The digital shelf decoded

Maximize product visibility and online sales

CommercelQ

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Introduction

The recent past showed CPG businesses the need to invest in their digital shelf with urgency.

To grow and sustain profitability in the years ahead, brand owners can no longer apply incremental changes to their digital transformation.

Organizations need to ensure their content is presented accurately across online retailers and marketplaces and that shoppers can discover these products with ease anywhere in the world. In order to scale at pace futureproof brands rely on <u>digital shelf analytics</u> to create their eCommerce playbooks.

While there are cross-overs between the online grocery and the brick and mortar setting — the digital shelf comes with its unique challenges and best practices, and it requires different insights to manage it.

Ultimately, understanding the digital shelf will determine your brand's future ability to succeed in the omnichannel.

So, today brands can no longer debate whether or not to focus on their online performance. Instead, they need to quickly determine the strategies and tactics to deploy to win.

For this, brands want to empower sales and marketing teams with the tools and workflows needed to drive efficiencies in the omnichannel, build competitive advantage at scale and influence retailer strategies.

Ultimately, understanding the digital shelf will determine your brand's future ability to succeed in the omnichannel.

John Maltman, CCO CommercelQ



Build influence, grow sales

In this eBook, we're going to cover the key aspects your business needs to consider for building a winning <u>digital</u> <u>commerce strategy</u>.



What is the digital shelf
How to optimize your digital shelf
Why you need digital shelf analytics
Winning on the digital shelf today

Digital transformations have historically focused on speed, but scale is rising on the agenda and those CPGs who can create and deploy eCommerce playbooks quickly across all of their markets (evolving and emerging) will determine who will win long term.

Let's start by creating a level-playing field, explaining what the digital shelf is and how the online shopping experience compares to that in store.

1. What is the digital shelf?

The digital shelf is the complete online experience with your brand and the one that you deliver to influence shoppers' purchase decisions.

Compared to the physical shelf you own the digital shelf. This makes you responsible for its creation, management and improvement at all points. Simply put, it's the place where shoppers land to 'virtually' engage with your products.

The digital shelf is much vaster in scale. Online retailers have a bigger product catalog, you'll have potentially more competitors to monitor and it's a faster-moving landscape altogether.

Just like the physical retail environment, the digital shelf has a set of best practices. Because shoppers can't touch your products or ask a supermarket salesperson for help, a retailer product page has to do double the work.

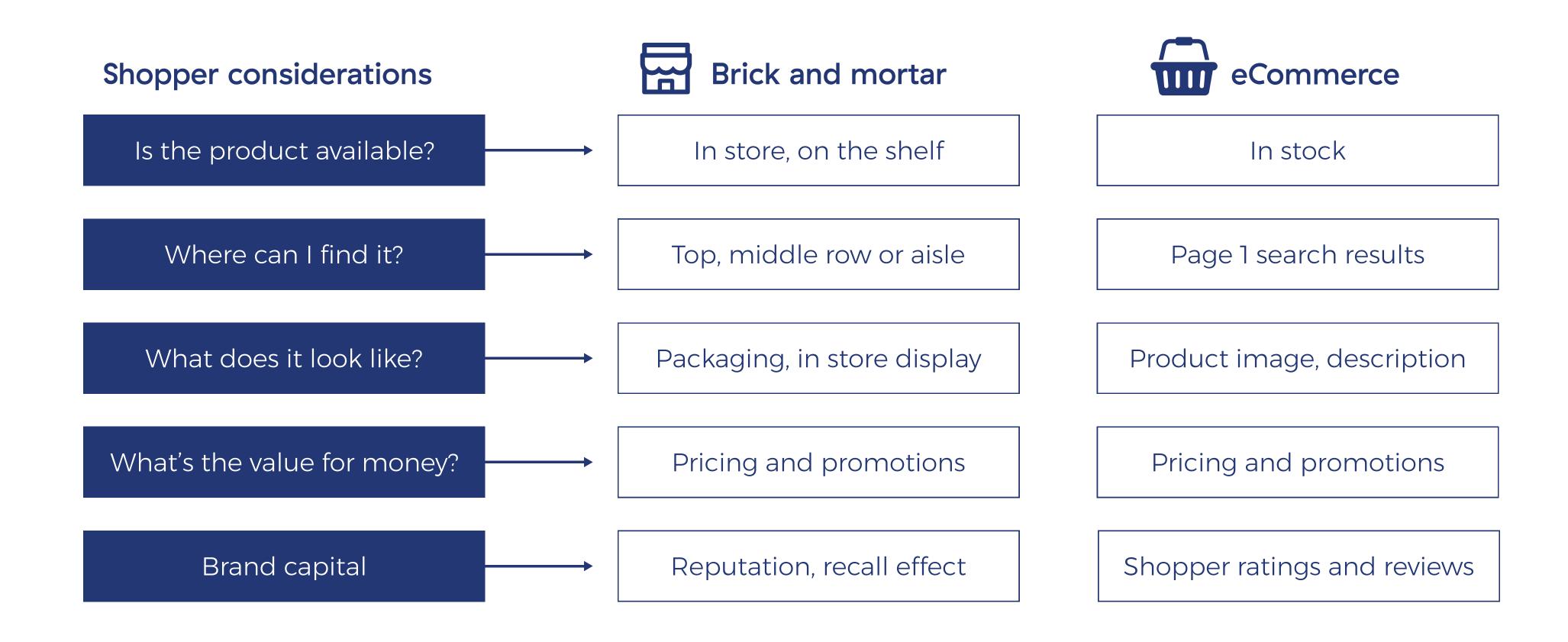
From browsing to discovery, creating enaging product descriptions, optimizing assortment and generating ratings & reviews —there's a lot that goes into creating and delivering the 'perfect' digital shelf to drive sales.

