The Ultimate
SMB Holiday Prep Guide

Month-by-Month Checklist After an Unprecedented Year

ShipStation®

Introduction

Customer expectations for businesses changed drastically during the pandemic. In particular, the world relied on shipping more than ever to minimize contact with other people and, obviously, COVID-19. So how might those expectations change, or not, in a post-pandemic world?

To help you prepare, **we surveyed over 2,000 online shoppers around the world to take stock of the recent past, present, and likely future of ecommerce for small-and-medium-sized businesses**. Here, you'll find insights from an array of merchants as well as ShipStation's in-the-know partners to guide you through a post-pandemic holiday season that includes Small Business Saturday, Black Friday, Cyber Monday, and beyond.
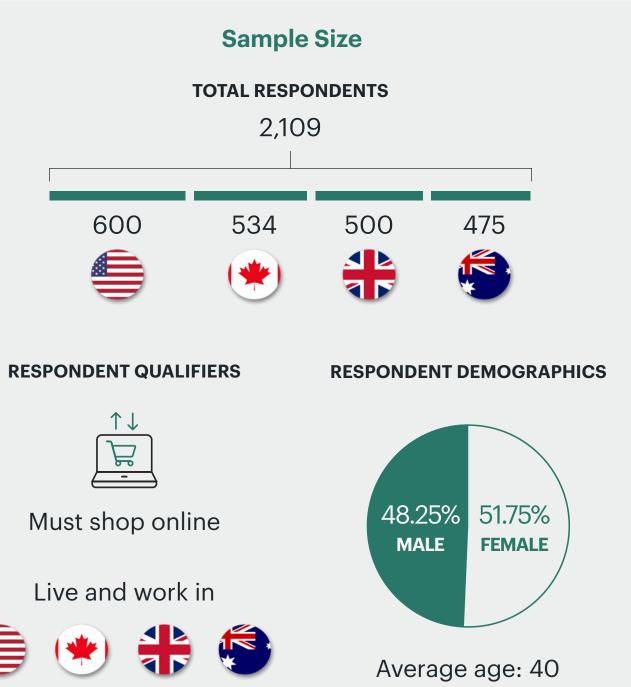
About the Study

This study was commissioned by ShipStation at the end of April 2021 and completed at a 95% confidence level with a +/-4% margin of error. Survey responses were collected from more than 2,000 qualified consumers in the U.S., Canada, UK, and Australia who shop online.

All respondents were between the ages of 18 and 87 and data was collected through an online survey consisting of 87 questions and statement

Additional research on the effects of COVID-19 on ecommerce

This is the third research study conducted by ShipStation since March 2020 to measure the full impact of COVID-19 on ecommerce and the ever-changing expectations around shopping, shipping, and delivery.

The Global Pulse: Ecommerce After COVID-19

Sample Size

TOTAL RESPONDENTS

2,109

600	534	500	475

RESPONDENT QUALIFIERS

RESPONDENT DEMOGRAPHICS

Must shop online

Live and work in

48.25% **MALE** | 51.75% **FEMALE**

Average age: 40

Chapter 1

The Effect of the Pandemic on Businesses and Consumers

"COVID-19 hugely accelerated the rate at which ecommerce is simply becoming 'commerce.'"

WOO COMMERCE

How Businesses Adapted

Ecommerce was growing steadily prior to 2020, notes ChannelAdvisor, but the pandemic drastically accelerated its growth. This pandemic-induced migration to ecommerce forced businesses to up their online game quickly. According to Brightpearl, this resulted in quickly acclimating to new and different channels, better inventory processes to prevent overselling, and better management of the inevitable digital-returns surge. Offering a hybrid of online purchasing, shipping, delivery, and pick-up options was also key, says WooCommerce. They note that businesses in the food-and-drink category became particularly agile and were rewarded with an increase in new online customers. The category jumped from WooCommerce's eighth best-performing category to second.

Similarly, our research showed that **73% of those surveyed** were more likely to prefer buying apparel and fashion online now than they were before COVID-19. With more consumers shopping online than ever before, retailers had to adapt quickly or risk losing their business.

Contactless payment also became essential during a time of prescribed social distancing. According to the National Retail Federation, **contactless payment increased by 69%** for retailers in 2020. WooCommerce doesn't see the trend slowing: "Customers expect options and convenience when it comes to making and receiving purchases."

As we see the light at the end of the pandemic tunnel in 2021, ecommerce growth rates may slow simply because consumers feel comfortable with in-store shopping again. (Who doesn't want to interact with other people more?) But don't assume ecommerce will plummet as a result.

ChannelAdvisor's survey indicates our new online shopping habits will stick, and ecommerce should remain strong overall. Our research corroborates their findings. While many survey respondents shopped small due to the pandemic, 52% said they like shopping at small, local, and independent businesses because these retailers impact their local community. When people like something, they tend to do it again.

"COVID-19 drove the biggest shift to ecommerce the world has ever seen. In 2020, 150 million people shopped online for the first time, and businesses big and small have been navigating the new normal of online demand ever since."

sendle›

How We'll Shop After COVID-19

[Brightpearl's recent report](#) reveals the most significant changes to shoppers' spending habits since the pandemic and how this will impact their behaviors and priorities over the next 12 months:

78%

of U.S. consumers anticipate buying online more frequently throughout 2021.

30%

are less likely to shop in stores in the future.

36%

have been let down by online orders since the coronavirus pandemic began.

40%

say they will shop online only within five years.

Brightpearl

How Consumers Responded

Let's face it: 2020 was a dire year. But it had some silver linings. Among them, a new consumer commitment to support local businesses. This support turned into a preference along the way, as indicated by survey results.

We found that **58% of consumers now have *more* faith** in small, local, and independent businesses delivering items on time over big-box retailers, who appear more likely to experience supply-chain and shipping challenges. Here are more insights into how consumers are shopping small.

68% Respondents said that COVID-19 made them more aware of small, local, and independent brands they can support.

85% Agree they like to shop with small, local, and/or independent retailers.

72% Said they're more likely to support small, local, and independent retailers after witnessing the pandemic's effect on them.

78% Report they have chosen to shop with small, local, and/or independent retailers in order to help their local economy recover from the pandemic.

60% Said they have spent more with small, local, and independent businesses in the last year than they did pre-COVID to show support.

