

ECOMMERCE GROWTH STRATEGIES

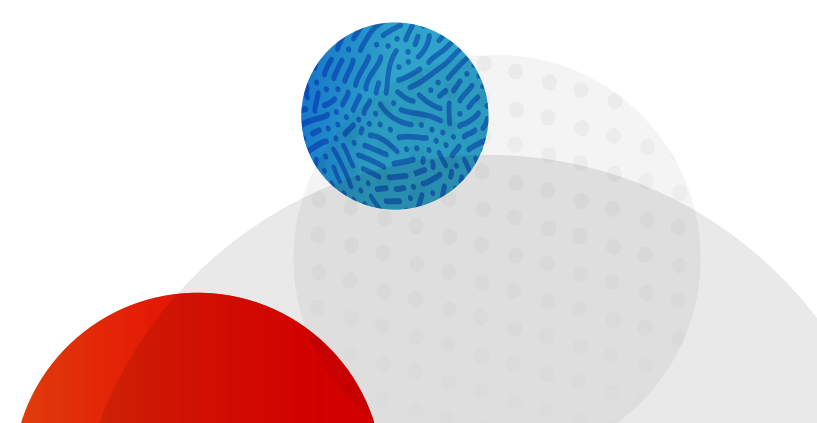
Culture, Data, and Insights: The Three Pillars of CX Success





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The CX Opportunity

Sales are booming. According to eMarketer, global ecommerce sales are projected to surpass **\$5 trillion in 2022** and are expected to top **\$7 trillion by 2025**.¹ However, growing your ecommerce presence to take advantage of this market growth will take a bit of nuance. Increasing competition from digital disruptors, evolving shopper expectations, digital transformation and other trends are radically changing the ecommerce landscape.

This seismic shift in the market presents a once-in-a-generation opportunity for established brands to reshape their commerce strategy around customer experience (CX). Providing shoppers with personalized, relevant experiences across digital and physical touchpoints at scale can be a major differentiator for established brands. This will allow brands to meet increasingly demanding expectations more cost effectively, build brand loyalty, optimize value throughout the customer lifecycle and capture a larger share of the rapidly expanding ecommerce market.² In fact, experience-led businesses can expect a **1.7x year-over-year growth in revenue and a 2.3x year-over-year increase in customer lifetime value versus other businesses that fail to make this shift in thinking**.³

Read on to learn how you can take advantage of emerging ecommerce trends, create operational efficiencies throughout your commerce properties and deliver relevant, personalized experiences that shoppers expect.



Ecommerce Trends

The past two years have radically changed the ecommerce market, leading to a major power shift between shoppers and retailers. Here are five trends to keep in mind when rethinking your commerce strategy for this new world.



Cross-channel expectations

Nearly nine out of ten shoppers reported using a new omnichannel service in the past six months⁴—whether it was ordering online and picking up in store, making an in-store appointment online or checking available inventory before heading to a store.



Personalization matters

Research from McKinsey shows that 71 percent of consumers expect companies to deliver personalized interactions, and 76 percent get frustrated when this doesn't happen.⁵



The rise of D2C

Although retailers have seen some return to foot traffic, consumers have shown a strong preference for ordering online and picking-up curbside or in-store.⁶



Mobile commerce growth

Mobile devices are taking center stage in product discovery and decision making, accounting for 65 percent of worldwide retail ecommerce sales in 2021.



Cross-border sales increase

More than one-fifth of worldwide ecommerce physical product shipments are expected to be cross-border in 2022.⁷

With global ecommerce sales projected to surpass \$5 trillion in 2022 and expected to top \$7 trillion by 2025, taking advantage of this growth and differentiating from competitors will require brands to acknowledge these evolving expectations, find operational efficiencies and continue to master CX at scale.

Siloed Data, Broken Processes

Customer journeys are becoming increasingly disjointed, cross-channel and unpredictable—making it difficult to meet rising expectations. Critical data around behavior and preferences tends to be siloed in various business systems—from CRM to commerce platforms—spreading customer insights across the organization.

