

eBook

**hi** CONVERSION

**B** REDSTAGE

**THE**

# **Risk Free Way to Grow Mobile Holiday Revenue**

**FOR ECOMMERCE MERCHANTS**

# Contents

**Introduction** *4*

**I. Why Holiday Optimization Is Important** *5*

**II. Rethinking Your Holiday Optimization Strategy** *9*

**III. Putting Optimization to Work This Holiday Season** *13*

**Conclusion** *18*



# About the Authors



## **JOEY CUSMANO**

Senior Project Manager  
HiConversion

As an insights-driven analyst, Joey helps merchants of all sizes better understand how consumer behavior can unlock more profitable buying experiences.



## **DINO JUKLO**

Content Marketing Manager  
HiConversion

Simplifying industry jargon, building compelling value-propositions and covering the next-big-thing means Dino lives at the forefront of eCommerce innovations.

## INTRODUCTION

# It Started with a Test

Here come the holidays again—the last chance for merchants to maximize revenue and close the year out strong.

**But are you really doing all you can to ensure your shoppers get the absolute best experience your site has to offer?**

If you're not constantly testing and experimenting throughout the year, even during the holidays, chances are you're missing out on massive revenue opportunities for your business throughout this critical period.

The eCommerce landscape is changing rapidly, and with it, what we believe to be true about optimization—this includes testing during the holidays. Much of the risk merchants attribute to this practice doesn't come from experimentation itself, but from the methods we have used in the past (and in many cases, continue to use).

Thanks to the [Mobile Optimization Initiative \(MOI\)](#), we now have smarter ways to improve the customer experience for the individual user, and the ability to learn what works best for our eCommerce at an exponentially faster rate than ever before.

The MOI, a community movement backed by PayPal, Magento, HiConversion, and an ever-growing list of hundreds of merchants and system integrators (SIs), enables everyone in eCommerce to evolve faster through standardized templates, shared insights, and access to a total optimization solution.

The mobile optimized community has uncovered some incredible gems (which you'll learn more about in this eBook) during 2018's round of holiday testing which created new revenue growth for MOI members. This year, we're back to learn even more and access untapped merchant growth through smarter holiday RPV optimization, risk-free.

We hope you enjoy this guide as much as we did creating it, and look forward to seeing you accelerate your growth throughout this holiday season.





CHAPTER I

# Why Holiday Optimization Is Important

Shying away from testing and optimization during the holidays leaves a huge opportunity on the table.

# Recognize the Data

The holiday season, specifically the months of November and December in the US and other Westernized nations, is a crucial time for online merchants who sell consumer-type goods.

As the world continues to shift into the digital age, we have seen trends that consistently suggest that online consumer spending is on a trajectory of growth with no signs of slowing down.

## Holiday Sales Growth.

According to projections compiled by Internet Retailer, U.S. shoppers spent almost \$120 billion with online retailers during the two-month holiday period of 2018, which was about 15.5% more than the almost \$104 billion estimated to have been spent during the same period of 2017.

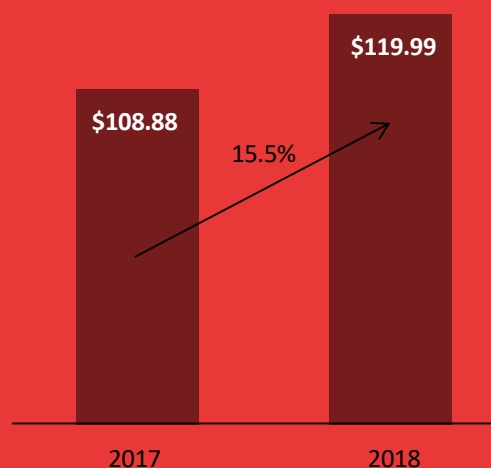
This growth in eCommerce volume dwarfs the growth of overall retail sales, up by only about 5.5% from \$682 billion in 2017 to \$719 billion in 2018.

