2018

MAGENTO

Holiday Commerce Outlook

Introduction

During the busy holiday season, the crowded eCommerce landscape creates a unique challenge for business growth. This is a make-or-break time for your business as you face three new challenges:

* **The competition heats up.**
* **Advertising becomes more expensive and inboxes get more crowded.**
* **Your shoppers become discount-craving, speed-shopping, cart-abandoners!**

However, high traffic and volume during this shopping period also offers incredible opportunities to engage, delight, and convert new shoppers into loyal advocates for life. Here are the three keys to sustained holiday success...

Contents

Welcome to the...

2018 Magento Holiday Commerce Outlook

While making this comprehensive guide, we asked our most successful partners for their winning holiday plays. We "wrapped up" the results in a digestible format to offer helpful, quick-hitting recommendations based on last year's successes, with a sharp focus on this year's evolving shopper.

We surveyed 15 leading experts in the commerce industry to present the best practices in creating irresistible customer experiences that help your business stand out, boost sales, and keep those new holiday shoppers coming back long after you've tossed away the last of the wrapping paper remnants.

Here are the key insights:

* **Create a Superior Shopping Experience**
* **Fulfill the Shopper Journey**
* **Leverage Shopper Data and Business Insights**

CREATE A SUPERIOR Shopping Experience

It's More Than a Purchase, It's a Buying Experience

Over the past decade, one-time competitive differentiators including placement, product, price, and promotion have eroded. Instead, companies have moved on to compete on customer experience. This field of play spans the customer's entire lifetime of engagement with a brand, from the creative spark that fuels that first moment of awareness, across the myriad moments of interaction with a brand (which increasingly involve commerce), through to the affinity of ownership.

The ability to drive emotion has a bigger impact on brand loyalty than effectiveness or ease in every industry, according to The U.S. Customer Experience Index, published in June 2018 by Forrester. "Elite brands" provided about 22 emotionally positive experiences for each negative one; the bottom 5% of brands provided only two emotionally positive experiences for each negative one, according to the report.

Brands that prioritize customer experience report the following bottom line benefits:

- ✳ **1.6x brand awareness**
- ✳ **1.9x average order value (AOV)**
- ✳ **1.9x return on ad spend (RoAS)**
- ✳ **1.6x customer lifetime value (CLTV)**
- ✳ **1.5x employee satisfaction**
- ✳ **1.7x customer retention**
- ✳ **36% faster revenue growth rates**

Consider the importance of those word-of-mouth-worthy moments across all channels. Allow your shoppers to 'pick up where they leave off,' and jump from mobile to social to in-store. Find ways to demonstrate your brand value to shoppers—whether they're looking for your brand on mobile, or interacting with your products and services in brick-and-mortar stores.

The impact of these emotions on customer lifetime value (CLTV) is clear and strong, the report stated. "For example, in the digital retail industry, among customers who felt valued, 92 percent plan to stay with the brand, 88 percent plan to increase spending with the brand, and 91 percent will advocate for the brand."

Check out our partner picks and recommendations for enhancing shopper communications and engagement across all channels:

- ✳ **The best marketing and engagement tactics from last year's holiday season**
- ✳ **The hottest marketing tips across email, mobile, social media, and in-store**
- ✳ **The latest retention best practices to turn holiday shoppers into long-term brand advocates**

Amazon Pay

Step into your customers' shoes - Leading with the customer can help to focus you on long-term benefits over short term gains. Start by listening to your customers in 2018, then work backwards to ensure your plans are resolving their pain points, while finding new ways to actively engage them.

Make it easier for your customers to shop via social - More user attention is shifting towards social platforms as a gateway to exploration. With 800+ million users on Instagram alone, businesses are extending their buying experience into social platforms to meet shoppers where they spend most of their time. Integrate 'buy' buttons into your social platforms to ensure you're meeting customers where they are.

Stay ahead of the innovation curve - Pay attention to the everchanging needs of the connected customer who's engaged online, on mobile, via voice. Consider implementing a voice commerce solution for your business. Learn more

Bronto

Reward your in-store shoppers - Last year, retailers made a more concerted effort to drive in-store traffic by offering incentives like increased or exclusive discounts, in-store-only products, and free gifts for early in-store shoppers.

Thanksgiving is not just for turkey - Not only is Thanksgiving now a premier shopping day, so are the weeks leading up to it, with every day last November seeing over $1 billion in online sales. This has led to retailers initiating email campaigns well before Black Friday.

Last holiday season, retailers increasingly featured sales on product categories. Not only did this allow them to generate "add-on" product sales with protected margins, but it allowed them to offer something

new each day, keeping customers engaged and checking their email or social accounts.

