



Content That Converts

HOW RETAILERS CAN GROW E-COMMERCE SALES
IN A HEIGHTENED COMPETITIVE ENVIRONMENT



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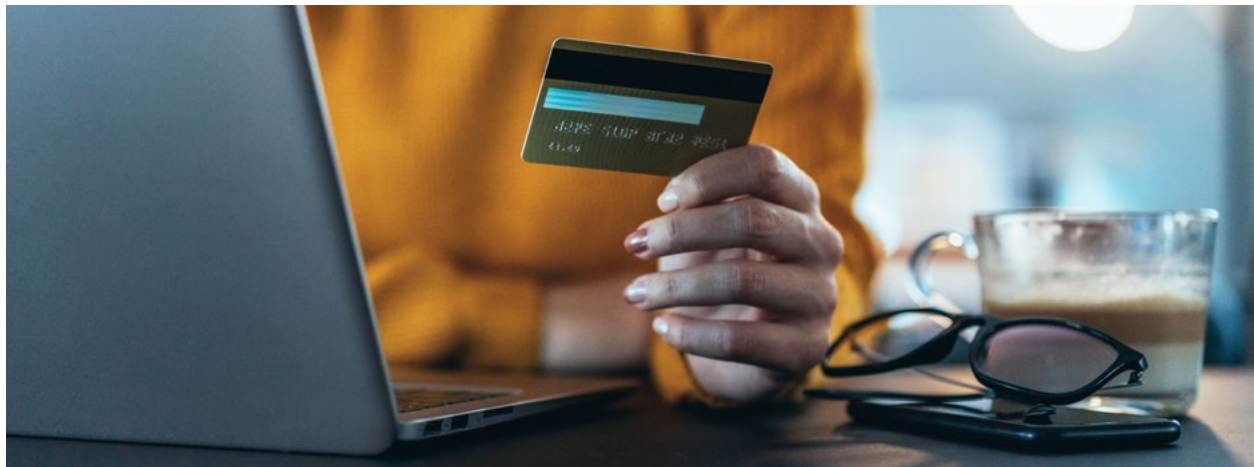
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HOW RETAILERS CAN GROW E-COMMERCE SALES IN A HEIGHTENED COMPETITIVE ENVIRONMENT

The COVID-19 pandemic turned the retail industry on its head. To help stop the spread of the virus, more consumers turned to e-commerce for their shopping needs rather than going to brick-and-mortar stores. According to an IBM report, the pandemic has accelerated the shift away from brick-and-mortar to online shopping by roughly five years. Not surprisingly, brick-and-mortar retailers that are not traditionally known for their e-commerce prowess have seen significant challenges in the past 12 months. The IBM report states that in the first quarter of 2020, department stores sales and sales from other “non-essential retailers” declined by 25 percent year-over-year (YoY). In the second quarter of 2020, that number ballooned to a 75 percent decrease YoY.

In most cases, that consumer spending shifted from offline to online. According to Digital Commerce 360, customers spent \$861.12 billion online with U.S. retailers in 2020, up 44 percent from \$598.02 billion in 2019. In 2020, e-commerce represented 21.3 percent of total retail sales, compared with 15.8 percent the year prior.



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And these new e-commerce shoppers are here to stay. A McKinsey study claims that more than 60 percent of global consumers have changed their shopping habits this past year, and intend to stick with them going forward. This provides an opportunity for retailers to capitalize on this consumer shift to e-commerce. But in order to succeed in doing so, retailers need to create compelling, differentiated online shopping experiences that stand out from the rest in a crowded digital landscape.

Within retail organizations, this shift in consumer behavior has put a lot of pressure on and heightened expectations of e-commerce/digital teams. Digital teams are not only expected to sustain this current level of e-commerce growth, but continue to build upon it going forward. Shoppable content will be able to help with that goal.

WHAT IS SHOPPABLE CONTENT?

According to Zmags, a software platform that brings brands' content journeys to life without traditional technology or resource constraints, shoppable content refers to the e-commerce experience that all retailers strive for. This includes captivating, clickable imagery and interactive media that will keep the shopper in the digital experience and a positive emotional state. Ultimately for brands and retailers, shoppable content is any type of visual content that allows consumers to buy products directly from it.

