



Why Some eCommerce Sites Don't Succeed Like They Should

And the metrics to measure it

Agenda

1. Introductions and eCommerce is still Business

2. Seven Metrics to Measure and Manage

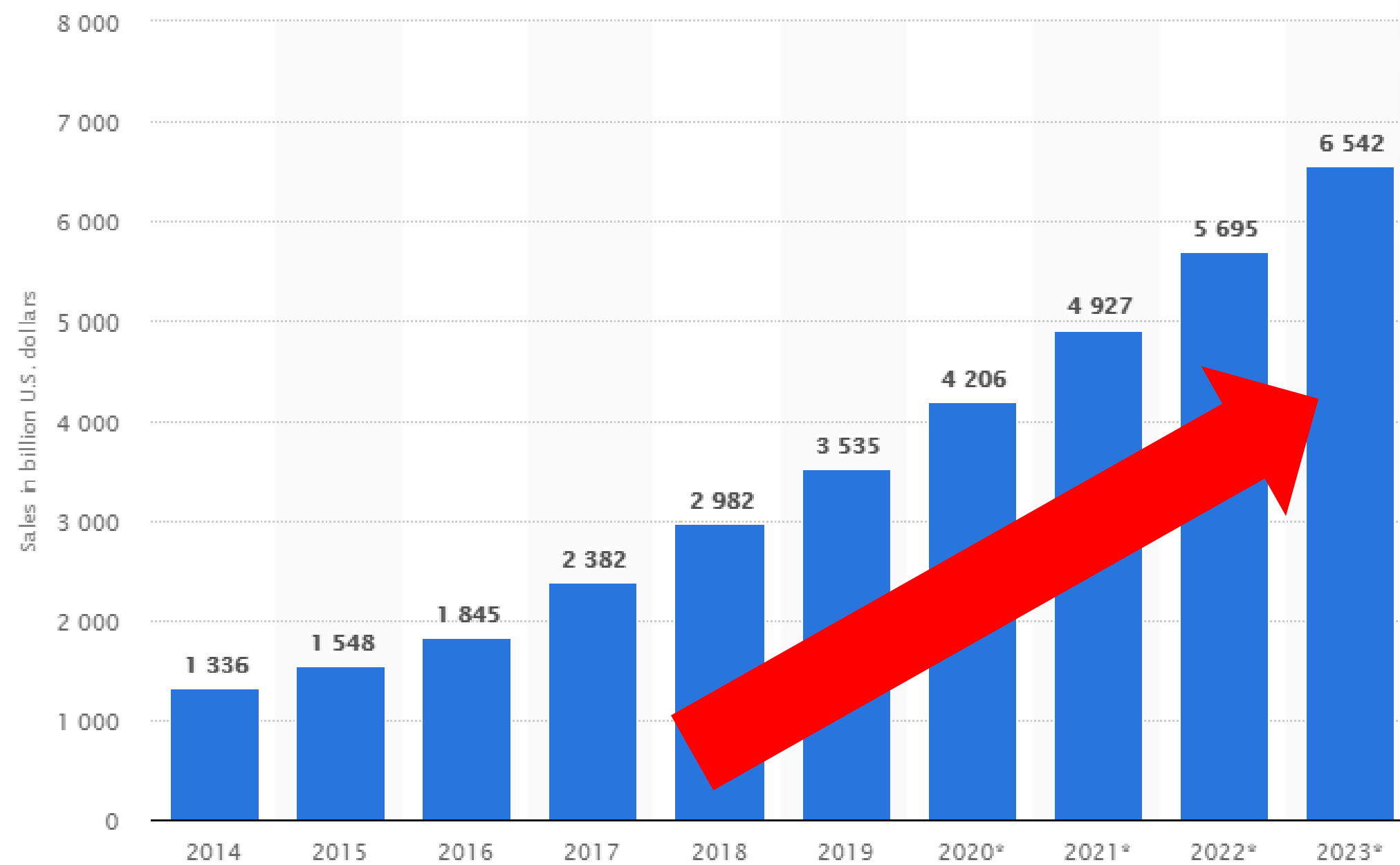
3. Website and Conversion Metrics

4. Audience – Behaviour and where you find them

5. Closing Thoughts

eCommerce was growing....

Retail e-commerce sales worldwide from 2014 to 2023
(in billion U.S. dollars)



<https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/>



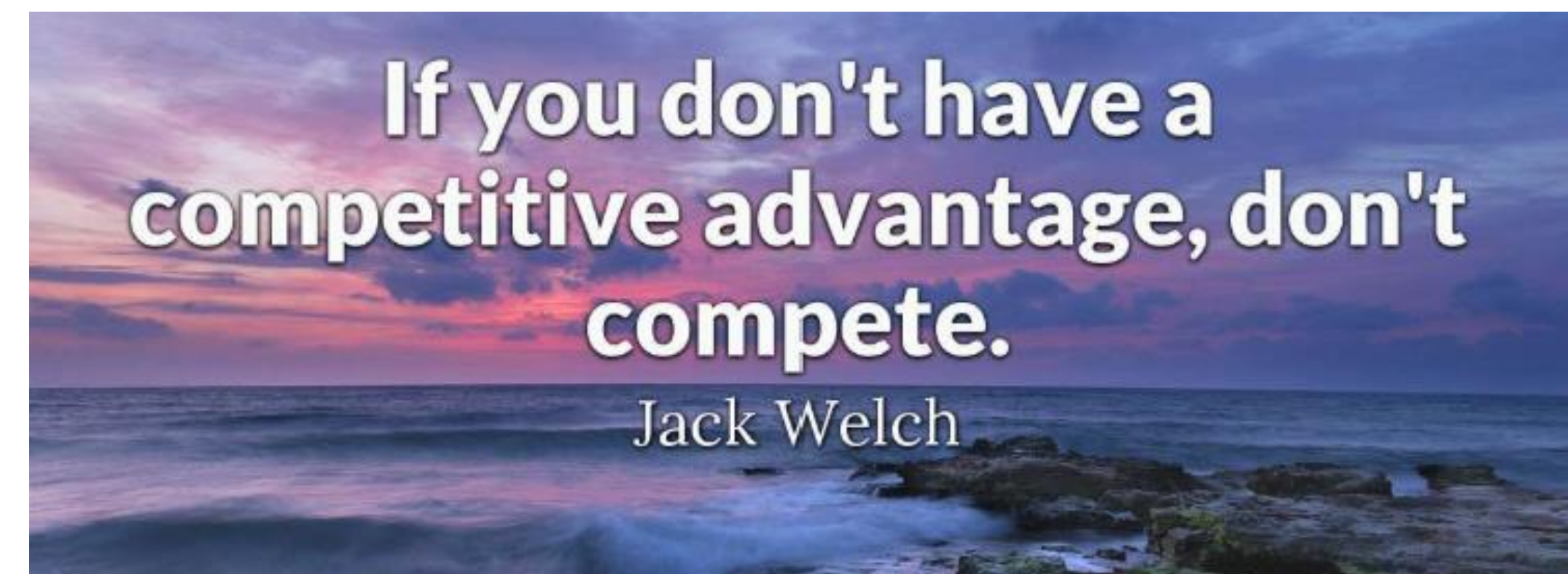
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...but COVID-19 has accelerated it

...but some basic rules still apply.

How do you transform great real world retail experiences to Online ?

- Know Your Target Customer and the Message that Appeals to them
 - Be Specific
- Be competitive – Why should a customer buy from you?
 - Unique Product, Product Selection, Price, Service
- Focus on the entire experience - That is how you will be judged
 - Customer Service, Logistics, Responsiveness, Site Design
- Make life easy for the customer – Competition is one Click away
 - Navigation, Site Search, Contact details
- Quality content is your Sales Assistant
 - Product Descriptions, Educational Content
- Trust is the basis of all commerce
 - You have to earn it.



Three Step Framework



— Learn

- Is this the right store?
- Does it have the products I am looking for ?
- I am comfortable doing business with this site?

— Shop

- Can I find the right product? What options are there ?
- Can I compare products? Can you help me choose correctly ?

— Buy

- Can I buy it easily ?
- Can I pay for it ?
- How will it get to me ?

