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Search Marketing Trends

to boost your retail company's revenue

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The changing landscape of e-retail and how you can maximise your revenue online.

Introduction

Your customers are multi-channel, multi-device users, flitting between your website, emails and social media pages using a vast array of sophisticated devices, from smartphones to iPads and everything in between. Indeed, today's consumers turn to the internet to influence their purchasing decisions and share their own retail experiences with others. If they want to know whether a certain product is suitable for them, they read reviews from other customers. When they want to pin down cream-of-the-crop deals, they scour the internet for the best offers. If they have a bad experience with your brand, they tweet about it.

While offline stores are by no means redundant, the entire retail experience now exists online, too, and the success of your retail brand hinges on how well you build your digital presence and optimise your customers' multi-channel experiences. Devising a strong omni-channel marketing strategy to meet your customers' demands is likely to grow your revenue by a considerable amount.

Indeed, the e-retail industry is evolving at a rapid pace and it "won't be slowing down anytime soon", states Tina Spooner, Chief Information Officer at IMRG (Capgemini: 2013). 2013 saw around £91 billion spent online and the IMRG Capgemini E-retail Sales Index forecasted that £107 billion would be spent online throughout 2014. These levels of growth have gathered momentum and Spooner also predicted that "the UK online retail market will achieve 17% year-on-year growth during 2014". Is your e-commerce website ready for this surge in popularity?

Here at Click Consult, we're experts in search marketing, providing tangible, measurable results to our valued clients. We've written this eBook to help you navigate your way through the aisles of e-retailing, enhance your search marketing strategies and, ultimately, boost your retail company's revenue throughout 2015.

Contents

1   Click and Collect services

Key players in the rapid growth of e-commerce include popular services such as 'Click and Collect', which has now formed an integral role in the consumer shopping cycle. According to the IMRG Index, the ability to purchase and reserve items online before collecting in store, now accounts for around 25% of multi-channel retailers' sales.

Although such services are often expensive to implement, if you operate as an online and offline retailer and can afford to factor this functionality into your budget, you're likely to grow your revenue. In fact, omni-channel retailers who already offer this facility – or one of a similar nature – noted a month-on-month growth of 16% in December 2013, reports Forrester in a survey of 65 retailers (Mulpuru: 2013). Worth the investment? For large companies, we think so.

2   A responsive website

2013 was dubbed 'the year of the mobile' and December 2013 saw twice as much revenue generated through mobile devices compared to the same period in 2012. Statistics reveal that the rise in mobile-generated revenue isn't limited to one sector; the IMRG Sales Index reports a consistent upsurge in online retail performance on mobile devices across most sectors, including a 17% increase within the clothing industry and a solid surge of 18% in the electrical goods sector.

Alongside the increase in sales from mobile devices, lies the increasing demand for a responsive website design. An e-commerce site that has been well-optimised for mobile technology will include a navigation bar that's as clear and easy-to-use as it is on a computer screen; visible calls to action that demand to be clicked on; and text that fits the width of a mobile device's display. Your website visitors should be able to view all content without the need to scroll around the page.

Additionally, your website should have a responsive theme to maximise your traffic. A website that hasn't been optimised for mobile devices won't show up in mobile search engine results pages and, with such a large portion of traffic being driven from mobile devices, this could seriously hinder your website's success in the future.

Percentage of emails opened on mobile phones or tablets

figure **1**

	Average	Business Size		
		Small	Medium	Large
Smartphones	28%	42%	26%	33%
Tablets	16%	23%	15%	15%

Base: 65 retailers
Source: "The State of Retailing Online 2013: Marketing and Merchandising", Forrester Research, Inc., July 30, 2013

3   Mobile communications

Following on from the demand for mobile optimised websites, a similar need for mobile optimised email campaigns has emerged. Indeed, respondents to the Forrester survey say that on average, 28% of their emails are opened on a smartphone and a further 16% of emails are opened using tablet devices *(see figure 1)*. This highlights the demand for email templates to be optimised for mobile devices, just as websites should be. Large businesses have identified the demand for mobile-friendly email templates and are currently leading the way in optimising their templates.