Corra

Learn WHY - Initiating qualitative UX testing has proven successful in uncovering the "why" behind every interaction, leading to increased sales and greater brand loyalty. Unbiased UX research can be accomplished through a variety of methods, but mainly through interviews and observation of users that fit the specific profile a brand is targeting (demographic, gender, interests, income, etc.)

Delight your customer, everywhere - Today's customers expect seamless engagement across all touchpoints. Retailers who blur the lines between online and offline experiences also achieve greater results. For example, through a "Design Your Own Bento Box" functionality built on their revamped site, candy boutique Sugarfina was able to replicate the engaging and highly-customizable experience that customers have in store. The redesigned site led to a 25 percent increase in Black Friday online revenue year-over-year.

Focus on retention - Choosing the right integrative technologies focused on the shopper can reduce cart abandonment and allow retailers to boost conversion rates.

DHL

Start planning early - When it comes to international Holiday commerce fulfillment, many merchants leave their planning to the last minute. Figuring out your strategy early will pay dividends. This is especially true when it comes to international shipping, where customs rules and clearance, and time required for shipping may vary.

Communicate clearly - Merchants who fully understand this season's international shipping

calendar and clearly communicate delivery deadlines with customers will have an advantage over the competition. They'll also deliver an exceptional end-customer experience and differentiate their brand. Also make sure you make use of delivery notifications to your customers to keep them updated during the shipping process.

Add deadlines to your homepage - Deadlines should be reiterated through the online purchase process. Remember, deadlines for reaching your international customers will differ from domestic. Convey them clearly to your customers. Make sure visitors understand exactly when they need to place an order by country and region, so their shipment will reach them before the holidays. A simple "buy-before.."-calendar or infographic may already do the trick! When designing your holiday website, consider placing notifications of relevant deadlines on your homepage to encourage international shoppers to make their purchases timely, and secure that the goods are in the hands of your happy customer!

Echidna

Prioritize personalization - Successful businesses recognize the unique, real-time needs of their customers and not just their past shopping behaviors. While this may sound complex, with the right technologies and partners in place, you can make the process appear effortless to the end user.

Focus on mobile - More holiday shoppers rely on their mobile devices than ever before. Put in place a proper strategy to leverage UX site design, mobile apps (if appropriate), and device-specific capabilities including geo-location, camera, and notifications. This will build upon your customers' brand loyalty and engagement.

Invest in social marketing - Modern businesses understand the influence that social media has on the buying behavior of holiday shoppers, and how to leverage it. It's essential to utilize social media platforms and marketing platforms to target your

relevant prospects with ads and brand presence. However, remember you want to communicate value to the reader without overtly 'selling.'

Lyons Consulting Group

Align your messaging - Unless your brand has extremely personalized functionality, all messaging needs to be aligned with your active campaigns. This includes email, social media, website copy, advertisements, etc. To increase "stickiness" with shoppers and create exceptional shopping experiences, messaging needs to resonate and follow the customer based on their behavior.

Create a smooth mobile experience - Last season, mobile visits made up a significant portion of retail traffic. Many customers visited across multiple device types. To ensure merchants are set up for success, it's critical to ensure all facets of the shopping funnel are optimized on mobile, including a smooth browsing experience, enhanced search capabilities, and a straightforward checkout process.

Communicate with customers early and often - A strong promotional calendar is important every holiday season, not just for Black Friday and Cyber Monday. Many merchants offer sale teasers well before Thanksgiving and continue strong promotions up until Christmas, engaging both the early and last-minute shopper.

Nosto

Understand shopper behavior - It's important to leverage behavioral data to personalize site-wide product recommendations. Take the time to understand the behaviors and interests of your site visitors. This is crucial to improving their online shopping experience. Depending on your store's objectives and visitor behavior, personalized recommendations should only be applied where they're most relevant to maximize your return on investment.

Target the right customers - Increase your ROI on Facebook and Instagram by enhancing ads with compelling visual content and personalized product recommendations. Target users who are statistically most likely to convert (customers and users who show affinities and fit demographics) to maximize your advertising budget.

Personalize your email communication - Nosto's integration with email service providers allows merchants to easily personalize their emails based on behavioral data. One example is triggered emails. These can be personalized based on multiple actions: purchase history, cart history, product/brand affinities and products similar to these affinities. By analyzing a number of factors to personalize email communication, this can lead to an increase in conversions.

PayPal

The commerce landscape is evolving - Consumers are spending more time shopping online and on mobile, based on convenience, security, and competitive pricing. However, many retailers and small businesses struggle, because often mobile results in much lower conversion rates.

Leveraging results from a survey to over 4,200 online/ mobile shoppers in Q1 2018 to understand their views/ behaviors on mobile shopping, learnings found that you can help improve the customer experience and mobile conversion in time for holiday shopping by implementing these three simple tactics:

Provide a seamless mobile checkout experience - 7 in 10 mobile shoppers have abandoned a cart. Of those, 45 percent cite doing so because they had to register or log-in, provide payment info and/or a shipping address.

