



Guided Shopping, Confident Purchasing:

THE SECRETS TO HOLIDAY SUCCESS IN 2022



Welcome to the 2022 holiday season! Like Santa's elves, retailers are hard at work planning, setting goals, and creating innovative and personalized customer experiences for busy holiday shoppers.

And while it's the most wonderful time of the year, there are some trends and economic factors that are more naughty and less nice that will impact holiday shopping this year.

First, there's the matter of rising inflation and interest rates, which will affect holiday shoppers' budgets and pocketbooks as they plan how to make their dollars stretch when buying gifts.

[According to research from Salesforce](#), due to inflation and rising prices, 42% more shoppers worldwide and 37% more US shoppers are planning to begin their holiday shopping earlier to get better deals.

Also, COVID-19 and the associated impacts of the pandemic are still very much present. This means that retailers will need to continue offering engaging online experiences for shoppers who want to continue avoiding brick-and-mortar stores.

Order fulfillment options, such as buy online, pick up at curb (BOPAC), can ensure that customers who are not comfortable interacting with store associates and shopping inside busy stores can still make their holiday purchases safely.

But, perhaps one of the most harrowing trends in 2022 is the continuing supply chain issues.

According to a March 2022 survey from McKinsey, [74% of retailers ranked increasing fragility in the supply chain](#) (raw materials, transportation, warehousing) as the top trend shaping the industry in the next 12-18 months.



Therefore, retailers will need to stay on top of their inventory and communicate with customers regarding product availability and estimated shipping times to keep shoppers happy during the hectic holiday season.

But not all is lost. Despite these challenges, retailers have the chance to have some fun and bring joy this holiday season by helping customers get what they want through guided shopping and confident purchasing.

We'll explore how all this works in this holiday guide, in addition to sharing some of our favorite tips and tricks to delight customers through personalized experiences.



WHAT RETAILERS CAN LEARN FROM THE 2021 HOLIDAY SEASON

When planning for the holidays, it's always a good exercise to see what we can learn from the year before.

[The 2021 holiday season](#) can best be described as historic, in that it was the culmination of two years of accelerated trends, shifting consumer behaviors, and omnichannel shopping realities brought about by the COVID-19 pandemic.

November and December 2021 saw record breaking [online sales of over \\$200 billion](#), per data from the National Retail Foundation (NRF). Total retail sales increased by 14.1%, the highest jump in decades, partly as a result of customers returning to physical stores to shop. More holiday shoppers embraced shopping via mobile on their smartphones, while many began their holiday shopping earlier than ever.

In fact, last-minute retail spending for the holidays was curtailed due to these early holiday sales.

Some retailers began urging consumers to shop for holiday gifts earlier than usual (in some cases, retailers began announcing [holiday shopping events prior to Halloween](#).) While this did not actually extend the holiday season, shopping peaked in November, with [just under 50%](#) of consumers taking advantage of early holiday shopping sales and promotions before Thanksgiving 2021.

So, what can we learn from this data?

Retailers should ensure that their online and in-store shopping experiences are comparable. This is achieved online by retailers offering a level of customer care, product detail, information about product availability, and assistance from robust online product finders and recommendation features that mimic the service shoppers would expect from store associates.



Offering promotions, deals, and other incentives for shoppers to begin preparing for the holidays early does move the needle, especially due to rising prices and inflation. But it also is important to make sure that shoppers are getting the best customer experience wherever they are shopping.

Whether that's through online shopping only, a mix of online and shopping at physical stores, or through mobile, customers need customized shopping experiences and clear information about product availability and shipping to plan for and complete their holiday purchases.

A large warehouse filled with tall metal shelving units stacked with cardboard boxes. Several workers in yellow safety vests and hard hats are visible in the aisles. The entire image is overlaid with a semi-transparent orange filter.

QUICK WINS: PREPARING FOR HOLIDAY SUCCESS IN 2022

Now that we have a clear picture of what worked last year, there are certain actions that retailers can take that will set them up for holiday success.

