

EXPONEA

Online Retail Field Guide

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Conquering

BLACK FRIDAY

2019

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Startups Marketing Promotions

I.

The Current State of Online Retail

II.

Five High-Performing Marketing Campaigns

III.

Seven E-Commerce Conversion Tactics

IV.

Your Next Steps

Black Friday 2019 is coming

1.

The biggest shopping day of the year and not just for brick and mortars.



Intro

Gearing up for the 2018 Thanksgiving weekend, [68% of shoppers](#) said they'd be doing their Black Friday shopping online.

In a showing of the importance of [connecting the online and offline customer experience](#), 89 million customers did their shopping in both online and offline stores. **A 40% increase from 2017. Why should you care? These 2018 multi-channel shoppers each spent [an average of \\$93 more than those shopping just online or in-store](#).** So Black Friday weekend is important; but it's too late, right? Unless you're already set-up to take advantage of this windfall, there's not much you can do about it now.

Wrong.

We've put together this comprehensive guide of tactics and campaigns your company can make use of in time to take advantage of this retail holiday. In this guide, you'll find five high-performing marketing campaigns, four technological tactics for increasing customer value and three communication tactics to make sure you retain any new customers you acquire.

Black Friday weekend is coming. Are you ready?

The Current State of Online Retail

In the year 2015, worldwide e-commerce sales were over \$1.5 trillion. By 2020, those sales are [expected to be over \\$4 trillion.](#)

We believe that one of the major factors contributing to this increasing industry complexity and scale is the advent of the so called [4th industrial revolution,](#) a growing adaptation of technologies such as artificial intelligence supported by big data in businesses. New technologies for organizing customer data, namely [customer data platforms \(CDP\),](#) have made it possible to personalize the customer experience at scale like never before, creating an unprecedented opportunity to foster customer loyalty.

However, this new-and-improved improved CX comes with a potential downside: **customers of today have now come to expect a high-quality, personalized experience wherever they go.** If you're not delivering it, they'll go elsewhere. This guide contains actionable campaign ideas we've found success with (many of which can be deployed quickly), as well as winning e-commerce tactics that you can begin to apply today. Let's get started.

Five High-Performing Marketing Campaigns

II.

These five campaigns had a profound impact on our clients' businesses, translating into either a significant uptick on their bottom line, or a fostering of positive brand sentiment.