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BUSINESS SPOTLIGHT

First Choice Produce Pivots to Delivering Directly to Homes During Pandemic

First Choice, a London-based specialty food supplier for fine hotels and restaurants—some with Michelin stars—saw an opening when many businesses temporarily closed in the wake of the pandemic. First Choice wanted to deliver directly to homes and wanted to start ASAP. WooComerce and agency Incremental Marketing made this happen in 24 hours.

WOO COMMERCE user

LEARN MORE

How We'll Proceed

Black Friday kicks off the 2021 Cyber season with **ecommerce sales expected to rise 11.3%** to $206.88 billion and should account for 18.9% of total holiday retail sales, Logicbroker notes, citing eMarketer research. Basically: Your online traffic will increase. Make sure you're ready for it.

"For SMBs hoping to capitalize on post-pandemic opportunities, holiday planning must begin now."

BIGCOMMERCE

To get your digital presence in tip-top shape, BigCommerce recommends testing your infrastructure to ensure you can handle a surge. Next, determine holiday promotions in advance and feature them prominently on your site. And don't forget to highlight the people behind your business. Humans respond to other humans—it's one reason consumers prefer shopping with you as opposed to anonymous big-box retailers, so play to this advantage.

To get ready for Small Business Saturday, Ecwid provides these four tips.

Tips on Getting Ready for Small Business Saturday

1. START NOW.
Think through and schedule when you'll send emails, announce new prices for hot-ticket items on social media, and add banners to your website to draw attention. Create a calendar to keep organized and on schedule through the hectic holiday season.

2. PLAN YOUR PROMOTIONAL STRATEGY FOR EACH OF THE BIG SHOPPING DAYS.
Email marketing ramps up around mid-November when consumers use your promotional emails to create their own Black Friday and Cyber Monday shopping lists. "Warm-up" your clients by announcing upcoming discounts or special offers.

3. CHOOSE THE RIGHT MARKETING CHANNELS.
The days of one-size-fits-all marketing messages are long gone. Take advantage of segmentation to reach different types of buyers. Create several campaigns and design templates for each sales channel—that means a different plan for Instagram, Etsy, Pinterest, etc. Announce sales and special offers on your non-sales social media accounts as well. The more a person interacts with your brand, the more likely they are to purchase.

4. PREP YOUR WEBSITE.
Before the season kicks into high gear, ensure your payment and shipping options work the way you want. Your products should display correctly on your site with detailed descriptions accompanied by high-quality images.

Be Where Your Customers Are

Be Everywhere Your Customers Are
Consumers spend seven hours a day looking at screens, so sync your online store to Facebook, Instagram Shops, and Instagram Stories stickers, allowing followers to purchase directly from social media.

Budget to Promote Your Products on Google
Through WooCommerce you can sync Google's Listings & Ads extension to the Google Merchant Center, so your products display when customers search. And don't forget good old-fashioned product recommendations and gift guides on your website and social as part of your marketing mix.

WOOCOMMERCE

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Chapter 2
Provide the Best Shopping Experience

"Your website acts as a virtual store in every way—your homepage is your storefront, and your categories are your product aisles."

SHIFT④SHOP™

First Impressions Are Everything, *Especially* Online

Don't let your website play second fiddle to your brick-and-mortar store—prioritize your customers' online experience. A homepage should crystallize what you sell and either display or link to commonly needed information, notes Americaneagle.com. This could be your hours, address, contact information, return policy, shipping options, and even your social media presence.

Avoid complicated web layouts, adds Shift4Shop. At best, they unnecessarily frustrate visitors and increase your bounce rate, and at worst, they prompt shoppers to question the legitimacy of your business. Make navigation easy with a clear menu and ensure all web elements work on different devices without sacrificing vital information or layout. Responsive design is your friend.

Pay close attention to product presentation as well. Many local-centric consumers—55% to be precise—appreciate that small, local and/or independent retailers carry unique, curated products not found in major marketplaces.

55% appreciate that small, local and/or independent retailers carry unique, curated products not found in major marketplaces.

Highlight this strength while keeping in mind that consumers lose the ability to try on, touch, see, and feel items when shopping online, as Brightpearl notes. Well-thought-out product descriptions and appealing images bring that in-store experience online. Additionally, Americaneagle.com recommends a direct route to checkout, plus referral and client-review incentives to encourage customer loyalty and brand advocacy.

Ecwid believes your online experience should mimic your in-store one. Here are their top tips to achieve this.

Tips on How to Take Your In-Store Experience Online

1. COMMUNICATE THOUGHTFULLY.
When you reach out to your customers, don't just market your products—inform and educate them about your inventory and business. Offer your expertise to make their lives and purchasing decisions easier. How does your business or product solve their problems? Communicate this clearly.

2. STAY CONSISTENT ACROSS CHANNELS.
Whether customers are browsing in your brick-and-mortar shop or your digital store, the shopping experience should be the same. Pay attention to any in-store themes or design elements you can bring online, and incorporate your brand's design and voice into your online sales channels, from your website to your Instagram presence.

3. THINK MOBILE.
No, we don't mean your store needs wheels. Integrate contactless mobile payment systems into your brick-and-mortar store. Twenty-three percent of millennials use contactless payments at least once a week. Offer a seamless online payment experience, and match that experience with in-store mobile-device payments.

Meeting Market Demands
Brightpearl notes that selling a unique product is a great way to pique customer interest, but it takes more to turn first-time buyers into loyal customers. In fact, 77% of poor reviews aren't about products but *experiences* after shoppers click "buy." **These poor experiences stem from back-office problems, like customer service, deliveries, inventory, fulfillment, and returns.**

A smaller merchant who delivers on time, automates refunds and returns, plans appropriately for demand, and accurately tracks inventory across channels will stand out. ShipBob adds that tracking significantly reduces support tickets and order status inquiries, so your team can focus on improving the customer experience in other areas. This saves them time and money, improves the customer experience, and turns returns into exchanges.

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BUSINESS SPOTLIGHT

Seifert & Jones Wine improves sales 35% year-over-year during COVID-19

Seifert & Jones Wine, was forced to take their brick & mortar online during the pandemic. With the help of a weekly newsletter, they kept customers informed on new arrivals but also educating them on menu pairings.