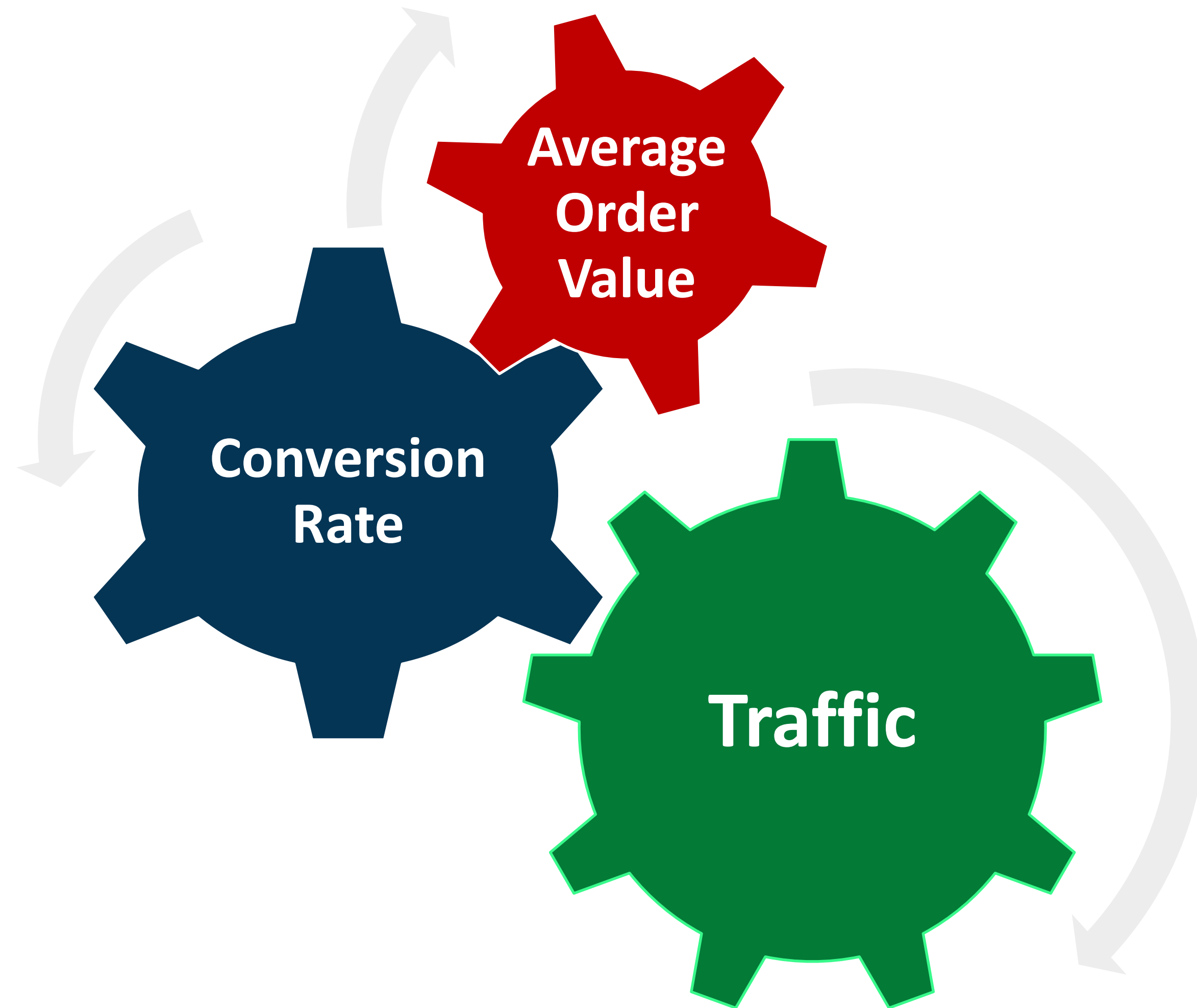


Beautiful is nice but not essential

Simplicity, clarity and functionality is essential (but hard)

