

A practical guide on how to use the latest techniques in digital marketing to maximise your online sales (and leads) over Christmas and the New Year

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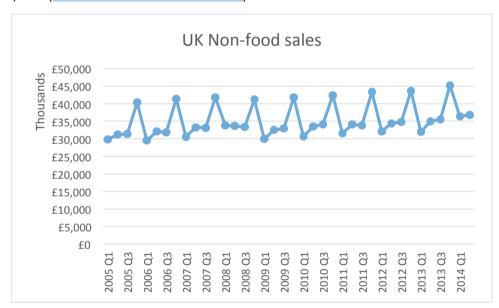
1 Introduction

With Christmas and the winter holidays fast approaching, many businesses should now be preparing for the peaks and troughs that happen every year before, during and after the holiday season.

In this whitepaper we provide an extensive guide for ecommerce websites and retailers on how to prepare and maximise their sales online using some of the latest techniques in digital marketing. Also included are recommendations for other businesses such as B2B, property, health and tourism, which also have fluctuating sales over this period.

1.1 Christmas Boom

UK non-food retailers achieve on average 30% of their sales in the last quarter of each year (Office of National Statistics).



However for many companies they try to extend the Christmas season until the end of January by lowering prices in their "January sales", which often results in another small sales peak in the final week of January due to pay day.

These seasonal peaks are often even more pronounced online, with spikes in sales driven by dates such as Black Friday, the last date for guaranteed delivery, Boxing Day, News Year Day and January pay day.





1.2 Christmas Bust

Whilst some businesses boom as a result of the Christmas season other businesses suffer from plummeting sales. This includes sectors such as B2B, holidays, dieting/health and property.

During the first half of December many of the customers of these businesses are preparing for Christmas, so they are not interested in buying these products or services. However, as soon as the Christmas (or New Year) festivities are finished they too often witness a peak.

Again, specific dates will often trigger this process; for example Boxing Day is when many people take advantage of special offers encouraging them to buy their summer holiday for the coming year. Similarly, New Year's Day is when people decide to give up smoking, go on a diet, go to the gym or consider online dating to find a new partner!

1.3 Other peaks and troughs

Traditionally, **Halloween** was not a major commercial event in the UK, (with the exception of the sales of pumpkins at your local store!). This has changed and many high street shops and supermarkets now sell cheap fancy dress or food items decorated with witches and other appropriate symbols.

Online there is also a very big peak in fancy dress sales, however this usually starts about 10 days before Halloween, just in time for the goods to be delivered for all the party celebrations.

Christmas Day was a time when all shops closed and retailers expected no sales. However, ecommerce websites never sleep and data from Experian shows that over the last six years there has continued to be an increase in online sales on Christmas Day (and particularly Boxing Day). This is now fuelled by users trying out their new tablet or smartphones, redeeming e-vouchers or spending the money they received as Christmas Gifts.

To take advantage of this trend, many ecommerce retailers are starting their "January sales" as early as **Christmas Eve** in order to stimulate these sales, or get one step ahead of their competitors.

On the high street **Boxing day** has always been an important shopping day as everyone is off work, and it has traditionally been the first day of the sales. Now, many are taking to buying online rather than braving the crowds. Research by Barclay Card in December 2013 showed that 31% of shoppers intended to browse the Internet for bargains on Christmas day whilst only 27% wanted to go shopping for bargains on Boxing Day.





2 Calendar of important ecommerce dates for 2014

Outlined in the table below are the key dates for the ecommerce calendar for both the UK and overseas. Some celebrations fall mid-week (e.g. Halloween, Bonfire night), so celebrations can take place before and after the official date:

		UK - 2014	International
October	Pay day	Mon 27 th –	
		Fri 31st	
	Halloween (31st)	Fri	31 st
November	Bonfire night (5 th)	Wed 5th	
	Singles day (China)		Tues 11th
	Click frenzy (Australia)		Tues 18th
	Pay day	Tues 25 th –	
		Sun 30th	
	Thanks Giving (USA)		Thursday 27th
	Black Friday (used to be	Frida	y 28 th
	predominantly USA)		
December	Cyber Monday	Mono	day 1 st
	Free shipping day (USA)		Sunday 7th
	Green Monday		Monday 8th
	(Germany/Nordics/Japan)		
	First Day of Hanukkah	Wed	17th
	(Jewish Holiday)		
	Last delivery day (varies	Wed 17 th –	
	by carrier and store)	Tues 23rd	
	Christmas day	Thursd	ay 25 th
	Boxing day	Friday 26 th	
January	New Year's day	Thursday 1st	

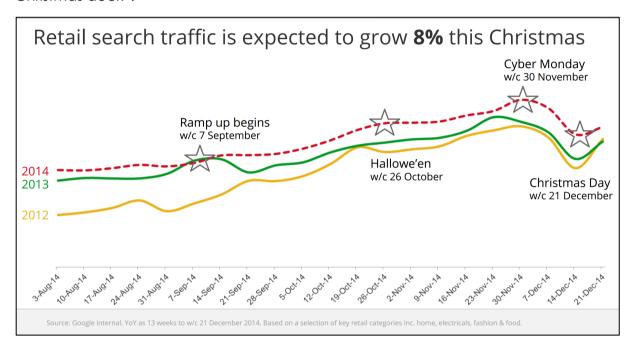
Many American "events" such as Black Friday (the day after Thanks Giving) and Cyber Monday (when people go back to work after this holiday), have now been adopted in the UK and around the world. This is because some of the key ecommerce sites that promote these days are global, such as Amazon and eBay who use these sales and promotional approaches across many or all of their sites around the world.



2.1 Data from Google on what to expect this holiday season

Google provides Anicca and their other Partner agencies, with lots of useful information on historical search data and expected trends for this season.

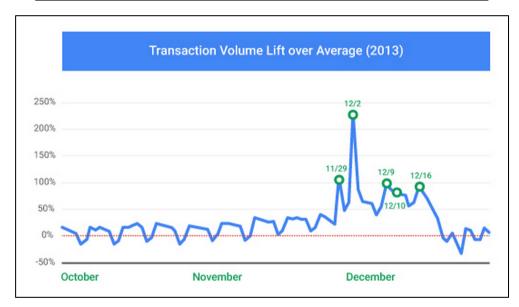
With their permission, below are some of the key data and graphs from their "2014 Christmas deck".



Google has recently published an article entitled <u>Secrets to seasonal success</u> using data across millions of Analytics accounts to see the effect of the key ecommerce dates in 2013 on ecommerce transaction rates and the volume of transactions. Their data is shown below.



Rank*	Date	% Lift in Transaction Rate
1	12/2/2013 (Cyber Monday)	170%
2	11/29/2013 (Black Friday)	114%
3	12/9/2013 (Monday)	73%
4	12/16/2013 (Monday)	80%
5	12/10/2013 (Tuesday)	68%
		* Rank is based on transaction volur



2.2 UK data from other sources

The importance of these specific dates are also outlined in another article from <u>Commerce Gate</u>, which showed that Cyber Monday in the UK in 2013 was an especially busy period. Retailers such as Amazon had 4.1 million sales in the day, up 17% from the previous year. Other retailers like Tesco saw a 79% increase on the previous year.