There are many different types of shoppable content. Product images, such as Instagram photos, are important for brand identity, but also can be made shoppable simply by adding a tag to the product image that leads to the product page. From that product page, consumers can then purchase the item. Videos can also be made shoppable. A retailer can have a captivating video that tells a story and then include embedded links on products that once clicked on allow viewers to learn more about the products and have the ability to purchase them. A [Zmags study](#) revealed that 64 percent of consumers are more likely to purchase a product after watching a video online.

Social media is a channel where consumers are spending a lot of their time online, and thus represents an opportunity to get your brand in front of potential customers with shoppable content. This includes buyable pins on Pinterest, shoppable posts on Instagram, and Facebook Shops. Instagram allows accounts with business profiles to create shoppable stories and posts using its built-in product tagging feature. Similar to Instagram, Facebook also introduced the ability for brands to post shoppable content via product tagging.

Using shoppable content within their email marketing programs is yet another way for retailers to extend their e-commerce reach. For example, your business can send personalized email messages to subscribers featuring shoppable content promoting upcoming sales, holiday shipping deadlines, new product launches, brand partnerships, etc. Similar to social media, including shoppable content in email marketing campaigns provides retailers with another channel to drive purchasing activity that doesn't require having to get the customer to your website or a landing page.

Another less common form of shoppable content that's increasing in popularity with consumers and retailers alike are interactive quizzes. In a way, shoppable quizzes can act like a "personal shopper" for the customer. Shoppers answer a series of questions on the quiz (e.g., style preference, size preference), which results in personalized product recommendations. From there, the quiz can take the consumer to the product page where they can purchase the product or products recommended to them. This type of content can be featured on retailers' homepages, maybe via a pop-up, and could be tied with some type of incentive (e.g., percentage off their purchase, free shipping, free

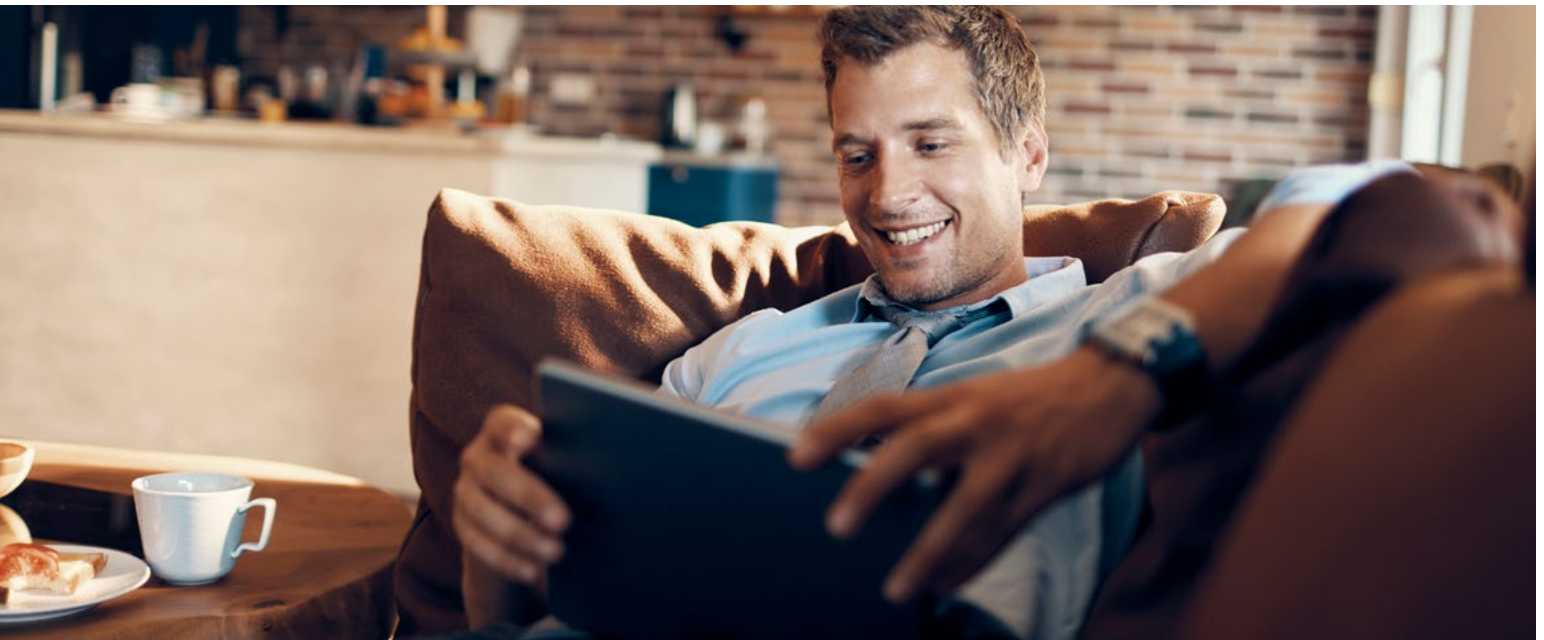
64 percent of consumers are more likely to purchase a product after watching a video online.