As a share of total retail spending, eCommerce grew by almost 10%, increasing from approximately 15.2% of all spending in 2017 to about 16.7% in 2018.

This suggests what we may already intuitively know: shoppers are spending more and more of their holiday dollars online, year over year.

For many companies that do business online, the greatest opportunities for high-volume sales will occur during this holiday period.

U.S. online sales in Nov. and Dec (in billions)



# Challenge the Status Quo

Merchants with retail-centric offerings choose to place all bets on stability and historical success during peak trading times.

This is done through what is commonly referred to as a “code freeze”, where businesses will lock in their site’s User Experience (UX) weeks before holiday traffic starts to pick up, blocking any but the most-pressing code changes to their site until the traffic dies down in the early New Year.

There have been many good reasons for merchants to do this over the years: regardless of whether the merchant performs testing and optimization on their site outside of the holidays, there are not many obvious indicators suggesting that visitors will desire anything other than the baseline UX during their holiday shopping endeavors.

Most merchants see a lift in overall revenue and traffic during the holidays anyway, and eCommerce teams have little incentive to rock the boat during this crucial trading period, so the “code freeze” strategy has become a widely-accepted status quo for many holiday-sensitive businesses.

Even for the merchants who understand the value of continuous testing and optimization outside of the holidays, the prospect of navigating the high standards of performance with traditional solutions to try a handful of ideas (that may or may not generate additional holiday revenue) is risky at best.

With insufficient tools and little external pressure to change, it has been too easy for merchants or service providers to accept the status quo and lock in for the holiday season using the same strategies deployed during the rest of the year. Until now.

“  
*eCommerce teams have little incentive to rock the boat.*”

# Understand the Behaviors

There's a very glaring gap in the logic of the status quo approach: we already know that visitor behaviors and preferences can, and often do, shift significantly over time. Some shifts in preference are very easily measurable, like the gradual shift of time spent on mobile devices that is further and further dwarfing time spent on desktop.

It's a well-established trend, measurable over the long-term, that many industry professionals have also witnessed. A significant challenge, up to this point, has been to uncover more of the short-term shifts in consumer behavior that we may intuitively know to exist. Are shoppers less sensitive to distractions during holiday periods? Are shipping and fulfillment increasingly important to them as they make the decision to purchase a product on one site, or another, or not at all?

As with any other advancements in human learning, we are now in a position to evolve our methods for testing and optimization, as the tools available at our fingertips have also improved.

## Old Problems, New Solutions.

For over a year, the Mobile Optimization Initiative (MOI) has been pioneering new methods for community-driven testing and optimization. Through standardized experiments and a quick-deployment infrastructure, HiConversion has unlocked the ability to uncover findings at a more advanced level.

Since its launch in June 2018, the MOI Community has been able to leverage its own data to discover both positive and negative trends on geographical, industry-wide, season-specific, or even community-wide levels. With these robust advancements in the data and methods we use to analyze, the potential value of applying community-driven insights to our testing approach, specifically during the holidays, becomes too good to pass up.

We will explore this more in the next chapter.





**CHAPTER II**

# Rethinking Your Holiday Optimization Strategy

What was once thought of as the riskiest time of the year to experiment is now the most lucrative.

# A Problem Shared

The shift from data-driven to insights-driven optimization opens new doors for merchants during the holiday season. What was once thought of as the riskiest time of the year to experiment is now the most lucrative, yet many remain skeptical about testing during the holidays.

What holds true is, analyzing your own data and testing ‘in a silo’ does make things risky, and places a limit on what you can learn. The good news is, there is now a far superior method to optimization—utilizing the power of the entire MOI Community.

Imagine being able to compare testing data not just with your own company, but hundreds of other merchants. With standardized experiments, you can, and the potential for insights is limitless.