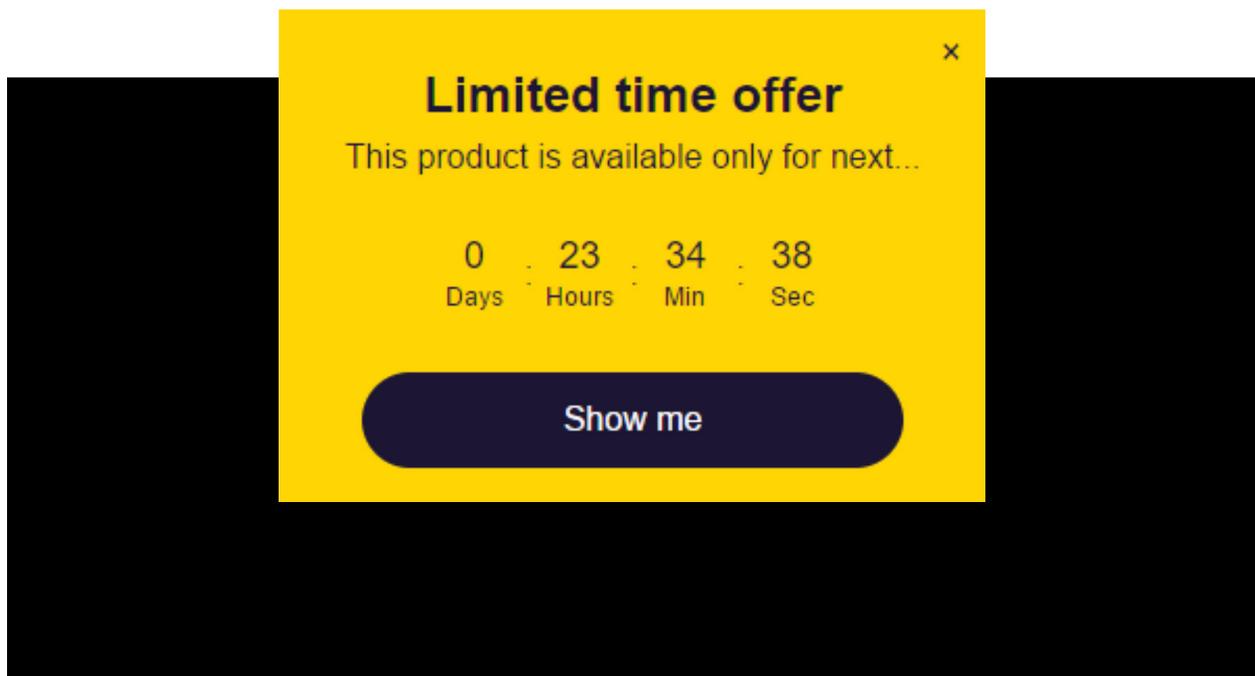


1. Countdown Weblayer During Sales

Creating a sense of urgency works wonders in e-commerce. And when everyone is racing to get the best offer on Black Friday, that sense of urgency is worth double.

How does it work?

By adding countdown timers to the discounts on the product page, we were able to increase conversions from the product page to the order page by up to 80%.

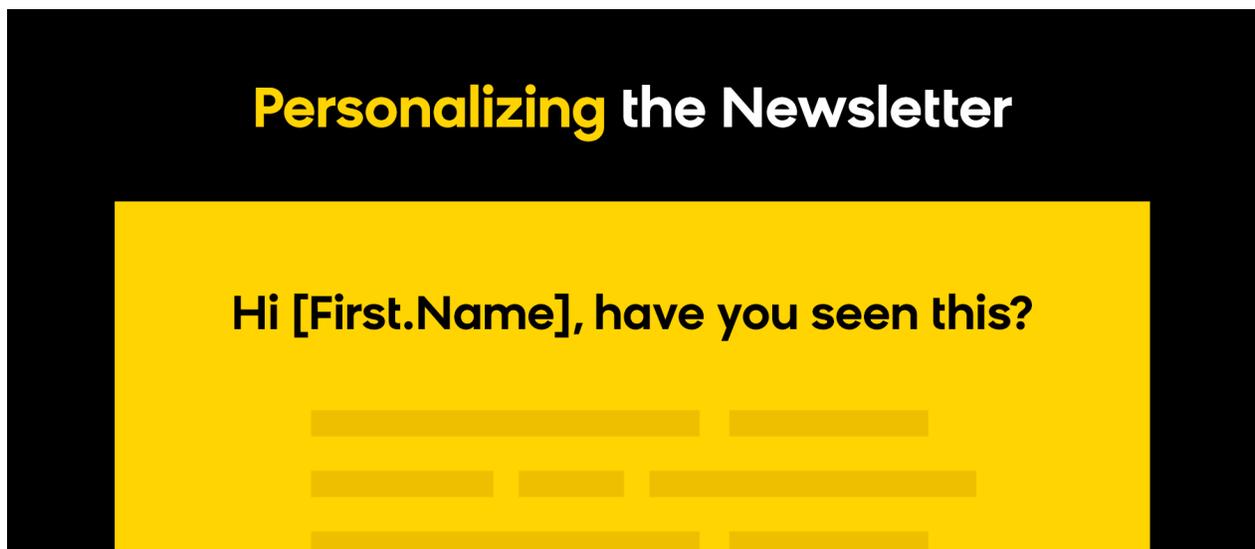


How to tweak it for even better performance?

Further personalization. By simply adding a customer's name in the call-to-action, you can combine that sense of urgency with an appeal towards the customer.

Another idea is to increase the fear of missing out, either by limiting the number of discounted orders available, or even using a regressive discount that gets slightly lower every few hours. Finally, you could try a real-time view/stock count for the item, along with a caption like " X people are considering this purchase."

2. Personalizing the Newsletter Subject Line



Sure, you can add someone's name to the subject line using variables. But that's barely scratching the surface of what personalization can do.

