



# **INSIDE THE MINDS OF ECOMMERCE EXECES**

..... UK EDITION





## ● Mobile Remains Critical

The mobile experience is one of the top two strategic initiatives for UK ecommerce retailers in 2017, and it came up third in terms of having the potential to improve sales or profit.

### TOP BUSINESS PRIORITIES

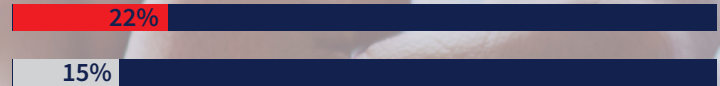
Customer Loyalty/Retention



Improve Mobile Experience



Understand Changing Market Dynamics



Adopt New Technology



Improve Website Experience



Marketplace Dynamics



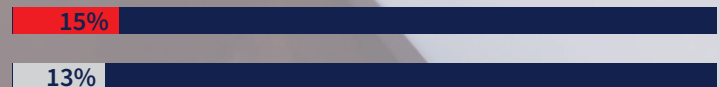
Leverage Customer Data



Increase Online AOV



Increase In-store AOV



Operational Efficiency



UK

All Others

It's a good thing that UK respondents consider it strategic – a seamless mobile experience is a key step towards gaining mobile sales.

But surprisingly, just 37% treat the mobile experience differently by device (phone versus tablet) compared to 55% of respondents from the other three countries surveyed. UK respondents were also slightly more likely to say they treat their mobile strategy the same as desktop (53% versus 51% of all others).

**37%**

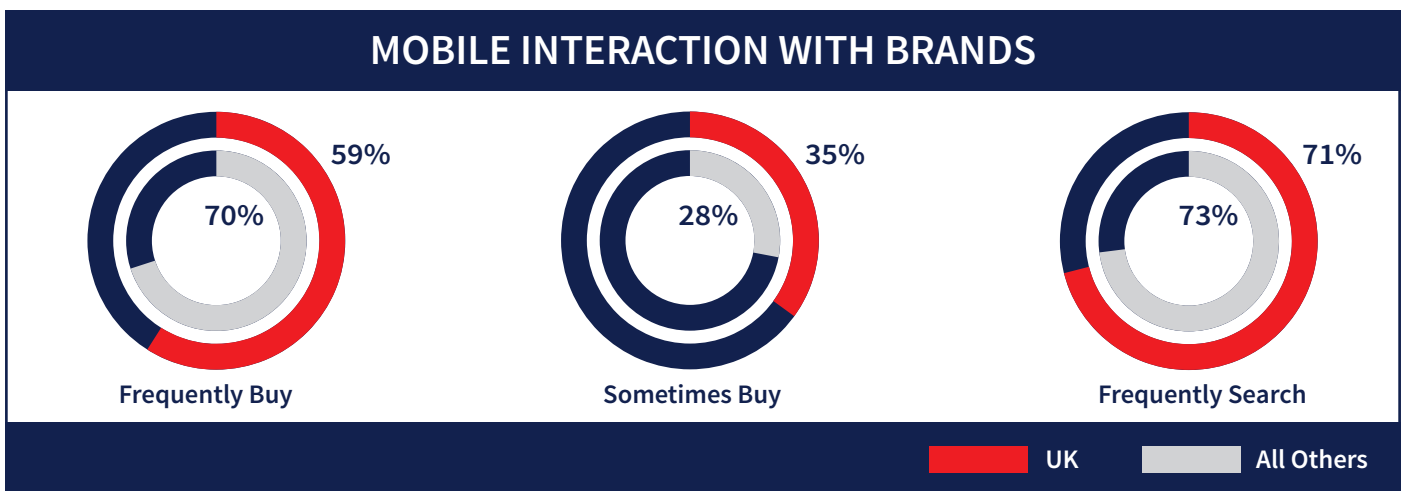
*optimise their mobile strategy by device.*



**63%** *treat tablets and phones the same.*

While commerce marketers in the UK aren't necessarily differentiating their mobile experience, they seem to be responding to what they perceive is the market for shopping on a mobile device. The majority of respondents said mobile commerce is either critical (45%) to the future of their brand because buyers are already using mobile heavily or important (46%) to its future because buyers are increasingly using mobile.

Are UK buyers less likely to buy but more likely to browse or comparison shop using their mobile device? UK respondents believe so – at least a little bit. Fifty-nine per cent of them say shoppers buy frequently on mobile devices vs. 70% of respondents from the other countries. More answered that their customers sometimes buy on mobile devices (35% versus 28%). And browsing on a mobile device? Seventy-one per cent of UK respondents say their shoppers are searching for products via mobile compared to 73% of other respondents.



