



4 Dynamic Ways to Engage Shoppers

Retain Customers with Personalized Content



To compete in today's market, merchants need to exceed customer expectations. For many businesses, increased sales and conversion rates are dependent on how well an organization drives engagement and anticipates customer needs.

As technology continues to rapidly evolve, the next five years will be a transformative period for commerce. The explosion of new channels and the increased focus on customer data, coupled with the rising customer demands for personalization will require an understanding of machine learning and artificial intelligence. How will your business stay ahead?

In this guide by Magento and Nosto, you'll discover actionable insights to engage shoppers: from customizing product recommendations and studying shoppers' behaviors across devices, to discovering how social commerce is shaping the way brands develop trust with their customers. You'll also find tried-and-tested examples of brands who are leveraging these strategies to engage current customers and attract new ones in the process.

1. Customize Product Recommendations

You can implement personalized product recommendations across a number of pages on a website, with each area offering its own advantage. Depending on a store's particular objectives and customer behaviors, you should apply recommendations only where they're most relevant to yield the greatest ROI.

Delivering the right products to the right customers is a multi-layered approach. Here are four actions to implement when personalizing the customer shopping experience:

Understand your products and how they relate to each other. Analyze attributes including product variant levels, margin data, and inventory levels. This information will help you determine which products are most commonly purchased together, or what products shoppers actually go on to buy after viewing a particular product.

Establish customer profiles based on browsing behavior. Customer browsing provides a rich data profile of unique behavioral data. Learn the customer's habits such as location, their individual tastes and preferences, purchase history, and brand affinity.

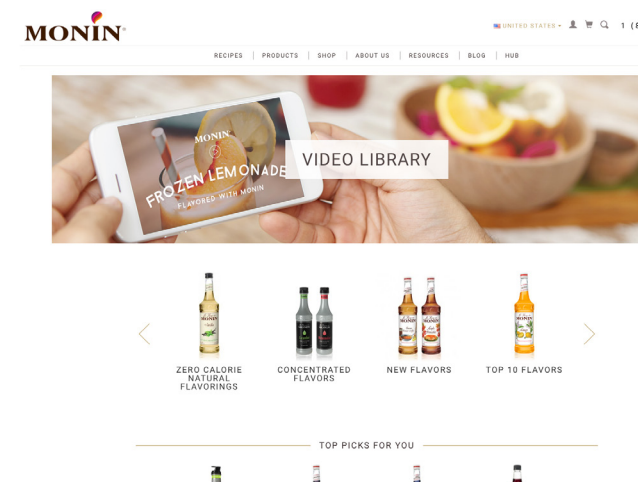
Optimize for greater revenue. Analyze past revenue performance for every product. Machine learning algorithms will place more value on products with a higher probability of being purchased – even if another product receives more views. This will provide insight on the products that will maximize your revenue potential.

Leverage data from across your digital store. You may need to gather data from other integrations and APIs across your store's eCommerce stack: from social data (including ratings and reviews or user-generated content) to data pushed out to tech providers, such as ESPs. This data can be used to supplement standard product recommendations, which can have a significant impact on conversion.

Below are effective examples of how product recommendations can be leveraged across key pages of your digital store, based on the layers mentioned above.

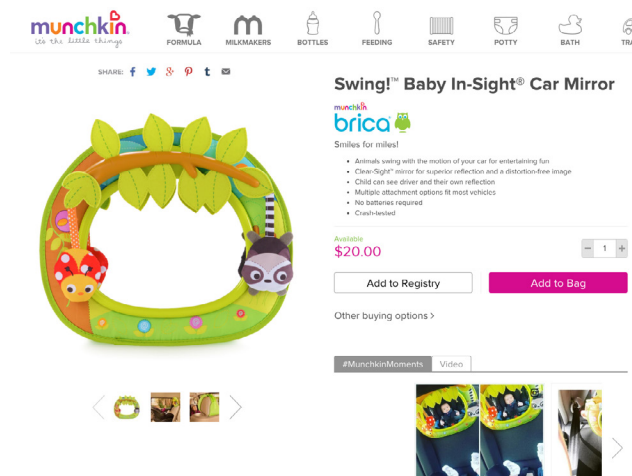
The Homepage

The world-famous syrup brand, **Monin**, displays a collection of their best-sellers on their homepage to drive engagement and AOV. Homepage recommendations can be tailored to display best-sellers for first-time visitors, items based on past browsing history to convert indecisive customers, and items based on a visitor's geo-location to promote products most relevant to a shopper's location.



