YOUR GUIDE to all things ecommerce

cart.com

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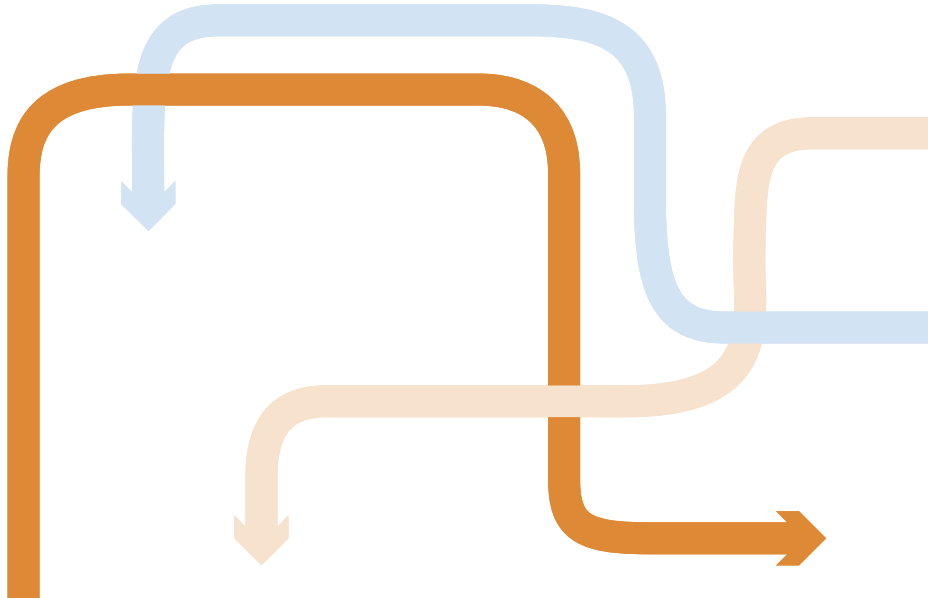


Introduction

Economically, 2022 was a wild ride. But even though the economy slowed, ecommerce saw some real growth. The U.S. Census Bureau found that ecommerce sales in the third quarter of 2022 increased an estimated 10.8 percent from the third quarter of 2021. And according to Statista, ecommerce sales will continue to grow at an annual growth rate (CAGR 2022-2027) of 12.24 percent, resulting in a projected market volume of $6.39 trillion (USD) by 2027.

So, what does that mean for ecommerce in 2023? First, the increasing amount of ecommerce consumers means more opportunities for businesses to attract new customers. It also means that even though the U.S. will experience a decelerated economy and possible mild recession, there will still be a rise in consumer spending.

If you're feeling uncertain about the economy, you're not alone. But you can start planning ahead to develop strategies and invest in tools that optimize your brand in the most effective way possible. How you approach and structure the new year will determine your success — which is why it's crucial to gather information and adopt effective industry trends into your strategy.

This guide will equip you with the knowledge you need to start 2023 off strong. It will give you actionable insights, tips, and best practices from experienced ecommerce thought leaders that will help you grow and strengthen your ecommerce business. Most of all, it will show you how to approach this year with a fresh outlook and new ways to use your data, create goals, and design campaigns.

Everything you need to prepare your ecommerce business for growth

For many, the new year means new opportunities. And in ecommerce, those new opportunities can lead to growth. Implementing the right tools and best practices can help your business thrive. Here are the areas your ecommerce businesses should focus on in 2023.

“Ecommerce doesn’t have to be complicated. Optimize your ability to manage orders and inventory, find customers, and create good customer experiences.”