When we applied this use case in the online shoe industry, we found the best results by using an absolute currency value in the subject line, rather than a percentage discount.

New technologies for organizing customer data, namely customer data platforms (CDP), have made it possible to personalize the customer experience at scale like never before

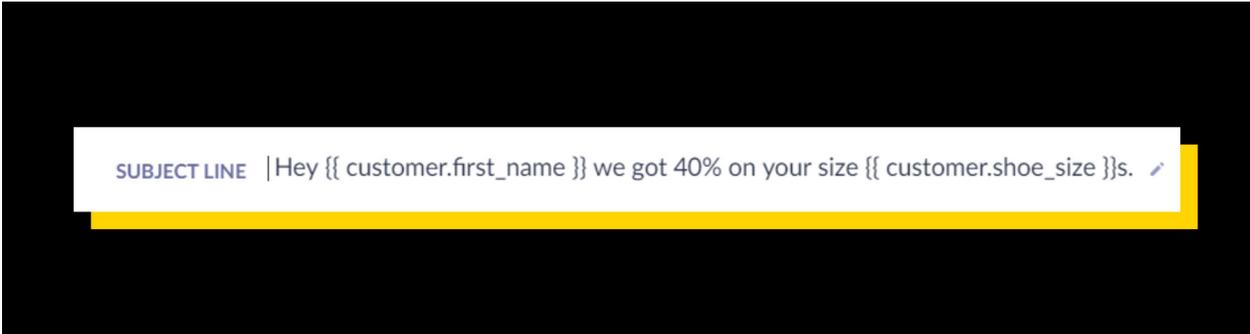
How does it work?

Using Expona, we were able to calculate the actual value (e.g. Save \$150), of the discount offered in newsletters sent to customers, and use it in the subject line.

How to tweak it for even a better performance?

Even the most eye-catching subject line will fail if no one sees it. Instead of relying on chance, use an algorithm to predict when each individual customer is interacting with their email. Time your newsletters to arrive a short while before each customer's most probable interaction time to ensure that your newsletters are among the first emails seen. This algorithm is set up and ready to be deployed for Expona users.

3. Targeted Newsletters



SUBJECT LINE | Hey {{ customer.first_name }} we got 40% on your size {{ customer.shoe_size }}s. ↗

What frustrates fashion retail customers? When they've found a product they love, but it's not available in their size.

How does it work?

Exponea ran a campaign using customer insights, based on their previous interactions with the store (most frequently purchased shoe size, most filtered size). Using these insights, customers received a tailored newsletter where everything would fit them like a glove.

Open rates for this newsletter campaign were 20-25% higher than average; click rates were 40-50% higher than average. Targeting works.

