

Planning guide for retailers ahead of the 2022 holiday shopping season

By [Zuko Mdwaba](#)

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Economic uncertainty and changing consumer behaviours are exposing a complicated reality. For retailers, it's never been more important to deliver excellent customer experiences alongside competitive prices on in-stock products.



Source: @arinahabich via [123RF](#)

But even in a best-case scenario, a major shift in consumer sentiment is likely. What does that mean for retailers as they prepare for the 2022 holiday shopping season?

As companies try to drive profitable growth by optimising their promotional calendars, they are asking one question: How can we attract new shoppers and keep existing ones coming back for more? This year, retailers will focus on developing data acquisition strategies, bridging the physical-digital divide, and building stronger partnerships.

On a bigger scale, though, they will need to invest as heavily in the post-purchase experience as in the path-to-purchase, combining test-and-learn tactics with proven revenue drivers such as flash sales and special promotions.

Here, we provide the insights and methods you'll need to prepare for your peak-demand activities, including the holiday shopping season and door-busting special events.

Customer data is the fuel that ignites loyalty - and growth

The rapid rise of e-commerce in 2020 and 2021 may not be repeated in 2022. Tightening margins, however, make it more crucial than ever for retailers to embrace digital to accelerate their customer acquisition strategy. Today, operating a website alone is insufficient; data and personalisation are what convert new clients into devoted shoppers.



Exclusive experiences drive loyalty

In order to gather first-party data before Google and other digital platforms stop supporting cookies in 2023, retailers are relying on loyalty programmes. But retailers need to make the data-for-rewards trade valuable if they want to increase loyalty membership in a year when customers are probably going to purchase less and at fewer stores.

To achieve this, they must adapt their programmes to speak to the rational and emotional demands of consumers. How? By putting member experiences ahead of transactional arrangements. This is crucial to remember as shops battle for the money of younger generations. Millennials and Gen Zers place a greater value on exclusive access to limited products and experiences than Gen X and Baby Boomers do.

This looks like:

- **Early access:** Giving members the chance to shop Black Friday deals before Black Friday, ensures they have access to products that are likely to sell out (while avoiding crowds, too)
- **Free expedited shipping:** Nothing says stress like realising you've forgotten a gift when the holiday is two days away. Help members be holiday heroes with complimentary overnight shipping so they save time and money.
- **Exclusive events and products:** Keep it festive online and in-store with a members-only holiday shopping party that includes limited edition products, or one-night-only deals. Consider online waiting rooms for blowout digital events.
- **Gamification:** Stay top-of-mind (and keep them coming back) by rewarding members for taking actions beyond transactions. That could be earning badges for downloading an app or leaving a product review.
- **A net zero focus:** 78% of customers say environmental practices influence their decision to buy from a company, so they look for retailers to reward loyalty members when they engage in environmentally friendly behaviours.

Connect customer data

The average retailer engages customers across digital and physical touchpoints with 44 different systems. Put yourself in the position of a time-crunched holiday shopper who has repeated her question to three different customer care representatives. Shoppers notice the disconnection resulting from internal data silos: In reality, 54% of customers believe that information is not shared between sales, service and marketing.

The pressure is on retailers to deliver the personal and consistent experiences you want your brand to represent. Companies that do this well unify customer profile data across channels, from social media to stores, enabling efficiency. Employees from any department can view data in real-time on one screen. Communications stay up-to-date and accurate, avoiding repetition, no matter how a customer chooses to interact.



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Operational data intelligence

While 66% of customers expect companies to understand their unique needs and expectations, only 32% of retail executives say they have the full ability to turn data into personalised prices, offers, and products in real time across channels and touchpoints.

For retailers, using their data to connect the dots between social media, website, and app experiences is getting more complicated. However, investing in the information infrastructure to pull it off is worth it: Data-driven organisations are 23 times more likely to add new customers and 6.5 times more likely to retain them.

Here's why: Retailers that do this well are able to anticipate their customers' needs and preferences – removing friction during a busy time of year. Using data to personalise shopping journeys makes it easier for customers to find the products they want and check out with the payment options they prefer.

This looks like:

- **Customised site search and product sort:** Embed AI into search dictionaries to surface the most relevant term and customize the order in which they appear based on behavioral and customer data. That makes it faster for your customers to find the products they want – like seeing a landing page of headset images after only tapping “he” in the search bar.
- **Related product displays:** Engage your customers with relevant recommendations and watch conversion rates increase. If a shopper is searching for a new gaming controller, for example, it makes sense to display related products, like batteries, alongside. That also gives shoppers the chance to create their own gift bundles and takes an otherwise time-consuming merchandising effort down to a few clicks.
- **Intelligent product bundling:** Customers who buy wrapping paper might also need tape, ribbon, and gift tags. By analysing past purchase behaviour, you can pre-configure product bundles that increase units per transaction.
- **Relevant post-product messaging:** Personalised emails are a great way to cater to busy holiday shoppers – for example, when that out-of-stock gaming console becomes available just in time for holiday delivery.
- **Staying top of mind:** Deepen customer relationships by going beyond the buy button. Show you care about their satisfaction by inviting them to rate their purchase or their experience with customer service.

ABOUT ZUKO MDWABA

Zuko Mdwaba is Area Vice President at Salesforce South Africa.

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