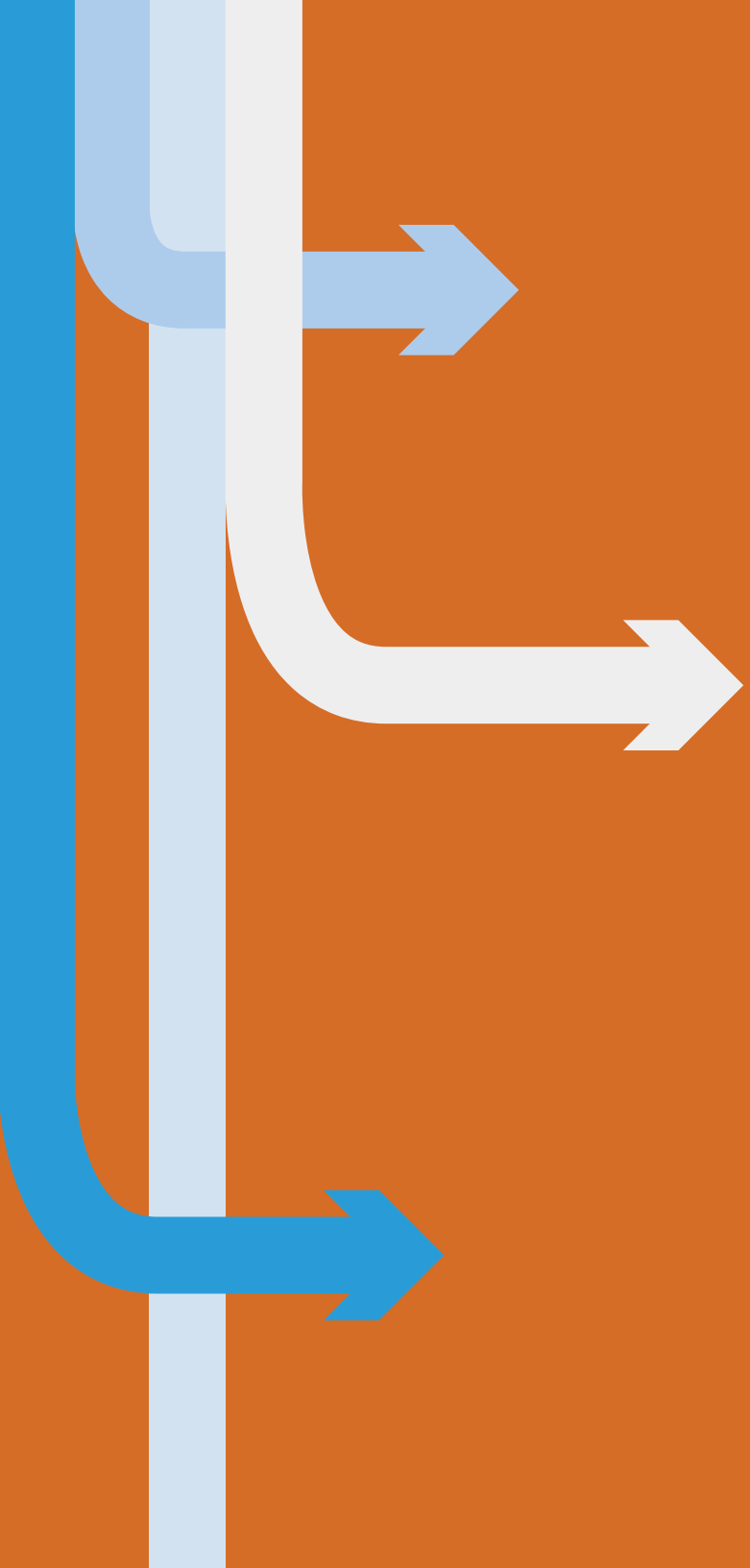
- *Gary Specter*

Strengthening your go-to-market strategy

Gary Specter, President of Go-To-Market at Cart.com, thinks about go-to-market from a customer-centric point of view. He spent the first 15 years of his career in logistics, which has given him unique insights into ecommerce and fulfillment. He has also spent several years building and running large teams, and has done just about everything you can do in the industry, from sales to customer success. All of his experience came together to create his role at Cart.com.

Specter believes a go-to-market strategy should be a key part of your ecommerce business. It defines your ideal customer, identifies your product's unique value, determines your messaging, and positions your product for launch. Go-to-market strategies work for both launching a new product and launching a product in a new market.

Design your go-to-market to drive value to your customer. "They need to get immense value out of the first purchase so you can keep their attention," Specter says. Therefore, thoroughly understanding the customer becomes a crucial part of designing each component of the strategy.



"A **go-to-market strategy** is about **understanding the customer journey** and having an **ideal customer lifecycle** — try, buy, renew, or upsell. You must ask yourself, what are all the components that will help me drive the customer journey and **move it toward that ideal lifecycle?**"

- Gary Specter

Before you try to pin down your customer's experience and journey, Specter recommends asking yourself this simple set of questions:

1. How do I market to a customer?
2. How do I touch that customer from the very first moment?
3. How do I inform that customer?
4. How do I understand customer needs?
5. How do I solve that need or problem?
6. What's it like for a customer to sign a contract with us and become a customer?
7. What is the onboarding process for that customer?
8. What is the post-sales experience for that customer?
9. What is the support issue for the customer?
10. What does the partner ecosystem look like for that customer?

Each type of consumer interaction and touchpoint you can describe maps the buyer's journey more clearly and arms you with the information you need to design your strategy. It helps you understand your target audience and defines their problems at the same time. With this data in hand, you can research demand and competition, generate your messaging, pick your marketing channels, create a sales plan, and set your goals.

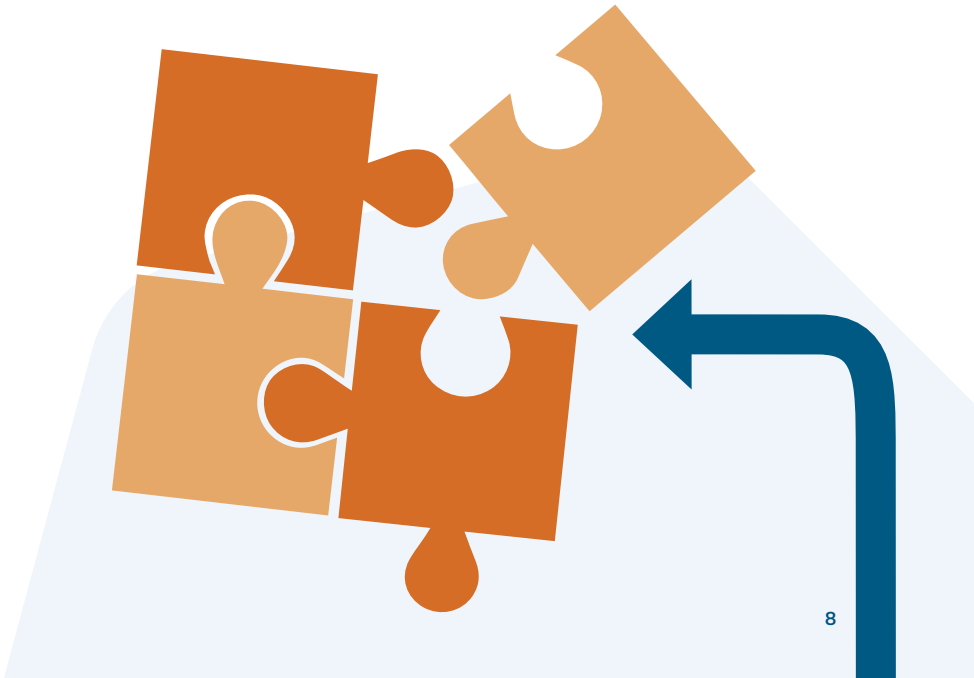
Creating effective marketing strategies and campaigns

