



2020 Holiday eCommerce Lessons

Changing the Tide of Retail



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Lesson 1



**Customers want brands
with a winning CX**

If there's one thing that 2020 has taught us, it's that digitally transformed brands are leading the pack.

Online retail sales rose 22% to a record \$9 billion on Black Friday alone. COVID-19 has accelerated the pace of digital transformation, and now brands have no choice but to grow in order to keep up with changing customer expectations. The biggest ask from today's shoppers—a winning customer experience (CX).

And in 2020, a time where your operations have surely transferred online, a great CX needs excellent user experience (UX). Digital experiences must deliver two things: confidence and convenience if they want to appeal to the increasingly demanding

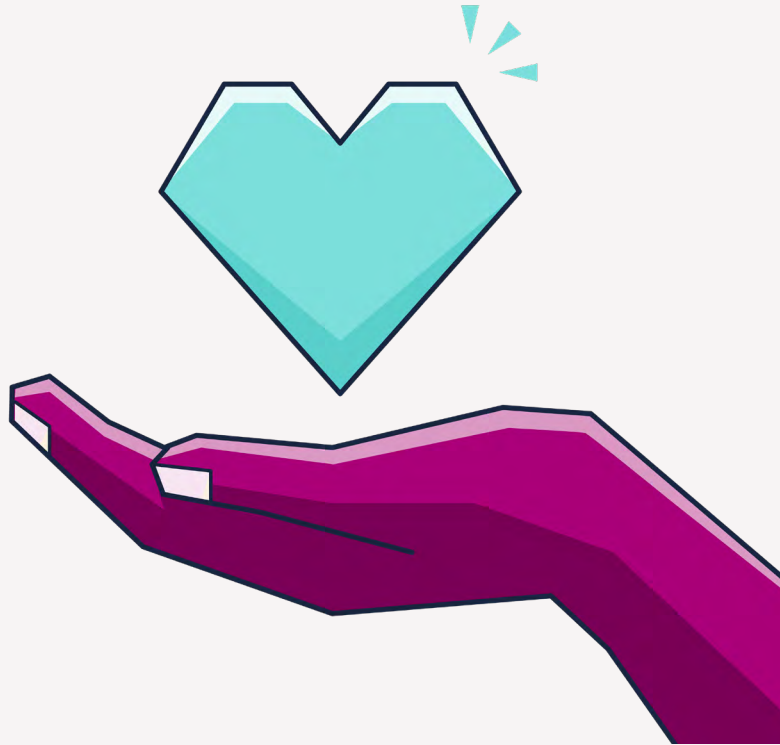
shopper. For those still building the perfect UX, aim for a responsive layout and easy navigation when it comes to designing your checkout. Offering an optimized browsing experience will increase conversions while significantly upgrading the overall CX.

5 Tips for building a great UX

1. Research your audience
2. Make your brand's tone of voice natural & consistent
3. Create a responsive layout
4. Offer micro-interactions
5. Conduct ongoing user testing for feedback

[Learn more here](#)

Lesson 2



**Consumers like brands
with purpose**

Wildfires. Protests. Pandemics. Elections. 2020's plethora of political, social, and economic crises signaled the eruption of the "socially-conscious shopper." The world was in its most astonishing state ever, and people everywhere were paying close attention and taking action.

Shoppers are supporting local shops, shopping women- and black-owned businesses, and trying to protect the environment, and they want to hold brands to the same standard. Luckily, philanthropic

brands were in abundance last year - [check out our list of 80 big-hearted companies that supported the community during the COVID-19 outbreak.](#)

The majority of U.S. adult consumers are [more likely to give their trust and loyalty to brands they see as being purpose-driven](#), and [83% of consumers](#) are more likely to purchase from a brand they have an emotional connection to.

As a result, many 2020 shoppers sought out retailers that advocate for transparency and show a real commitment to supporting causes currently impacting society, many of them small businesses. On [American Express' 11th annual Small Business Saturday](#), spending reached an estimated \$19.8 billion, up from \$19.6 in 2019.

