

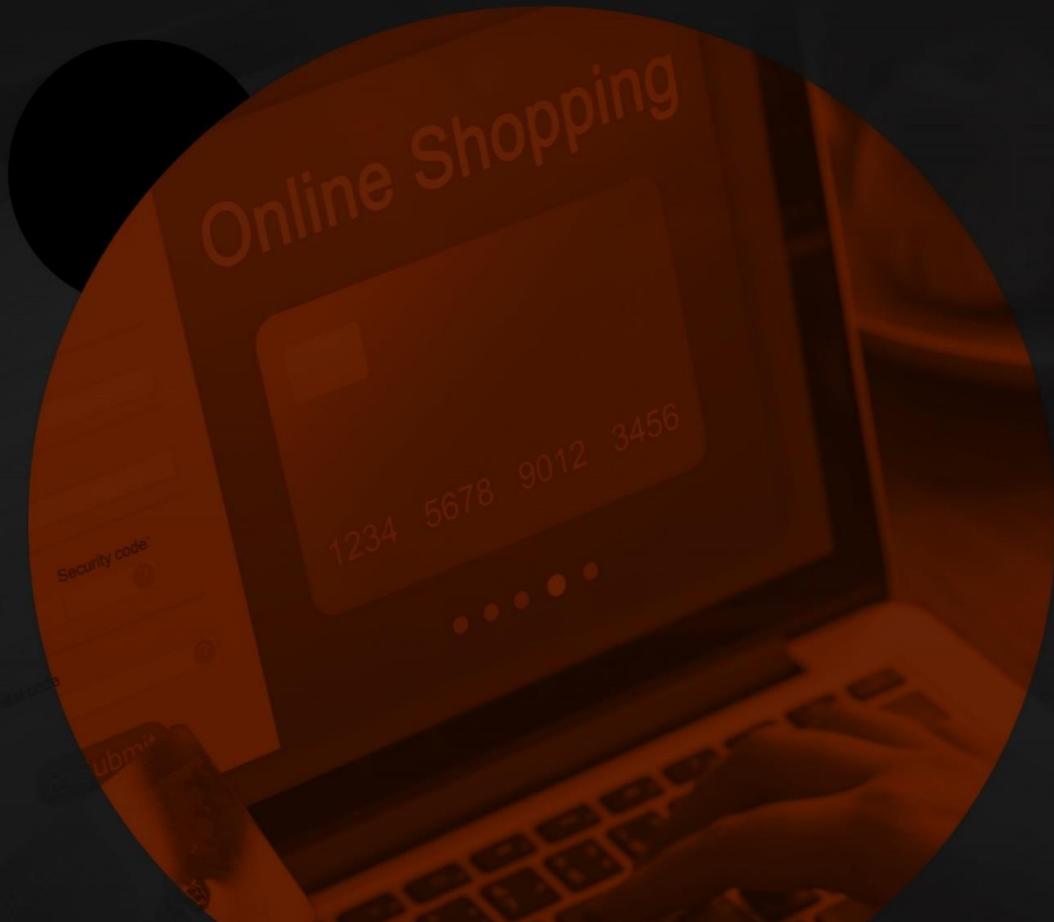
Your Remarkable Digital Partner.



# The Marketer's Guide to eCommerce.

---

How brands can leverage the  
eCommerce boom.



## Executive summary.

A lot has happened since 2019. The global pandemic changed our world, and we are seeing evidence of this change in eCommerce. As the growth in online sales continues to increase, it is important to align your eCommerce strategy to take advantage of this trajectory. In this guide, we outline the key strategies and tools and frameworks like **Flightdeck** and **TransAct**, that if implemented, can double your online sales on retailers in 9 months.

# How to double your online retail sales.

Organic optimisation is when teams, partner agencies and retailers work in close collaboration and is at the core of boosting online sales.

There has been a huge shift in eCommerce in the past two years, with more people shopping online than ever before. If your marketing strategy is not aligned with this new trajectory, you will fall behind.

This guide aims to bring you up to date with the changes, explain in real terms why they happened and offer fresh ideas and strategies that are relevant to the current and future customer base.

The idea of doubling your online retail sales in just nine months might sound ambitious, but we have helped make it happen for our clients, and we are confident that we can help make it happen for your business too.



# The changing eCommerce landscape.

---

1.35 million  
Australians shopped  
online for the first  
time in 2020.