Rachel Truair, Chief Marketing Officer at Cart.com, has spent her entire career in marketing. She has led marketing teams at a variety of B2B and B2C companies. Her SEO background has given her the tools to leverage stories and engage with audiences in any vertical. And although she's seen things change quite a bit over the years, she believes true connection always comes back to one thing: customer experience.

Truair says to base your overarching marketing strategy for 2023 on your customer lifecycle and your brand's role in it: How you attract, convert, and retain. "You need to understand at a granular level the multiple touchpoints that lead to a purchase or sale on your ecommerce website or marketplaces," she says. These touchpoints can become the foundation for larger goals and objectives. For example, adding "commonly bought with" recommendations to the checkout to the cart page to increase order value.

It's essential to look to trends to develop your strategy as well. And Truair says this year is all about building owned audiences, offering multichannel engagement, and streamlining your marketing operations.

Approach your strategy piece by piece, breaking it down into different actions you can take to refresh your overall plan. Consider each piece of your strategy individually and look at the different actions you can take to refresh your marketing plan.



"Working toward an omnichannel approach should be **every brand's goal**, whether they're just starting out or a legacy retailer trying to **optimize their ecommerce strategy.**"

- Rachel Truair

Use tools to save time and money while improving productivity

Brands using a multichannel approach get pulled in many directions, but at the core of their efforts, they are trying to optimize their ecommerce strategy. The question becomes: where do you put your time and energy? This is especially important if you're working with limited time, budget, or both.

The key is leveraging a range of productivity tools, especially when building your omnichannel approach. Some of Truair's favorite tools to use for marketing are:

- **Integrations:** Having the ability to track across the customer lifecycle, especially across multiple sessions and interactions. That way you really understand how your marketing efforts influence and drive engagement.
- **Automations:** Where can you remove the manual labor but still drive customers to the next point in the funnel? For example, design your system to trigger a notification when an item of interest or size is back in stock.
- **Real-time data analytics:** Use current individual or segmented customer behavior to respond in the moment to their needs, or provide the right offer at the optimal time.

Each tool you can implement to make things more efficient will improve your marketing productivity in the coming year.

Expand your brand's impact through multichannel engagement

Multichannel marketing has several benefits, including increased brand awareness and a more consistent customer experience. Weighing the pros and cons of different channels lets you identify the ones that are worth your time and effort to build upon. Examples of channels are:

Email

Paid search

Social media

Content

Website

SEO

Text messaging

Influencer

Avoid siloing your channels by treating them like unrelated lines of communication with your audience. Instead, focus on building a cohesive, consistent brand voice and customer experience across the board. Set goals for each channel, and use your ideal customer profile to determine the best potential channels for your ecommerce business. When possible, measure your engagement, and use your data to optimize those results.

Scale up your social channel strategy

Social commerce and its marketing have become increasingly vital for any brand's marketing strategy. "If you're not selling in social channels, starting to look at how you get there is really important," Truair says. Take note of what channels you use, and which you might want to try.

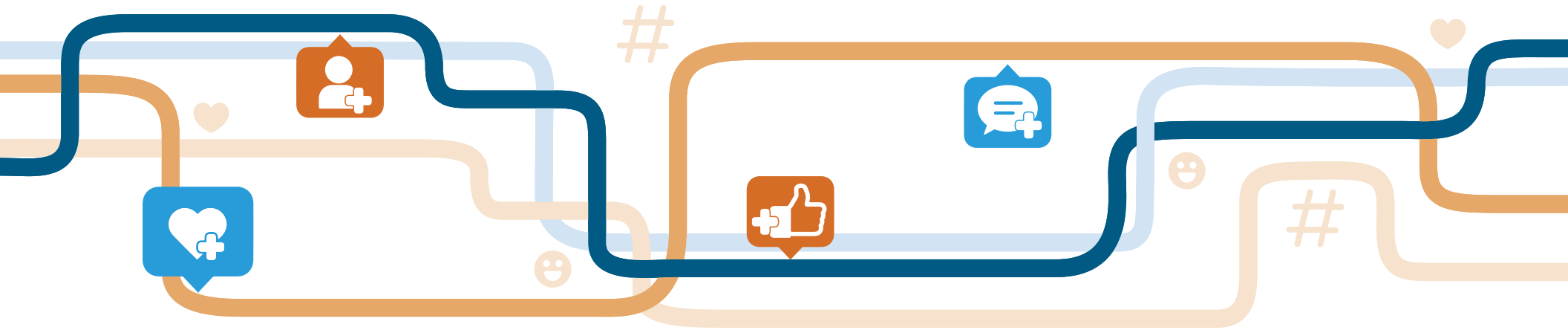
She also feels it's helpful to adopt a platform early when customer trends start to shift or change. Be an early user of emerging social channels, so you can reap any benefits from a surge in users later on.