Certain websites such as the Money Saving Expert have been tracking sales from the major online retailers and now even try to predict the date that the best offers and bargains will be announced. http://www.moneysavingexpert.com/deals/christmas-deals-predictor





This site also publishes the last order dates of the major ecommerce sites each year http://www.moneysavingexpert.com/deals/last-order-dates





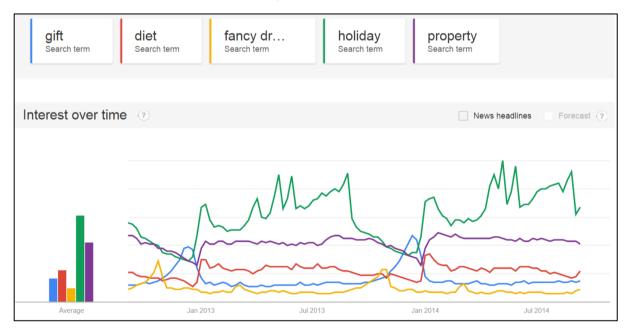
3 Changes in business volumes over the Christmas and New Year holiday period by sector

Although established retailers will have historical data to help them determine the seasonal trends, it is often more difficult for new retailers or ecommerce sites to understand the varying demand across the year.

However, using online tools, it is now possible to get accurate data to understand the seasonality for specific sectors. Google provides two useful tools, which we have used in this article:

- **Google Trends** this gives historical data back to 2004 for up to 5 specific keyphrases and your chosen geographical region. The data is relative but allows you to see trends over time and the effects of seasonality.
- Google AdWords Keyword Planner tool this gives a year's historical data of actual search volumes for a basket of keyphrases (typically 1 800 keyphrases). This is useful to calculate demand and likely budgets on a monthly basis for any pay-per-click advertising you might be carrying out.

The diagram below is UK data from Google Trends for the last 2 years for 5 keyphrases. These have been chosen as they have very pronounced seasonality and specific peaks and troughs between October and January. The graph also allows you to see the relative search volumes for each phrase.



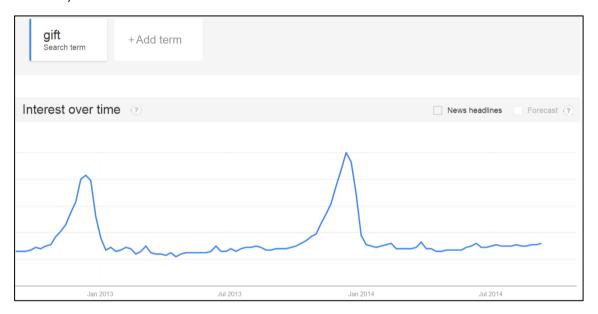


4 Key strategies and issues by sector

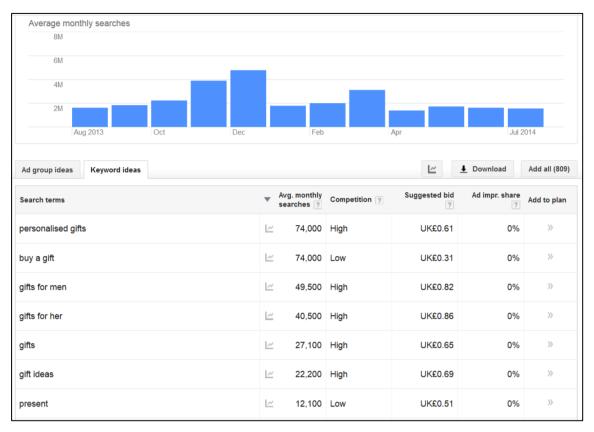
We have used these online tools to provide search data for different sectors, in order to illustrate seasonality, peaks and troughs.

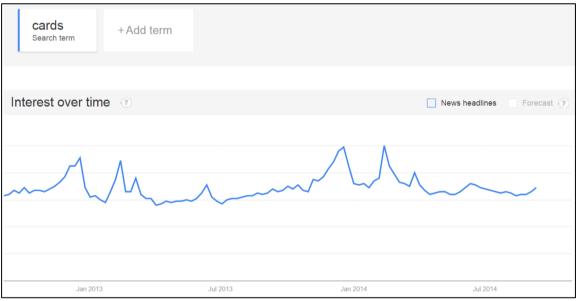
4.1 Retail and ecommerce

Depending on the individual product/search term, the volume of retail searches will start to increase from as early as the beginning of September. "Gifts" and "card" start slowly but have a larger peak in November and December, whereas "Fancy dress" peaks early due to Halloween.

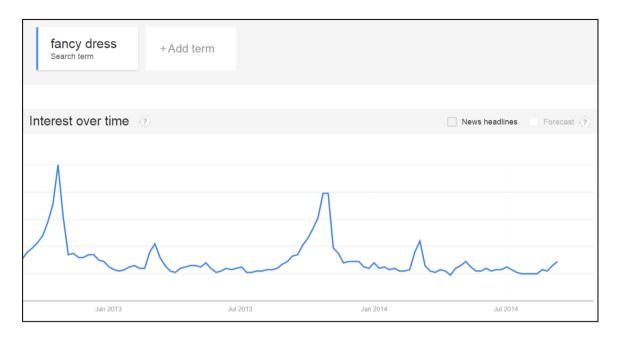






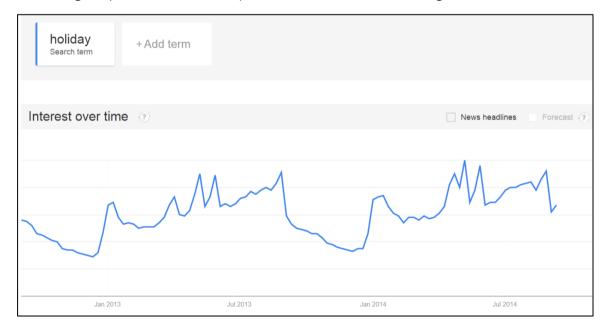




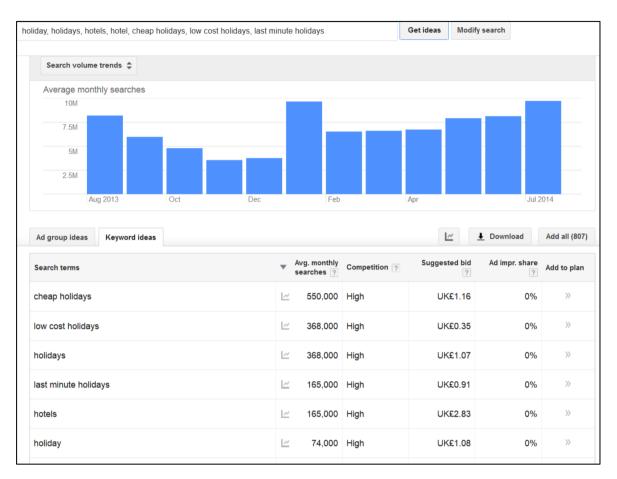


4.2 Travel

Travel searches are reasonably high for 9 months of the year, starting Boxing Day and peaking in July/August. This is followed by a significant drop in searches between September and December, with most of the December searches happening on or after Boxing Day to coincide with post-Christmas TV advertising.



