

Ecommerce Gets More Mobile Savvy

by **Tim Parry**, Multichannel Merchant

Google's so-called Mobilegeddon has come and gone, and hardly a merchant was scathed.

Starting this past April 21, Google expanded its use of mobile-friendliness as a ranking signal, and said that would bring significant impact to search engine results. Though Google only gave web developers about two months' notice regarding its algorithm changes, merchants were generally already ahead of the game, and were prepared to face the new mobile-commerce world.

That's because the writing on the wall was there for merchants even before Google made its announcement: Mobile sales accounted for 22.6% of all online sales for the 2014 holiday season, an increase of 27.2% year-over-year, according to the IBM Digital Analytics Benchmark.

If there is one major lesson merchants learned during the 2014 holiday season, it's that mobile mattered more than ever.

After years of being told "this is the year of mobile commerce" by industry experts, the combination of bigger-and-better tablets and smartphones combined with more sophisticated mobile commerce platforms drove this change in consumer shopping habit.

That was also evident in Multichannel Merchant's MCM Outlook 2015 survey, which was fielded from Feb. 17 to March 10, and had 175 qualified respondents.

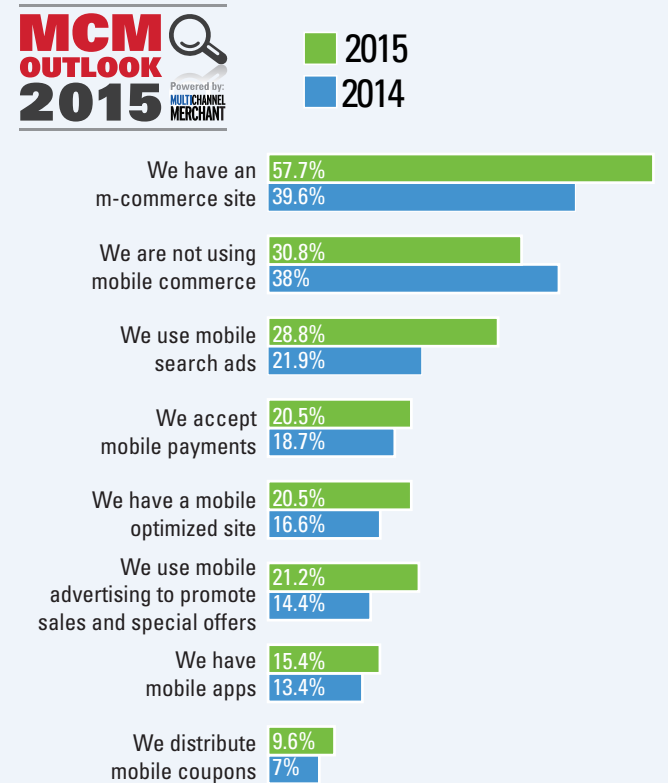
The results show that 57.7% of retailers have a m-commerce site. That's up significantly from the nearly 40% who said they had a mobile commerce site when the MCM Outlook survey was conducted in 2014.

Those merchants who said they have a mobile-optimized site also grew. In 2014, it was 16.6%, and grew to 25% in 2015.

Of course, we're not certain how Mobilegeddon af-

Which of the following mobile commerce strategies are you currently using?

(Select all that apply)



ected the 30.8% who said they do not have a mobile site. However, it should be noted that in 2014, 38% of respondents said they did not have a mobile site.

Multichannel Merchant's Holiday Ecommerce Benchmark 2014 survey respondents also saw a tremendous rise in mobile sales traffic. Nearly 15% of respondents said their ecommerce traffic via mobile devices rose between 25% and 29%, while almost 20% said ecommerce sales via a mobile device grew 15%

to 19%.

"Mobile is obviously the big story, no question," said Ken Burke, Founder and CEO of MarketLive, during an interview with Multichannel Merchant at IRCE 2015, adding that over 50% of his clients' overall traffic now comes from mobile devices, and that conversions have more than doubled what they were a year ago. "So now we're not only seeing people browsing from their mobile devices, they're buying as well."

The MCM Outlook 2015 survey results also show more merchants are using mobile search ads to attract buyers (28.8% in 2015, up from 21.9% in 2014), and accepting mobile payments (25% in 2015 vs. 18.7% in 2014) to make smartphone transactions simpler. In addition, 15.4% of respondents said they have a mobile app (up from 13.4%) and 9.6% are distributing mobile coupons (up from 7%).

Now that the volume is there, Moosejaw Mountaineering CEO Eoin Commerford said it's time for merchants to fine-tune their mobile strategies.

"I think the challenge with mobile is how do we really effectively acquire customers that way?" Commerford said during an interview with Multichannel Merchant at IRCE 2015. "Certainly search is fine, email is great, but beyond that, is there effective retargeting, can display really be effective in mobile when people are using their apps for games and not really thinking retail?"

