



THE 2018 BIGCOMMERCE HOLIDAY READINESS SURVEY REPORT AND CHECKLIST



THE 2018 BIGCOMMERCE HOLIDAY READINESS SURVEY REPORT AND CHECKLIST

As ecommerce continues to grow at an exponential rate in terms of both opportunity and competition, the state of retail, is flourishing. The evolution of the technologies powering online retailers has played an important role in the ecommerce boom, and this industry shows no sign of slowing down.

A recent report from Forrester estimates ecommerce revenue will account for 17% of total retail revenue by 2022. B2B in particular is seeing massive growth – with \$9 trillion in online revenue coming for that sector through online commerce.

Of course, retail success is won or lost for many merchants during a single season – the holidays. To better understand how online retailers are setting the stage for a successful 2018 holiday season, we surveyed more than 1,000 BigCommerce merchants on their seasonal strategies and lessons learned from years prior.

These retailers' strategies varied, but all had valuable lessons to share. In this report, we offer the most striking and informative insights along with advice to guide merchants in maximizing their efforts during the 2018 holiday season.

17%

of all retail sales are estimated to be from online purchases by 2022

Survey respondents

We found that some retailers are more impacted by the holidays than others, most notably those touting apparel, health and beauty, specialty and sporting goods products. The majority of respondents were U.S.-based retailers (76%) with a B2C focus (93%). However, they represented the full spectrum in terms of retail size and success, with some earning less than \$50K annually (29%), followed by \$50K - \$250K (26%), \$250K - \$1MM (23%) and finally \$1MM or more (22%).



Planning for the holidays begins in the off-season

In-store holiday displays seem to pop up earlier every year, but there is a method to this holiday-induced madness. As retail competition increases due to the growth of new channels and the ease of reaching customers around the world, many online retailers have started holiday planning earlier to make the most of the busiest, and most prosperous, time of the year.

September is the most popular month for the commencement of holiday planning, with 21% of respondents kicking off planning then, followed closely by August, October and July.

Some retailers even begin their holiday planning in January, right after the previous season ends. While this may seem over-eager, it makes sense to put post-mortem data to use while it's still top of mind, and these merchants often have the resources to start early; 39% of January planners earn \$1MM+ annually.

For retailers of all sizes, the previous year's lessons have proved to be key in planning for the next. About 31% of business owners say they began holiday preparation at least one month earlier than the year prior, and another 4% started three to four months earlier.

Tips for planning ahead for the 2018 season

Gain visibility into the customer

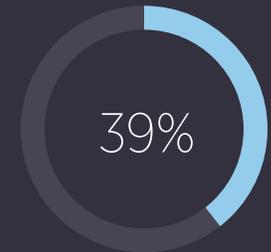
To increase sales, merchants must first understand how, when and where their customers shop during the holiday season, as well as what drives conversion. Many merchants find value in consulting their store's analytics tools, including BigCommerce's Analytics and Insights (66%), as well as Google Analytics (62%).

Staff up

Merchants can also relieve some holiday stress by ensuring they have enough reliable staff members trained and in place well in advance of the holiday season. About one-third (29%) of BigCommerce merchants expect to hire additional staff during this year's season, with 75% of those hires being allocated to warehouse and fulfillment roles.



21% of respondents kick off holiday planning in September



39% of January planners earn \$1M+ annually in revenue



29% of BigCommerce merchants expect to hire additional staff during holidays

Reduce the customer service burden

For the 71% of merchants not planning to hire seasonal workers, there are still tools available to ease the holiday workload — and stress level. Customer service is one of the most time-consuming aspects of running an online store during the holiday season, so consider trying to mitigate that strain by providing customers ways to self-service through chatbots, FAQs, forums or product videos.

90%

of BigCommerce merchants expect an increase in sales during 2018

Merchants are growing sales, despite “Decline of Retail”

It's hard to ignore the ongoing industry narrative around the decline of big box retailers. But the reality for online retailers is much less bleak.

In fact, nearly 90% of BigCommerce merchants expect some kind of sales increase in 2018, with 5% expecting more than 100% growth.