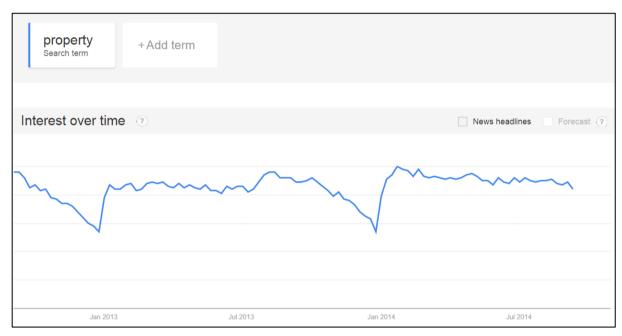






4.3 Property

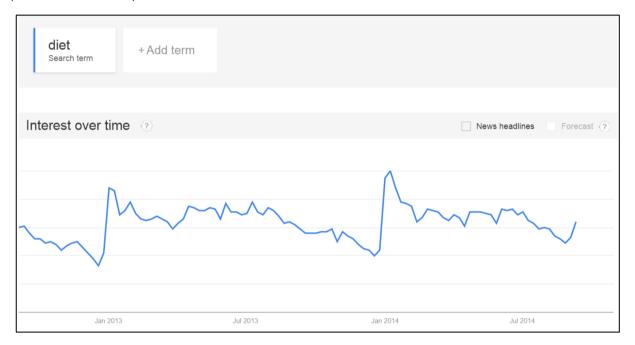
Property searches follow a similar pattern to holidays with a drop in searches starting in September to the lowest level in December. This recovers in January when buyers starting looking again.



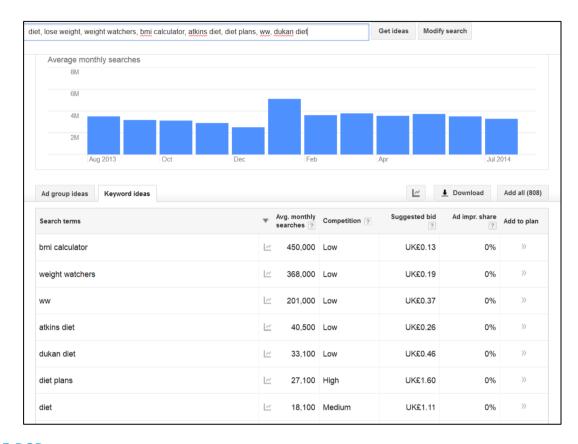


4.4 Diet/fitness/health

Diet health and fitness witness a boom in January following the excesses of Christmas and users wanting to have a fresh start following New Year's resolutions. Apart from the January peak and the December low, some searches for this industry are relatively flat across the year, although other search terms follow a similar search pattern to holidays.

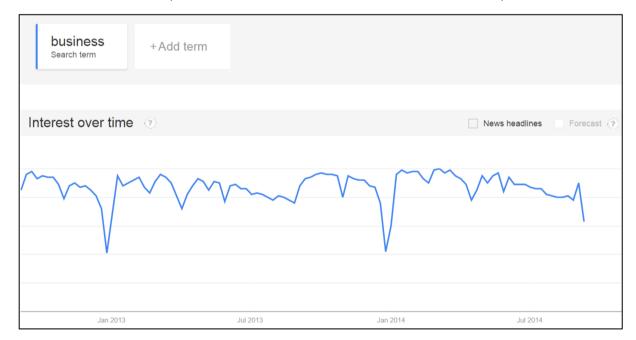






4.5 B2B

The generic term "business" was chosen to illustrate the significant drop in searches during December and particularly over Christmas, where many businesses close for up to 2 weeks. Other drops in searches often coincide with bank holidays.

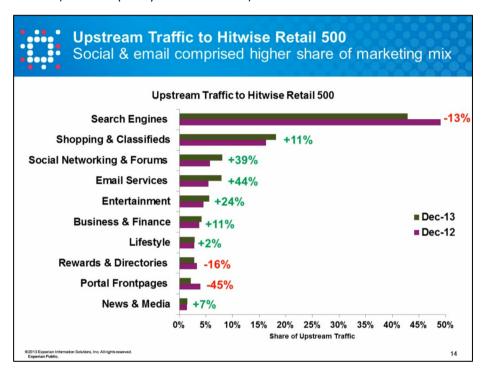






5 Key strategies for the holiday season by digital marketing channel

Research from <u>Hitwise (owned by Experian)</u> shows the upstream traffic to the top 500 retail sites in the USA. This data gives the proportion of traffic generated by each channel. It illustrates the importance of search (40%), shopping and classified (~20%). Email was also important (~8%) and was very similar to social.



In this section of the whitepaper we review some of the marketing channels you may want to consider to promote your website before and during the holiday season.

5.1 PR

By the end of October many PR opportunities may have already been missed, due to the long lead times of lifestyle magazines. However, local/national press and online blogs/media will still be collating their Christmas gift lists and ideas for a few more weeks.

The varying lead times of different media emphasises the need to plan ahead and have a content marketing calendar and PR strategy for the whole year. This will also allow you to build up relationships with journalists and social influencers, so they will come to you if they have space to fill. You can also try to organise give-aways and





competitions for key publications/bloggers, which will prove popular at this time of year.

Advantages

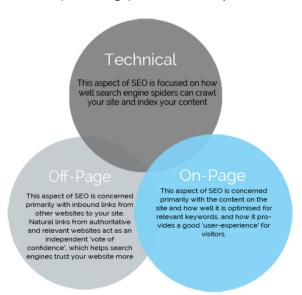
- PR builds awareness and can also drive traffic and sales.
- If used strategically PR can also help with your SEO, for example, getting citations or links from highly authoritative media sites

Disadvantages

- Preference for inclusion of content in gift-guides and other editorial is often given to existing advertisers, so be sure to coordinate your advertising schedule with your PR strategy to maximise opportunities.
- However, if you have a particularly interesting story or they have space to fill, you may be able to package your content in a way that saves the journalist/blogger time which means is more likely to be included.
- With PR you don't have complete control of what type of and when your article is published (this is why we call it Earned media). If you want complete control you should use your own website or social media platforms (Owned media) or pay for advertising (Paid media).

5.2 SEO

There are 3 main aspects of optimising your website (see the diagram below).



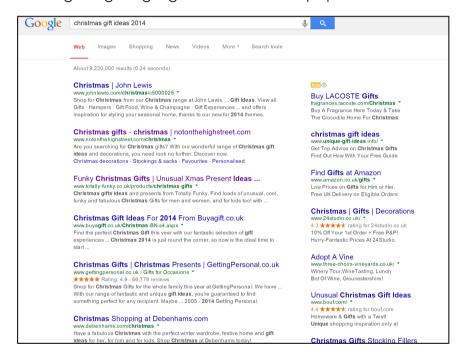
Unfortunately, if you are new to SEO or you have a site with a poor authority then you should have been planning your SEO strategy for Christmas search terms many months ago. This means that unless you already have a very high site authority it is unlikely that you will be able to improve your current search rankings in such a short period of time.





You can see from the search results below for "Christmas gift ideas 2014", that most of the big retailers have a Christmas page, which they may have created a number of years ago. Some of these are category pages, which are dynamic; so they have product content that is generated from the product database (with products recategorised for Christmas). As of the middle of October only a few of these listings have any text mentioning "Christmas Gifts 2014", so many of these pages have not yet been updated.

