

PREPARING for the HOLIDAYS

6 WAYS / TO MAXIMIZE PROFITS FOR THE
BUSIEST TIME OF THE YEAR



A publication of

 **QUIKSTONE**
CAPITAL SOLUTIONS

INTRODUCTION

It's no secret that consumer spending around the holidays accounts for a large percentage of annual sales for most retail, restaurant and service related industries. Up to 40 percent of sales can be tracked to this time of year! That is why businesses should start preparing for the holiday rush in September. Whether you are an online business or brick and mortar shop, you will begin seeing an upswing in sales as Thanksgiving nears.

The National Retail Foundation projects more than \$625 billion in retail sales this holiday season and businesses that prepare for the holidays by making strategic investments are poised to capitalize on increased consumer spending and maximize their profits.

The holidays are not just for the retail industry. "The National Restaurant Association (NRA) found that more than 14 million U.S. consumers had planned to dine out for Thanksgiving, in addition to the more than 32 million that were estimated to dine out while doing their Black Friday shopping," according to [QSR magazine](#).

Big-box stores don't have to be the only ones to profit during the holidays. In this guide, we've outlined the strategic investments small- to medium-sized businesses can make to be competitive this holiday season.

INVESTMENT ONE INCREASE ADVERTISING... THE RIGHT WAY





According to the [National Retail Foundation](#), more than 40 percent of consumers begin holiday shopping before November. The Foundation also [predicts](#) total holiday sales will increase by 3.6 percent, the highest increase since the recession.

This creates an opportunity to capitalize on the increased spending if you start early and hit them through multiple advertising channels.

UNDERSTANDING YOUR POTENTIAL CUSTOMER

Knowing your customers is fundamental to reaching the right audience. Remember, your customers need to be willing to buy, but also have the ability to buy. Segment your audience into smaller groups to come up with highly targeted campaigns. This will ensure you are reaching your audiences with the most relevant messaging.

WHERE ARE YOUR POTENTIAL CUSTOMERS?

You want to catch your audience at bottlenecks. Most of us are so used to advertisements, we tune them out. Need evidence? Tomorrow morning, try counting the number of brands to which you are exposed in the first 10 minutes of your day. Chances are you didn't realize that these brands were reaching you that often. That's why it is so important to catch people where they have to pay attention. Figure out where your customers spend most of their time and invest in advertising that targets them there.



ONLINE VS. OFFLINE ADVERTISING

According to Retailnext.net, 94 percent of retail sales occurred in brick-and-mortar stores. But that doesn't mean you shouldn't advertise online. More and more of your customers are checking online for the best deals during the holidays. In fact, an estimated [92 percent](#) of holiday shoppers plan to go online to research gifts and/or make purchases this holiday season. Increasing online, pay-per-click advertising budgets during the holiday season will help you leverage search engines such as Google, Yahoo and Bing to bring shoppers your way.

TAKEAWAY

Invest in more advertising during the holidays and employ an integrated approach to your efforts. Using a balance of online and offline advertising channels helps ensure you're reaching the right audience, at the right time and at the right place.

INVESTMENT TWO STOCK UP ON INVENTORY





While your customers are making their lists, so should you; inventory lists! Take a look at last year's inventory sales trends and get stocked up early. Making an investment in a large inventory buy can both prepare you for the increased demand and also save you money through bulk purchasing.

Take this opportunity to stock up on operating supplies. Shari Waters with aboutmoney.com explains, "Make sure the store has plenty of bags, gift wrap, cash register tape, ribbons/ink, gift certificates and all the necessary office supplies."



Be sure to stock up on your best sellers, but also consider offering holiday exclusive items. [David M. Burrows](#), vice president of Cinsay Inc., a Corporate Marketing and PR firm, notes "Consumers have so many choices when shopping, make sure what you are offering potential buyers is something exclusive and that sets you apart from your competition in terms of selection, availability or pricing."

Small businesses can stay competitive with big-box stores by adding something unique to their inventory. Stephanie Morrow at [legalzoom.com](https://www.legalzoom.com) notes, "Small businesses have two main advantages over big-box stores: unique merchandise and more personalized customer service, both of which make life easier for the holiday shopping onslaught." Increasing the level of customer service is done with an appropriate increase in holiday staff, which brings us to our next holiday preparation investment.

TAKEAWAY

Investing in a large inventory purchases will prepare you for the holiday rush and exclusive products will entice new customers.