Ecwid **merchant**

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Optimize Your Checkout Experience

Purchases must be as frictionless as possible. According to BigCommerce, this means:

1. Make finding products easy, and
2. Make buying products easy

"This sounds obvious, but they're often overlooked," they note. Provide a robust, faceted search that enables customers uninterested in browsing to find exactly what they need.

WooCommerce touts checkout options with trusted and familiar payment gateway brands, alongside security assurances. Keep the customer focused on completing the transaction, not jumping through an overly long form's conversion-killing hoops. Include one-click payment options, like Apple Pay and Google Pay, and consider offering installment payments if you sell big-ticket items.

As ShipperHQ puts it, "shipping is shopping." Here are their top tips for turning shipping challenges into conversion-driving solutions at checkout.

How to Turn Shipping Challenges into Conversions

1. DELIVERY DATE AND TIME.
ShipperHQ's 2020 consumer study shows 82% of customers prefer shopping with brands that display actual delivery dates, with 45% willing to pay more for this information.

2. CUSTOM SHIPPING PROMOS.
The best way to offer free shipping without ruining margins is through a threshold, such as free shipping for orders over $75. In fact, 91% of shoppers will spend more to reach free-shipping thresholds, so this promo also drives sales.

3. CONVENIENT PICKUP OPTIONS.
Forty-five percent of consumers would rather pick up online orders than wait for shipping. Offering free in-store or curbside pickup to local shoppers reduces shipping costs and delivery times while prioritizing convenience.

Top Reasons for Cart Abandonment

Encountering unexpected costs.
Be transparent with taxes and shipping costs. At a minimum, add a "+ shipping" line at checkout. If you charge different shipping rates based on location or methods, consider including a shipping calculator on your product pages.

WOOCOMMERCE

A complicated checkout process.
Customers want a single checkout page, not a long chain of confusing steps. Also, include a short summary of completed steps on your payment page so customers can check their payment and shipping information without backtracking.

Ecwid

High shipping costs, lack of convenient delivery options, and slow shipping speeds.
Customers are looking for fast, free, and convenient shipping so display only the most cost-effective, timely, and convenient delivery methods.

ShipperHQ

30%

Millennials and Money

Only 30% of millennials own a credit card, says Sezzle, and many millennials are considered "sub-prime" or "credit invisible" when it comes to FICO scores. They may avoid online purchasing because of financial strain or lack of credit so implement a flexible payment option, like Sezzle's interest-free installment option. When shoppers can move through checkout without weighing the impact of purchasing on credit, they're more likely to buy.

Make Packaging Memorable & Sustainable

Noissue touts custom packaging to spark joy and make products feel like gifts. Packaging layers elevate receiving a purchase into a full-fledged unboxing experience. Think custom tissue paper, thank you cards, branded stickers and tape, and eco-friendly mailer bags or boxes. Add a free item or custom card with a discount code to bump your business up to unforgettable.

If you go all out on packaging, don't forget the impact social media can have on sales. Include your social handles or hashtag on your print items to prompt delighted customers to post about your impressive packaging. Then share their authentic recommendations on your own channels.

And don't forget the current consumer is more eco-aware than ever, and they want to know you're operating with the planet in mind. noissue recommends choosing products that fit into the traditional circular framework:

• Recyclable

• Compostable

• Reusable

Don't forget to share your sustainability efforts with your customers can help you win more business, and build loyalty for your brand.

"Peak shopping periods, while great for business, have an adverse impact on the environment. There are more trucks on the road emitting carbon, and more single-use packaging piling up in landfills."

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Chapter 3

Close the
Reputation Gap

"Customers are increasingly shopping on multiple channels, platforms and marketplaces; in fact, 79% say commerce feels more ingrained in their everyday lives. Deploying a multichannel strategy not only helps retain existing customers but can help find new, ready-to-shop audiences too."

LINNWORKS

Invest in Multichannel

Traditionally, Amazon, eBay, and Walmart have led the pack for gross sales online, yet smaller and emerging marketplace sites have made significant strides. ChannelAdvisor notes this group grew at triple-digit rates in 2021's first quarter, which underlines the value of a multichannel approach online.

For multichannel newbies, ChannelAdvisor recommends software that posts inventory across multiple channels and marketplace sites, plus tracks sales individually to prevent overselling. You also need an efficient and diverse shipping strategy to meet channel-specific service requirements.

Remember that costs can differ widely from shipping from your own warehouse versus a partnered network or third party. ChannelAdvisor notes, "ShipStation has a wealth of experience in helping merchants find a balance while providing an automated and organized solution for warehouse management and label prints."

You'll need to adapt to successfully go multichannel. Here are ChannelAdvisor's adjustments to consider.

- Branding
- Product catalog and organization
- Pricing and content, including images
- Website
- Marketplace choice

- Advertising
- Shipment capabilities
- Customer service and support
- Inventory manufacturing or sourcing

Once you establish multichannel domestic revenue streams, then consider expanding internationally (see our tips on going international, page 17).

Competing with the Big-Box Stores

Competing with big-box retailers may be difficult, but it's not impossible. Here, Shift4Shop and Ecwid share their top tips for measuring up to big-box retailers.

1. DON'T COMPETE WITH PRICE.
Bigger businesses will almost always beat you on price due to their size and ability to take a loss. Instead, promote the value of your products to justify your higher price. Do you use better quality materials? Is premier customer service guaranteed?

2. LISTEN TO CUSTOMERS.
Let their valuable opinions inform your business decisions. If many shoppers ask for a popular product in a different color, make it happen and emphasize the community influenced the change.

3. REWARD LOYALTY.
Many shoppers value a personalized experience, so use a loyalty program or CRM software to track their relationship to your business. Share their content on social media to show you care about their post-purchase experience.

SHIFT④SHOP™

1. BE INFORMATIVE.
By displaying your policies clearly and consistently, your consumers will know what to expect with a purchase. They shouldn't leave your online store with questions, and they should know where to go if something comes up later.

2. ADD CUSTOMER REVIEWS.
Customer feedback promotes your products and increases conversions. Reviews and ratings build trust, establish social proof, improve your SEO, and create buzz.

3. BE PERSONABLE.
Install Ecwid's chat feature through Facebook Messenger, which gives consumers direct access to you, 24/7.