Indeed, Forrester's study revealed that around 65% of large businesses already optimise their campaigns by device, while 64% of small to medium businesses tend to run the same marketing campaigns across desktop, smartphone and tablet devices
(see figure 2).

As email marketing continues to thrive, all retail businesses are urged to optimise their websites and email campaigns for mobile devices in a bid to improve the online experience for their on-the-go customers and ultimately, grow their revenue.

Do you generally run the same marketing mix across web, smartphone and tablet, or do you optimise your campaigns based on different usage patterns by device?

figure **2**

	Total	Business Size		
		Small	Medium	Large
We generally run the same marketing mix across desktop, smartphone and tablet	44%	64%	64%	35%
We optimise our campaigns by device	56%	36%	36%	65%

Base: 65 retailers
Source: "The State of Retailing Online 2013: Marketing and Merchandising", Forrester Research, Inc., July 30, 2013

4 Conversion rate optimisation

In a conversion rate optimisation initiative conducted by Moz – formerly known as SEOMoz – website users were asked various questions, such as what they liked about the Moz website and how they would describe it to a friend. Additionally, former customers were asked why they cancelled their subscription to the website's services and what would entice them to re-join. Based upon the feedback they received, Moz made various changes to their website and as a result of the initiative, the Moz team witnessed a conversion increase of an impressive 170% over four months - that's a revenue increase of around £1 million (Econsultancy: 2013).

As emphasised above, conversion rate optimisation is worth investing time in and, within the rapidly growing world of omni-channel retailing, it's worth extending your testing strategies across all channels to improve your customers' digital buying journey as a whole. For further information on testing your website to increase your conversion rate, visit our Conversion Rate Optimisation page.

5 Your website's navigation bar

The design of your e-commerce website's navigation bar can be critical to the experience of your online visitors, and small tweaks to the design of your navigation layout may dramatically increase your conversion rate. Indeed, Econsultancy observe one particular instance where an online kilt retailer added simple filtering options to their navigation bar and saw an increase in conversions of 26% as a result.

To create an intuitive navigation bar, pin-point the main options on your website and make sure that each one is listed as a category. For example, if you are an online clothes retailer, ensure that your customers have the option to narrow their search down through factors such as price, brand, material and colour.

## **6** Put your brand on the map with Google+ Local

If your retail company operates offline as well as online, set up a Google+ Local page. The primary focus of Google+ Local is to allow web browsers to locate restaurants, shops and other services local to them. By creating a Google+ Local page for your retail company, you can provide a map of where your offline store is located, contact details, photographs and other information about your company, which will be visible on search engine results pages and on Google Maps. Customers can then use your page to locate your shop, rate it, write reviews and add photos.

As well as helping to create a strong omni-channel presence and enhancing your customers' experience of your store, there are many other benefits of having a Google+ Local page, such as a boost in Google's rankings on search engine results pages and increased brand awareness.

