



Commerce Services

# 2019 Holiday Readiness Guide

Tips, tricks, best practices and helpful ideas to get you ahead during the 2019 holiday shipping season.



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# Welcome Retailers,

The holiday shipping and return season, which runs from November through mid-January, is the most important time of year for your business. This make-or-break period is exciting, yet stressful. While the spirit of the season brings joy and excitement for the business opportunities ahead, there is the added pressure to ensure that everything goes smoothly for merchants and for the consumer waiting for packages at home.

To help you prepare for this upcoming holiday season, we have compiled important shopping and shipping dates, tips, tricks and best practices. We hope you use this guide to plan for the season ahead and even find some nuggets that help you engage with existing and new customers.

**Here's to a successful  
and stress-free holiday!**



# Important Shopping Days for 2019

## November

**Nov. 11**

Veterans Day  
Singles' Day

**Nov. 28**

Thanksgiving

**Nov. 29**

Black Friday

**Nov. 30**

Small Business Saturday

## December

**Dec. 2**

Cyber Monday

**Dec. 3**

Giving Tuesday

**Dec. 9**

Green Monday

**Dec. 14**

Free Shipping Day

**Dec. 22 – Dec. 30**

Hanukkah

**Dec. 25**

Christmas Day

**Dec. 31**

New Year's Eve

## January

**Jan. 1**

New Year's Day

## Important USPS Shipping Deadlines\*

**Dec. 21**

Priority Mail

**Dec. 23**

Priority Mail Express

**Dec. 20**

First-Class

\*Dates are for estimated delivery before December 25. Actual delivery date may vary depending on origin, destination, Post Office acceptance date and time and other conditions. Some restrictions apply.



# Highlighting Halloween

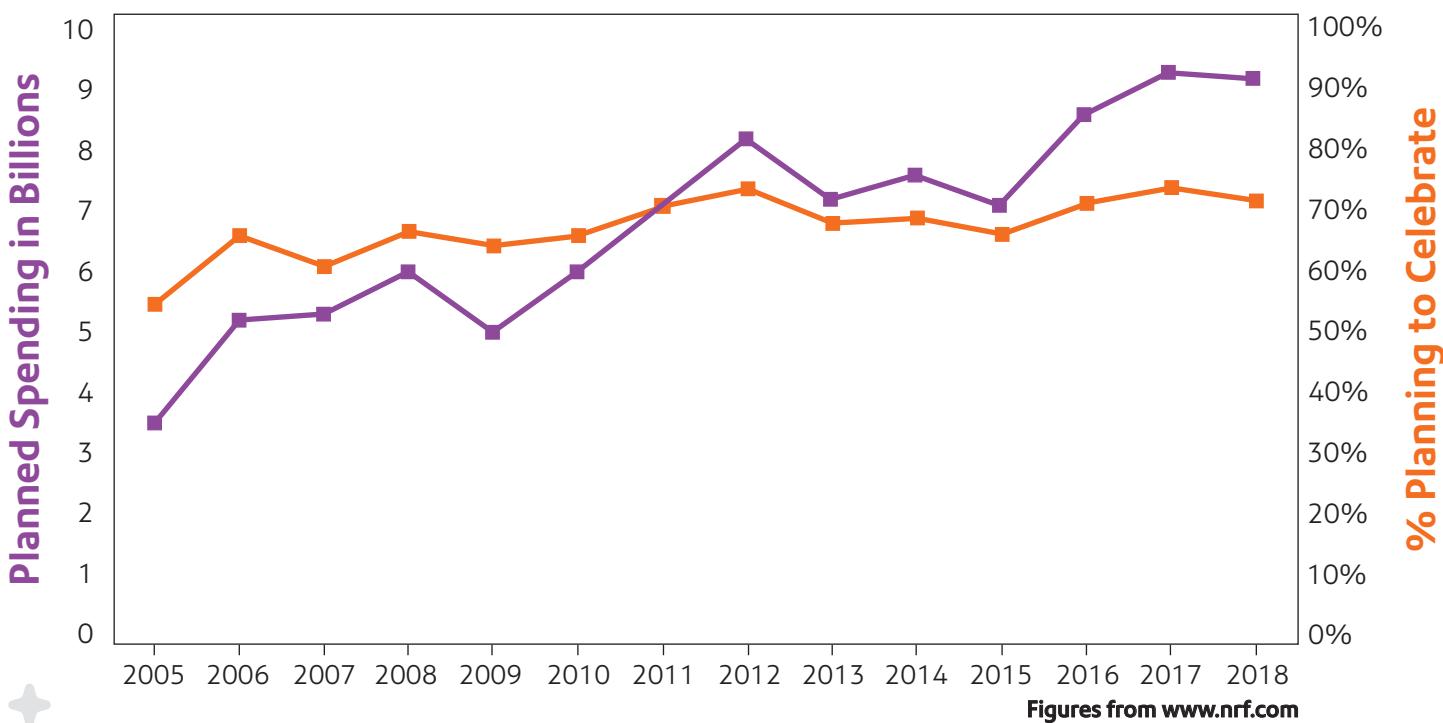
## Trick or Treat!