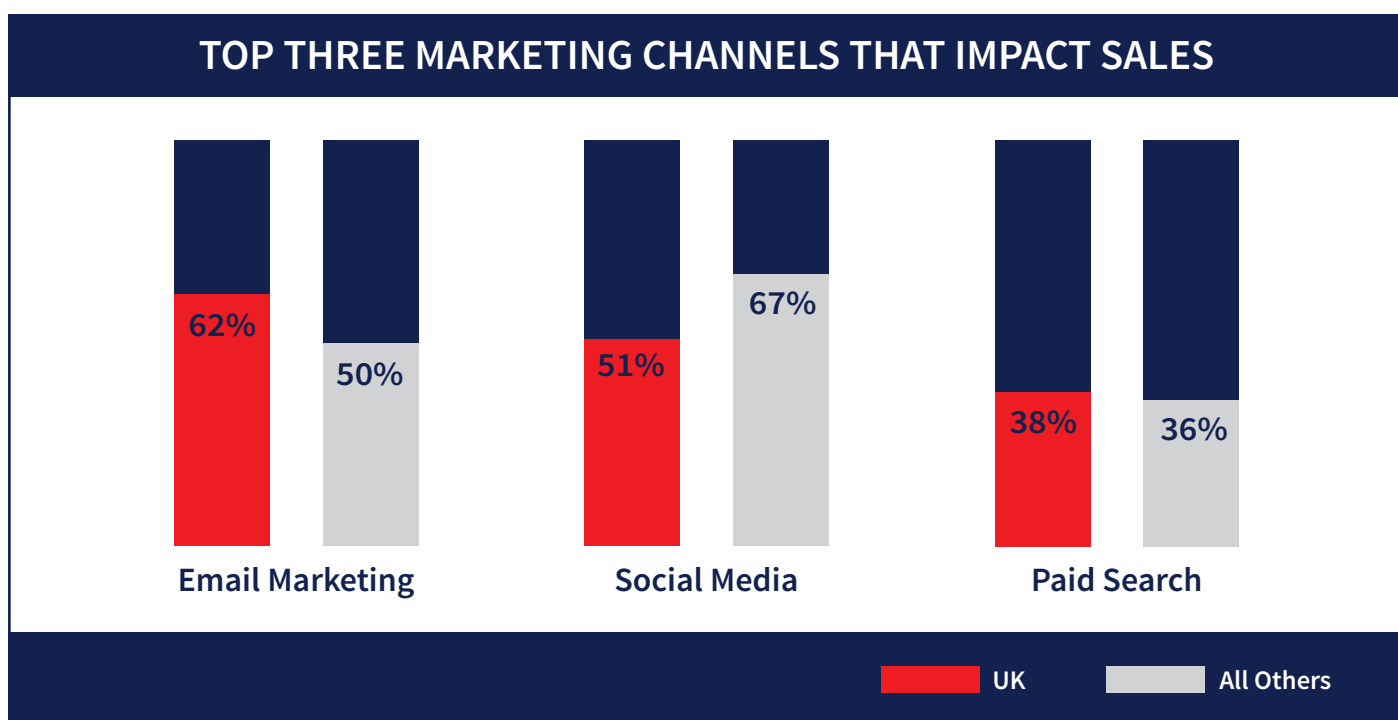
The question for UK commerce marketers is straightforward. If shoppers are browsing on a mobile device, why would you do anything that creates a hurdle for buying on one? Treating mobile the same as the desktop is a potentially money-losing approach.

## ● Choosing the Right Channel

Thirty-one per cent of UK respondents named customer loyalty and retention their top investment goal for this year, compared with just 27% of those from the other countries surveyed. This could explain their desire to better understand channel attribution, a critical factor in crafting post-purchase campaigns.

When asked what had the highest potential to improve sales or profit, 39% selected marketing channel attribution, which we would argue also reflects a sophisticated view of marketing strategies. If you don't understand where your revenue is coming from, how do you choose which marketing approach to use?

It's not surprising that email marketing is listed by 62% of UK respondents as one of the three most successful channels (it's their top choice), while only 51% chose social media – one that is notoriously difficult to measure. If UK retailers are hesitant to invest in social media before they better understand channel attribution, it's probably a wise move.