“

*Analyzing your own data and testing ‘in a silo’ does make things risky, and places a limit on what you can learn.*

## Get It, Together.

At the time of writing, the MOI has already compiled more than 130 standardized experiments from over 200 merchants, analyzing over 9 million transactions and close to \$1B in managed revenue.

## The result? A 9.28% increase in Revenue Per Visitor (RPV) across participating members.

After a strong performance last holiday season, the easily-deployable Experience Templates created for the Mobile Optimized Community are poised to make an even bigger impact for merchants this year.

With the HiConversion Adaptive Algorithms active for the tests that run, shopper preferences for specific experiences may shift day-to-day, and the treatment traffic allocations will be adjusted accordingly. This will keep the most successful experiences playing the most frequently in real time, adjusting to match any measurable shifts in shopper preferences as they develop.

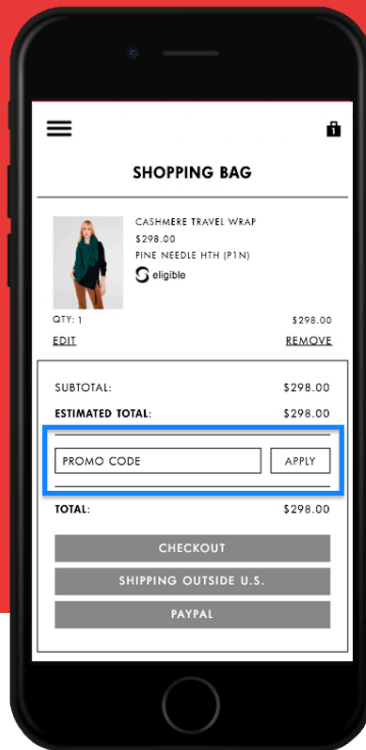
Before we get into the new experiments for 2019, let’s review some tests that performed strongly during the 2018 holiday season.

# Coupon Collapse

**Holiday 2018**

**+14.87%**  
Mobile RPV

**+4.91%**  
Desktop RPV

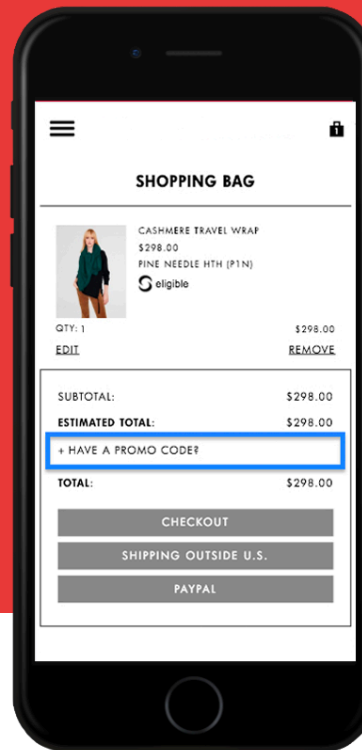


**CONTROL**

**Non-Holiday**

**-2.06%**  
Mobile RPV

**-1.14%**  
Desktop RPV



**TREATMENT**

Exposed 'Promo Code' forms can present an unnecessary distraction to users, who may be tempted to leave the site in search of a code that will save money, at a very critical point in their path-to-purchase.

To remove unnecessary distractors from the checkout flow, we collapsed the existing open fields for promo code and gift card inputs into expandable elements.

Without removing the option to use a promo code, we are focusing attention on the checkout button.

As you can see, this treatment created a significant boost in RPV on both mobile and desktop during the holiday testing period.

# Simplified Header

When adding items to a cart, shoppers want a fast and easy way to checkout or continue shopping.

Removing items not directly related to these two actions should increase the likelihood of a completed sale while not hurting Average Order Values.

