





# Strategic Acquisition and Conversion for Ecommerce Retailers

Leveraging what you know about your customers and their behaviour to drive high-quality traffic and increase conversion

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For online retailers, there's a wealth of valuable customer insights just a matter of clicks away. Insights that tell you who your customers are, what they do, what they want and how they want it. Insights that can elevate your customer acquisition strategy and drive the right people onto your store. Insights that can inspire a compelling on-site experience and get customers converting.

These customer insights can be leveraged to drive results at every stage of the customer journey. Knowing the demographics, behaviours, demands and priorities of your shoppers, and being aware of how these evolve alongside wider industry and consumer trends, is invaluable when it comes to crafting informed acquisition and conversion strategies.

Together with leading international ecommerce agency Swanky, we explore how retailers can use what they know about their customers to improve the quality of users coming to their ecommerce site and craft a customer-centric UX that's optimised for conversions.

We'll examine effective tactics for getting to know your audience and consider how to develop a targeted marketing approach across multiple channels. We'll then turn our attention to on-site UX, exploring recent changes in customer expectations, the growth of mobile ecommerce and best practices for designing for conversions.

Driving high quality traffic to your ecommerce store

As an ecommerce merchant trying to navigate your way through an increasingly competitive online retail landscape, you'll be well-versed with attempts to drive more traffic to your online store. After all, getting more people to your website is a crucial part of growing your business.

However, for traffic to result in conversions and profit, the story doesn't end there.

The challenge isn't just getting more traffic, it's getting the right traffic. This is essential for engagement, conversions, revenue, and ultimately, business growth.

You can break this acquisition challenge down into two stages:

- 1. Understanding who your target customer is.
- 2. Deciding how best to get them to your site.

Let's take a closer look at each stage, with some top tips for driving high quality traffic to your ecommerce store.



First thing's first, you need to get to know your audience inside and out. This is imperative for ensuring you're targeting the right people in your acquisition efforts. Try building out detailed, databased buyer personas that explain:

Who your target customers are

Their wants, needs and motivations Their challenges and frustrations

Which devices they use to make online purchases Which channels and platforms they hang out on (online and offline) How they search for, research and compare products online

So, how can you go about getting this information and developing well-rounded, data-based personas?

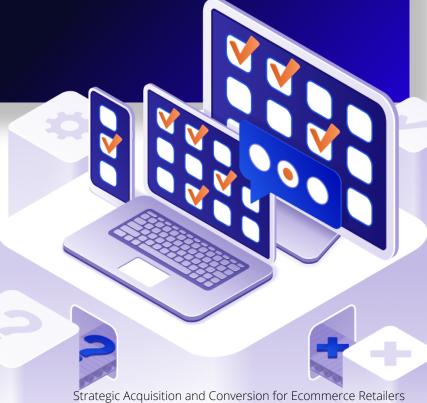
#### Run customer surveys

Talk to your existing customers. Personas are always more effective when they are built on data from your actual audience. Even if you want to grow a new customer segment, your existing customers and their characteristics can help you do that.

Use customer surveys to gather key demographic information and delve deep into the reasons behind their recent purchases with your brand. This can be in the form of an email survey or a pop-up on screen at an appropriate time during their visit. But be mindful not to disrupt key user flows or your request for feedback might disrupt the conversion goal you're trying to achieve.

Find out which pain points your product solves, what they most like about it, if they considered any alternatives, and what made them choose it over your competitors' options. Try not to ask questions that you already know the answer to, such as where they live or their previous purchase history.

Keep your survey short, simple and straightforward - make it as easy as possible for customers to access, understand and answer your questions. Try to avoid polar questions that limit respondents to one of two answers, as these won't provide the rich insights you're looking for.



#### Analyse customer feedback

Other sources of information for the development of your buyer personas are customer reviews and customer service tickets. Analysing this feedback should help you identify the problems that your customers are looking to solve - providing a window into their shopping mindset.