Consumers kick off Q4 by shopping for their Halloween preparations including costumes, decorations and candy. Halloween sales are a leading indicator of how strong the holiday shopping season is going to play out, according to Forbes.



## Halloween Spending

The National Retail Federation (NRF) reported that Halloween retail spending was \$9 billion in 2018, with around 175 million people spending \$87 each.



Figures from [www.nrf.com](http://www.nrf.com)

# Key Shopping Days in November

## November 11

### Singles' Day

November was previously a countdown to Black Friday and Cyber Monday deals, but today's savvy shoppers know that major deals can also be found during Singles' Day. Singles' Day, an "anti-Valentine's Day" shopping event in China, is quickly growing in the US. Deals can be found on numerous items from many larger retailers, not just those based in China.

As a merchant, take advantage of this first major gift-buying time. We suggest clearing out some inventory before Black Friday or Cyber Monday by enticing consumers with Singles' Day offers.

## November 29

### Black Friday

Black Friday is one of the make-or-break shopping days for retailers. Online sales have increased by 23.6% year over year during Black Friday 2018, according to Adobe Digital Insights. Total online sales hit \$6.2 billion in 2018, with more than \$2 billion coming from mobile devices. The average order value was \$146.

To prepare as a merchant, ensure your website can handle the increased traffic. The last thing you want is for your website to crash during the busiest time of the year. Also, ensure you've optimized your shipping mix so that shipments meet your customers' delivery expectations. Additionally, clearly state the returns policy on your website. If prospective customers have to hunt for a buried policy, it can create a bad experience and reduce sales.

## November 28

### Thanksgiving

Being grateful is the season's greetings, but the key indulgence other than turkey is shopping. According to Adobe, US consumers spent a record-breaking \$3.7 billion on Thanksgiving. In recent years, there's been a push from some retailers to close their doors on Thanksgiving Day in order to move commerce online and through mobile devices. As a merchant, figure out which strategy works for you, your customers, and your employees to go full steam ahead.

## November 30

### Small Business Saturday

Beginning in 2010, Small Business Saturday encourages customers to shop at and support local brick-and-mortar businesses. While it's not as big as some of the other shopping events, NRF reported in 2018 that 164 million shoppers planned to support Small Business Saturday. As a brick and mortar merchant (and online as well), think about offering deals specific for Small Business Saturday.



# Key Shopping Days in December

## December 2

### Cyber Monday

While the holiday sales period begins to expand, Cyber Monday sales numbers continue to grow. Cyber Monday is typically the biggest online shopping day of the year. In 2018, per Adobe, US shoppers spent about \$7.9 billion – up 19.7 percent from 2017. Merchants need to have all hands-on deck plan for Cyber Monday, with inventory and staff prepared to handle the massive increase in orders.