The relative lull of the summer is the perfect time for retailers to implement new technologies and best practices, with time for testing.

Elements like AI-driven personalization, BOPAC (buy online, pick up at curb), and A/B testing can be added to retail experiences now with low risk.

Here's a few suggestions to set you up for success:



Know your business, know your customers Gather insights from your business and customers. Determine your goals and find your weak points. Look at recent customer behavior, not just last Q4.



Prep your online store Ecommerce will continue to play a huge role for many retailers. Be ready for loyal and new customers. Prepare your operations to manage major spikes in traffic. Ensure you have modern eCommerce capabilities to support your needs.



Offer safe offline fulfillment Fulfillment options like BOPAC are going to be a popular option for your customers that want to avoid crowds while holiday shopping. Make sure you have what you need to offer a seamless experience that is not only convenient, but safe.



Create a unified experience Use personalization to create a seamless customer experience online, and guide customers through new fulfillment options like BOPAC with ease.

Even new online customers respond well to personalized messaging, and personalized eCommerce is not only more efficient and scalable for your business, but customers will also spend more money. At Kibo, we've seen retailers using Kibo Product Finder experience a 2x increase in conversion for visitors engaging with the online guide based on product recommendations in real-time.



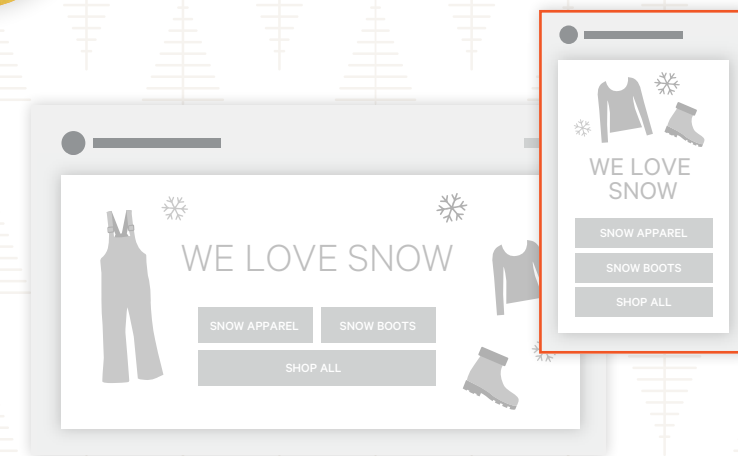
TOP 10 TIPS FOR REDUCING SPEED-TO-PURCHASE FOR THE HOLIDAYS

Thanks to the continuing effects of the COVID-19 pandemic, shoppers will continue to embrace online shopping.

There are several ways to ensure an optimal customer experience for your online shoppers.

Here are our favorite top 10 tips for a smooth and speedy holiday season:

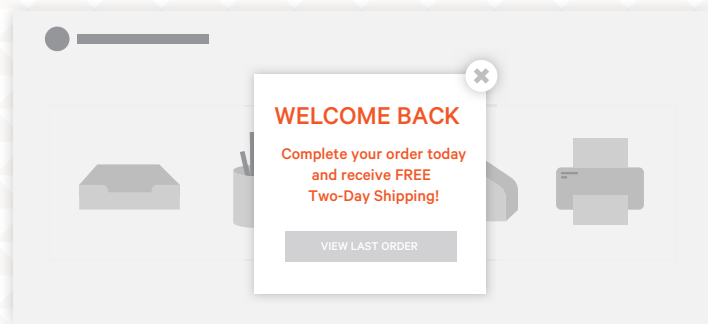
#1



Optimize Your Landing Page for Mobile

With consumers looking for a quick and easy shopping experience, you should limit the size of landing hero images for mobile experiences—and avoid videos altogether, if possible. High-bandwidth creative content slows down performance and could deter visitors from continuing their journey down the funnel, especially during a higher traffic season.