This analysis is also useful to get a feel for how your customers talk - how they describe your products in particular. With this knowledge, you can write website and marketing content that better matches search intent.

### Leverage analytics data

You can also use analytics data to gather important insights into your existing customer base and find out what makes them tick (and click).

Google Analytics or Shopify Analytics are both a popular port of call when looking for audience insights. Not only can you break down the demographics of people visiting your site, how long they're staying, and which device they're using, but you can run reports to help you understand which keywords, content and channels are performing best. You want to build up a picture of exactly who your customers are, how they begin their journey, how they move around your site and how they make their purchase decisions.

There's also built-in insight dashboards within social media platforms to learn more about your audience and their digital behaviour. For instance, Facebook Audience Insights provides a wealth of information about your business page's followers - from basic demographic data to details about their category affinities.



## Consider the wider context

Your customers aren't entirely focused on your brand and your products, they have other priorities in their lives and businesses. Understanding the wider market factors that affect that is an important part of creating a picture of their situation.

For instance, right now you can't help but be affected in some way by the COVID pandemic. But depending on your buyer personas, they will have different pressures resulting from this crisis. Working parents may find they're having to juggle homeschooling their children with their busy day jobs, couples living in small urban flats may be finding the cabin fever overwhelming right now, and older people could be feeling more isolated than ever.

It's important to know your customer demographic so you can more closely understand the factors influencing them.

The PESTLE model of analysis can be useful in this situation. It's a mnemonic that stands for:

- P political
- E economic
- S social
- T technological
- L legal
- E environmental

Political

Economic

**S**Social

Technological

L Legal

E

**Environmental** 

By considering the wider situation in each of these six areas, you'll get a clear picture of the external factors affecting your target customer.

# Conduct SEO research

Understanding the motivations and behaviours behind customers' searches will allow you to implement next-level targeting tactics in your quest for high-quality store traffic.

By identifying and analysing keywords at each stage of the buying funnel, you can discover the terms that your customers use when searching for your products or services. With these terms in mind, you can look to improve your organic search engine and get more qualified leads clicking onto your online store.

You can look at the predictive search in Google's search bar by reviewing the auto-fill options, or review your site in any one of the SEO tools on the market. Each one can provide you with a selection of insights about your current organic positioning.



#### Track on-site activity

Consider using heat maps or session recordings to step into your customers' shoes and discover more about how users behave on your website. These simple visual representations allow you to determine where people are leaving the sales funnel and gain an understanding of shoppers' behaviours and preferences. Your learnings about what customers find most important on your site can strengthen your target profiles and inform your acquisition efforts.

### Step 2: develop your marketing approach



Next up, once you understand who you want to attract to your ecommerce site, you can start planning how to get them there.

Rather than relying on one channel to bring traffic to your store, it's important to adopt an omnichannel strategy, with a mix of push and pull marketing tactics relevant to your brand and audience. You want to find a balance between optimising the traffic sources that bring the highest-quality leads to your site, without relying too heavily on a single channel.

There are a number of proven tactics for driving targeted traffic that you might want to consider.

#### Create content for your target audience

With your buyer personas in mind, along with the results of your SEO research, you can begin creating engaging, highly-targeted content that will attract the right audience to your online store and position your brand as a thought leader in the eyes of your target customers.

Think about the topics your ideal customer is searching for and the questions they're asking. You want to create content that ranks highly for these search terms and encourages click-throughs to your site.

Rather than limiting yourself to content about your products, you should consider any topics related to your industry that you know your customers will find interesting and useful. Jump into the mind of your ideal customer and get creative! Craft informative blog posts that will help solve problems you know your audience has. Produce entertaining videos on subjects that you know your customers are passionate about. You could even experiment with a podcast to help you excel in your niche.

Creative content ideas could include:



Product comparison videos that showcase a range of products and their features.



Trend or lookbook albums to show off the latest products.

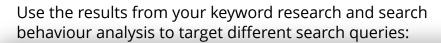


How-to articles that address a particular challenge you might use a product to solve.