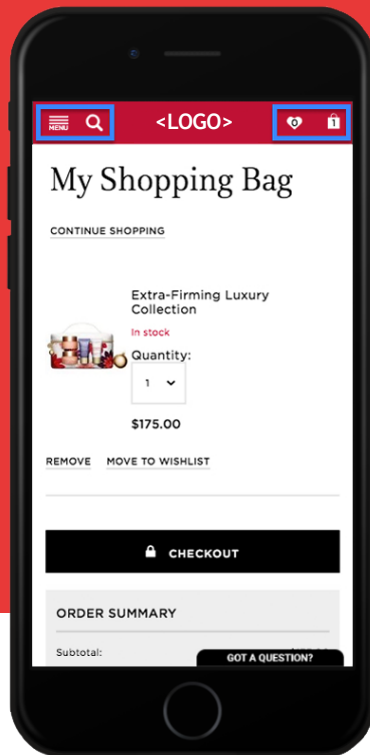
Again, this experience resonates more strongly during the Holidays than other parts of the year. Mobile performance increased significantly while desktop also improved, just as we saw with Coupon Collapse.

This is another experience that all merchants should strongly consider playing specifically during the holidays, if not year-round.

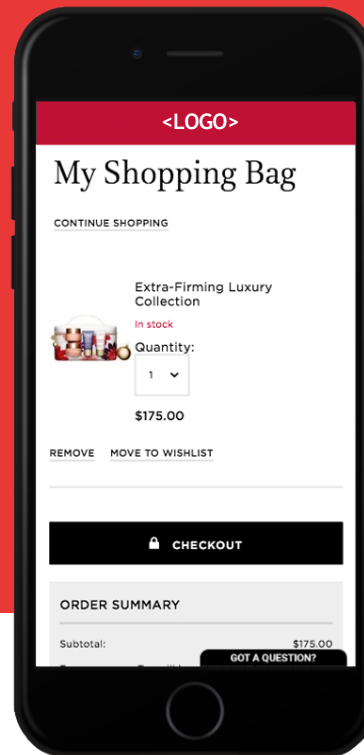
## Holiday 2018

**+3.29%**  
Mobile RPV

**+6.10%**  
Desktop RPV



CONTROL



TREATMENT

## Non-Holiday

**+0.25%**  
Mobile RPV

**+2.75%**  
Desktop RPV



## CHAPTER III

# Putting Optimization to Work This Holiday Season

Deploying specialized experiments at the time of year when they'll have the maximum impact on your bottom line.

# The Gift of Optimization

Through advancements in templated experiments, AI Algorithms and Community-powered insights, the Mobile Optimization Initiative now has the keys to unlock this massive opportunity left unpursued by so many merchants.

The 2019 holiday season will be the first in which merchants can join the ranks of the cutting-edge and unlock the potential of their holiday revenues with a specially-designed 'Holiday Testing Bundle'.

The Holiday Bundle is a campaign composed of a select group of experiences, chosen based on past performance and their logical orientation towards capitalizing on holiday shifts in behavior.

The campaign will be conducted on participating sites from late October through early January, with the goal of maximizing holiday revenue for merchants while enhancing our understanding of the behavioral shifts that occur with holiday shoppers worldwide.

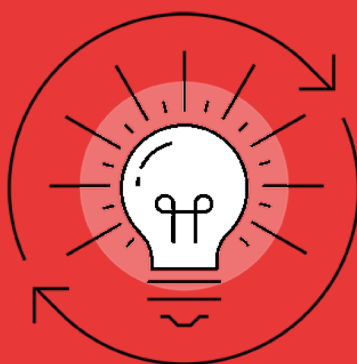
## Don't Compromise on Growth.

Using the Holiday Bundle, the same benefits that are enjoyed year-round by members of the MOI Community are leveraged to thaw out historically-frozen holiday experiences and deliver highly-converting sales funnels.

Each experiment in the Bundle uses templated code to make configuration and QA testing an easy process, while leveraging learnings from the MOI Community which has been revolutionizing testing and optimization since 2018.

Perhaps even more significant however, would be the safety net that enables the entire campaign to take place at a decreased level of risk: **HiConversion's Adaptive Optimization Algorithms**.

