



criteo.

2017 An Enlightened Holiday: Africa

Summary

Criteo has unique shopper insights based on shopping data from the 2016 holiday season in Africa. What we see is that ecommerce is driving the growth in retail and increasingly changing how shoppers behave offline as well as online.



1

Get excited.

Africa is primed for strong growth in holiday sales this year.

2

Be ready early.

A large portion of the growth should come *before* Black Friday.

3

Prep your on-the-go game plan.

Mobile will be big this year throughout the continent. Expect mobile sales to account for half of the total.



1

Holiday Sales Matter in Africa



Expect holiday sales in Africa to grow by double digits this year.

- **Ecommerce in Africa is booming.** Online sales more than doubled between 2015 and 2016, and we're expecting them to keep growing by double digits this year, too.
- **Holiday sales are strong.** Although not all of Africa celebrates Christmas, sales in Q4 are 15% above their annual average.
- **Average order value remains steady.** Despite heavy discounts, AOV stays stable during the holiday season.

+115%

Growth of online sales on the continent between 2015 and 2016

+15%

Online sales in Q4 2016 compared with the annual average

Insight

The holiday season in Africa is big – and getting bigger. Prepare accordingly to capture the most sales.



2

Holiday shopping in
Africa means more
than Black Friday

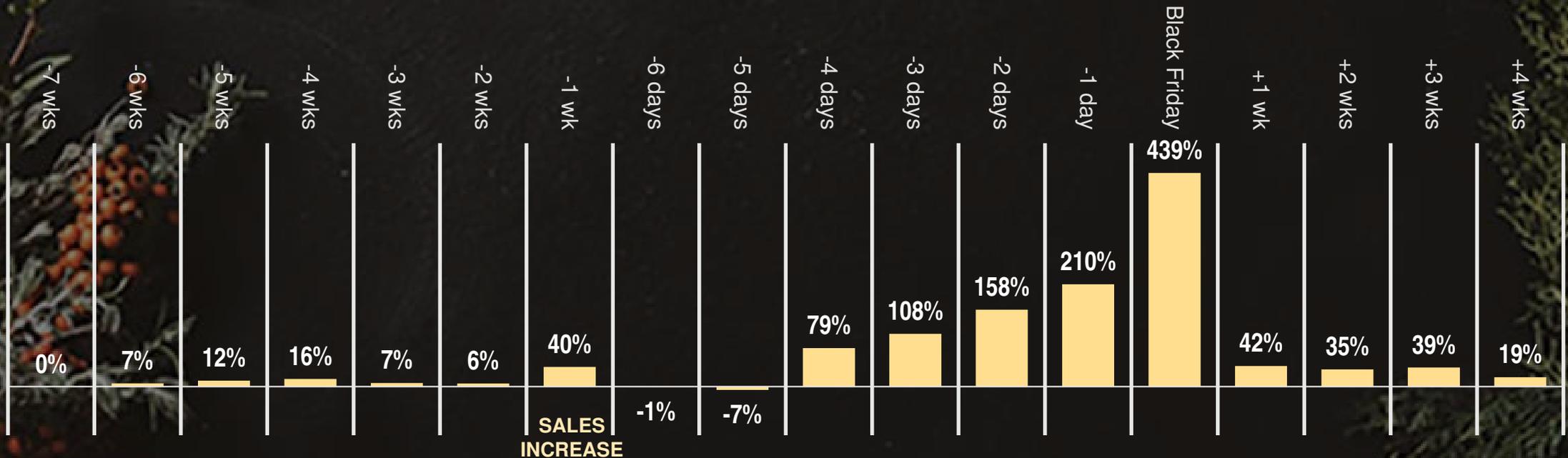


Prepare for a marathon not a sprint

Although Black Friday remains the top sales peak, its relative weight is decreasing. In 2016, its share among Q4 sales went down by half.

This year, expect high sales to last from mid-November to mid-December. The reason behind Black Friday's waning influence last year is retailers spreading their promotions across a wider period of time, with sales starting to pick up as soon as November 14.

Q4 Sales (percent difference vs. early October baseline)



3

Expect Big Mobile
Sales This Holiday



Mobile will account for close to half of African holiday sales this year.

Mobile sales are on a roll in Africa. Mobile accounted for over 1 out of 3 online sales in Q4 2016, up from 22% a year before. This year, we predict the share of mobile will be close to 50%.