A Successful eCommerce site is

6



7 Metrics to Measure and Manage

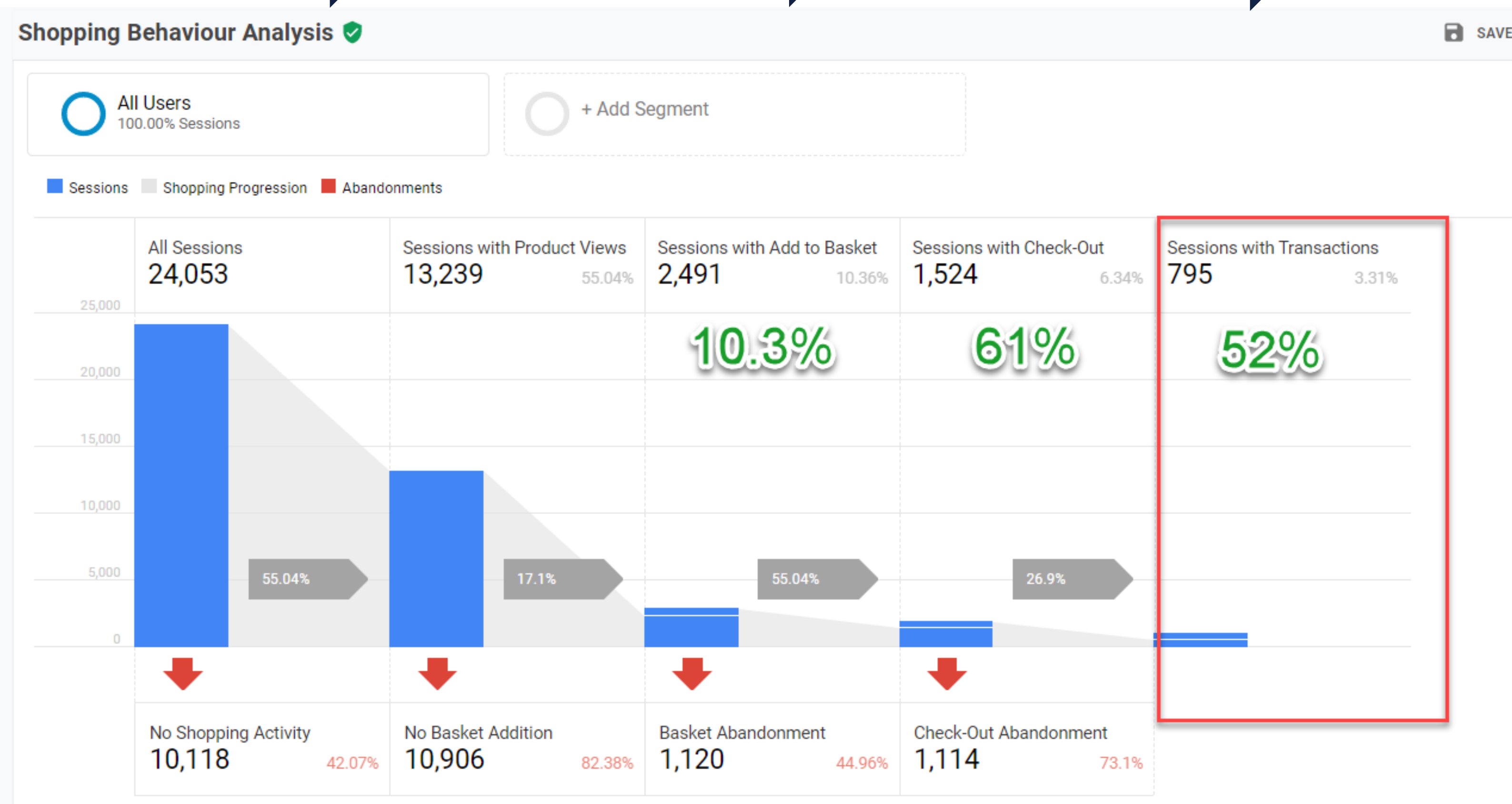
Website

1. Add to Basket Rate
2. Website Speed
3. Average Order Value
4. Basket to Order Rate

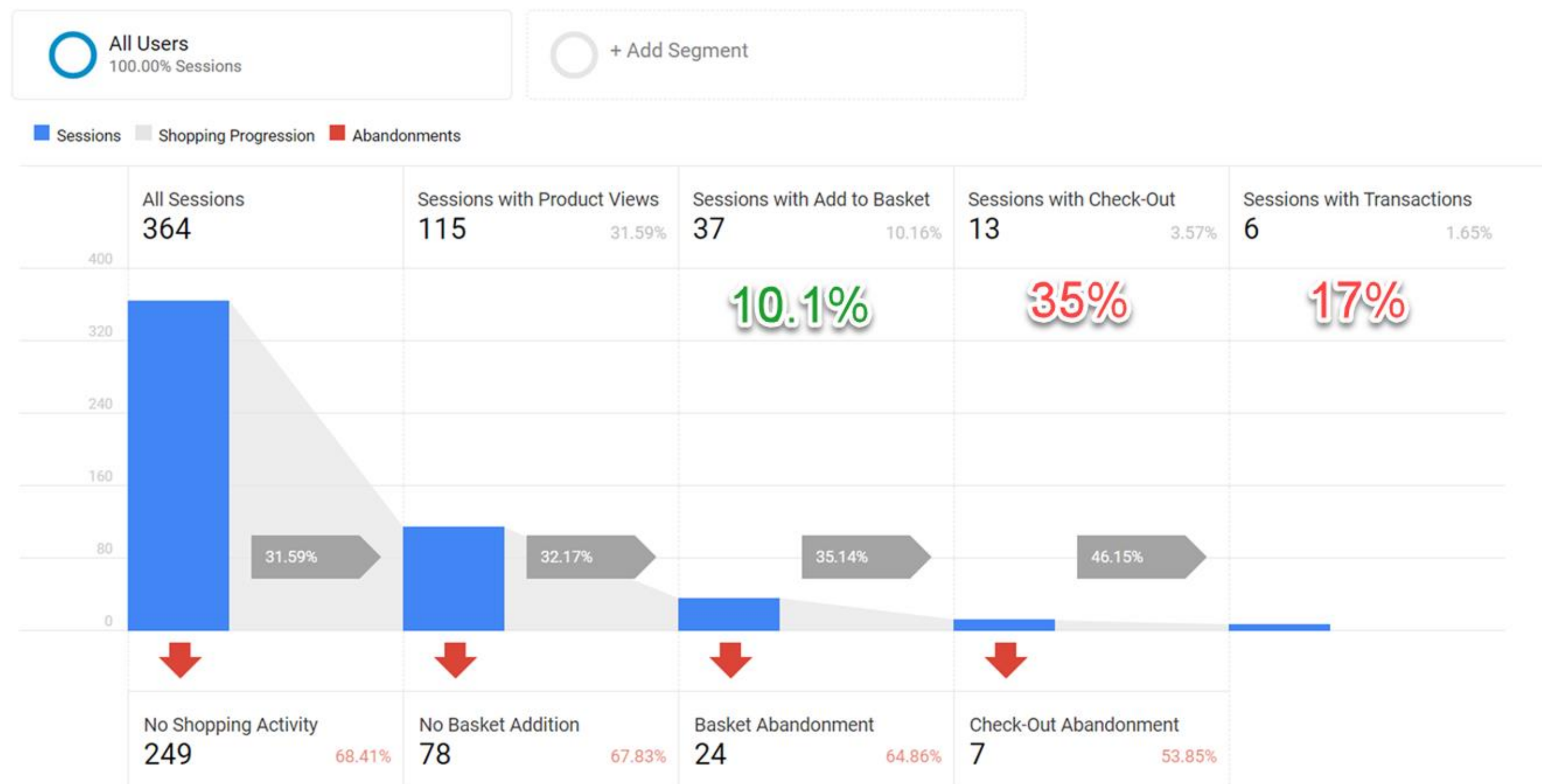
Audience Sources

5. Lifetime Customer Value
6. Customer Growth and eMail Performance
7. Traffic Sources - Mix

1. Add to Basket Rate



1. Add to Basket



Conversion Rate
1.6%

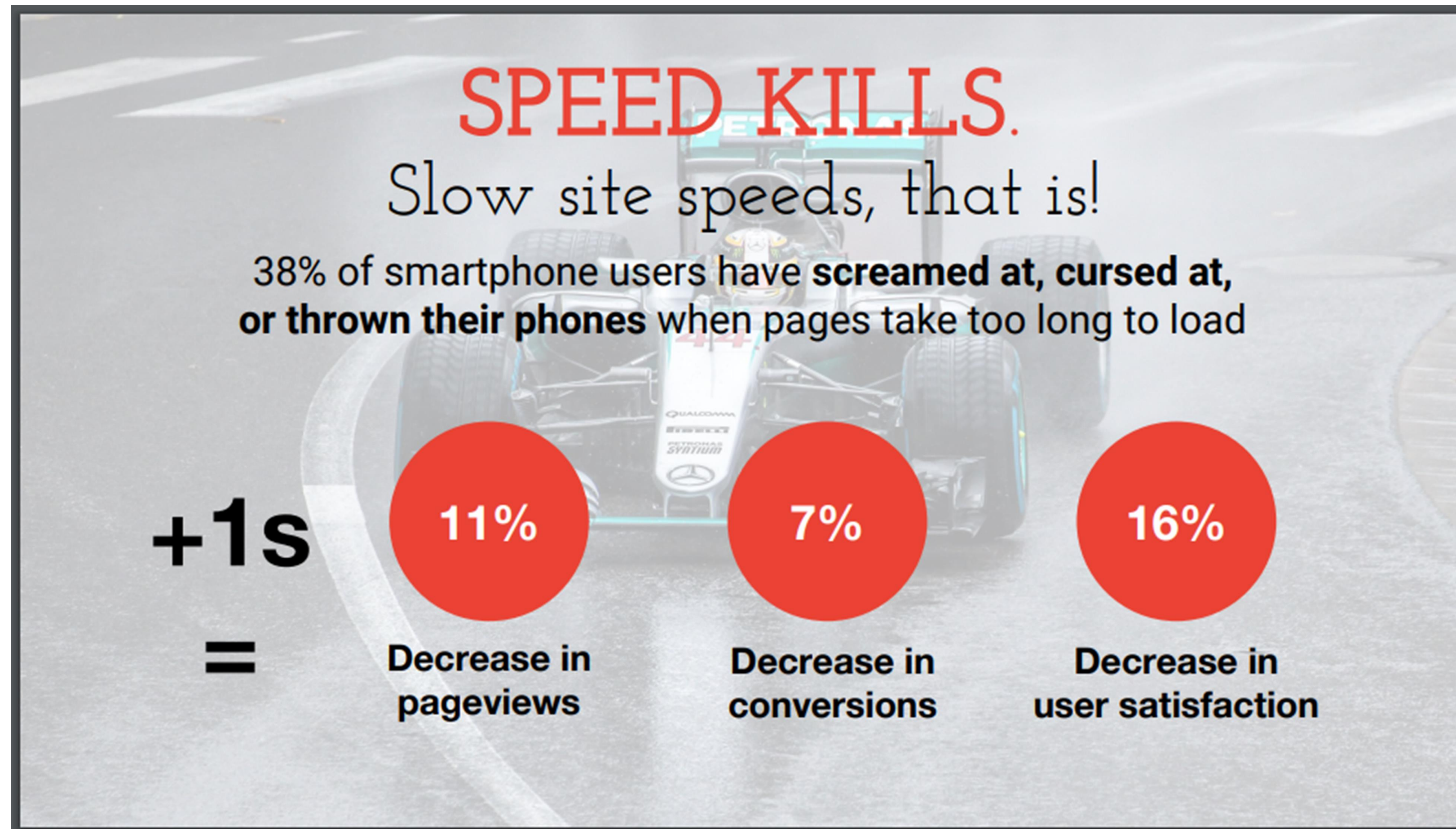
1. Add to Basket: Investigations

- Value proposition must be clear
 - Does it match your buyer?
- Navigation Fast and Easy
 - Does it work on Mobile ?
- Bounce Rate on Key Pages
 - Home, Category, Product
- Merchandising and Offers
- Internal Site Search



HEADER
HERO IMAGE HEADLINE AND INTRODUCTION CONTENT
CATAGORY IMAGE NAVIGATION
FEATURED PRODUCTS
ADDITIONAL CONTENT OR SOCIAL PROOF
FOOTER

2. Website Speed



Newsflash: Speed applies to every part of eCommerce Setup.
Shipping, Service Response, etc

2. Website Speed: Investigations

- Google penalises slow pages
- Page load in < 3 Secs
- Desktop Vs Mobile



	Page Views	Avg. Page Load Time (sec) (compared to site average)
	84,842 % of Total: 100.00% (84,842)	3.27 Avg for View: 3.27 (0.00%)
	17,327	4.93%
	4,802	11.94%
	4,455	-14.14%
	3,677	-37.76%
	3,103	-42.05%
	2,187	5.62%
	1,880	-19.68%
	1,868	-15.71%
	1,842	-18.00%
	1,566	20.67%

Show rows: 10 Go to: 1 1-10 of 1512

This report was generated on 10/02/2021 at 15:10:46 - [Refresh Report](#)

790 of page views sent page load sample

Avg. Page Load Time (sec)
3.27

Avg. Redirection Time (sec)
0.16

Avg. Domain Lookup Time (sec)
0.02

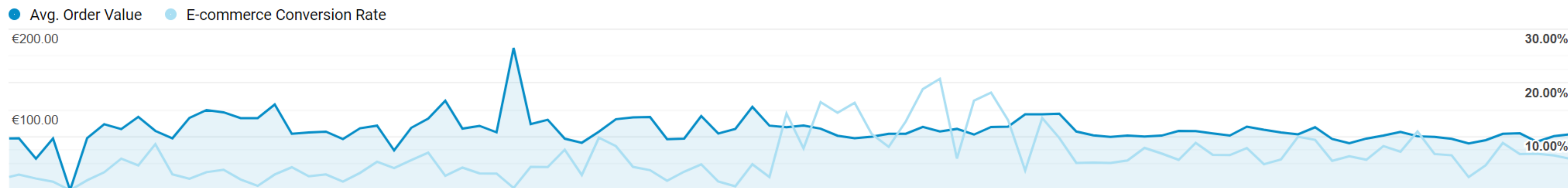
Avg. Server Connection Time (sec)
0.13

Avg. Server Response Time (sec)
1.36

Avg. Page Download Time (sec)
0.12

3. Average Order Value

- Key Health Indicator but measure it Year on Year
- Under €50 means life is difficult
- Varies hugely by B2C versus B2B and Product Types
 - High AOV and 1.5 Purchase
 - Low AOV and 5x Purchase Frequency
- Solution depends on the business type and the size of catalogue
 - Bundles, AI recommendations, 1-Click Upsells Post Purchase Upsells