This indicates that many brands running online channels continue to see top-line growth, despite obstacles in the overall retail landscape. Consumer appetite is not disappearing; rather, preferences are simply shifting to a convenience-first model, which often means shopping across multiple channels.

2x

average revenue for merchants selling on two or more channels versus single-channel sellers

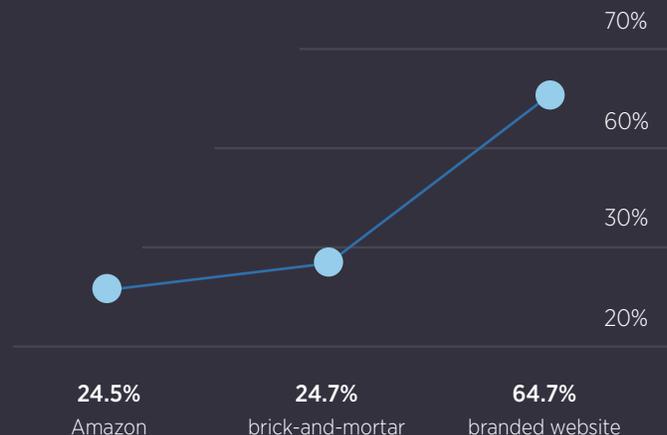
Tips for maximizing holiday sales

Expand sales channels

Merchants who have yet to take the multichannel plunge are missing out on serious

Branded storefronts drive the majority of holiday sales for SMBs

Merchants should also take care that they don't neglect their storefront. When asked what three channels earned retailers the most during last year's holiday season, they list their branded website as the primary earner (64.7%), with their brick-and-mortar coming in second (24.7%), and — a fact that may surprise many people — Amazon third (24.5%).



opportunities. In fact, **merchants selling on two or more channels on average earn 2x** as much revenue as single-channel sellers.

To make the most of channel expansion, merchants should look specifically at high-grossing marketplaces and social media channels, like Amazon, eBay, Facebook and Pinterest. Instagram has also upped its game for retailers, now allowing merchants to connect their inventory to the app natively and sell products directly through Instagram posts and ads.

However, merchants should also take care that they don't neglect their storefront. When asked what three channels earned retailers the most during last year's holiday season, they list their branded website as the primary earner (64.7%), with their brick-and-mortar coming in second (24.7%), and — a fact that may surprise many people — Amazon third (24.5%).

Despite Amazon's prominence and the clear value it offers both shoppers and retailers, it is still not as impactful as branded channels in terms of revenue or customer retention. Merchants can maximize multichannel expansion by utilizing marketplaces and social channels as tools for increasing brand visibility, while still prioritizing the strategy behind their branded site and store.

Invest marketing and advertising dollars in visual-heavy tools

This is not the time for retailers to wordsmith their way into a customer's heart. Shoppers are plagued with options as they browse during the holiday season, so merchants should let consumers' eyes and emotions do the work by engaging them through visual means.

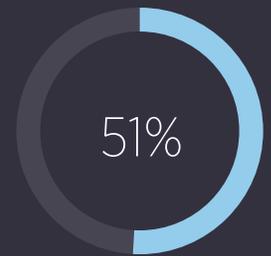
Merchants say their most successful holiday marketing and advertising channels are Facebook (52%) and email campaigns (51%). Leveraging visual elements on these platforms can help customers better connect to products in the absence of the ability to physically experience or handle them before purchasing. Additionally, many customers are shopping for loved ones during this time of year; helping them visualize their friends and families' positive reactions to specific products can help seal the deal.

Use holiday promotions to stand out

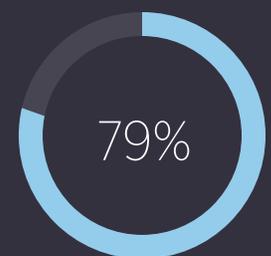
With the majority of merchants (nearly 79%) offering some type of discount or promotion during this time, it's clear that offerings like free shipping have become holiday table stakes. In order to surpass customers' ever-rising expectations, merchants should think beyond the expected and identify some opportunities to use promotions to their advantage — and to stand out from



of merchants say Facebook is the most successful holiday marketing channel



of merchants say email campaigns are the most successful holiday marketing channel



of merchants offer some type of discount or promotion during the holiday season

the competition.