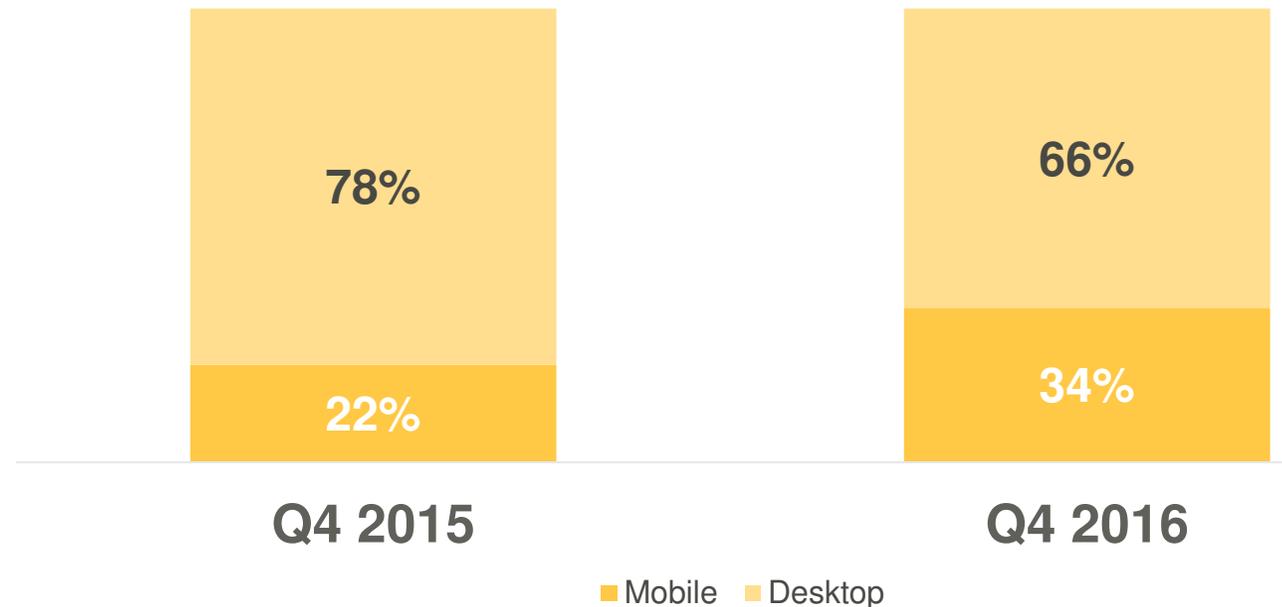
Watch Android apps. Thanks to the decreasing cost of entry-level devices, Android phones have been growing fast over the past year. Expect sales on Android apps to increase significantly this holiday season.

Insight

Get your mobile website and apps up and running long before the holiday season starts. Cater to shoppers using multiple devices by implementing technology that allows you to track them across different screens

Source: Criteo dataset of African retailers, excluding apps

Online sales by device: Q4 2015 vs Q4 2016



How to Enlighten **Your** Holiday?



1

Develop an always-on strategy for anytime commerce

Everything we thought we knew about retail seasonality goes out the window as shoppers shop when they want and where they want. Brands and retailers need to support their products throughout the winding shopping journey, which for many consumers starts as early as fall.

Begin using Criteo Dynamic Retargeting early to remain competitive and build a larger user-based cookie pool to be able to retarget consumers during key holiday peaks.

Brands and retailers also need to adjust their strategy and support holiday sales with Sponsored Products from early in the season and all the way into the New Year when gift card redemption season kicks in.

2

Take advantage of increased mobile conversion opportunities

With so many shoppers not just researching purchases on mobile phones, but buying on them, make sure you have Criteo Dynamic Retargeting for mobile turned on.

Mobile shopping and buying spikes on holiday weekends and it's a huge missed opportunity if you are not reaching these on-the-go consumers.

3

Optimize your retail search marketing strategy

Ecommerce is seeing the rise of entirely new brands partly due to first mover advantage and also because of a phenomenon called “top rank persistence.” If a product has a high organic search rank on a retail site, it’s self-perpetuating: it drives additional sales and keeps that product in a top rank.

4

Use your promotional calendar to help guide budgets

Promotional calendars online and offline should always be considered in respect to paid retail search budgets. With so many more shoppers in market due to the season, as well as your special offers, make sure they find you.

5

Reach the shopper, not the device or channel

Activate your CRM data with Criteo to ensure a seamless consumer shopping experience across devices. And, with a deterministic matching solution like Criteo Universal Match, you can focus on people-based vs. device centric marketing efforts.

Criteo Device Graph is an amazing attribution tool. It allows marketers to track the impact of digital campaigns both online and in stores. It can even measure outside of Criteo display campaigns. Criteo Device graph is an attribution tool that enables marketers to track the impact of digital campaigns both online and in store.

6

Increase CPCs to maintain win rates

Criteo suggests increasing CPCs for Dynamic Retargeting for the three weeks before Black Friday by 20% to ensure stable win rates. Increase them by 30% the week before Christmas.

7

Measure beyond the click

With Criteo, you can optimize your campaigns against goals specific for your business: margins, sales, revenue, share of shelf...

Our performance pricing model enables you to get results in metrics that make sense for your objectives.

8

Take advantage of the breadth of Criteo offerings

Criteo offers a full suite of performance marketing products for brands and retailers. Present your customers with the most relevant ad experience.

Criteo Sponsored Products increase product visibility as busy shoppers sort through thousands of options across retail sites. Brands benefit from the lift in sales, retailers from the incremental revenue.

Criteo Dynamic Retargeting can not only recommend the best offer from your entire product catalog in real-time — serving up personalized ads for maximum sales — it can drive shoppers back to your site once they've wandered away. It keeps you top-of-mind when they're ready to buy.

Getting shoppers what they need and love? It's what Criteo does best.

Methodology

Criteo identified these trends through the analysis of over 80 million shopping transactions across desktop, smartphones and tablets from retail advertisers in the below countries. Unless otherwise stated, mobile sales include sales via mobile websites and apps - both on smartphones and tablets.

Scope: Angola, Algeria, Cameroon, Egypt, Ghana, Ivory Coast, Kenya, Mauritius, Morocco, Mozambique, Nigeria, South Africa, Tanzania, Uganda, Zimbabwe.



About Criteo

Criteo (NASDAQ: CRTO), the leader in commerce marketing, is building the highest performing and open Commerce Marketing Ecosystem to drive profits and sales for retailers and brands. 2,700 Criteo team members partner with 16,000 customers and thousands of publishers across the globe to deliver performance at scale by connecting shoppers to the things they need and love. Designed for commerce, Criteo Commerce Marketing Ecosystem sees over \$550 billion in annual commerce sales data.