This cutting-edge technology, supporting a Holiday Campaign of templated experiments which we'll explore in the following pages, makes HiConversion and the MOI uniquely positioned to capitalize on holiday eCommerce gains for 2019 and all holiday seasons to come.



## CHAPTER III: Putting Optimization to Work This Holiday Season

# PayPal Express + Credit + Credit Promo

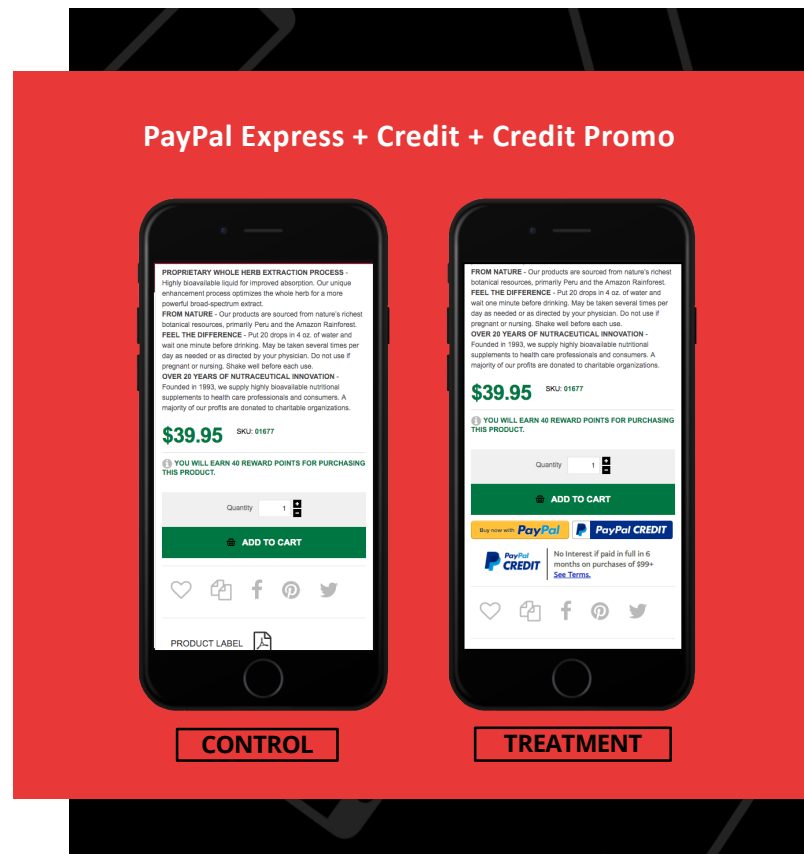
According to a [2018 study by comScore](#), PayPal performed, on average, 60% higher than other digital wallets and 82% higher than all payment types combined. Overall, PayPal held an 88.7% conversion rate on merchant sites.

It is widely known that consumers lean heavily on credit solutions during holiday shopping seasons, and PayPal Credit is a 21st century solution for users to apply for credit and defer interest and payments for a time.

MOI Community testing has suggested that enabling PayPal Credit available as an Express Checkout Method, in combination with lightweight promotional messaging, drives strong RPV lifts for many merchants year-round.

This combination, aided by holiday preferences shifting towards credit-based payment options, should make for a very smart experience to deploy during the holiday season.

As more and more payment options become commonplace in our shopping experiences, finding the best configuration of solutions, exposure and promotional callouts will become a bigger focus for testing and optimization.