— Zmags

gift, etc.) to drive up user participation. Interactive, shoppable content such as style quizzes provide retailers with valuable data that they can leverage to create the types of personalized online shopping experiences that consumers have come to expect.

Lastly, a common and simple form of shoppable content is a blog. Many retailers have blogs on their e-commerce sites to help them tell brand and product stories, which can serve to drive consumer interest and, ultimately, purchase activity. For example, a retailer can publish a blog post announcing a new product release and detailing all the benefits of owning the product, as well as giving the reader the opportunity to purchase the product directly within the post.

Shoppable content in the form of images, videos, quizzes and text allow retailers to create unique, dynamic online experiences across multiple channels, including websites (homepages, product pages, landing pages), social media, and email. These experiences serve to differentiate your brand from the competition. At a time when consumers are spending more time shopping online than ever before, differentiated experiences are critical in not only winning their attention, but their wallets as well.



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There are multiple benefits of creating shoppable content across a retailer's digital properties. First, it helps build brand identity and drive consumer engagement. Through images, videos, quizzes, and more, you're providing another touchpoint for your target audience to learn about your brand story and your products. For example, a product video could answer questions consumers may have about a specific item, and therefore make them more confident in their purchase — which they can do without ever leaving that web page.

Second, shoppable content helps to increase the amount of time visitors stay on your website (aka website stickiness). By providing captivating content that consumers want to engage with, you're keeping them on your site for a longer period of time. And we know that the more time a consumer spends on your site, the more likely they are to make a purchase. According to a [Semantic Scholar](#) study, the purchase probability is highest when a consumer spends about 50 seconds on a product

page. Captivating, shoppable content may even lead consumers to learn about products you offer that they wouldn't have known about otherwise. This is particularly effective for increasing average order value, with consumers making incremental purchases that they hadn't planned on when they arrive on your site, see a social media post from your brand, receive an email, etc.

Third, and most important, shoppable content is a conversion tool. The beautiful product image or the fun interactive quiz captures the attention of the shopper and piques their interest. From there, you have the opportunity to sell to them, and an increased chance of converting a visitor into a paying customer. By clearly showing a consumer a product's value proposition and including a call to action such as "Buy Now," shoppable content is effective at generating sales.

Furthermore, shoppable content allows retailers to create a cohesive experience through multiple customer touchpoints, including social media, email, and on-site. It streamlines the path to purchase by allowing customers to engage in online shopping directly from within the content they're viewing across all digital channels, not just a retailer's website. A customer can make a purchase whether they're on your Instagram page, opening an email from you, or browsing your website. You're meeting them where they are and securing the sale.

Overall, customers expect more personalized shopping experiences, including the content that they're served. This content, whether it's on a retailer's homepage, social media page, email, quiz, blog post, etc., should match the customer's personal needs and make them feel unique. In order to personalize content across a retailer's customer base, it means that significantly more content has to be created. This personalized content should be shoppable, with each customer feeling connected to the content. For example, the content reflects the types of products a customer has previously browsed and/or purchased, the brands they have previously browsed and/or purchased, the styles they have previously browsed and/or purchased, among other identifiable attributes. This need for personalized shoppable content, and the volume that entails, places a burden on marketing and/or content teams to produce it all. For that reason, many are turning to technology to help them keep pace with the surging demand for personalized content.

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— Zmags



A LOOK AT CONTENT PRODUCTION

In order for retailers to produce at scale the types of personalized shoppable content that will drive customer engagement and sales across all of their digital channels, they need the help of technology. Doing this type of work manually or in collaboration with IT teams severely limits the speed in which content can be produced, which ultimately negatively impacts the revenue that can be generated from this channel. Enter headless commerce as a technology solution to retailers' content production and speed-to-market challenges.