INVESTMENT THREE INCREASE STAFFING

A smiling woman with long brown hair is holding a red sign with white text. The sign is rectangular with a white border and contains the words "HELP" and "WANTED" in large, bold, white capital letters. The woman is wearing a pink top and has her hands visible holding the sign. The background is a blurred indoor setting with white shelves and various items.

**HELP
WANTED**



Staffing up for the holiday season helps you accommodate extra business while maintaining a consistent level of customer service. This could mean bringing in more staff earlier than you think, and requires an investment. Train new staff well ahead of the holidays so they are effective team members and not a nuisance for you and your customers.

"Having great products is one thing, but also in the stores, the speed, the efficiency, the customer service is something that we plan for months," says [Tim Quinn](#), vice president of operations and new business development for HoneyBaked Ham.

TAKEAWAY

Make an investment early to hire and train new employees so you can handle the increased shopping traffic while not compromising customer service.

INVESTMENT FOUR NEW SIGNAGE, DÉCOR AND DISPLAYS





How soon is too soon to get your customers in the holiday spirit? According to the National Retail Foundation, more than 50 percent of consumers begin shopping in October and November. Up to 30 percent of those shoppers begin before Halloween. When you decide to get into the holiday spirit, here's how to get your business and products noticed.

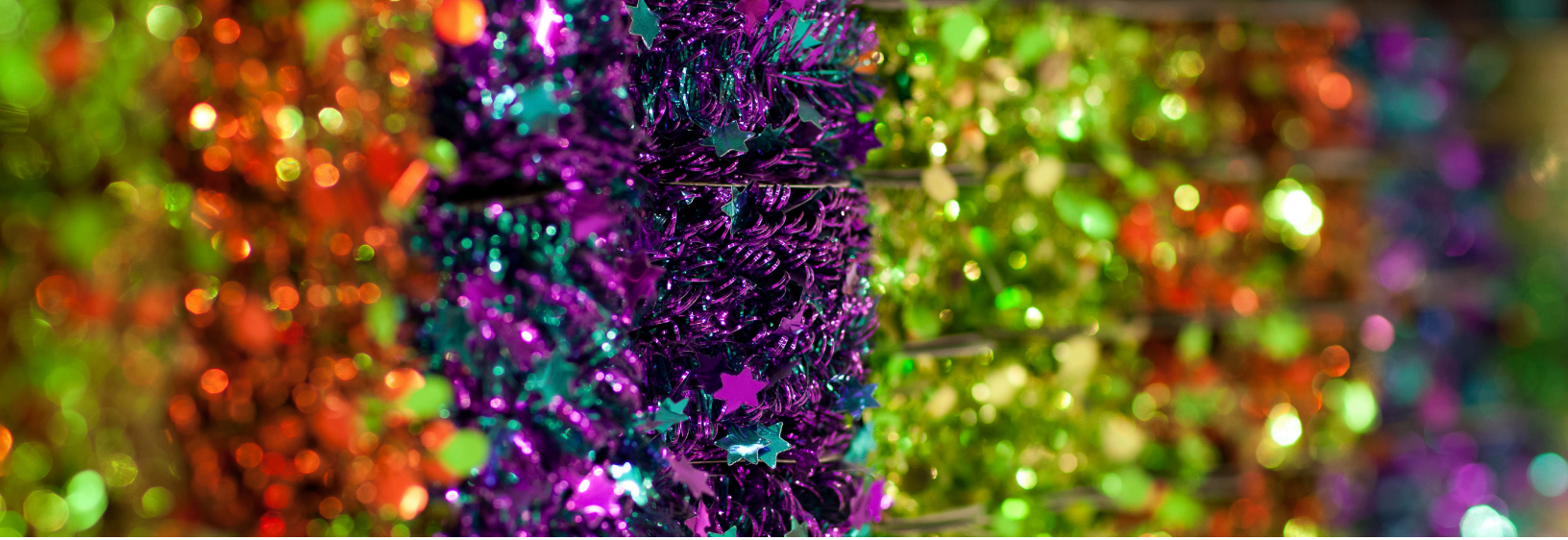
[Cindy Kern](#), Visual Merchandising Consultant for Kern Consulting says, "Consider adopting a signature color scheme that makes you stand out from your retail neighbors and other distractions that might be around your location. Choose a color scheme helps tell the story of your product and is distinctive."