7 Google's Product Listing Ads

Google's Product Listing Ads (PLA) functionality is a great tool for driving direct sales to your retail website. A PLA is a unique ad format that allows you to promote a particular product on Google's search engine results pages, using an image of your product alongside a title, price, promotional message and the name of your retail brand.
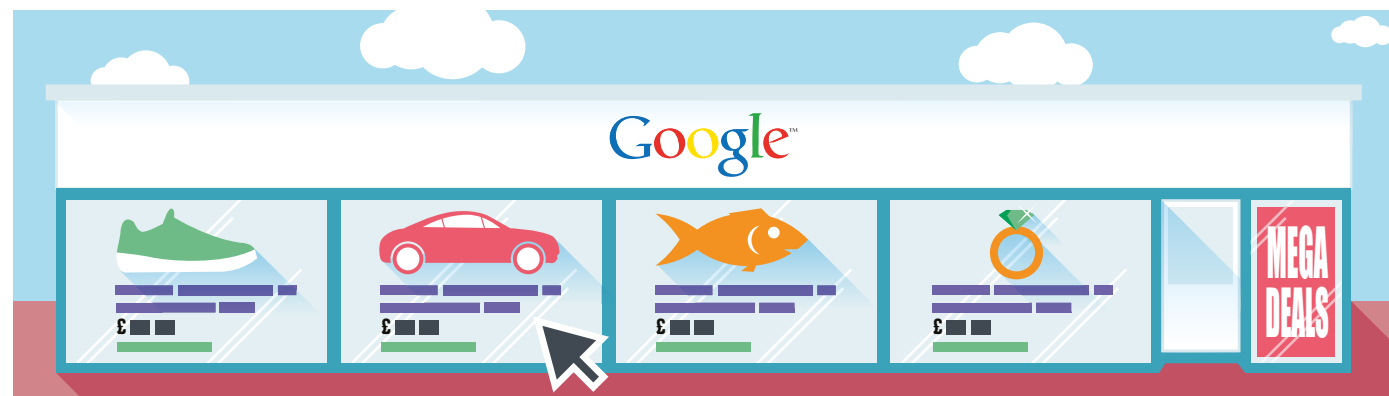
Up until recently, the PLA functionality was free of charge. However, since Google started charging for it, retailers have started paying for it. Why? Because PLAs drive direct sales to e-commerce sites. In fact, Forrester's report reveals that an average of 6% of online retailers' marketing spend is dedicated to the PLA function. The moral of this study? Don't let your retail website lag behind your competitors' by neglecting PLAs when working out your digital marketing budget.

To set up Product Listing Ads, you will need a Google AdWords account and a Google Merchant Centre account, which both need to be linked up. The Merchant Centre allows you to manage the information about your product, while your AdWords account is your hub for managing advertisements and campaigns. Once you have set up your PLA, you should start to see more website traffic and higher quality leads.

8   Using retargeting ads to cut 'abandoned basket' rates

One of your website visitors added a product to their virtual basket on your e-commerce site, but didn't go ahead and purchase the item within a specified time frame. How do you convert that website visitor into a customer? A retargeting campaign allows you to 'follow' that website visitor across the web with targeted ads based upon the product(s) they've shown interest in, enticing them to click back onto your website and proceed to purchase.

According to IMRG, retail companies lose around 58% of sales through baskets that have been forgotten about. However, the same report reveals that retargeting ads are likely to convert those abandoned baskets into sales. Set up a retargeting ad campaign for your website and monitor your number of abandoned baskets. Do you see a decrease?

9   Paid search tops the marketing mix

As you may have gleaned from the two aforementioned paid search tactics, paid search – also known as Pay Per Click (PPC) initiatives – are big business in the world of e-commerce. In fact, PPC strategies have overtaken organic search in terms of popularity in recent years. While organic search topped the marketing mix for retailers back in 2011, device usage fragmentation and Google's various algorithm changes have made it difficult for retailers to effectively optimise e-commerce websites for natural search, reports Forrester.

However, the fact that online US retailers spend around 55% of their budget on paid search is hardly surprising considering the breadth of easily-implemented, effective campaigns available. Paid search campaigns drive targeted traffic to your website for a small fee and the impact is instant. Retailers agreed that around 55% of their digital marketing spend is now dedicated to paid search initiatives (see figure 3), reports Forrester.

figure **3**

10

Tactic	Total	Business Size		
		Small	Medium	Large
Average marketing budget (US$ millions)	$7.6	$0.7	$6.1	$13.9
Paid Search	40%	29%	42%	36%
Email to house list	15%	15%	11%	19%
Natural Search optimisation	14%	14%	7%	17%
Affiliate programs	13%	18%	12%	11%
Product listing ads	6%	7%	15%	5%
Email to prospecting list	3%	4%	2%	1%
Wireless SMS & WAP text messages	1%	1%	2%	1%

