POWER UP PLUS:
6 TECHNOLOGIES TO ENHANCE YOUR SHOPIFY PLUS STORE

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THE PERSONALIZATION POWER UP: HOW TO DELIVER UNIQUE, DATA-DRIVEN CUSTOMER EXPERIENCES
A 2017 Accenture report revealed that ecommerce businesses who lack personalization can result in a $756 billion loss in revenue.

And as the world of ecommerce continues to evolve, the pressure increases for you (the retailer) to deliver shopping experiences that we (the consumers) will find most relevant. In fact, about 81% of shoppers want brands to understand the products they like, anticipate their needs, and know when to approach them. This, in addition to your business goals of increasing traffic, conversion and average order value make for quite the challenging undertaking...

Part of the secret to Amazon’s whopping 13% conversion rate is the fact that when visitors land on onsite, they’re immediately met with the items they’re most likely to purchase.

The silver lining: thanks to advances in Artificial Intelligence, the possibilities for delivering 1:1 personalization to your customers across every touchpoint, device and stage in their shopping journey are endless. And as retailers worldwide are leveraging the world of data available to them to personalize how customers navigate their brand, now’s the time to make sure your business doesn’t fall behind the pack.

In this chapter, we’ll explore:

» The value of data in powering personalization
» The influence of customer segmentation in the buying funnel
» Examples of personalization in practice across key pages (and stages) in the buying journey.

Let’s power on our personalization thinking caps and dive right in!
The most fundamental step in fostering a personalized shopping experience lies in the data you collect. Imagine this: as a consumer browses through your webstore, you have the potential to leverage huge amounts of valuable data that help you better understand what they like and how they interact with your brand.

As your customers interact with your webstore, huge amounts of valuable data are being created that help you better understand their shopping behavior. But leveraging all of that data to increase personalization and grow your business can be a challenge. Why? Because:

1. Customers interact with your brand at multiple touch points. They may first come across your business on Facebook, then receive an email on their mobile phone, and then visit your site on a desktop computer weeks later.

2. Data is typically locked away in silos. Powering your ecommerce tech stack with more technologies is a sure way to increase store performance. But getting these tools to talk to one another is the key to reaping that value.

3. Once you have the data, what do you even do with it? Even if you’re are able to combine this data in one unified format, how do you actually go on to action that data to improve the customer experience and drive greater value?

The data deep dive: transactional vs. behavioral data:

**Transactional data** - the data most retailers base personalization on - is typically old data reflecting historical preferences.

**Behavioral data** reflects a shopper’s intentions and buying pattern as they interact with your webstore.
HOW TO DO IT?

To solve this challenge, it’s important to focus on the kind of data you’re collecting. Our research over the past 7 years has revealed that...

1. On average, it takes 3 visits for a shopper to make a purchase (and 5 visits from the first purchase to make a second one).

2. Transactional data only accounts for 1.6% of the data captured in an online store (that leaves 98% of valuable data untouched!).

3. Only 20% of repeat customers order products from the same product category of their initial order.
   » This means using transactional data to deliver personalization is relevant to only one fifth of customers.

POWER UP TIP:

Combine the value of both transactional and behavioral data to deliver personalized experiences. Then, ensure you’re capturing this data as your customers interact with your store to action that data in real time.
THE ART OF AUTOMATED SEGMENTS: DEFINE EXPERIENCES TO PERSONALIZE

To deliver true personalization, you should consider where your customer is in their journey and then tailor their experience based on that. In other words, define experiences based on the segments that customers current or prospective belong to. For example, you can automatically differentiate between what is shown to a first-time visitor vs. a loyal or VIP customer.

Using Data to Outline the Shopping Funnel

Once you’ve gathered data on how shoppers interact with your webstore, use that data to map out customer journeys and target shoppers based on their behavioral preferences and position in the buying funnel. This is known as **Segmentation**.

From first-time visitors all the way to loyal customers, each segment you generate has a specific set of characteristics and rules which can be leveraged to move shoppers in those segments down the funnel.

