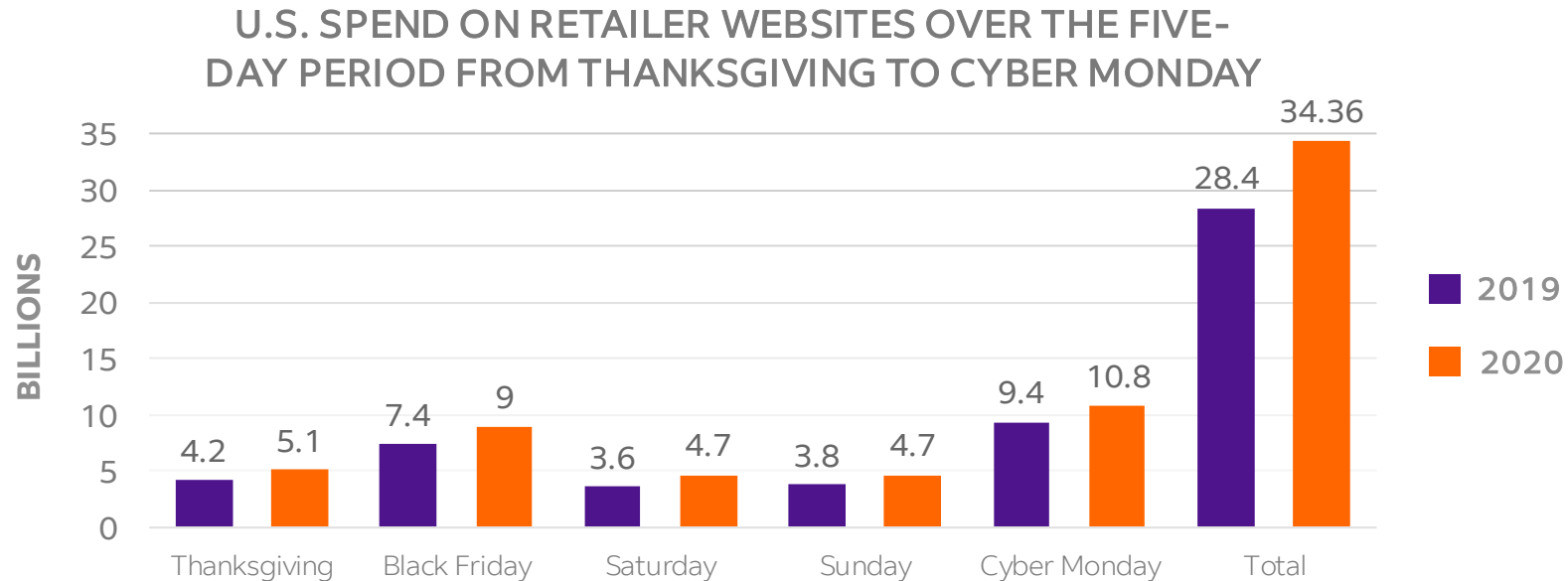


What helped boost overall holiday spending?

1. Stimulus payments from earlier in the year and the promise of additional stimulus checks.
2. Money saved by not traveling, dining out, or attending entertainment events.
3. Customer confidence increased with the news of COVID-19 vaccines becoming available.

E-commerce saw growth like never before

Online holiday sales **exceeded \$188 billion**—strong growth at **32% over 2019**.



What drove the big increase in online spending?

Safe-at-home guidelines and health concerns about visiting physical stores during the pandemic caused shoppers to turn to e-commerce.

Two record-setting shopping days

Cyber Monday set a new record for the **largest U.S. Internet shopping day ever.**

Online deals continued into Cyber Monday—among U.S. retailers, **the average discount was 29%.**

FedEx Ground® broke previous records with the pickup of **20 million packages** on Cyber Monday.

Small Business Saturday was the **fastest-growing day.**

77% of holiday shoppers said they were **more interested in supporting small, local businesses** struggling during the pandemic.

“The Cyber 5 Holiday Report,” Digital Commerce 360, December 2020; “eCommerce Returns: What to expect in early 2021”



Spend climbed earlier in the season than ever

Holiday season spending milestones reached earlier

\$50B

November 20, 2020,
six days earlier than in 2019

\$100B

November 30, 2020,
10 days earlier than in 2019

\$150B

December 13, 2020,
first time ever



Early-season deals tempered sales during Cyber 5

Daily total sales started increasing **19 days before Cyber Monday**—nearly two weeks earlier than previous years



Holiday shoppers said:

52% took advantage of early holiday sales and promotions this year

Of those, **38%** said they made holiday purchases in the week before Thanksgiving

53% felt Cyber 5 promotions were equivalent to those earlier in the holiday season



**Purchases were
up over 2019:**

+49% YOY

in weeks leading up to Black
Friday and Cyber Monday

+35% YOY

for the month of November

“Cyber Monday: Sales Records Abound for Obsolete Holiday,” PYMNTS, December 1, 2020.

