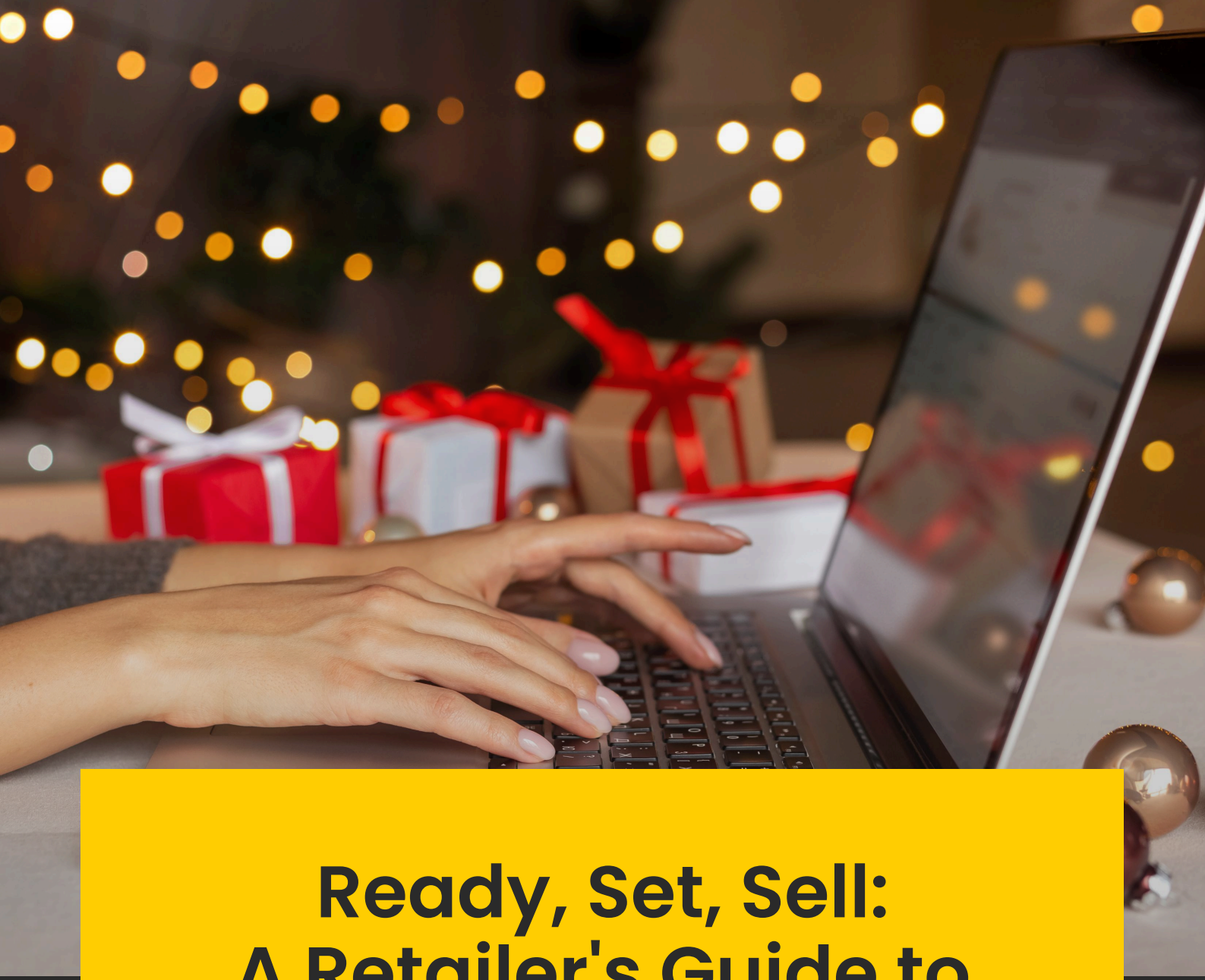


Ready, Set, Sell: A Retailer's Guide to Crushing the Holiday Season

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Introduction

The holiday season is a monumental opportunity for retailers. It's a period marked by increased customer traffic, higher sales, and the chance to build lasting customer loyalty. For many, this time of year can account for up to 19% of their annual profits.

