# Forrester: US Online Sales To Reach Historic Levels This Holiday Season

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### Despite uncertainty from COVID-19, US online holiday sales are expected to surpass $170 billion in 2020

CAMBRIDGE, Mass., Nov. 18, 2020 /PRNewswire/ -- Forrester (Nasdaq: FORR) estimates that US online holiday sales will grow 24% year over year in 2020. According to a new forecast report, "US Online Holiday Sales Will Reach Historic Levels Despite Uncertainty From COVID-19," US online holiday sales will mirror the high growth trend that online retail has experienced since the start of the pandemic.

Forrester expects US online holiday sales to reach $173 billion this year, up from $139 million in 2019. The key drivers and trends behind the holiday forecast include:

- **Limited stimulus fallout in the short term.** When the stimulus benefits ended in July, many feared drastic retail fallout. However, a historically high personal savings rate over the past five months has limited those declines.
- **Strong online sales growth.** Over the past 10 years, e-commerce sales have been a major driver of growth for retailers during the holiday season. As infection rates continue to rise rapidly, retailers should expect continued online sales growth for the remainder of the year.
- **Holiday sales starting earlier.** High online demand, uncertainty around a second pandemic wave, and concerns about potential logistics issues have driven retailers to start offering deals earlier than ever. Additionally, Amazon Prime Day moved to mid-October this year, with Target, Walmart, and other retailers following suit, pulling holiday demand earlier this year.
- **Large players continuing to win.** Throughout the year, large essential players such as Amazon, Target, and Walmart reaped the benefits of remaining open during the pandemic. As we reach the holiday season, we expect large essential players to continue to pull in the most US holiday revenue.

"The pandemic continues to change consumer behavior, and we have seen a significant boost in online sales this year," said Sucharita Kodali, VP and principal analyst at Forrester. "We see this trend continuing throughout the 2020 holiday season and into 2021 as social distancing measures remain in place and limit the number of in-store shoppers. Retailers must continue to invest in omnichannel service and fulfillment capabilities to manage and meet consumer expectations."

**Resources:**

- Read Forrester's report "US Online Holiday Sales Will Reach Historic Levels Despite Uncertainty From COVID-19" (client access required).
- Explore Forrester's retail holiday blog series for the latest insights on the opportunities and challenges for retailers and consumer brands.

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