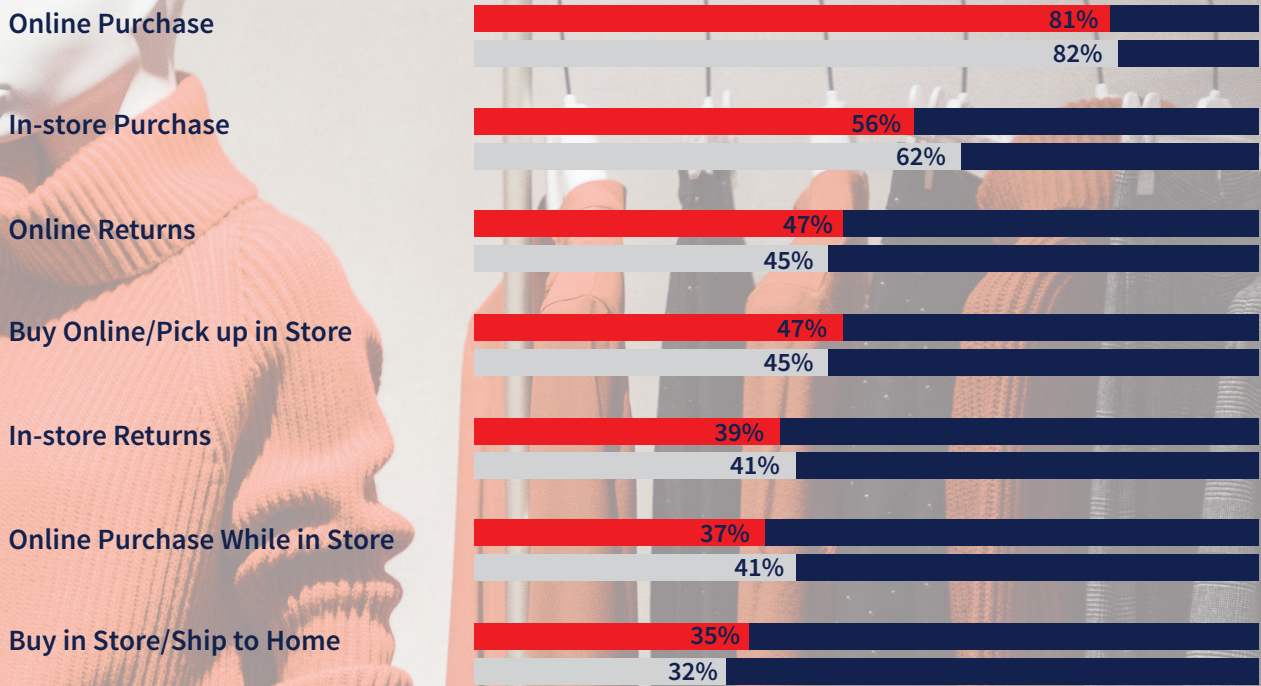
## ● Coordinating the In-Store and Online Experiences

Using the physical stores you've invested in to energise your online sales (and vice versa) can catalyse growth. Retailers with a solid bricks-and-mortar network want to take advantage of that network to erase some of the pains of online shopping, such as needing to get something that day or wanting an easy way to make returns.

Thirty-eight per cent of UK respondents agree that a coordinated in-store and ecommerce strategy has a high potential to improve sales and profits. This is likely related to the highly-publicised success of their efforts with strategies like click and collect. For these techniques that are designed to create a unified shopping experience, respondents from the UK are right in line with those from the other regions surveyed in terms of offering a variety of options for their customers.