A well-prepared strategy is crucial to navigating the holiday rush and ensuring a smooth, profitable season. It's about working smarter, anticipating customer needs, and leveraging technology to create seamless experiences.

This guide provides a comprehensive roadmap for marketing, ecommerce, and technology leaders, offering practical tips and best practices to prepare for and capitalize on the holiday shopping surge.

We'll explore five key areas to focus on: platform performance, customer engagement, efficient fulfillment, and post-purchase support.



What it Takes to Win Holiday Season



Winning the upcoming holiday season will demand a fundamental shift in retail strategy. Traditional approaches focused on driving traffic and increasing engagement are no longer enough. The key to success lies in a unified approach to commerce, powered by AI, that streamlines the entire customer journey from discovery to post-purchase support. This holiday season, the most successful retailers will be those who prioritize efficiency, personalization, and seamless experiences, all while preserving their margins.

Every holiday season is different, so learning from last year and anticipating this year's performance is where you should start. Plan for what you can expect, and then plan for the unexpected. With a chaotic market, data is what brings order. Integrated data enables a single source of truth across your entire organization, giving everyone a complete view of your customers, inventory, and overall operations.

Consumers today are more digitally savvy and value-driven than ever before. With market uncertainty and economic pressures, they are often trading brand loyalty for lower prices and are more likely to abandon a purchase due to long shipping times or a poor experience.

Our goal, then, is to move shoppers through their journey as quickly as possible. This means focusing on getting the right products in front of the right people, helping them find what they're looking for immediately, and providing the tools to make a confident purchase decision.

The rise of AI and conversational search tools is reshaping how customers discover products, with a significant portion of consumers already using large language models (LLMs) in their shopping journey. This shift requires a new approach to product discovery and content strategy. Retailers must be prepared to compete for attention on new platforms where 1:1 conversational interactions are the new standard.



Pre-Holiday Preparation: Make Your List and Check it Twice

Holiday preparation starts long before the festive music and decorations appear. Ideally, work should stop on your commerce platform two to three months before the season begins. This period allows for a focused effort on optimization and readiness, rather than last-minute firefighting. A dedicated team should be in place to handle any issues that arise during the holiday period. This team can quickly address and resolve problems without disrupting the customer experience.

One of the most critical preparatory steps is rigorous **performance testing.** The holiday season brings a dramatic surge in user traffic and transactions, which can strain applications and integrations.

Performance testing helps you understand how your systems will handle this increased load. To ensure your site can handle high traffic while providing features like real-time inventory, you should perform several types of tests:

- **Basic Performance Testing:** This ensures your system can comfortably handle the expected maximum number of users for an hour or two. It simulates a typical busy day during a major sales event.
- **Stress Testing:** This involves pushing your system far beyond normal limits—perhaps tripling or quadrupling expected user numbers to see if the system breaks down. The goal is to identify breaking points and understand how the system behaves under extreme conditions, mimicking a viral product launch or a highly anticipated sale.
- **Soak Testing:** This is a long-duration test, running for 24 to 48 hours, to simulate an entire major holiday event like the Black Friday to Cyber Monday weekend. This helps uncover performance issues that only appear under sustained high load.

We recommend you refine your performance goals with key stakeholders. Establish acceptable response times for page loads and determine the maximum number of users and transactions your application should support.

These tests should be conducted in a production-like environment with realistic data to yield meaningful results. Monitor your application closely during testing to pinpoint the root cause of any performance issues and fix them before the holiday season begins.

Making Spirits Bright with Dynamic Experiences

During the holidays, your goal isn't only to increase traffic, but to guide customers efficiently through the buying journey. This means optimizing the shopping experience for speed and clarity.

Consider Headless Experiences as an Accelerator

Headless commerce experiences deliver content to shoppers at incredible speeds by separating the frontend display from the backend commerce engine. This technical separation is particularly impactful during peak seasons like the holidays, when every millisecond can influence a customer's decision to buy.

A headless site, especially when built in a composable or modular architecture, is inherently faster because it separates the customer-facing storefront from the core commerce platform. Instead of a single, monolithic system handling everything from product data to page rendering, a headless setup uses APIs to deliver content and data to any frontend channel. This approach means the storefront can be built and optimized for speed without being bogged down by complex backend processes.