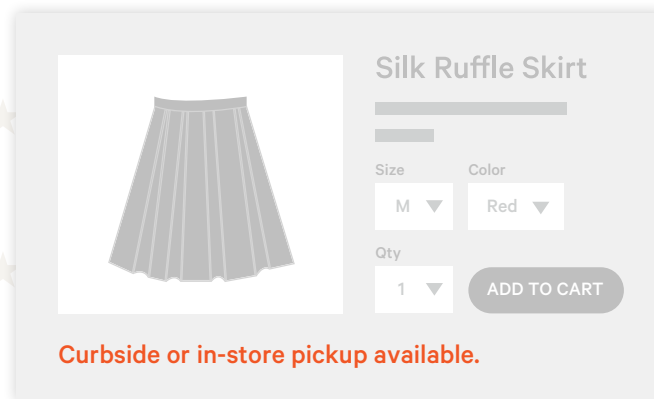
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Include Personalized Messaging

Personalized messages can help clarify shipping costs and timelines based on the shopper's location and reduce the Cart Abandonment Rate. Shoppers may experience frustration and cut their shopping journey short if they were expecting free shipping or a quick turnaround, and this information was not made clear upfront.

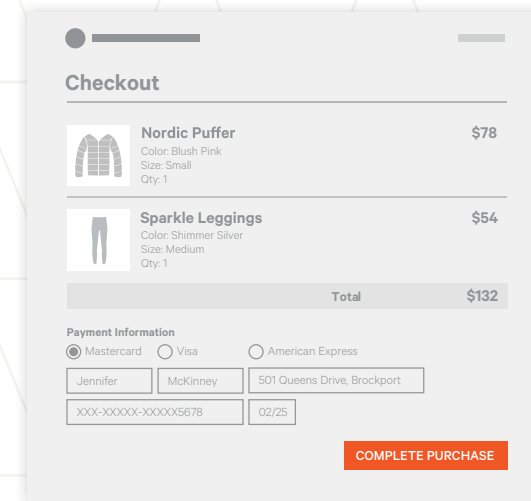
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Promote Fulfillment Options Early

Retailers should promote fulfillment options such as BOPIS (buy online, pick up in store) and BOPAC on product pages. In-store locators can also be promoted when a store is within a specific range of the user's location with an available inventory. This way, visitors are more likely to convert during their shopping journey online even if delivery times or costs are unfavorable.

#4



Simplify the Checkout Process

Don't let small distractions stall a purchase once the customer has made it to the checkout page. Remove large or complex creative pieces from the cart and checkout pages, such as high-resolution photos, GIFs, or videos. This is especially important for mobile users who are looking at a smaller screen than desktop users. Ensuring that the cart and checkout process renders seamlessly can prevent any hang time during payment processing.

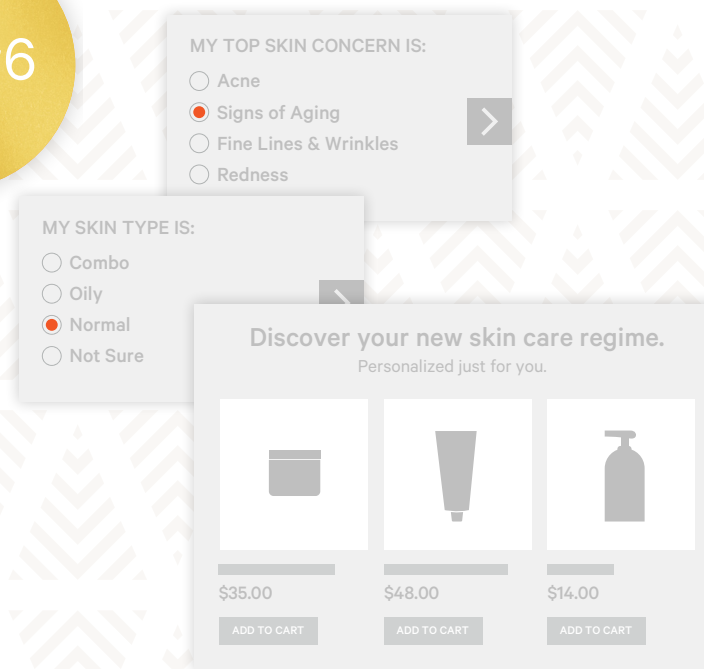
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Use Social Proof to Influence Purchases