Base: 65 retailers
Source: "The State of Retailing Online 2013: Marketing and Merchandising", Forrester Research, Inc., July 30, 2013

10 Email campaigns also big business for 2015

As presented in figure 1, alongside paid search, email campaigns have also overtaken organic search in terms of where online retailers are spending their digital budget. Email marketing allows for easy communication with customers; it's low-cost; campaigns are easy to track in terms of ROI; and opt-in features make email a consensual form of inbound marketing.

Unsurprisingly then, a study conducted by inboundmarketingagents.com reveals that 75% of all survey respondents say that email is their preferred marketing tactic and of the total time spent using email, 30% is dedicated to commercial emails. So, whether you're operating within the electronics sector or you own a fashion website, email campaigns are an ideal form of communication for reaching your customers.

11 Harmonising organic and paid search campaigns

While paid search campaigns have overtaken organic search in the marketing mix, natural search optimisation is still third from the top of the list (figure 1) and should by no means be ignored. To optimise your organic search campaigns, marry them up with your paid search initiatives – the two work well together.

Indeed, although paid and organic search strategies are each effective in their own right, they don't create as great an impact individually as they do when they're working together. Here are just three of the many benefits of harmonising your PPC and SEO campaigns for your e-commerce site:

Build trust – If both your paid and organic search listings show up together on a search engine results page, potential customers are likely to place more trust in your website and click through to it. This will also help you to drown out your competitors in the retail industry.

Improve your AdWords Quality Score – A webpage that has been well optimised in terms of SEO, should help to improve your AdWords Quality Score for your targeted pages. In turn, this will result in better PPC placement for your ads at a lower cost per click.

Data analysis – Harmonised SEO and PPC campaigns produce twice the amount of data, allowing you to analyse more information and gain an insight into the keywords that work best for your retail company. This will help to inform your future campaign planning.

12   A platform for customer reviews

Naturally, shoppers tend to place more trust in the experiences of fellow shoppers than they would in an advertisement for your brand. While you may have already implemented a platform for customer reviews, such as Google+ Local, ensure that customers can also see reviews directly on your website. If your website visitors can see what others are saying about the product(s) they're interested in, this creates a comprehensive buying experience that may help to drive sales. Plus, if you're providing an excellent service and your customers are writing about it, why not showcase it on your website?

13   Quality content

A strong content marketing strategy helps you to stand out from your competitors, increase awareness of your brand and keep your website visitors coming back for more. Additionally, high quality, search engine optimised content makes your website irresistible to search engines and is highly shareable. The first step to crafting an effective content strategy? Know your audience. Once you get to grips with your audience demographic, you can answer the questions that they want to know and provide the information that they want to read.

Use analytics tools to pin-point what your website visitors are looking for. What are they typing into search engines to find your website? What are they typing into your website's search function? Once you have gained this information, you can then adapt your content strategy accordingly, to provide your visitors with the information they're looking for.

Alongside blog posts, product reviews and comparisons, industry news articles and press releases are effective ways of creating hype around your brand, driving more visitors to your website and building an element of trust between your brand and your customers.

14 Consistent brand identity

A strong, consistent brand identity should communicate what products your brand provides and how your unique selling point sets you apart from your competition. By applying the same branding – including logos, fonts and colour schemes – across your website, stationery, packaging etc., customers will begin to recognise your brand and trust it.

Additionally, just as your website pages should conform to brand guidelines, so should your social media accounts. Indeed, your social media guidelines should include rules on which channels to use, social media etiquette, and a social media content calendar, which clearly outlines all of your social media activity. This will help all social media managers to stay on track with the social media strategy and maintain a consistent voice to tie in with the brand.