However, this growth has maximized the challenges that come with being a small merchant. Issues with supply and shipping for retailers, and problems with trust for customers; something evidenced by the 50% percent of shoppers who were prepared for incidents of fraud to increase according to the [2020 Loqate Holiday Shopper Insights Report](#). But shoppers and SMB's have nothing to fear—in fact, with shoppers growing more socially conscious every day, this is an opportunity to excel while also making the world a better place.



Amex found that 88% of consumers say they're committed to spending at small businesses this year to offset some of the financial effects of the pandemic.

[Associated Press](#)

Lesson 3



**Social commerce is
on the 2021 agenda**

Over the holiday season, smartphones accounted for over a third of U.S. digital holiday spending, with \$1 billion in retail purchases on Thanksgiving and surging to \$3.6B on Black Friday.

Social commerce is a trend we've seen grow alongside the development of app-based platforms like Facebook, Instagram, etc., and the obvious benefits have encouraged many retailers to give it a try. This explosion in mCommerce made for an easy transition to another popular, but still developing shopping tool, social media.

Whether using Facebook Shops, where you can sell items and checkout directly via Facebook, or Instagram, where shoppers can buy directly from posts or stories when connecting Shopify to their accounts, it is clear that consumers appreciate the ability to browse and buy products via different digital channels.

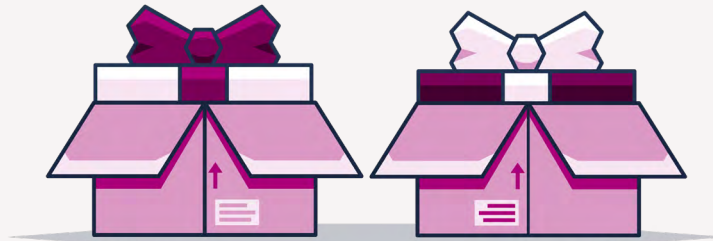
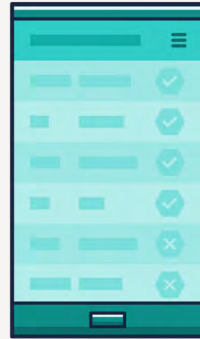
Sprout Social found that consumers and brands interacted much more on social media than they did pre-pandemic. For many, the appeal of shopping via social media is instant gratification. Retailers hoping to grow their business and online presence should optimize their social marketing plans, focusing closely on creating an intuitive and easy-to-navigate checkout experience.



Endorsements of small businesses on social media may be worth as much as an estimated \$197 billion for the U.S. small business economy.

Associated Press

Lesson 4



**Personalization and
segmentation saved
the season**

Quarantine and lockdowns made it even more critical for people to stay connected through their phones and mobile devices last year.

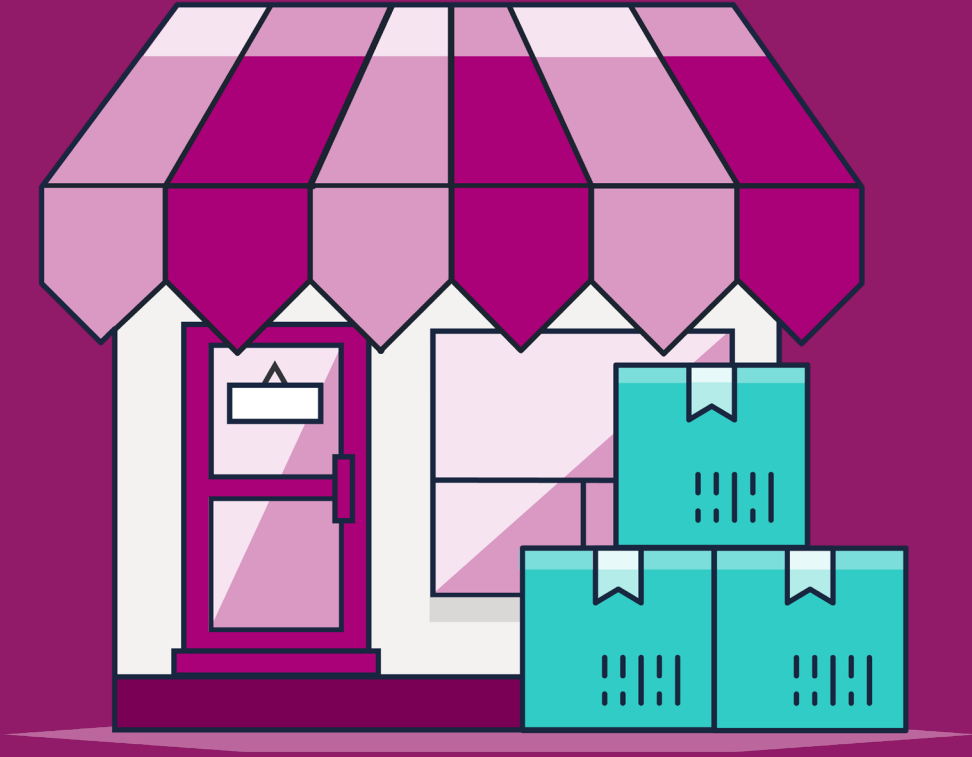
As such, retailers realized that one of the best ways to snag an engaged shopper is through personalized mobile communications like app push notifications and SMS text messages.