In the retail world, social proof occurs when shoppers rely on reviews, ratings, and product recommendations from other shoppers to inform their purchasing decisions. For example, offering clues to users about your brand's most popular items is a form of social proof. Consider adding messages that identify products likely purchased as gifts on product pages to steer shoppers toward additional purchases. We'll explore social proof further later in this guide.

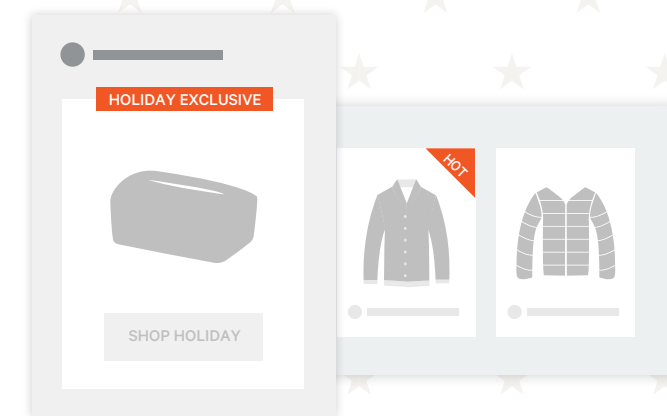
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Promote Product Finder

Promote usage of product finder to help visitors find the perfect gifts for their loved ones. This could be included on each Top-Level Category Index page. We'll also explore ways to leverage product finder for confident purchasing later in the guide.

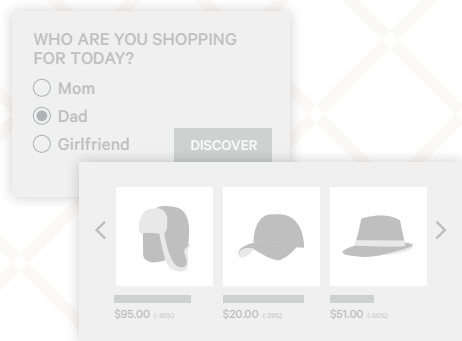
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Use Badging to Identify Holiday Exclusives

Identifying items as "Holiday Exclusive" or "Limited Time" by using badges can lead to a higher Average Order Value, as shoppers may want to stock up for the year due to scarcity. An example would be the popularity and release of pumpkin spice themed items in the fall. Some shoppers even buy products they wouldn't usually buy because the holiday version is special.

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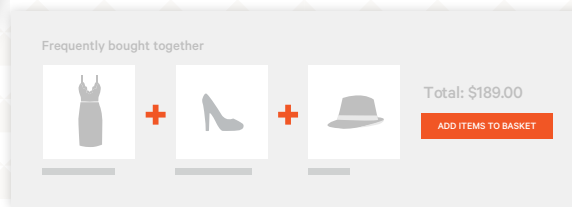
Personalize Recommendations Based on Demographics

Personalized recommendations based on demographic data on product listing pages can garner great results for those friends and family members that are hard to shop for.

For example, a section labeled “For Mom” would focus on personalized recommendations by utilizing gender and age-based data, such as best sellers among females in the 40-59 age group. Likewise, a “For Brother” section would focus on personalized recommendations by utilizing gender and age-based data on best sellers among males in the 18-30 age group.

These types of recommendations help shoppers who may only be visiting your site to browse. Because they don't yet have an item in mind, personalized recommendations point them toward an actual purchase.