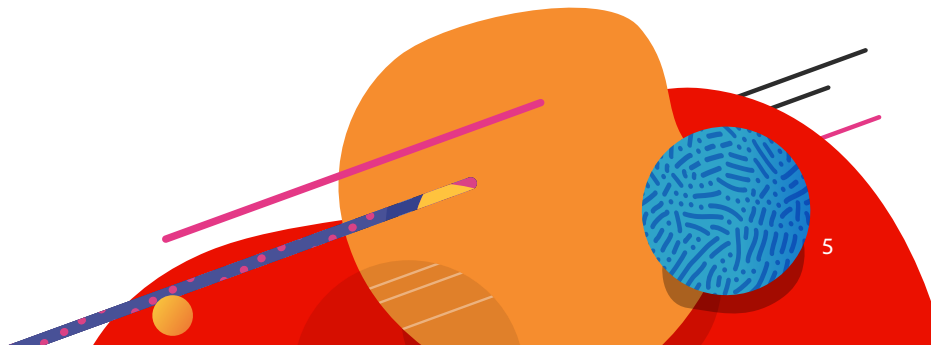
This lack of a single view of the customer makes it difficult to generate comprehensive insights into customer behavior and trends—the starting point for personalization at scale. Many brands attempt to manually integrate the data, but this is a highly inefficient process that can lead to human error and make it impossible to make personalization and targeting decisions at the point of click.

The problem is two-fold: legacy tools are ill-equipped for today's commerce environment and organizations lack the resources and expertise to make up for these shortfalls.

Traditional commerce and marketing solutions just weren't built for the level of complexity and scale we're seeing today. The era of make a sale and move on is over. Brands need to cultivate long-term relationships with customers, push them through the desired buyers' journey, build loyalty and eke out as much value throughout the lifetime. This requires a level of sophistication and scale that legacy tools just don't possess.

The research is clear on this. According to global research and advisory firm 451 Research, only 25 percent of businesses have a comprehensive 360-degree view of behavioral and operational customer data that is actionable in real time, and less than half (47 percent) of businesses have a formal digital transformation strategy in place.⁸ While it's good that this is up from 29 percent in 2016, the industry has a long way to go to bring its technology stack up to speed.

Exacerbating this problem is a lack of in-house expertise. CX champions at established brands are well aware that more sophisticated, personalized campaigns will help attract new customers, build loyalty and grow accounts, but a talent and resource gap is standing in the way of digital transformation.



The CX Fallout

The inability to manage customer data, derive powerful insights and automate the next best action makes delivering cohesive, personalized experiences across touchpoints extremely difficult at scale. The resulting disjointed experiences leave customers wanting more—making them open to trying out the competition.

According to research conducted by Dotdigital⁹, 45 percent of U.S. consumers have unsubscribed from a brand's mailing lists because they had received too many marketing messages while 37 percent have unsubscribed because they had received irrelevant marketing messages from the brand.

Similarly, a report from Forbes¹⁰ suggests that consumers' familiarity with digital channels has made them less tolerant over delays and disruptions to service and delivery. More than two in five (41 percent) customers say that slow and unresponsive service characterizes bad customer experiences.

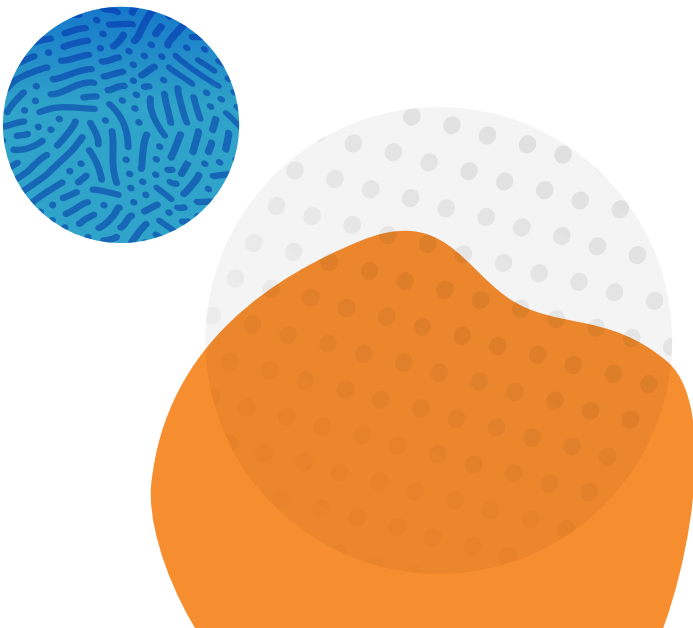
As competition increases and the market flattens, brands cannot let inconsistent, irrelevant experiences put off customers.