No longer considered an intrusive marketing method thanks to opt-in requirements, these notifications can be sent with minimal interruption to the user and maximum value; if done correctly. In fact, 70% of consumers think SMS marketing is an excellent way for businesses to get their attention.

Did you get a text from your favorite retailer last season? Maybe you got an in-app reminder that you left something in your cart? With the help of geodemographic segmentation data, retailers can group shoppers by various demographic variables (income, age, lifestyle, etc.), allowing them to recognize loyal customers and determine which groups to best focus their time, resources, and marketing budget.

Are you looking to adopt this technique in 2021? You may want to evaluate your customer databases and stored contact data. By verifying that the phone number and email address you have for a customer is accurate and active, a phone number verification tool can help ensure that brands reach the right customers with the right message every time.

Lesson 5



**Omnichannel is
now a necessity**

Flexible pickup options were a critical tool for countering COVID-19-triggered limitations last holiday season.

With 55% of shoppers naming COVID-19 as their top concern around holiday shopping, retailers were forced to find alternative, and safe, ways to accommodate online shoppers. Holiday shoppers expecting seamless, convenient experiences received just that in the form of alternate pickup options like curbside, drive-through, and buy- online pick up in-store options.

Although the term “omnichannel” is not a new one, 2020 has been declared the first true omnichannel holiday, with reports that 75% of the U.S. top 50 store-based retailers, including Best Buy, Target, and Walmart, offered curbside or in-store pick up according to Forbes.

Connecting with customers and providing flexibility that offset 2020’s delivery challenges has paved the way for holiday success and opened up opportunities for sustained growth. Employing the right omnichannel solutions can help your consumers enjoy the convenience of shopping online while allowing them the choice to easily (and safely) collect their purchases.



Retailers that offered curbside, drive-through, and in-store pickup increased digital sales at a 26% higher rate than retailers who didn’t offer those services.

Salesforce

Conclusion – Set yourself up for a great year ahead

These lessons are just a few ways that eCommerce is growing, but it seems like these trends are here to stay. Many of the world's digital shoppers are reluctant to go back to their old ways, much preferring the convenience and speed of online shopping to the lengthy and still dangerous act of in-store shopping. [PYMNTS](#) research reveals that 60 percent of consumers who shifted to online shopping and curbside delivery for other goods say they won't go back.

While there is no way to be sure of what lies ahead for 2021, retailers must be prepared to readily adapt their operations at a moment's notice in the months to come. Will consumers continue to shop online? Will the holiday season 2021 look the same as last? Only time will tell.

When setting your goals for next year, consider these five takeaways from 2020. This is your chance to analyze and rebuild your operations to suit the future of retail in 2021 and beyond.

Want to learn how address verification can help transform your business? Chat with a product expert today.



If this year has taught us anything, it's the importance of being agile. Retailers will need to look back carefully at the different phases that emerged during 2020, learn the lessons, and be ready to navigate a quick changing retail environment."

Matthew Furneaux, Global Commercial Director at GBG



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