Store payment/shipping information - 92 percent of survey participants cited security of financial information as highly important, so avoid asking customers for credit card numbers and passwords on their phones.

Offer preferred payment methods - 20 percent of survey participants indicated that if their preferred payment method was available, they would complete their mobile purchase.

Perficient Digital

Be clean and simple - Offer customers a clean site navigation and optimized search functions, so they can quickly find products relevant to their needs. Not only does this ensure satisfaction during their buying journey, it will boost your webstore's conversion rate.

Something Digital

Our clients are seeing improved conversion rates and overall increased average order value with some of the traditional tactics: Create custom landing pages that speak to shopper segments and geos. Enhance search options to enable a seamless shopping experience, and use direct mail to create in-store engagement. Consider opportunities to optimize the checkout experience to streamline the path to purchase.

Vaimo

Today's buyer journey is no longer linear. Customers are shopping online and offline, from multiple devices and channels. To ensure they're developing a strong relationship with your brand:

Be Channel and Journey Agnostic - From an intelligent self-learning search on the site through smooth checkout process, eliminate as many pain points in the customer journey as possible. Rather than messaging to sell, help customers to buy. Let them buy where, when and how they want.

Hyper-localization - Meet local demands, be personal to make a difference. Your specific products could be desired seasonally or regionally- use the data to give the customer what she wants at the time she desires it.

Content is still king - It plays an important part in your customers' overall website experience. Great content increases the number of loyal customers and increases the average order value while detailed product information and user-generated content helps reduce the number of returned products.

Vertex

Relying on manual processes to calculate and remit sales tax increases compliance risks and possibility of audits. Vertex helps to alleviate the burden and stress of handling sales and use tax during the checkout proves.

Many Magento sellers still rely on manual processes that increase compliance risks and possibility of audits. Trying to keep up with taxability codes, ever changing tax laws when selling and shipping through your online store makes any Magento seller groan. These issues are particularly acute for online stores for three major reasons:

Consequences of Growth - Expanding into new product offerings can quickly multiply the complexities of sales and use tax management. Taxation rules can vary widely even for similar product types; for example, when an apparel item is identified as a luxury item versus essential, or if food and beverage are sold by an eating establishment instead of a grocery store.

State-by-State Nuances - eCommerce and the use of third-party warehouse and fulfillment services simplify expansion to new markets but they can quickly complicate tax calculations, making it difficult to clarify exactly where nexus exists.

Audit by Automation - States are more actively pursuing sales tax collections, using big data- style analytics and automated solutions, as well as

employing third-party companies that are paid a percentage of taxes and fees collected.

Yotpo

As brands struggle to compete on pricing and product in a crowded eCommerce landscape, customer experience is emerging as a key differentiator. To create a next-level customer experience, today's strongest brands are embracing the following:

Add "person-ality" with UGC at every touchpoint - Nothing kills an experience more than going generic. Whether on a product page, social ads or email, switching things up by displaying photos and reviews from real shoppers makes your brand more relatable and authentic.

Approach customers in a smarter way - Make it easy for customers to send in reviews and photos from any device. Use machine learning to optimize content request forms by device, time, and email client to maximize the UGC collected.

Offer Incentives throughout the buyer journey - Create more engagement with your customers by incentivizing throughout the shopping journey, from email sign-up offers to discounts for writing and sharing reviews.

Create more engagement with your customers by incentivizing throughout the shopping journey

2 Effective SEO Tips to Prepare for the Holiday Commerce Season
By Dave Christy | Vice President, Digital Solutions, Weidenhammer

SEO matters. It creates a presence on the internet, and through that growing presence, traffic increases. If your site is appealing, that traffic will convert to customers. Here are some tips on how to SEO effectively to prepare for the 2018 holiday commerce season.

1. Review the Frontend of Your Online Store

Review your website's content and make sure it's both appealing to your customers and optimized for SEO purposes. Here are a few things to keep in mind:

* If you have duplicate content, eliminate it. This means text and images. If you have two different products but the same description, or use an image more than once, Google and other search engines assume you are duplicating material, and your ratings will suffer for it.

* Use headers and titles strategically. Each product should have a unique header and title with strategic keyword placement. If you have a large online store with thousands of products, it may be difficult to optimize every single product title tag. To work around this problem, create product groups. Regardless the size of your online store, always use H1, H2, H3 header formats.

* Make sure content and images are appealing, informative, and engaging.

2. Audit your Backend

Making sure your store looks and feels appealing to both customers and search engines means nothing if your backend isn't fully functional and SEO-optimized. This includes the coding and everything else that goes on behind the scenes.

