

E-commerce strategies for 2013



By [Brendan Peo](#)

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For retailers who get it right, e-commerce is delivering good profits but as the environment matures, shoppers are becoming increasingly demanding, meaning that only the best e-commerce strategies will succeed in the future.

Recent research indicates that the world's best sites are seeing rapidly growing revenues as more and more shoppers take their business online. However, this is not a ticket to easy money. In mature markets, shoppers are becoming more discerning and are more loyal to e-commerce sites that are intuitive and informative, rather than buying simply because the goods are for sale online. Forrester Research says in the US, companies will make US\$280 billion from online sales by 2015 - up from 2011 sales of \$176.2 billion.

In the UK, recent research by yStats found that shoppers spent almost £35 billion on the internet during the first six months of 2012 alone, with many of them now starting to shop online using their phones. More than half of all smartphone owners have now used their phone to make at least one purchase over the internet.

Other UK research, by EpiServer and OnePoll, found, however, that customer satisfaction ratings are dropping. In 2011, the top 25 vendors received an average satisfaction rating of 63%. This year, that figure has dropped to 58% even though shoppers are buying more and more online. Most of them (57%) tend to buy only from a few favoured websites.

This illustrates that e-commerce vendors with a solid and carefully planned strategy will eventually take the lion's share of the growing e-commerce market.

Keeping pace with change

However, shopping behaviour changes tremendously in a very short time. The landscape evolves so quickly that if you do not watch it daily, you will fall behind. Now customers want more than just products for sale online. They want an experience - including product comparisons, reviews, Facebook discussions; they want to book online and try it on in-store. The days are over where the retailer and his technology determined how customers touch and interact with the brand and products.

Today, it is all about being customer centric. It is the customers' iPhones or iPads, and their social networks, that determine who, where and how people interact with a retailers brand and products.

There are key factors in keeping shoppers on a site and encouraging them to buy. These include ease of navigation, full integration with back-end systems, personalisation of the shopping experience, cross selling, an effective multi-channel presence - including a mobile site, and regular communication with shoppers about new products they may be interested

in.

Stay focused

It is important to remember that an e-commerce platform is intended to sell products. This may seem obvious, but too many brands put the emphasis of their site on design - not selling. Do not fall into the trap of putting the focus too much on attractive design. You need to focus on sales; so there needs to be a very careful balance between the design, the brand and converting sales.

Besides the content, attractive layout and high quality images, the site needs to be intuitive and offer added value - such as presenting associated products in a logical way.

It is about more than offering affordable goods - you need to give the user what he is expecting to see at the right time, at the right place. Buying online should be a pleasurable experience - like dealing with an experienced salesperson.

Having a multi-channel presence can boost profits and improve the customer experience. Nevertheless, to be effective, a multi-channel strategy should ensure that the online and offline experience is completely in sync, allowing the customer to enjoy the same brand experience at every touch point.

Do not drive away customers

Having an e-commerce site that does not deliver a good user experience is possibly worse than not having an e-commerce site at all. When consumers are annoyed by the shopping experience, they are driven away. Their bad experience colours their perception of the entire brand and not just the e-commerce component of it.

When retailers underinvest in their e-commerce platforms, strategy and integration into their backend systems, their sites cannot deliver what online shoppers are after - a frictionless buying experience across all key touch points.

ABOUT BRENDAN PEO

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