

Ready to Wrap:

2015 Christmas Holiday Shopping Forecast



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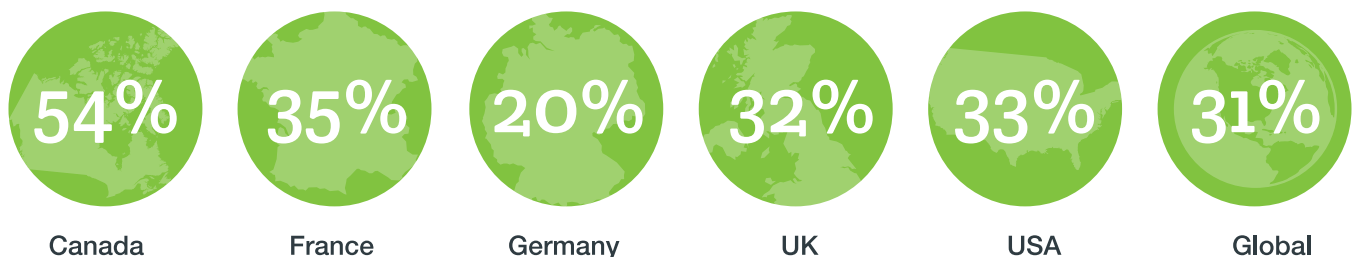
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As retailers make final preparations for the year's busiest shopping season, Demandware has analyzed data from its global platform, including the shopping activity of millions of shoppers, to predict activity for the 2015 Christmas Holiday Shopping Season. The forecast is based on 2014 holiday data, 2015 trends and intelligence gleaned from processing billions in gross merchandise value.

Traffic Drives Digital Commerce Growth

With steady growth thus far this year, and last year's strong peak season, compounded by an additional day between Thanksgiving and Christmas, we project orders to grow 31% globally over last year. In the US and UK, we project orders to grow 33% and 32% respectively.

EXPECTED 2015 CHRISTMAS HOLIDAY ORDER GROWTH BY REGION

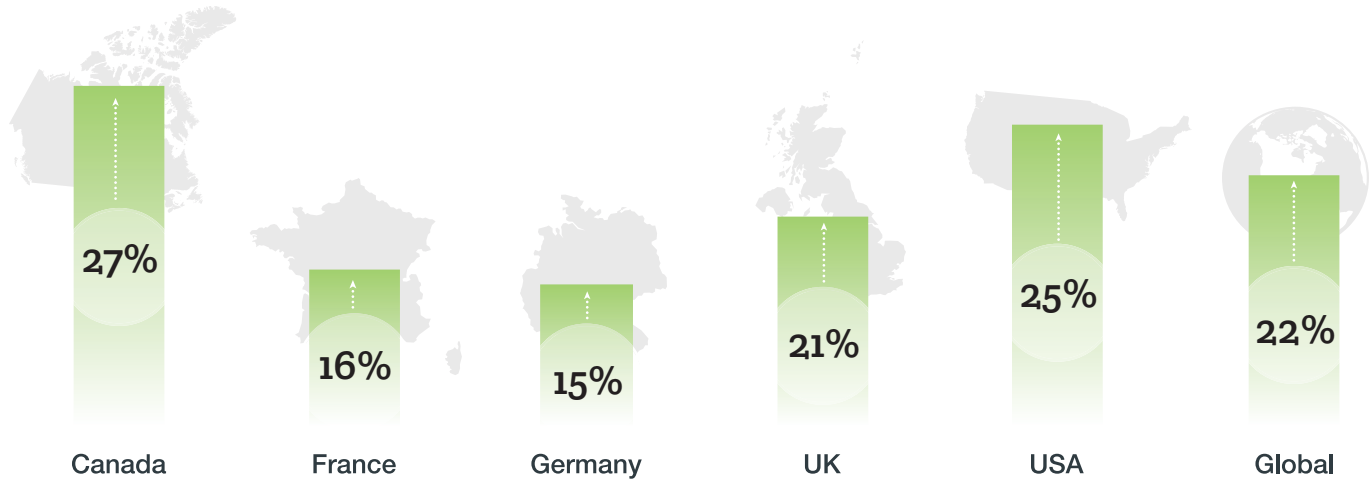


The increase in traffic is the main driver of this growth – visits are expected to increase 22% this peak season as compared to last. Individually, shoppers are expected to make 6% more visits to the same site, and spend roughly 3% more on that site. Mobile will earn much of the credit for the increase in visits, thanks to the increase of cross-device shopping and general mobile shopping adoption.