One strategy is to offer some unexpected promotions, such as free gift wrapping (showcasing their brand to the recipient); store credit for a future purchase (turning the purchaser into a return visitor); an exclusive, gated sale for holiday shoppers; or a Facebook trunk show. The uniqueness of the offering can add brand differentiation, and may be just the incentive a customer needs to complete the checkout process.

99.9%

uptime for merchants using BigCommerce

The Most Worry-Filled Time of the Year

With all the opportunity the holiday season brings, it can also be a source of anxiety.

According to the survey, retailers are most concerned about maintaining sufficient inventory (50%) this year. However, most of their other big concerns revolve around things that are outside of their control, such as shipping and ensuring deliveries arrive on-time (45%), covering the high advertising costs (36%), maintaining website stability during traffic spikes (31%) and dealing with pricing pressure from a saturated market (31%).

12/20

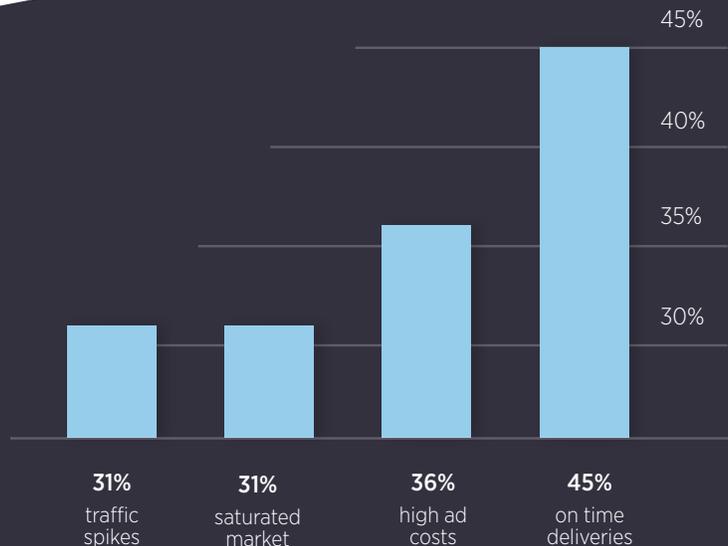
is the preferred final shipping date of many customers

It's true that the stakes are higher to perform perfectly during the holiday season, but a wealth of technology is available to ensure merchants' plans go off without a hitch.

Merchants can leverage all-in-one channel management dashboards, like BigCommerce Channel Manager, to ensure their inventory is synced automatically across channels. They can further prepare by ensuring their SSL certificate is up to date and that their web hosting is being monitored for fraud and prepared to weather higher-than-normal traffic volumes. Finally, they can alleviate shipping insecurity by establishing a firm deadline date by which all orders must be shipped for holiday delivery — typically December 20.

Shipping delays top list of merchant concerns

Most of their other big concerns revolve around things that are outside of their control, such as shipping and ensuring deliveries arrive on-time (45%), covering the high advertising costs (36%), maintaining website stability during traffic spikes (31%) and dealing with pricing pressure from a saturated market (31%).



As temperatures cool and online competition heats up, all of the optimism in the world can't compete with the merchants who strategically pre-plan, start early and undertake a comprehensive post-mortem analysis about the season's successes and failures.

While it can be hard to be impartial regarding your own hits and misses, learning from your actions and formulating data-based insights is the only way to enter the next holiday season wiser and more prepared than the previous.

For more insights and statistics from the BigCommerce holiday preparedness survey, visit the [BigCommerce blog](#).

Holiday Readiness Checklist

Invest marketing and advertising dollars in visual-heavy tools

Implement AMP: AMP stands for Accelerated Mobile Pages. It is a Google-backed project designed with open standard to have pages load quickly on mobile devices. Although not a direct ranking factor, AMP improves user experience and page speed for mobile users -- ideally increasing user engagement with your site. [All BigCommerce Stencil themes have AMP built right in.](#)

Launch a service like Akamai to optimize image size across devices: One of the biggest factors slowing down site load time is image size. On bigger screens, bigger pictures work best to portray the true quality. On smaller screens, a tool like Akamai working in the background will optimize images for the device, speeding up page load speed and helping you to rank higher, faster. [All BigCommerce stores automatically have Akamai working in the background.](#)

Use digital wallets at checkout: Digital wallets remove the frustrations of [mobile checkout](#), and they help speed up desktop conversions, too.

