5 Quick Wins to Drive Holiday Sales



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As the holiday season approaches, the digital commerce space transforms into a bustling marketplace with millions of shoppers searching for the perfect gifts and deals. For businesses, this represents an opportunity to boost sales, acquire new shoppers, and drive customer loyalty. However, to capitalize on the festive frenzy, it's essential to ensure your website is prepared for the uptick in activity.

In 2022, the November to December holiday season grew 5.3% year-over-year (YOY). While it fell short of NRF's initial forecast, it was still seen as a huge success considering the historic levels of inflation and interest rate hikes. The value of retail sales in the holiday period worldwide was $1.14 trillion. More importantly, for many retailers, the season provides 45% of their annual profits.

Coresight Research predicts that 2023 holiday sales will be up by single low digits YOY—potentially a smaller increase than 2022. As a result, the competition for customer attention could be even more intense.
In this guide, we'll provide five quick wins that will help you streamline digital commerce operations and deliver superior customer experiences that meet shopper expectations.



Win #1: Performance Testing Your Applications

Performance testing of eCommerce websites and their integrations is particularly important during preparation for the holiday season, as it's during these periods that these applications will experience a dramatic surge in user traffic and transactions.

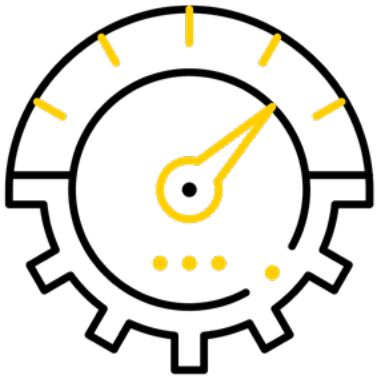
There are multiple types of load testing, each of which is employed to test the system's performance in different ways by simulating customer usage patterns under specific conditions, such as a basic performance test, a stress test, and a soak test.

A basic performance test is employed to ensure that the system can sustain the expected maximum number of users for an hour or two. This would typically simulate a busy day of trading in a sales period.

A stress test will take those same user figures and maybe triple or quadruple them to understand if the system buckles and falls over at any stage. This might simulate a very popular product launch or a highly anticipated event ticket release with a massive marketing campaign, causing an uptick in site visitors racing to complete a transaction on the site.

A soak test is designed to execute sustained high load against an application for a far longer period of time, possibly 24-48 hours. This could simulate the reality of a company's entire Black Friday to Cyber Monday trading window.





Each of these types of tests has its own purpose, and they each expose different types of performance bugs that may need to be fixed urgently.

For example, in a recent performance testing engagement for a major international eCommerce company launching a new website before peak season, the performance tests detailed below were executed against a production-like environment.

Load Test 1 - Three User Journeys:

Browse only, Simple Checkout with one product, Complex Checkout with seven products, with simulated customers driven from seven locations and the top five locales for the website all being placed under load up to approximately 500 transactional orders per minute, continuously for one hour.

Load Test 2 - 1 User Journey:

Browse only, touching 12 product detail pages following a product search, with simulated customers driven from seven global locations and the top five locales for the website all being placed under load. There were no cart conversions in this test, but the number of concurrent users was increased to 50,000 for one hour, resulting in almost 400,000 user sessions within the test.

If you're looking to improve your performance testing strategy, these are the things you should plan for.

1. Work with your product stakeholders to refine your performance or non-functional requirements. How many users and/or transactions per minute/ per hour should your application be able to support comfortably throughout your peak trading periods? What is an acceptable response time for page loads – maximums, averages, etc.?