To illustrate the above, let's look a direct comparison of the shopper journey.

53% of US adults begin product searches on Amazon when planning to make a digital purchase.

eMarketer

How do the physical and digital shelf shopper journeys compare?



Challenges With online grocery

The direct comparison illustrates the complexity around eCommerce. Your product has to work much harder than just by sheer design or isle placement.

Online brands have started to aggresively compete for <u>share</u> of search, clicks and conversions. So, your product needs to be found, stand out and bridge the lack for sensory cues.

Other challenges of online grocery include:

- · Shoppers can get lost searching for products, layouts differs by retailer and can be overwhelming
- · Browsing time is shorter, offering less chances for discovery
- · Shoppers (are conditioned to) rely on favorites, lists and repeat purchases

We know that shoppers are increasingly buying online, but it's how they're buying that matters: If shoppers can't find what they're looking for they are quick to a) move to a competitor brand b) change marketplaces altogether. Brands and retailers need to work together to fulfill shopper missions via content.



One of the data points we often share with clients is that 35% of products added to basket come through search. What's more, a huge 60% of all adds-to-basket from search are from the first four positions.

2. How to optimize your digital shelf

PRODUCT COMPLIANCE

Ensure details on nutritional information, allergens and packaging materials are correct, complete and comprehensive. Your PIM may not get this right and the retailer isn't there to check for you.

PRODUCT IMAGERY

Provide web and mobile optimized imagery and, if possible, videos or 360 degree angles. Images must be clear and closely match the physical product. Understand what each retailer offers to ensure you have the richest set of options.

PRODUCT TITLE CONVENTIONS

Establish a 'golden standard' so your titles match the search of your target shopper. Avoid internal wording, ensure consistency and include your brand name and keywords like 'pasta'.



PRODUCT DESCRIPTION

This is where you "cut two carrots with one knife" consider your main keyword, use it often as long as it reads well. Use this space to bring in your marketing statements about benefits to appeal to your individual audience needs such as vegan, gluten free, child friendly.



BONUS TIP 1 - OPTIMIZE FOR RETAIL SEARCH

You want to make sure your content matches shoppers' search terms and qualifies for a position on page 1 of the retailer's results page. It is here where you can work closely with retailers as inaccurate descriptions ultimately affect their search ranking on Google and yours within the retailers site.



BONUS TIP 2 - MAXIMIZE PRODUCT REVIEWS

Encourage product reviews, respond to queries and help increase your average ranking. You'll also understand what consumers value or want to see changed. Get instant feedback on new products.



BONUS TIP 3 - MANAGE AVAILABILITY

Don't disappoint your online shoppers. Make sure your products are always available. Brand lotyalty is fragile online, shoppers are more likely to switch to the competition if searched-for products are out of stock.

3. Why you need digital shelf analytics

eMarketer estimates U.S. eCommerce sales may grow as high as \$6.5. trillion by 2023.