Customize and optimize every inch of checkout: From charitable givings to a completely unique checkout experience, use BigCommerce to customize every single pixel at checkout exactly how you want the experience to be.

Optimize product pages for long tail search terms (think voice commerce): Beyond mobile text SEO, make sure to optimize your product pages for longer tail questions rather than keywords. This will help you to rank for voice search queries.

Update SEO

Analyze keywords that drove success last year: Optimize for those terms, creating more in-depth product page content (including video) and earning more backlinks from your affiliates, partners and community.

Factor in the surge in voice-related searches: Modify your SEO to incorporate your highest value question phrases, including searches for brick and mortar store information.

Create sneak peek or “coming soon” pages: These are perfect for when you are planning your gift guide and help to provide a nice boost to your SEO rankings. Plus, exclusivity always helps to drive conversion.

Get a head start on indexing holiday-specific queries: Begin to use holiday-specific keywords and phrases in the page metadata and copy. For instance, start writing blog posts, building your sneak peek pages and researching up-and-coming industry trends (you can use Google Trends for this) as well as those on your site to see what people are searching for, and then making it easier for them to find your item that fills that need.

Launch Campaigns and Promotions

Create your holiday promotions and communications calendar: Use a tool like Trello or Google Sheets and share this out with the team. Integrated marketing campaigns have the highest return on investment. Make sure all team members know what is going live and when, and what their role is in each campaign’s success.

Launch Campaigns and Promotions (Cont.)

Map out an email strategy to ensure the right segmentation and frequency of messages: Keep in mind that more messages are opened on mobile devices, and that using emoticons and emojis in the subject lines drive open rates. Using more conversational messages is helpful as well. Include images of you and your team. Let your customers and newsletter lists get to know the real you – and they will be more likely to buy. Hot Tip: Don't forget about Facebook Messenger. Use a bot like [Maisie](#) to help.

Build a page to clearly communicate delivery dates for the holiday season: Include on this page “purchase to get by XYZ holiday” drop dead dates, as well as your return policy. Push this out through social media and email. Be sure to have a plan for the final days to promote how much time folks have left to buy something.

Experiment with tiered promotions to help drive AOV and customer engagement: For example, “buy more, get more.” Or, “Free Shipping with a \$50 purchase.”

Communicate urgency and FOMO (fear of missing out): Use terms such as “online only,” “limited quantities,” and “ends tonight!”

Offer a “gift with purchase” promotion: This has proven to be highly successful and it gets additional products of yours in front of net new customers.

Use customer groups to offer holiday previews to your most loyal customers.

Post top holiday products to Facebook and Instagram to drive deep links and consumers to your site.

Consider potential tie-ins with charities for a “Giving Tuesday” promotion: Also think through your Black Friday, Small Business Saturday and Cyber Monday promotions and campaigns. Can you tie them all back to a key message? Or use each day to target a different, relevant audience? Small Business Saturday, for instance, may be the best time to target your local community through Facebook ads or promotions – including Buy Online, Pick Up In Store.

Update Your Merchandising Strategy

Launch a Holiday Gift Guide: Make gift guides targeted to a theme (beach bum, jewelry lover, stocking stuffers, etc.) and by price. Update consistently, feature them in emails and create “quick navigation” paths so shoppers can easily find and shop the guide.

Create recommended and frequently bought together bundles and upsell opportunities: Adding multiple products to your shopping cart from one page increases your AOV. Feature these sets in your content, navigation, social campaigns and email campaigns.

Tune Site Search results

Add the most common misspellings to your dictionaries: Review weekly beginning now. Keep an eye out for low-converting terms that display results. Are the correct items being returned? Also, offer autocomplete functionality to help deviate folks from wrong spellings.

Create dedicated landing pages for “holiday gifts,” “stocking stuffers,” “gift ideas” and other popular search terms. Consider using redirects for holiday-curated categories. Make sure these pages show up in search results -- even if folks aren’t searching for them.