* URLs are very important. Make sure product page URLs are optimized. Make sure you do not have more than one URL for your product page by using only a top-level URL. Make that URL as simple as possible.

* Make sure coding is simple and clean. The cleaner it is, the faster it is.

* Use a sitemap. They provide your site's hierarchy for navigation purposes and displays valuable information to help search engines rank your site.

* Don't forget your images. All images should be optimized like everything else. Plus, it'll make your site faster. Your customers and search engines will both appreciate that.

* Finally, if you haven't already done this, upgrade to HTTPS. You'll benefit from an increase in organic traffic, and better security.

2018 Commerce Season: Here We Come

Getting ready for the 2018 commerce season will include a little legwork on your end. But if you utilize these tips and fully optimize your site, 2018 will be a successful year.

FULFILL
THE SHOPPER
Journey

Customers are increasingly conditioned to expect package tracking, free shipping, and fast delivery. These and other "post purchase" experience elements impact their brand perception and loyalty. Merchants must be equipped to offer readily available support, no-questions-asked guarantees, flexible delivery and return policies and to sustain their engagement through the customer's ownership of a product.

Shoppers now demand a unified experience with no gaps or misalignment between the products, prices, and service in any channel. That brand experience doesn't end at the checkout, but continues into fulfilment. The retailers that succeed are the ones who can exceed those expectations by providing a true omnichannel experience, no matter how diverse or complex the customer journey, and encompassing websites, physical stores, apps, social media and/or call centers.

From providing superior shipping options to customer-first support services, omnichannel fulfillment ensures your customers' satisfaction throughout the holiday purchasing cycle. Our partners have revealed their omnichannel best practices to keep customers smiling long after they've received their goods. To create delight and loyalty after the buy button, keep reading for a roundup of the following:

* **Effective fulfillment tactics from 2017**
* **Best practices to support seamless shipping, delivery and customer service**
* **Tips for creating value in the gift-buying season**

Amazon Pay

Customers want fast, convenient shipping, as well as continually updated tracking and delivery notifications. With this in mind, make sure your fulfillment process is built around a communications infrastructure that notifies customers exactly when a package is shipped and delivered. Digital and physical subscriptions for goods and services are becoming increasingly popular with consumers. By establishing a subscription-based model of goods, you'll give customers something to look forward to every month, while firming up their brand loyalty.

Bronto

If you don't already have the option for customers to Buy Online, Pick-Up In-Store (BOPIS), you might want to consider updating your sales methods. With 72 percent of consumers making an additional purchase while picking up a BOPIS order, this one is a must.

Another thing to consider is creating "customer-first" service. Review and adjust your sales policies. With the increase in product category promotions, it's not uncommon for a customer to purchase a full-priced item, only to have that product go on sale days later. Create policies allowing credits to be given (when requested) if the item drops within a specified amount of time from original purchase. Otherwise, you run the risk of an increase in cancelled or returned orders, and the loss of customer confidence.

You should also consider flexible return policies. While 30 days may be generous, it can be problematic during the holidays when the time between a gift purchase and its actual use can be much longer. Not being able to return these items within a reasonable amount of time is poor service. Extended policies can even be advertised as an incentive to customers.

Corra

Use offline data - The majority of data is gathered via digital channels, while eCommerce represented only 13 percent of total retail sales in 2017. Combining online data with offline transactional data is a powerful way to create individual customer experiences. You can gain valuable insights by analyzing in-store customer traffic, retail conversion rate, retail Average Purchase Value, and the use of brick-and-mortar promotions, coupons, and loyalty cards.

Promote your omnichannel capabilities - What's the point of having a Buy-Online-Return-In-Store feature if your customers don't know you offer it? Retailers need to commit time and effort to promoting their omnichannel capabilities. In return, customers will buy with more confidence and average order value will increase.

Echidna

Focus on order/inventory management - Modern commerce means having the competency to process and manage orders from multiple channels, carriers, and delivery points. Integrating these capabilities within your business will empower you to provide speedy, accurate service, competitive shipping rates, and offer more return options to customers. This is critical during the gift-buying season.

Digital customers also tend to prefer interaction with digital support - This requires unifying the customer's online experience and offline interaction with sales and customer support staff.

Lyons Consulting Group

Over communicate fulfillment windows - During peak holiday sale periods such as Black Friday and Cyber Monday, many merchants experience delays in their standard fulfillment windows. Ensure estimated shipping times are clearly communicated to customers to avoid additional customer service complaints and requests.

Estimated shipping windows should also be messaged onsite at point of purchase and in confirmation messaging. By setting up appropriate shipping updates via email and offering alternate formats for shipping updates, like Facebook messenger, customers are kept up to date, improving their overall shopping experience.