As consumer habits continue to evolve away from traditional shopping methods, brands have a tough time vying for the attention of these digital shoppers.

What's more, brands can no longer focus on only one or two major retailers. Instead, they'll have to gather data from across all of their digital commerce channels to understand how their products are displayed, performing against competitors and how to quickly spot and action growth opportunities.

Staying on top of KPIs related to one's digital shelf is difficult and can result in guesswork.

Too many sales and marketing teams are still manually managing Excel spreadsheets, gathering data from multiple sources lacking comprehensive, real-time data. This can lead to duplication and stagnant productivity.

Current ways of working are simply insufficient to driving growth and category leadership. They also entail too much risk of damaging your brand integrity.

So what's key? Speed and scale of adoption paired with using full-category, digital shelf analytics.

Internal resources conducting manual monitoring efforts frequently [across multiple digital channels] cannot keep up with the pace of product content changes and the misrepresentation of products by retail partners.

Gartner

What makes digital shelf analytics critical



Digital shelf analytics gives a complete category view automated and daily on stock levels, product visibility and the accuracy of product content, range availability and shopper reviews.



PROGNOSIS

It delivers trending data in a combination of past and current activity, letting you infer what might happen in the future. Teams can better forecast sales or renegotiate Joint Business Plan spend for promotions.



ACTIONS

Track competitor moves, prevent stockouts, adapt retail media campaigns and enable leading conversations with retailers all whilst taking the steps needed to grow category sales quickly and at scale.



With the right digital shelf analytics software, brands empower their sales and marketing teams to drive online revenue gains more effectively and collaboratively. Let's now turn our attention to understand what else it takes to drive online sales today.

4. Winning on the digital shelf today

The digital shelf comes with its own set of rules. To win, brands brands need to review existing strategies and ways of working.

To captialize on the eCommerce growth opportunity fast and at scale, we consider three pillars essential to delivering digital shelf success:

- Ecom-savvy people
- Agile infrastructure
- Smart technology

ECOM-SAVVY PEOPLE

The inability to transfer valuable in-store knowledge to "how things work" on the digital shelf is a common blocker for brands trying to succeed online.

But building eCommerce capabilities quickly across all teams *not just* ecom — is critical to managing and optimizing your digital shelf so it can attract and convert shoppers.

How familiar are sales and marketing teams with retail SEO best practices? How do they know in which retailer to optimize trade promotions and review pricing strategies? Do they have the fullcategory data needed to anticipate and mitigate stockout risks fast?

CPG orgs' must focus on getting their teams 'digital shelf ready' quickly and efficiently or else will see their competitors take the lead.

Equipping sales and marketing teams with eCommerce capabilities fast and at scale is critical to winning and beating the competition today.

Cheryl Haggerty, Senior Vice President Strategic Global Partnerships Commerce Q



AGILE INFRASTRUCTURE

For international organizations size and legacy often get in the way of agility. Internal processes have been established and are hard-wired into an org's DNA.

However, even small to medium-sized enterprises soon struggle with scalability when launching new products or trying to maintain an overview of their online sales performance.

Any type of manual labour should be scrutinized and processes streamlined that relate to content production and optimization, campaign delivery measurement.

Setting up workflows that are results-driven and centred around actions will be enhanced with a degree of insights automation.

At e.fundamentals we believe that cross-team alignment is critical to driving the best results in digital commerce; a tailored approach to initiatives by market ensures alignment from a global to local level.

How can brands achieve this type of alignment fast and at scale? By partnering with an analytics software vendor that seeks to understand your brand's commercial objectives, provides comprehensive guidance and so drives eCommerce knowledge and adoption across the business.