When it comes to creating content, the amount of time and budget you invest isn't as important as committing to a consistent update schedule.

Truair says, "Being able to build and nurture the audience — even if it's not necessarily your highest-performing channel — can pay off over time as that channel becomes more widely adopted, and it gains momentum in the market."

Your social commerce efforts should help people discover your brand and learn about your products, build trust and relationships, and offer the ability to purchase products.

As you build your marketing strategy for the years to come, Truair believes one group holds a unique level of immediate value and long-term potential: your owned audiences.



Best practices for building owned audiences

An owned audience are consumers who have given you permission to communicate with them directly — like through an email newsletter or via text messages. Your owned audiences bring an invaluable element to your brand: they're already interested and invested in your business. That's why it's always beneficial to devote time and energy to meeting their needs. They'll pay you back in loyalty and word-of-mouth support.

Start building your owned audience by providing ways to sign-up, subscribe, or engage. You can strengthen your engagement with them by defining and segmenting your audience. Implement tools that store and organize each segment, and then invest in channels that will reach each one in the most effective way possible.

You'll want to deliver consistent, valuable content. And by continually tracking, measuring, and optimizing your efforts, you will gain brand supporters for years to come.

Using your data and analytics

Chase Zieman, Chief Data Science Officer and Co-founder of Cart.com, has been in the data science and machine learning space for almost 14 years. He has worked with everyone from the federal government to top retailers to build out digital systems, including data solutions for ecommerce.

Zieman understands that the main challenge for most ecommerce businesses is knowing what data to use and the most effective ways to use it. He says you should be watching three data channels: marketing, commerce, and fulfillment.

Each plays an integral part in the customer journey. However, you have to be careful not to isolate each channel. “In 2023, you should be breaking down your silos and bringing your data together,” Zieman says.

Retailers can take four steps to improve their use of data.

STEP ONE

Turn your data insights into action

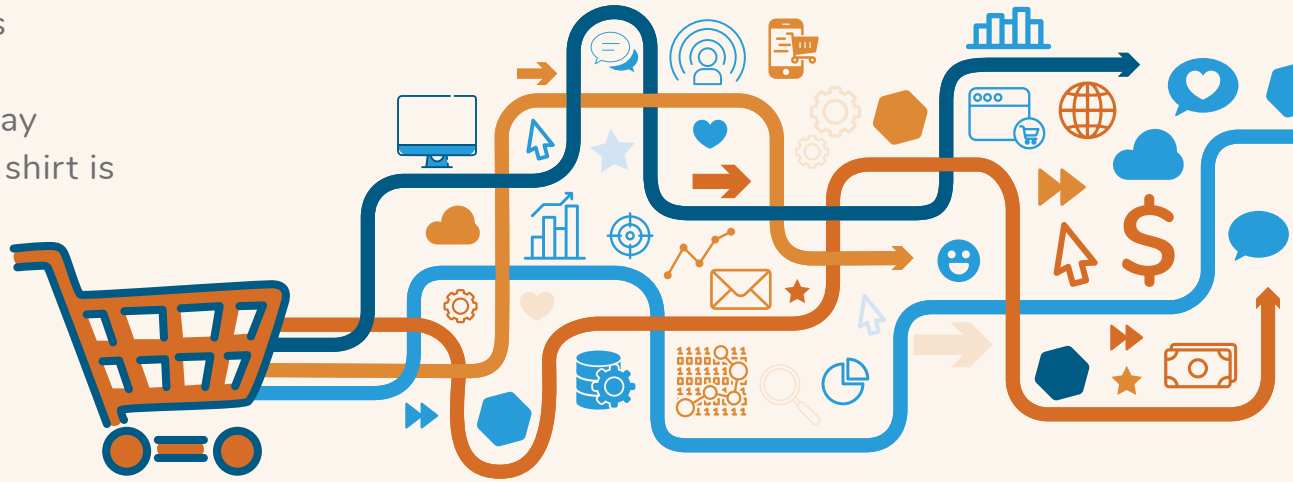
Instead of getting lost in hours of data, you'll want to choose some KPIs (key performance indicators). These are the metrics that best help you make decisions or adjust your strategies. For example, if you're investing money in marketing campaigns, it's crucial to know if they're meeting your goals. For example, did your promotion lead to an increase in purchases? And if not, why?

Your sales metrics can track what inventory is popular. In other words, what sells the most. This makes it easier for companies to know what stock to have on hand, improving your ordering process.

Tracking purchase behavior helps retailers personalize. For example, when making recommendations, a customer's history may suggest featuring a necklace to go with a shirt is more successful than a bracelet.

Your fulfillment data addresses shipping logistics: transit time, estimated delivery dates, and on-time deliveries. These analytics let you become more transparent and determine any areas that aren't working. Maybe you have been promoting three-day shipping when it's really five-day. Or It takes too long to get from the fulfillment center to the shipping company.

Data can be a powerful tool, especially when it spans the entire customer experience and is harmonized to help you optimize the touchpoints along the way.



STEP TWO
Utilize your data partners

The journey from gathering data insights to turning them into actions can be difficult for ecommerce businesses with limited time. That's why a data partner — a platform or person with the expertise or tools to glean insights easily — can be worth the investment.