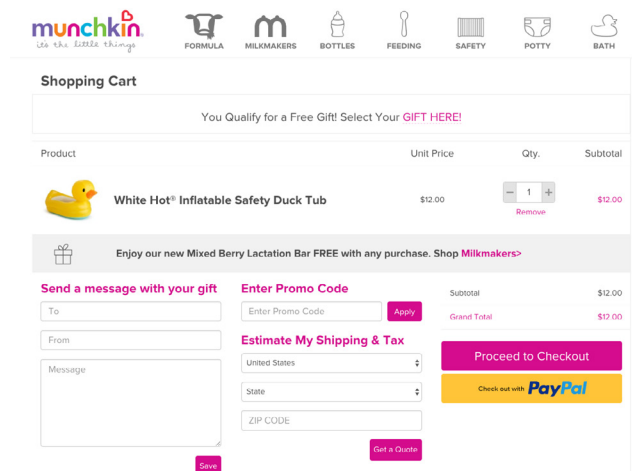
Product Pages

The leading baby product retailer, **Munchkin**, offers a variety of complementary items, that are similar in style and price, based on a customer's product selection.



Checkout

Munchkin also offers these complementary items during the checkout process – a strategy that helps drive AOV before the customer hits the purchase button.



2. Adopt a Mobile Mindset

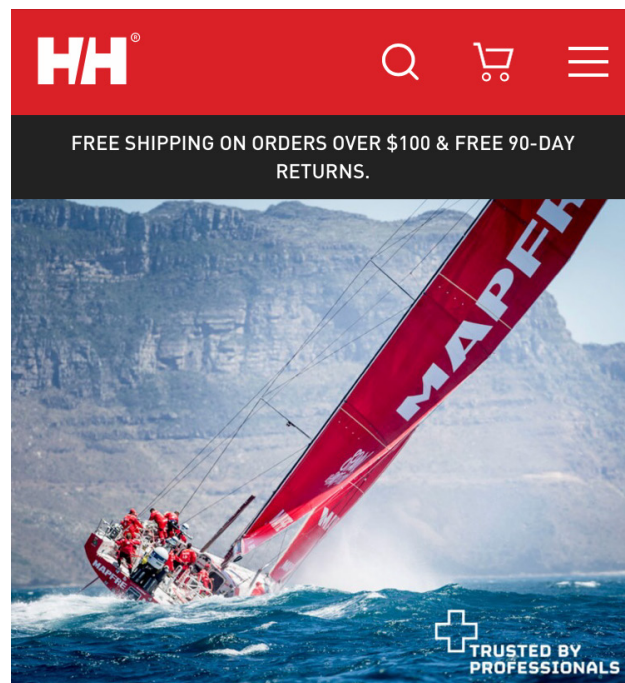
When implementing product recommendations onsite, always keep mobile in mind. [Nosto's 2017 Magento Year in Review](#) benchmark report showed that smartphone usage drives 46 percent of traffic on Magento-powered websites running on Nosto – an increase from 43.7 percent in 2016. This shows that shoppers are adopting a mobile-first mindset when browsing a site. But while mobile leads the pack over desktop (43.3 percent) and tablet (10.7 percent) in terms of traffic, it yields the highest bounce rate – 54.3 percent as of 2017.

To ensure your site is meeting mobile demand and keeping shoppers engaged, ask if your business is doing the following:

- **Is your website optimized for speed?**
Consumers are known to abandon a mobile website that takes [longer than three seconds](#) to load.
- **Are you using powerful images?**
[Visual studies](#) show that pairing a relevant image to text will lead the viewer to retain 65 percent of the information up to three days later.
- **Is your website design responsive?**
Mobile's limited real estate can lead to a poor user experience, preventing shoppers from completing a purchase. In fact, Nosto data shows that cart abandonment rate on mobile stood at 80 percent in 2017.

