



BLACK FRIDAY: HOW STORES MAKE YOU SPEND MORE

Watch the [video](#) "How Stores Trick You Into Buying More Things" by The Atlantic.

1 FUN FACTS

Task 1: Read the following Black Friday and Cyber Week facts below.

1. Black Friday online sales grew by 3.5% to \$65.3 billion globally in 2022.
2. Online sales across Cyber Week grew 2% YoY, reaching \$281 billion globally.
3. 87.2 million U.S. consumers shopped online on Black Friday in 2022.
4. 90% of U.S. Cyber Week shoppers felt the 2022 deals were the same as 2021.
5. Mobile devices made up 76% of Cyber Week ecommerce traffic.
6. One in four shoppers go to stores between 5 a.m. and 10 a.m. on Black Friday..
7. 75% of Gen Z shoppers intend to take advantage of Black Friday sales.
8. Shoppers who receive offers via email spend 138% more than those who don't.

Task 2: Discuss the following questions as a class.

1. What is the difference between Black Friday and Cyber Week?
2. Have you ever shopped on Black Friday? Describe your experience.
3. Do you prefer to shop online or offline during Cyber Week?
4. Do you think Black Friday sales will continue to grow each year?
5. Would you consider going to a store at 5 a.m. for the best deals?
6. Does the company you work for have Black Friday deals? Give details.



2 WHY RETAILERS TAKE PART IN BLACK FRIDAY

Task 1: Read the text below on why retailers take part in Black Friday.

Retailers participate in Black Friday for several compelling reasons, each contributing to a strategic approach aimed at boosting sales and engaging consumers.

Firstly, Black Friday marks the unofficial start of the holiday shopping season, presenting retailers with an opportunity to capitalise on the festive spirit and increased consumer spending. The day-after-Thanksgiving tradition has evolved into a consumer frenzy, with shoppers seeking discounts and exclusive deals.

Moreover, Black Friday allows retailers to clear out excess inventory accumulated throughout the year. Offering substantial discounts on these items not only facilitates inventory turnover but also helps create space for new and seasonal products. This strategic inventory management contributes to a healthier bottom line and prevents the accumulation of outdated stock.

Additionally, the competitive nature of Black Friday drives retailers to outdo one another, creating a race to offer the most attractive deals. This fierce competition can result in significant foot traffic and online sales, providing an opportunity for retailers to acquire new customers and strengthen brand loyalty.

Furthermore, the psychological aspect of limited-time offers and exclusive deals plays a crucial role. Black Friday creates a sense of urgency among consumers, encouraging them to make purchases they might otherwise postpone. The excitement generated by the event often leads to impulse buying, further benefiting retailers.

In essence, the participation of retailers in Black Friday is a multifaceted strategy that leverages consumer psychology, holiday season momentum, and inventory management to drive sales, enhance brand visibility, and gain a competitive edge in the market.

Task 2: Discuss the following questions as a class.

1. What does Black Friday mark the start of, and how do retailers leverage this?
2. What is “inventory”? In terms of inventory, how do retailers benefit from participating in Black Friday?
3. What is the meaning of “bottom line”? How can Black Friday help the bottom line?
4. How does the competitive nature of Black Friday benefit retailers?
5. Explain how the psychological aspect of Black Friday influences shoppers.
6. Summarise why retailers partake in Black Friday, according to the text.



3 BLACK FRIDAY: PROS AND CONS FOR RETAILERS

Task 1: Decide if the following statements are pros or cons for retailers on Black Friday.

1. Clear Inventory. **Advantage**

2. Revenue Boost. **Advantage**

3. Profit Margins Squeeze. **Disadvantage**

4. Employee Burnout. **Disadvantage**

5. Risk of Overstock. **Disadvantage**

6. Marketing and Brand Exposure. **Advantage**

7. Customer Acquisition. **Advantage**

8. Returns and Exchanges. **Disadvantage**

Task 2: Discuss the pictures using the questions below.

- Discuss the advantages and disadvantages of retailers clearing their inventory.
- What are the pros and cons of relying on Black Friday for annual revenue?
- How can retailers protect their profit margins but still offer deals on Black Friday?
- How do retailers balance the need for increased staffing on Black Friday with the potential for employee burnout?
- What are the risks associated with overstocking inventory during Black Friday, and how can retailers minimise them?
- How does Black Friday contribute to retailers' marketing and brand exposure?
- How effective is Black Friday in acquiring new customers for retailers, and what long-term retention strategies can be implemented?
- How can retailers efficiently manage post-purchase challenges after Black Friday?

