Profitero

Better Performance Through eCommerce Analytics

Featuring Profitero Podcast Contributors:

- **Keith Anderson,** *Profitero*
- **Mark White,** *content26*
- **Bill Bishop,** *Brick Meets Click*
- **Alex McCord,** *Compass Marketing*
- **Patrick Miller,** *Flywheel Digital*
- **Graham Merriman,** *Hub Controller*
- **Pieter van Herpen,** *Syndy*
- **Melissa Burdick,** *The Mars Agency*
- **Phil Chang,** *Hubba*

eCommerce Trends Impacting CPG and Retail Today

Profitero's brand new Podcast series collaborates with industry thought leaders and influencers, including The Mars Agency, Compass Marketing, Brick Meets Click, and Flywheel Digital, to discuss the key eCommerce trends impacting the CPG and retail sector today.

We've summarized some of the most important guidance from these industry experts to help you optimize your performance in the eCommerce channel and win online.

Planning for eCommerce Growth in CPG

Keith Anderson, Profitero

"An important thing to consider is just how influential the online channel is to all retail. Latest data from Deloitte suggests that at the end of 2015, almost two-thirds of all retail was digitally influenced in some capacity. And we've observed that more and more CPG companies are starting to prioritize eCommerce at the digital shelf, not only as a sales channel but as a marketing channel.

"Be certain when you're trying to build a case for eCommerce that you're not only including the growth from a sales perspective, but that you're also thinking about the role that the digital shelf can play for brand building and influencing offline sales."

Discoverability: Optimizing Your Product Content

Mark White, content26

"A big trend right now with retail based product content is discoverability. 50% of all product searches don't happen on Google or Bing. They happen on Amazon, they happen on Pinterest, they happen on Walmart. In order to get found within these sites, it's essential that your basic content is optimized.

"If you have a basic fundamental knowledge about search engine optimization as it relates to Google you can take that knowledge and apply it to a retail site. Amazon has its own search engine called A9, which has its own set of algorithms. It lends importance to certain attributes of the product and the product page, and it's constantly evolving.

> **"50% of all product searches don't happen on Google or Bing."**

"One of the key things that Amazon looks at is the actual content. Does the content have good images? Is the product page optimized for page load time? Is the title optimized with a certain number of character count so that it can be optimized for mobile?"

Trends in US Online Grocery: Click-and-Collect

Bill Bishop, Brick Meets Click

"Most of the grocery retailers that we work with are pretty well prepared for click-and-collect. I think the methodology of selecting orders is something that they're skilled at. The question then becomes: how do you optimize?

> **"The thing we haven't seen yet is rapid growth in pick-up remote from the store."**

"The thing we haven't seen yet is rapid growth in pick-up remote from the store. There are thousands of automated lockers installed around the developed world in Europe and Canada, but in the U.S. we're waiting for this infrastructure to build out. In addition to the grocers' own property, potential sites include convenience stores, gas stations, and big box stores. The retailers that "host" lockers will also be driving someone else's eCommerce traffic to their store and they are going to gain incremental sales."

How CPGs Can Grow Their Share of eCommerce Sales

Alex McCord, Compass Marketing

"I think that Pantry is really exciting for CPG, and moving early and often on Pantry should be a must for any CPG manufacturer. I think that the penetration rates of consumers that are on Prime that are willing to go through that box-building exercise and purchase on Pantry is much higher than anybody expected, so I think that that's a key plan and really should be your lead items, your hero SKUs, and then you need to heavily promote those SKUs.

> **"...Moving early on Pantry should be a must for any CPG manufacturer."**

"I've always been a big proponent of testing and learning. You need to make sure that, when an opportunity arises, something like Prime Pantry or something like Dash or now Echo, are you positioned to be able to jump on those opportunities as they arise. I think that's a big question that CPG manufacturers need to think about when they're planning out how to approach the channel."

Amazon's Growth Flywheel

Patrick Miller, Flywheel Digital

"Ultimately, Amazon cares most about having an awesome customer experience. So shop the site as a shopper. How do your items show up? If you're doing a non-branded search, are your items popping up? What are people saying about your items? If we look at what is the CPG investment in broader media, look at how much people are spending on social media, I would argue that Amazon ratings and reviews are the world's largest unacknowledged social network. This is where your brand lives and dies on the web today.