### Increase discoverability with SEO

The aim is to get as close to the top of that search engine results page as possible. The question is, 'how?'.

Leverage what you know about your customers, their needs and pain points to write page titles that match search intent. Combine these optimised titles with compelling, informative meta descriptions, and you're well on the way to generating click throughs from high-quality search traffic.





#### Informational searches

These types of queries are used when customers are looking for helpful answers to a question. You can target informational searches with high-quality, authoritative content that includes information your customers commonly seek (e.g. blog posts, ebooks, videos).

#### **Transactional searches**

As the name suggests, these search queries are used when people are looking to complete a transaction. Searches may be brand-focused, generic or vertical-focused. Usually, transactional searchers are a lot closer to conversion than other searchers. To target these high-intent queries, you'll need to optimise your product pages with relevant keywords, helpful product information and effective calls to action. You can also invest in PPC ads and develop specific landing pages to match.

#### **Navigational searches**

Navigational search behaviour is displayed when people are looking for a specific website via the search bar. To ensure you appear at the top of search results when users search for your specific site, ensure it contains business information such as your brand name, services, products and location. You can also run a PPC ad to target any navigational search queries.

It's also important to optimise your product pages with long-tail keyword variations that align with your audience. These can be easier to rank for than shorter, more generic terms, and usually win a higher rate of clicks from search engines.

Work with influencers in your niche

Influencers have taken centre stage across our social media feeds of late, with influencer marketing serving up some serious benefits for ecommerce businesses.



# Collaborating with influencers is an affordable, effective way for brands to target "ready-made audiences" that align with their buyer personas.

You can tap into highly-engaged, closely-connected communities of followers who have a genuine interest and appetite for the type of products or services you offer. This is great for driving high-quality referral traffic to your ecommerce store.

If an influencer collaboration is something that strikes a chord with your brand and audience, you'll need to do some research beforehand. For instance, you should examine the follower demographics of the influencers you identify to make sure there's a strong affinity with the people you want on your ecommerce site.

Consider whether they have a good engagement rate, too - you're looking for an engagement <u>rate between 2-3%</u>, with multiple comments per post.

Crucially, whoever you collaborate with needs to align with your brand, your values and your existing customers - if not, you risk damaging your brand's reputation.

you're looking for an engagement rate between

2-3%

#### Invest in search ads

Search ads, like those found in Google or Bing, are a fast and effective way of driving relevant, qualified traffic to your site via searches. You'll need some budget set aside, but this pay-per-click (PPC) advertising model allows you to advertise your products and services directly to the people who are searching for them - and thanks to your customer research, you know who is searching and how they're doing it.

Every PPC strategy should involve a continuous cycle of testing and tweaking. Take time to review which keywords are generating clicks and adjust them with your target audience in mind. You can create multiple ads per campaign, which is great for testing out different variations of headline and ad copy. Remember, your ad should be showcasing a solution for the pain point your searcher is experiencing - think back to your customer survey and the problems your customers credited your products with solving. But be mindful that you need a logical testing strategy, and that changes should be made in a controlled way so that you can draw insights about what's working and what's not.

Ensure your ad's landing page aligns with the ad itself - it's crucial that your marketing campaign and on-site experience matches up. The landing page is as important as the ad you created to get a customer to your site. You want to give users exactly what they expect when they land on your site, with a nod to the feature or offer that attracted them in the first place. A cohesive, crosschannel user experience like this increases the likelihood of turning visitors into buyers down the line.



# Run paid social media ad campaigns

When it comes to social media, relying on organic traffic coming through to your website isn't enough. For high-quality leads that are more likely to convert once they're on your store, you need to put some money behind a paid ads strategy.

Social media ads are hyper-targeted for your specific audience - you can get really granular with who you target, which is crucial for making relevant ads that attract exactly the right people.

When choosing which of the social networks to advertise on, think about which of them are most popular with your target consumer. Where do they spend the most time? Where are they most engaged? Where does your organic content tend to perform well? Don't make the mistake of trying to develop a paid ads strategy on every possible platform.



