COLUMNS

The Black Friday opportunity for ecommerce

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Bergdorf Goodman's holiday homepage. Courtesy of Bergdorf Goodman

By Abbas Haider Ali

The flurry of holiday season shopping is upon us. While the public is accustomed to hearing about perilous shopping scenarios such as Black Friday megasale stampedes, the fact is that more people are doing their holiday shopping online rather than at bricks-and-mortar retailers.

The holiday season is a critical opportunity for all retailers, but especially for ecommerce. November and December drive 30 percent more revenue for online retailers than during non-holiday months, with the days from Black Friday through Christmas specifically generating 50 percent to 100 percent more revenue than non-holidays.

In the black
Last year's Cyber Monday represented the biggest one to date, with $2.3 billion spent online. A total of $56.43 billion was spent over the duration of the holiday season.

Online and other non-store holiday sales also grew by 9 percent, as compared with just a 3 percent rise for traditional retail.

According to a survey by the National Retail Federation, 121 million shoppers representing approximately 49 percent of total shoppers planned to shop the 2015 Cyber Monday.

Of these, 29.6 million said they would shop on their mobile device.

And even though Cyber Monday is a dedicated online shopping day, more people still turned online to shop on last year's Black Friday 103 million versus 102 million in store.

With enormous sales opportunities and the pressure to combat both online and offline competition, retailers cannot afford to miss out.

Down but not out
In addition to fundamental customer service practices and solid inventory management, intelligent communication is the key to staying one step ahead and cultivating loyal customers.

Retailers need a strategic approach to critical incident management, staff response training, systems integration and direct communication with customers.

In 2010, a local Walmart in Houston suffered a blackout just three minutes after its doors opened for Black Friday sales. Tensions were high as customers had been waiting in line for hours beforehand, and many of them had to walk away empty-handed.

While ticket vouchers were distributed to guarantee people from the front of the line the big-ticket items they were hoping for, not everybody received one, and some customers even reported that their tickets were not honored once the store reopened despite the fact that they had waited additional hours in the cold.

The ecommerce world is susceptible to its own breed of disruptions.

Last year, Target.com suffered a huge Cyber Monday outage, due to what the company cited as record-high traffic levels, or "twice as high as its busiest day ever." Eager and ready shoppers hit the site only to realize they could not make any purchases.

While the site delivered the message "Please hold tight. So sorry, but high traffic's causing delays," the experience still confused and frustrated many users, especially since some were able to access the site. The level of communication was insufficient and incomplete.

While retail giants such as Walmart and Target can absorb the blow of a terrible incident, other businesses would not fare so well.
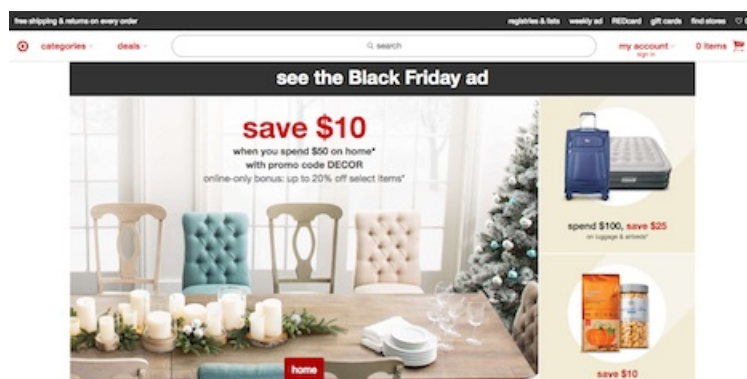
Mass merchandizer Target's Black Friday homepage

Scenarios such as these two could happen to any store at any size, and without rapid, effective communication amongst management and staff, you could end up with a situation in which customers are left in the dark and feel they are treated unfairly.

Smart talk
Smart communication is about ensuring that the information channels within your organization, your employees and the systems that you use are clear and concise.

To fortify your business across all fronts against potential disruptions, you should unify your infrastructure management to ensure that all systems ecommerce interface, customer service help desk, backend systems, affiliates and social networks are fully integrated and can easily pass information between one another. This includes ensuring secure payments across the board and maintaining clear, real-time visibility into your supply chain.

It also means defining specific incident communication protocols that seamlessly take all channels into account, including Web, mobile and your physical storefront.

By establishing these critical processes ahead of time, you can facilitate the quick-and-dirty handling of issues, as well as completely transparent status communication with customers.

In addition, your business should define a clear way to log and record incidents, so that you can audit these experiences and how they were handled.

Taking advantage of smarter communication for your business will require you to investigate and implement enterprise-grade solutions for application performance and API management, but do not be intimidated by this.

There are plenty of solutions out there designed to deliver high-level business performance at an affordable price-

point for small to midsize businesses.

ABOVE ALL, you should leverage communication technologies and integrations to proactively avoid downtime and delays.

Nip things in the bud at the first hint of a problem.

Do not wait until an issue escalates into a full-blown crisis, and results in lost revenue and customer loyalty.

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