The outdoor gear retailer [Helly Hansen](#) offers a fully optimized user experience on multiple platforms, and mobile is no exception. The site offers a user-friendly interface for shoppers on mobile including detailed and

personalized product offerings, specific language options, payment methods, and shipping rules for their 35,000+ products. This optimization led to [a 68 percent increase in transactions on mobile](#).



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Our Helly Tech® sailing gear is the frontline between you and the elements.

SHOP MEN'S

SHOP WOMEN'S

With the increased usage of mobile-only apps, shoppers have come to expect a frictionless user experience. While data-oriented features and functionality will continue to create improved customer experiences on mobile, making sure your mobile site is optimized today will help increase engagement with shoppers.

3. Appeal to Shoppers with Enticing Content

The global cart abandonment rate during the first quarter of 2017 stood at 75.6 percent – that's a lot of customers lost due to indecision, complicated onsite navigation, and lack of engagement. One way to keep customers from abandoning your site is to win them over with an enticing offer or customer review.

Behavioral Pop-Ups

Behavioral pop-ups engage new shoppers on your site – or those who may be on their way out of your store due to a lack of time, indecision, or sudden loss of interest. With the help of shopper data, personalized pop-ups display abandoned cart content, helping to increase conversion rate. Meanwhile, pushing promotional offers like discount codes and free or last-minute sale announcements, helps increase AOV.

The lifestyle brand, **Volcom**, welcomes customers to their site with a 15 percent discount, redeemable only by entering an email address. This two-fold strategy allows them to grow their subscriber base while establishing customer loyalty.



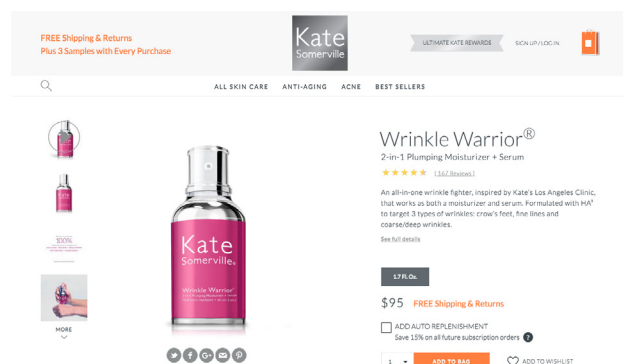
JOIN THE FAMILY
GET 15% OFF
-FREE SHIPPING

ENTER EMAIL
[Input field]
[Submit button]

Customer Reviews

About **30 percent of products ordered online** typically find their way back into a store's inventory – compared to a meager 8.9 percent in brick-and-mortar stores. Since shoppers cannot physically reach into their devices and interact with a store's products before purchasing, providing key details about your products can help build the reassurance shoppers need to complete a purchase.

The skin care brand, **Kate Somerville**, incorporates detailed product information, high-quality photography and video, user reviews, and product recommendations on their product pages. As a result, the skincare company saw a **14 percent increase in revenue**.



167 Reviews



93 % of 167 Recommend This Product

WRITE A REVIEW

50
POINTS

4. Drive Engagement with Social Advertising

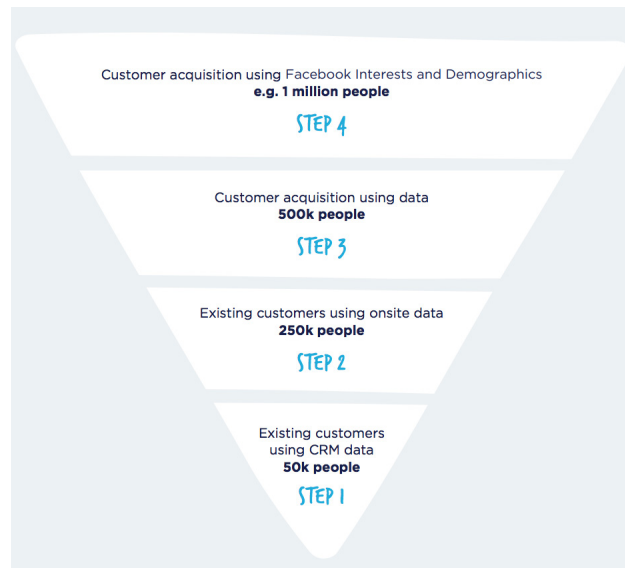
With Facebook and Instagram leading the social media initiative (attracting **1.37 billion** and **100 million+** users, respectively) it's no surprise that about **3 billion businesses globally** are leveraging paid social advertising to drive visibility and revenue.