# An m-commerce revolution: design for conversion



Similarly to customer acquisition, there must be extensive consideration when approaching on-site UX. At some stages there is a significant crossover – we have already drilled into the research that must be conducted to aid acquisition. There is no doubt that acquisition and UX teams should be working in unison to define successful processes.

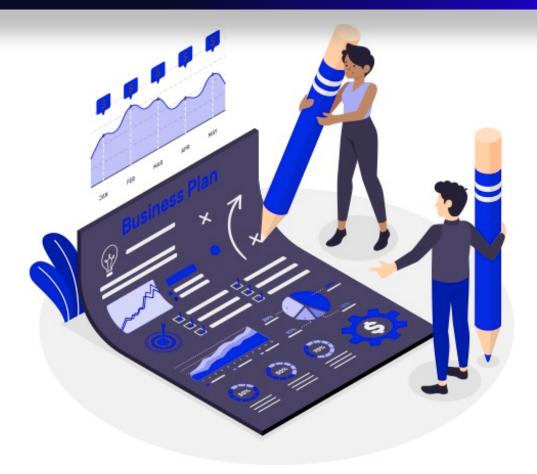
Having successfully acquired high-quality customers to your online store, it is important that efforts up to this point are not in vain and that users are converted. A powerful acquisition strategy becomes redundant if users are met with a poor onsite UX and abandon their journey.

Retailers must avoid disappointment - expensive adverts are meaningless if product information on the landing page is poor. There should be a strong link between acquisition and conversion strategies. Landing pages must be optimised for relevance based on the advert a customer was acquired through.

In uncertain times, retailers may be questioning the rationale behind strategy transformation. A volatile market makes planning for long-term goals challenging, however there is certainty in some trends. Exponential growth within the ecommerce space has been highly reported, with the industry achieving 10 years' worth of growth in just three months. Naturally, mobile ecommerce, which was already on the rise has grown in line with this and will continue to dominate for the foreseeable future.

With so much potential to capitalise on the current ecommerce boom, combined with the fact that a majority of ecommerce sales worldwide take place on mobile, it highlights a priority for corporates to become more mobile-centric in their strategies. In fact, in 2021 mobile commerce sales are projected to account for 72.9% of total ecommerce sales following its continual growth in recent years as smartphones and tablets replace desktops.

While mobile commerce has become ubiquitous, many retailers are failing to recognise that the flow state for mobile differs greatly from desktop. Simply replicating desktop overlay on mobile has led to a fragmented interface.



#### Understanding behaviours

# Before actioning a mobile UX strategy, retailers must understand user behaviours.

Devising a strategy based on best practice alone can impede performance if a retailer fails to do their due diligence and analyse their own users' behaviours. Whether your mobile UX has been optimised or not, changing behaviours present a requirement for retailers to rethink how they serve their customers.

Now more than ever, trends are evolving at a rapid pace and it is critical that strategies are adjusted accordingly. The way we shop has changed - the market has grown, so too has competition, while shopping behaviours have evolved and expectations have risen.

Harvesting data and deriving insights from this information are essential in creating an informed and successful UX strategy. Some trends will be industry-specific, however, if we look at eCommerce as a whole there are a number of behavioural considerations retailers should acknowledge before establishing digital strategies.



#### Demographics

Demographics that were previously unfamiliar with online shopping have been catapulted into the digital world, most notably those aged 65+. 43% of those in this age group have shopped more online since the start of the crisis. Accounting for relatively technologically unsophisticated users should be a consideration in the UX. There is an opportunity to capitalise on this new market by creating experiences that address their usual resistance to online activities. Ultimately the stickiness of their behaviour will depend on their satisfaction with new experiences so getting mobile UX right is imperative.