4 HOW STORES TRICK YOU INTO BUYING MORE

Discuss the question below, making a list of as many ideas as possible. Then, complete each of the exercises below that analyse quotes from the [video](#).

1. How do we decide what to buy?

Trick One: The Power of Free.

Task 1: Complete the quote by using the words in the box.

valuable

zero

threshold

skeleton key

"Shoppers have a strong preference toward a very specific price: **zero**. We love getting free stuff."

"In his famous study of the so-called Zero-Price Effect, the behavioural scientist Dan Ariely presented participants with Amazon gift cards worth \$10 and \$20. He gave them two options: would you like a \$20 gift card for \$7 or a \$10 card for free? The former is technically 30% more **valuable**, but the latter was more popular."

"The word 'free' is like a **skeleton key** into our brains, opening our psychology up to all sorts of terrible deals."

"Maybe that's why a majority of online retailers say the most effective marketing tool is 'free shipping.' But free shipping is rarely actually free; you have to spend above a certain **threshold**."

Task 2: Discuss the following questions as a class.

- a. What is the zero-price effect, according to Dan Ariely's study?
- b. How does the concept of "free" impact shopper decision-making?
- c. Why do online retailers consider "free shipping" an effective marketing tool?
- d. How else can stores use the concept of "free" to generate sales?
- e. Describe how your company takes advantage of the concept of "free".



Trick Two: We Do What We're Told.

Task 3: Choose the correct word to correctly complete the quote.

It'd be nice to imagine that shoppers think for **themselves**, but in reality, we love following directions. In school cafeterias, scientists have found that shining an extra light on a basket of fruit makes students more likely to eat the fruit.

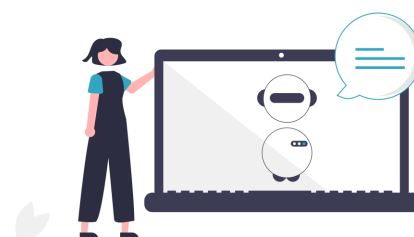
Adults are equally **susceptible** to simplistic cues. For example, restaurants find that the highest-margin products are appetisers for the table, alcohol, and desserts. So guess what sort of items restaurants put in boxes on the menus?

This isn't just restaurants. Retailers do the same thing, putting their highest-margin products where their shoppers are most likely to look. You know those displays at the end of grocery store aisles? They're called **endcaps**.

Retail consulting companies advise their clients to **stock** endcaps with only the highest-grossing, highest-margin products—like seasonal specials, including Halloween candy and pumpkin-and-gourd themed **merchandise**. The lesson: Be careful with your attention.

Task 4: Discuss the following questions as a class.

- How does extra light on fruit baskets affect student eating habits?
- What are the highest-margin products for restaurants?
- How do retailers utilise endcaps in grocery stores?
- What advice do retail consulting companies offer about endcaps?
- How might retailers use these tactics during Black Friday?
- Do you think you are susceptible to these tactics?
- Do you think these tactics are manipulative or part of the retailer experience?
- Discuss how your company could incorporate similar tactics to generate more sales.



Trick Three: Stores Know More About You Than You Do.

Task 5: There is a grammatical error in each paragraph. Can you find and correct them?

Gone is the age of one price. This is the age of personalised pricing. There is no more brilliant price manipulator than Amazon. The **site** identifies its most popular products, cuts those prices, and then raises prices on less popular goods.

For example, it might cut prices on popular flat-screen TVs while raising prices **on** routers, cables, and other suggested add-ons. Amazon creates the illusion that it's the cheapest place to shop while cleverly finding ways to make its shoppers spend more money.

People **thought** the internet would usher in this new age of transparency for pricing. But really, it's just given retailers new ways to manipulate the same fundamental bias: People don't know what anything is worth.

Task 6: Discuss the following questions as a class.

- How does Amazon employ personalised pricing strategies?
- How does Amazon manipulate prices to create the perception of being the cheapest place to shop?
- Do you think Amazon should be regulated by the government to prevent price manipulation?
- What was the expectation regarding pricing transparency with the advent of the internet, and how does the reality differ?
- How can retailers manipulate shoppers due to the fundamental bias stated?
- How might retailers use these pricing strategies during Black Friday?
- Does your company use any of these strategies?



5 LET'S DEBATE

Study the arguments. Decide if you agree or disagree with each person, explaining why. Adapt the language from the table to use in your argument. Have fun!