Offer expedited delivery - Retailers who offer same or next day fulfillment along with reasonably priced or free expedited shipping (such as 1 or 2-day service) are better equipped to compete with Amazon Prime.

PayPal

Cart abandonment is the norm among online shoppers, but happens at different stages in the shopper's journey for different reasons.

* **Millennials are looking for retailers who can offer a seamless mobile shopping experience -** 26 percent of Millennials feel a poor mobile shopping experience is a barrier to them making purchases online. Millennial online buyers were more likely to have abandoned an online shopping cart than older buyers (those aged 35-54 and 55+).

* **Seeing the total order cost was one of the leading time periods for mobile cart abandonment -** However, over four in ten mobile cart abandoners reported abandoning their cart in the order submission phase – including logging in, providing payment information and providing shipping address.

* Looking to help prevent abandonment? Free shipping and coupon codes were the leading factors which would increase the likelihood of completing mobile purchases.

Perficient Digital

Create convenience - Invest in Buy Online, Pick-Up In-Store (BOPIS) options. This promotes convenience, creates impulse buy opportunities, and builds upon your customers' brand loyalty.

Let your website do heavy-lifting - Pay close attention to product reviews, social media chatter, and Live Chat interactions. It's one of the easiest ways to learn directly from the customer about their shopping priorities. Let your website do heavy-lifting in providing your internal teams with valuable insights.

Temando

During last year's holiday season, we saw retailers battling it out to win new and loyal customers. To compete this year, retailers need to put their customers' needs first. What options enhance the customer experience at the cart level? The transit level? The delivery level? What would it mean for your business if your best customers spent more money and your site visits had less cart abandonment?

Every retailer and their customer base is different. Retailers need to choose shipping features like custom business rules, giving more/cheaper shipping options at checkout, utilizing drop shipping, and using stores as fulfillment centers. That's how you decrease cart abandonment, build a loyal customer base, and

drive revenue. During peak seasons, it's especially important to take advantage of seasonal carrier offers and conditions to move more product and delight customers.

Find ways to improve, and keep your customers coming back. Evolve with your customers. Never stop investing in what they want: Fast, cheap delivery. Invest in the shipping experience as a service, not just as a back-of-house operation.

Vaimo

In-house last mile delivery - The continual growth of eCommerce sales has led to an increase in last-mile deliveries to consumers' homes. A great example is BAUHAUS Sweden, who control every element of the order and fulfilment process, from the first contact to delivery. With their own distribution trucks, BAUHAUS Sweden personally hands their product to their customer.

Empower your employees to over-deliver on customer expectations - A large grocery store chain, Selver, sends employees new order notifications on a mobile device, which directs them to the product in-store. This allows the employee to pick-and-pack the customer's order more quickly and easily right in time for the pick-up.

Yotpo

Customers are fluid as they are erratic in their shopping patters, shopping offline and online across multiple devices and channels to find the perfect gift items for the holidays. To ensure they're developing a strong relationship with your brand during this buying journey, consider implementing the following:

Maintain a consistent experience. Whether they're shopping at your brick-and-mortar store, or eCommerce site, customers will expect to access the same products, information, and customer service. By delivering a

seamless and satisfactory experience, conversion opportunities will increase.

Preserve your brand. Consider your multi-channel strategy carefully. If you sell products on a marketplace site, look into customizing your pages to mirror the look and feel of your flagship webstore. Or, consider selling a small portion of your offerings through satellite market sites, while directing shoppers to your main webstore for the full product line.

Be mobile-first. From product images to your customer photos and reviews, everything should be easy to find and see on your customers mobile device. Customers researching purchases on mobile need to find everything they need quickly or you risk losing their attention... and their business.