These search listings are dominated by the large high street and ecommerce brands, which typically have the highest site authorities and have already invested heavily in their site content (and SEO). By comparison, there are only a few results that are content-focused e.g. blogs or gift guides from a newspaper site.



Advantages

- Pre-existing Christmas or gifts pages can be recycled each year and if they
 achieve high positions in the rankings they should generate lots of traffic,
 particularly for high authority sites
- If you don't have one already, you should create a Christmas/Gift page(s). This can be done by creating a new category(ies) in your product database, which will automatically create a new category page
- Utilise your blog to create interesting gift lists and other suggestions for more niche search terms e.g. "gift ideas for sports fans", "Christmas present for 5 year old girl" etc.

Disadvantages





If you do not have a reasonably high domain authority (i.e. over 50 using Moz Open Site Explorer), then it is unlikely that you will be able to create new content that will rank highly in time for this Christmas - therefore you need to start planning your SEO strategy for Christmas 2015!

5.3 Marketplaces (Amazon/eBay)

New advertisers may be surprised to know that they could be too late to start selling certain Christmas focussed products like toys on Amazon. This is because Amazon will only allow established merchants to sell certain categories, in order to avoid customer disappointment over the holiday period.

You can read the Amazon's <u>guidelines at this link</u>. To summarise, you have to be already selling on Amazon before the 18th September and have to fulfil other criteria such as the volume of sales and on-time delivery rate.

In order to maximise exposure for gift and seasonal phrases, established merchants on eBay and Amazon may start to amend their product titles and descriptions to include phrases like "gift" and "presents". They may also display new images with a more seasonal theme.

Other priorities will be to ensure stock levels and availability across multi-channels. You may want to use the research tool at www.Terapeak.com to look for historical trends on sales volumes in eBay and Amazon and to see what products/keyphrases are hot.

If you are experienced at selling on the marketplaces, you will already know the importance of responding quickly to customer enquiries and feedback. If your ratings/reviews drop then you are likely to see a big drop in visibility and traffic to your product pages, so it is crucial to stay on top of any negative comments.

Advantages

 Sales volumes on the marketplaces can be very high, however you need to have the right keyphrases, photos, stock availability and reviews/reputation to ensure success

Disadvantages

- The marketplaces can be cut-throat where a penny difference can stop a sale. As a result margins can be tight, so make sure every sale is profitable
- You can also be at the mercy of reviews and feedback so ensure customer service and response times are not neglected over the busy period
- New advertisers may have to wait until after Christmas due to restrictions in certain categories. Use this time to build up your experience and reputation of selling other products before next Christmas.





5.4 Comparison Shopping Engines (CSE)

Comparison shopping engines (CSE) have been around for many years, for example PriceRunner was founded in 1999 and gets approximately 1.4 million unique users per month.

Some of these sites are free, whereas others charge on a CPC basis. In most cases they require a product feed from your site, however many merchants adapt their Google Shopping feed or use third party feed management software to modify the feed for the specific requirements of each CSE.

Some of these feed management tools are very sophisticated and designed for multichannel and marketplace management (e.g. ChannelAdvisor) where as others are much simpler and are only a few hundred pounds per month (Onefeed, FusePump etc.).

Unfortunately, PriceRunner, Nextag, PriceGrabber and many of the other CSE sites, lost the majority of their organic traffic between 2011 and 2013, due to different Panda and Penguin updates in Google. These drops in traffic have meant that many of the CSE sites now use AdWords to increase their own visibility, but most have seen declining levels of traffic and they are not as popular as they were in the past, (even though the majority of consumers still use these sites to find a bargain see Search Engine Journal).)

For certain product categories, such as games consoles and cameras, specific shopping comparison engines still have very high positions in the search results. We recommend that before deciding to use a CSE, check out its visibility in Google for your product categories, as you may need to use more than one CSE to get good visibility in the organic results.

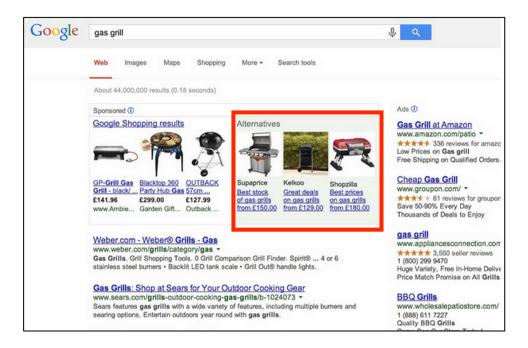
The importance of CSEs has also been significantly affected by Googles Shopping Ads (previously called Product Listing ads). Over the last two years the free shopping results were replaced with the paid results (set-up via AdWords). This has meant that Googles own results now dominant the search results.

The growth in paid Shopping Ads has meant that more merchants are now aware of their product feed or have invested in feed management software (particularly if they are also selling via the marketplaces). This means there are less barriers to provide a feed into the CSEs and the set-up is now relatively straight forward.

There may be another interesting twist to this story, because the European court has ruled that Google may have to show "alternative ads" in their results due to anti-trust regulations. A summary of this can be found on Recode. The mock-up below shows what the page could look like if Google is forced to publish "alternative results" which include CSE listings. This was published in a press release from the EU.







Advantages

- CSEs are relatively easy to set-up using a product feed. The can provide both free or CPC based traffic depending on which CSE you advertise in
- Users that are comparing prices are more likely to convert, so you may find a good ROI from the visitors that originate from the CSEs
- CSEs could get more exposure in the future if Google has to display "alternative results" containing CSE listings, (due to the anti-trust rulings)

Disadvantages

- CSE sites no longer get the high volumes of organic traffic that they used to, due to the various Google algorithm changes over the last 3 years
- If you can't compete on price then advertising on CSEs will not be helpful, as only the listings with the best price will get the majority of click throughs.





5.5 AdWords and pay-per-click

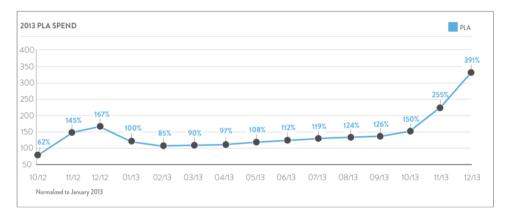
Your holiday pay-per-click strategy should include the following elements:

- 1. Shopping ads feed, CPC and budgets
- 2. Text ads keywords, ads, landing pages
- 3. Dynamic ads best time to test
- 4. Remarketing strategies
- 5. Gift vouchers
- 6. Mobile
- 7. Other channels e.g. Bing

You can read more about each of these aspects in the section below.

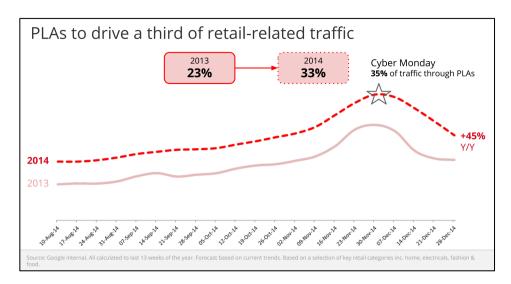
5.5.1 Shopping ads

The diagram below (courtesy of Marin software), shows the rapid increase in ad spend on Shopping ads last year (at this time they were called Product Listing ads or PLAs)



Google is predicting in its internal reports that this will continue and that Shopping ads will drive a third of traffic to retail sites during the holiday season in 2014 (see diagram below). This is a year-on-year increase of 45%.