In 2020,  
**80%**  
of Australians  
shopped online

Cyber Weekend  
& Black Friday saw a

**6%**

year on year  
increase in sales  
during 2021



It has been inevitable for a long time that online retail sales will eventually overtake physical sales as the primary means of consumers purchasing goods and services. That is the belief at the core of all [eCommerce marketing strategies](#).

The net effect of Covid-19 has brought the state of eCommerce and online retail sales in Australia to a place where we are now five years ahead of even the most optimistic of expert predictions pre-Covid.

As evidence of that claim, 1.35 million Australians shopped online for the first time in 2020. The number of Australian households that bought at least one product or service online during 2020 is 80% or four in every five. Today, there are 5.5 million households in the country shopping online regularly.\*

This trend is reflected in the popularity of online retail sales events like Cyber Weekend and Black Friday. Both saw a six per cent year on year increase in sales during 2021.

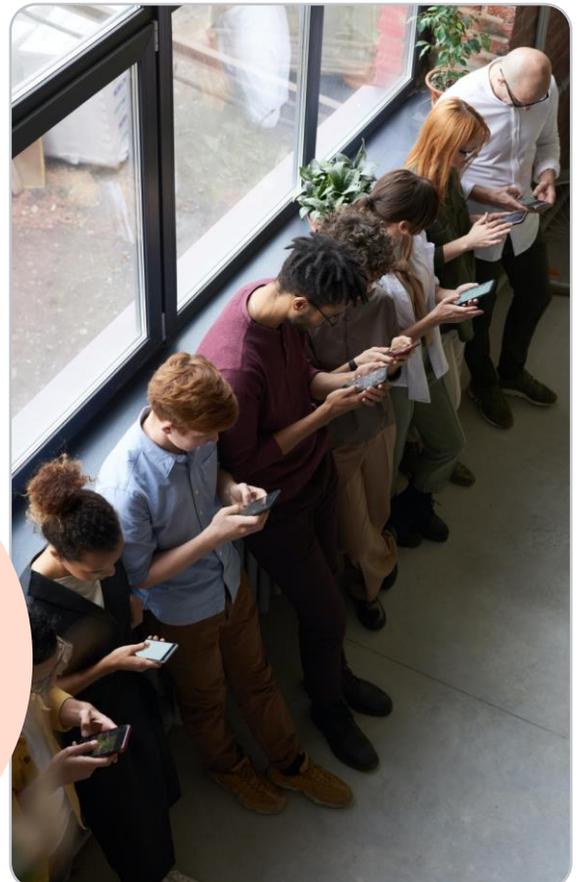
# The changing eCommerce landscape.

This sounds like good news if you run an eCommerce business, but it comes with a downside. Sales might be up, but traffic is down.

The growth in online shopping increased the most between 2019 and 2020 after which numbers tapered down slightly for 2021, resulting in a +8.61% year on year drop.

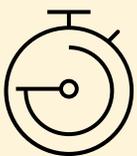
Consumers are also engaging with online shopping for longer periods than they were at pre-pandemic levels. The average time a consumer spent on one of the top 100 eCommerce and shopping websites in November 2021 was four minutes and eight seconds - an increase of 4.20% year-on-year.

The number of people that are shopping online may have dropped slightly since the lockdowns ended, but those shoppers are more engaged than ever before, and their expectations are high. To leverage this change in consumer behaviour, effective marketing strategies must be implemented to attract and keep consumers engaged with your site.



The average time a consumer spent shopping online in November 2021

**00:04:08**  
min. & sec.



# Global brand volatility.

Big brands are pulling away from commercial partnerships and focusing instead on selling directly to consumers.

Nike was responsible for

**70%**

of all Footlocker sales during 2021



One of the most recent example of global brands adjusting to this changing marketplace is Nike's decision to pull out of Footlocker - a decision made more remarkable when you consider that Nike was responsible for 70% of all Footlocker sales during 2021. That single example reflects a broader trend of big brands pulling away from commercial partnerships to instead focus on selling directly to consumers; a trend that is expected to translate locally during the next twelve months.

Brand recognition is still a principal factor to consumers, but consumers still largely defer to retailers. That could be down to price or the perception that retailers are impartial. It is too early to determine which of those is the more critical factor, but it could be a combination of both. What can be said for certain is that [eCommerce marketplaces](#) like Amazon are growing their market share exponentially.