4. SHARE YOUR STORY.
These days, shoppers want to support small businesses more than ever. So give them a reason to pick yours by sharing your story and passion for what you do on social media.

Ecwid

Trust the Numbers

45% Of small/local/independent-business-centric shoppers agree small businesses are more trustworthy than big-box retailers.

69% Say they are more likely to consult online reviews for lesser-known small/local/independent brands as opposed to big-box retailers.

52% Of consumers will turn to large retailers when small/local/independent retailers have unclear shipping or return policies.

6 in 10 survey respondents say they have spent more with small/local/independent businesses to show support last year than pre-COVID.

Stand Tall, Shop Small

"Use your size to your advantage. You move faster, have less process and red tape, make quick decisions, engage your customers on a one-to-one level, and inspire them to keep coming back to you. You have a big advantage over the big boxes; use it."

irishtitan

"As a small business, a must is to make your profit margin. Offering free shipping means that you should work the shipping-transit cost into the item-offer price. Always protect your margin."

WAREHOUSE-PRO

"A video-game consumer versus a home-decor purchaser can have wildly different opinions on speed of delivery. We tell our fulfillment clients that in shipping service, there is fast, reliable, and cheap. You get to pick two of those options."

WAREHOUSE-PRO

"Nearly two-thirds of consumers support businesses that stand for a purpose aligned with their personal values and beliefs. As a small business or entrepreneur, communicating your personal story, values, and what you stand for will help you connect with your customers and inspire their support in a way a big retailer never could."

sendle

Chapter 4
Optimize Fulfillment & Systems

"Speed and accuracy are key— automation helps to achieve both."

Automatic, Systematic Workflows

Automated fulfillment and order processing benefits everyone. "You can increase customer satisfaction, drive more sales, cut back on labor and costs, and ultimately scale your business faster," says ShipBob. Not long ago, receiving and verifying orders was a manual task. Fulfillment technology makes this automatic for you and your customer. Win-win.

What Are Automation Rules?

Shipping automation rules are actions that you want to apply to a set of orders that meet certain criteria. Here are some things you should know about ShipStation's automation rules.

Top 5 Automation Rules Available in ShipStation:

1. APPLY SERVICE TYPE BASED ON ORDER TAGS.
If you added tags to products or customers, ShipStation adds the tags to orders automatically before automation rules run, which means you can use tags as rule criteria. For example, if your customer orders a shirt and a hat, you can use tags to automatically upgrade their shipping to UPS 2nd Day Air®. If they order a shirt, hat, **and a piece of furniture**, you can set up another automation rule that ships out their order using UPS® Ground services. This enables your business to be more cost-effective while still meeting your customers' delivery expectations.

2. CHOOSE DEFAULT SHIPPING OPTIONS FOR INTERNATIONAL PACKAGES.
Whether you have a preferred carrier or strict delivery timeline, you can add one or multiple rules to dictate how international orders are fulfilled.

3. INSURE INTERNATIONAL ORDERS OVER $100.
Carriers typically include standard insurance, up to $100, on all shipments. If you're needing to add additional insurance to ensure an order makes it overseas, you can apply a rule in ShipStation to have Shipsurance insurance added to all orders with an international ship-to address.

4. USE PRIORITY MAIL AND FIRST CLASS FOR PACKAGES WITH A CERTAIN WEIGHT.
Automatically ship out orders via USPS Priority Mail or First Class Mail if they meet certain weight requirements. This is a great option for packages weighing under one pound.

5. USE SELLER-SIDE RATES.
If you sell on BigCommerce or Shopify, you can expose and adjust live carrier rates for your customers to see in checkout. Because ShipStation offers discounts, you can choose to pass these discounts on to your customers at checkout. Or, you can adjust the cost to reflect any additional handling fees.

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SUITSHOP

BUSINESS SPOTLIGHT

Suit Shop saved time and money during COVID-19 by automating fulfillment workflows

The Groomsman Suit (now known as Suit Shop) had to pivot quickly when COVID-19 shut down their Denver showroom and couples continued to plan their weddings from home. Learn how they used ShipStation to compare carrier rates, and communicate clear delivery timelines to their customers.

WATCH VIDEO

Your Distribution Strategy

With the holiday season approaching it's important to have a solid distribution strategy ahead of peak season. ShipBob recommends if you're able to manage the demand, you can keep fulfillment in-house (just keep in mind that's less time you'll have to grow your business).

But consider outsourcing if packing and shipping orders take you away from other essential tasks. Remember: There's only one you. Prioritize key business tasks that only you can do, says ShipBob.

> "Fulfillment is a low-dollar activity since it doesn't directly drive revenue and can be done by anyone. Fast-growing brands look at outsourcing fulfillment as a wise investment since it saves time and money in the long run and helps them scale."
>
> **ShipBob**

If you opt for outsourcing, evaluate a third-party logistics (3PL) company by its technology and location(s). Their entire distribution network should be powered by the same technology, allowing you to distribute inventory across new locations as you grow while tracking inventory and orders in real-time from a single dashboard. Also, notes ShipBob, "Start with a location that will reduce your average shipping cost and transit time to reach most, if not all, customers efficiently. The right 3PL partner can help determine which location(s) to start with based on your customers' locations."

> "They say practice makes perfect. As those busy holiday weekends draw nearer, set up your shipping areas to optimize your shipping processes. For your frequently-purchased items, consider packaging ahead of time – just add a label!"
>
> **UPS**

Going International

If you're ready to jump from domestic to international shipping, first off: congrats! Secondly, consider these tips from ChannelAdvisor: evaluate currency conversion rates, site and channel rules, country requirements related to tax, local entity needs, language barriers, and logistics related to shipments and inventory.

WooCommerce adds that offering multiple currencies is a great way to expand your customer base. First, research potential locations for a market fit for your product(s). Next determine how to localize your site, such as adjusting language, infrastructure, payments, and legal requirements. WooCommerce has tools to help, such as Currency Switcher for WooCommerce, which displays prices in shoppers' currency, and WooCommerce Tax, which calculates the exact tax based on city, country, or state.

Hassle-Free Returns

Customers love free returns with large windows, but they can greatly increase an SMB's overhead costs. Given that a returns policy can directly influence whether or not shoppers decide to buy from you, it's important to optimize returns as much as possible leading up to the holiday season.