Brand experience doesn't end at the checkout, but continues into fulfillment

Exceed expectations by providing an omnichannel experience
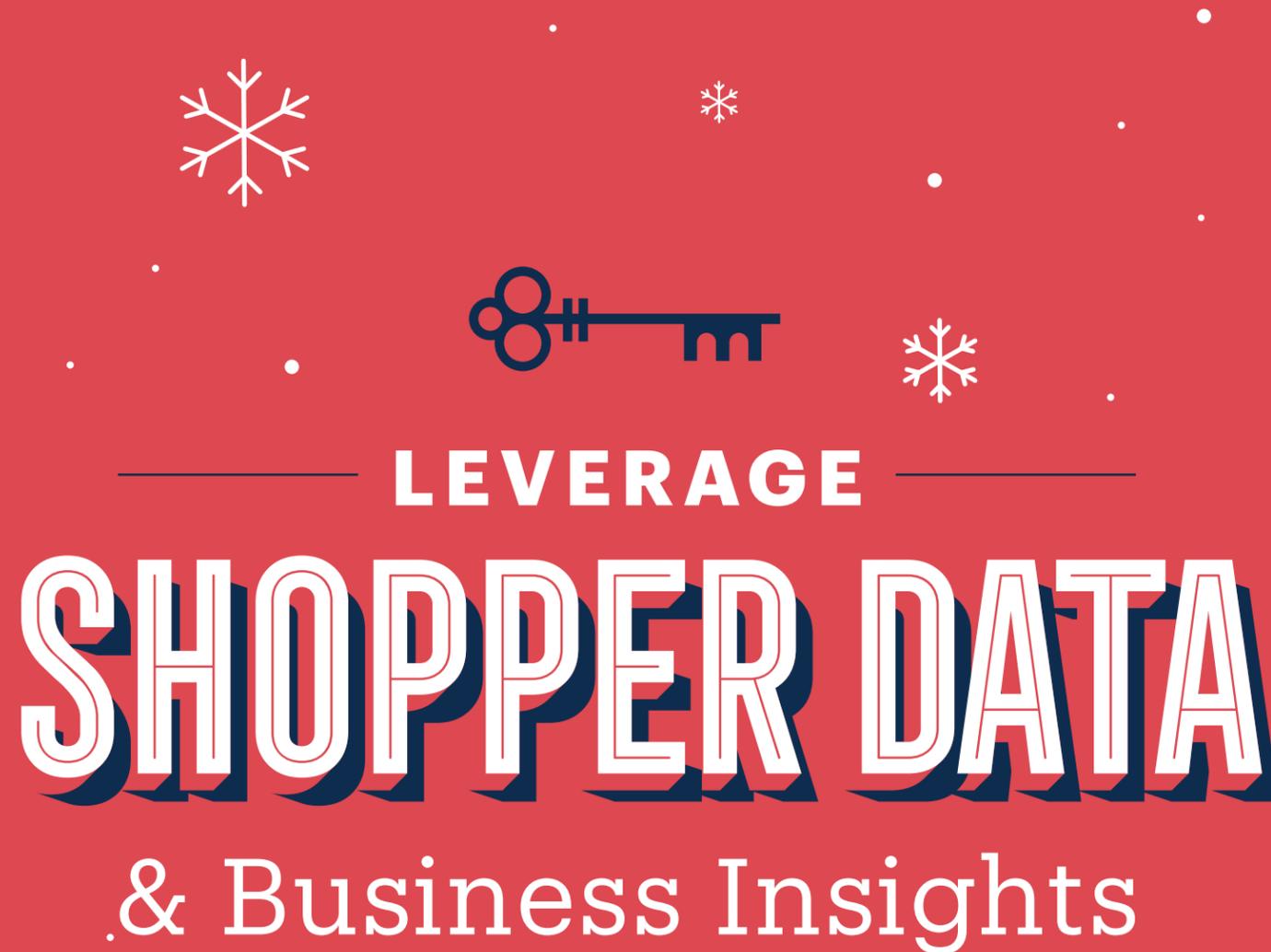
LEVERAGE
SHOPPER DATA
& Business Insights

Exceptional experiences are only possible when you have a deep understanding of your customer.

That's the only way you can deliver the right experience at just the right time and in the right context. More granular insights, including content response metrics, shoppers' channel usage, and other business intelligence enables merchants to apply this data in the right context and the right time to develop more meaningful, loyal connections. By analyzing key attributes across the customer lifecycle — from browsing habits and purchasing histories — to social media engagement and activity, brands can uncover a variety of ways to present value.

Where your customers are coming from is as important as what they're doing. Your site analytics should give you data on the source of your customers, but you should also track your marketing campaigns.

Here are four transaction data points you can use to identify valuable customers:

1. Customer Lifetime Value (CLV)

CLV is a common metric used to find a company's high performing customers. It's defined as the revenue that a customer has generated by making purchases at a company, and it's calculated by summing the purchase totals for each customer. Let's say that a customer has three purchases with totals of $50, $80, and $20. This customer would have a CLV of $120. Customers with higher CLVs can be identified as more valuable.

2. Customer Lifetime Number of Orders

This metric is also useful for knowing a customer's value. This metric totals the number of times a customer has placed an order on your site—which can be used to quantify a customer's loyalty to your company.

3. Customer Average Order Value (AOV)

Once you have the customer's lifetime number of orders, you can use it to find their average order value (AOV). AOV tracks the average dollar amount spent each time a customer places an order. To calculate a customer's average order value, simply divide the customer's total revenue by the number of orders. For example, John Doe has a total revenue of $150 dollars over five orders. His AOV is $30.

4. Age of Customer's Most Recent Order

This is the age of a shopper's most recent order. This calculates the amount of time that has passed since a customer has made a purchase. Let's say Jane Doe has a high CLV, but hasn't made a purchase since 2014. She may be high-performing, but she's not really a current customer.