## December 9

### Green Monday

Lesser known than Cyber Monday, Green Monday is just as powerful being the second biggest day for online holiday shopping. For those merchants that sell green goods, think about running a promotion such as free shipping or 10% off on select items. Merchants can also promote their company's green initiatives via email or website to help boost sales.

## December 14

### Free Shipping Day

Created in 2008 by the founders of [Freeshipping.org](#), Free Shipping Day has become a favored commercial holiday. On this day, thousands of merchants offer free shipping to their customers. We highly recommend that merchants take full advantage and prepare for this day!

## December 23

### Super Saturday

Super Saturday is the last opportunity for procrastinators to finish their holiday purchases, as shoppers will head into local brick-and-mortar stores to pick up last-minute gifts.

As a merchant, we suggest following the success of many online retailers by offering next day expedited shipping ahead of the holidays.



# Mastering the Post-Purchase Experience

Even when you've made a sale, the post-purchase period is still a valuable opportunity for merchants to show clients a branded experience. Use this as additional time to convert buyers into loyal customers through the following efforts:

## 1. Get Inventory Closer to the Consumer

By getting inventory closer to the consumer, you're able to reduce delivery time and shipment costs, thus creating a better consumer experience. If you're a larger merchant, opening a second, or possibly third distribution center is one way to get inventory closer to the consumer. Using 3PLs is another effective method. For smaller merchants, using drop shippers can also reduce the delivery time for many of your orders.

## 2. Pick the Right Carrier, Every Time

Deploying a multi-carrier strategy has many benefits – from faster delivery, to better tracking, to cost optimization. To better understand how you can leverage all carriers, understand what items you're shipping (weight, size, item cost) and where you're shipping them to (residential/commercial addresses).

## 3. Communicate

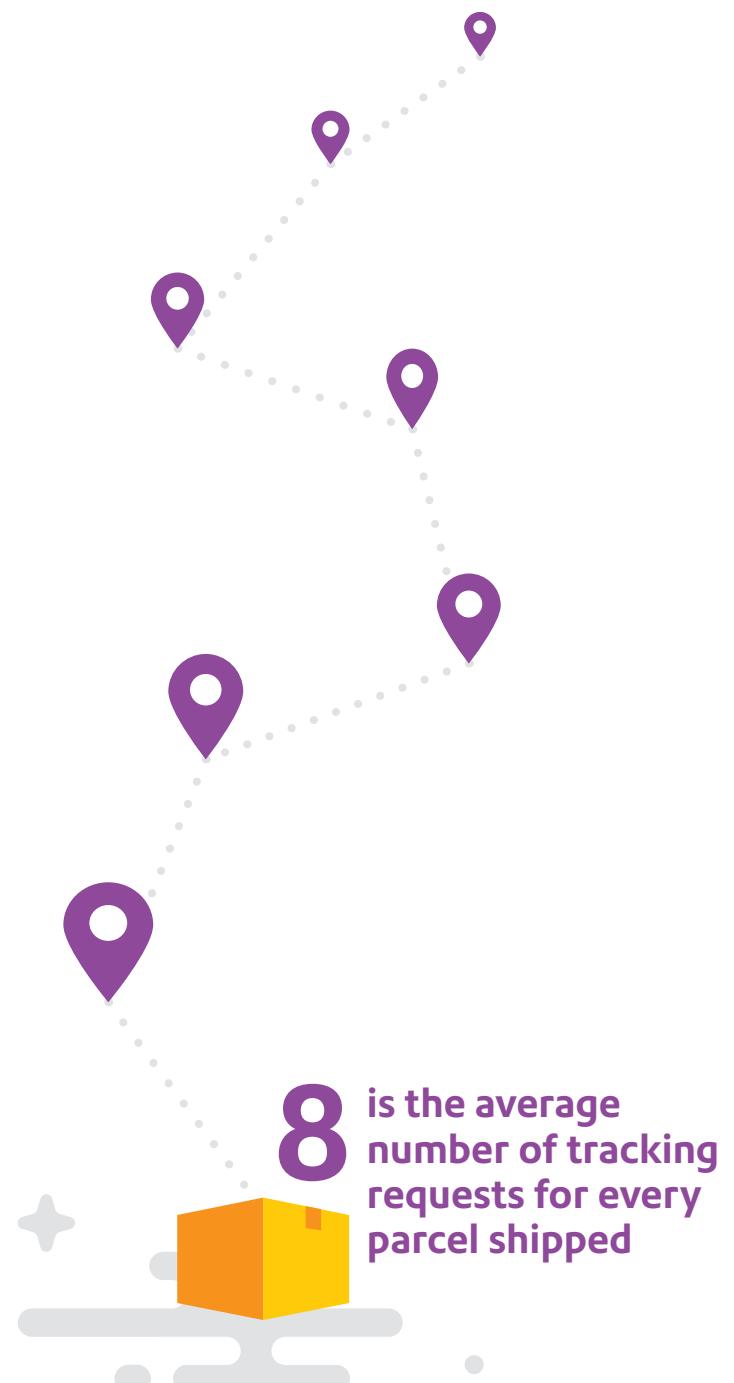
Waiting for a package to arrive can be the hardest part for consumers. That is why it's better to over-communicate information about their package's location and its expected arrival time. If a customer returns an item, communicate when their package is accepted and when they can expect their money back.