During the busy holiday season, site performance is non-negotiable. Research consistently demonstrates that even minor delays in page load times can cause significant drops in conversions. This translates directly to lost revenue and customer dissatisfaction. In a competitive market, where every sale is vital, optimizing for speed provides a clear advantage.

The benefits of a headless approach extend beyond just page speed:

- **Faster Innovation:** Without the need to rebuild the entire platform for a new feature or design change, developers can launch and iterate on new experiences much more quickly. This agility is crucial for responding to market trends and launching new holiday campaigns.
- **Omnichannel Flexibility:** A headless commerce site allows you to create seamless shopping experiences across all channels, from a traditional web storefront to mobile apps and even voice-activated devices. KIBO's solutions, for example, are built with a composable architecture, providing the flexibility needed to create unique and engaging experiences across any touchpoint.
- **Reduced Total Cost of Ownership (TCO):** By using an integrated platform like KIBO, you can avoid the need for multiple third-party solutions to manage different aspects of your business. This unified platform reduces complexity and overhead, freeing up resources to invest in other areas of your business.

Optimize The Site Search Experience for High Traffic

An enhanced site search experience is a game-changer for impatient holiday shoppers. It helps them quickly locate specific items, reducing frustration and saving time during a season defined by urgency. The goal during the holidays isn't to keep people on your website, but to get them what they want and offboard them quickly so your site isn't overwhelmed. You can achieve this by implementing several strategies.

- **Integrate Inventory Data:** Tying real-time inventory data directly to search results allows shoppers to filter products by availability and fulfillment options, such as in-store pickup. According to a Forrester survey, 75% of US adults consider in-store product availability an important site feature. For businesses, this improves inventory turnover. An order management system with real-time inventory capabilities, like KIBO's, provides instant, accurate visibility into stock levels, preventing overselling and ensuring customers only see what's truly available. It even supports urgency messaging like "Hurry! Only 4 left in stock!" to drive conversions.
- **Enhance Search Functionality:** Use tools like auto-suggestions and synonyms to help users find products faster as they type. Implement filters and sorting options so they can refine results by price, popularity, or other relevant criteria.
- **Launch Search Campaigns:** Boost or bury certain products in search results to promote popular holiday items or products with higher profit margins. You can easily set merchandising rules to feature specific products and optimize for conversions.

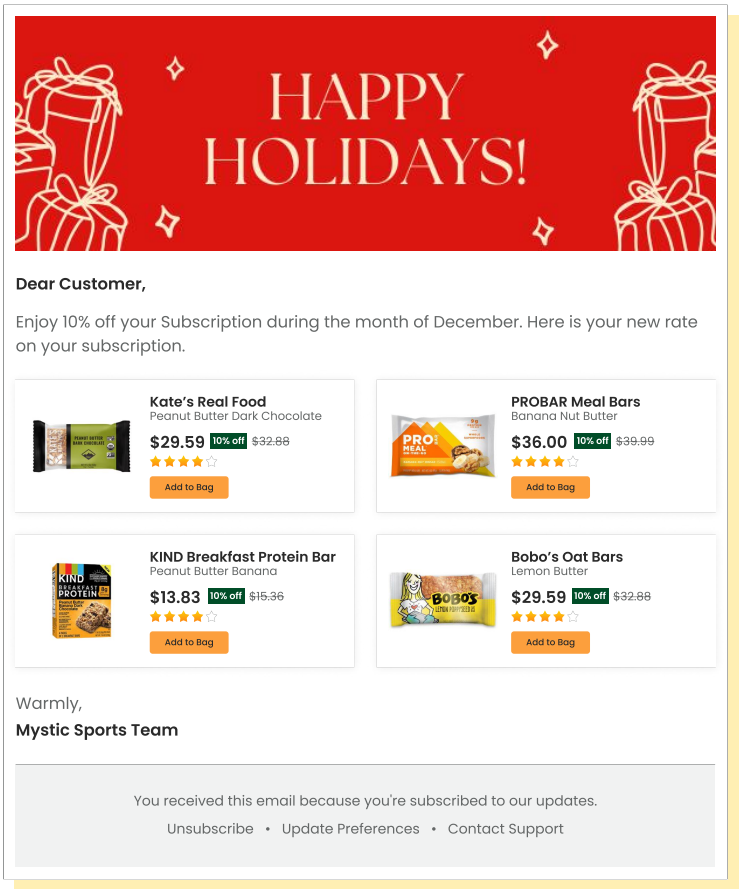
Prepare Your Subscriptions with Giftgiving in Mind

Subscriptions are a powerful tool for turning one-time holiday shoppers into long-term, loyal customers and securing recurring revenue. To fully capitalize on this, you'll want to go beyond the basics and empower your subscription offerings with enhanced features that benefit both your business and your customers.