Revenue & Conversion Rate

Revenue

€385,535.39

E-commerce Conversion Rate

6.23%

Transactions

Transactions

5,603

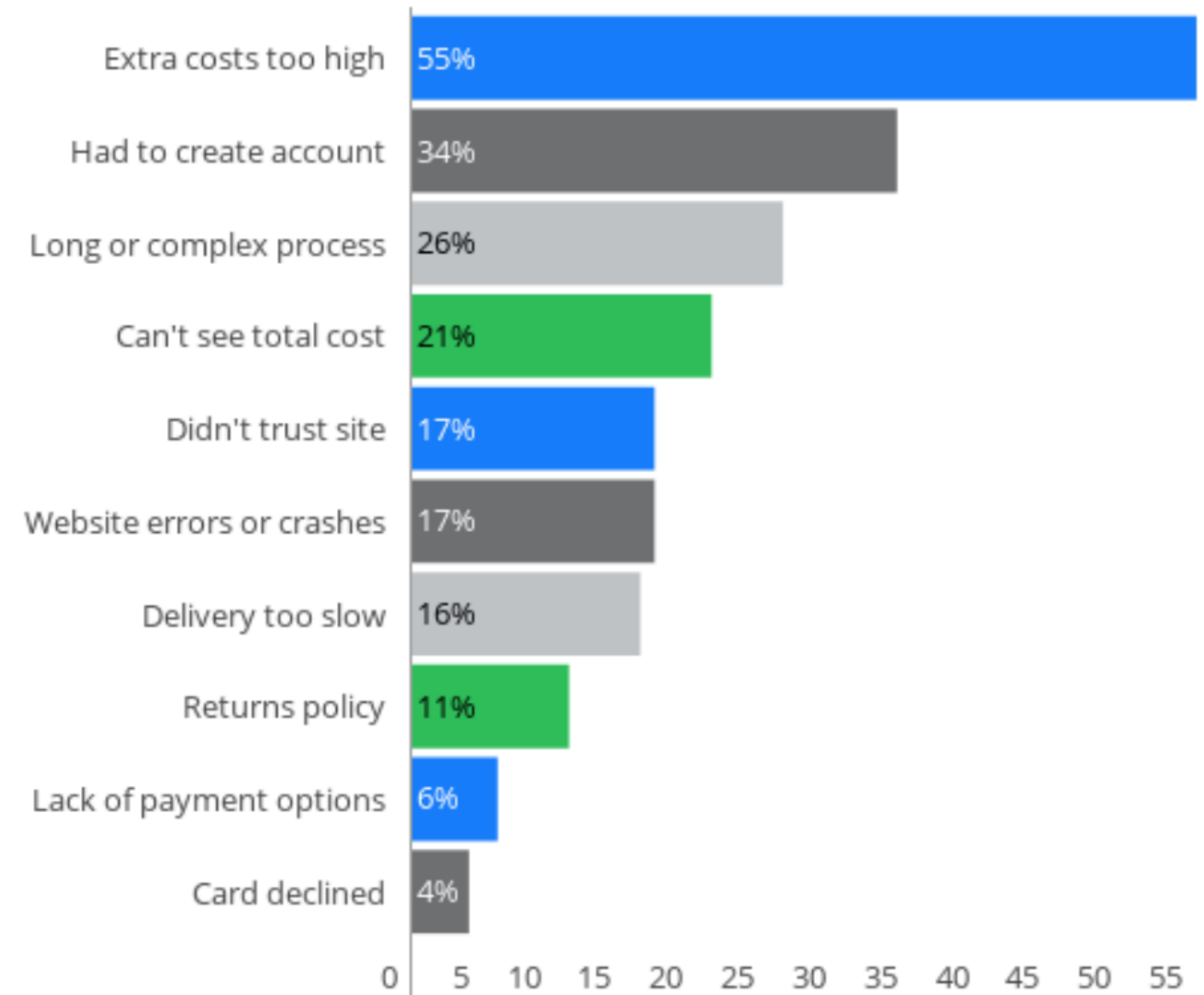
Avg. Order Value

€68.81

4. Basket to Order Rate

- The global **cart abandonment** rate for ecommerce is close to **70%**
- A slow website can increase abandonment by 75%

Reasons Cart was Abandoned



Source: Baymard survey of 2,584 consumers, 2019.

4. Basket to Order Rate: Improvements

- **Checkout Page**
 - Once its in the Cart the Job **is less than half done.**
 - Remove Distractions (Navigation Links)
 - Show them where they are in the process
 - One Page Checkout
 - Scroll not click (think Mobile)
 - Don't force registration (Guest Checkout plus Options)
 - Cross Sell and Upsell but don't lose the first sale
 - Multiple Payment Options
 - Clarity around Shipping Options
 - Paypal Express can be good for new customers

The screenshot displays the Nike checkout process, which is a single-page layout. The main content area is divided into two primary sections: '1. SHIPPING' and '2. PAYMENT'. The '1. SHIPPING' section is currently active, showing a 'Change Billing Country' dropdown set to 'USA', checkboxes for gift cards and promo codes, and a 'CHOOSE YOUR PAYMENT METHOD' section with radio buttons for 'Credit or Debit Card' (selected) and 'PayPal'. Below this, there are input fields for 'Card Type' (set to Visa), 'Card Number', 'Expiry Date', and 'Security Code'. A 'BILLING ADDRESS' section follows, with a checkbox for 'My billing address is the same as my shipping address.' and a pre-filled address for Bithika Trivedi in Rochester, MN. Input fields for 'Billing Phone', 'Other Phone', and 'Email' are also present. A 'NEXT STEP' button is at the bottom right of the payment section. To the right of the main form is a 'SUMMARY' sidebar showing a subtotal of \$80.00, shipping and handling of \$8.00, tax of \$0.63, and a total of \$98.63. Below the summary is an 'IN YOUR CART' section showing a Nike Zoom Pegasus 34 Big Kids' Running Shoe with a price of \$90.00. At the bottom of the page, there is a '3. ORDER PREVIEW' section and a privacy notice.

7 Metrics to Measure and Manage

Website

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Audience Sources

5. Lifetime Customer Value
6. Customer Growth and eMail Performance
7. Traffic Sources - Mix

5. Life Time Customer Value

Customer Purchase Behaviour: How much and how often?

- First Things First: Track It
 - Not in Google Analytics so requires some extra work
 - What was their first purchase?
 - What channel did they come from?
 - How often do they purchase (over 1,2 or 3 years)?
 - How soon does a customer purchase again?

**Knowing this allows you make better (and some times more aggressive)
investments to acquire new Customers**

5. Life Time Customer Value Improvements

- Communicate - Communicate - Communicate
 - Without being annoying or always selling
 - Power of your eMail strategy
 - Useful non-selling eMails
 - Post purchase campaigns to say Thank You
 - Loyalty schemes
 - Incentives (VIP Clubs)
 - Reviews