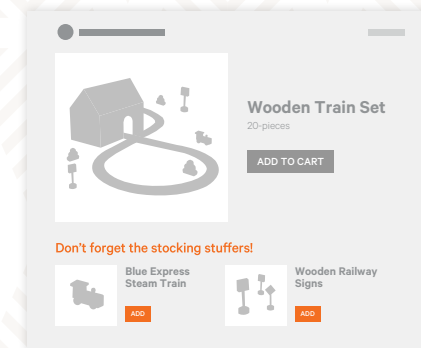
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Take Advantage of Holiday Bundles

Personalized recommendations based on items frequently bought together is another excellent method for increasing your Add to Cart Rate. Marketed Holiday Bundles often sell out quickly, while the individual products remain available to purchase independently. As such, a recommendation carousel titled “Found Together in Our Holiday Bundle” or “Create Your Own Gift Bundle” that displays all items included in the Holiday Bundle encourages the addition of multiple items to the cart.

#10



Don't Forget the Stocking Stuffers

Offering personalized recommendations based on cost during the checkout process is often effective during the holiday season. For example, adding a “Stocking Stuffer” recommendation slider on the cart/checkout page that returns popular lower-priced point items, ensuring relevancy to the items added to the cart, can positively impact Average Order Value and Revenue Per Session.

SPOTLIGHT ON BOPAC (BUY ONLINE, PICK UP AT CURB)

For retailers, fulfillment options like BOPAC are super important when capturing sales during the heavy Q4 holiday season. Especially with the continuing impact of COVID-19, you want to give your customers the chance to pick up items safely and comfortably.

Internal Kibo research recently identified the core components of a positive curbside experience, as well as that of a negative one. Use these to guide you when you establish your BOPAC experience this holiday season.



TIPS FOR BOPAC SUCCESS:

- ✓ Make sure your eCommerce platform has curbside built in at the store level so you can customize the process.
- ✓ Use personalized communication with customers and offer lots of detail, including a map to the store, directions on how pickup will work, and even promotions and upsells that can be fulfilled upon pickup.
- ✓ Prepare for heavy volume by creating specific pickup time windows. Consider adding messaging for customers with emails and SMS that allows them to tap a button upon arrival.

TRAITS OF A POSITIVE BOPAC EXPERIENCE:

- ✓ Good and attentive customer experience
- ✓ Clear communication from the start of the order to completion
- ✓ Email/SMS channels are preferred; apps, not so much
- ✓ Precise timing and locations details

TRAITS OF A NEGATIVE BOPAC EXPERIENCE:

- ✓ Long wait times
- ✓ Communication breakdowns and lack of clear instructions or expectations
- ✓ Because of health concerns, being too close to the associate during pickup



THREE TWEAKS TO PERSONALIZATION FEATURES FOR THE HOLIDAYS

Building a unified, personalized experience is important for holiday shoppers. Holiday shopping can be stressful, and customers are in a hurry to scramble and cross off the items on their list.

Due to stress, it's a welcoming gesture for retailers to offer customers a personal touch that makes them feel seen and understood. If you're leveraging personalization features already, here are a few tweaks you can make for the holidays.



DIFFERENTIATE CROSS-SELLS AND UPSELLS

Recommendations on product detail pages are one of the longest-standing and most effective uses of personalization. Cross-sells, which display adjacent items, and upsells, which encourage the purchase of higher-priced items in the same category, are effective. But, for the holidays, retailers need to decide which type of recommendation works best for certain categories or use both to help customers complete looks by purchasing additional items of interest.



POLISH UP TRIGGERED EMAILS FOR THE HOLIDAYS

Triggered emails deliver ultra-relevant messaging based on specific events. For the holidays, touch up these messages to emphasize holiday-centric features, from eCommerce site gift guides to gift finder apps. You can even feature seasonal hashtag campaigns from social media in these messages.



TEST RETARGETING ADS TO ENSURE THEY'RE RELEVANT, NOT CREEPY

During the holidays, retargeting ads are crucial in targeting individuals who abandoned an eCommerce site or an online shopping cart. They are effective in recapturing sales and reminding shoppers to complete their holiday purchases.

