

This brand expert says retailers need to reassess holiday shopping approach

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Amid the soaring growth of online retail and all-encompassing mobile connectivity, shopping patterns have changed dramatically in recent years.

Retailers have been forced to fine-tune their business models, either adapting or perishing. Bricks-and-mortar was once the be-all and end-all, now online presence is a must.

ADVERTISING

As the market continues to evolve, it may well also be time for retailers to reconsider how they approach holiday shopping.

Consultant, speaker and author Denise Lee Yohn puts a case forward in the *Harvard Business Review* as to why the traditional holiday shopping season sales bump may be a thing of the past.

“It’s about time that retailers also rethink their approach to the holiday shopping season,” Yohn writes.

“It no longer makes sense to rely on disproportionate revenue from the holiday season to make up for softness in sales during the rest of the year.”

Consumer attitudes have changed

Yohn believes customers across the spectrum no longer want their shopping schedules to be dictated by retailers, with more and more shoppers now in constant shopping mode.

She points to the contention of Itamar Simonson and Emanuel Rosen, outlined in their book *Absolute Value*, and claims people no longer initiate shopping upon identifying a need. Instead, they engage in “couch tracking”, reviewing information ranging from product reviews to the opinions of friends.

“As such, customers’ preferences may be formed well in advance of any specific plan to purchase,” she writes.

“Therefore it doesn’t make sense for retailers to try to influence product or brand decisions only during discrete windows of time.”

Meanwhile, some consumers are averse to the rush of holiday shopping crowds, with Yohn noting that this in turn can drive consumers online, where they will also be exposed to competing content and offers from other retailers.

From the perspective of retailers, the holiday rush can also create issues.

“The large fluctuations in demand wreak havoc on supply chain, labour management and accounting,” Yohn observes, while also pointing to the strain on corporate culture.

Looking to the longer term and utilising analytics

The focus on holiday promotions may see retailers missing out over the course of the year, and Yohn points to research showing spending is moving to more experience-based purchases.

“A year-round approach would likely help retailers compete with restaurants and other experiences which people seek out throughout the year,” she writes.

Meanwhile, less focus on the lead-up to the holiday period could see retailers “capture wider demand” and “offset the chances of creating deal-fatigue”.

With access to technology and analytics to better predict consumer behaviour, Yohn notes retailers now have tools to leverage when shifting away from the seasonal approach, which she describes as “almost as antiquated as mono-channel retail”.

“By adjusting their marketing, sourcing and inventory management, retailers can free themselves from the daunting task of fulfilling unpredictable demand during an intense period and instead provide a more customer-centred experience for their shoppers,” she writes.

[Martin Kovacs](#)

Martin Kovacs is a journalist with experience covering the IT, consumer electronics, retail, finance and energy sectors.