Even enterprise-size ecommerce companies benefit from partners given the amount of resources it takes to conduct data analytics, visualization, and science.

Smart data partners don't just provide you with diagnostic analytics (why did this happen?), but predictive analytics as well (what else could happen?). Sometimes these predictive analytics have the power to help you gain competitive advantage. It lets you optimize your processes and identify new revenue opportunities as well.

STEP THREE
Approach data in a neutral way

It's easy to get lost in data or over-complicate it, which is typical when you aren't managing it properly. If you tend to struggle with this issue, you may over-analyze to try and find meaning in data that just isn't there. Or you might begin to lack focus — you're not quite sure what answer you're looking for anymore — when you continue to add more data than is required.

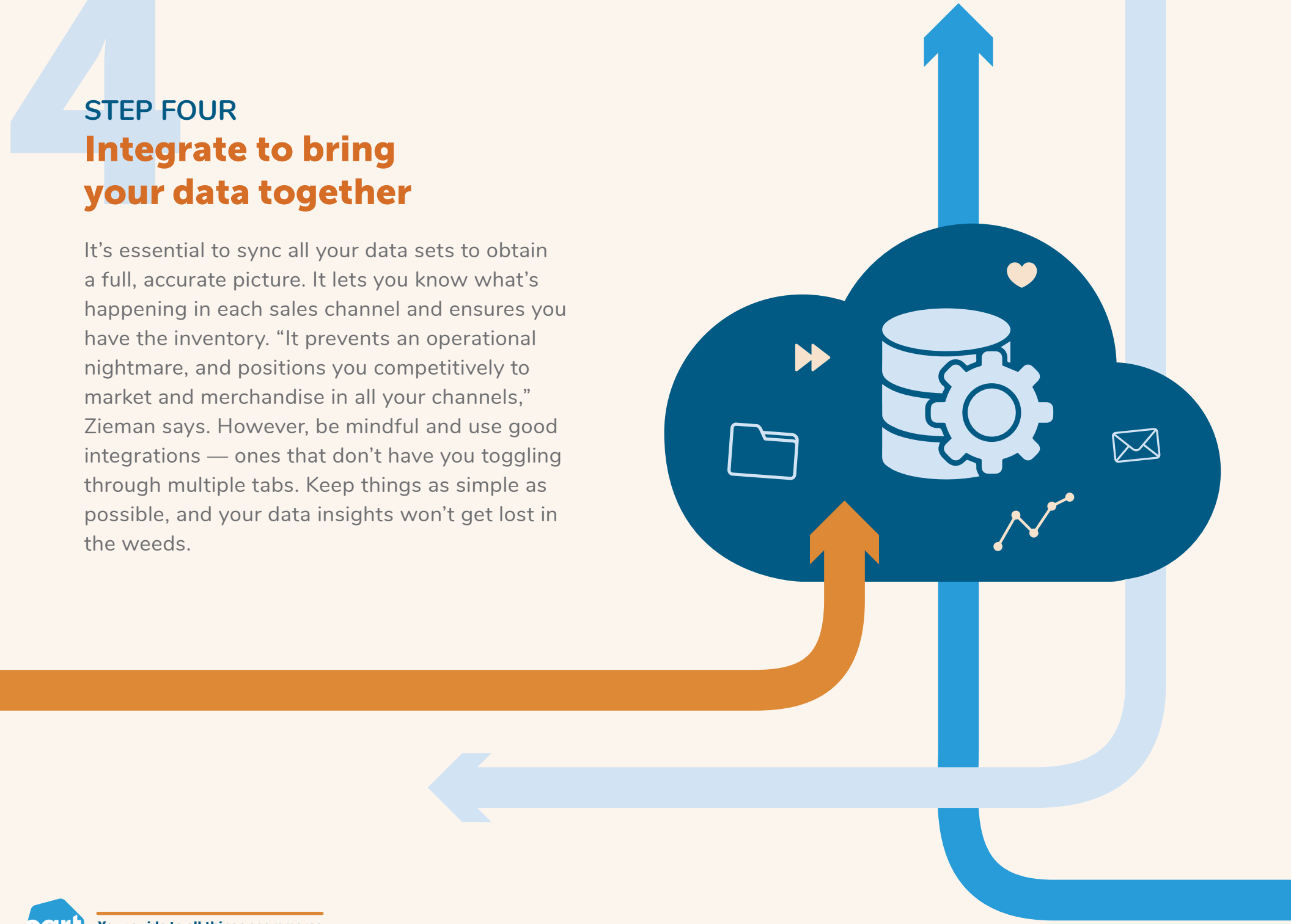
However, it's just as easy to oversimplify. If you leave out critical data points to make the data analysis process or presentation simpler, you won't have enough data to make informed decisions. You also oversimplify when you only use one approach to read the data. For example, you only look at a charted graph, especially if it leaves out the variables. A neutral approach allows you to see your data for what it truly is.

4

STEP FOUR

Integrate to bring your data together

It's essential to sync all your data sets to obtain a full, accurate picture. It lets you know what's happening in each sales channel and ensures you have the inventory. "It prevents an operational nightmare, and positions you competitively to market and merchandise in all your channels," Zieman says. However, be mindful and use good integrations — ones that don't have you toggling through multiple tabs. Keep things as simple as possible, and your data insights won't get lost in the weeds.