- **Curate the Perfect Gift with Subscriptions:** Think beyond a single purchase and get creative with how subscriptions can become the ultimate holiday gift. Instead of just one pair of socks, for example, imagine giving a monthly sock subscription. This approach turns a simple product into a unique, thoughtful, and ongoing experience. By building your holiday gift strategy around subscriptions, you can secure a consistent revenue stream well beyond the holiday season.
- **Optimize Pricing and Drive Customer Satisfaction:** To maximize customer delight and loyalty, introduce a "best available price" or best optimal price option. If a customer signs up for a subscription and a new discount or promotion is released later, this feature automatically applies the new, lower price to their next order at no extra cost. This ensures customers always get the lowest possible total—including item price, discounts, promotions, and tax—without having to cancel their subscription or feel like they've been taken advantage of. It's a powerful way to build trust and drive long-term loyalty.
- **Enhance Flexibility and Control:** Give customers the ability to self-service their own subscriptions, offering them the freedom to start, stop, or modify their plans as needed. By putting control

in their hands, you empower them to manage their subscriptions in a way that fits their lifestyle, further enhancing their satisfaction and loyalty. In addition, offer flexible payment models, allowing customers to choose what works best for them, such as paying for an entire gift subscription upfront instead of in monthly installments.

- **Leverage Subscriptions for Smarter Operations:** Beyond customer-facing benefits, subscriptions provide predictable revenue and invaluable demand data through predictive analytics. This information is a game-changer for inventory management during the busy holiday season. Use this data to forecast demand more accurately, avoid costly stockouts, and ensure your business is prepared for the holiday rush.



Gifting Guide with Shopper Agents

The holiday season is all about finding the perfect gift. An AI-powered shopper agent can guide customers through this process, providing a conversational and personalized shopping experience that a static website cannot match. These agents can handle complex product questions and provide real-time information, improving site performance and conversion rates.

- **Product Suggestions:** A shopper agent can ask a customer about their preferences, budget, and the recipient's interests to suggest relevant products from your catalog.
- **Detailed Product Information:** Agents can provide detailed specifications, usage instructions, and even compare products side-by-side, helping customers make confident purchasing decisions.
- **Instant Answers:** Instead of navigating through FAQs or waiting for a live chat agent, customers can get immediate answers to their questions about return policies, shipping times, and product compatibility, reducing friction and increasing the likelihood of a sale. This is an example of a conversational commerce agent.
- **Streamlined Order Management:** AI-powered shopper agents can also handle order modifications, such as updating shipping information or changing an item in an order. They can even provide customers with estimated delivery dates, so shoppers know their gifts will arrive on time. This is a powerful example of a conversational commerce agent, offering not just product guidance but also comprehensive post-purchase support.

Improve Product Descriptions with a Merchandiser Agent

To optimize product descriptions, focus on providing detailed, accurate, and keyword-rich content for both a better customer experience and improved SEO. A merchandiser agent, for instance, can help ensure product attributes are used to their full potential for SEO purposes.

- **High-Quality Visuals:** Include high-resolution images, videos, and lifestyle shots to set realistic customer expectations.
- **Comprehensive Descriptions:** Go beyond basic features by including dimensions, materials, and care instructions. For clothing, provide specific garment measurements instead of generic sizes to reduce returns.
- **Customer-Generated Content:** Encourage reviews and Q&A to provide valuable, peer-to-peer information that sets realistic expectations.
- **AI-Powered Optimization:** Use an AI merchandiser agent to automatically optimize descriptions with relevant keywords and verify attributes, which improves search rankings and data quality.