## 4. Make Returns Easy

Consumers want to easily find a merchant's return policy. Make your returns process clear, easy, and straightforward as this interaction might be your last with a consumer.

## 5. Don't Forget International Consumers

93% of retailers are operating globally or have plans to go cross-border. Merchants that are considering future cross-border opportunities should think about fraud and compliance, conversion optimization, marketing, post-purchase customer care, and of course logistics when planning.



# Mastering the Post-Purchase Experience



O 86%

of US consumers would prefer free shipping with a longer delivery time

O 65%

of domestic parcel volumes are handled by commercial carriers

O 85%

of respondents use carrier-provided single-carrier shipping systems (even though they may use more than one carrier and/or more than one system)

O 91%

of midsize retailers (60 to 1,999 shipments a month) have used their current parcel shipping system for four years or more

O 39%

of parcels are shipped more than 350 miles, where the USPS offers very competitive rates and transit times compared with commercial carriers

O 46%

of US consumers have kept an unwanted purchase because the return was inconvenient

# How Retailers Can be Successful Online

## 1. Optimize Your Website

The holiday season is the time to boost keyword campaigns. Optimize your site, streamline your order process and make sure that your search functionality is fine-tuned. It's also essential to ensure it's as easy as possible for customers to find, order and return items on your platform. Try creating call-out promotions that draw the visitors' eyes to specific items and spark sales.

## 2. Promotions and Campaigns

Now is the time to use the customer data that you've been capturing all year by creating targeted emails to promote your store items. Try the following best practices in your email strategy: customize the "from" line, write clear subject lines, personalize your offers, and/or create a strong call to action. Always remember to capture additional data so that you are better positioned for future promotions and campaigns.

## 3. Go Mobile

Data from Statista shows that over 257 million US consumers now own smartphones. It's estimated that about 60% of smartphone users made a purchase online using their mobile devices in the last 6 months. If your site isn't optimized for the mobile experience, then you are missing out on sales and engagement. Even a simple mobile site can significantly boost your bottom line during the holiday season.

**257 million**  
smartphone device  
owners in the US



# 6 Keys to Holiday Season Success

## 1. Offer Free Shipping and Same-Day Delivery

Customers want their orders as fast as possible, even if delivery is free. Getting that item to your customer in 2-3 days means you'll be meeting their expectations. Offering them the option of same-day delivery is even better.

## 2. Offer Guaranteed Delivery

Find a carrier that will guarantee delivery dates and/or times. Shipping partners like Pitney Bowes provide a 3-day guarantee delivery, meaning you can get a refund on the cost of shipping if your package isn't delivered in three days or fewer.