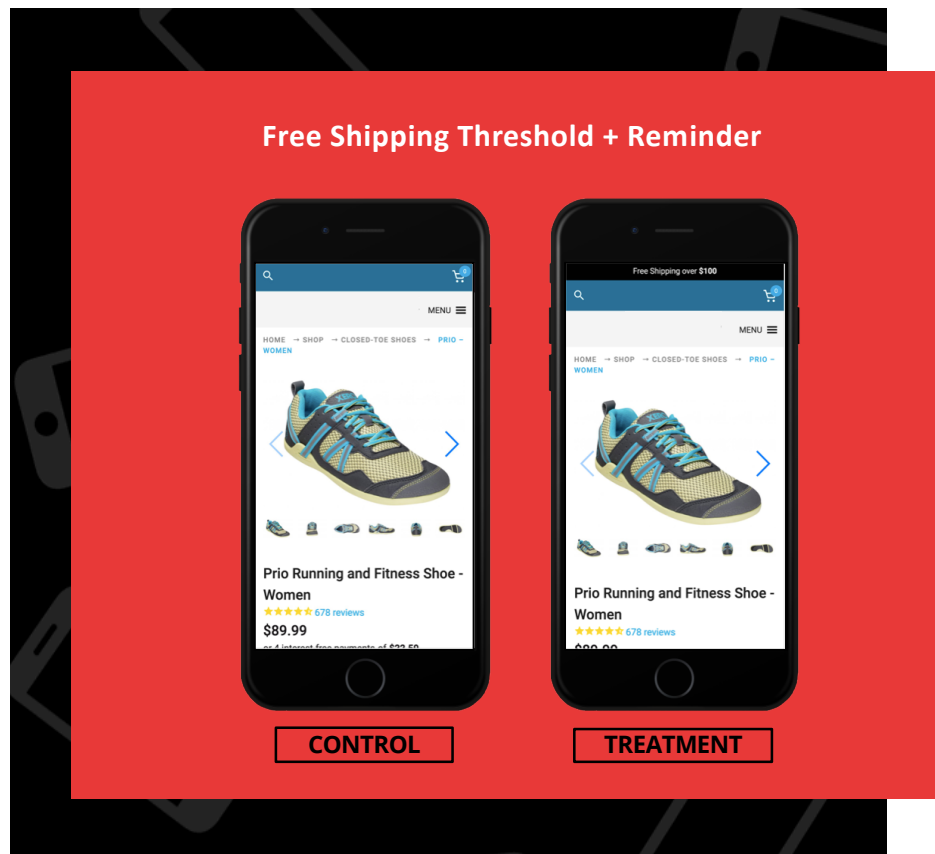
# Free Shipping Threshold + Reminder

Shipping can often complicate a purchase for holiday shoppers, sometimes to the point where the purchase will be abandoned all together.

This holiday season we will examine the concept of offering Free Shipping at a defined threshold, in addition to the visual promotion of the threshold in various ways across the site.

Offering Free Shipping at a defined threshold may encourage users to buy more and checkout sooner.

Additionally, merchants that offer Free Shipping at a defined threshold may benefit from emphasizing the offer across the site or in key conversion areas.