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Three Pillars of More Successful, More Efficient CX Champions

The key to meeting rising expectations is to put the customer at the center of everything a brand does, both in its communications to the wider world as well as to each and every customer. This depends on making the data that reveals each customer's behaviors and preferences available to stakeholders across the organization—information that can be used to deliver relevant, personalized experiences in the moment.

The way to do this is to build a customer-centric culture, get a better handle on customer data and create actionable insights that lead to successful transactions.





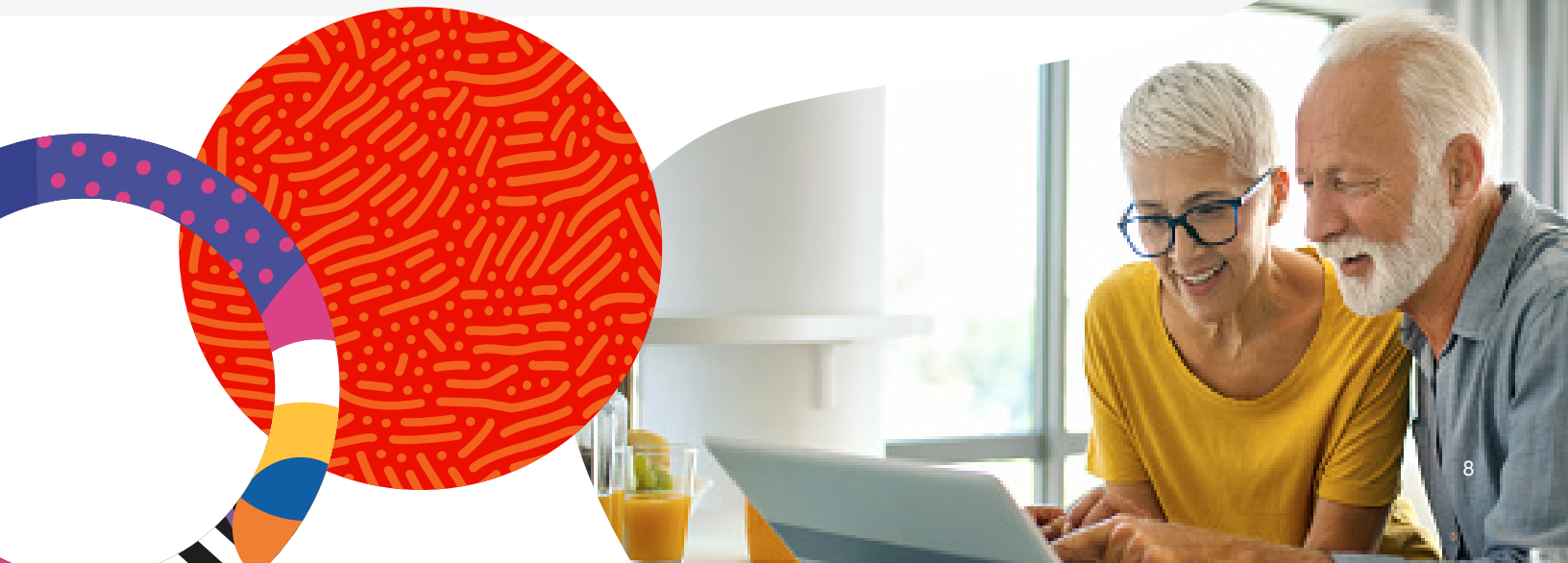
Three Pillars of More Successful, More Efficient CX Champions:

1 Build a customer-centric culture

As cross-channel commerce continues to catch on, shoppers will expect fluid engagement across multiple channels and touchpoints throughout their buying journeys. To meet these expectations brands need to connect disparate business units, teams and third-party partners to work as a single team focused on CX. This will require them to build a data-driven, customer-centric culture throughout the organization that enables cross-team collaboration and business process automation. This allows them to work as a single entity throughout the customer journey from first touch to delivery and beyond. Every action and every decision need to revolve around delivering the best experience at any moment in time. And, what's good for the customer is typically good for the business.