In terms of Australian eCommerce, marketplaces accounted for 20% of market share in 2019. In 2020 that figure jumped to 32% and is expected to continue to rise.\*

# The keys to eCommerce success.

A data-driven eCommerce strategy utilises a diverse set of inputs such as traffic, online share of voice, retail sales and engagement rates to build a cohesive approach to retail partner engagement



There are four key areas to consider when it comes to achieving eCommerce success.



**01** Team structure and ways of working between marketing, eCommerce, and sales functions



**02** Creating a data-driven, cohesive eCommerce strategy



**03** Striving for “best in class” digital shelf optimisation



**04** Using retail media to accelerate sales

Let us start with team structure and an explanation of why it matters. The basic truth is that many brands are uncertain about who within their existing structures should be responsible for what actions. Many traditional roles are becoming redundant and must be pivoted to focus on eCommerce.

We have seen retailers begin to focus on website real estate as a means of monetisation through partnerships, offering space to run campaigns and improve acquisitions. However, we have not seen a significant depth of data to validate investment in these areas.

# The keys to eCommerce success.

---

A data-driven eCommerce strategy utilises a diverse set of inputs such as traffic, online share of voice, retail sales and engagement rates to build a cohesive approach to retail partner engagement.

The big question facing most eCommerce marketing and online retail companies is: Who should manage these conversations and make these decisions?

The overwhelming temptation is to move to a direct to customer approach to gain greater control, but that is often to the detriment of overall sales. We want to ask a different question - why not use both approaches in conjunction? Let us look at some scenarios.



## Scenario 1:

Sales and marketing are two different divisions. The sales team engages with retail partners, and the marketing team works with the agency partners. This is more of a traditional model where historically the vast majority of sales come through brick-and-mortar retailers.



## Scenario 2:

For brands that have eCommerce as an emerging channel and online sales are driven via retailers, we see green shoots of eCommerce function within the brand.

The eCommerce function is usually formed under the sales team as the core relationship with retail partners are held in the sales team.

# The keys to eCommerce success.

---



## Scenario 3:

In more mature brands where perhaps a small D2C channel is being built, the eCommerce function is formed as part of the marketing team. The sales team is still exclusively responsible for dealing with retailers, but eCommerce now has a direct relationship with marketing and agency partners.

The skillset of the eCommerce department in most businesses is more closely aligned with the skillset of digital marketing than it is with sales. It is a more logical placement of the division.



## Scenario 4:

A brand with a multichannel eCommerce focus that utilises D2C, online retail and marketplaces should consider setting up the eCommerce function as a separate team to sales and marketing and creating a matrix where sales and marketing are the two key stakeholders of the eCommerce team.

In this scenario, the eCommerce team can focus on maximising the effectiveness of both marketing activities and retailer partnerships to deliver eCommerce growth whilst delivering a seamless shopper experience on owned channels.

# Data-driven strategy.

**TransAct.** is a customer-centric approach to eCommerce designed to provide your customers with frictionless experiences from interest to purchase across the complex, multi-disciplinary ecosystem.



Our eCommerce philosophy is called **TransAct**. It is a customer-centric approach designed to reach your consumers at key moments during their online shopping journey and provide them with a frictionless eCommerce framework from interest to purchase across the complex, multi-disciplinary ecosystem.

We can break this down into four stages; get considered, get discovered, get sales, and get loved.

- \* **Get considered** by understanding the needs of customers, including their behaviours and the triggers that compel them to purchase.
- \* **Get discovered** by optimising product visibility in the moments that matter most.
- \* **Get sales** by creating a frictionless experience across all touchpoints.
- \* **Get loved** by focusing on improved post-purchase experience resulting in improved product ratings and reviews.

# Data-driven strategy.

In broad terms, there are three opportunities to sell online. We can sell directly to the customer (D2C), sell through marketplaces like Amazon and eBay, or sell through eRetailers like Coles, Woolworths etc. However, the simplicity of that outlook does not reflect reality.

The reality is that we are faced with a complex, multi-discipline ecosystem with the manufacturer at the top and the three sales routes - D2C, eRetail and Marketplaces - lined up beneath them.

The route you choose will determine the type of expertise you need. A manufacturer going down the eRetail route will need to consider co-funding campaigns, on-site search, retail media and Facebook collaborative ads.