> **"...Amazon ratings and reviews are the world's largest unacknowledged social network."**

"If you think about Facebook or Twitter or Instagram, the second you post something, it disappears down the feed. On Amazon, it's the exact opposite. A rating and a review, every time somebody finds it helpful, it goes up and up and up. If you think about the cost of that review, which is often times nothing, it has a compounding effect over time."

The Evolution of Brands Online: "Where to buy" buttons

Graham Merriman, Hub Controller (formerly ChannelSight)

> **"Where to buy" buttons on a manufacturer's website give them the power to list and suggest the retailers that are actually stocking your product."**

"Once a consumer leaves your website, essentially you lose control of that relationship. As soon as they go to Amazon, they might see another shaver that's on special offer. Suddenly, you've lost that consumer who was on your website 5 minutes ago, looking at your products, considering a purchase.

"It's a question of how to manage that transition, understanding that consumers want to buy from an online retailer, but how can you make sure that they stay within your ecosystem and how can you manage that path to purchase. "Where to buy" buttons on a manufacturer's website give them the power to list and suggest the retailers that are actually stocking your product."

Effectively Managing and Syndicating Product Content

Pieter van Herpen, Syndy

"The reason that there's so much complexity is because everyone is managing their content internally and everyone's using different systems and these systems are not connected. It should be as easy as putting a label on your product and shipping it to a retailer and a retailer unpacking your product and putting it on the shelf. But because the systems that we're all using don't interact, and because they're not connected, there are so many flaws.

> **"...we're enabling retailers to source content from any supplier from one location without any technical integration..."**

"Syndy allows suppliers to interact directly with any retailer, and we're enabling retailers to source content from any supplier from one location without any technical integration being required. We're flexible to sit on top of existing systems on a supplier end, but we're also flexible to make sure that our content taxonomy matches the exact taxonomies of every retailer we partner with. It's a perfect flow of perfect content."

Optimizing the Amazon Opportunity

Melissa Burdick, The Mars Agency (formerly of Amazon)

"To be a partner on Amazon, a CPG company has to be willing to take the time and effort to change traditional, old-school logistic supply chain processes. They've also got to be willing to test and learn with the Amazon platform, because it changes at the drop of a dime. A strategy that was tried last year may not have worked, but now, thanks to some changes by Amazon, it works this year. It's all intensely data-driven.

"To be successful on Amazon, you need to have the right assortment in the right place."

"To be successful on Amazon, you need to have the right assortment in the right place. Once you've got the basics done, you can really market those products and get people to know about them. In addition to making sure that you even have the right items on Amazon, you've got to have complete, relevant content that's search engine-optimized. Start by making sure you've got the correct title. It's the only way you'll be able to market it effectively across the platform."

Content Syndication: Connecting Brands and Retailers

Phil Chang, Hubba

"I think one of the biggest problems is just adoption and learning how to play in a different field. I think CPG companies in particular have been very good at learning how to get their fair share of business in a brick and mortar store, but also to be able to get more than their fair share of attention from retailers. In this new world, CPG companies are struggling just to figure out how to structure their eCommerce business, so that they actually understand what they're measuring and how to move forward.

"CPG companies are struggling just to figure out how to structure their eCommerce business, so that they actually understand what they're measuring and how to move forward."

Retailers need to realize that they're no longer the end destination for distribution. They've got to think of new ways to be able to showcase items, to be able to derive some value back to a brand as well, where a brand might be able to look at analytics or better information by going to other channels."

About Profitero

Profitero monitors what shoppers see and buy online, actively tracking more than 300 million products across 40 countries for retailers and consumer brands. Real-time eCommerce analytics, insights and strategic recommendations pinpoint how to improve daily performance across your sales channels. Our proprietary digital monitoring technology is uniquely combined with sales data, ensuring that you maintain or increase market share. For more information email sales@profitero.com or visit http://www.profitero.com.

To stay up-to-date on future episodes, visit the Profitero Podcast Series or subscribe to our weekly newsletter to receive the latest eCommerce insights

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