> *"Best practices include meaningful tracking, hassle-free policies, and fast refunds. It's essential to make it easy for customers to obtain a return label and get their package to the shipping carrier."*

54%

of customers seek out the return policy before making an online purchase

77%

of online customers want an easier returns experience

73%

claim the returns process impacts their decision to buy from a business again

2019 UPS Pulse of the Online Shopper, Optoro Consumer Survey (2018)

Did you know **49% of customers become repeat customers** after making an exchange or return?Download our ebook "Returns: A Deep Dive into Consumers' Growing Expectations" for the lowdown on returns.

Take advantage of discounted carrier rates to help reduce return shipping costs.

The offer of free return shipping is a powerful lure. If you do offer free shipping and/or returns to your customers, keep control of your bottom line and save on the shipping services your business needs. **Get discounts on shipping, including up to 50% off UPS® Ground shipments and up to 66% for UPS 2nd Day Air® service through ShipStation.**

START FREE TRIAL

How to Provide Hassle-Free Returns

UPS and Synergy Logistics share their thoughts on how to create headache-free returns for your customers and your business.

1. PROVIDE REAL-TIME VISIBILITY INTO RETURNS.

It's easy to maintain brand relevance and keep your customers in the loop with ShipStation's Branded Returns Portal. You can customize confirmation, tracking, and delivery confirmation emails to be sure the returns policy is included in each email you send to update customers.

Visibility is critical for you as well! To plan for inbound returns, make sure you have real-time visibility into where your packages are in the world and the volume of returns in transit at any one time.

2. PROCESS YOUR RETURNS TO MINIMIZE LOST REVENUE.

Look first to possible product issues and shipping costs to determine what items to accept as returns. For those worth the trouble, determine whether to proactively provide prepaid return labels in the package or on an as-needed basis via customer service.

3. CONSIDER OFFERING SCAN-BASED RETURN LABELS.

Through ShipStation you can print a return label to include in your outbound shipments, which makes returns incredibly easy for your customers. This is perfect for the majority of shoppers who want self-serve returns solutions. Alternatively, you can email the label to your customers at the point when they contact you to initiate a return. This way you know how many returns are coming your way and when to expect them so you can be prepared.

4. MAKE SURE YOUR TERMS ARE CLEAR AND USER-FRIENDLY.

Be upfront with your returns window, specify additional fees, and set refund expectations. It's a great idea to include your returns policy on your customized packing slips.

5. ENCOURAGE CUSTOMER LOYALTY WITH FLEXIBLE RETURNS.

Providing your customers with flexibility when returning packages, especially when they're out and about during the busy holiday season, will leave a lasting impression and encourage loyalty to your brand. Thankfully, 90% of U.S. consumers live within 5 miles of a UPS drop off location. In the U.S., there are more than 80,000 total UPS drop-off and pick-up locations, including The UPS Store® locations and UPS® Drop Boxes. You can also leverage the convenience factor by scheduling a UPS pickup for your customer.

6. DETERMINE WHAT ITEMS TO ACCEPT AS RETURNS.

Have all units returned to a central location and assign a quarantined area to avoid cross-pollination with new products. To help recoup your lost revenue, have an employee inspect all returns and sort into 'A,' 'B,' and 'C' conditions (A=renewed, B=used, C= scrap).

You can then sell 'A stock' as 'renewed' or 'certified refurbished.' These items should be sold on alternate sales channels and as separate listings to protect your seller metrics and product feedback. The 'B stock' items can be used for replacement parts and warranty repairs. If it is not feasible to sort through the returns and sell the renewed products yourself, work with a third-party re-commerce company, like Synergy.
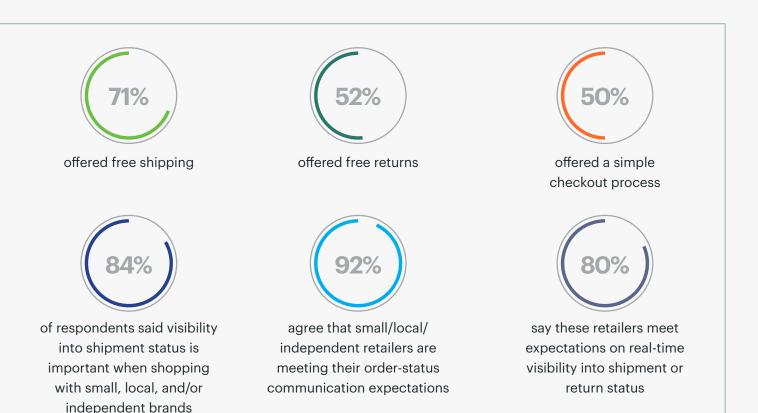
By the Numbers: Consumer Expectations Around Fulfillment

71%
offered free shipping

52%
offered free returns

50%
offered a simple checkout process

84%
of respondents said visibility into shipment status is important when shopping with small, local, and/or independent brands

92%
agree that small/local/ independent retailers are meeting their order-status communication expectations

80%
say these retailers meet expectations on real-time visibility into shipment or return status

How to Know When to Hire a 3PL

As your business grows, you'll need assistance for tasks you previously managed in-house. Fulfillment and warehousing, in particular, become common growing pains for burgeoning businesses. Lucky for you, third-party logistics (3PL) services are here to help. If you're considering taking the 3PL leap, Warehouse-Pro recommends asking yourself:

• Do you have a complex inventory SKU list?
• Do you have a high amount of orders per month relative to your storage pallets/bins numbers?

"Complex inventory lists tend to be better served by a single site fulfillment center," they advise. While single or minimal SKU counts are more easily served across multiple warehouses in a network. In general, know what kind of service to ask for in a 3PL warehouse, says Warehouse-Pro, so you secure the kind of service provider you need.

Kayo3PL

"I always say: 'The best communication between a client and a 3PL provider is no communication.' This means the software systems are doing the work, and the people are not. This means your data is accurate and interchangeable between the clients' order entry system and the 3PL WMS [warehouse management] system. The old concept of managing exceptions is the key to automation. Let the system automate most tasks and only address the exceptions."

4 Tips to Successful Outsourcing

1. BEWARE OF 3PL SHIPPING COSTS.
Many 3PL services seem less expensive or free, but then they mark up your shipping cost, so the final number is much more than you expected.