An Increasing Share of the Year's Orders

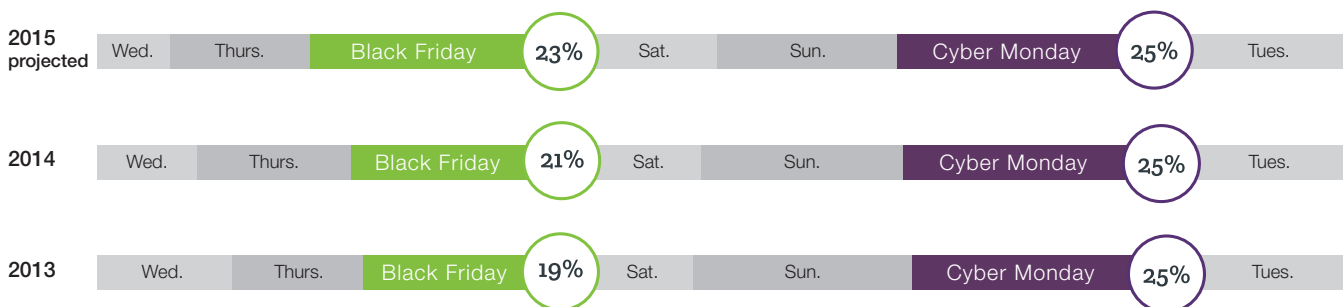
There has been considerable talk about “holiday creep,” with the peak shopping season inching earlier each year. We expect that the peak period – starting Wednesday November 19th and running through December 26th – will account for a greater share of the entire year's orders. Globally, this period of time will account for 22% of the total annual orders place, up from 21% last year, thanks to the extra shopping day between American Thanksgiving and Christmas. In the US, the peak season share is expected to be 25%, up 8% YoY, and in the UK, we expect a 6% rise to 21% of all orders.

SHARE OF 2015 YEAR'S ORDERS BY COUNTRY



Within that peak, the busiest week will be Wednesday November 25th to Tuesday December 1st, the period during which the biggest shopping days occur, Black Friday and Cyber Monday. A recent trend has been the emergence of Black Friday as a global shopping day. This year, we expect Black Friday to account for 23% of the peak week orders, up 10% YoY and edging closer to the 25% of orders expected on Cyber Monday. The UK market in particular has made strides in adopting Black Friday as an important shopping day, and we expect to see that continue.