43% of those aged 65+ have shopped more online since the start of the crisis



#### Demands

Customers are becoming increasingly demanding. The pandemic has forced online retailers to bridge the gap between in-store experiences and online. Many retailers have upped their game and invested in technology to supplement the lack of assistance, personalisation and visual cues we would receive instore. These features are no longer a 'nice to have', but a requisite for locked down society. For on-site UX, this presents a requirement for retailers to rethink the experience they are currently offering. Interactions with mobile devices should be seamless and straight forward, guiding users towards relevant products through considered layouts, enhanced search navigation and data-driven experiences.

#### Customer loyalty

In many cases, the pandemic has prompted consumers to embrace change and modify their buying habits. Amidst the uncertainty predominantly as a result of stock, pricing and retailers response to the pandemic, <u>40%</u> of individuals said they tried new brands or made purchases with a new retailer. <u>74%</u> of people are likely to return to a website if it is optimised for mobile, so since consumers are now more receptive to new brands, it presents an opportunity for online-stores to impress users with a gold-standard UX that encourages retention.

40%

of individuals said they have been more receptive to trying different brands

# Mobile UX – the fundamentals

63% of people will abandon a product or website as a result of preventable usability issues, and while there may be a plethora of optimisations that can be made within mobile UX, there are three fundamental elements that must be prioritised. Compared to desktop, m-commerce presents a multitude of additional UX challenges due to limited screen real estate. These mobile UX elements sit at the epicentre of a robust strategy and present a higher severity than other pain points - this means that they are far more detrimental to a retailer's on-site performance than more minor issues.

63%

of people will abandon a product or website as a result of preventable usability issues



On desktop, retailers have the luxury of leeway in communicating a range element. It is essential that a mobile UX is built separately, rather than a replica of desktop – the design must be considered so that a user can quickly understand what type of products are available and whether they can easily proceed in their journey, without becoming overwhelmed or confused.

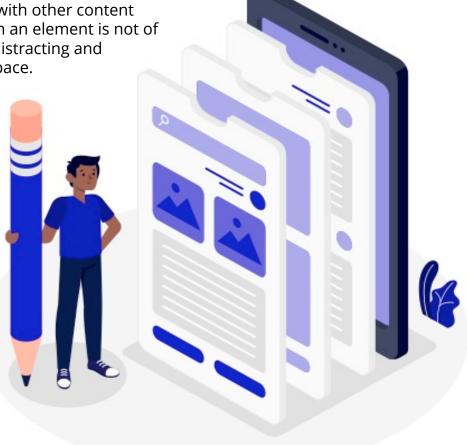
When populating a small window with results, it is important to clearly differentiate data sets. Each data set, for example, category search, products or the number of results should stand out from one another for easy navigation.

The inherent tension between visual content (such as imagery and campaigns), standard functional elements (such as the search field and navigation) and text poses a challenge. Elements must be accessible for when users wish to interact with them, while not interfering with other content when a user does not. When an element is not of use, it can quickly become distracting and eliminate valuable screen space.

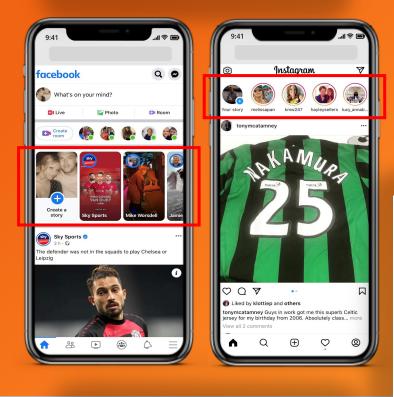
On the homepage, for example, a desktop user is likely to be able to view the entire page in 3 – 4 scrolls, however, it isn't unusual to scroll around 10 times on mobile before completing the page. Meanwhile, if we look at the mobile product page there is a high degree of misalignment.

#### Layout

Screen space is limited on mobile – determining which elements of a page are really necessary and its layout is critical. Exploring, understanding and interacting with a small screen can be confusing. In testing, **Baymard** Research found that a majority of issues stemmed from page layout and the inability to view the interface as a whole. Designers are presented with a challenge to present thousands of products inside a small screen space, yet make them easily discoverable.