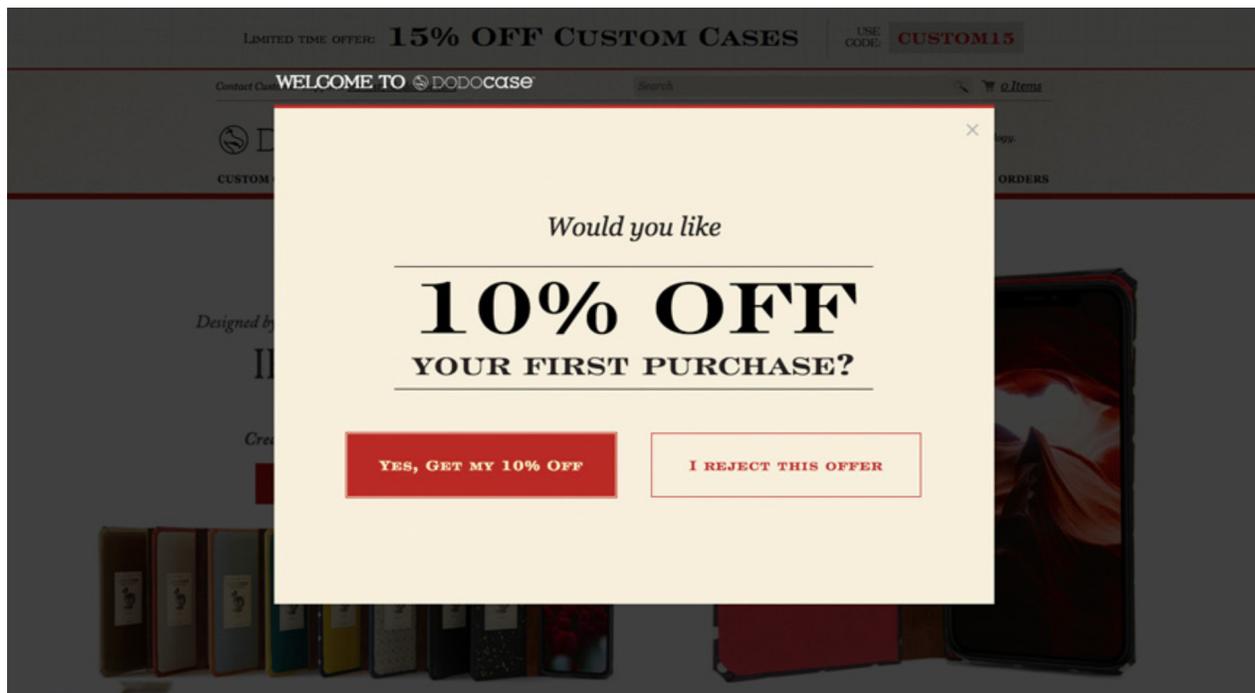
How to tweak it for even a better performance?

Use customer data to ensure that the products customers see in this newsletter campaign are all based on orders by other customers who have similar traits.

You could also try using RFM segments to [split your communication based on where this customer is in their lifecycle.](#)

4. Targeted First-time Buyer Weblayer

This use case addresses another pain point for online retailers: giving first-time buyers that final push needed to make their purchase.



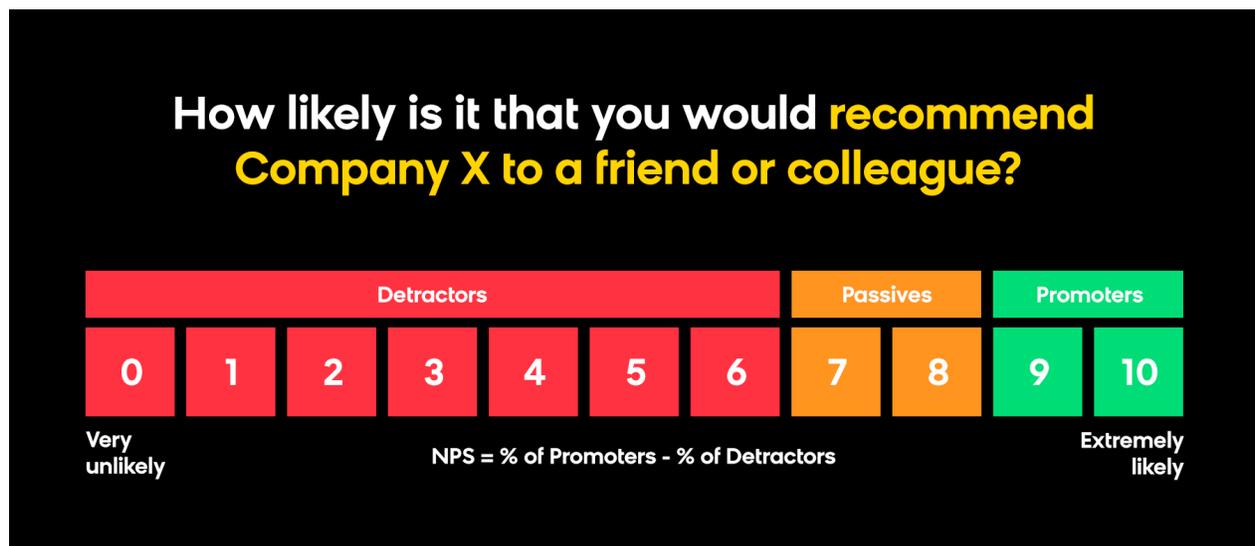
How does it work?