"Brands can get stuck wanting data for every single decision. And of course they need to rely on data where they have data, but they can also **learn to quantify uncertainty and become comfortable with making 80/20 decisions that point them in the right direction."**

- Chase Zieman

Building dynamic storefronts and using them to the fullest extent

Jack Cravy, Vice President of Storefront at Cart.com, has dabbled in ecommerce for over a decade. He first started helping local companies in North Houston before signing on with an agency that led him to bigger companies. He sees himself as a knowledge sponge — constantly learning from those around him. It's helped him oversee enterprise accounts and become exceptionally knowledgeable about storefronts.

Cravy says your main storefront objective should be an exceptional customer experience. Think about if your storefront provides the right information, has helpful features, and includes content that enhances the experience.

The foundation of a strong storefront

When you're first building your storefront, you can focus on a few core components.

- **Ensure user-friendly navigation**
  If a customer can't find what they want on a site, they can't make a purchase. Navigation should be simple, straightforward, and offer multiple ways to get to what they're looking for. For example, through a search and a tab.

- **Build standard ecommerce pages and features**
  Storefronts typically have product pages, contact information, a site search, shopping cart, about us, and checkout. Make creating these sections your priority. As you grow, add more pages and content — like a brand blog or a social media feed.

- **Design a clean layout**
  Modern storefronts avoid clutter while optimizing their white space. If you have a lot of information, there are design tools to help you streamline your UX. One is expandable content, which drops down with a click or hover. Each component to your page should have a purpose and offer value.

- **Provide essential Information**
  Product descriptions are critical. Customers want to easily find the exact information they're looking for. This includes specs, prices, payment types, shipping times, and product reviews. They want to know the material a dress is made of, or if they can get an item by the end of the week. Every extra step between them and the info is an opportunity for them to leave your storefront altogether.

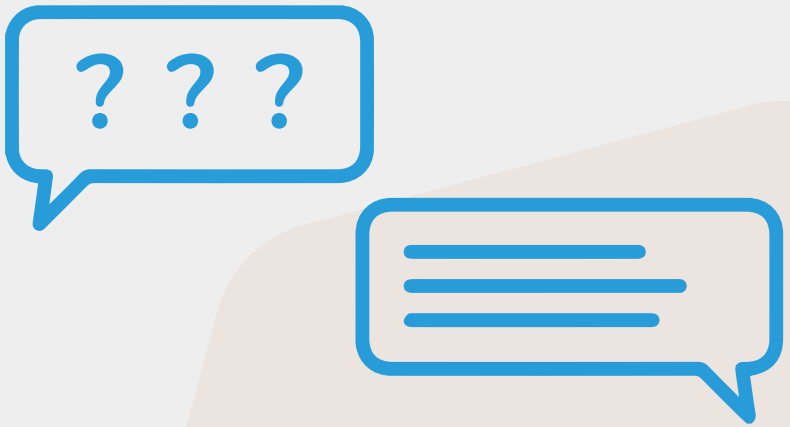
- **Add helpful features**
  Add features that enhance the journey. A chatbot answers quick questions, while live chat puts you in touch with customer service immediately. Look for ways you can either create helpful interactions or remove steps between your customer and their ultimate goal.

- **Create content that enhances the experience**
  Brands can use photos, illustrations, and videos to enrich the customer experience. Maybe your customer has already purchased any item. Why not bring them back to your storefront with videos on how to use it or set it up?

Once you've established your foundational storefront, begin to customize and integrate additional content. These new features and options will help you address new needs that emerge as your business grows.

Diverse kinds of content also allow you to provide a more tailored experience for customer segments. "Once your customer types are defined, you can create unique experiences," says Cravy. This may include recommendations customers will see, or featured products. Anything that makes their experience more individualized.

Your storefront is an enormous part of the buyer's journey. Optimizing it for an exceptional experience will keep customers coming back.



“You must have a really strong understanding of your product, your audience, and how you’re going to be reaching your core audience. It’s the first step to identifying what your storefront and tech stack should be.”

- Jack Cravy

Creating a better customer experience

Specter says four things create an excellent customer experience:

1. **Using the optimal channels to connect with your customers.**
2. **Identifying how they buy: Is it DTC or through a marketplace? Do they prefer credit cards or Apple Pay?**
3. **Providing good order management: Your inventory, fulfillment, and shipping process should be seamless.**
4. **Doing what you say you'll do: If you say an item will be back in stock within two weeks, ensure that it is.**

A business needs to identify every factor that could influence their customers' experience in every step of their journey. Your next step is to determine if those factors make the experience better or worse.

As an example, if a storefront has live chat available for quick answers, a customer will likely feel cared for and respected. However, if the storefront only offers a contact form that tells them they'll receive a response in 24-48 hours, they might lose interest in both their purchase and the brand as a whole.

Inventory and order management also affect the customer experience. A customer doesn't want to receive an email that tells them an item is on sale only to visit the website and find that it's out of stock.

"A customer doesn't buy unless their first experience is good."