2. CHEAPER ISN'T ALWAYS BETTER.
Many clients pick 3PLs that are much less expensive than others. Just remember your business depends on the stability of your 3PL. Choose wisely.

3. CONSIDER THE 3PL'S SIZE.
Too large and you're just another client. Too small, and they can't scale to your business needs. Find the right-sized 3PL for your current and future needs.

4. BE PREPARED FOR CHANGES.
Not everything will work the same as before. Knowing this is half the battle.

Kayo3PL

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Chapter 5

How to Maintain the Relationship

"Social media provides the opportunity to break through the noise of the crowded ecommerce environment and give your brand a human feel."

americaneagle·com.

Customer Maintenance in the Digital Age

Social media can play a key role in increasing conversions and maintaining customer relationships. The average consumer is much more likely to trust a brand endorsement from a friend, colleague, or family member, says Americaneagle.com. "Not only is this free advertising for the merchant, it is also likely to increase conversions."

Cosmetic brands tapping YouTube beauty influencers are a great example. These influencers know how to correctly use the products, and consumers already trust their recommendations. You can take a similar approach by using social media to incentivize customers to be brand ambassadors who share content, make recommendations, or write reviews about your brand. Consumers like connecting with brands, Americaneagle.com notes. It's one reason many prefer shopping local rather than with faceless corporations. Use the trend to your advantage.

While social media may be the latest shiny object, don't discount the tried-and-true newsletter. They're a great way to communicate vital information or newsworthy updates to loyal customers, from discounts and sales to advice and thought-leadership pieces.

According to Americaneagle.com, newsletters are a cost-effective way to build a personal connection with consumers while simultaneously keeping your brand top of mind.

The Seamless Marketing Experience

Shift4Shop touts the importance of a multi-channel approach to marketing to be the true buttoned-up brand you are. "One mistake many merchants make is keeping all of their marketing efforts disconnected. If you're not consistent across all channels, your campaigns can feel disjointed and your brand can suffer as a result." Branding and tone should be uniform across all channels. This doesn't mean treat every channel the same—each channel has a unique audience after all—but your channels should feel connected. A CRM all employees can access, from social media managers to sales representatives, will help.

The Customer Comes First (Within Reason)

Aim for strong customer relationships without dedicating too much time or resources that will eat into profit margins. Brightpearl recommends offering different fulfillment options to help both you and the customer. Their study shows that **41% of shoppers plan to use "Buy Online, Pickup In-Store" (BOPIS) options more often in 2021.**

> *"Being laser-focused on the customer is the key to building a trusted brand and loyal following."*
>
> SQUARE BABY

"It suits online shoppers, who get to sit in the comfort of their home while they shop but don't have to wait for delivery—and you don't have to pay for shipping," Brightpearl says. All online retailers with physical stores should make this fulfillment method a priority.

WooCommerce suggests going for the personal touch like only a small business can. Slip a handwritten note into orders, share behind-the-scenes business moments on social media, record your new-order happy dance for TikTok. These can create an emotional connection for the customer to your brand. And don't forget to offer subscriptions or memberships to prompt buyers to become repeat customers.

WooCommerce also listens closely to customers, as merchant Katie Thomson advises: "Listen and learn from your customers. There's nothing more important than the customer experience, especially in DTC [direct to consumer]. From the moment they get to your site, navigate it, seek answers, make a purchase, receive the product, and ask for assistance along the way, being laser-focused on the customer is the key to building a trusted brand and loyal following."

Outside-the-Box Engagement

irish titan

Irish Titan is a fan of Minneapolis-based liquor store Surdyk's loyalty program rewarding high-spending customers with early access to exclusive bottles, limited releases, and more. It's a more creative, personalized way to engage customers rather than the usual 10% discount.

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Social but Not Distant

54%

of consumers discovered a new small/local/independent ecommerce retailer via social media within the last year.

75%

of those social media interactions turned into a purchase through the retailer's website.

29%

recommended brands to friends and family after finding them on social media.

On average, social media led consumers to purchase from 7 new brands.

How to Offer a Phenomenal Post-Purchase Experience

If a consumer is comfortable purchasing your products online, then assume they're comfortable writing online reviews too. This consumer may never interact with you in person, so you need to connect with them in a different way. As Sendle puts it, "Your shipped package is often the most direct connection you'll have with your customers. How your goods are packaged and delivered forms a lasting impression--one that shapes how they'll remember you and what kind of review they leave." As more consumers shift to online purchasing, more eyes shift to online reviews, so your reviews need to make a good impression.

Here's Sendle's advice on how to get those 5-star reviews rolling in.

- **Have a clear and thoughtful shipping policy** that sets customers' expectations for the delivery method, time frame and cost, so there are no surprises.

- **Be proactive and communicate** updates on unforeseen delays or disruptions.

- **Appeal to your eco-conscious customers** with sustainable packaging and carbon-neutral shipping.

- **Provide a memorable unboxing experience.** Delight can lead to long-term loyalty.

- **Simplify returns** by declaring your return policy and step-by-step return instructions.

Don't automatically label returns a failure. According to ShipBob, "Returns management doesn't always mean a lost sale. In many cases, it's an opportunity to build trust with your customers."

Chapter 6

Look to the Past to Adapt to the Future

"Inventory is an SMB's biggest asset and should be treated with care."

SKUVAULT®

Your Inventory Forecast

Your inventory is essential to a successful holiday season so purchase carefully. According to SkuVault, "Purchasing too much that doesn't sell well ties up your capital, meaning you cannot purchase items that would have a better chance of selling. Purchase too little and it can cost you lost sales. Luckily, both outcomes can be resolved with better planning." Start with research. What items will likely be hot sellers this year? Next, review your previous sales data. What sold well before? What items did you run out of that you should stock more of this year? The answers to these questions should inform your purchasing plans.

When Consumers Will Cover the Cost

55% of consumers said that they're willing to **pay more for shipping** in order to support a small, local, and/or independent retailer.

54% of consumers are willing to **cover the cost of return shipping fees** to support a small, local, and/or independent retailer.

70% are willing to pay slightly higher prices for products to support a small business.

Next, calculate your specific needs with inventory management software to help with demand planning and forecasting. This ensures you have the inventory you need for November and December.

"Having inventory in the right place allows you to maintain customer service and fulfillment expectations even at the peak of your sales."