#### Social media UX

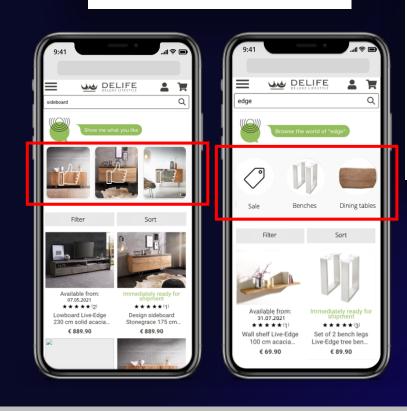


mind is that the layout is intuitive. If we take a look at tech giants such as Facebook or Instagram, touchpoints are identifiable instantly with central elements that have become almost instinctive in our everyday lives.

One thing to keep front of

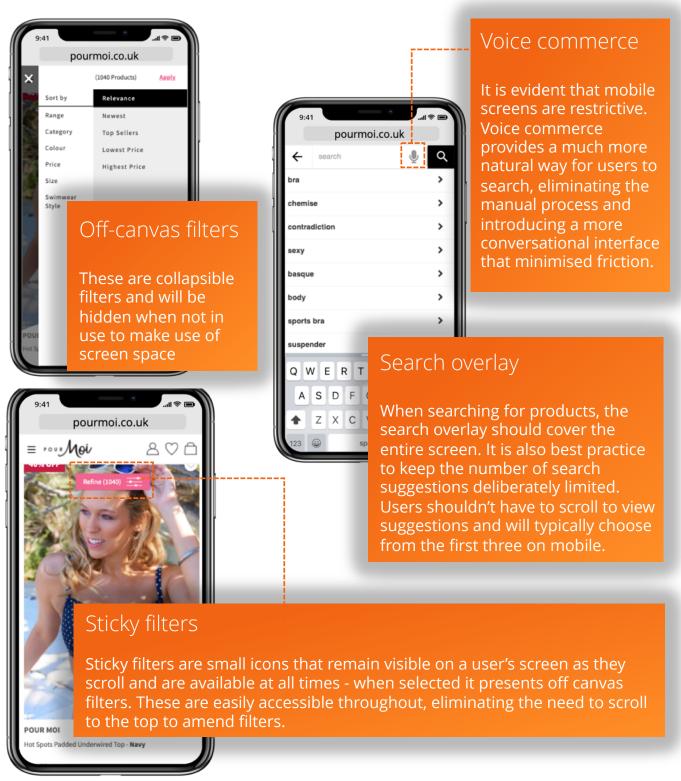
Replicating this experience within m-commerce and minimising discrepancies between the channel's users interact with every day provides a more instinctive and unconscious path to purchase.

#### Findologic UX



#### Navigation

Mobile navigation must deviate from desktop. Heavily populated drop-down menus and suggestion overlays are not feasible as a result of the limited screen space and lack of mouse-hover functions. Typically, users are familiar with features such as collapsible menus that stay hidden until selected. Many on-site search practices are transferable to mobile, such as autocompletion and merchandising. Findologic's 'Guidelines for an unrivalled on-site search experience' detail these, however, there are a number of features which are exclusively relevant for mobile UX. These include:

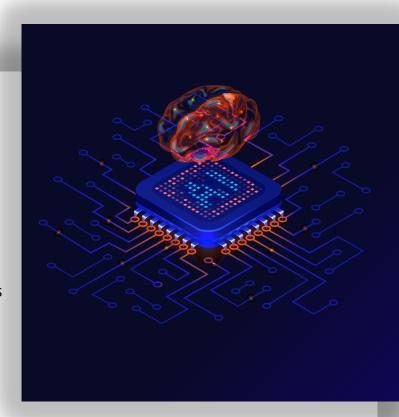


#### A.I. – completing the circuit

A.I. has the power to supercharge any retailer's UX – it has a use case in the two aforementioned points, proving to be a valuable addition to UX strategies.