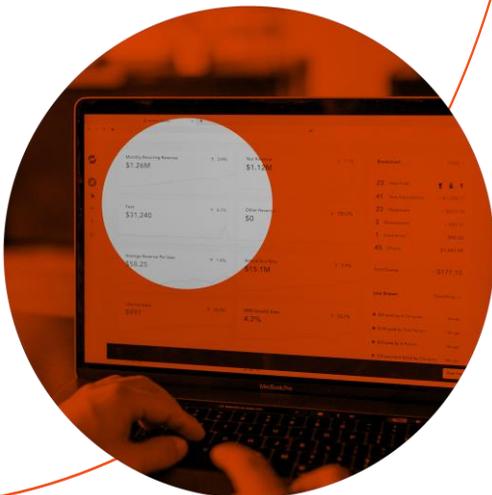
A manufacturer using marketplaces needs to think about sponsored search and display and will certainly need an Amazon store. Going direct to the customer means a well functioning online store, a shoppable media strategy, and an active SEO strategy that prioritises visibility.

Flightdeck offers insight into your share of the digital shelf with a bespoke eCommerce dashboard and full reporting.



# Data-driven strategy.

Reaching organic optimisation will reduce your reliance on paid media and boost your long-term eCommerce ROI.



These are different disciplines and will often require different teams, partners and individuals. To decide which route is best for you, it's essential to understand key data points.

These include traffic data: clickstream data and retail media clicks. You also ideally source a breakdown of online and offline sales from retailers. Tools such as [Flightdeck](#) can help you understand your share of the digital shelf by giving a clear picture on your visibility versus competitors across all of your key retailers.

Ideally, you also need a bespoke eCommerce dashboard and full reporting so you can harvest data from multiple sources and produce cohesive reports. Without that, you are flying blind.

Organic optimisation is when teams, partner agencies and retailers work in close collaboration, and is at the core of boosting online sales.

To get there you need a clear strategy and software platform to support it. The rate of investment can be high, and it will certainly take time and expertise, but through organic optimisation, you can reduce your reliance on paid media and increase your long-term ROI.

# Best in class shelf optimisation.

Best-in-class shelf optimization focuses strongly on improving your product content on your key retailers. It is crucial to operate in a mindset of how to better visual merchandise your product online

The most common platform used by most brands when it comes to retail product content management is SKUvantage. For those who are not familiar, it is a platform capable of housing all your product information. When used correctly, SKUvantage can help you to visually merchandise your products online.

Through SKUvantage, brands can submit briefs, approve products, delete products, update product content, edit product descriptions and features, and most importantly of all, they can add media, including but not limited to video links, 360-degree imagery and attachments. Nailing the basics of SKUvantage is vital to any successful eCommerce retail strategy.



# Best in class shelf optimisation.

The best-practices of SKUvantage should be self-explanatory, but so many companies get them wrong.

With images of products, brands should have images of the front, back, and all sides of their product, with both in pack and out of pack images.

Consider the destination of these images. They need to be optimised for mobile if they are headed to Coles. If they are headed to Woolworths, they need to fit the "lifestyle" category. Copy descriptions should use bullet points wherever possible.

For rich content and luxury products, 360 rotational spins or video links of the product in action help to achieve sales. The inclusion of brand logos when possible, adds a sense of legitimacy.

The smallest of mistakes with copy can have disastrous results. For example, in 2021, Dan Murphy's listed Asahi as a Chinese beer. The net effect of this was that Asahi did not show up in search results for search term "Japanese beer", and both Asahi and Dan Murphy's lost out on sales.

Mobile optimisation is also important. More than 50% of all web traffic now comes through mobile\*, but far too many eCommerce websites are still set up for desktop or laptop visitors. Consider how this affects your search results. If you are using large text banners and larger thumbnails, consumers will have to scroll down a long way to find the product they are looking for. Many of them are likely to give up and go elsewhere before they get there.

## Successful eCommerce strategy's best-practice

1. Have images of the front, back, & all sides of the product
2. Include in pack & out pack of the product packaging
3. Optimised for mobile & desktop
4. Use bullet points for copy descriptions
5. For rich content & luxury products include 360 rotational spins or video links of the product in action

# Best in class shelf optimisation.

Through using SKUvantage - and the guidance of our expert team - brands can learn which parts of the real estate on their product page truly matter to visitors. Understanding where the natural gaze of a visitor falls when they land on your product is essential knowledge, as is understanding the psychology of an eCommerce consumer.