To address this issue we targeted visitors who were identified as highly engaged (viewing more than the average number of products and at least three previous sessions), and who had no history of purchase. These visitors were then presented with a limited-time discount offer to convince them to make that final purchasing step.

How to tweak it for even a better performance?

Hide the discount code behind an email wall. Now you can send the code to their inbox, ensuring they won't forget about it instantly if they leave your site without a purchase. Track if the code was used before its expiration date. If the visitor didn't order anything, you can then email them send them a quick reminder that you've prolonged the voucher's validity for another 24 hours, along with suggestions of products they viewed the most.

5. NPS is a Goldmine For Reviews & Issue Prevention



Post-purchase NPS is one of the most widely-used indicators of customer satisfaction. Exponea has helped clients go beyond simply tracking the numbers indicating success or failure; we added the next step of actually doing something about it.

How does it work?

Together with our client, we used the NPS form to salvage bad customer experiences and generate a plethora of new reviews on the customer review site. Each time a customer would rate the experience between 0-3, we notified customer service so they could try to remedy the situation as soon as possible. Customers who picked the 8-10 rating were in turn asked to share their review on a well known review site.

How to tweak it for even better performance?

Offer your customers an incentive (discount voucher, special product deal, etc.) for filling in their NPS form in order to increase the number of completed forms. If you send an NPS survey after each order, monthly, or quarterly, be sure to inform the customers who have already filled it out about how you used their feedback.

III.

Seven E-Commerce Conversion Tactics



Technological Tactics for E-Commerce Conversions



A [Retail Trends report from 2018](#) predicts that by 2020, **85% of all transactions will be AI-based**. The report continues by stating that 2019 is the year when retailers will really start to understand the value behind AI. **No major e-commerce company can afford to fall behind in this sector.**

As AI becomes more rooted in e-commerce, the gap between the capabilities of retailers utilizing AI vs those without it will grow too wide for a company without AI to stay competitive, **as their Customer Acquisition Cost moves past their Customer Lifetime Value.**

Tactic #1: Personalized Customer Experiences

How do you know what a customer wants to see? You check the data. Unfortunately, many companies have to deal with siloed, disconnected data organized around the channels customers interact with, rather than around the customers themselves.

The answer is something that has been in the headlines a lot these past few months: [customer data platforms \(CDP\)](#). A CDP integrates with a company's data in order to make it usable. The data is rearranged into individual profiles for each customer, allowing for highly specific segmentations and campaigns.

When a returning customer lands on your homepage, the site can recommend products they've shown previous interest in, offer a special personalized discount on one of those items, or trigger an automated campaign based on one of the segments they're in. The visualization of these data profiles is called a [Single Customer View](#), or 360-degree customer view.

EXAMPLE:

Visitor A is a young man living on a budget. The last purchase he made was a t-shirt. **The site determines what is most likely to convert Visitor A, and shows him a selection of t-shirts on sale,** including a special offer on a shirt similar to the one he bought last, just for him.

Customer B is an older woman in a high-income bracket who usually purchases several items of clothing in a bundle. **The site takes a look at her profile and history and displays a special deal just for her:** a bundle that includes a purse, a dress, and a hat; three items she viewed during her last visit to the site.

With the insights gained through the CDP method of data storage, you can create automated campaigns that **email customers with a recommendation for a product they'll like, with a discount they'll be interested in, sent at the optimal time for them to be checking their inbox.**

Tactic #2: Automated Email Campaigns

Email is still a great way to communicate with your customers, and another area where you can use personalization to your advantage. Whether you're sending a regular weekly newsletter, an abandoned cart scenario, or a special weekend promotion, personalization is key. Create customer segments to talk to customers with a message that relates to their interests. [Set up automatic sends that target customers](#) based on their personal interests. **Every time a customer abandons their shopping cart, they can be sent an automatic, staggered series of emails reminding them about items in their cart, and/or offering them a special discount on the specific product they were interested in.**

If you have all of your customer information and automation tools in one main dashboard, it's easy to create detailed automations for whatever scenario you can think of: **email, SMS, and push notifications with precise timing for every send.**

55% of consumers who contact a company through Twitter or FB now expect an answer within four hours.