15 Be a sociable brand

Social media plays a productive role in telling, developing and spreading your brand's story to capture customers' attention – and wallets – with the aim of growing sales both in-store and online.

With a rising number of large retailers investing more time into their social media strategy in order to inform and inspire users, direct sales from social media platforms are forecast to grow from £210 million to £290 million in 2014.

While the main social media platforms - Facebook, Twitter, Google+ and LinkedIn - are great for reaching out to your customers, don't forget to build your online presence on image-centric networks such as Pinterest. These are great platforms for showcasing new products to your customer-base.

16   Video production

In the age of digital, there's one thing missing: customers who haven't already experienced a product in a 'brick and mortar store' won't get the chance to see the product in action before purchasing. Encourage more online sales by providing video demonstrations of your products.

A key trend for retailers is the implementation of video functionality into their websites. "The cost of producing video has decreased and consumers can more easily and consistently view the video as they access web content through phones and tablets," writes Sucharita Mulpuru, from Forrester Research.

The benefits of video integration span far beyond helping your customers to make informed decisions about certain products. In fact, "video content can have a second life outside [retailers'] own sites through placement on sites such as YouTube," writes Mulpuru. Indeed, video content is highly shareable and can seriously boost your brand awareness on video-centric websites.

17   The importance of analytics

As one online clothes retailer told Forrester, "showing ROI from one channel silo doesn't matter anymore. We have to think holistically" (Munchbach, 2013: 2). Indeed, to fully optimise your users' experience, you must understand each website visitor's activity across multiple channels. Once you have gained an insight into each user's behavioural attributes and purchase history information, you can then provide unique offers to ensure that your customer stays loyal to your brand. To gain access to detailed information about your website visitors, an insightful analytics tool is essential.

Round-up

So, against the backdrop of multi-tasking, mobile shoppers, what are the key points you need to action in order to optimise your customers' user experience and maximise your online revenue throughout 2015?

- The Click and Collect service accounts for around 25% of multi-channel retailers' sales. Implement this service, or a similar facility, where possible.

- As mobile-generated revenue is on the rise, ensure that your website theme is fully optimised for mobile devices. Users should be able to view your website's content on mobile devices, just as easily as they can view the content on laptops and computers.

- With 28% of emails opened using a smartphone and 16% opened using a tablet device, ensure that your email templates are optimised for all mobile devices.

- Invest some time into A/B testing to increase your conversion rates - the potential results can be remarkable.

- Create an intuitive navigation bar with advanced filters.

- Increase brand awareness and put your retail company on the map by setting up a Google+ Local Places page.

- With 58% of online sales lost due to abandoned baskets, set up retargeting ads to entice your customers back to proceed with their purchase.

- Paid search, email campaigns and organic campaigns have been voted as the top three most popular forms of digital marketing in a recent survey - take advantage of these digital marketing initiatives.

- Harmonise your organic search and paid search campaigns - they work even better together than they do alone.

- Help your customers to make informed purchasing decisions by displaying customer reviews on your website.

- Stand out from your competitors and create hype around your brand with a strong content marketing strategy.

- Direct sales from social media platforms were forecasted to grow from £210 million to £290 million throughout 2014. Use these platforms to inform and inspire your customers.

- Creating video demonstrations will enhance your customers' experience and increase brand awareness through other websites such as YouTube.

- Analyse your customers' buying journeys using a detailed analytics tool. This will help to inform your future marketing strategies.

Contact Click Consult

Do you need any further assistance with your search marketing strategy?

Our **Click Consult website** features an **online resources section**, full of useful how-to guides.
We also write a **blog**, where you can find an abundance of search marketing tips.
If you're feeling social, get in touch on **Google+, Facebook, Twitter** or **LinkedIn**.
Alternatively, if you'd like to speak to us over the phone, you can give us a call on **0845 205 0292**.

We look forward to hearing from you.

As always, we'd like to wish you the best of luck with all your search marketing efforts.

The team at Click Consult

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