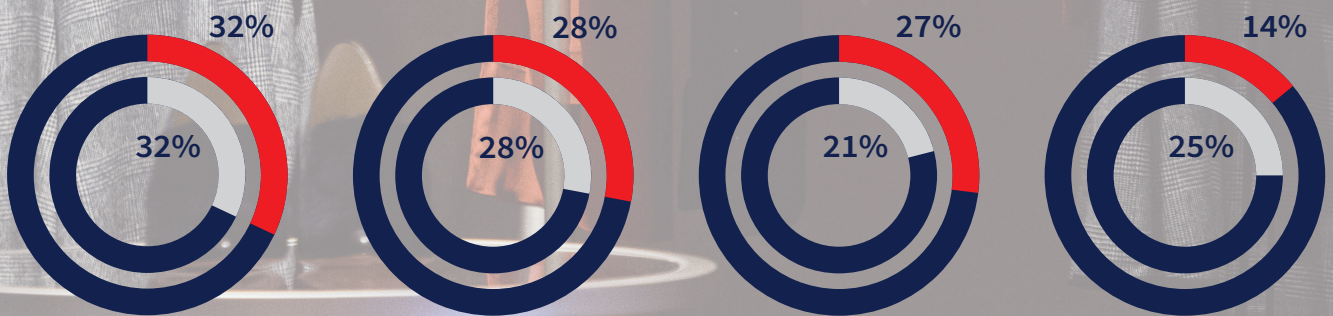
## HOW UK CONSUMERS ENGAGE WITH BRANDS



UK All Others

When it comes to techniques to enhance the in-store experience, UK respondents differ sharply from their counterparts in some areas. Twenty-seven per cent of UK respondents believe interactive spaces, such as dressing rooms or virtual kiosks, could greatly impact store sales, while just 21% of other respondents think they're game changers. Conversely, UK respondents aren't particularly enthusiastic about offering personalised in-store offers on mobile devices (14%), which was identified by 25% of all other respondents as a great way to enhance the in-store experience.

## GREATEST IMPACT ON IN-STORE SALES



UK All Others



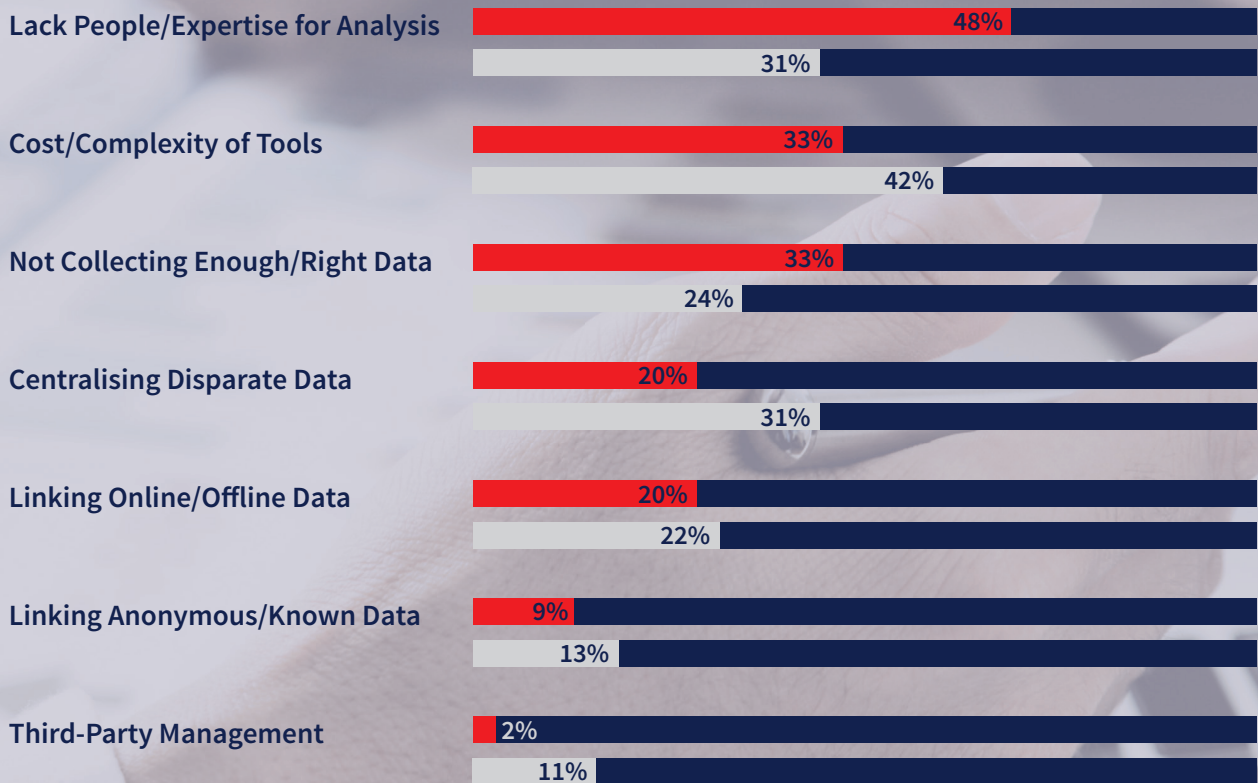
## ● The Data Dilemma

Savvy retailers understand that success ultimately lies in their ability to gather, analyse and act on data about their customers' preferences. And while data and analytics are of keen interest to UK online retailers, there is a looming barrier: Nearly half (48%) reported that they lack the talent with the expertise to conduct necessary data analysis. And 33% listed the cost and complexity of data analysis tools as another top concern.