GETTY IMAGES / BLACKCAT

Headless commerce is the separation of the front end and back end of an e-commerce application, but allows the two components to work together seamlessly through the use of APIs. The technology gives retailers the flexibility to quickly and easily update the front end of a website (i.e., what the customer interfaces with to make purchases) without needing the assistance of IT to manipulate the back-end code. Headless commerce factors into content production by speeding up the time it takes to update content, such as product images, videos, quizzes, among other content types. For example, with headless commerce technology, brands can include “Buy Now” buttons and other types of calls to action within content, making the content shoppable and the transaction seamless.

Headless commerce gives retail marketing teams full autonomy over brand messaging. This means critical information, like campaign-specific messaging such as discount pricing, free shipping offers, product images, etc., no longer need to be filtered through an IT team. This is great news for both marketing and IT teams. It allows retail marketers to increase the speed to market for shoppable content on their sites. No longer is collaboration with IT necessary to complete a job such as a site update. And therefore, it frees up the IT team's time to work on more pressing projects.

A Zmags study found that 24 percent of retailers wanted to focus on getting content online faster, without IT, pointing to a conflict between the vision and creativity of marketers and the time it takes development teams to update and/or write new code. Headless commerce allows IT teams to focus on what they're best at, while giving control of the brand voice back to marketers — where it should be. With that control, marketers are able to more quickly and easily create personalized shopping experiences, using shoppable content as a means for generating purchases.

This means that producing product content such as videos, images and quizzes is not just a brand-building exercise, but a way to generate revenue as well. Yes, generating consumer engagement is important. However, without revenue attached to the content, there's no discernible benefit to the bottom line. Retailers are tasked with selling products. With headless commerce technology supporting them, retailers are able to produce shoppable content that helps to achieve that goal.

TIPS TO HELP YOUR BUSINESS SUCCEED WITH SHOPPABLE CONTENT

- 1. Identify the content types your target customers are consuming.** The first step to incorporating shoppable content into your brand's digital properties (website, app, social media, email) is identifying what type of content your target audience is most likely to engage with. Through testing and data analytics, determine if your customers are more likely to watch videos on your site or read a blog, for example. Use the data you capture from testing to inform your content production strategy.
- 2. Be collaborative to ensure you're delivering the right message with your content.** Marketing, content, and e-commerce teams need to work together to ensure the right message is being delivered with your content. For example, content must be both engaging and likely to grab the consumer's attention, but also increase their chances of converting by making it easy to do so.
- 3. Invest in technology that enables quick, easy, seamless production of shoppable content.** Consider investing in headless commerce technology that seamlessly allows you to create and publish shoppable content quickly and easily. There are solutions in the marketplace that empower marketers to rapidly and easily create rich, interactive experiences that drive conversions. With simple functionality and integrations, enabled by a headless commerce model, marketers have the agility to create innovative on-site experiences in minutes, not weeks. By creating shoppable experiences instantly, you'll drive increased website conversions. With a single click, your customers will have the ability to purchase.
- 4. Find the right partner.** Investing in the right technology is more than just finding a solution with all the bells and whistles. Yes, that's important. You need solutions that are customized to your company's needs, and are scalable as your business grows. However, it's also necessary to find a partner that offers the support and resources needed to help your business grow. A true partnership that's built on a shared vision of success.

Investing in shoppable content, and the technology that enables its streamlined production, yields positive ROI. Through engaging and personalized content experiences, retailers can drive conversions. Captivating product images, interactive quizzes, insightful videos, informative blog posts, etc., all capture the attention of consumers and pique their interest. With that attention captured, retailers are more easily able to get them to make a purchase. Using a headless commerce model for your shoppable content production gives retail marketing teams full autonomy over brand messaging. Ultimately, it allows retailers to more easily and quickly create personalized shoppable content at scale, with that content converting into dollars.



WHO WE ARE

creator™ by zmags

Zmags is the interactive content generation platform for ecommerce marketers, transforming static content to dynamic digital experiences that drive more revenue. We empower marketers to upload or design content, make it both interactive and shoppable, then publish it within minutes, directly within their current tech stack, without coding. More than 600 brands globally, including Ethan Allen, AG Jeans, and Cole Haan, leverage Zmags to drive more ecommerce revenue through on-brand interactive content at a fraction of the time and cost of agency or development resources.

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WHO WE ARE

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