For example, retailers typically identify shoppers who have provided their email address or added something to their shopping cart as being ‘close to purchase’. However, we’ve found that these factors do not always correlate directly to purchase intent. Instead, leverage behavioral data to infer positions in the funnel to significantly improve targeting. Then, incorporate various methods - such as ads or pop-ups - to automatically encourage shoppers to progress through the funnel.

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**Shopify data shows** that, in the Fashion and Apparel industry alone, worldwide revenue is expected to rise from $481.2 billion in 2018 to $712.9 billion by 2022. This means the growth potential for retailers (and need for personalization) in this vertical is only increasing...
Unique Vintage's add-to-cart feature offers product recommendations at checkout - as well as free shipping threshold - in order to boost average order value.
Through the use of automated segments, you can essentially...

1. Reduce the need for discount coupons by better identifying the prospects who don’t need an incentive to purchase.

2. Display shipping information to prospects who are close to purchasing but are still deliberating the practicalities of the order. Meanwhile, shoppers who are not that far along in the funnel will not be bothered with shipping information until it becomes relevant to them.

3. Predict brand and category affinities based on onsite browsing behavior and then use that data to target shoppers with improved messaging and/or a merchandizing strategy.

Segments are not only limited to the onsite experience. You can use them to:

1. Adjust your Facebook ads and Google Adwords campaigns to reflect buyer profiles or where shoppers are in your sales funnel. This allows you to be far more targeted in your ad campaigns.

2. Create full, dynamic landing pages to increase conversion rate from third party traffic sources.

3. Create bespoke mobile experiences specific to each segment.

4. Dynamically change the content within emails when the email is opened to maximize click-through rate.

POWER UP TIP:

Don’t neglect the mobile experience! Nosto data shows that cart abandonment rate is highest on smartphones - a whopping 80.94%* (compared to 71.93%* on desktop).

(*Nosto analysis of merchant performance from January-July of 2018)
LeSportsac dresses up their homepage with a mix of vivid visuals, new arrivals and trending products to entice new visitors.

Cynthia Rowley offers personalized product recommendations to customers based on what categories interest them most.
We know that implementing personalized product recommendations across your webstore, email and social media experience is a strategy many retailers have already adopted.

But because this guide is all about powering up your store performance, let’s take it a step further with Onsite Content Personalization.

Go beyond product recommendations by tailoring the content you display across the entire store experience: from the navigation bar, to banner imagery, brand logos, blog posts and videos. This ensures that every customer gets an individual and inspiring shopping experience.

What does this look like in practice? Let’s analyze the viewpoints of two completely different customers navigating the same example webstore.

This sporting goods store offers a wide range of products – from fitness gear to outdoor trekking. On the one hand, there is Anna: a yoga fan from California who only browses yoga related items on the store. Then there is James from London, who is into trekking and other outdoor sports.
By leveraging the data you collect from both Anna and James, you can automatically transform the way both customers experience your store.

THE RESULT? ONE STORE, TWO COMPLETELY DIFFERENT EXPERIENCES.
With 94% of companies saying personalization is critical to their success, the need to tailor the entire shopping journey has shifted from a “nice to have” to an absolute necessity. Sure, it’s easy to enable online personalization when you’re operating a low SKU count and customer base; but once you’ve set your sights on a more powered-up store performance, you’ll need to put a robust personalization strategy in place that:

1. Understands your customers’ every need and intention
2. Automatically segments customers based on these needs and their stage in the buying funnel
3. Delivers personalization across all touchpoints, channels and unique content elements across your store.

By doing this, there’s no limit to how much you can power up your growth.
Nosto enables online retailers to deliver their customers personalized shopping experiences at every touchpoint, across every device. A powerful personalization platform designed for ease of use, Nosto empowers retailers to build, launch and optimize 1:1 multichannel marketing campaigns without the need for dedicated IT resources. Leading retail brands in over 100 countries use Nosto to grow their business and delight their customers. Nosto supports its retailers from its offices in Helsinki, Berlin, Stockholm, London, New York, Los Angeles and Paris.

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