Key Tips:

- **Start at the top.** Changing culture requires buy-in from senior leadership.
- **Hire a chief experience officer** to be the central point person on anything customer related.
- Rewrite mission statements, vision statements and individual KPIs to **put customer needs first.**
- **Accelerate digital transformation projects** so communication and collaboration are seamless—no matter where stakeholders are located.





Three Pillars of More Successful, More Efficient CX Champions:

2 Get a handle on data

Brands are already collecting enormous volumes of data around their customers, but they are falling short when it comes to cutting through the noise to gain actionable insights. Breaking down silos, creating a single source of truth and making insights available to stakeholders across the organization allows brands to deliver recommendations, personalization and targeting at scale. However, data management is hard. Turning data into actionable insights requires a complete rethink on how to collect, store, access and analyze data.

Key Tips:

- **Don't go it alone.** Work with a systems integrator or other technology partner to help get a handle on your customer data.
- **Invest in the right data management tools** that will help you collect and parse information more efficiently.
- **Choose your partners wisely.** Seek out technology vendors and integrators who already have an established relationship and a proven track record of working together successfully.





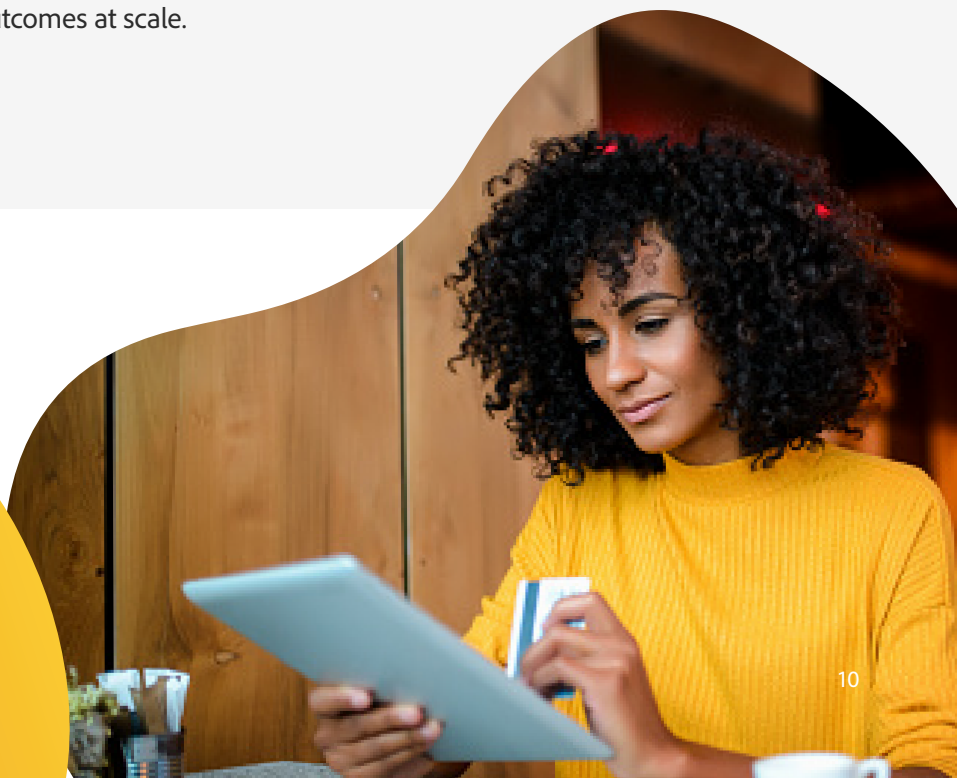
Three Pillars of More Successful, More Efficient CX Champions:

3 Create actionable insights about your customers

Shoppers expect businesses to make it easy to navigate online, provide relevant product/service recommendations, tailor messaging to their needs and offer targeted promotions. But in order to do this, retailers need to put their customer data to work to better understand everything about their customers: Who they are, what they want, how they behave and how they want to be engaged. It's important to use artificial intelligence (AI) to automate analytics and know what works and what can be replicated across customer segments.

Key Tips:

- **Creating a golden record of each customer** allows you to understand in real time what that shopper wants or needs in that exact moment.
- **Make sure insights are delivered to every stakeholder** throughout the customer journey, so you can deliver seamless experiences.
- **AI/ML can automate point of click decision making** based on insights—allowing you to deliver quick outcomes at scale.