“How 50,000+ Ecommerce Brands Used Owned Marketing to Drive Nearly \$1 Billion in Online Store Sales Across Cyber Weekend 2020,” Klaviyo, December 1, 2020.

“Reviewing 2020’s Holiday Shopping Season,” Adobe Digital Insights.

Online channels drove the season's shopping



Channels shopped during Cyber 5

Online only: 95.7 million (increase by 44% YoY)

In-store only: Just over 40 million consumers

Both online and in-store: More than 50 million consumers



One billion hours on shopping apps was estimated in Q4 2020, up 50% over last year.



Buy Online Pickup In Store (BOPIS)

2019: 22% of online spend

2020: over 62% of online spend



November purchases by device

Smartphone: \$39.6 billion—39%

Computer or tablet: \$60.7 billion—61%

Online Search

Drove **46.5% of total online shopping revenue**—9% higher than 2019

“Reviewing 2020’s Holiday Shopping Season,” Adobe Digital Insights.

“How 50,000+ Ecommerce Brands Used Owned Marketing to Drive Nearly \$1 Billion in Online Store Sales Across Cyber Weekend 2020,” Klaviyo, December 1, 2020.

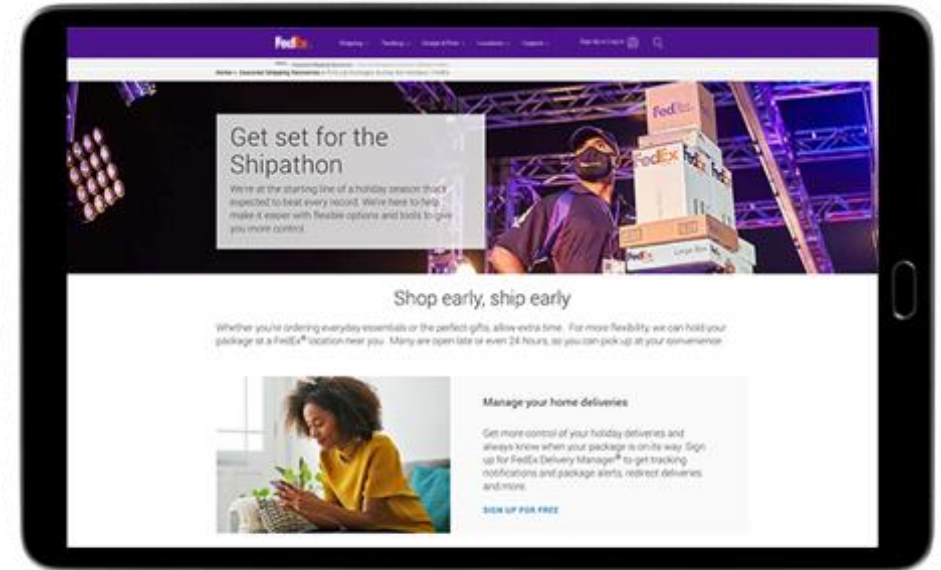
“Online sales grow a slower-than-expected 20.6% over Cyber 5 but still set records,” Digital Commerce 360, December 3, 2020.

“Four Shopping Trends That Shaped the 2020 Holiday Season,” Forbes, December 22, 2020.

“Adobe’s 2020 online holiday shopping predictions,” Adobe Trends and Research, October 28, 2020.

Despite the Shipathon, on-time delivery rates were strong

Record-setting online shopping meant shipping volumes like we've never seen—we even coined a term for it: the Shipathon. “Shop early, ship early” was our mantra for consumers.



3 billion packages delivered

throughout the 2020 holiday season.



On time nearly 94–97% of the time

in the four weeks from Nov. 22 to Dec. 26.



In its first year of contracted peak package delivery support, FedEx Freight® delivered nearly **429,000 packages for FedEx Ground.**

“Here's how on-time FedEx, UPS and US Postal Service were for holiday shipping season,” Memphis Commercial Appeal, January 6, 2021.

“The Cyber 5 Holiday Report,” Digital Commerce 360, December 2020; “eCommerce Returns: What to expect in early 2021”

It was a big season for big shipments

Freight shipping usage climbed early in 2020 and remained high throughout the holiday season.

More consumers placed online orders for large items like office and patio furniture and exercise equipment earlier in the year and continuing into the holidays.

Using the right shipping solution is key for e-commerce success. If you ship large or heavy products, it's worth considering freight.