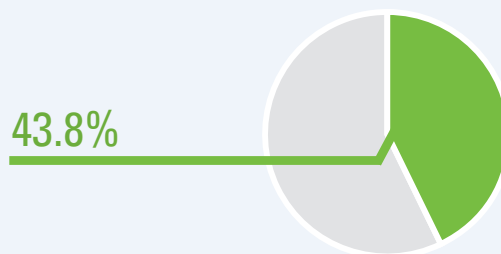
Commerford added that cracking that code and getting beyond search for mobile is a big focus for Moosejaw because it represents well over 50% of its traffic now, and that conversion rates are getting up to tablet level, and maybe desktop in the near future. "It's happening, but how do you really harness that?" Commerford said.

The Importance of Retargeting Grows

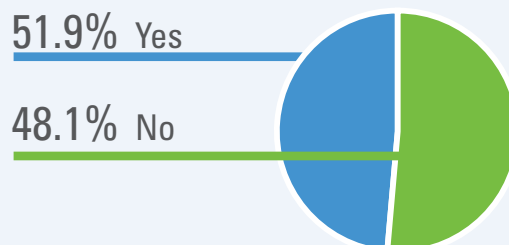
On a scale of 1 to 10, with 10 being most valuable, respondents rated the value of email an 8.5 to their ecommerce strategy. It was the top-rated task in 2014, too, with an 8.1.

And two tactics that go hand-in-hand with email marketing saw the largest year-over-year leaps in value. Respondents rated the value of retargeting a 6.9, up from 5.2 in 2014, and marketing to shopping cart abandoners an 8.8, up from 5.5 last year.

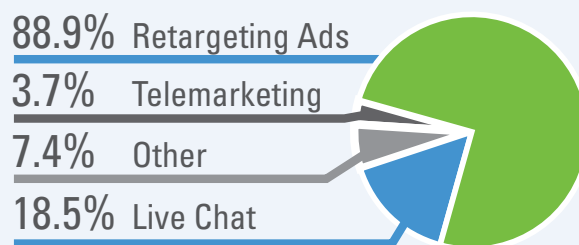
What percent of shopping carts are abandoned?



Do you send shopping cart recovery emails?



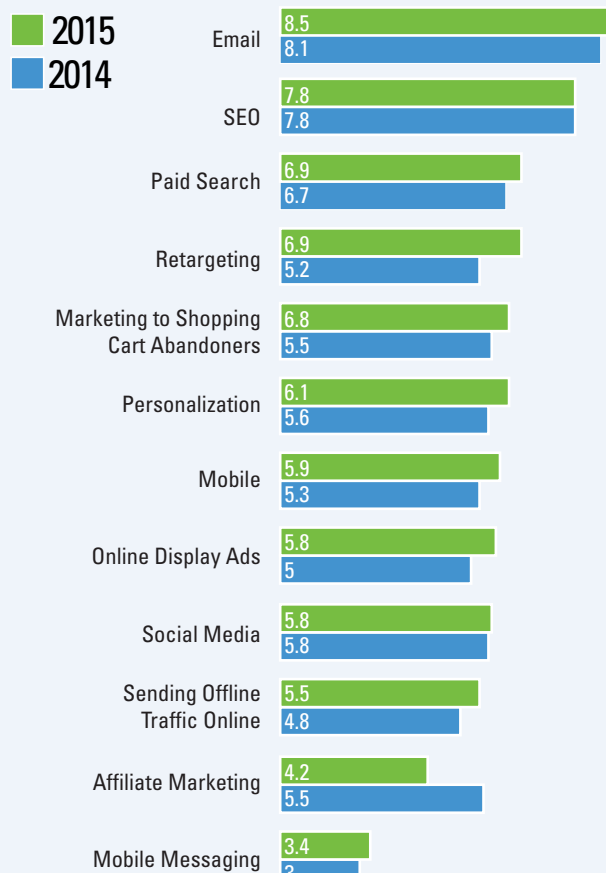
Aside from shopping cart recovery emails, how are you marketing to shopping-cart abandoners?



Why such growth? Well, you can start with these numbers: According to one case study, jewelry and accessories retailer Alex and Ani saw a 36% lift in monthly revenue using abandoned cart emails. Meanwhile, outside of email, Rue La La was able to use relevant display ads to reactivate dormant customers. In a key customer segmentation effort, achieving a 10% lift in its retargeting conversion rate vs. a control group.

With that, the MCM Outlook 2015 results also shows that 50% of respondents planned to add trig-

On a scale of 1-10, with 10 being most valuable, how would you rate the value of each of the following to your ecommerce strategy?



gered email functionality over the next 12 months. That's up from 40.7% in 2014.

Triggers can get pretty sophisticated, depending on what you're planning to do. But you want triggers to be a part of your ESP's campaign builder workflow.

Megan Nonemacher, Ecommerce Marketing Manager at Rodale's, said her company has had successful welcome campaigns and abandon cart campaigns, and stepped it up in 2015. Rodale's added things like post-purchase campaigns, reactivation programs, a browse-and-abandon campaign, and an automated email series that provides personalized, recommended products based on customer search behavior and buying patterns.