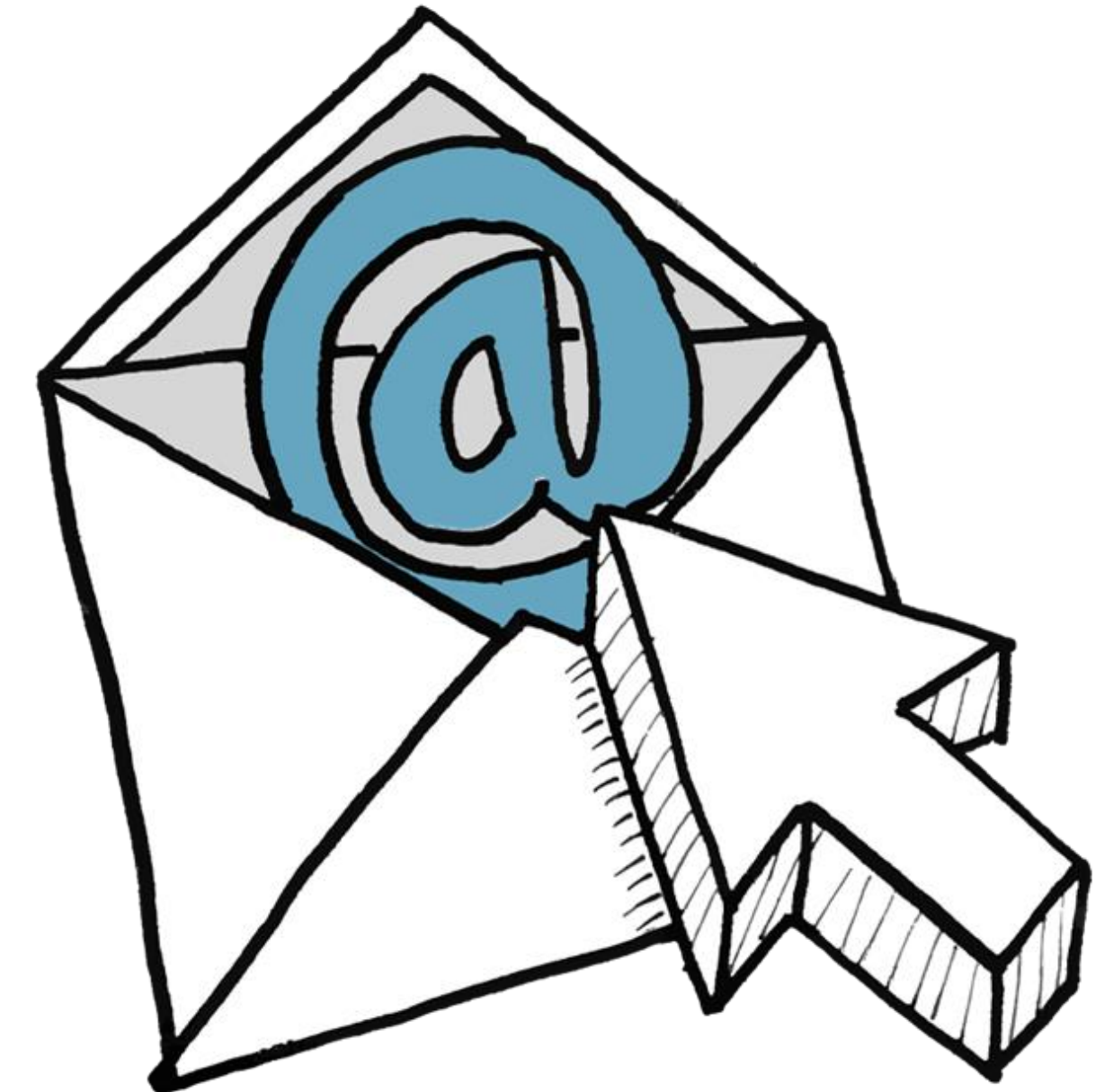


When is the Sweet Spot for a 2nd Purchase?

Hint: It is often sooner than you would think!

6. Customer and eMail Database Size

- Relationships are built on communication
- Is your database of customers growing?
- eMail Subscription can be an easier conversion
- Types of eMails
 - Trust Relationship Builders
 - Social Proof
 - Useful Content
 - **Offers**
 - Regular in touch
- Increased frequency at the right times
- eMail revenue sometimes shows up in other channels



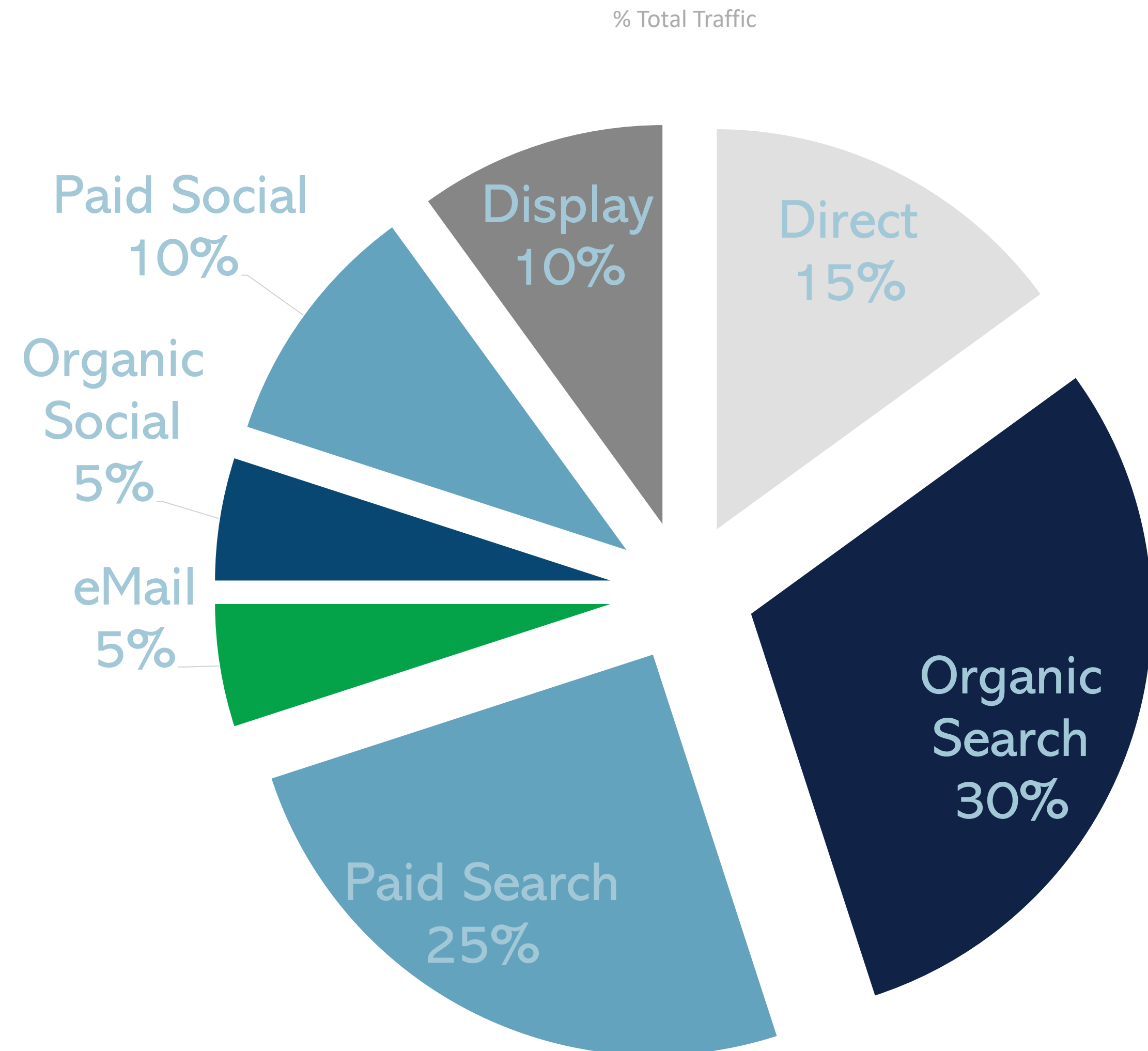
Remember:

Quality is better than Quantity
Manage Consent Correctly
Givers Gain

7. Target Traffic Sources

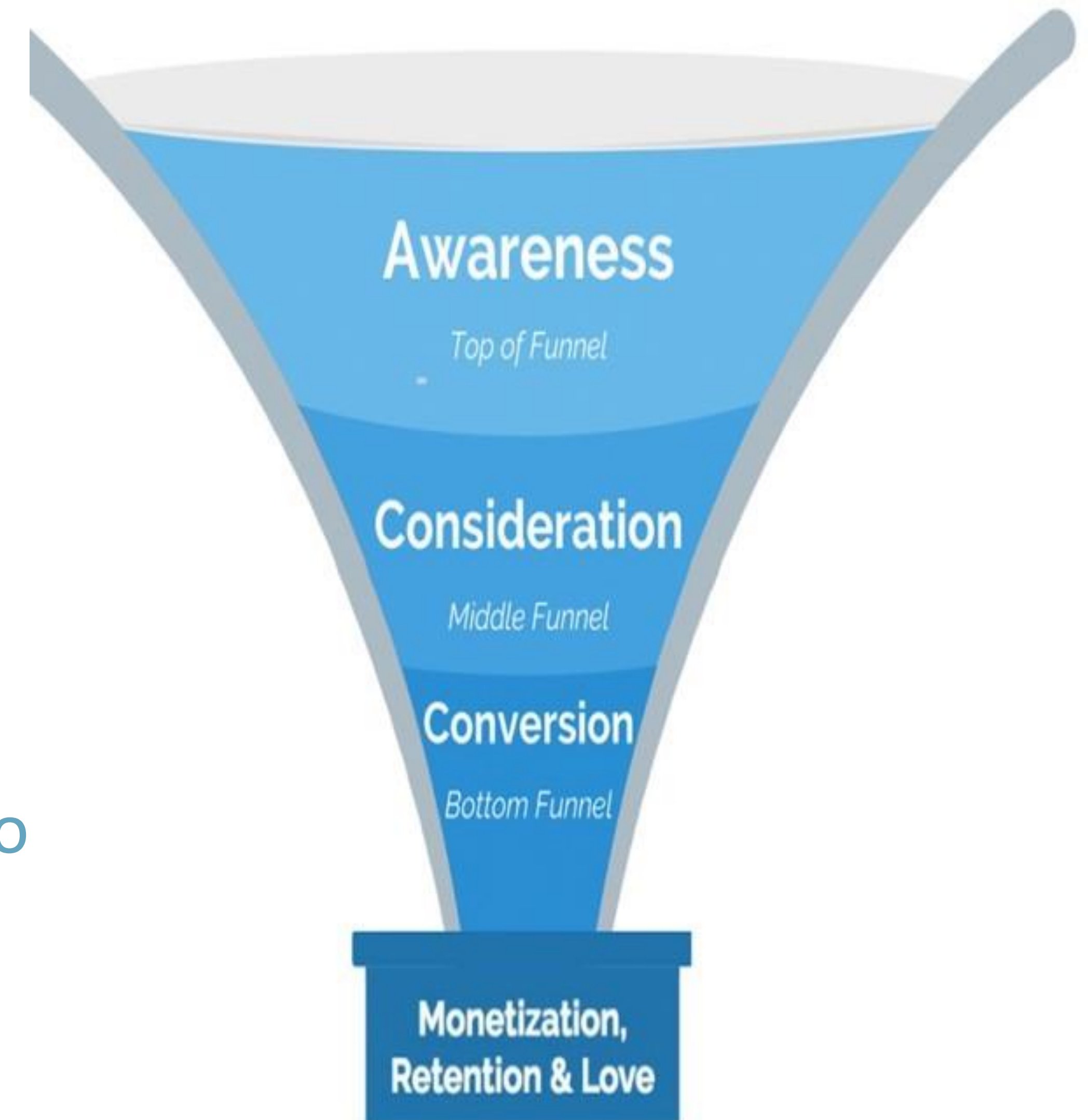
- Varies depending on Site
- **Organic and Paid Search**
 - 50-60% of traffic mix
 - More organic better