Based on data from our own clients, we know that the conversion rate on Shopping ads is typically higher than text ads, and for some of our clients Shopping ads generate over 70% of their sales and revenue.

Less experienced advertisers will need to watch out for bid inflation, as this is likely to reduce your Return on Ad Spend (ROAS), which can be very common in highly competitive markets. This will also mean that you will need to keep a close eye on budgets, as they could reach their daily limits.

Also, be sure to check the "See search terms" report and add negative keywords on a regular basis as you may start to waste money on irrelevant traffic.

If you find you have a lot or irrelevant traffic or your ROAS is lower than your text ads, then you may need to look at the quality of your feed. You can use custom fields to annotate high margin goods, or products that could be classed as gifts. However, unless you include keyphrases such as "gift for her" in the title or description, your products will not appear for these search terms.

5.5.2 Text ads

If you are already using text ads profitably then there is the potential to benefit from increased conversion rates over the holiday period, however there is a risk you may see bid inflation, particularly if big brands are trying to buy market share.

We recommend that you add additional keyphrases relating to the season or gifts. It may also be worth adding modified broad match keyphrases to increase the reach of your existing phrases.

You may also want to test new ad copy for the season, emphasising key USPs, like free or fast delivery, promotional codes etc. and take the user to promotion-specific landing pages.





AdWords requires a lot more management during the holiday season, as budget and CPCs can change on a daily basis.

5.5.3 Dynamic ads

Dynamic ads have seen a recent upsurge in popularity. This is evident in the <u>good</u> results published by agencies for this different type of search campaign.

The ads are created dynamically based on the URL or title of the page, for example a category within your site. In some respects they are similar to Shopping ads in that you don't need to find hundreds of keyphrases as it allows Google to work out the targeting for you.

You will need to proceed with caution and add plenty of negatives, however with higher conversion rates this may be a good time of year to test Dynamic Ads and find those more obscure phrases that relate to your individual products.

5.5.2 Remarketing strategies

Remarketing has been one of the big success stories within AdWords over the last few years. This technique allows you to get your message in front of your target audience as long as they have already visited your site and have been tagged, using either AdWords or Analytics cookies.

Simple **remarketing** on the Google Display Network can be set-up with text and images ads. Where possible we recommend creating your remarking lists within Analytics.

If you are already using Shopping ads then you can integrate your feed allowing you to run **dynamic remarketing** so that visitors are served an ad that includes the specific product they viewed. <u>PPC Hero explains</u> how to set-up dynamic remarketing.

The final type of remarketing you may want to consider is **RLSA** (remarketing lists for search ads). This is not display advertising but it is controlling or varying the way your search ads are shown to searchers who have already visited your site.

Someone who has been to your site before may be more likely to buy, so when they search again, you may want to increase the bid, change the ad or if they are already a known customer you may prefer not to show them an ad at all (so they click on your free organic listing)!

5.5.5 Gift vouchers

Some companies that offer gift vouchers can do very well if they promote them over the Christmas period. We have some clients that have set-up PPC campaigns just to promote their gift vouchers.





5.5.6 Mobile search

Mobile search ads are still the most popular form of online advertising on mobiles (see section 5.9). The default for AdWords campaigns is that mobile will be turned on and included within your campaigns, which also target desktops and tablets.

You should create ads which are targeted to mobile users with different calls-to-action and ad extensions. Furthermore Google may <u>drop the second description</u> <u>line</u> in your mobile ads, in preference for Sitelinks, so it is very important to have at least one ad for mobiles in each ad group.

You may find that over half of your Google traffic will come from smart phones and tablets, but it's important to note that the conversion rate on mobile phones may be half that of desktops and even lower on tablets. Overall a third of your sales may originate from mobiles. However, this may understate the overall contribution or importance of mobiles, because so many visitors will use more than one device, or they may start their research on a mobile but purchase on another device.

If you do not have a mobile responsive site or if you are in a very competitive sectors you may need to consider modifying your mobile bid to -100% to turn off your ads on mobiles.

5.5.7 Other channels e.g. Bing

Depending on your budgets you may want to consider diversifying your ad spend across different channels over the Christmas period, for example by setting up <u>Bing Ads</u>, which will show up in Bing and Yahoo, or Facebook Exchange (remarketing in Facebook), which can be set-up via a <u>third party ad serving network</u>.

5.6 Affiliate marketing

If you already use affiliate marketing then you will need to provide new ad copy, offers, voucher codes and other reasons for your affiliates to promote your program over the Christmas period. This is relatively easy if you are using an Affiliate network, as you just need to log-in and upload your new creative. You can also utilise the network's email functionality to communicate to your affiliates directly to remind them of the benefits of your program.

If you want to attract new affiliates you can use a voucher code - as this is often distributed to all the affiliates in the network rather than just the ones that have already signed up to your program. Broadcasting a voucher code can therefore be used to boost your sign-ups and increase the number of affiliates promoting your products.





If you are new to affiliate marketing then you may struggle to get your program live and recruit enough affiliates in time to benefit from any Christmas sales. If, however, you move fast then the actual work involved is around a day, although this may be spread over a couple of weeks while you sort out the tracking code and get your banner ads created.

For smaller merchants you may want to consider the Affiliate Network called "Paid on Results", as they have kindly waived their joining fee for Anicca clients (if you mention our name). Paid on Results also have a relatively low monthly charge of only £75 but still attract some high quality affiliates and merchants.

If you are a bigger brand you may want to consider a larger network such as Affiliate Window, however they will have a much higher joining fee (possibly as high as £2,500) and a higher monthly fee (around £300/month). You may get more sales due to faster recruitment of affiliates or if you attract larger affiliates.

There are a lot of <u>online resources</u> for both merchants and affiliates thinking of using affiliate marketing for the first time. Interestingly, it is definitely a method that is under used by many ecommerce sites and can often be used by lead generation sites as well.

Advantages

- The main advantage of affiliate marketing is that you set your own level of commission and you only pay when there is a sale.
- Affiliate marketing is relatively easy to set-up and manage, so you don't need a lot of technical help. Although a specialist agency can speed up the process and help you grow your sales more quickly.
- In most cases you have minimal set-up fees and short notice period (e.g. 6 weeks) so it is relatively risk free and cost effective, even for new websites or where you have tight margins or a low average order value.

Disadvantages

- Unless you are prepared to pay a premium to join one of the larger networks it will take a number of months to build up your affiliate base, however you may find that as long as you attract some of the "super affiliates" like the cash-back or voucher sites, you could get a reasonable number sales almost immediately.
- You may be too late to start a new campaign in time for Christmas this year, but the earlier you start the bigger your network will be by next Christmas!