LINNWORKS

Chapter 7

Your Month-by-Month Holiday Prep Checklist

"The biggest advice we can give to a merchant looking to explore additional sales channels is to make sure you have the systems in place to manage them."

Brightpearl

Q1 - Discover

January - March

- [ ] Analyze sales data, site analytics, and audit customer feedback from your most recent holiday season to determine trends, forecast future sales, and know how to best prep your business for the new year.

  - [ ] *If you don't already have systems in place to track analytics, now is the time to set them up!*

- [ ] Determine if any major updates need to be made to your site. Is it responsive (mobile-friendly), do you need a design overhaul?

- [ ] Determine what areas of opportunity your business has and make a plan to go after them. *Do you need a better presence on social? Should you expand your brand to multiple marketplaces? Can you identify any patterns in customer feedback?*

- [ ] Step into the shoes of your customers! Map out your checkout and returns process — even test your customer support and unboxing experience. Write down any roadblocks, inefficiencies, and feelings you got throughout the process. Use these observations to develop improvements to your process.

Q2 - Test & Implement

March - June

- [ ] Start implementing any new channels, integrations, shipping software, or third-party tools into your shipping workflow.

- [ ] Create and test any new automation rules.

- [ ] Run security testing to check for vulnerabilities so that you have time to fix them or hire someone to fix them.

- [ ] Consider testing a single-page checkout experience to help reduce cart abandonment.

- [ ] Not sure what promotion will gain the most traction during the holidays (BOGO, free shipping, etc)? Test them out now to see which one performs better.

- [ ] Find a way to highlight reviews and testimonials in the months leading up to the holdiays

Q3 - Prepare & Secure
July - September

☐ If you're looking to outsource your fulfillment, onboard your 3PL or Dropshipping company early!

☐ Use your forecasting data to help determine how much inventory to order for the upcoming holiday season.

☐ Refresh your website and promotional content.

☐ Find current keywords and phrases that will help you rank high during the holiday season and start by making some quick keyword changes — utilizing holiday-specific phrasing. Don't forget your product descriptions!

☐ Think of innovative ways to promote your products and start creating content early — holiday themed product photos, gift guides, social media campaign.

☐ Perform system updates & upgrades

☐ Consider increasing your site's bandwidth if site speed has been an issue in the past

☐ Confirm your site load times are working for you, not against you

> ☐ **According to Cloudflare, a web page with a 2.4 second loading time has a 1.9% conversion rate. This drops to 0.6% at 5.7 seconds or longer.**

☐ Stock up on branded packaging materials and shipping tools (scales, etc)

☐ Start preparing your inventory for the holidays, including organizing your warehouse

Q4 - Holidays are here!
October

☐ Onboard a seasonal support team if you anticipate needing help with your the influx of orders, returns, and customer inquiries

☐ Test your customer experience one last time — from checkout to returns

☐ Kick off the holiday strategy you've been planning for all year. Holiday shopping starts now!

November

☐ Start communicating your holiday shipping deadlines as soon as possible Consider pre-packing popular holiday orders to save on time

☐ Schedue non-promotional emails early to get customers excited about the holidays

☐ The week before each promotional sale (Black Friday, Cyber Monday, Boxing Day), send teaser emails to show customers what deals they can expect and links to any holiday content (gift guides, product pages, etc.).

☐ A few days before each promotional sale, send a countdown or reminder to your subscribers to help keep your brand top of mind.

☐ **Read more: Your week-by-Week Calendar for Black Friday Emails**

December

☐ Keep a close eye on inventory to make sure your inventory management system is operating correctly and triggering out of stock notices to your site.

☐ Ensure that the returns process is flowing smoothly for customers.

☐ **95% agree that a bad returns experience would make them less likely to purchase from a brand again in the future.**

A Better Way to Ship

Last year was unusual for us all, but don't think of it as a total anomaly for your business. It contains a year's worth of consumer actions that have become habits and expectations. You can still learn from the data. You can still adapt and improve. You can still provide the best purchasing experience possible by combining last year's safety-centric options with this year's social-friendly environment. And you can always use the help of seasoned professionals to help you successfully navigate it all.

If you are new to ecommerce or need help getting packages out the door more quickly, ShipStation offers 30 days free for all new trials, no credit card required. Sign up with the coupon code **FREE30** to start saving time and money on shipping.

START FREE TRIAL

ShipStation®

Every day, tens of thousands of ecommerce retailers rely on ShipStation to help scale their business and provide a great customer delivery experience.

ShipStation is a multi-channel, multi-carrier order, and delivery management platform that streamlines and automates key ecommerce processes, with over 300 integrations to all major selling channels, ecommerce platforms, and carriers, including Amazon, eBay, Shopify, Magento, BigCommerce, Royal Mail, DPD, Hermes, UPS, and more. ShipStation is a global business, headquartered in Austin, TX with offices in Sydney, London, and Paris. ShipStation is a wholly-owned subsidiary of Stamps.com.

For more information, visit shipstation.com

Appendix | Meet our Partners

Americaneagle.com is a full-service, global digital agency based in Des Plaines, Illinois that provides best-in-class web design, development, hosting, post-launch support, and digital marketing services. Currently, Americaneagle.com employs 600+ professionals in offices around the world including Chicago, Cleveland, Dubai, Dallas, London, Los Angeles, New York, Nashville, Washington DC, Switzerland, and Bulgaria. Some of their 2,000+ clients include Dairy Queen, FASTSIGNS, Soletrader, WeatherTech, and the American Management Association. For additional information, visit americaneagle.com

BigCommerce (Nasdaq: BIGC) is a leading software-as-a-service (SaaS) ecommerce platform that empowers merchants of all sizes to build, innovate and grow their businesses online. As a leading open SaaS solution, BigCommerce provides merchants sophisticated enterprise-grade functionality, customization and performance with simplicity and ease-of-use. Tens of thousands of B2B and B2C companies across 150 countries and numerous industries use BigCommerce to create beautiful, engaging online stores. Headquartered in Austin, BigCommerce has offices in San Francisco, Sydney and London.

Brightpearl is an Operations Platform for retailers and wholesalers. They automate the back office so merchants can spend their time and money growing the business. Their solution includes financial management, inventory and sale order management, purchasing and supplier management, CRM, fulfilment, warehouse and logistics. In addition, the solution has high-performing connectors to the major ecommerce platforms, including Magento, BigCommerce and Shopify. Brightpearl's US headquarters is in Austin with a global headquarters in Bristol, UK.