PEAK SHOPPING WEEK: GLOBAL ORDER SHARE BY DAY

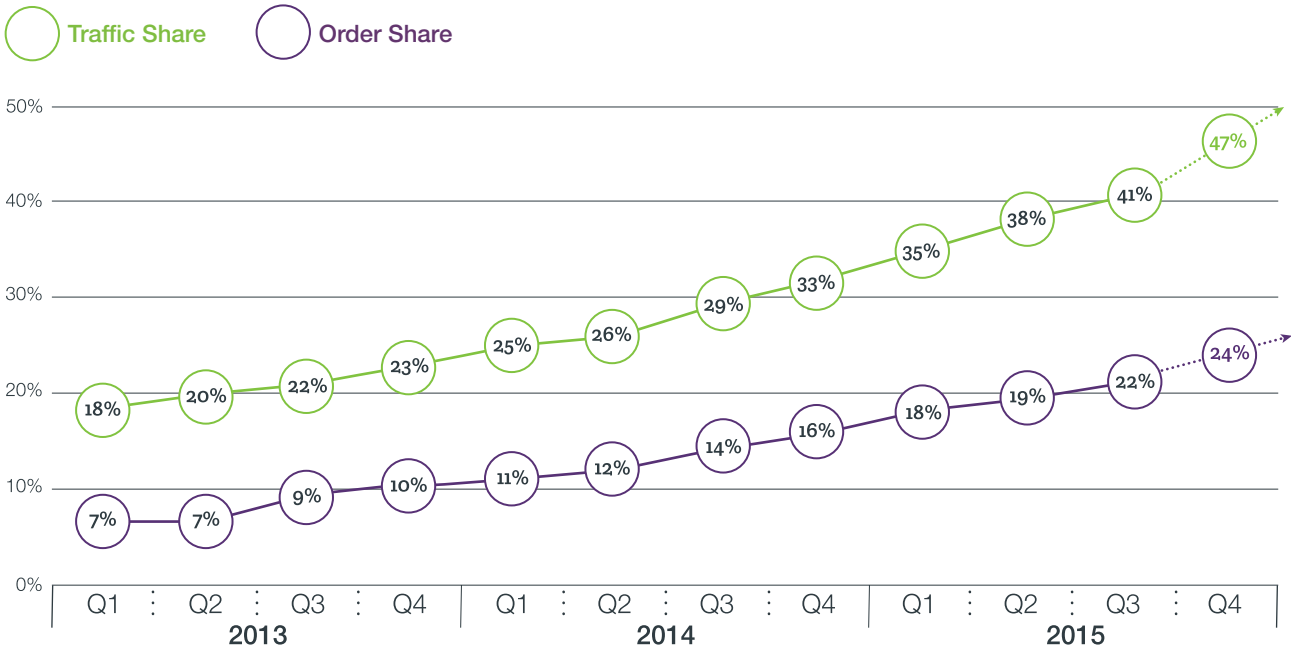


Charge Up Your Phone

The shift of traffic and order share toward mobile has remained a hot topic throughout the year. Just when the growth rate seemed unsustainable, the pace of the latest device share statistics would, again, astound. In 2013, 23% of peak shopping season traffic came from phones. In 2014, the share rose to 33%. The growth rate has continued throughout this year, and the traffic share for this holiday season is projected at 47% globally.

Order share on mobile phones has paved an even steeper path: 10% in 2013, 16% in 2014 and an expected growth to 24% globally this year. In the UK, orders are projected to rise to 32% on phones, and in the US phones will account for 23% of orders.

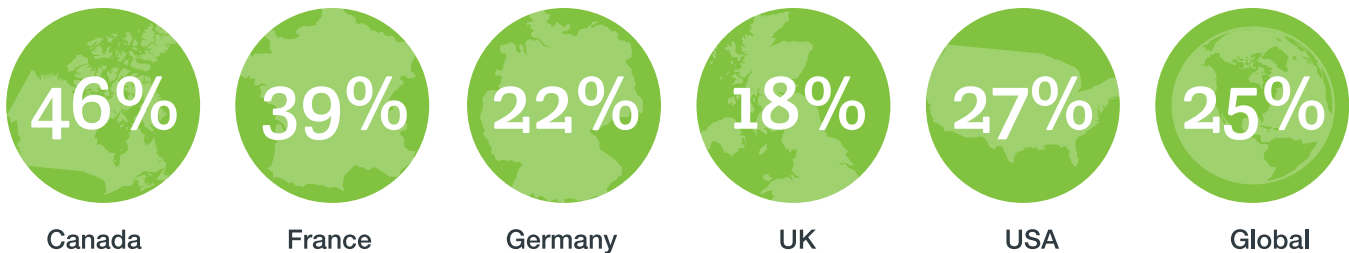
RISING SHARES: ORDER AND TRAFFIC SHARE ON PHONES



Carts, Carts, Everywhere

Shoppers are evolving the way they use the tried-and-true shopping basket. Particularly on phones, “add to basket” rates are up. As the shopping cart increases in relevance (it is the de facto shopping wish list) the number of carts created will rise. This year, shoppers are expected to create 25% more carts globally during the peak shopping season.

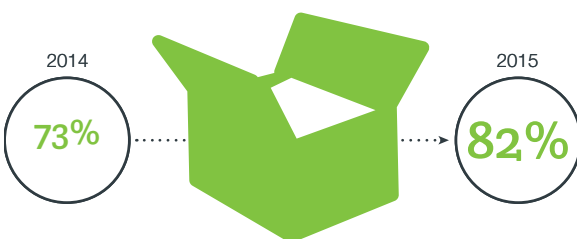
INCREASE IN CARTS CREATED BY REGION



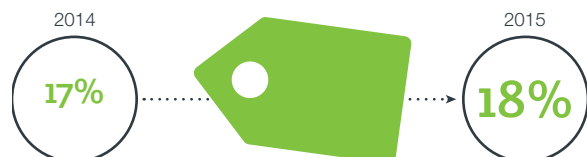
Incentivizing Shoppers: Free Shipping and Discounts

The hallmarks of the peak shopping season are discounts and a heavy emphasis on free shipping, as shoppers search for value. This year, 82% of orders will ship for free, up from 73% in the same period in 2014. Discount rate has crept up slightly over the past year. This year, orders will be discounted, on average, 18%, up over last year's rate of 17%.

% OF ORDERS SHIPPING FOR FREE



AVERAGE DISCOUNT RATE PER ORDER





Ready to Wrap, and these forecasted values are not indicative of Demandware's operational performance or its reported financial metrics, including GMV growth and comparable GMV growth. These are forward-looking projections based on current and prior values and as such should not be read as guarantees of future performance or results.

About Demandware

Demandware, the category defining leader of enterprise cloud commerce solutions, empowers the world's leading retailers to continuously innovate in our complex, consumer-driven world. Demandware's open cloud platform provides unique benefits including seamless innovation, the LINK ecosystem of integrated best-of-breed partners, and community insight to optimize customer experiences. These advantages enable Demandware customers to lead their markets and grow faster.








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