Tiles, banners, and educational content are the most crucial aspects of the page - but understanding where to place these is just as important. We have been able to demonstrate incredible month-on-month improvements through rich content optimisation. Some clients have achieved a bounce rate reduction of 68.85%, with a 51.73% increase in time spent on product pages and an increase in the share of search by more than 50%.

While understanding the benefits of SKUvantage in relation to best-in-class shelf optimisation,

More than  
**50%**

of all web traffic comes through mobile\*



we should also understand which data is and is not pulled through. Some updates will still require a direct conversation with retailers. For example, Coles does not update product titles from SKUvantage. Nor does Woolworths. Brands will still need to speak to their retailer stakeholders to action product title updates with these retailer. The capabilities of SKUvantage are outstanding - but they do not solve every issue.

# Retail media.

Agile marketing is when trends are responded to in real-time and is only possible with the right data and software.

The best way to use retail media to accelerate sales is through data-driven decision making. Data does not lie, exaggerate, or minimise the importance of information - it simply reports.

A good example of data-driven knowledge is the fact that even the best organic search results will not show "above the fold" with Coles because it is occupied by paid-for placements.

With Woolworths, the space above the fold is occupied by a mixture of paid-for and organic product placements. You can achieve more prominent placement at Woolworths than at Coles through just organic optimisation, and the knowledge of that should inform your strategy with both retailers.

Agile marketing is when trends are responded to in real-time and is only possible with the right data and software.



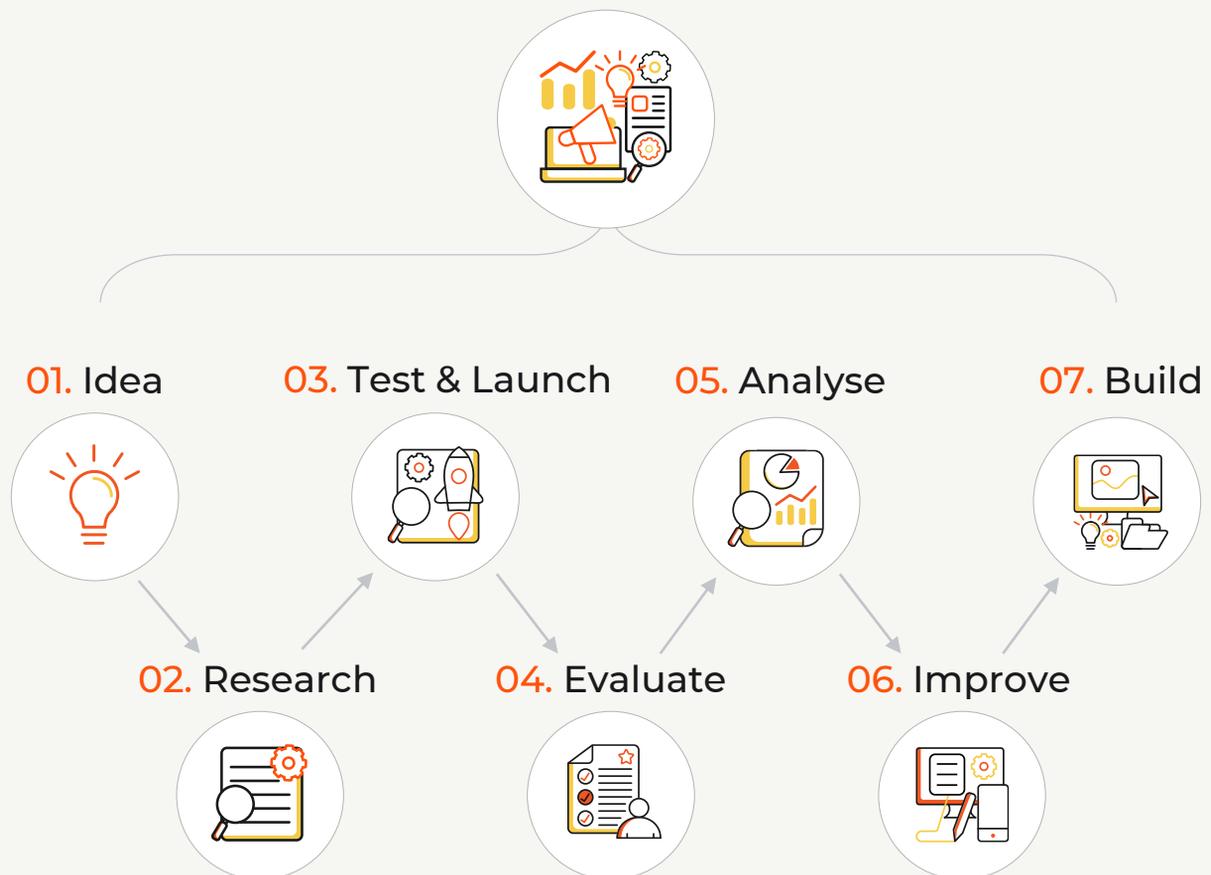
# Retail media.