Challenge: Organic takes time
Typically 6 to 18 month programme



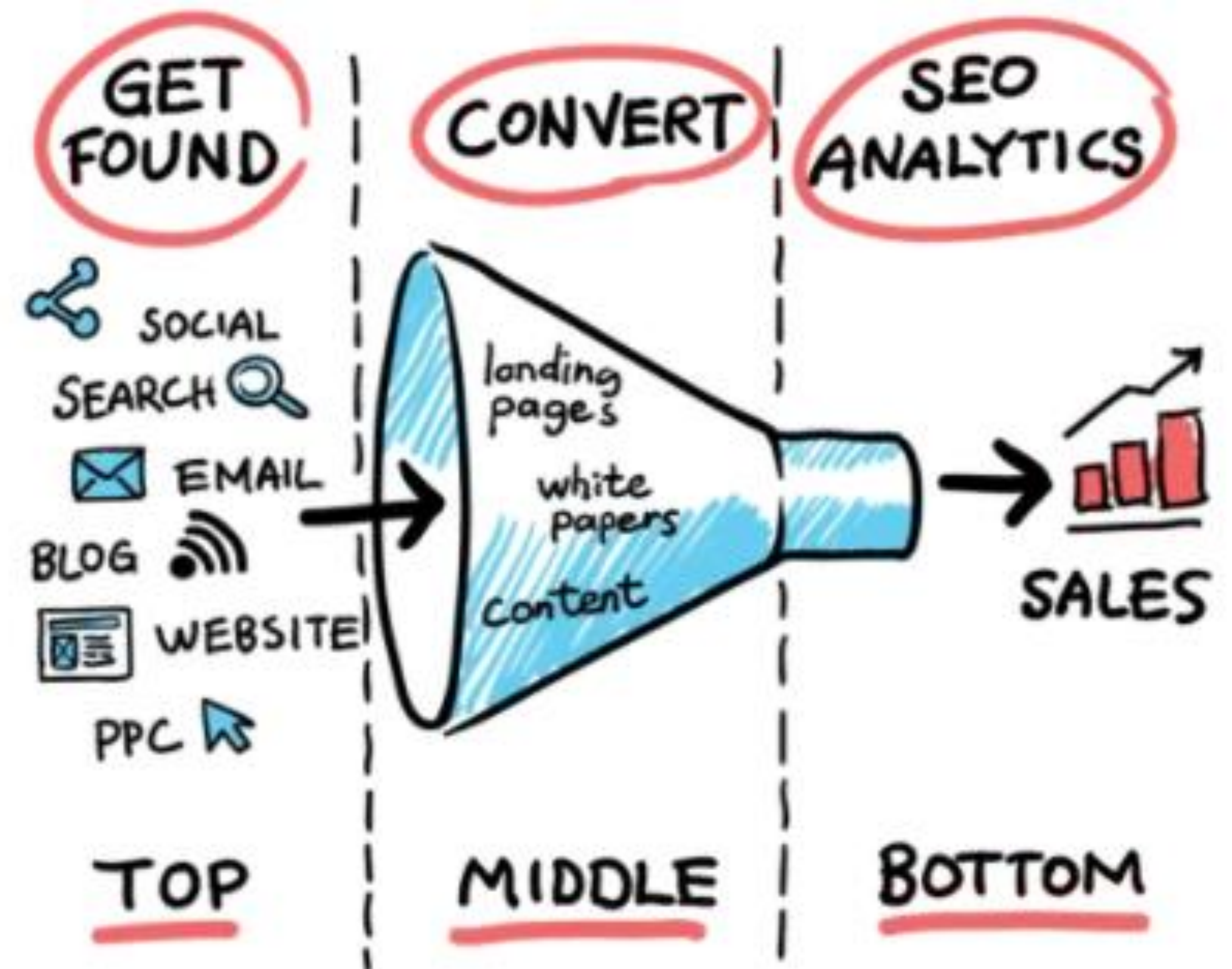
7: Traffic Source Improvements

- Maximise the Hot Channels First
 - Those who are looking to buy
 - Organic Search
 - Paid Search and Shopping Ads
 - Affiliate Networks
 - Those who know you and might consider buying
 - eMail
 - Organic Social
 - Website Visitors
 - (Re-Targeting Display and Social Re-Targeting)
 - Those who don't know you and you have to educate
 - Paid Social
 - Display



7. Traffic Source Improvements

- Organic Search Engine Optimisation
 - Site structure and clean URLs
 - Optimised product pages
 - Relevant content and advice
 - Backlinks and directories
- Paid Search
 - Can you scale it affordably?
 - Right campaign structure essential
 - Brand Campaigns
 - Shopping Campaigns
 - Category Campaigns
 - Dynamic Search Campaigns
 - Merchant Centre and Shopping Feeds