But retailers need to make sure their ads are relevant and not creepy or a nuisance to shoppers.

Consider capping the frequency and duration of ads and adjust settings for Black Friday and other peak sales days when limited-time pricing may be in effect. Ad content should also be customized for the holidays, with links to gift guides, gift card promotions, and other seasonal picks.

Help Customers Get What They Want and Find What They Need:

GUIDED SHOPPING AND CONFIDENT PURCHASING

As mentioned earlier in this guide, rising inflation will have a huge impact on holiday budgets and shopping behavior in 2022. But there are other risks and competition in the marketplace.

With more retailers popping up, it's harder to attract and compete for the attention of shoppers who must decide how best to allocate their holiday shopping and gift purchasing dollars.

Retailers are constantly looking for new ways to create differentiated digital experiences that better convert each potential customer, increase average order value, and build brand loyalty with satisfied customers.

By offering personalized product recommendations and engaging, dynamic content when shopping online, customers can be guided towards making confident purchases. They will feel more secure and satisfied knowing their money was well spent.

But how can retailers create shoppers who are confident in their purchases?

This is where two of Kibo's merchandising tools can help, at the intersection of recommending products and creating a sense of urgency for shoppers to make purchases.

[Kibo Product Finder](#) and [Kibo Social Proof](#) enable retailers to guide shoppers through product options online and complete their purchases quickly and efficiently.

If you can reduce the stress of holiday shopping for consumers and make the process quick and easy, then you'll have happy shoppers who will continue to spend money with you.



GUIDED SHOPPING WITH KIBO PRODUCT FINDER

Kibo Product Finder is a merchandising tool that is a feature of [Kibo Personalization](#).

With Product Finder, marketers and merchandisers can engage shoppers through guided purchasing journeys while gathering important customer insights to create personalized customer experiences.

The average shopper can encounter thousands of various products while shopping online for gifts and other merchandise, resulting in choice overload that can overwhelm and cause cart abandonment.

But with Product Finder, retailers can create highly customizable guides to engage shoppers by helping them navigate across various product categories using branching logic to make a purchase.

The beauty of Product Finder is that customer responses are used in real-time and in-session to improve the relevancy of product recommendations while the shopper is engaged and more likely to add to cart and purchase. It's also possible to replicate

the experience of visiting a brick-and-mortar store online and being consulted towards making an educated purchase by a helpful, engaging store associate.

The difference here is that retailers can supply this level of concierge service at scale online by providing a consultative sale to every visitor.

At Kibo, we've seen retailers using Kibo Product Finder experience a 2x increase in conversion for visitors engaging with the online guide based on product recommendations in real-time.



CREATE URGENCY AND INCREASE CONFIDENT SHOPPING WITH SOCIAL PROOF

As humans, we're all susceptible to wisdom-of-the-crowd or FOMO (Fear of Missing Out), and the concept of social proof makes it easy to use these powerful psychological phenomena to help audiences make confident purchases.

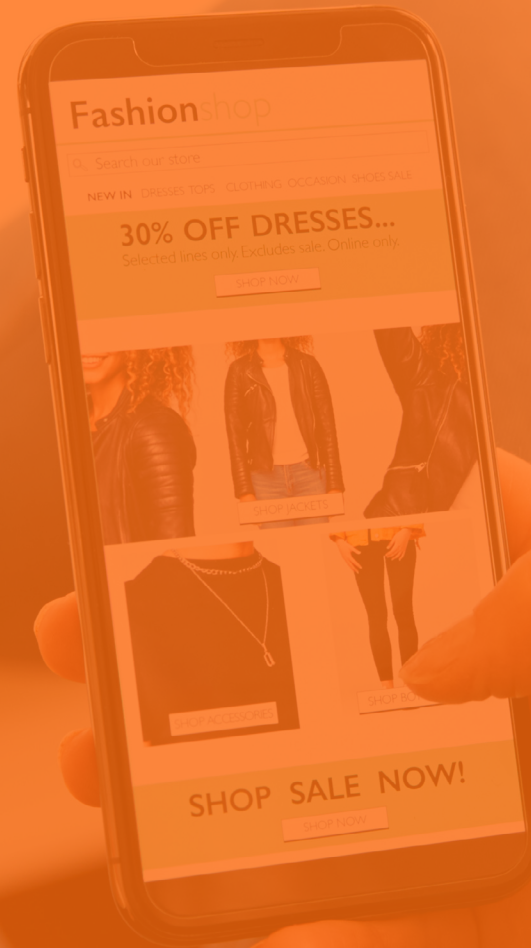
[Kibo Social Proof](#) enables retailers to display scarcity or popularity-based messages across key areas of a digital channel, such as an eCommerce website.