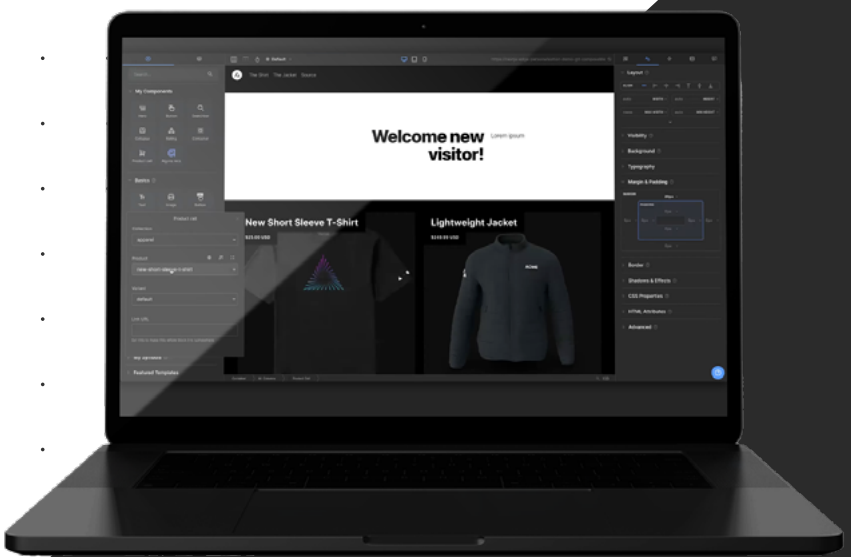
2. Look at your target test environments and data set-up. For performance testing to be successful and yield results, these need to be as production-like as realistically possible.

3. Look at the technical makeup of your development and testing team. Who can build the required performance tests? Which tools are they already familiar with or can learn to use quickly and effectively?

4. When you plan your test execution, you should plan your traffic allocation between scenarios, across your website locales if international, and where the traffic is coming from.

5. When running your tests, ensure your operations team monitors the application. When the test is complete, your load engine will provide reports of its own. These should then be compared with your application monitoring and any associated logs to determine where there were performance issues and help pinpoint the root cause.

6. Finally, fix, deploy, and repeat until your application is as resilient as it should be!



Win #2: Optimize Order Orchestration to Ensure Orders Get Delivered On Time

Especially during the holiday season, it's critical to accurately manage customer expectations by setting realistic delivery timeframes. One of the critical components of achieving this is order orchestration optimization. By optimizing your order routing rules and workflows within your order management system, you can minimize delivery delays, manage shipping costs, and meet customer expectations.

Applying these specific rules can help you accurately set and meet delivery times while balancing costs:

▷ Geographic Proximity:

Reduces shipping costs and customer delivery times by shipping from the location closest to the delivery address. For example, you could set a rule that prioritizes fulfillment from stores within 20 miles of the customer.

▷ Cost-Base Optimization:

Maximizes margins by considering multiple cost factors such as carrier costs, location-specific labor costs, and location overhead. For example, it may be cheaper to fulfill an order from a warehouse than a physical location, depending on costs.

▷ Inventory Life to Date (LTD):

Improves inventory turns and reduces markdowns by assigning orders to the locations with the slowest moving inventory.

▷ Control Split Shipments:

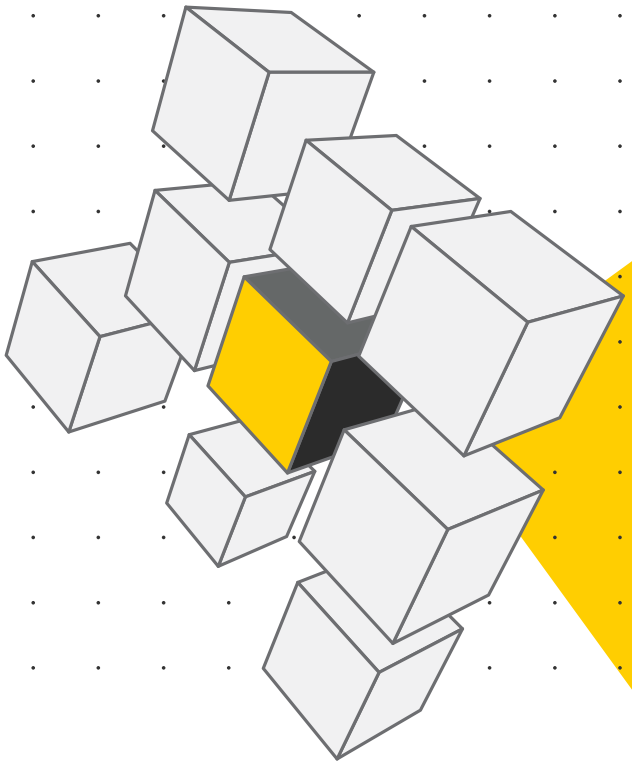
Prioritizes scenarios that maintain single shipment or allow split shipments at line or quantity levels to minimize shipping costs. For example, if you use physical stores to fulfill orders, you could prioritize stores closest to the customer that can fulfill the complete order.