## 3. Use Stores for Fulfillment

Among high-growth domestic retailers (25%+ revenue growth), 64% use brick-and-mortar stores as fulfillment centers. Only 55% of low growth retailers (<10% growth) do.

## 4. Sell Subscription-Based Services

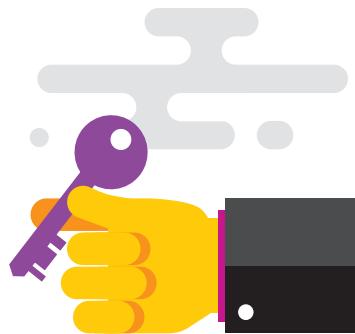
The growth of subscription-based services has been immense. From razor blades to pet products, subscription-based services provide recurring revenue and plenty of opportunities for up-selling. 65% of high growth retailers have subscription-based services versus 25% for low growth retailers.

## 5. Understand the Value of Insurance

Knowing which shipments of yours tend to get lost, stolen, damaged, or miss-delivered will allow you to better leverage parcel protection services. Look for a partner that will provide competitive rates, quick turnaround on payment, and a simple claims process. Parcel Protection from Pitney Bowes is one of the most straight forward parcel insurance programs on the market.

## 6. Financing and Capital

Make sure you have enough capital on hand to handle your high growth periods. Pitney Bowes offers a multitude of ways to fund your merchant account, from credit card, to ACH, to a line of credit.



# Best Practices for Post-Holiday Returns

## 1. Make Returns Fast and Easy

Create a clear, easy-to-find returns policy that allows your customers to quickly return their orders. Another focus should be on getting money back to the customer so they can shop again. The longer the customer waits, the more likely they are to spend their money elsewhere.

## 2. Challenge your Real Motivations

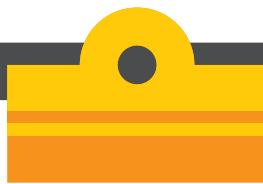
Decide if you're going to use returns as a profit center. Are you looking for near-term profit or are you looking for repeat purchases? It's easier to market to current customers than to find new customers.

## 3. Make the Label Easy to Find

Even if you aren't using returns as a profit center, make sure your customer can find the returns label. There is no reason to bury your returns policy or return label on your website.



# The Ultimate Holiday Checklist



## ✓ 1. Check the Calendar Twice

Understand how the holiday calendar will affect your orders and shipments. Use this information to your advantage when making preparations.

## ✓ 2. Offer Incentives

Promotions, like free shipping for orders over \$49, work. Try various campaigns to see how they increase new and returning sales.

## ✓ 3. Generate Revenue from Returns

Decide on your returns strategy. Is it a revenue generator, retention play, or both? Also, always make sure your policy is easy-to-find on your website.

## ✓ 4. Learn from Customers

Now is the time to build out marketing programs. Remember, it's easier to keep current customers versus acquire new ones, so re-market to your holiday customers. Additionally, always remember to measure your marketing efforts.

## ✓ 5. Optimize Shipping

Incorporate the USPS into your shipping mix to ensure you're maximizing savings on shipments.

# 4 Ways USPS Can Help Year-round

While the holiday shipping and return season is your business' go-time, USPS has been preparing all year long. Ecommerce merchants should rely on the USPS for some, if not most, of their ecommerce deliveries. The USPS offers competitive rates, increased technology to improve tracking and has a legal mandate to deliver to all US postal addresses in all jurisdictions.

## Partner with Pitney Bowes to access USPS rates and services:

### 1. No Surcharges

The USPS doesn't charge shippers hidden fees or surcharges. This means pricing is up-front, allowing shippers to better manage shipping expenses and only pay for the following:

- Lower dimensional rates for larger, lighter-weight items
- No residential delivery surcharges
- No address correction fees
- No fuel surcharges

### 2. Discounted Rates

The USPS is cost-competitive for shipments that are five pounds or lighter. This includes items that fit in Flat Rate Boxes or shipments that are smaller and denser.

