

RESEARCH

## Why mobile delivery's growth presents challenges this holiday season

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*Shipping is a paramount concern for many customers*

By [Alex Samuely](#)

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The sheer volume of mobile shopping taking place this holiday season means that retailers must ready themselves for same-day delivery requests, something that has historically been a challenge for brands seeking cost-effective solutions.

New research from Shopatron shows that more than half of consumers in the United States and Britain are planning to leverage home-delivery for holiday purchases, while more than a quarter of shoppers will buy on mobile this season. Therefore, it is up to retailers to ensure that their shipping options on mobile will enable consumers to receive their packages as quickly as possible, while still remaining cost-effective for company budgets.

"Retailers are challenged when they are unable to expose a singular available-to-promise (ATP) inventory number," said Ed Stevens, CEO and founder of [Shopatron](#), San Luis Obispo, CA. "Without this, retailers run the risk of overcommitting or not selling through everything due to inventory protections.

"A real-time ATP system will help retailers be nimble, which is especially important this time of year," he said. "Those retailers using a fast and stable inventory system providing a combined ATP number across their network of fulfillment locations are going to provide better service to customers than those that don't have real-time ATP, or those who only provide inventory information from their distribution center or warehouse."

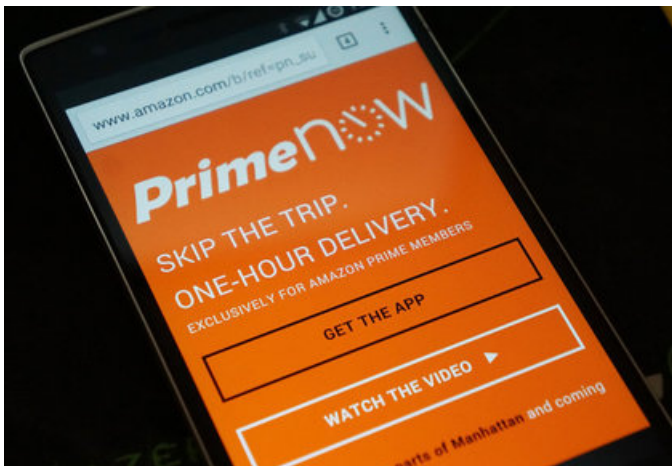
### Combatting previous challenges

According to Shopatron's research, Black Friday in Britain last year resulted in mass chaos when it came to delivery scenarios. Consumers who ordered last-minute gifts did not always have their purchases delivered in the expected timeframe, leaving them empty-handed during holiday parties.

This year, retailers must step up their efforts if they want to stay in good standing with long-lasting customers. Fifty-seven percent of British shoppers and 56 percent of Americans are planning to leverage delivery-at-home for their holiday shopping this year, meaning that shipping options must be up to par.

If shoppers do not receive purchases in time, it could have a long-term detrimental effect on the brand, and cause it to lose followers. Furthermore, the plethora of individuals shopping on mobile this year suggests that time is of the essence for many consumers.

Time-strapped customers may not be able to visit bricks-and-mortar shopping centers or stores this season, leading them to buy last-minute presents on their smartphones instead. To maximize these transactions, brands should ensure that they offer a slew of shipping options for home delivery within their own mobile applications or third-party platforms.



*Amazon's Prime Now service delivers select items in one hour*

"All available shipping options should be offered anywhere the consumer wants to buy," Mr. Stevens said.

Offering free shipping is likely to give a boost in sales, although retailers must make sure that shipping options remain cost-effective for bottom-line budgets. Brands would also be well-suited to ensure that customers are aware of prices for rush delivery, such as overnight or two-day shipping.

While providing these types of options is paramount for any retail app or mobile site, teaming up with a third-party delivery platform may also result in positive customer interactions. This strategy may be optimal to tap if retailers are unsure of their own employees' or inventory centers' abilities to fulfill deliveries in time.

Additionally, individuals are even turning to mobile for last-minute deliveries of holiday meals and food items. A slew of startups targeted Thanksgiving celebrators last week by offering the option to purchase a last-minute bottle of wine or pound of stuffing on the day of the holiday.

Amazon Prime users in select metropolitan cities could order food and drink ingredients and have them delivered in under an hour.

Meanwhile, smaller third-party apps such as Instacart and Saucey were on hand to distribute turkeys and alcohol, respectively, to stressed party hosts.

While Amazon's Prime Now delivery service remains a top threat to retailers this holiday season, one way of maintaining sales stems from offering a multitude of shipping options on mobile applications and sites so that consumers can select the method best suited to their needs ([see story](#)).

A mobile-heavy holiday

Shopatron's research also discovered that more than a quarter of U.S. consumers are aiming to use their smartphones as research devices this season, especially when hunting for the best bargains. Therefore, mobile shopping usage may peak during early morning and evening commutes.

Brands that have planned accordingly for this major shift in consumer behavior will reap the benefits during this winter period, and will have the best chance at capturing users' interest on major sales days.



*On-time package deliveries lead to greater customer satisfaction*

"Personalization is key with driving mobile sales," Mr. Stevens said. "Providing location-specific information is a great way to personalize."

"Local merchandising and local inventory information should be a part of the consumer's mobile experience, along with multiple options for fulfillment such as in-store pickup or ship-to-home."

**Final Take**

*Alex Samuely, staff writer on Mobile Marketer, New York*

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