While your competitors are going traditional with their holiday color schemes, stand out this season with a new take on the holidays. Instead of the expected holiday colors, go with a something that speaks to your brand's personality and product offering.



CHOOSE A COLOR SCHEME HELPS TELL THE
STORY OF YOUR PRODUCT AND IS
DISTINCTIVE.

- Cindy Kern, Visual Marketing Consultant



You've selected some exclusive products to stay competitive (see tip #2) so make sure these products are front-and-center. Your unique products will need unique displays. Kern goes on to add, "...by adding strong background color with low-cost temporary backboards that give your products a color contrast so they pop! You can rearrange and switch-out the backboards easily as the season progresses to keep your display looking fresh."

There's a trend called "[showrooming](#)," when stores create displays strictly for shoppers who are browsing the store but intend to buy online. This trend has been adopted by big-box retailers, but can be counterproductive for boutique retailers. It's now more important than ever to create a display that makes an impact. Showing off your unique and exclusive items makes it difficult for buyers to comparison-shop.

BONUS TIPS

Add holiday scents to your displays for more pop. Also, develop lists on your website and in-store displays for suggested gift recipients, such as Gifts for Mom, Gifts for Grandparents or Gifts for Teachers.

INVESTMENT FIVE WEB REDESIGN AND OPTIMIZATION





Whether you're in retail or restaurants, your website traffic is likely to increase over the holiday season. It might be time to optimize for those holiday visits, or even consider a complete redesign. If you've not yet created a mobile version of your website, it truly is time to rethink your website strategy.

At the most basic level, your website should highlight holiday deals, and exclusive offers and products. For instance, a restaurant will want to make it easy for their website visitors to purchase gift certificates, or offer promotional family take out meals for those who are too busy to cook during the shopping season.



If your website is not yet designed for your visitors to buy online, it's time to invest in a redesign that includes a shopping cart feature. Providing your visitors the convenience of online shopping will help you to capitalize on increased website traffic from advertising campaigns and organic searches. Make the most of your advertising investment and capitalize on that traffic by making it easy to buy online.

According to [Adobe Digital Index](#) consumers spent 25 percent more online on Thanksgiving, an extra 14 percent on Black Friday and an extra 16 percent on Cyber Monday. Mobile shopping beat out desktop shopping by more than half.



2015 experienced online shopping growth in double digits - thanksgiving seeing the most with 25%. Smartphones and tablets are the devices of choice.

- Adobe Digital Index

These are compelling statistics that indicate the urgent need to have a mobile friendly website. Do you know how many of your website visitors are from mobile devices? Check your website analytics and if it's more than 10 percent, it's time to invest in a mobile website. Consider using a responsive website design for an efficient way to provide your customers with the most convenient ways to research and buy.

Need more reasons? The same cmo.com report tells us that, "when it comes to spending, more than 35 percent will spend \$250 or more using a mobile device, and 17 percent will spend more than \$500."