In UX specifically, A.I. takes m-commerce to the next level – it bridges the gap between in-store and online experiences. Predominantly, those that have adopted A.I. throughout the pandemic and made use of its abilities to act as an online, instore assistant, offering personalised guidance throughout the journey.

Under the umbrella of A.I., there is machine learning, an important subset for retailers to understand if they wish to solve problems for their browsers. There are a range of tasks that machine learning can tackle. Initially, it is important to understand if the A.I. you intend to implement works with supervised or unsupervised data. Supervised data is input manually and the algorithm learns from these labelled data sets. In contrast, an unsupervised model requires the algorithm to make sense of unlabeled data by extracting features or patterns.



Under supervised and unsupervised machine learning fall a number of methodologies, all with different use cases within the retail space.

One methodology that falls under the supervised machine learning umbrella is classification. Classification predicts categories. An example of this is Findologic's A.I. based shopping assistant, Li.S.A. which categorises user behaviour and dynamically changes shopping experiences based on each user's intent.

The element of personalisation is all too often redundant in mobile UX, with retailers losing out on the chance to guide, inspire and assist users. Findologic's A.I. platform Li.S.A. presents a best practice example of how retailers can up their game:



Harvesting user data and leveraging this information to build a comprehensive picture of every user. With every interaction the A.I. should build upon an individual's profile to refine and improve outputs.



Making sense of this data and deriving valuable insights from it, in realtime. For example, Li.S.A. drills down into the data to understand a user's intent.



A one size fits all approach to search and navigation is frustrating for your customers. All too often users are presented with a plethora of random results which requires them to scour your online store for products relevant to them. Based on intelligent algorithms, Li.S.A. is able to analyse behaviours to understand each and every user's intent, delivering personalised recommendations that are more likely to convert.

For unsupervised machine learning, clustering and association are common methodologies.

Clustering, for example will divide data by similarity, a use case for retailers may be to identify new target groups. Meanwhile, association identifies sequences. A use case for retailers may be to understand based on previous purchases what else they are likely to buy.

It is important for retailers to understand the range of methodologies and where they fit into your business' onsite goals.

Just a few years ago this type of technology would require copious internal resources, however nowadays third-party providers dedicate their entire operations to developing high-performing A.I. in their respective fields. These processes are becoming increasingly advanced, with tech companies leveraging natural language processing and computer vision to better understand data sets.



# The catalyst for retail success

Acquiring and converting customers are arguably the most important initiatives for online retailers today. These two strategies are dependent on their counterpart's effectiveness to cement their value.

The current state of ecommerce clearly calls for retailers to rethink their approaches to acquisition and conversion. Retail is evolving dramatically, and all too often we are seeing companies failing to transform their strategies in line with expectations. In such a hypercompetitive environment, saturated with retailers looking to supercharge their digital offering, even the most established brands are at risk.

Navigating the ecommerce funnel can prove complicated but armed with the right data, retailers can derive valuable insights that will drive growth. Working in tandem, acquisition and conversion teams can assist build a comprehensive picture of customers, user journeys, and the industry as a whole. It is only then that retailers can begin delivering truly relevant experiences to customers across a range of channels.



#### About Swanky

We're Swanky and we're a leading international ecommerce agency, recognised as official Shopify Plus Experts. Obsessed with growth and driven by results, our teams design, build and grow enterprise-level Shopify Plus stores that convert. With offices in the UK and Australia, we're poised to help ecommerce teams around the world get ahead by delivering exceptional customer experiences. To find out how we can help unlock your ecommerce potential, get in touch with us today!

### FINDOLOGIC stop searching-find!

# About Findologic

Search and navigation are at the epicentre of a user's path to purchase - Findologic has over 13 years of experience in this and is one of the world's leading providers today. Bridging the gap between in store and online retail experiences is a requirement for any online retailer - our comprehensive set of features supercharges customer journeys, optimising every element of a browser's pathway to conversion for efficiency and intuitiveness. Get in touch with us today!