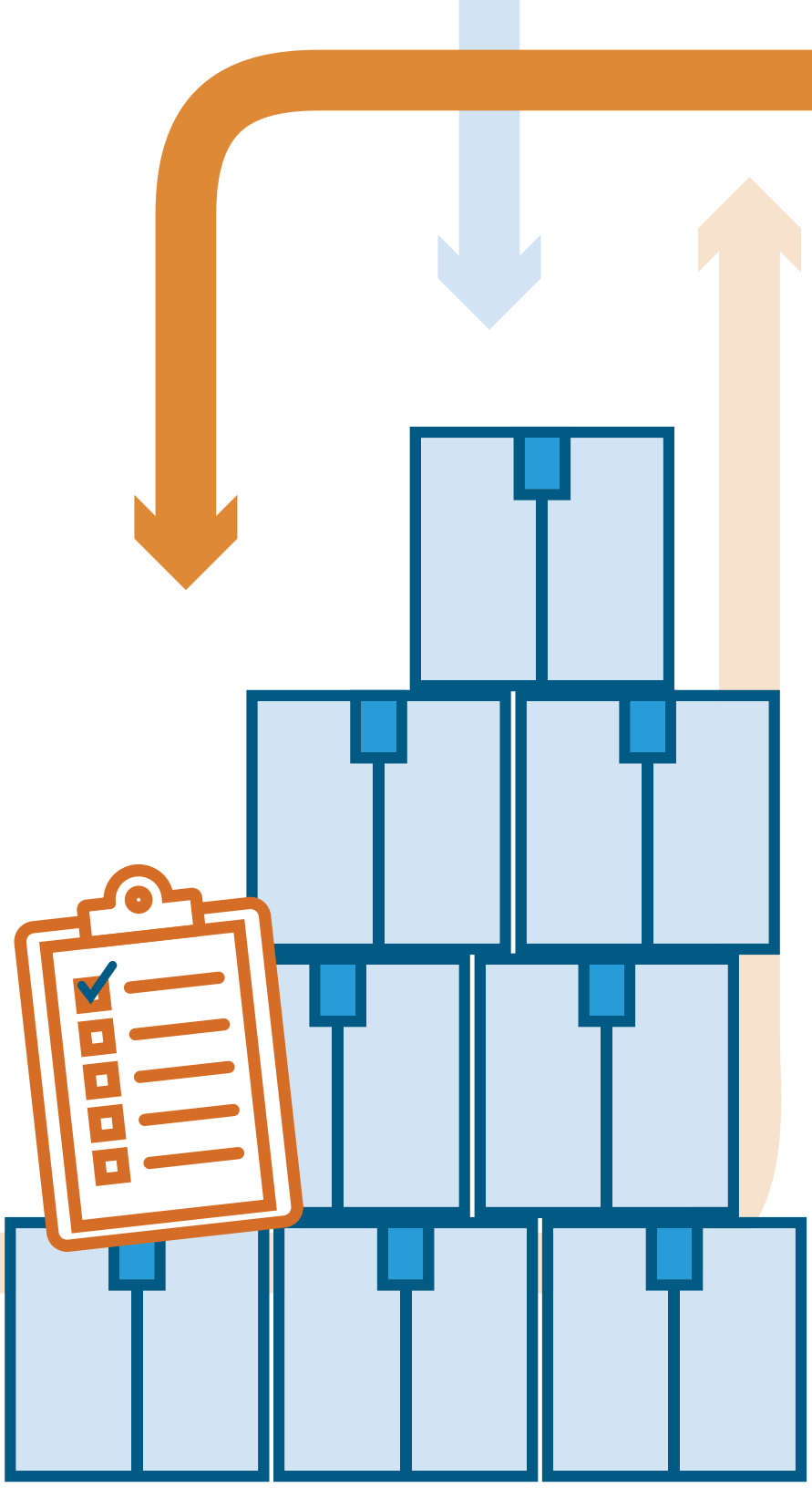
- Gary Specter

Specter says, “Commerce companies in the new year need to think about order and inventory optimization: Understanding where your business is, where it’s strong, what channels it’s strongest in.” He encourages retailers to allocate inventory in a way that reduces operational friction and costs. “There’s a unique lever to pull that can help you reduce your costs and drive a better customer experience.”

You can avoid inventory issues by:

- Implementing better inventory management tools
- Investing in good analytics to optimize inventory and orders
- Using your data to get more predictive when it comes to future buying habits

Use feedback, surveys, and past behavior to gather weak and strong points in a journey. Then, armed with knowledge, you can make the adjustments that enhance your overall customer experience.



The ecommerce trends to watch

Ecommerce was thrust into the spotlight during the pandemic. It became a necessity for consumers on a global level. Although overall industry growth has slowed somewhat, online retail remains as valuable and in-demand as ever.

Emerging customer behaviors are rapidly shaping the industry and creating new trends. As consumers learn what creates a positive online shipping experience, their demands evolve. Industry experts keep an eye on these behaviors so they can better understand where to funnel energy to meet customer needs better. They've learned to identify what may pose a challenge, and how to implement solutions as swiftly as possible.

The past year provided several excellent insights, which are driving the trends for ecommerce in 2023.

7 Trends to know (and adopt)

1. Expanding your reach to meet your customers in their preferred channels

Diversify where you sell. A direct-to-consumer site is great, but you can reach more customers through a multichannel sales approach. Think about online marketplaces and social commerce (selling through social media). Get creative in expanding your reach.

Specter also sees geography as expansion. In other words, global ecommerce. In his view, with the way ecommerce currently functions, the world is getting smaller. Specter says brands should ask themselves the following kinds of questions: “Have you sold in European marketplaces? If so, have you considered fulfillment access in Europe? Would it be worth it to ship a container of a product?”