Adobe Commerce + Dotdigital = Enhanced Customer Experiences

The combination of Adobe's ecommerce platform and marketing automation from Dotdigital allows brands to gain real-time insights into customer preferences and behavior and take immediate action to optimize outcomes. The solutions are tightly integrated, allowing the rich data collected from Adobe Commerce to inform the customer and retail dashboards in Dotdigital's marketing automation solution. This includes purchase history, browsing activity, abandoned carts and other attributes. Dotdigital surfaces these insights from which marketing campaigns can be automated across multiple channels - enabling personalized, relevant and seamless customer experiences.

Data Integration

Native integration between Adobe Commerce and Dotdigital breaks down data silos across your organization, ensuring stakeholders have the real-time insights they need to make the best decision at the point of click. Data flows seamlessly between the two solutions, informing intuitive dashboards that provide real-time, historical and predictive insights into shoppers' behavior, intent and loyalty. This includes average customer lifetime value, average number of orders, trends and average order value.

Segmentation

Deliver personalized, relevant experiences at scale powered by machine learning. Working together, Adobe Commerce and Dotdigital allow you to create shopper segments based on recent behavior, purchase history, product views and popularity. An engagement Recency, Frequency and Monetary (eRFM) score places the customer in a segment (Champion, Loyal, Recent, High Potential, Need Nurturing or Inactive) that can determine level of affinity for optimal retargeting while determining intent. You can then track said personas via the Persona Movement report as shoppers continue to interact and grow with your brand. This helps you target the right person with the right message or promotion at the right moment in just a few clicks.

Product Recommendations

Besides out-of-the-box recommendations such as 'Bestsellers', and 'Most viewed', users of Adobe Commerce and Dotdigital can also customize a set of AI-powered recommendations. These deliver the right results based on past purchase behavior and/or intent signals that shoppers display.

Customized recommender logic allows brands to surface a greater number of relevant products to their shoppers, across email and on-site.

Data Enrichment

Use AI to find, extract and classify additional information about your product catalog. Data enrichment from Dotdigital analyzes product images and webpages and extracts and categorizes the information into Insight data tags that can be used to better craft customized product recommendations.

Multiple Marketplace Channels

Synchronize product catalog, inventory and order information across multiple marketplace platforms such as Amazon and Walmart. Manage orders from a single repository and automatically adjust pricing per custom rules that you create and set.

Dynamic Authoring

Create, edit and deliver dynamic content blocks across channels with ease. Simply drag and drop content blocks and set rules based on customer segment, recent browsing history or demographic information such as location or age. This allows you to author personalized content quickly and at scale across digital channels.

Mobile

Fast-track implementation across mobile storefronts. Leverage Adobe Page Builder to gain business user control over multiple mobile storefronts. Dotdigital offers customers a development toolkit for the Adobe PWA studio to fast-track implementation.

A unified, consistent experience leads to eCommerce growth

Working together, Adobe and Dotdigital allow brands to deliver a unified and consistent shopper experience across digital and physical channels. These experiences are highly personalized to each individual's interests, needs and engagement history.

McKinsey research shows that personalization drives 10-15 percent revenue lift and that companies that grow faster drive 40 percent more of their revenue from personalization than their slower-growing counterparts.

Benefit 1:

Drive loyalty and lifetime value

- Access an unparalleled amount of data and data points directly from Adobe Commerce and Dotdigital
- Personalize your marketing campaigns with custom attributes from Adobe Commerce
- Execute a multistep, cross-channel customer journey across SMS, social platforms, email and more based on your targeting preferences
- Keep up with your rapidly expanding customer base
- Automate, personalize, and expand customer engagement
- Extend your team's capacity with on-demand marketing and brand support

Benefit 2:

Simplify marketing automation

- Enrich your Adobe Commerce data with a wealth of customer insights, including average order value, product affinity scores and average time between purchases
- Access a variety of on-demand reporting types based on real-time data from Adobe Commerce (supports dozens of formats including email sent, unique openers, social network views and email breakdowns)
- Identify accounts that need attention through customer dashboards that track customer behavior

Delivering these personal, automated experiences at scale allows brands to meet rising shoppers' expectations and differentiate themselves from hundreds or thousands of competitors. This will build loyalty and get shoppers coming back again and again, helping brands capture more of the growing \$5 trillion global ecommerce market.