7 Metrics to Measure and Manage

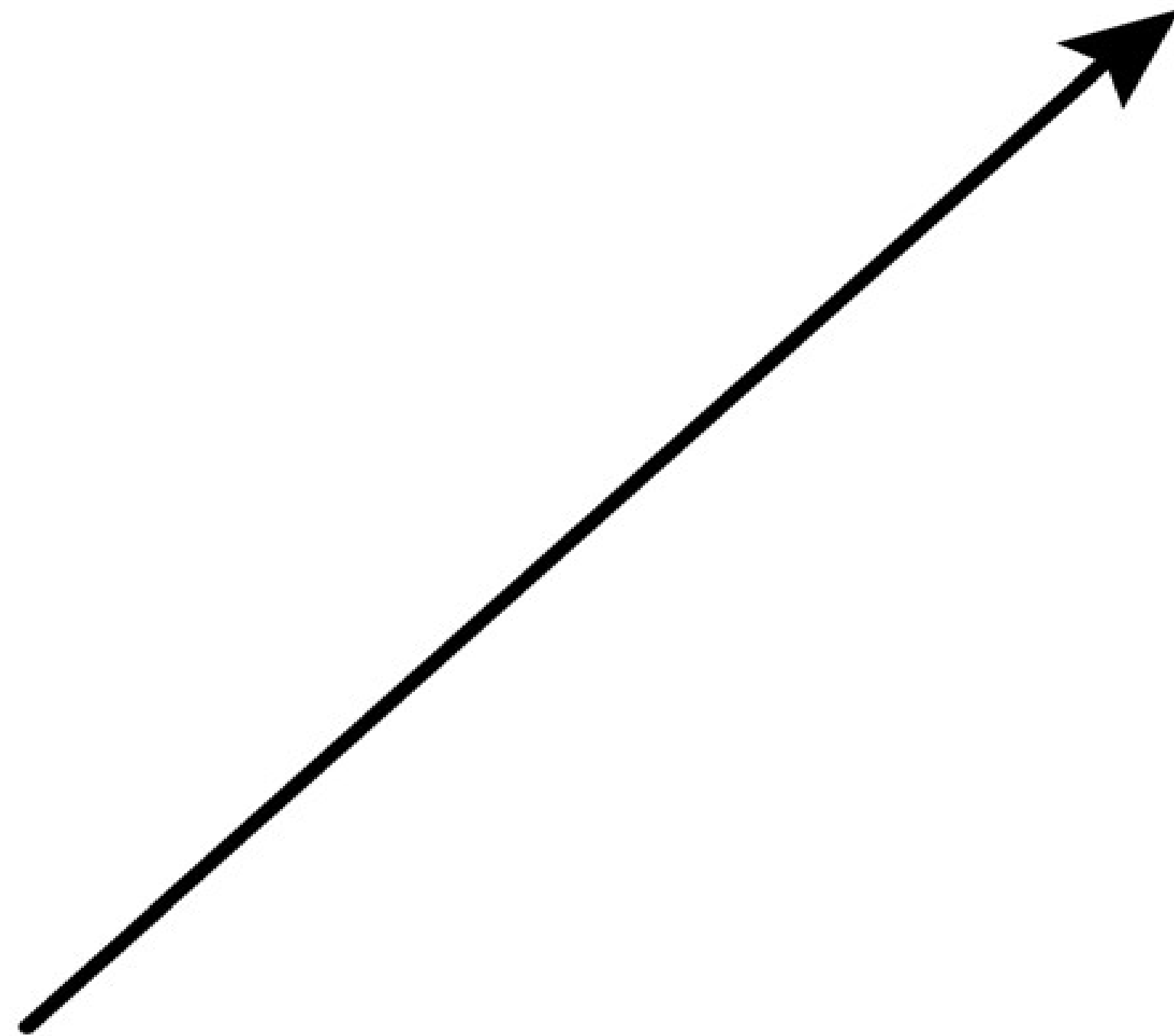
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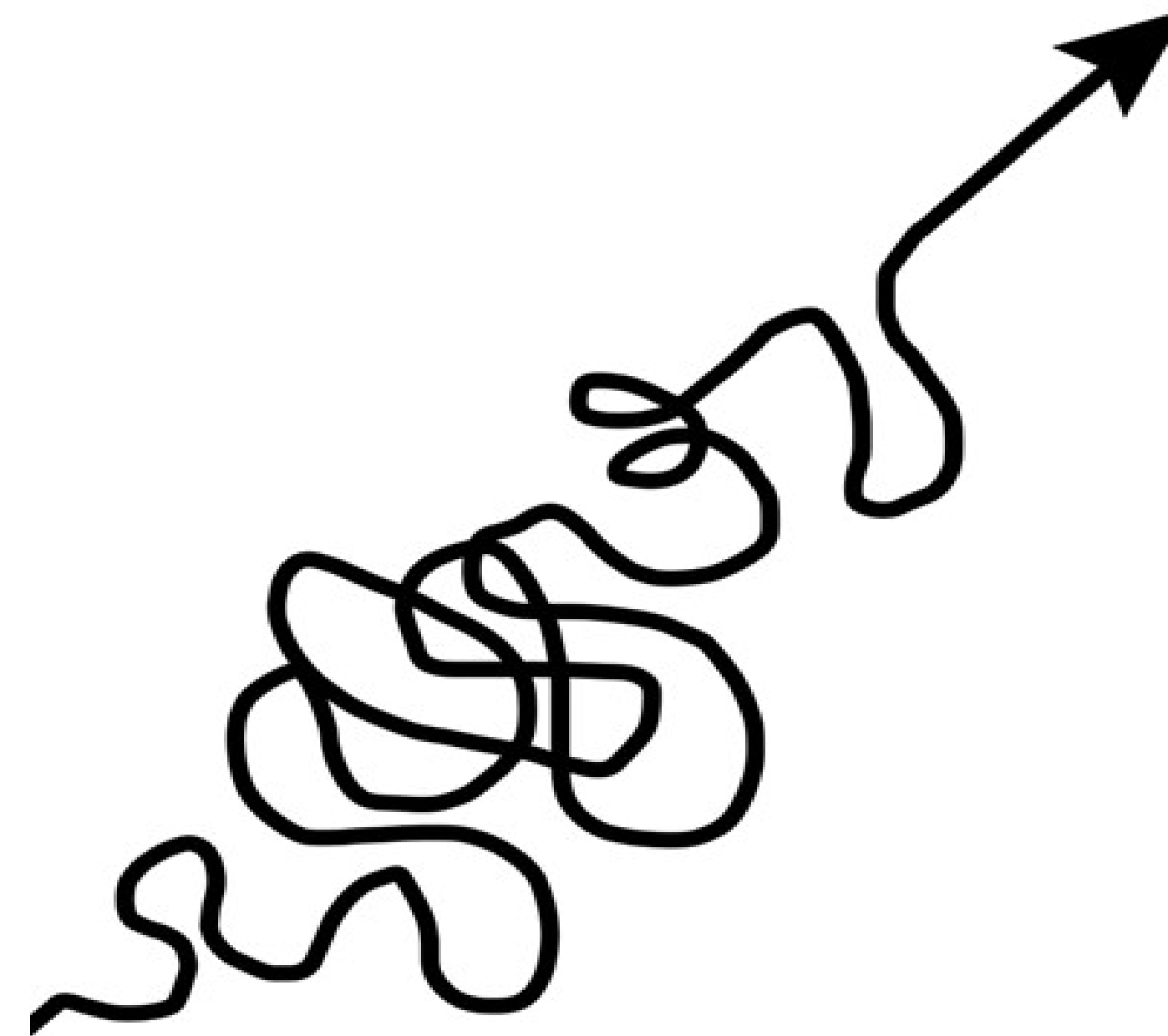
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SUCCESS



**what people think
it looks like**

SUCCESS

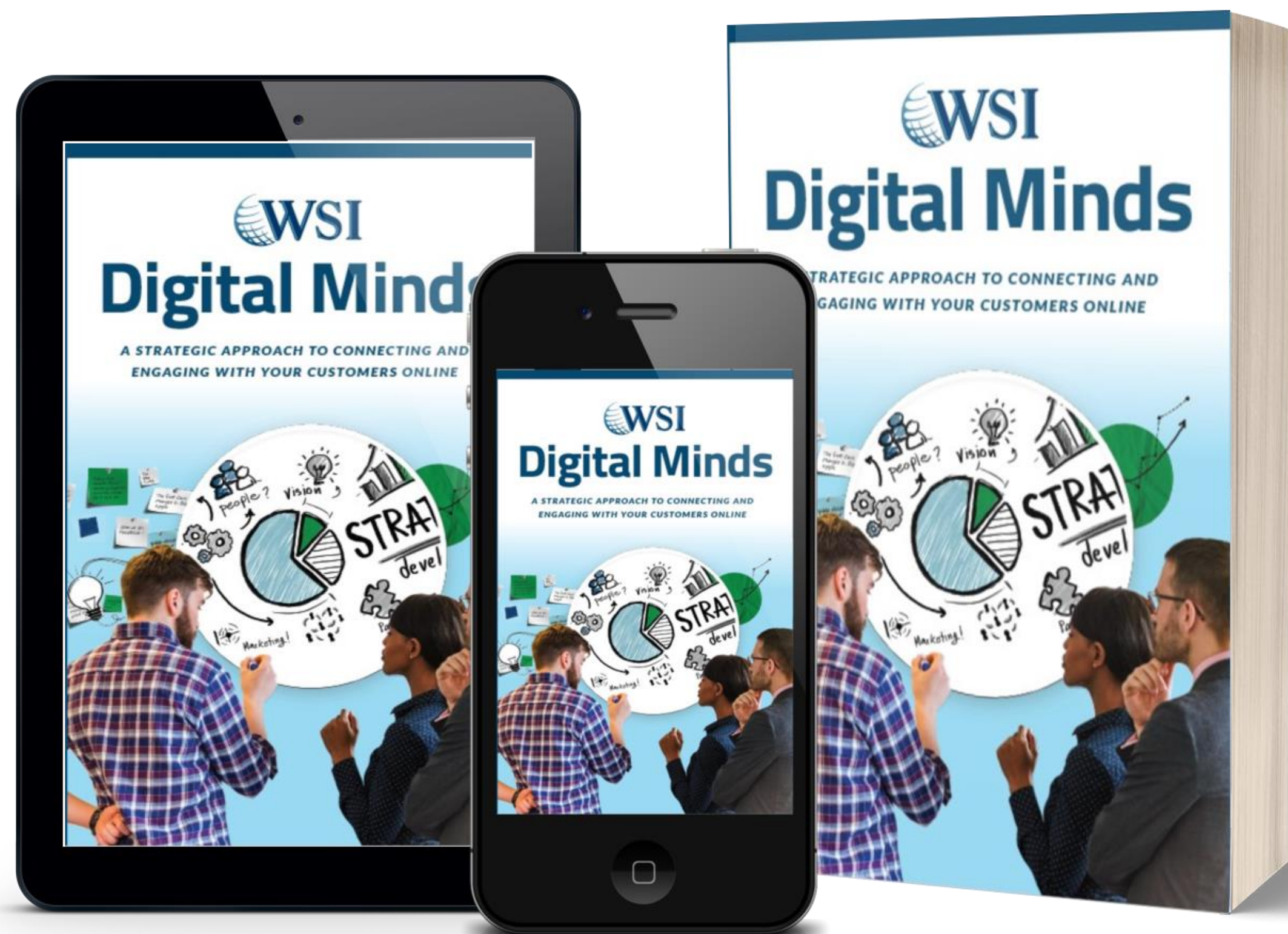


**what it really
looks like**

In Summary:

1. Understand your Metrics. Dive Deeper than Averages. Prioritise
2. You are in the content business. Quality and Clarity is Key.
3. Customer Experience is key. Fast, Easy and Helpful Builds Trust.
4. You are never done. Your site is always a work in progress.
- 5: Design is only part of the story. Spend as much time on entire experience

READ MORE ABOUT DIGITAL MARKETING IN OUR 3RD BOOK



Available on Amazon and other online book retailers. Search “WSI Digital Minds” or visit