Overall, we're seeing adopters of Kibo Social Proof see significant uplifts in key metrics like conversion.

Kibo customer Toolstation saw 30x ROI just from implementing Kibo Social Proof with popularity messaging. Adding Social Proof to their eCommerce site took only a few minutes of work, and resulted in a 2.2% increase in conversions, a 2% uplift in RPS (revenue per session), and even a 5% uplift in email-driven sales.

If you want to take a deeper dive into Kibo Social Proof and learn more about Toolstation's success, then we encourage you to check out this [blog post](#).

PREPARE FOR OUT-OF-STOCK SCENARIOS



With retailers feeling the continuing impacts of supply chain issues, it's safe to predict that certain products will sell out or be unavailable at times during the holiday season.

From the must-have toy of the season to items in short supply, brands will have to contend with stock-outs, delayed delivery times, and marked customer disappointment.

But planning for different scenarios now will help your team be prepared during the holidays, to address these challenges.

Here are a few important points to keep in mind:

✓ UP YOUR AGILITY

Stock-outs can happen in a second. Don't let a manual or code-heavy process gum up your ability to deliver a good customer experience. Update your system to ensure you have flexible order management capabilities across touchpoints and real-time insights that are easy to act on. This ensures that you'll be able to pivot quickly without relying on the development team in the middle of the holidays.

✓ UNIFY YOUR VIEW

[With the right order management setup](#), you get a unified view of your inventory and your customers. You can ensure that accurate inventory is easily viewable and accessible to your team and to people on your eCommerce site.

This visibility can help you maximize sales, find items across distribution centers and warehouses, and gain more flexibility to ship from stores at a moment's notice.

✓ CREATE RULES USING PERSONALIZATION

Use this time to determine your approach to appeasing demanding customers in the event of a stock-out or a long shipping delay. Perhaps your business will do best by offering a discount on delayed items or offering an alternative product that's also popular. Personalization can help ensure that offers are best suited to each customer.

DELIGHT SHOPPERS THIS HOLIDAY SEASON

By offering a personalized, engaging online product guide while shopping, customers can find the perfect gifts this holiday season for everyone on their list. While weeding through a dense product catalog can be cumbersome, making the shopping experience streamlined and customized provides a smoother shopping journey for new and returning customers.

Leveraging other merchandising tools like social proof not only guarantees success for retailers by harnessing the power of personalization and customer insights, but also adds the extra touch of popularity messaging and product scarcity.

These tools drive increased conversions and bottom-line revenue and can also highlight your innovation to your peers by offering a guided and engaging shopping experience that results in confident purchases and satisfied customers.

Other personalized touches, from targeted emails, special promotions, deals, and discounts, will also help holiday shoppers plan and make educated purchases that help them stick to their budget but still manage to bring joy this holiday season.

POWERFUL PERSONALIZATION

Kibo Personalization, the leading and most experienced personalization solution on the market, empowers marketers to delight customers by enabling everything from quick one-off content changes to complex personalization across the entire customer journey. Kibo Personalization is the No. 1 personalization vendor to the IR1000 for 13 years in a row and is the winner of three TrustRadius Top Rated awards for A/B Testing, Real-time Interaction, and eCommerce Personalization.

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