Jim "I find it troubling how Black Friday amplifies a culture fixated on impulsive buying, overshadowing more meaningful aspects of the holiday season."
Richard "As a consumer, it's disheartening to witness the environmental toll of Black Friday, where discounted goods often contribute to a throwaway culture and excessive waste."
Amy "From my perspective, Black Friday provides an opportunity for families to come together and share the excitement of finding great deals, turning it into a bonding experience."
Darren "Personally, the chaotic scenes and occasional violence associated with Black Friday sales paint a grim picture of a society prioritising deals over basic civility."
Liam "For me, it's worrying to think that in the pursuit of holiday discounts, we may inadvertently be supporting a system that exploits workers, forcing them into work in poor conditions just to meet consumer demands."

Express an opinion It seems to me that... I feel that... I'm absolutely convinced that... In my opinion,... I believe / suppose / feel (that)...	Express disagreement I don't agree with you about... I can't accept your view that... I have a different opinion... I'm not sure if... I'm not convinced that...
Express pro's and con's There are two sides to this point... On the one hand...,on the other hand... An argument for / against is... Some people think that...,others say that... The advantages / disadvantages are...	Summarise So, in conclusion... To summarise.. Overall, it is clear that... As a result.. The bottom line is...

HOMework

Read the following article on Black Friday, then complete the exercise on the next page.

1 WHY DO RETAILERS TAKE PART IN BLACK FRIDAY?

Task 1: Read the following article, then complete the question on the next page.

As the Thanksgiving turkey settles and the last traces of cranberry sauce are cleared away, retailers across the nation gear up for one of the most anticipated shopping events of the year – Black Friday. This post-Thanksgiving tradition has become synonymous with incredible deals, long lines, and bustling crowds. But why do retailers eagerly participate in this shopping extravaganza?

Firstly, Black Friday marks the official start of the holiday shopping season, providing retailers with a golden opportunity to boost their sales before the year-end. With consumers in a festive and gift-giving mindset, retailers strategically unleash huge deals, encouraging shoppers to open their wallets. The sense of urgency created by the limited-time offers adds an adrenaline-fueled excitement to the shopping experience, encouraging impulsive buying.

The psychology behind the term "Black Friday" itself contributes to retailers' enthusiasm for the event. Historically, the day after Thanksgiving marked the point at which retailers transitioned from operating at a financial loss to turning a profit. This symbolic shift sets the stage for retailers to capitalise on the positive momentum, hoping to carry the profitability through the rest of the holiday season.

Moreover, the intense competition among retailers fuels their eagerness to partake in Black Friday. With consumers actively seeking the best deals, retailers strive to outdo each other in offering the best discounts and exclusive promotions. This heightened competition not only attracts more shoppers to individual stores but also drives a sense of urgency, as customers fear missing out on the best deals if they don't act quickly.

The rise of online shopping has also played a significant role in retailers embracing Black Friday. E-commerce platforms extend the reach of Black Friday beyond physical stores, allowing retailers to connect with a broader audience. Cyber Monday, the online counterpart to Black Friday, complements this trend, providing retailers with an extended period of heightened sales opportunities.

In conclusion, retailers eagerly participate in Black Friday for many reasons, ranging from boosting sales and capitalising on the holiday shopping spirit to leveraging the psychological impact of the event's history and fostering healthy competition among peers. Black Friday has become a strategic time for retailers to push themselves into the holiday season, and this shopping spectacle shows no signs of diminishing.



Task 2: Research the definitions of the following words and phrases, then use them in example sentences.

1. synonymous.
2. impulsive buying.
3. profitability.
4. sense of urgency.
5. fear of missing out.
6. to capitalise.



Task 4: Write detailed answers to the following questions.

- a. Why is Black Friday considered the official start of the holiday shopping season for retailers?
- b. How do retailers leverage consumers' festive mindsets to boost sales during Black Friday?
- c. What role does the limited-time nature of Black Friday deals play in encouraging impulsive buying?
- d. How does intense competition among retailers during Black Friday benefit both stores and consumers?
- e. What impact has the rise of online shopping had on retailers' approach to Black Friday, and how does Cyber Monday contribute?
- f. How do e-commerce platforms extend the reach of Black Friday for retailers?
- g. What role does the fear of missing out on the best deals play in driving consumer urgency during Black Friday?
- h. Why has Black Friday become a strategic time for retailers to position themselves for success throughout the holiday season?
- i. Give your overall thoughts on Black Friday. Explore the benefits and challenges presented to retailers and consumers.