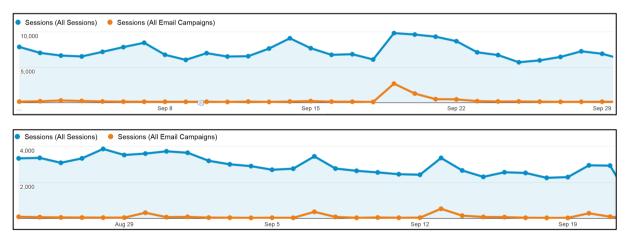
5.7 Email

Email is one of the most under-rated methods for generating sales or leads. The cost of sending emails has become much more affordable since online broadcasters like <u>Mail</u> <u>Chimp</u> have become available. In fact, for companies with less than 2,000 subscribers on their list they can send up to 12,000 emails for free each month using Mail Chimp.

For bigger ecommerce sites there are a whole host of <u>email broadcasting tools</u> that can be used to send emails. In addition <u>Marketing Automation Software</u> has email functionality built in, as well as a host of other features for creating drip and automated campaigns and recording all the interactions with each user that visits your site. Our Marketing Automation Software allows you to send 25k emails per month for £200 (you can purchase additional emails at £1.50/1000). You can also set up drip campaigns and alerts to target (for example) those that visit the cart but do not complete a sale.

Many retailers will send more than one email per week and depending on the size of their database the number of visitors to the site can double each time they send an email. In addition, emails are generally sent with a specific promotion to a loyal user base, so conversion rates can also be high.

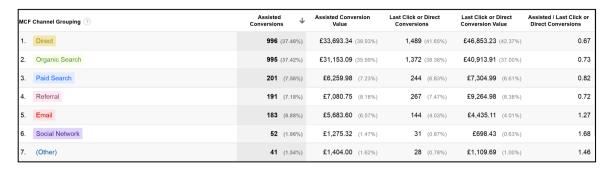
Below is a screenshot from two different retailers to show the uplift in traffic following a single email blast compared with a weekly email.



Using Analytics it is possible to see the revenue and number of transaction that were directly attributed to the weekly emails. In this instance, the interesting thing is how email assisted in transactions; in other words, the buyer visited the site from an email at some point in the buying cycle. The other interesting statistic is that the revenue generated from emails was significantly higher than social even though they generated similar amounts of traffic to the site.







Having shown that email can often generate as much as 10% of sales, it is worth creating an email calendar to plan for your Christmas promotions and beyond.

You may want to use this time to maximise sign-ups to your email list - see an example of a gateway sign-up page from ToysRUs;



You may also want to come up with a theme just for Christmas; a common one is a countdown to Christmas. You will need to create a template and then change the product images and descriptions each day (note this is an old email so the products will not be available).







You can also use this approach for other offers and not just on ecommerce sites.



Advantages

• Email is easy and cheap to set-up. Some people believe that if you want to get more sales from email you should send more emails, but this is not the case. You must segment your list so as not to annoy your audience by sending irrelevant emails.





 Experian research recommend that you send your emails on a Wednesday morning (and that you have a mobile responsive design) in order to achieve the maximum click throughs and response.

Disadvantages

- Your emails must stand out in the inbox and must get through the spam filters. Always have a good, catchy subject line to attract the recipients' attention.
- Research shows that over 66% of emails are opened on mobile devices, so it is
 important that your email is designed for mobiles. Be aware that mobile
 responsive landing pages are a must if you're looking to include a link to your
 site within your email.





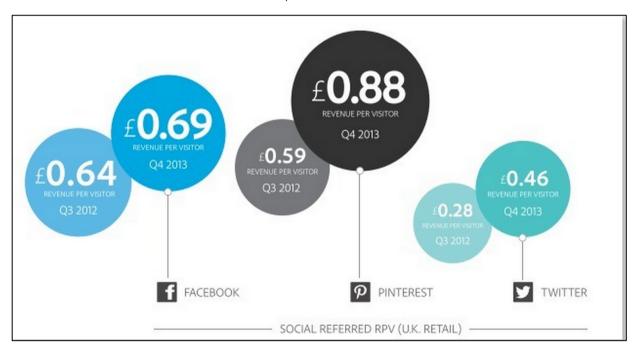
5.8 Social media

The growth in <u>social media use in the UK</u> has been boosted by the increased access via mobile phones. However, even established sites like Facebook have seen continued increases in users and engagement. Facebook has over 33 million people that use the site once a month and 24 million that use it daily (according to the <u>Huffington Post</u>), whereas B2B site LinkedIn has now got 17.8million users in the UK (October 2014).

Research by Adobe for Christmas 2013 showed that only 2% of visits to retailers' sites in the USA directly resulted in a sale, but 36% of sales were influenced by social media.

Research by IBM in the UK showed that Social channels contributed an even lower level of site traffic, with just 0.5 percent of visitors arriving from Facebook, Pinterest, YouTube and other social channels (in March 2014), and accounted for 0.1 percent of sales. Compared to the mobile channel, social lags in conversion, bounce rate, page views per session and time on site.

<u>Research by Adobe</u> shows that although Facebook still drives the most visits to UK sites, Pinterest drives the most revenue per visits - see below.



Although users of social media are not necessarily a good target for increased direct ecommerce sales, there are other aspects of social media that should be considered to increase awareness, engagement and customer service.

5.8.1 Social posting

If you already have an established fan-base then you need to provide regular posts based on your content calendar. One of the objectives of this is to post content that your audience are interested in so they like, comment or share it with their friends.

О



Unfortunately, due to <u>Edge Rank</u> less than 10% of your fans will probably see your content. This means that if you want to increase your reach then you have to promote your posts.



5.8.2 Social advertising

Facebook offers a range of ad formats that you can set-up yourself via the DIY platform. The side bar ads are less popular than they previously were, as these ads are not shown on mobiles - which is the main way that users access Facebook.

Promoted posts have risen in popularity as they appear in the newsfeed, and therefore mobiles. Facebook Exchange or Facebook retargeting is also popular but needs to be set-up via a third party ad serving network.

5.8.3 Social shopping

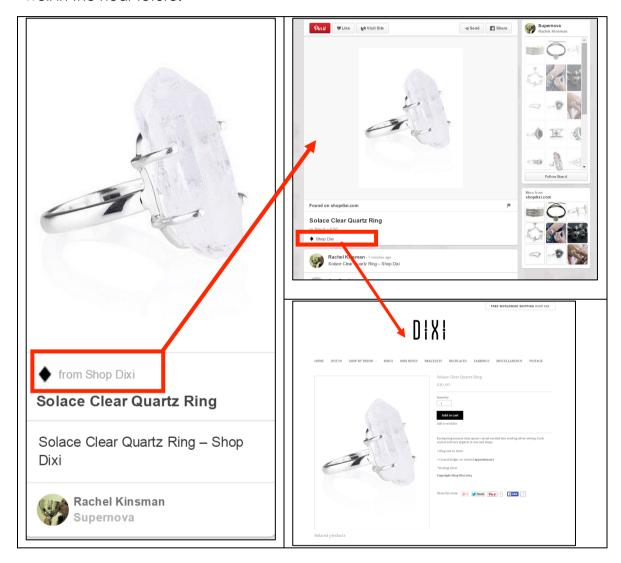
This has not proved to be very successful and even larger brands have not set-up their own stores within Facebook. A history of Facebook dabbling in so-called F-commerce can be read at the following link.