"We know that personalization can increase customer engagement by as much as 22%, so we're going to focus a lot of energy in this area," Nonemacher said.

Amazon Still the Marketplace King

But still, of the 42.3% of respondents who said they sell through third-party marketplaces, 73.8% said they are selling on Amazon. eBay was a distant second, with 54.8% selling on that marketplace, and Sears was an even more distant third at 26.2%.

More than 40% (41.7%) of respondents said they are using marketplaces to expand their U.S. audience, and 13.9% said they are using them to grow their global audience.

Okay, since the MCM Outlook survey was conducted, Amazon got a bad rap (yet great sales numbers) for its Prime Day sales holiday.

But Prime Day wasn't a bad day for Amazon marketplace sellers. For example, Tech Armor, which sells screen protectors and accessories for mobile devices, said in an email to Multichannel Merchant that it had a record sales day on Prime Day.

"We have already sold as much Tech Armor as we would have on Black Friday and there are tons of deals on our best selling Tech Armor products all day today," said Joseph Jaconi, Co-Founder and General Manager of Tech Armor. "We could not be happier with the results."

Getting More Social

Respondents said they planned on getting more social: 50% said they planned to add more social media tools to their ecommerce sites over the next 12 months. That's up from 36.4% in 2014.

There are millions of people visiting social media sites every day, but many businesses are still struggling with how to capture these interactions and use them to drive more personalized marketing. Home furnishings retailer Ballard Designs wanted to drive sales, reward loyal fans and gather social data through a recent two-part promotional giveaway, offering 20% off all products and a chance to win Ballard Bucks. The results drove \$400,000 in sales, a 72% increase in fans and 31,000 new names added to the database.

With 1.5% of ecommerce web traffic being driven from social media, for most merchants today, social media is still an emerging channel. But social media has gained traction with the new wave of buy buttons and could be a potential game changer for merchants. Keep in mind that MCM Outlook 2015 was conducted

The more B2B changes, the more it stays the same

Yes, there are (or are) more bells and whistles than ever in B2B ecommerce, but there's not a straight conversion between the B2B and B2C audiences, said Steven Baruch, Vice President of Strategy for MSC Industrial Supply, during an interview with Multichannel Merchant at IRCE 2015.

"The notion of consumerization of B2B comes up a lot. B2B customers are increasingly expecting that B2C experience," Baruch said. "It does create a lot of pressure for B2B companies to replicate what they see in the B2C world, but it's also fraught with risk because it's not a pure translation. So when you think about what our B2B customers are looking for, it's incumbent upon us to look at this vast array of capabilities that the B2C customers are using today, and make sure that we're really diligent about picking those that most suit the needs of our B2B customers and add the most value.

One big difference is variety of product offered on the B2B site. Less is more is kind of a mantra for most B2B sellers.

"When you look at the B2B customer, most of them are not looking for the most SKUs at all. They're looking for the exact opposite," Baruch said. "They're looking for fewer SKUs, fewer suppliers, fewer products, especially if that means faster work and lower costs."

Not everything from the B2C world will translate, Baruch said. There's absolutely an expectation from an experience perspective that a lot of the basics need to be covered, but curating your experience based on the needs of the customer has got to stay at the top of mind, Baruch said.

While 47.5% of MCM Outlook 2015 B2C respondents said they use video on their ecommerce site, that paled in comparison to the respondents who said at least half their audience was B2B.

B2B buyers need to know as much as they possibly can before buying the right product for their needs, and that was reflective in two-thirds of the respondents saying they have video on their sites.

Another big difference was the use of live chat. More than half (55%) of the B2C respondents said they have some sort of live chat active on their sites. But most B2B merchants have a more-personal sales force, which is why just 16.7% of B2B respondents offer up live chat.

On a scale of 1 to 10, with 10 being most valuable, B2B respondents rated the value of social a 5 to their ecommerce strategy. In contrast, B2C merchants ranked social media a 6.45.

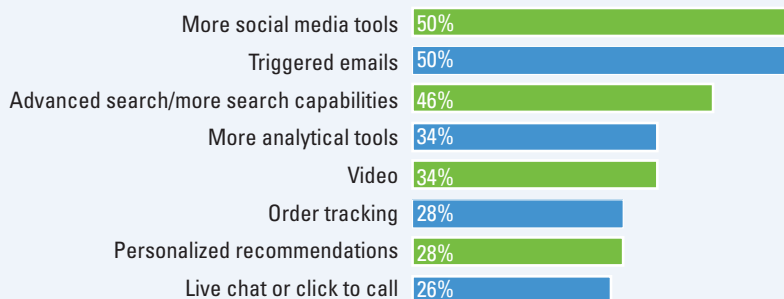
And while B2C respondents rated mobile a 6.8, B2B respondents rated it a 4.9.

- Tim Parry

before the recent wave of buy buttons being added to social media sites. Visual social sites Pinterest and Instagram added buy button ability to their platforms this past spring, and, after heavy testing, Twitter recently announced it would jump on the buy button bandwagon.



What functions do you plan to add to your Website in the next 12 months? (Select all that apply)



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