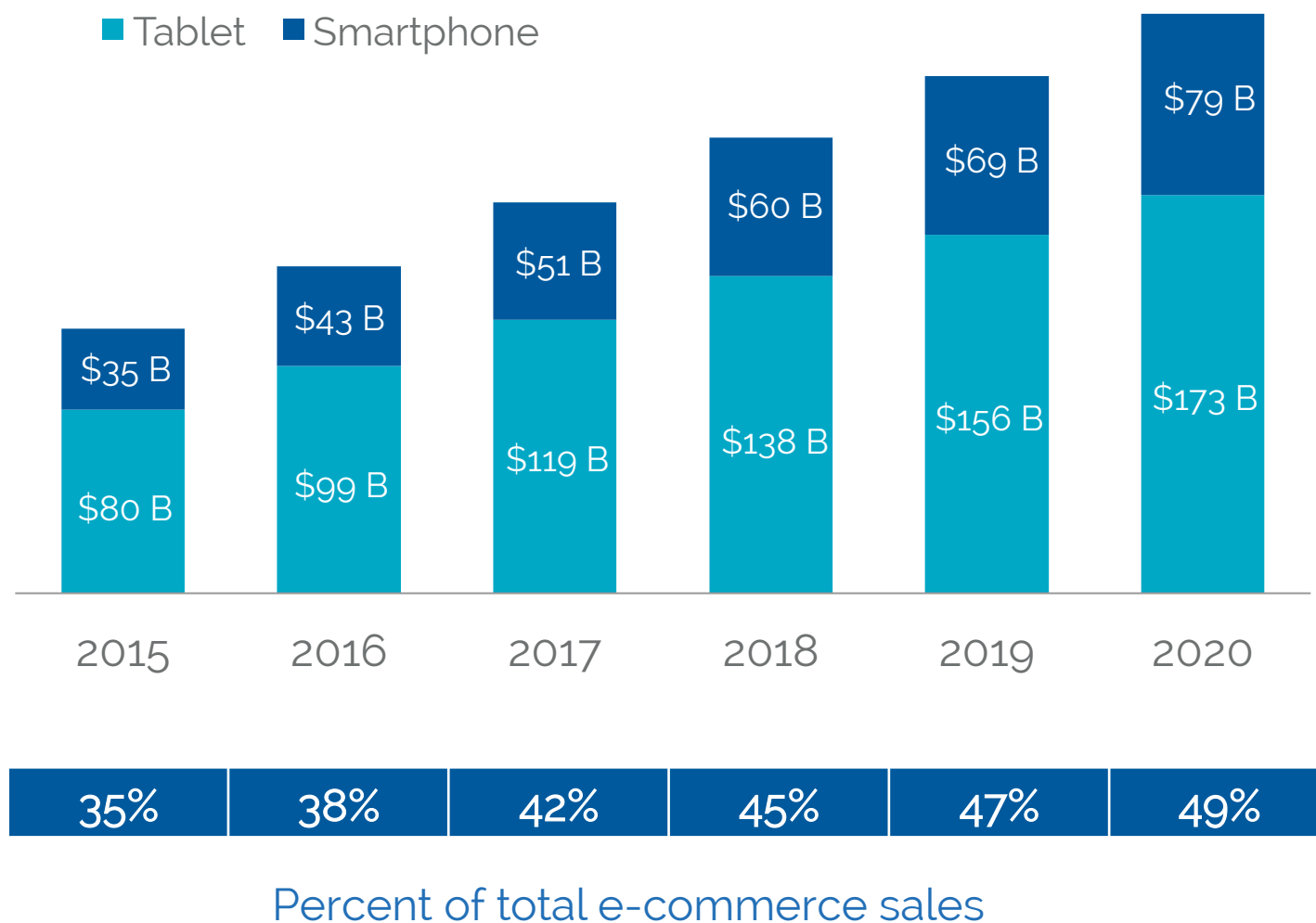


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When it comes to spending, more than 52% of online buyers will spend \$250 or more using a mobile device.

- CMO.COM

Still not convinced? In 2015, mobile commerce sales reached a whopping \$115 billion, according Forrester Research. And those numbers are only expected to grow even more by 2020.



TAKEAWAY

Invest in a website redesign to highlight holiday deals and unique products. Create a convenient shopping experience for both desktop and mobile users, and give them the ability to buy online.

INVESTMENT SIX AFTER THE HOLIDAYS: PREPARE FOR RETURNS AND GIFT CARDS



Your products are great, but let's face it, not everyone likes their gifts. Product returns are sure to be highest after the holidays so you want to create a separate area of your store to handle only returns. This will keep your store organized and customers happy to not wait in long lines. Be sure to offer store credit in lieu of a cash refund to hold on to the revenue generated during the busy season.

According to the CEB, gift card sales reached \$130 billion in 2015. If you're planning to get in on the gift card action, make sure you're prepared with additional staff for the post-holiday spending. Also, consider offering post-holiday discounts to unload extra inventory.



TAKEAWAY

Keep the additional staff you brought in for holidays to handle the increase in returns and gift card spending following the holiday rush. Separate return lines from sales lines to keep your customers happy.

The most profitable time of the year can also be the most competitive time of the year. The tips outlined in this guide are ways to keep your business competitive and profitable for the holiday season but they require an investment to execute.

Quikstone Capital is in the business of helping your business grow. A merchant cash advance from Quikstone is a business loan alternative to provide fast, flexible funding within just a few days. This can help you get the cash needed to prepare for the holidays so you can maximize profits this season.

WE'RE YOUR FUNDING PARTNER.

Learn more about how Quikstone Capital Solutions can provide the cash needed to make these smart investments and help your business grow.

Speak with Quikstone Capital Solutions today.

GET STARTED

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