Convert Browsers into Buyers with Targeted Promotions

During the holiday season, the goal shifts from simply increasing site engagement to converting traffic as quickly and efficiently as possible. This means focusing your promotions to drive immediate action and ensuring every visitor is qualified. You want to avoid attracting "unqualified" traffic that wastes resources and instead focus on getting the right products in front of the right people at the right time. Here's how to create a smarter promotion strategy:

- **Optimize with Flexible Pricing and Promotions:** To create a smarter promotion strategy, your platform needs to offer sophisticated, flexible tools. KIBO's pricing and promotions engine gives you the flexibility to go beyond simple discounts. You can create promotions based on specific product attributes (like color, size, or material) and inventory levels. This is crucial for moving the right stock at the right time and preventing customer disappointment. There's nothing worse than a buyer who is lured in by a promotion only to find out the item is out of stock.
- **Targeted Marketing:** Use customer data to create highly targeted marketing campaigns. Instead of broad, untargeted promotions, focus on specific customer segments. This ensures your offers are relevant and resonate with the right audience, driving them to your site with a high intent to purchase. KIBO's platform enables you to create and manage dynamic discounts based on customer segments and product attributes, ensuring every promotion is personalized.
- **Intuitive Discovery:** Help people find what they're looking for quickly. This can be achieved through personalized product recommendations on the homepage or landing pages. For instance, creating "Gift Ideas Under $50" or "Holiday Deals" sections can help shoppers with a clear mission get to the products they want without unnecessary browsing.
- **Guided Shopping Experiences:** For customers who are browsing without a specific item in mind, guide them toward

a purchase with tools like AI-powered shopper agents. These agents can ask questions about their needs and preferences, then recommend products from your catalog. This conversational approach can replace endless scrolling and turn discovery into a personalized, guided experience, converting browsers into buyers faster.

- **Dynamic Promotions:** Use dynamic promotions that are context-aware. This means adjusting offers based on what a shopper has in their cart or suggesting an alternative if an item is out of stock. This keeps the customer engaged and moving toward a purchase without creating friction.



Prepare Fulfillment and Deliver Holiday Cheer On Time

The holiday season is synonymous with delivery deadlines. Meeting these deadlines is crucial for customer satisfaction and brand trust. You need to optimize your order orchestration to ensure timely delivery while managing costs.

Optimize Order Routing for Better Delivery Experiences

Order routing intelligently assigns orders to the best fulfillment location based on a variety of factors. It's the central engine of efficient fulfillment.

- **Smart Assignment Logic:** Order Routing uses a ton of data to make its decisions. It can look at locations closest to the customer to save on transit time and shipping costs. It also can balance the order load across all locations, so one store doesn't get swamped. You can even set rules for specific items, like routing products needing gift wrap to a specific store.
- **Custom Rules:** With a modern Order Routing solution, you have complete control. You can add special attributes to products, locations, customers, or orders and use them as filters. For example, a “Platinum Customer” attribute could automatically prioritize

an order, or a location attribute like “Insulated Packaging” could ensure perishable items go to the right place.

- **Strategic Sorting:** The system can prioritize locations in many ways. You can choose to ship from the closest location, the location with the lowest cost, the one with the most stock, or even the one with the slowest-moving inventory to help you clear it out.
- **Set Daily Limits:** To prevent a location or a team from being overwhelmed, you can set a daily cap on how many orders they can receive. This prevents burnout during the holiday spike.
- **Consolidate Shipments:** For multi-item orders, Order Routing can consolidate all the items at one central location before shipping them to the customer in a single package. This cuts shipping costs and simplifies the delivery for the customer.

KIBO’s Order Routing capabilities give you complete control with custom rules and sorting options, allowing you to tailor your strategy to your business needs. It even supports manual overrides for exceptions.

Provide Accurate Estimated Delivery Dates (EDDs)

EDDs build customer trust by giving them a clear expectation of when their order will arrive before they check out. This is a critical factor in reducing cart abandonment.

- **Comprehensive Calculations:** KIBO's EDD feature accounts for multiple variables, including real-time inventory availability, location-specific processing times, transfer times between locations, and daily cutoff times. This ensures your promises are always realistic.
- **Urgency in Messaging:** The system can tell a customer, "Order by 3:00 PM today to get it by December 24th". This creates a sense of urgency and drives timely purchases.
- **Item-Specific EDDs:** EDDs are calculated for each item in the cart. This allows customers to choose whether to ship items separately based on when they'll be ready.