<https://bit.ly/wsibook3>



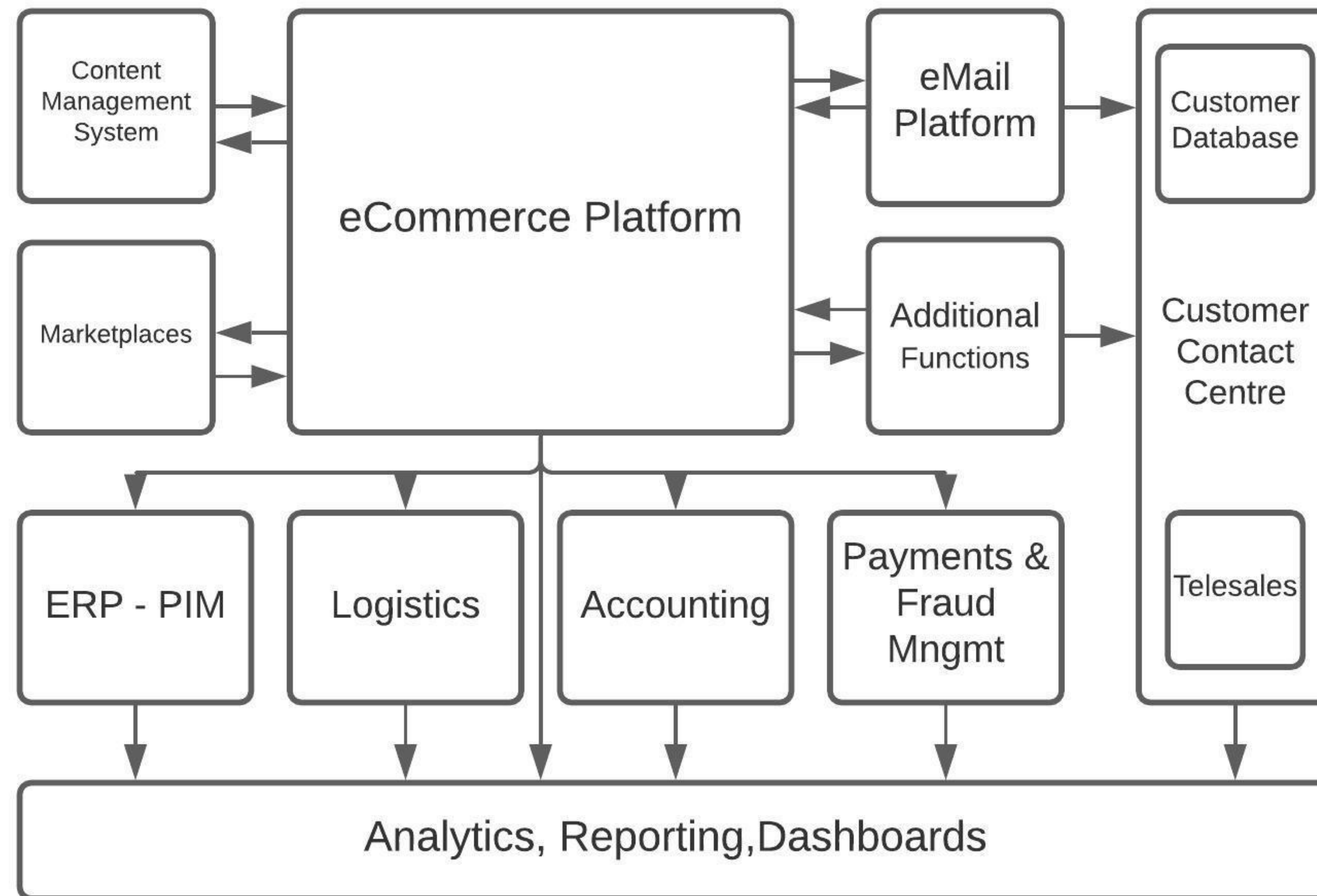
**Thanks for joining us.
See you next time!**

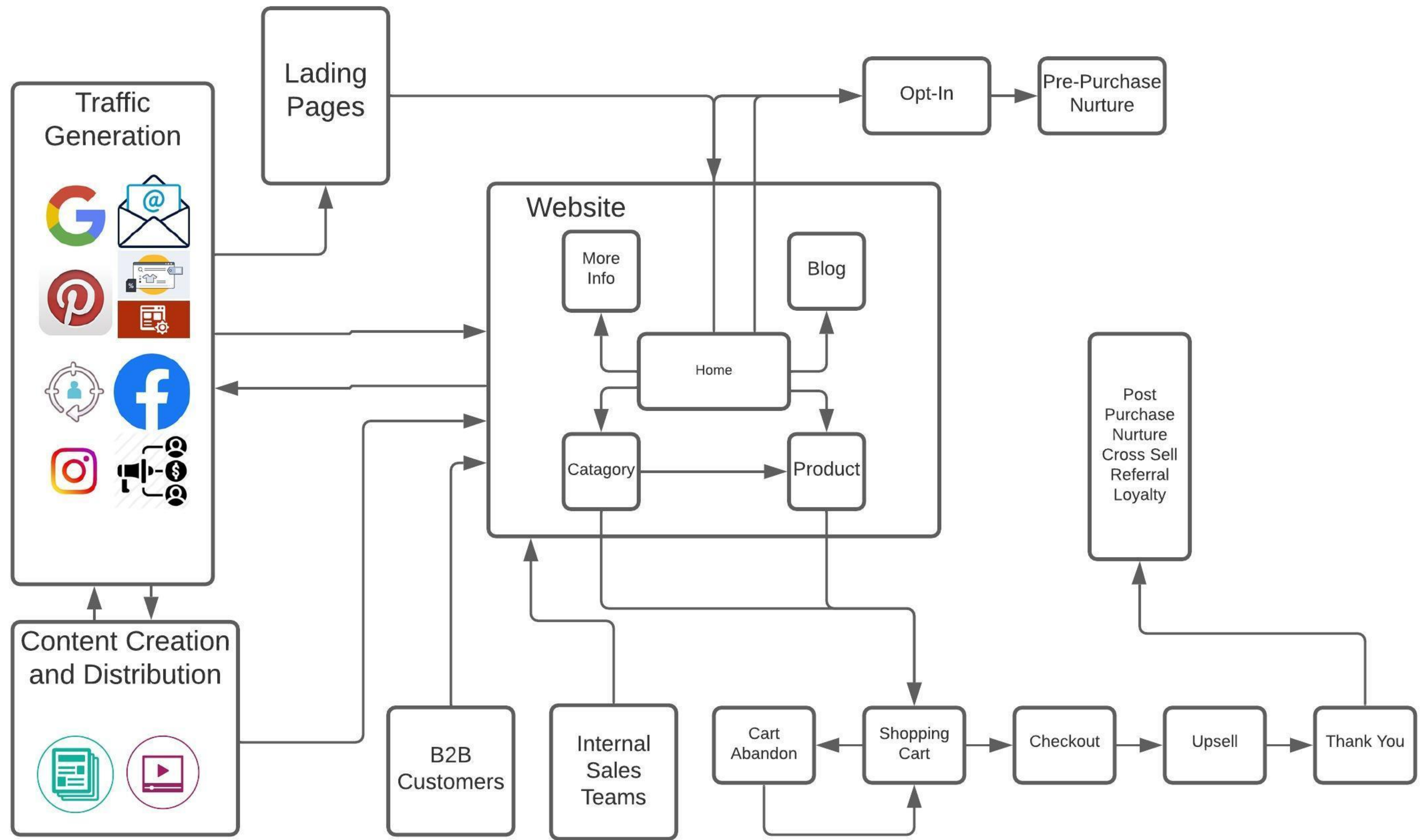
Magic Formula and Conversion Rate

- Visits x Conversion Rate x Average Order Value = Revenue

Conversion Rate is an Output metric – with multiple inputs

Product	Price	Promotion	Place	People
Functionality	Selling Price	Content	Search Engine Position	Design Trust
Appearance	Discounts	Advertising	Logistics	Ratings Reviews
Warranty	Payment Arrangements	Public Relations Activities	Service Levels	Customer Service
Quality	Price Matching Services	Message	Location	Appearance
Packaging	Credit Terms	Media	Distribution Channels	Attitude





How we Calculate Campaign Performance

		Campaign 1	Campaign 2
Impressions	Number of Times Ad is shown	2,000	100,000
Click Through Rate	% Clicked On Ad	7.00%	0.50%
Clicks	Actions Generated	140	500
Average Cost Per Click	Campaign Investment	€ 2.30	€ 0.30
Cost of Traffic		€ 322.00	€ 150.00
Conversion Rate	% of Vistiors who did what you wanted	3.00%	0.50%
Orders/Leads	Return	4.2	2.5
Average Order Value		€500	€500
Revenue Generated		€2,100	€1,250
Cost per Acquisition	KPI's	€ 76.67	€ 60.00
Expense to Revenue		15.33%	12.00%
Return on Ad Spend		652%	833%