And 86% of consumers who call the company directly expect the same.

Tactic #3: Value Segmentation

Customer Lifetime Value (CLV) estimates how much customers will spend throughout their time as your customer. With this data, you can segment your customers based on the long-term value they represent.

You'll likely find that the [4% of your customers](#) with the **highest CLV account for the majority of your revenue.**

These are your VIPs. With your most valuable customers identified, you can start to treat them accordingly with special deals. Once you have your segments (EX: bottom tier; mid-tier; VIP), you'll know the average order value and order frequency for each tier, and you can **focus on converting customers in the bottom tier up to the middle tier, and customers in the middle tier up to VIP status.**

Tactic #4: Converting Customers into VIPs

It's not enough to focus on your existing VIPs; you should always be searching for customers who fit the profile to become VIPs in the future. What do these look like? It's different for every company, but **predictive analytics can measure the purchase and churn patterns of your current VIPs, and find new customers** that will likely fit the bill - even after just one purchase! That's one more important group to nurture.

Communication Tactics for E-Commerce Conversions



The customer's desire for authenticity has been brewing for years: a [study of 12,000 consumers](#) across 12 markets found that 87% said it was important for companies to act with integrity at all times. Compare that to the only 72% that factored innovation into their buying decisions, and the 71% that cared about unique new products, and you see how important authenticity really is.

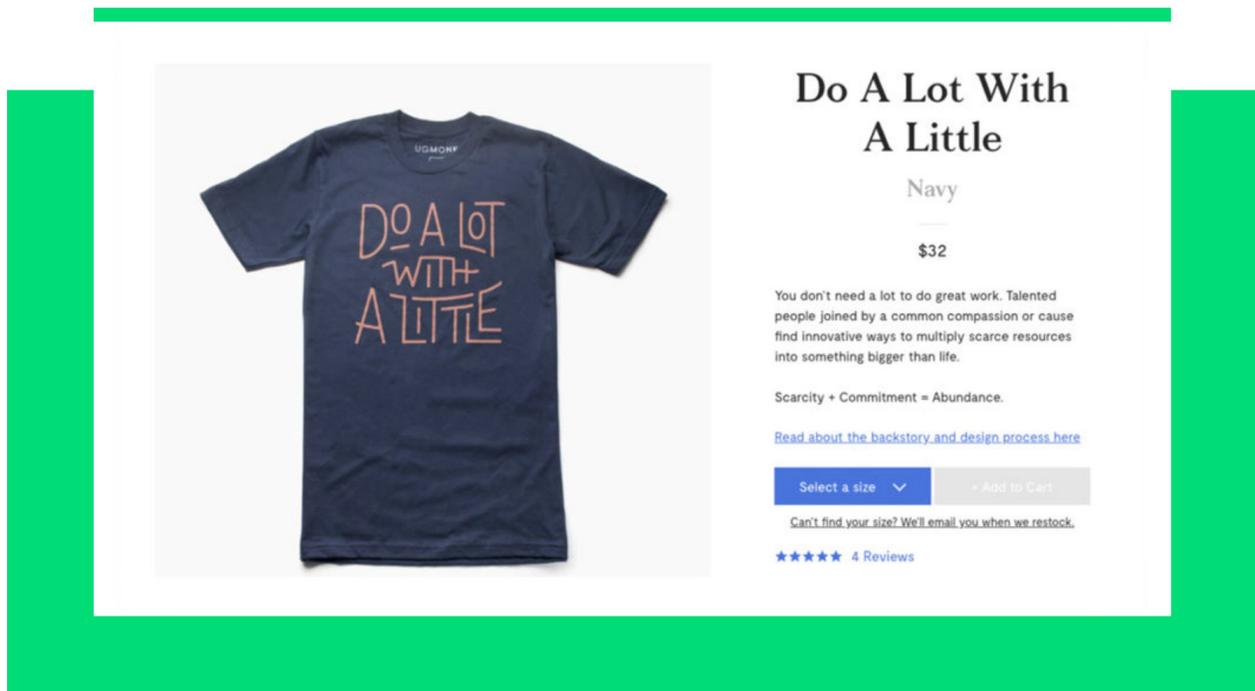
Consumers are more informed than ever before. If they don't trust your message, they'll move on to somewhere else.