Social advertising is a great way to extend the personalization journey outside of your website, allowing you to tailor ads based on a customer's browsing history, past purchases, and the interests of customers in a similar demographic.

While showcasing recommendations in social ads has potential to drive traffic to your site, many brands struggle to find the right formula to increase their return on assets (ROAs). The key to finding this formula? It starts with targeting the right audience.

The 'Bottom of the Funnel' Approach

One effective way to drive higher ROAs through Facebook and Instagram advertising is to adopt a 'bottom of the funnel' approach. It's a simple philosophy: rather than allocating a massive budget to your ad campaign efforts, start by targeting the customers who are statistically most likely to convert and use them as a building block for conversions.



Leveraging social data can yield a positive impact on a product's conversion. For example, you can display discounted items only to those shoppers coming from a specific Facebook campaign or geo location, or highlight certain brands depending on your profit margins or inventory levels.

Video Content is Here to Stay

Over 100 million hours of video are consumed on Facebook daily. This means two things:

1. **For a user**, that's an almost endless amount of videos to enjoy.
2. **For a merchant**, that's a lot of videos to compete against when engaging your target audience.

By combining personalized content with the popularity of video, you increase the relevancy of your social ads.

User-Generated Content

Let's face it: the rise of social media has transformed the online world as we know it. More than ever, shoppers are turning to Instagram, Facebook, Pinterest, and Twitter – and their peers – for retail inspiration. One single Instagram photo of a customer wearing a product has the power to expand a brand's visibility to a world of new customers. User-generated content is quickly becoming a must-have in many brand's content strategies.

User-generated content can include photos, videos, tweets, and more. While the brand essentially owns the marketing strategy and management behind user-generated content, the magic lies in the fact that the shoppers themselves are promoting a brand's products through the content they post on social media. This is a huge win for merchants for two reasons:

1. **Consumers trust visual content.** In fact, [Sprout Social reports](#) that 74 percent of buying decisions are influenced by social media content.
2. **It's an organic (and effortless) content creation win.** Brands can easily leverage content created by their own customers to establish visibility and trust with new ones, and with minimal heavy lifting.

The fashion brand, [Citizens of Humanity](#), leverages content from fashion influencers via Instagram using the unique hashtag #modelcitizen. This content is displayed across their website to show products in everyday use.

Identifying how and where people are talking about our brands and cultivating that conversation for marketing purposes will become increasingly important. With that information, content marketers can curate authentic content and learn how the

social ecosystem moves content forward to purchasing.

#MODELCITIZEN



Share your photos by tagging #modelcitizen or upload here for the chance to be featured on our site.

[VIEW GALLERY](#)

The Growing Shift Towards Personalization

As the world of eCommerce continues to evolve, so does shoppers' demand for personalization in the retail journey. In fact, about **81 percent of shoppers** now want brands to recognize their interests, anticipate their needs, and know when to approach them.

For many merchants, the idea of delivering a fully personalized customer journey once seemed unattainable. With advances in artificial intelligence and machine learning, the promise of personalization is more attainable than ever before. Brands can now foster meaningful connections with their customers across several digital platforms using one-on-one personalization methods. Thanks to behavioral data, merchants can deliver content that is both unique and engaging to them, and only them.

By leveraging data collected from shoppers, merchants worldwide have been successful in delivering the level of personalization that shoppers have now grown to expect. Not only are they able to deliver on that promise, but they're able to do so on multiple touchpoints and devices to foster a truly personal and relevant shopping experience.



Nosto enables online retailers to deliver their customers personalized shopping experiences at every touch point, 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. You can find their [M2](#) and [M1](#) extensions on [Magento Marketplace](#). To learn more visit www.nosto.com.



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