▷ Assignment Throttling & Thresholds:

Sets limits for orders, line items, or revenue volume by location to manage fulfillment capacity or regulate revenue distribution. For example, if you fulfill items from store locations, you could limit the quantity of an item purchased to ensure stores don't run out of inventory.

▷ Item Specific Assignment:

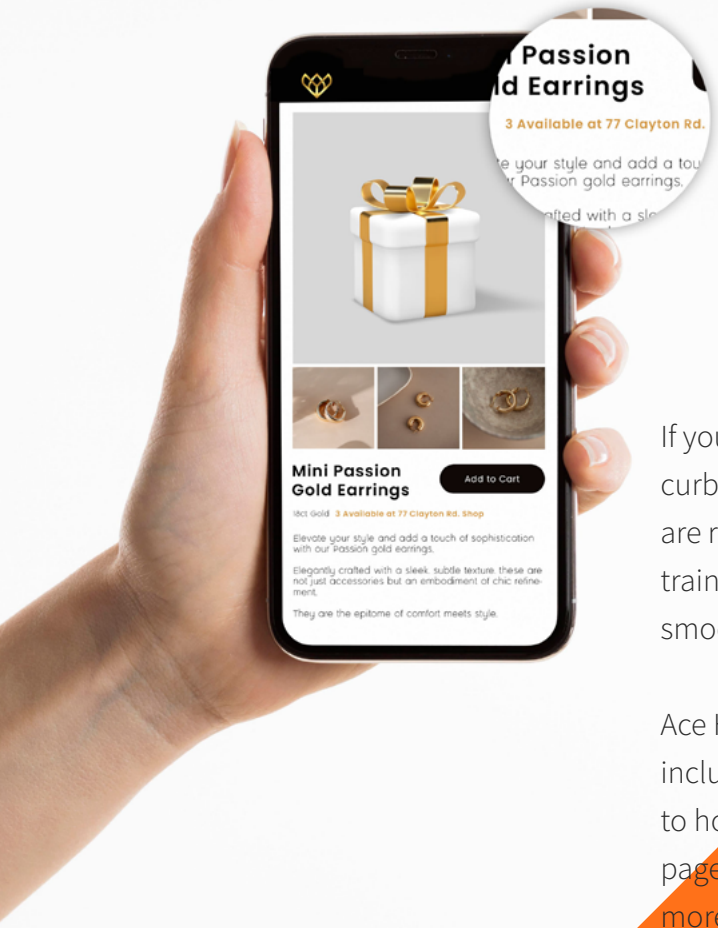
Assigns orders that require special handling like assembly, personalization, or freight delivery to a specific fulfillment group or fulfiller location. For example, large or high-priced items may require special handling.



Win #3: Present In-Store Inventory Availability Online

According to Forrester's February 2022 Consumer Energy Index and Retail Pulse Survey, 75% of US adults think in-store product availability is an important feature to have on the site. Giving holiday shoppers real-time, accurate inventory levels on search results and product detail pages allows them to conveniently check store availability before making the trip.

To present in-store availability online, you'll need an order management or inventory management system that can unify inventory data in real-time from multiple sources. It's a win-win for both you and your customers. As a business, you'll gain:



- **Increased foot traffic to stores, giving your associates an opportunity to cross-sell and upsell other products**
- **Improved inventory turnover from stores, reducing holding costs**
- **Better transparency with customers, which will drive loyalty**

If you're offering buy online, pick-up in-store (BOPIS) or curbside pick-up, make sure your in-store fulfillment operations are ready for the holiday surge. Store associates need to be trained on the most recent processes and OMS admin to ensure smooth fulfillment.

Ace Hardware offers its shoppers multiple fulfillment options, including BOPIS, curbside pickup, deliver from store, and ship to home. The retailer presents store availability on the product pages so customers can choose which fulfillment option is more convenient for them. After enhancing its omnichannel strategy in 2021, Ace Hardware saw a 279% increase in online revenue. The company also reduced its average number of hours to fulfill BOPIS hours by streamlining processes and switching to a user-friendly admin within Kibo Order Management.