# 48%

*of UK respondents say that they lack the people or expertise necessary to analyse their data.*

### OBSTACLES TO MAKING DATA-DRIVEN DECISIONS



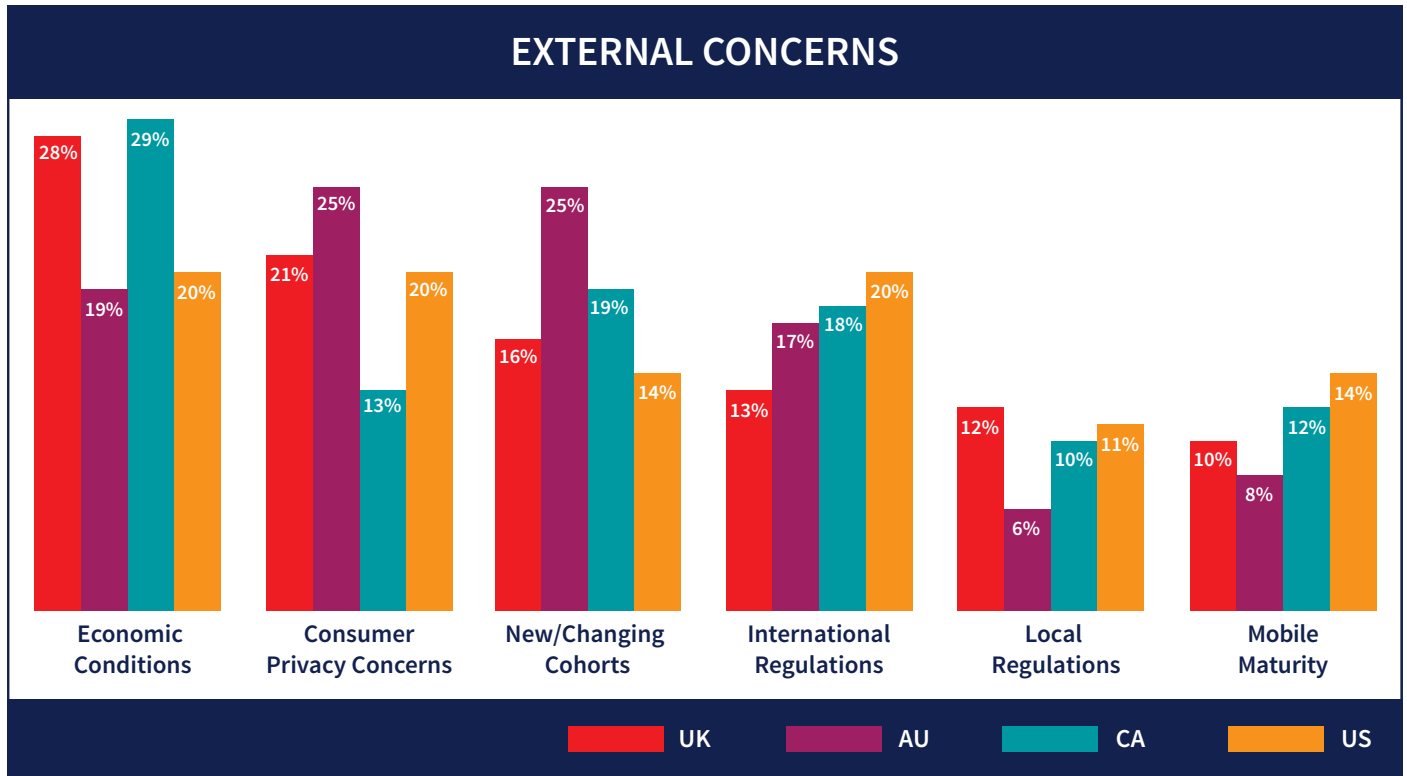
■ UK ■ All Others

When asked to rate themselves on their effectiveness at leveraging data for business decisions, only 54% of UK respondents rate themselves as very effective, well below the 63% of all others surveyed.

Without asking more questions, it's difficult to know whether UK ecommerce retailers are simply more aware of the need for improvements or aren't clued in to the value of using data. But based on their self-assessment, we can assume the former. Realistically, it's difficult for anyone to be able to secure a single view of the customer and reliably make data-driven decisions if you lack the talent and tools to analyse the data.