Additionally, with many different mail classes to choose from, the USPS provides cost-effective options for all shippers - from the small online retailer to the larger warehouse shipper. Some of the cost-effective options include lower dimensional rate pricing and same shipping rates to Hawaii, Alaska, and other US territories.

### 3. Delivery and Tracking

The USPS has made large investments in tracking technology, putting them on par with private carriers. From Priority Mail Express™ to Media Mail®, there is a mail class that meets every customer's shipping expectation. Some perks of the USPS delivery and technology include:

- Real-time tracking
- Free Saturday delivery
- Free Sunday delivery to metropolitan areas
- Free package pickup
- The only carrier to deliver to PO Boxes and APO/FPO addresses

### 4. Delivery Guarantee

Delivery Guarantee from Pitney Bowes is the only 3-day guarantee for Priority Mail™. Delivery Guarantee helps protect a merchant's reputation and their parcels. With Delivery Guarantee, a merchant can request a refund for those Priority Mail shipments that are delivered in greater than three days. Available for merchants shipping from the continental United States, Delivery Guarantee enables merchants to better meet customers' delivery expectations.

• **6.2 billion**

In 2018, the USPS shipping and package volume increased to 6.2 billion pieces

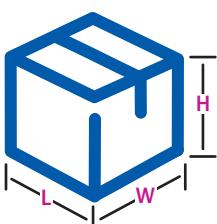


With 158.6 million delivery points nationwide, and 1.3 million new delivery points added to the network in 2018, the USPS is your partner for last-mile delivery.

# What is Dimensional (DIM) Weight?

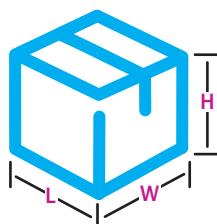
Historically, shipping costs were calculated according to the gross weight of a package. However, the ecommerce boom prompted most national carriers to reconsider this approach. Lighter weight, lower density packages are comparatively less profitable for carriers because they take up so much space relative to the price charged per package (based on weight alone). To adjust this model, carriers started using dimensional (DIM) weight rates. DIM weight rates allow carriers to establish a minimum charge for the cubic space that a package occupies.

## Calculating DIM Weight



$$\text{Dimensional weight} = \frac{L \times W \times H}{194}$$

L - Length in inches  
W - Width in inches  
H - Height in inches



$$\text{Dimensional weight} = \frac{L \times W \times H}{166}$$

L - Length in inches  
W - Width in inches  
H - Height in inches

DIM weight is calculated by multiplying the length by width by height of each package (in inches) divided by the carrier factor for shipments. Sometimes, a customized dimensional weight factor can be negotiated (in which case that factor is used).

Please note: Carrier factors may vary for domestic and international shipments.

### Changes to Priority Mail®:

Starting June 23, 2019: Dimensional Weighting, which currently applies for Zones 5-9 will apply for all Zones 1-9, and the DIM factor (divisor) will change from 194 to 166.

### Changes for Priority Mail Express®:

Starting June 23, 2019: Dimensional Weighting will be new for Priority Mail Express and will apply for all Zones 1-9. The DIM factor (divisor) will be 166.

### Changes for Parcel Select:

Starting June 23, 2019: Dimensional Weighting will apply for all Zones 1-9. The DIM factor (divisor) will be decreased from 194 to 166.

### Quick Tip

We advise retailers to use the correct box size when shipping parcels to avoid additional DIM factor charges that can incur when small items are shipped in large boxes.



## About Pitney Bowes

The world of commerce is changing every day. Today, the buying and selling of goods and services takes place in a borderless, hyper-connected world. To navigate and succeed in this complex world – a world with billions of transactions and zero tolerance for error – you need precision and accuracy. These are the skills of a craftsman, and the proven skills of Pitney Bowes, the Craftsmen of Commerce.

### **United States**

3001 Summer Street  
Stamford, CT 06926-0700  
866 235 9627  
[pbisgspcs@pb.com](mailto:pbisgspcs@pb.com)

For more information,  
visit us online: [pitneybowes.com](http://pitneybowes.com)