Dropshipping to Extend Your Reach and Increase Supply

Dropshipping is a powerful way to handle holiday demand without the burden of managing additional inventory. It allows you to expand your product catalog by offloading fulfillment to a third-party vendor. This also reduces your overhead and eliminates the need for significant upfront investment in physical stock.

The beauty of dropshipping is its inherent flexibility and scalability, enabling you to tap into scalable growth. According to some estimates, the global dropshipping market size is expected to grow to 2.78 trillion USD by 2033. This growth is driven by the ability to offer a vast array of products without the burden of managing physical inventory. This allows you to cater to new niches, test new trends, and broaden your appeal to a wider customer base.



Post-Purchase Perfection and Lasting Loyalty

The customer journey doesn't end with a purchase. A smooth post-purchase experience is vital for turning one-time holiday shoppers into loyal, year-round customers.

Streamline Reverse Logistics and Returns

Returns are an unavoidable part of the holiday season. Having an efficient process is essential. KIBO's platform allows you to manage returns and disposition mapping, ensuring returned inventory is handled correctly. This prevents out-of-place inventory and keeps your stock accurate.

- **Flexible Return Rules:** Configure custom return policies that define which items are returnable, set quantity limits, and specify eligible return windows. This helps manage expectations and streamline the process.
- **Return Types:** Support various return types, such as "Replace" or "Refund," allowing you to ship a replacement, issue a refund, or do both at the item level.
- **Refund Management:** Handle refunds efficiently. You can manually refund a specific amount or initiate a return refund, where the system automatically calculates the appropriate amount.

Empower Customer Support

During the holiday rush, customer support is critical. An AI-powered customer service agent can be extremely valuable, handling a high volume of routine inquiries automatically and freeing up human agents to focus on more complex issues. KIBO's platform supports this with an AI agent that can be deployed to handle a wide range of tasks:

- **Enhanced Pre-Purchase Support:** Agents can instantly answer product questions and verify availability, reducing friction in the buying process — crucial for busy holiday shoppers.
- **Streamlined Post-Purchase Experience:** The AI agent can automatically handle common "Where Is My Order?" (WISMO) queries, providing instant updates and reducing support tickets.
- **Agent Assist Tools:** The AI agent can assist human CSRs by quickly retrieving order details, looking up customer profiles, and automating returns. KIBO's Call Center UI centralizes all customer information, orders, and returns into a single view. This enables CSRs to accurately address customer concerns, providing real-time order updates and personalized support.



Have the Right Reporting and Analytics

Look at what happened last year. Analyze data from the previous holiday season to identify patterns and areas for improvement. KIBO's comprehensive reporting and analytics dashboards provide detailed insights into everything from sales performance by channel to return rates by product category. Use these reports to make data-driven decisions and fine-tune your strategy for an even better performance this year. One such report is the Deferred Sales Dashboard, which lists orders where payment has been collected but the order is not yet complete. This can help you identify a backlog in fulfillment and address it before it impacts customer satisfaction.

Another is the Returns Dashboard, which provides a high-level overview of returns, identifying which products are most frequently returned and those driving the highest return loss. This information is invaluable for pinpointing product or quality issues.



Conclusion

The holiday season is a high-stakes, high-reward period for any retailer. With the right strategies in place, it can be a time of unprecedented growth and customer acquisition. By focusing on platform performance, enhancing the customer journey, optimizing fulfillment, and providing seamless post-purchase support, you can not only meet but exceed shopper expectations. The right technology partners and a solid plan can turn the holiday rush from a stressful period into a season of success.

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About KIBO

KIBO is a composable commerce platform for retailers, manufacturers, distributors, and wholesalers who want to simplify complexity and deliver modern customer experiences. KIBO is the only modular commerce platform supporting unified experiences across Order Management, eCommerce, and Subscriptions. Companies like Zwilling, Ace Hardware, Boscov's, Nivel, and REEDS Jewelers trust KIBO to bring sophistication and simplicity to their commerce operations.

Learn more at https://kibocommerce.com.

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