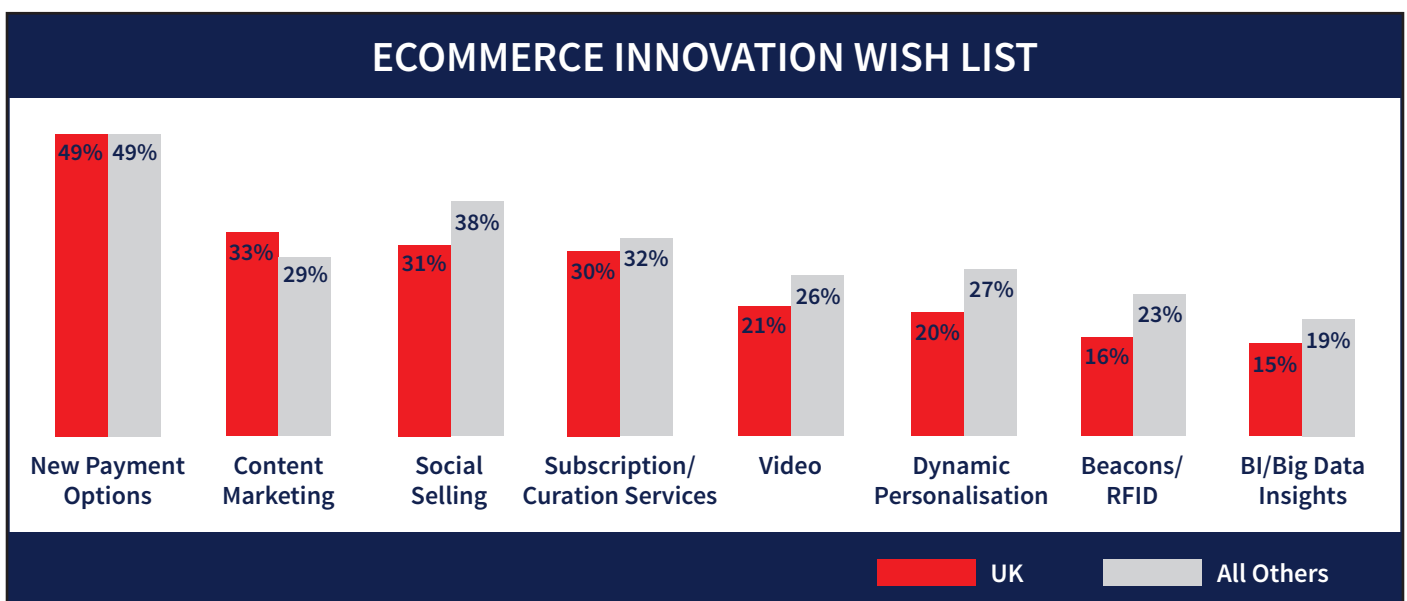
## ● The Economy and Consumer Privacy Weigh on UK Retailers

It's probably no surprise in the age of Brexit that UK respondents list economic conditions as the No. 1 concern when it comes to external market conditions and things outside of their control. In the UK, 28% identified economic conditions, compared with just 23% of respondents from other regions. Also weighing on them are consumer concerns about privacy.



## ● What's Next?

We asked one final question: "When you think about innovation in ecommerce, where would you focus if money or time were not an issue?" Forty-nine per cent of UK respondents chose new payment options, including "one-click" choices that make shopping seamless. With their interest in enhancing the mobile experience, this is one goal that could be well within reach.





## ● On the Right Track

Commerce marketers in the UK are moving in the right direction – concerned about mobile, interested in customer loyalty, serious about attribution and knowledgeable about the need for data to drive revenue. The retailers that get these pieces into play quickly and effectively will have the advantage going forward.

## ● Methodology

Working with research firm Demand ROI, we surveyed ecommerce managers, directors and vice presidents at companies in the UK, the US, Canada and Australia with a minimum headcount of 200 employees. The survey was conducted via email in the spring of 2017. We received 409 qualified responses, with 104 from the UK. Of those, 77% reported having both brick-and-mortar and online operations, while 23% are online only.

### **About Oracle + Bronto**

Oracle + Bronto arms high-growth retailers with sophisticated marketing automation to maximise revenue opportunities. The Bronto Marketing Platform powers personalised multichannel content that generates the higher engagement needed for retail success. Keenly focused on the commerce marketer, Bronto continues its longstanding tradition as a leading email marketing provider to the global *Internet Retailer* Top 1000 and boasts a client roster of leading brands, including Vivienne Westwood, Euro Car Parts, Björn Borg, notonthehighstreet.com, Oak Furniture Land and Joseph Joseph. For more information, visit [bronto.com](http://bronto.com).

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