For over two decades, ChannelAdvisor has helped brands and retailers worldwide improve their online performance by expanding sales channels, connecting with consumers across the entire buying cycle, optimizing their operations for peak performance, and providing actionable analytics to improve competitiveness. Thousands of customers depend on ChannelAdvisor to securely power their e-commerce operations on channels such as Amazon, eBay, Google, Facebook, Walmart, and hundreds more. For more information, visit channeladvisor.com.

Ecwid is an ecommerce platform that makes selling online easier. Build your own store from scratch to instantly sync and sell across your own website, social media, marketplaces, and more. Grow your business with automated marketing tools. And manage it all from your Ecwid control panel.

Irish Titan builds and grows ecommerce channels, using only Titans (otherwise known as employees...no contractors, freelancers, or offshore resources) to deliver "Business First. Online Second." solutions. Our clan includes strategists, creative, and engineering Titans, providing our clients with a high-touch "Partnerships, Not Transactions" experience.

Kayo3PL

Kayo3PL is a family-owned and operated business that provides third-party logistics services, from warehousing and inventory management to order fulfillment and returns management. We have a no-frills approach, so you will never have to worry about minimums, contracts, surprise fees, or markups. We also offer free integrations of all of your websites and marketplaces through ShipStation, which creates a seamless experience for you and your customers.

LINNWORKS

Linnworks is a leading commerce automation platform that works with the world's major marketplaces and sales channels. Linnworks enables businesses to manage their multichannel inventory, orders and fulfillment from a centralized platform and provides deep insights across sales channels and operations. By equipping brands and retailers to conduct commerce wherever their customers are, Linnworks powers businesses to drive growth and boost brand success.

logicbroker

At Logicbroker, we build connections that power off-the-charts growth for retailers, brands, and suppliers in the booming digital marketplace. Our nimble yet powerful drop ship platform connects buyers, sellers, 3PLs, and the systems they rely on at record speed, empowering them to sell more products, reach more customers, and pivot quickly to maintain their edge in an ever-evolving eCommerce universe. Connect and grow with us while unlocking limitless eCommerce possibilities.

noissue.

noissue provides makers, brands, and businesses of all sizes access to custom, sustainable packaging, designed online and delivered worldwide. Its point of difference is an easy-to-use design platform, low minimum order quantities, and sustainable packaging products that fit into a circular framework and are made from sustainable materials.

sendle

Sendle is the first 100% carbon-neutral shipping carrier in Australia and the U.S., specifically designed to serve the needs of small eCommerce businesses. Sendle levels the playing field for small businesses by offering affordable flat-rate, carbon-neutral shipping with no hidden fees, subscriptions, or minimums required.

sezzle

Only 30% of millennials own a credit card, says Sezzle, and many millennials are considered "sub-prime" or "credit invisible" when it comes to FICO scores. They may avoid online purchasing because of financial strain or lack of credit so implement a flexible payment option. Sezzle's interest-free installment option is a great way to combat price sensitivity. When shoppers can move through checkout without weighing the impact of purchasing on credit, they're more likely to buy.

ShipStation®

SHIFT4SHOP

Shift4Shop is a feature-rich eCommerce platform serving businesses of all sizes in a wide range of industries across the globe. Offering an unmatched free eCommerce solution, the company provides everything you need to start — and grow — your business. This turnkey eCommerce experience includes hundreds of powerful built-in tools to help businesses succeed — a responsive website builder, product and order management, SEO tools, marketing features, and more.

ShipBob

ShipBob is the leading fulfillment company that provides merchants with a single view of their business across all of their sales channels, and enables them to manage products, inventory, orders, and shipments, and leverage analytics and reporting to run their business effectively. ShipBob operates a global logistics network with fulfillment centers across five countries in North America, Europe, and Australia. Learn more by visiting shipbob.com.

ShipperHQ

ShipperHQ is the #1 shipping experience management platform helping thousands of ecommerce business owners create an 'Amazon-like' checkout. Integrated with 50+ carriers and partnered with all of the major ecommerce platforms, ShipperHQ helps merchants create a shipping strategy based on real-world business logic, while completely optimizing the checkout experience for customers.

SKUVAULT

SkuVault solves the most challenging part of omnichannel and eCommerce fulfillment: managing and tracking inventory at scale. Over 1,000 of America's best retailers trust SkuVault to deliver what every buyer expects: orders picked, packed, and delivered without error, every time.

SYNERGY LOGISTICS

Synergy is a third-party fulfillment provider that is focused on supporting clients and brands through the entire product lifecycle. They offer product development and sourcing to create premier products in the housewares category. From there, their team of experts can create custom marketing, designed to attract and convert buyers. Synergy assists clients with processing and order fulfillment, plus their ReCommerce division can help with returns, refurbishments and remanufacturing, allowing businesses to recoup lost revenue. For more information, visit www.synergyglobalventures.com.

UPS

UPS (NYSE: UPS) is one of the world's largest package delivery companies with 2020 revenue of $84.6 billion, and provides a broad range of integrated logistics solutions for customers in more than 220 countries and territories. The company's more than 540,000 employees embrace a strategy that is simply stated and powerfully executed: Customer First. People Led. Innovation Driven. UPS is committed to reducing its impact on the environment and supporting the communities we serve around the world. UPS also takes a strong and unwavering stance in support of diversity, equality, and inclusion. The company can be found on the Internet at www.ups.com, with more information at about.ups.com and www.investors.ups.com

ShipStation®

WAREHOUSE-PRO

Warehouse-Pro is a third party logistics provider that operates in Dallas and Kansas City. Reliability, accuracy, and adaptability are the key pillars of the business, and Warehouse-Pro is able to meet any of your fulfillment needs, big and small.

WOOCOMMERCE

WooCommerce is a customizable ecommerce platform built on WordPress. Developed and supported by a distributed team, the company is committed to democratizing commerce and putting merchants in control of their livelihood. The core ecommerce platform is free and open-source, empowering store owners to sell anything, anywhere.

With the ShipStation for WooCommerce extension, you can fulfill all your WooCommerce orders quickly and easily using ShipStation.

ShipStation®