While these transactional data points just cover transactional commerce, there are a plethora of additional key performance indicators (KPIs) that can be leveraged to add value to your overall customer profile view.

Merging the digital marketing universe of apps, email campaigns, online interactions, and social media with real life interactions and experiences—like where a customer ate dinner, their conversation with an airline reservationist, or the purchase they made at the mall—helps to round out the picture of your customer.

Beyond a customer's digital profile is their real-world identity, and it's critical for merchants to understand how these attributes fit into the full customer journey. Along with in-store purchase data, you can also gain insight into their brick-and-mortar buying habits, like the time of day they're most likely to shop, the average time spent in a store, the frequency of their visits, or the categories of products for which they shopped.

It's not what you know, it's what you do with it! Check out our partner picks and recommendations for managing data across touchpoints, to create seamless shopping experiences. Keep reading for a roundup of:

* **How to harness and apply shopper insights**
* **How to enhance personalization**
* **How to enhance segmentation and refine future marketing**

Bronto

Use product recommendations - Yes, people are shopping for gifts. But many holiday shoppers are also shopping for themselves. Capitalize on the rising self-gifting trend and provide user-specific recommendations, even if the email is designed to promote gift-giving.

Check your lifecycle messages - Make adjustments that complement the customer experience. For example, sending your customer an automated purchase anniversary email is a nice gesture. But if it falls during the holiday season, your message may distract from your other promotions. Also, focus on holiday-relevant behavioral messaging such as browse abandonment. Sending reminders to shoppers who abandon their shopping session without carting can be a powerful sales motivator.

Use GeoIP data - This ties together order fulfillment and is essential for brick-and-mortar retailers. It's a great way to promote Buy Online, Pick-Up In-Store (BOPIS) to nearby shoppers with a higher propensity to visit.

Corra

Segment by shopper type - The segments below can serve as a starting point to prioritize the highest performing consumers.

* **Promotional Shoppers: They are driven by price and promotion**
* **Casual Shoppers: They like to browse and possibly purchase**
* **Need Shoppers: They know what they want or have a need for an item**
* **Site Loyalists: They're existing customers of the brand and purchase frequently**
* **Impulse shoppers: They like to browse and possibly purchase**

Segment by product attributes - To reveal meaningful insights into the people who interact with brands, retailers need to uncover the story behind their customers' decisions. Corra helped Christopher & Banks tailor unique experiences for different customer micro-segments based on product size (Missy, Petite, and Women), driving 30 percent more clicks.

Personalize by referral sources - One of the most useful techniques we experienced is dividing the audience into micro-segments based on referral data and user flow. For instance, visitors that click on a Facebook ad promoting a coupon code will have that code applied to their cart automatically. Personalizing by traffic source is also a great way to ensure consistency across all messaging, with landing pages that match the language and visuals used in ads.

Echidna

Take advantage of every opportunity to collect customer data, including point-of-sale systems, emails, and social interactions. These are all great starting places to compile profiles of your buyers. Establish clear Key Performance Indicators (KPIs) to measure the results of your efforts and provide insight into how you're accomplishing your merchandising and marketing goals.

Some KPIs provide insight into a customer's willingness to consider what your brand offers (email open, ad click-through, site visit, etc.), while others represent the ultimate goal of that engagement (order placement, average order value, repeat visits, etc.)

Create visualizations of your KPIs at all levels to align the organization on expectations, and memorialize historic performance in that visual medium. At Echinda, our team has found that by making such visualizations a core reference in every conversation about performance, companies share a much more unified and clearly articulated vision of the future.

Retailers need to uncover the story behind their customers' decisions

7 Ways to Connect Online and Offline Interactions

- ✳ **Integrate your data** – Centralize all data at your disposal and share among teams and departments so it's not siloed.

- ✳ **Create whole customer profiles** – Integrate online and offline behaviors to create unique audience segments that can be prioritized based on value.

- ✳ **See customer across their entire journey** – Continue collecting and combining data that helps you track individual customer journeys across every touch point.

- ✳ **Connect with customer across every device** – Track customers' device usage to develop an enhanced understanding of their identities across devices, and offer right time offers.

- ✳ **Find more customers with look-alike modeling** – Use algorithmic audience modeling capabilities to define all-new audiences with the same potential value.

- ✳ **Test your experiences and make them even better** – Design tests with specific goals for targeting, beyond the view of A/B testing.

- ✳ **Influence, predict, and enhance the customer experience** – Use cross-channel analytics, predictive analytics, and advance personalization to unite customer experiences.