Adobe Commerce and Dotdigital Deliver Proven Success

Jointly, Adobe and Dotdigital's customer engagement solutions support you at every step of the shopping journey—from marketing automation to marketing analytics. This partnership of over a decade has been optimized to achieve the deepest integration on the market.

With Dotdigital, you can harness the full power of your Adobe Commerce data to build marketing programs that will drive sales, conversions and loyalty as your brand grows. Together, Dotdigital and Adobe Commerce provide an intuitive, easy-to-use, turnkey solution that can be turned on in minutes while giving you immediate insights on your most valuable asset: customer data.

Adobe Commerce and Dotdigital in Action

A global jewelry brand was in the process of modernizing its Adobe Commerce environment and become impressed by the many possibilities an integration with Dotdigital would open up — such as its ease of use, supportive team and ability to seamlessly integrate with Adobe Commerce.

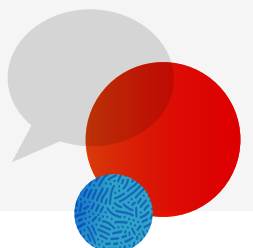
“We went through a long evaluation process to determine which solutions made the most sense, and eventually we chose Dotdigital,” says the Chief Technology Officer and Owner of the brand’s solution partner. “The biggest selling features for us were the tight integration with Adobe Commerce and how easy it was to send all the various types of data into their platform — not to mention how friendly and available everyone was.”

After selecting Dotdigital as their new marketing provider, the brand began the implementation process in May 2020 — and just a few weeks later, it was fully up and running.

“We were pretty much transitioned to all marketing communications on Dotdigital by August, so it was an incredibly efficient process,” said the customer. “The migration was a big deal, but it didn’t feel taxing or daunting because we had such great support from the Dotdigital team.”

“ We went through a long evaluation process to determine which solutions made the most sense, and eventually we chose Dotdigital

Chief Technology Officer
Global Jewelry Brand





Key resources

EBOOK

Laying the technical foundation for a modern storefront

Choosing the right technical approach to building a commerce site starts with deciding how much to build from scratch and where to use third-party vendors for features and functionality. Explore five commerce architectures and decided which one is right for your digital storefront.

[Download Now](#)

EBOOK

The future of cross-channel marketing

Changing consumer preferences and evolving digital technologies present fresh opportunities for retailers to connect with their audience. Learn how you can take a deep dive into your customers' purchase journeys and uncover what they really want.

[Download Now](#)

EBOOK

10 strategies for creating personalized, high-converting commerce experiences

The number of online shoppers exploded between 2019 and 2021, ushering in a new era of digital-first shopper experiences. Learn how you can use Adobe Commerce and Amazon Web Services to deliver tailored commerce experiences that can scale and adapt to the needs of today's hyper-connected consumers.

[Download Now](#)

EBOOK

Uncover revenue opportunities in plain sight with eRFM

Today's customers are more willing to try new things and shop around, but it's important that brands are able to recognize conversion-ready customers at the key moment. Learn how you can identify these opportunities to target customers with relevant marketing content.

[Download Now](#)



The time to act is now.

Sales are up, and the ecommerce market is rapidly expanding. Established brands will need to find new, more efficient ways to deliver exceptional experiences to customers at scale as a way to differentiate themselves from established and emerging competitors and to continue to take advantage of market growth. Engage with Adobe and Dotdigital today to learn how you can reimagine your commerce strategy and grow sales.



About Adobe Commerce

Adobe Commerce is the all-in-one solution for delivering and managing scalable and personalized omnichannel commerce experiences. With Adobe Commerce, organizations are equipped with a centralized suite of capabilities including online storefronts, personalization tools, catalogue and inventory management, and customer analytics tools, empowering organizations to seamlessly manage, optimize, and scale their commerce business—across any location, channel, or device.

[Learn more about Adobe Commerce](#)



About Dotdigital

Dotdigital is a customer engagement platform that harnesses the power of customer data, powering engagement, conversion, and loyalty for brands as they grow and scale. Digital marketers around the world love our easy-to-use platform that connects first party data across marketing systems, surfacing powerful insights and automating predictive cross-channel messages. Trusted by 4,000+ brands across 150 countries for over 20 years, Dotdigital's intelligent platform empowers users to connect and deliver memorable messages across email, SMS, chat, push, social and more.

[Learn more about Dotdigital](#)



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