As expected, online sales stole the show during the big Thanksgiving shopping weekend, and overall retail sales showed large year-over-year increases. Overall sales on Black Friday and through the weekend and Cyber Monday were strong, in spite of some bad weather across geographies. As retailers head into the ‘homestretch’ this holiday season, they need to be wary of heavy promotional activity. They want to stay competitive but watch the impact to margins. A number of retailers have expressed concerns about how much the big promotions are affecting their margins. Bottom-line numbers for Q4—as we saw last year—could take a hit.

Fourth-quarter sales in 2017, while healthy for retailers in general, proved costly as margins took a beating for most product categories. This came as no surprise to retail executives—they told us in our pre-2017 holiday survey that they expected heavy promotions throughout the fourth quarter and into the holidays.

What about expectations for this year? You’d be hard-pressed to find anyone in a retail C-suite that saw anything but more of the same for 2018. It wouldn’t be a stretch to assume that the battle for sales and margin preservation in the holiday sales period will not go away soon and may actually become more intense going forward.

Read the full paper.

Read part 1, The Drive for Q4 Retail Success, and part 2, The Customer Is King [Again!].