Data-driven decision making can be as simple as responding to trends when you see them. If you see a high ROI SKU, you can instantly re-allocate the advertising budget to take advantage of it. This is agile marketing, but it is only possible if you have the right platform expertise and data to see trends happening in real-time.

By using data, you can also develop a strategy matrix based on your desired KPI.

For example, if you are looking for the highest sales margin, you will want to select SKUs with no discounts across any retailers, but also SKUs that have an inherent high margin such as premium products. If you are looking for the highest sales growth, you will want to look for SKUs with the most active offers through retailers marketing channels and offers. The logic is simple, but spotting the opportunities is not so simple unless you have the right technological support.

## Agile Marketing Process



# Impact on brand merchandising.

Between August 2021 and March 2022 our clients' unit sales grew by 146% with a 106% increase in revenue.

**106%**

Clients' increase in revenue

**146%**

Clients' sales increase



At the beginning of this Guide, we mentioned that it is possible to double your share of online retail sales within nine months. All of this would mean nothing unless we could provide a specific example - and so we shall.

Between August 2021 and March 2022 our clients' unit sales grew by 146% with a 106% increase in revenue.

We have recently worked with a brand that operates within the pharmaceutical industry. We began working with them in August 2021. Back then, their share of search across key retailers like Chemist Warehouse, Woolworths and Coles was barely twenty per cent. The following month we helped them adjust their team structure alignment and their Search share increased to thirty per cent. In December, the customer reviewed their retail media investment budget and made significant changes in line with our advice.

By March 2022, the client's SKUs were three times more visible in organic searches across retailers, and their share of search had reached sixty per cent. Sales were up by 146%, with a 106% increase in revenue.



## Conclusion.

We have explained how and why the landscape of eCommerce marketing has changed. We know that the behaviour of Australians shopping online has shifted dramatically towards greater engagement and more time spent online, and we know that it is not going to shift back. We have examined how existing team structures and eCommerce marketing strategies are yet to catch up with this shift, and the benefits of making the necessary changes as soon as possible. We have shown how it is possible to double online retail sales within 9 months and provided a specific example of a case where we helped to make that happen.

Our objective is to help you achieve the same remarkable results. If you would like to start your growth journey, learn more about our service or sign up for our next webinar to hear more exciting tips from our specialists, now's the time to **get in touch!**

### Sources:

\* [Australia Post Inside Australian Online shopping, eCommerce industry report 2021](#)

\* [Mobile percentage of website traffic 2021](#)

## Contact us.



### Mo Far

*Chief Product Officer*



### Gavin McColl

*Head of Experience & eCommerce*

### Find us:

**f** [facebook.com/ResolutionDigitalAgency](https://facebook.com/ResolutionDigitalAgency)

**t** [twitter.com/ResolutionAU](https://twitter.com/ResolutionAU)

**@** [instagram.com/resolutiondigitalagency](https://instagram.com/resolutiondigitalagency)

**in** [linkedin.com/resolutiondigital](https://linkedin.com/resolutiondigital)

**globe** [resolutiondigital.com.au](https://resolutiondigital.com.au)

## About us.

Resolution Digital is an award-winning full-service digital agency. Our mission is to deliver remarkable results for our clients.

For over 14 years we have delivered remarkable results for hundreds of clients, large and small, by tailoring our solutions to each client's unique needs.

By helping our clients overcome their most complex digital marketing challenges we have developed comprehensive Consulting, Products, Services, Technology and Training solutions, all of which are delivered with a focus on key metrics that ladder up to deliver remarkable ROI.

Our eCommerce specialists are here to help you accelerate your online sales growth on Marketplaces, Online Retailers, or D2C across both organic and paid channels.

Resolution Digital is part of the Omnicom Group, and where needed, partners with the local and global creative, media, data and technology agencies within the Omnicom Group to deliver exceptional results for our clients.