Lyons Consulting Group

Embrace self-gifting - This is a steadily growing trend during the holiday period, as more than seven in 10 shopper survey respondents indicated they treated themselves this past holiday season, according to NRF's 2017 Holiday Planning Playbook. Merchants should leverage existing customer data and insights like historical purchases, purchase frequency, and recent site activity to deliver targeted campaigns to their customers.

Use data to create a prospect group - Many retailers have moved away from static segments and are leveraging third party platform tools to apply more dynamic or conditional segment targets. For example, creating a prospect group for aggressive offer messaging based on traditional past purchase data, coupled with a dynamic data element such as increased visit frequency to your website.

Personalize against lifecycle moments - Shopping personalization extends beyond just product recommendations. Many brands successfully personalize against lifecycle moments. For example, Customer X may need content to nurture them before they make a sale, while Customer Y needs an extra incentive to complete end of purchase journey.

Nosto

Enhance product bundling - This helps better determine which products are most commonly purchased together and what customers purchase after viewing a specific product.

Establish customer profiles based on browsing/purchase behavior - This lets you leverage the rich data profiles formed after a customer first browses your site. These profiles contain unique behavioral data such as the shopper's location, their individual tastes and preferences, purchase history, and brand affinity.
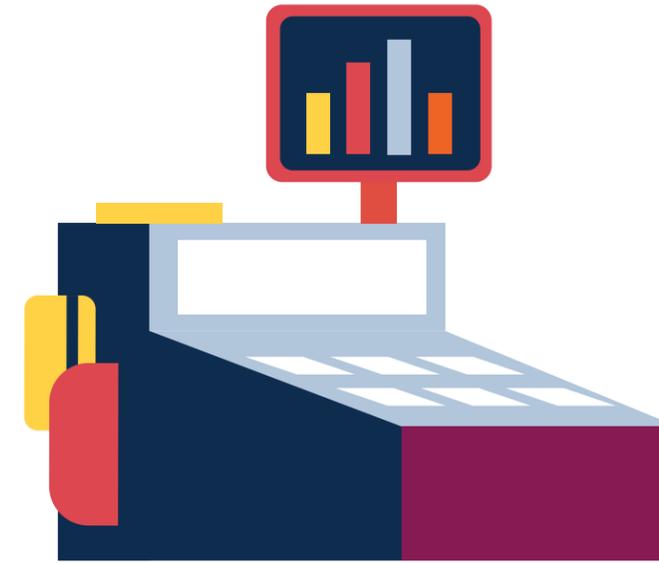
Analyze past revenue performance of every product - This optimizes your data for greater revenue. Machine learning algorithms place more value on the product which has a higher probability of being purchased, which gives additional weighting to the products that will maximize your holiday revenue potential.

Leverage data from across your digital store - Gather data from other integrations and APIs across your store's eCommerce stack ranging from social media data, to data pushed out to tech providers.

Perficient Digital

Use business intelligence tools, such as Magento Business Intelligence, to cross-compare with competitors - As a look back at the last holiday, low-performing categories can be optimized to be more relevant, and easier to shop compared to competitors.

A/B test by using personalizing and segmentation - Use these insights to determine if specific segments performed better than others.

Review site speeds and search relevancy - A faster path to product means a faster add to cart and checkout rates.

Yotpo

Without insight on customer behavior, sentiment, and preferences, everything from experience to logistics is left to guesswork. Yotpo Insights uses natural language processing (NLP) and sentiment analysis to analyze customer reviews, so brands can easily get the information they need to:

Improve product development - Knowing what your customers are saying at scale allows you to ensure product development is geared towards their wants and needs. In the process you'll eliminate flaws and create the features they've been craving.

Create a better customer experience - For example, if many customers mention the topic "shipping" in a negative context for a particular product line (i.e. on Twitter), this gives brands pinpointed knowledge of where and how to improve service.

Inspire engaging marketing campaigns - If a particular product is frequently mentioned in reviews as being bought as a gift, then a campaign targeted at the gift-buyer is likely to be a winner.

Visit

magento.com/holidayprep

for additional best practices, tips, and resources

About Magento Commerce

Magento, an Adobe company, is a leading provider of cloud commerce innovation to merchants and brands across B2C and B2B industries and was recently named a leader in the 2018 Gartner Magic Quadrant for Digital Commerce. In addition to its flagship digital commerce platform, Magento boasts a strong portfolio of cloud-based omnichannel solutions that empower merchants to successfully integrate digital and physical shopping experiences. Magento is the #1 provider to the Internet Retailer Top 1000, the B2B 300 and the Top 500 Guides for Europe and Latin America. Magento is supported by a vast global network of solution and technology partners, a highly active global developer community and the largest eCommerce marketplace for extensions available for download on the Magento Marketplace. More information can be found at **www.magento.com.**

Magento®
An Adobe Company