Tactic #1: Create Value in Your Product Descriptions

Yes, you want copy that sells, but you don't want copy that looks like it's selling. Instead of a pitch, use your product descriptions to create value for the customer. What can you tell them about this product to help them make an informed decision? How can you give them this information in the simplest, most digestible way?

Write openly and conversationally; address your customers like living, breathing people, and you'll keep them coming back.

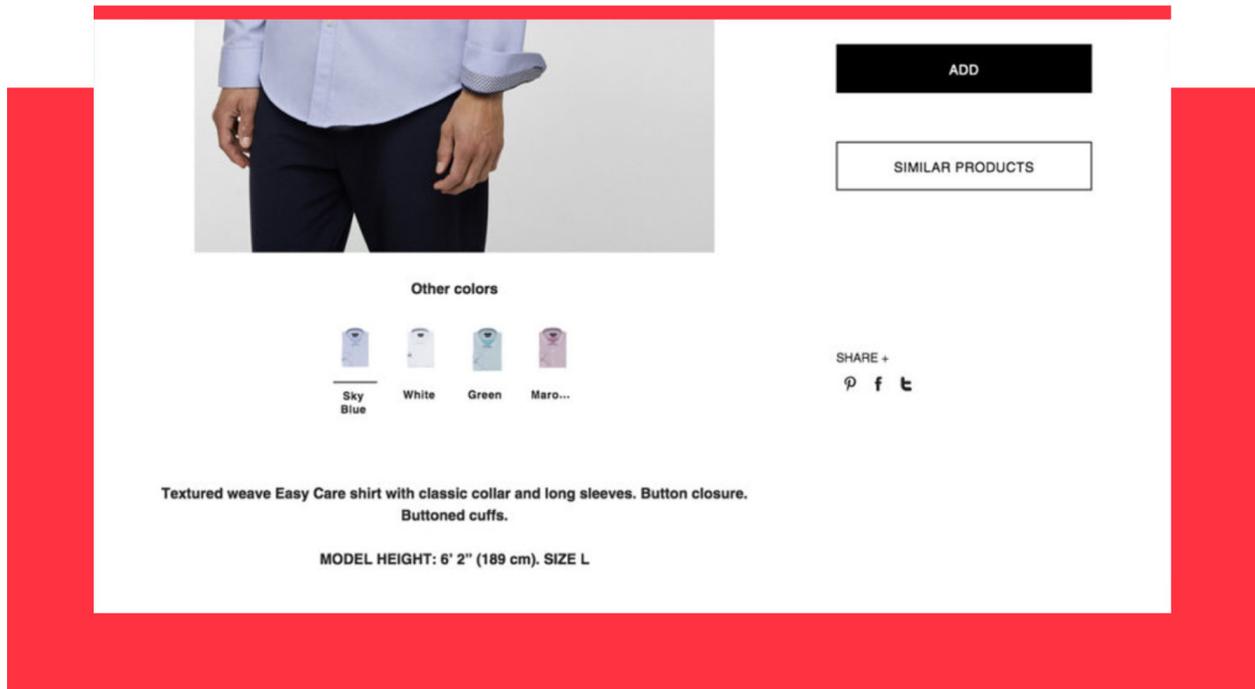
WHAT TO DO: [Ugmonk](#)



Ugmonk is a fashion e-commerce retailer with unique (and often pricy) products. It would be easy to just write: "T-shirt with text: 'Do a lot with a little'" and call it a day. But Ugmonk does more to justify the price, writing conversationally about the thought process behind the shirt and what it represents for the buyer.

They even have a link to the backstory and design process for the buyer interested in detail.

WHAT NOT TO DO: [Zara](#)



Zara is a well-known clothing brand, yet their product copy is lacking. It gives a basic description of the product, but nothing that indicates what makes it special, what makes it worth buying.

Beyond that, the page placement of the copy makes it difficult to read it while getting a full view of the shirt, something that could cost them that extra conversion.