Specialty sewing cabinets by Arrow are a favorite among sewers. Because they're large investment items, Arrow counts on FedEx to ship, place, and unpack their products. "Our dealers now have a solution to get furniture delivered into their customers' sewing rooms," says Robert Hafner, VP of Dealer Sales. "FedEx Freight® Direct premium fills a need, and results show it's driving sales."



Online returns reach record numbers

Rising to the challenge, businesses forged new partnerships to reduce costs and improve experiences for customers.



\$70.5 billion

in online returns in 2020

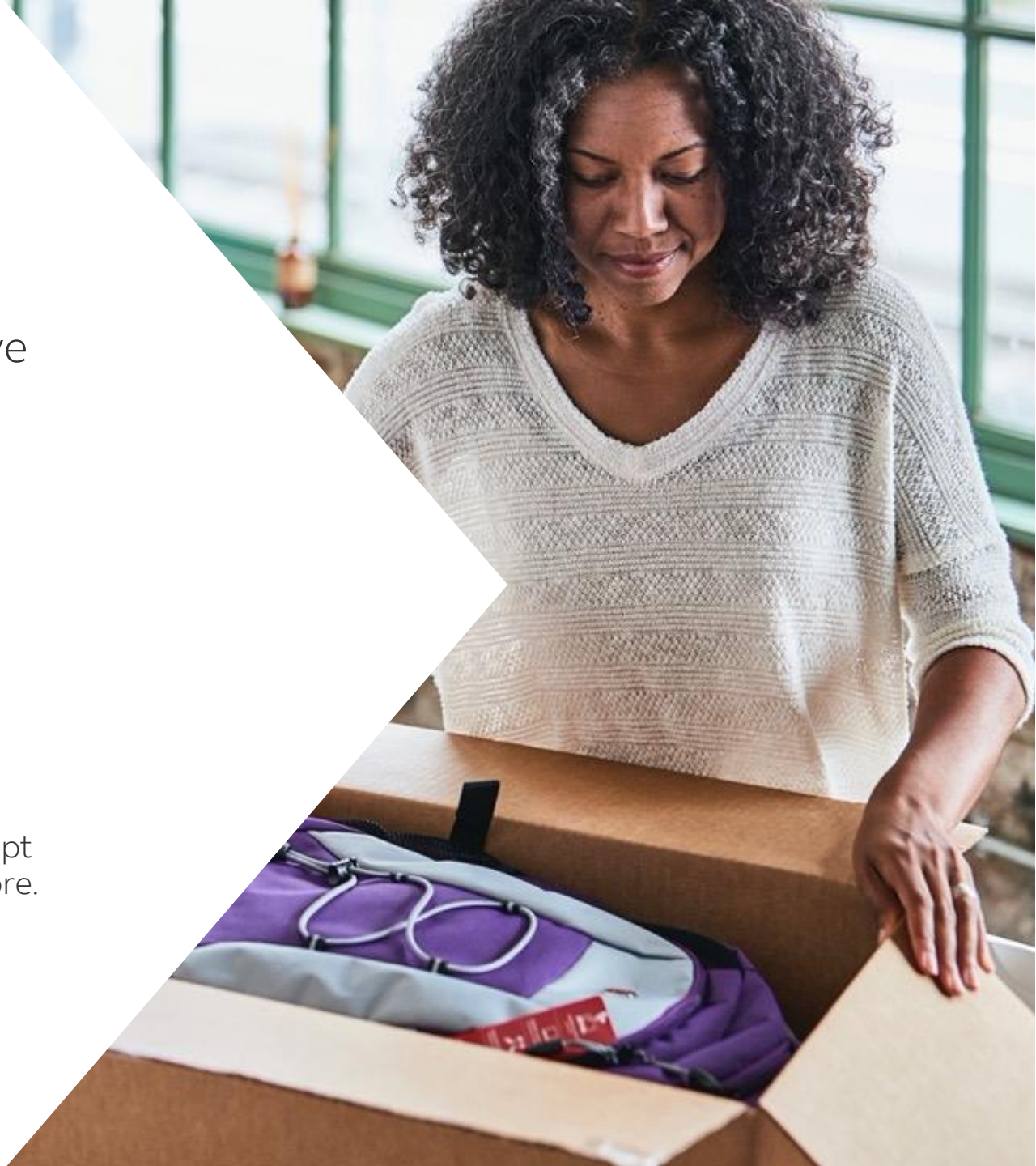


73% higher

than previous 5-year average

Third-party returns platforms are partnering with brands to accept returns at mall kiosks, chain drugstores, FedEx locations, and more.

53% of respondents said **retailers' return policies impacted where they chose to shop** this year.





Thank You

For more valuable business insights and tech tips, visit [fedex.com/small-business](https://www.fedex.com/small-business).