Avoid the “no results found” experience: Even misspellings should take your shoppers to their destination so there is no money left on the table. Remember the Amazon Prime Day puppies? Make sure you don’t have any puppies – but that there are results and options there in product form. For instance, you can update content on your “no results” page to feature holiday gift guides.

Post Checkout Optimization

Beef up inventory: You know better than anyone else about lead times, especially for items coming from overseas. Place your orders now, so you're well stocked for the holiday rush. Also make sure that each of your warehouses is appropriately stocked, or that you have shipping and fulfillment rules in place to switch warehouses if a minimum threshold is hit.

Set minimum in-stock number thresholds: Once those thresholds are hit, have the systems automatically remove the product from the purchase queue. In other words, show it out of stock, even if you have 5 left. This will give you space as your other channels catch up and you call in additional inventory.

Sync in-store, online and marketplace sales: Make sure you have a single source of truth for all of your sales channels including your web store, your brick and mortar, your Amazon products and wherever else you sell. You can use BigCommerce and Square for this, an ERP of your choice, a PIM or a channel manager. It's up to you, but make sure what you have in place is what works.

Offer a variety of shipping options: 2-day, free, pick up in store, etc. Make sure customers have options -- and that you do, too.

Technical Site Readiness

Test your infrastructure: Do a round of load testing to ensure servers can handle increases in traffic and transactions. Reach out to your technology provider like BigCommerce. These companies can help you perform load testing to determine visit numbers and traffic patterns.

Technical Site Readiness (Cont.)

Keep a clean house: Do a survey of your website to ensure there are no broken images or hyperlinks. Purge old data, set object retentions, and be cognizant of system quotas. Check the health of your site and review 404 errors in webmaster tools. Use 301s to redirect any 404s.

Add trusted payment methods: Make sure your PayPal, Amazon Pay, Apple Pay and any other payment options are functional and working properly across your funnel.

Test your third-party integrations: Test them, make sure they can handle the load and then don't add any others. Additional or last minute app add-ons can break aspects of your flow or slow down your site. Unless something is broken, put a "code freeze" in place a few weeks before Thanksgiving.

International Preparation

Do more homework: Learn the customs, duties, taxes and regulatory requirements of your targeted sales regions, which can allow you to position your products effectively and appropriately. Plus, stay on top of the product categories and brands that are hot overseas.

Keep shipping costs low: 47% of all online shoppers say that free shipping would make them more likely to purchase from another country. Consider the trade off between incurring shipping costs and the lifetime value of a new customer.

Consider how customers want to pay: Research local buyers' preferred payment methods, which vary significantly depending on the country. If you can't offer payment in local currency, at least provide a currency converter.

The 11th Hour

Put together a “12 deals of Christmas” offer: Offer a new deal each day leading up to shipping cut-off. Reveal one deal each day to drive repeat visits. Schedule content in advance to relieve the burden of daily content slot swaps.

Prep for last minute holiday shopping: Call out available shipping upgrades, extended shipping deadlines, etc. Push these through affiliates and social media. Create a sense of urgency with “only three days left” or “there is still time!”

After the shipping drop dead date: Push gift cards after the holiday shipping cutoffs, including redirecting key site search queries. Make sure your returns portal is set up and ready.

After Holiday Customer Loyalty

Show some personality: Say thank you via email and your social channels, and wish folks a happy new year. Let people see the people behind the brand, and the gratitude at a great holiday season.

Encourage the use of holiday gift certificates: Set up email campaigns to get folks to come to the store and use their gift.

Make sure your returns portal is set up and provides a hassle-free process: A returned item isn't necessarily a lost customer. A bad experience is.

Keep the campaigns coming: Use content and promotions long in to the new year, letting folks know of new product launches, discounts for the winter season and more. Communication doesn't stop after the holidays.

Do some digging: Look into what really worked for you this holiday season, and then double down! Using holiday data to uncover trends within your segment can help set your brand up for 2019 success.



For more insights and statistics from the
BigCommerce holiday preparedness survey,
[visit the BigCommerce blog.](#)