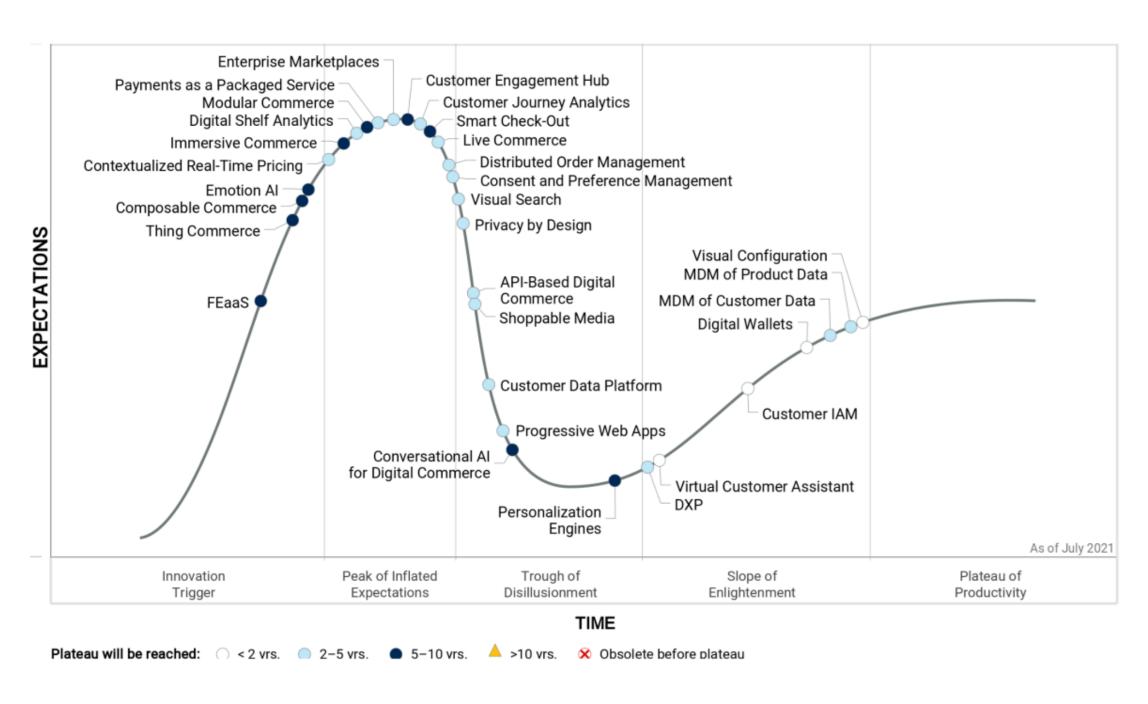
Smart technology

TRIGGER YOUR INNOVATION

Whether you're an independent brand starting to grow or well established household name, any type of manual processes will slow your organization down.

Gartner, a global research and advisory firm, recognized digital shelf analytics as being at a pivotal growth phase within the <u>Hype</u> <u>Cycle for Digital Commerce 2021 report</u>. Digital shelf analytics software is highlighted as a key innovation trigger for brands looking to grow digital commerce performance.

More than just data, digital shelf analytics should enable you to effectively narrate your category story, providing visualized insights that prompt your teams to act at pace and scale rather than crunching dashboards and spreadsheets. Reliable vendors put data accuracy agreements in place and provide evidence for 'ethical data scraping'.



Source: Gartner 2021

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What to look for in a digital shelf analytics vendor?

FULL-CATEGORY DATA



Comprehensive category insights for an unlimited number of SKUs and users as standard. Only with a full-category view are your teams best equipped to tell your brand's story globally, and be informed about what's happening with competitors.



COMMERCIALLY FOCUSED

Ensure your vendor is aligning to your business objectives both at the global and local market level. The analytics need to be tailored around job roles and your language to truly support your goals.



ONGOING SUPPORT

Your vendor should offer more than just shelf data. Look for a partner that seeks to understand your business and processes while helping teams to interpret the data for action. Your client success team should be easily accessible and deliver ongoing training around eCommerce trends and capabilities.



Feeling stuck with your incumbent vendor? We get it, changing vendors can be daunting, but staying put means you could be leaving money on the table. Look for a vendor that focuses on no-burden implementation and onboarding.

We help you win

World-leading CPGs use e.fundamentals DSA by CommerceIQ to analyze, mobilize and optimize their brands' performance across thousands of online stores and marketplaces around the world at speed and scale.

As highlighted in this eBook, brands looking to retain category leadership online must upskill their teams fast on how to win on the digital shelf, build infrastructures that enables best practice sharing at scale and base their actions on full-category, daily insights reducing manual (guess)work.

Ready to partner with a vendor that supports your commercial objectives?

BOOK A DEMO TODAY

commerceiq.ai/demo

You might also like

- 1. The Digital Shelf Cast podcast
- 2. How to deliver effective content on the digital shelf
- 3. Case study: How we drive hyper-growth with global clients