Tactic #2: Apply Proactive Communication

Communication is key in any relationship, including the one you have with your customers. Are you changing your return policy? Make sure your customers hear about the details before you make the change. In general, just keep your customers informed; they always should feel like they are in-the-loop.

Tactic #3: Construct a Self Service Portal

Steven Van Belleghem's 2013 study, [The Self Service Economy](#), found that **all over the world, customers are becoming more demanding**. They don't just want friendliness, transparency, and their problem solved in one interaction: they want that all to happen **now**. 55% of consumers who contact a company through Twitter or FB now **expect an answer within four hours**. And 86% of consumers who call the company directly expect the same.

Rather than attempting to scale that level of customer service, **many companies have supplemented their customer interactions with a Self Service Portal**: a section of the site's visitors can use to solve their problems quickly and easily, without outside help. This section may have a FAQ page, discussion forums, and a form to submit issues.

Data is also a driving force behind Self Service:

62% [of consumer respondents] ask companies to use their data to make the buying process faster & easier. 81% ask companies to use client data to shorten waiting times when they have a complaint.

Steven Van Bellegham

Finally, **a Self Service Application is something that 70% of consumers now expect.** Don't let your company find itself lacking.

Methodology for E-Commerce Conversions

Every business is different, and the only way to know if you're doing the right thing is to test it, and continue to test it. **Don't just rely on industry best practices; you need to make sure your optimizations are working for you.** Should that Add to Cart button be green or should it stay red? Would my free shipping banner work better on the homepage or the product page? Test it.

A/B Testing

Click Here

Variant #1

Click Here

Variant #2

Click Here

Variant #3

[A/B testing](#) is a popular way to use segments of similar customers in order to find the most positive response. You set one segment as the Control Group, which keeps the original design, and then try as many variations as you want with additional segments. You can use A/B testing to optimize photos, email formats, recommended items, button shapes, anything you can think of. With that in mind, here are two real-world examples of great testing done by major companies.

Find the drive to A/B test and experiment with simple ideas. Starting small is better than not starting at all.

Daniel Viglas

Netflix - Viewing Destination for TV and Film

When [Anna Blaylock](#) joined the Product Design department at Netflix, she pitched her big idea: show potential customers the full range of available content before they sign up. She wasn't the first to suggest it.

In fact, **Netflix had surveyed non-members and asked them what one thing they would want to know before signing up. The most popular answer, by an overwhelming margin, was to know what movies and TV shows were available.** Netflix decided to A/B test the idea.

Netflix ran a series of A/B tests to see which version would convert the best, pitting the control (their standard page with no selection info and one simple "Start Your Free Month" CTA) against different variations that detailed the content available on the site. **The control group performed best.**

Conclusion: Challenge your assumptions. Even your customers don't necessarily know what they want. The only way to find something out for sure is to test it.

They tested it again against different variants, and **again, the control group won.** They tried it another time with new variants. Then they tried it a fourth time. A fifth. **But each time the control still won.**

Adore Me - E-Commerce Lingerie Retailer

While A/B testing is common practice for fashion e-commerce companies, [Adore Me takes it a step further.](#) **Adore Me A/B tests all the images on their site every month,** and they test everything you could think of: should the model's hand be on her hip or on her head? **(Apparently hand on head can double sales).** Do blonde models lead to more lingerie sales? (Nope).

Through rigorous testing, Adore Me found that, for their business, **using the right model for a product matters even more than price.** These seemingly minor tests have helped Adore Me grow their brand and maximize their sales. They now also have a huge subset of data they can continue to work from.

Keep testing. Something that works today may not work next month. Try new variations. **Don't ignore the little changes that can maximize the sale.** (These things are easier to put together if you're working with one main dashboard with all your data, tests, and results together).

IV. Your Next Steps



Thank you for reading through this e-book and reaching this last page.

Becoming a winner in this new, 4th industrial revolution within online retail won't happen unless you embrace the change towards the new technologies enabling you to be competitive with global players who have increased the expectations.

Exponea can help you on your way to becoming the next unicorn company.

What are the next steps?

1. [Get in touch with us](#), if you would like us to help you grow
2. [Check out our step-by-step guides](#) with new published information every week.
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