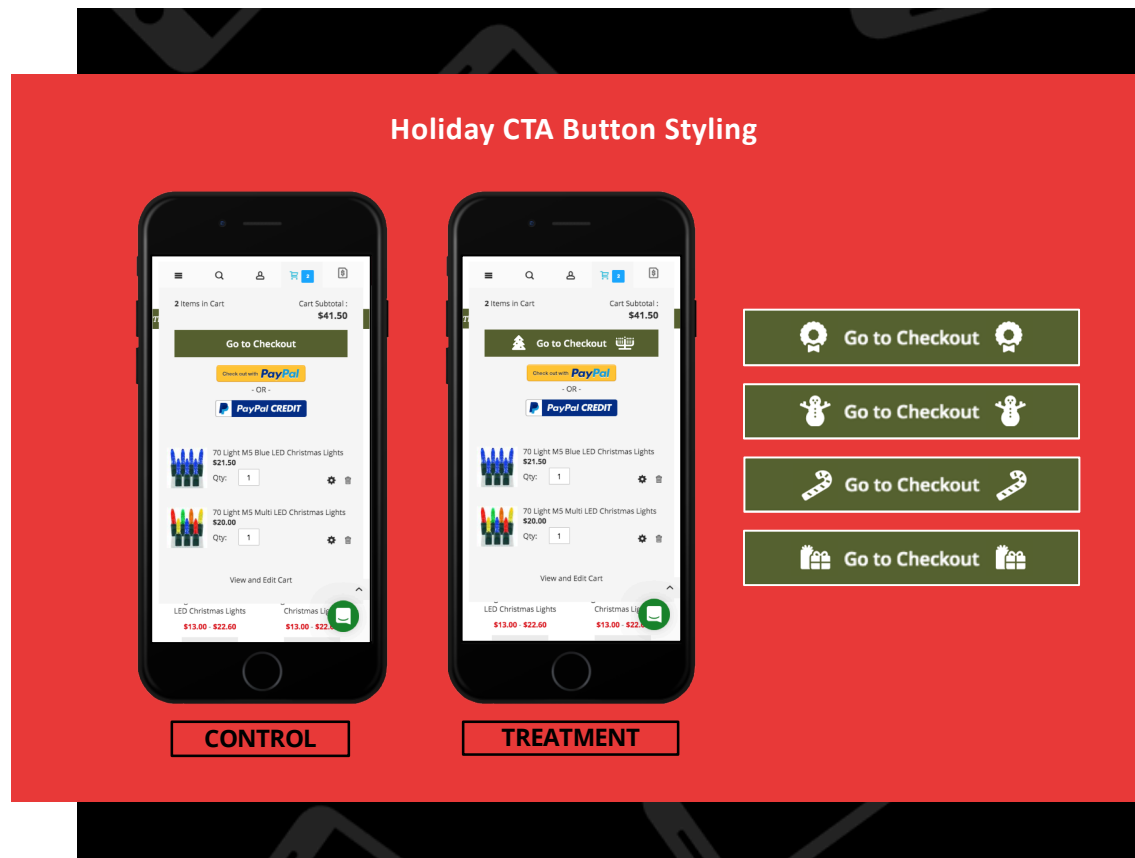




# Holiday CTA Button Styling

Shopping experiences should be seasonal, from promotions all the way down to Add to Cart and Checkout button design. Every detail counts.

These festive treatments could apply on Add to Cart as well as Checkout buttons—with many different options, you can have some fun with the combinations.



## CONCLUSION

# It Takes a Community

Before this holiday season gets underway, take some time to think about what obstacles have been keeping your business from generating more revenue.

- **How have you optimized in the past?**
- **What were the results?**
- **Did you learn from your business only or from other sources too?**

Challenging the status quo and what are seen as best practices in eCommerce allows us to explore greater possibilities in optimization and revenue growth.

eCommerce is evolving faster than ever, and merchants deserve a better way to optimize. The holidays are *the* opportunity to maximize growth, but have been historically underutilized due to stagnant testing methods and limited data. Instead of continuing to operate from our “eCommerce silos”, it’s time to for all merchants to unite.

We hope that this eBook has enlightened you about the huge potential of holiday optimization, and given you a good starting point should you choose to run tests of your own in the coming months.

Being data-driven isn’t enough anymore—merchants need to be able to utilize not only their own data but learn from their peers as well to capture the insights needed for *continuous* growth.

Join the Mobile Optimization Initiative and become part of a community of merchants, SIs and tech providers working together to learn, adapt, and thrive in the holiday eCommerce world and beyond.

Redstage is thrilled to offer merchants an exclusive promotion\* to help eCommerce teams Own the Holiday Shopping Experience.

**GET STARTED WITH HOLIDAY TESTING**

\*only available before October 31, 2019

 REDSTAGE

 CONVERSION

*HiConversion is the collaborative optimization platform helping eCommerce teams own the mobile buying experience to accelerate business growth.*

[www.hiconversion.com](http://www.hiconversion.com)