Win #4: Maximize Efficiency of Your Subscription Business to Drive Customer Loyalty Beyond the Holiday Season

In today's fluctuating retail landscape, subscription models aren't just a trend—they're a lifeline for sustained growth and efficiency. Insider Intelligence predicts a 5.0% growth in e-commerce subscription sales this year, and Forbes projects the global market will hit $904.2 billion by 2026.

The advantages of subscriptions extend beyond merely providing consistent revenue streams. They also facilitate smoother inventory management and fortify customer loyalty, attributes that are especially critical during high-demand periods like the holiday season. You can capitalize on these benefits by implementing actionable strategies. For instance, an optimized checkout process, automated payment systems, and a customer-centric approach featuring perks like free shipping and exclusive discounts can effectively turn one-time buyers into loyal subscribers.

Williams Sonoma exemplifies the transformative power of adeptly managed subscription models. The company's array of food subscription services—ranging from specialized cheese and charcuterie boxes to curated gourmet sauce bundles—transforms holiday gifting into a continual journey of culinary discovery. Additionally, the retailer employs thematic narratives, ensuring each monthly delivery offers a fresh, engaging experience tailored to individual preferences.

If you're looking to maximize the efficacy of an existing subscription services, here are a few things you can do:

1. Launch a targeted post-holiday marketing strategy. Within your current CRM system, segment your one-time holiday shoppers and send them personalized offers that elucidate the benefits of your subscription model.

2. If your service is angled towards product discovery, think about launching a holiday-themed "teaser" box to pique interest.

3. For models focused on convenience, integrate a one-click option that turns one-time holiday purchases into recurring orders.

By adopting these strategies and insights, retailers can navigate today's complex market while also building long-term success through operational resilience, which in turn strengthens their relationships with customers.



Win #5: Enhance the Site Search Experience

The holiday season often brings a sense of urgency as shoppers look for specific gifts or deals. An enhanced site search experience can help them locate items quickly, saving valuable time and reducing frustration. It's not just a convenience but a critical component in delivering a smooth and successful customer experience.

Here are a few ways you can enhance the search experience for holiday shoppers:

- **The inventory data to search results:**

  By tying inventory data to search results, shoppers can easily filter products by availability and fulfillment options. It can also help the business improve inventory turnover.

- **Optimized search functionality:**

  Auto-suggestions and synonyms help users find products faster as they type. Filters and sorting options to refine search results based on price, popularity, and other relevant criteria.

- **Launch search campaigns:**

  Using search to boost or bury certain products can help you promote specific items that are popular among holiday shoppers or items that have a bigger profit margin.

Conclusion

As the holiday season approaches, retailers have an opportunity to capitalize on the increase in traffic and demand and drive sales. With holiday sales growing year-over-year and the potential for increased competition in 2023, preparation is crucial to success. The five quick wins outlined in this whitepaper provide actionable strategies to streamline digital commerce operations and enhance the customer experience during the holiday rush. These strategies not only ensure smooth holiday operations but also contribute to long-term customer loyalty and success.

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About Kibo

Kibo Commerce is a composable digital commerce platform for retailers, manufacturers, distributors, and wholesalers who want to simplify the complexity in their businesses and deliver modern customer experiences. We are the only modular commerce platform supporting experiences that span Order Management, eCommerce, and Subscriptions. Companies like Zwilling, Ace Hardware, and Coastal Construction trust Kibo to bring simplicity and sophistication to commerce operations and exceed customer expectations.

About Cognizant

Cognizant (Nasdaq-100: CTSH) engineers modern businesses. We help our clients modernize technology, reimagine processes and transform experiences so they can stay ahead in our fast-changing world. Together, we're improving everyday life. See how at www.cognizant.com or @cognizant.

About OLR

OLR is a leading global Oracle Retail systems integrator, specialising in delivering end-to-end omnichannel and merchandising solutions. Our expertise empowers top-tier retailers using Oracle Retail solutions to achieve rapid business success through seamless system integration, automated regression testing, 24/7 Managed Services & Support, and a suite of proprietary accelerators that facilitate efficient and scalable project delivery.

About Kibo

About Cognizant

About OLR