The most recent addition to the ever-evolving Facebook story (July 2014) is the creation of the **Facebook Buy Button** that allows users to buy a product within Facebook without having to leave the social network. This may be a game changer as for most advertisers conversion rates on mobile websites are very low whereas Facebook has such high levels of mobile engagement they may be able to bridge the gap between the mobile user and the merchant.





<u>Pinterest now has rich pins</u> which contain more information from your site. This includes a product pin with a logo and "from" button displaying where you can buy a product, availability and real time pricing. Users can click on the product pin, go to a product page within Pinterest and then click through to the merchant site to buy the product. Pinterest will be offering promoted pins to advertisers as well in the near future.



In September 2014, Twitter announced a similar "buy" button on Twitter cards. This will also be available to more <u>advertisers soon</u>.

5.8.4 Customer service

The Huffington Post published an excellent article in July (2014) on how social media can be used for customer service. A lot of their observations focused on the difference between the expectations of the customers as compared to the businesses. For example, 42 percent of consumers expect a response on social media within one hour, and 32 percent think it should be within 30 minutes.





In reality, many companies do not monitor social media, so there is little chance of them responding in a timely fashion to any complaints that are viewed in public. There are, however, many free monitoring tools like Hootsuite, Tweetdeck, Google Alerts, mention, Social Mention, Talkwalker and Topsy, which could be used to find mentions of your brand in Twitter or Facebook (the most common places where customers complain).

With regard to customer service over the holiday period, we recommend that if you're not already doing so, create a plan and allocate one member of staff who will be responsible for monitoring Twitter, Facebook and your inbox at least 3 times during the day. In addition, ideally you should set-up proactive alerts so that these are sent directly into your inbox. We also recommend having some pre-prepared FAQs, and other answers to any common problems, for example what happens when a delivery is late, if you run out of stock etc. You should also have a plan for escalation of more difficult problems to more senior members of staff.

The person(s) dealing with complaints (and other senior members of staff) should have <u>some basic training</u> on how to best deal with complaints.





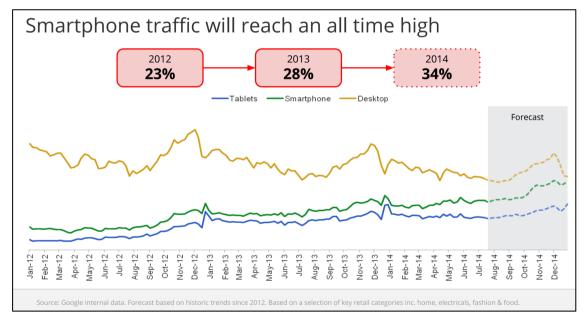
5.9 Mobile

The UK is unusual in that we all get to upgrade our phones every 18-36 months, meaning that during 2014 over 50% of the population will own a smartphone. The global figures are equally astonishing - just under 25% of the world's population will own a smartphone and by 2017 a third of people in the world will own and use a smartphone. In some geographical areas this is the only access that people have to the Internet, whilst in other countries, such as the UK it is the preferred route to access many sites. A third of the UK population use Facebook every day and 83% of them do so on their mobile phone or tablet.

Growth in the use of mobile devices to access the internet became <u>big news in</u>
<u>September 2014</u> when visits to online shopping sites via mobiles overtook desktops for the first time. However, the conversion rates on mobiles are generally lower so only 36% of sales were on mobiles or tablets.

Another factor which has to be taken into consideration is the <u>use of multiple devices</u> - this can include using more than one device at the same time or using different devices at different times of the day.

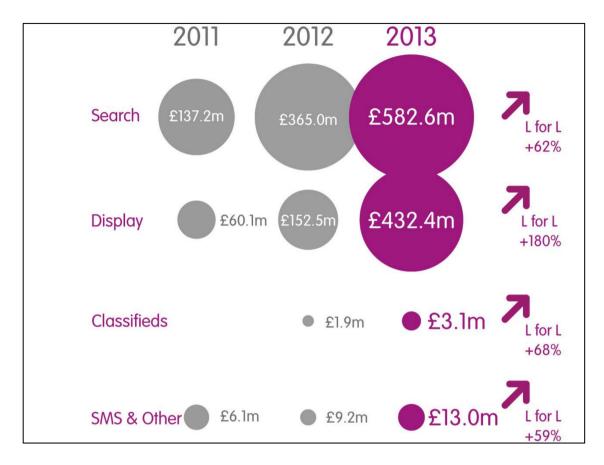
Google has predicted the trends for the rest of the year in the graph below.



Although the majority of the audience is now using mobile (mostly in addition to their desktop activities), 2013 also saw a 93% increase in online advertising spend on mobiles vs. 2012. The diagram below from the IAB - PWC shows this increase by the different formats.







Lots of sales are made on Christmas and Boxing Day as users have their new mobile phones and tablets, or are bored in front of the telly.

Research by IBM showed that on Christmas Day, mobile sales leapt to an incredible 46.7 percent of all site sales, while mobile traffic soared to 58.9 percent. However tablets convert at a higher rate than mobiles, despite mobiles generating more traffic.

If you already have a mobile responsive website then you should check your Analytics data and see how your site is performing by device. This should include the volume of traffic and sales that you are getting by each source. Using this data you may want to amend your marketing spend accordingly, for example you may want to target mobile users by in app advertising via admob or inMobi, or increase the effectiveness of your mobile search ads, mobile responsive emails and landing pages.

If your site is not mobile responsive or your site performs very poorly on mobiles you will need to have a proactive strategy to address this in the new year. In the meantime, you may want limit your exposure on mobile for your existing ads, e.g. on AdWords use -100% mobile bid modifier.





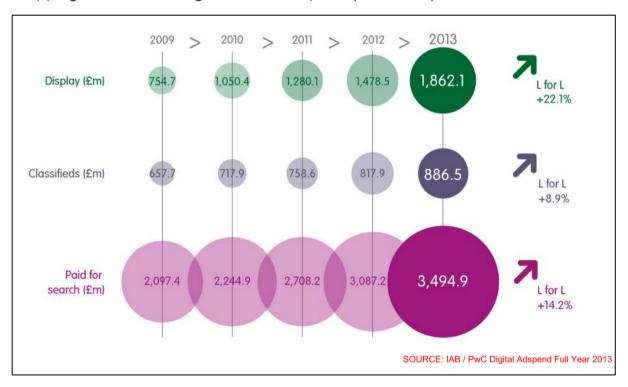
6 Key internal and marketing tactics

6.1 Budgets

Established ecommerce retailers will already know the likely level of sales and budgets required to achieve this, however the real trick is to manage the budgets during peak days such as Black Friday. Where possible we recommend allocating your budget on a weekly basis. In addition, for certain types of advertising you must ensure that budgets are not depleted in the middle of the day.

You may also want to factor in a certain amount of growth. With the economy now out of recession, online sales are likely to increase again this year. Predictions are for a 17% increase and sales of £107 billion online (total for 2014). This represents 21% of all retail sales. The original research by Cap Gemini can be found here.

Online advertising spend in the UK increased by 15% last year. Although this varied by format with mobile and display driving a lot of this growth. Other formats like Google Shopping ads also saw large increases in spend (see below).





