

5 ways smaller stores can stand out online during the holiday season

Black Friday Cyber Monday needn't be the domain of big brands and online retailers - any local independents can get in on the action too, with the right approach.

The golden quarter of the holiday season is crucial for retailers of every size — especially in this year of recessionary fears and a cost of living crisis. Yet for too long, only the biggest companies have successfully leveraged the sales opportunity around Black Friday Cyber Monday (BFCM). Independent stores without a mature online footprint have been far less able to convert that hype into impactful extra footfall and revenue, something that has been even more keenly felt over the recent pandemic winters.

This year the challenge is even greater with the macroeconomic backdrop and cautious consumer spending. But consumers are still keen to spend, with Shopify research showing nearly half of UK consumers (49%) plan to spend the same amount or more as last year on this Black Friday Cyber Monday. Thankfully, with a considered commerce strategy, using available digital tools, any-sized shops take advantage of this year's unfazed opportunity.

Interestingly, many consumers are changing their approach and are open to shopping around for new experiences. Of Gen Z consumers, 54% are highly receptive to new touch points, highlighting that shopping experiences are beginning to weigh more than brand names. Their loyalty is up for grabs in a disrupted retail playing field. Thus, the need and potential to convert these one-time customers into long-term evangelists for a brand has never been

greater.

Here are five ways that any store, no matter the size, can make a bigger impact in the run-up to the holiday season.

Direct to consumer

If the 2010s were dominated by the direct-to-consumer (DTC) model, then we see the next decade being a shift towards what we are calling Connect to Consumer (C2C). The model for ambitious and nimble retailers now, and into 2023, revolves around many pathways to their customers, online *and* offline – social, community commerce, web stores, and the high street – that directly reach consumers where they are. We saw this over lockdowns in 2020/2021 as high street stores closed but found novel ways to connect with their customers and maintain sales. Customers proved up to the challenge, and 60 percent purchased from a DTC brand at least once last year.

As digital advertising costs have soared in the past year, the perils of ‘building your business in someone else’s backyard’ have also become clear. It’s a driving factor for retailers to find new ways to connect across the available surfaces with potential customers. *Showrooming* is no new trend but shows how there’s no definite distinction between online and offline anymore – there’s a continuum the customer follows at their discretion, and where they find themselves.

The future will be built on all channels, and retailers must be agnostic to where customer preference leads them. Retailers can access solutions that give them the power to operate stores and maintain inventory and payment systems across multiple platforms and stay alert to the new spaces where niche communities and general consumers alike will congregate. Simply put, retailers must be in them to win them.

Mobile and social captures hearts and minds

Black Friday Cyber Monday mobile sales first surpassed desktop in 2014 and have come to dominate the way shoppers interact with the stores they want to browse over the event. Last year, 71 percent of BFCM purchases were made from mobiles, and only 29 percent on desktop computers.

As part of this, consumers have warmed to frictionless shopping, and when they spot an item on a social media app. Especially among Gen Z consumers, as over half of British 18-24 year-olds (54%) are willing to shop through

Instagram, 47% through TikTok and 44% are likely to purchase via YouTube.

This crop of consumers doesn't want a disjointed experience making them leave the app to complete a purchase. They needn't; tools now allow your customers to browse products right from Twitter, TikTok or Instagram, manage their cart and check out all in one seamless experience. In 2021, seamless social integrations almost tripled compared to 2020 – and that represents a healthy sales generation, plus a great and memorable customer experience, banking goodwill for the future.

Make offers that appeal to big savings – on your terms

Rather than make sweeping discounts, especially if you're driven by monitoring a rival's promotions, focus on average order value. What you want is to offset any advertising and other costs and ensure a bigger profit margin on every sale. This can be an alternative to offering large sitewide discounts over BFCM. This is a 'buy more, save more' model, which also offers an attractive discount to the bargain-seeking shopper.

Know your overall revenue target, based on analysis of sales data for a forecast. This minimises the risk of over-committing. Metrics such as website conversion, traffic and email marketing can all build the picture of the coming BFCM event.

Set targets and work back to shape the daily revenue needed to make each count towards the goal. This may mean a consistent discount or shaping demand by different daily offers. Understand the required traffic to fill the funnel – based on goals, conversions, and order values. By setting goals across relevant metrics progress can be tracked on the way to fulfilling the business' target. Specific discount codes will help measure the impact each channel brings to the revenue mix.

Build a community alongside customer acquisition strategies

Big social media companies have a grip on advertising, and retailers are experiencing rising costs to reach relevant users through them. This tactic will take time to pay off, but if you haven't already, consider investing in building your own communities organically instead, be that through the written word, live streaming, polished video content – whatever your customer base connects with.

With an engaged and following audience, onboard retailers can market relevant products directly through their feeds. Just look at GroCycle, a UK startup mushroom grower that has built a customer base through their YouTube channel as an example. A polished feed of any type is not a quick or easy thing to create or curate, but done well, it carries your customers with you and spreads considerable goodwill and interest, making them your brand ambassadors.

Success hinges on more meaningful conversations or value exchanges, and freely given first-party data, not on a quick one-and-done sale.

Make offers that offer more meaning

Great conversion rates come from capturing interest. Luckily, there are many forms this can take. Simply bundling products to a theme and savings offer can prompt browsers to consider their unmet needs is an established tactic.

But there are ways to be even more targeted too – and provide an element of exclusivity to help further foster a sense of community. For instance, Web3 technologies are allowing merchants to experiment with entirely new shopping experiences. Take the concept of token-gated commerce — if set up, your store can see what NFTs shoppers publicly hold in their wallets, and tailor what they are shown or offered accordingly. It's a digital step well beyond the age-old concept of loyalty cards, and one with untapped potential right now for merchants.

To summarise, the importance of the holiday period to business success is unchanged. Although what has changed, are consumer approaches to shopping. Thus, putting the festive monopoly of household brands under threat. But with these methods to meet consumers with what they now crave, size is no limitation to stand out and have a stellar end to a turbulent year for retail.

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