



Holiday Retail Outlook 2017: 4 Ways Retailers Can Prepare Now

July 21, 2017

By [Andy Lai](#), Senior Manager, Strategic Insight Group, Alliance Data

The holiday season is a busy time for everyone, especially for shoppers and retailers. With nearly half of an average retailer's revenue coming in during the holiday rush, now is the time to start preparing for the upcoming season. The holiday window is evolving, and with it, the consumer is as well. Our [2017 Holiday Retail Outlook report](#) shows retailers how they can progress along with their consumers to have a successful holiday season.

The Shopper has Changed

A new generation has taken over the consumer market: millennials. Millennials have different demands than previous generations and retailers need to meet those needs now or risk being left behind. We now have the largest generation we've ever seen, but they also have the smallest wallet. 75 million millennials will be doing their holiday shopping in the coming months. They consistently demand more for less, and that's exactly what they're used to getting from retailers. The financial constraints of having a net worth that is 56% less than generations before them changes the retail game for all of the players involved. Millennial consumers are demanding technology throughout their shopping experience. However, only 15% of retail sales are conducted online. Therefore, personalized, in-store technology is of utmost importance to please the millennial consumer.

What Retailers can Implement

So what can retailers do now to prepare for a successful holiday season? Following is a sampling of the actionable insights for how smart brands can ensure the holiday selling season delivers more green than blue to their bottom line:

1. Measure the Holidays in Months, not Days

Retailers must understand the opportunity they're faced with in every single customer interaction. With in-store sales as the dominating source of revenue, retailers can take advantage of the extended holiday shopping season. Black Friday and Cyber Monday are no longer make or break shopping days. The holiday season extends from October to January, thus giving retailers the chance to abandon things that aren't working, and double down on strategies that are.

2. Personalization instead of Discounts

Deep discounting has traditionally been the go-to strategy for retailers, but this doesn't have to be the only solution to drive consumers to buy. Focusing on personalization and technology in stores will cut through the crowded retail market.

3. Smarter, not more, Communications

Consumers have had enough of the irrelevant mass communications that retailers throw at them. It is time for retailers to start now with personalized promotions to convince consumers to shop their brand over another retailer that sells similar items.

4. Remember Millennials

A new consumer dominates the market, and with it, a new shopping experience has to evolve. Focusing on the millennial shopper will propel retailers into the future of the industry.

Our [2017 Holiday Retail Outlook report](#) explains what consumers are looking for this holiday season (especially the elusive millennial consumer), and what retailers can do now to be successful during their busy season. The holiday season might not start for a few more months, but July is the time for retailers to put on their Santa hats and prepare now.

Tags: [card services](#), [consumer trends](#), [digital marketing](#), [holiday shopping](#), [loyalty](#), [loyalty marketing](#), [millennial](#), [millennials](#), [mobile payment](#), [retail](#), [retail trends](#), [retailers](#), [shopping trends](#)