6.2 Staff

Depending on the size of your organisation and whether you do your own fulfilment you may need to hire additional staff to pick and pack. Many retailers cancel leave up to the Christmas period and during the January sales.

6.3 Creative/promotions/collateral

Once you have created a promotional calendar, we would recommend that you also prepare (in advance), as much of the promotional banners, emails, ads and other collateral that you can. This will give you enough time to react to what's happening around you, for example a news item making a product more popular, changing stock levels etc. This will give you enough time to create a promotion for a line that is not selling as well.

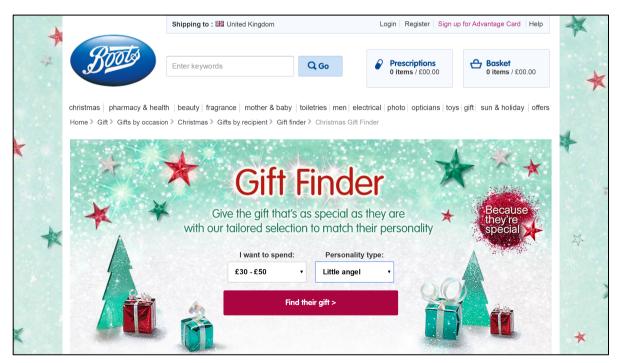
6.4 Agency

If you employ an agency to manage your online advertising then you need to share your promotional and marketing plans as early as possible. Although ecommerce websites do not close, the agencies that manage the online marketing may well shut down over the Christmas period. However, with enough warning most reputable agencies will provide cover and an emergency hotline over the holiday period.

6.5 Content ideas

Creating content can be part of an ongoing SEO or PR strategy, or purely as a promotion to be broadcast via your email, blog or social media campaigns.

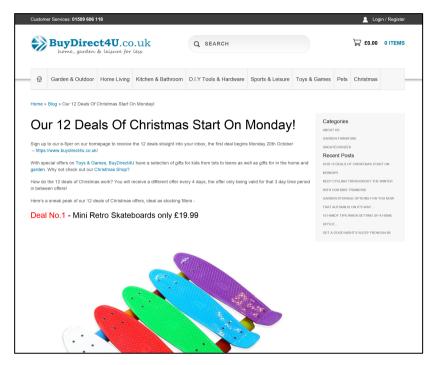
Common ideas include gift guides, top10 gifts for.... and even a dynamic gift finder such as the one below.







Many of these are published in December, but the one below starts in October.



6.6 Clicks and mortar

Many of the big brands on the high street benefit from high website authority, so they normally occupy the top positions in the search results. This allows them to develop a multi-channel approach and to cross-promote both their physical and online store. An example of this is online vouchers and advertising features such as the Google AdWords feature which combines Shopping ads and local store availability (this is called Local Inventory Ads).

Another growing development is <u>"Showrooming"</u> where shoppers browsing in-store but using their SmartPhone to find the cheapest prices online. Research published in May 2014 showed that 44% of UK shoppers used Showrooming.

Interestingly, some brands like John Lewis are trying to embrace this by providing free Wi-Fi in-store.

6.7 Click and collect

Click and collect has been a fast growing success where the orders are taken online and the buyer picks up the product themselves rather than waiting for it to be delivered. This has meant that shops, car parks, petrol stations and even airports or railway stations are being used as collection points to cope with the growth in click and collect.



Although stores like John Lewis, Currys and Tesco have invested heavily in a click and collect infrastructure, smaller independents (and even eBay and Amazon merchants) now offer a similar service through the third party provider CollectPlus which has over 5500 stores across the country that are open longer hours and 7 days per week. This allows merchants to offer both a delivery and a returns service.

6.8 Gift cards and vouchers

Most ecommerce platforms have the functionality to allow you to sell virtual gift cards, which the buyer can download or email to a recipient. You may also want to consider setting up gift vouchers on your social media profiles, especially if you have a big social following.

Facebook offer gift cards but these can only be redeemed at certain stores like Tesco, GAME/GameStation and ASDA. If you want your fans to buy a gift card to redeem at your own store then you can consider <u>e-gifters</u>. This is a great plug-in that operates from your website and enables people to create, design, pay for and send vouchers via Facebook and SMS. There are some great features that allow people to club together to buy a big voucher (for weddings or birthdays) and to design a voucher individual to the recipient. The costs for this are around £500 to set up and then you pay a commission of around 50p per voucher ordered (estimated pricing as original was in dollars). It takes about a week to set up.





7 Top Tips and checklist for ecommerce retailers

October

- Check what's hot in the media by using keyword research tools, Twitter trends etc. See if there is a consumer need that you can fill from your existing stock or if you can source popular items in time for the festive period.
- If you do not already have one, create a new category for "Gifts" or "Christmas" in the admin panel of your ecommerce website (depending on the functionality you can create more granular categories or sub-categories, e.g. gifts for him, for her or for kids etc.).
- Identify all products that could be added to these categories. Ensure that this generates a Gift or Christmas category landing page.
- Check your stock levels and identify emergency supplies if required (for stock that requires long lead times you should have already completed this task).
- Calculate and publish your last guaranteed delivery date for Christmas.
- Create a calendar, with key dates and your own sales promotions, circulate it to staff and have big posters around the office and warehouse.
- Allocate your advertising budgets on a weekly basis, ensuring you have enough for the expected uplift on key dates.
- Determine your KPIs, including weekly site traffic, CPC/costs, sales transaction and revenue, changes in conversion rates and stock run-down figures on key lines.
- Create a Black Friday and Cyber Monday landing page, make the date very obvious or use a countdown. If you plan to have an offer, promote it in advance or encourage visitors to sign-up for the seasonal emails
- Create all other promotional material like banners, emails and blogs in advance (soon there will not be enough hours in the day!).
- Publish and broadcast your gift ideas and other promotional material to the relevant media (long-lead media should have been completed already)
- Ensure you have enough staff to pick and pack
- Create a crisis plan what happens if you run out of stock, if key staff are sick, if there is snow or issues with delivery etc.
- Make sure you have your gift vouchers available online and if applicable, instore
- Get ready for October pay day

November

- Increase reach of your marketing this may include adding additional keyphrases to your AdWords accounts, increasing the audience you are targeting or upping your commission for affiliates.
- Amend your ads to include seasonal calls-to-action, e.g. "the perfect gift for him, gift vouchers"





- Start more intense promotion of key lines, gift vouchers or items that are hot
- Check your budgets and visibility on a daily basis do you run out at lunchtime on key days? Have you allocated enough budget to each channel, are you bidding high enough (paid search, paid, social, paid display). Do you need extra budget if your other marketing is successful e.g. a magazine publishes your aift auide
- Create a big poster with a countdown to Black Friday, Cyber Monday, last order day and any other company specific promotions

December

- Assess stock levels and ensure you are not wasting marketing budget on items that are out of stock
- Start sending your daily countdown emails with key products and offers
- Keep an eye on your customer feedback, reviews and 3rd party comments. If you have a problem deal with it quickly, apologise and make sure your feedback is as visible as any criticism. If you don't, your conversion rates could plummet!
- Promote the last guaranteed delivery day and click and collect (if available)
- Pre-promote first day of sale (Christmas Eve or Christmas day)
- Enjoy Christmas day with friends and family, knowing the orders are still rolling in!





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