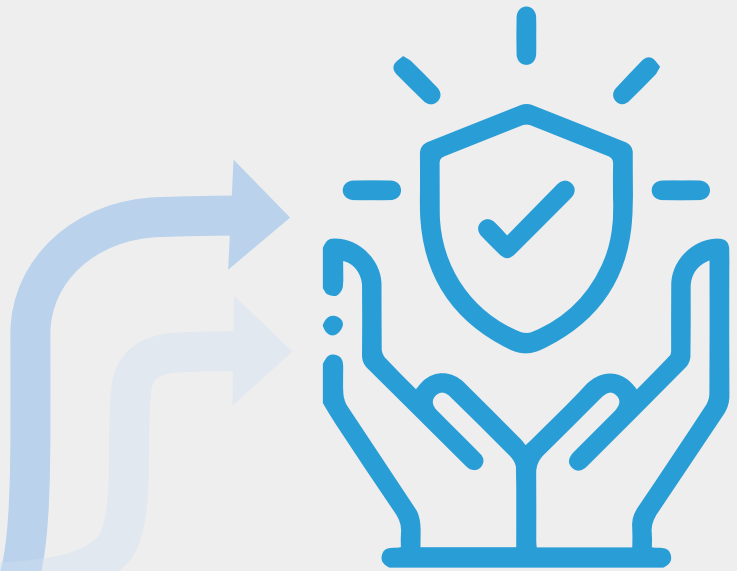
To him, it’s about looking at where you expand your business. Not just product lines but channels and geographies.

When you enter new markets, you’ll reach new audiences and gain new insights. That kind of exposure can bolster growth and revenue.

2. Building your brand’s transparency and credibility

It’s as simple as doing what you say you’ll do. If you say shipping is two days, make sure it’s two days. If you list an item in stock, ensure the inventory is there.

> **Statista found that 60% of consumers worldwide believed that trustworthiness and transparency were the most important traits of a brand.**



3. Improving your logistics to enhance your customer experience

The customer journey goes beyond purchase — it starts with inventory and understanding how to better predict what you'll need. Cravy says that in the beginning, when your orders are lower, it's easier to manage inventory. But as you grow, you need to be able to understand inventory better and be able to have a relationship with your vendors.

> **"Your business starts needing more than just core capabilities, like an ERP system," he says. "And you want your storefront connected to such."**

In essence, it's about investing in the tools that let your company grow without sacrificing the customer experience, which relies on excellent inventory and supply chain management.

4. Picking the right partners

Businesses of all sizes utilize external partners to enhance their business. The key is choosing vendors, agencies, or people who provide what your team needs. That could include valuable knowledge, expertise, and resources that support your business's growth. They should also fill a gap. For example, consider partnering with a content agency to develop a stronger strategy and create content if you don't have an in-house team of writers.

5. Using data effectively

It's easy to get overwhelmed by data, yet it's a necessity for today's ecommerce brands. Data is what helps you make decisions, but it needs to be unified and not overused or underused.

Zieman knows how important it is to make your data usable, no matter what your job title is. When it comes to data, "the goal is unification and simplification," he says. "We want simple, automated, and actionable—it's the three things that we aim for."

6. Simplifying your business

2023 should be about simplifying your business. Streamlining increases productivity and efficiency, letting you spend your time where it's most needed. You can simplify through the use of partnerships or with automations.

Truair sees integrations as an effective way to simplify. In her world, integrating metrics from sales and marketing activities gives you end-to-end visibility.

> **"When you have a fuller picture, you can unlock insights as a brand and start to use them," she says.**

She views the act of integrating disparate systems as a great way to start improving your margins.

7. Identifying the customer journey

The customer journey and experience should be central to your business. Look at your business from the outside in — and consider what it's like to be your own customer.

> **Understanding their journey allows you to improve it.**

Use these up-and-coming trends to structure your year, create your strategies, increase your productivity, and streamline your budget during leaner economic times.

Ecommerce is growing and changing, and the more you understand those changes, the better your position is to succeed in 2023.

"Not every ecommerce business will lend itself to a global strategy, but **every ecommerce business will lend itself to a multichannel strategy.**"

- Gary Specter on trends

Whatever you do, don’t do this! (...or do this instead!)

In a tumultuous year like 2022, there was no shortage of teachable moments in the world of ecommerce. And there’s no better teacher than failure. Our experts have put together a crash course of the biggest pitfalls to avoid at all costs in 2023, followed by what you should absolutely do instead.

The top things to avoid in 2023 (or anytime!) are:

- **Not understanding your product or audience:** Without knowing how your product benefits consumers or learning who your audience is, you'll have a hard time creating strategies that fit.
- **Not having clear goals:** It's easy to stop creating goals when things are going well. These could include sales goals, marketing goals, or new customer goals. But goals should be an ongoing commitment that adjusts to your brand's circumstances. A solid set of goals lets you create actions that make things happen, so a new milestone is always on the horizon.
- **Running out of inventory:** Don't promote or try to sell something you don't have. You'll almost certainly alienate a potential customer, and get a spicy one-star review to boot.
- **Leaving the customer hanging:** It all comes back to doing what you say you'll do. If shipping is going to take six days, then say so. But don't offer something you can't live up to. Customers want transparency and accurate information — so make sure to give it to them.
- **Redesigning your storefront without a purpose:** If you're redesigning without a purpose, it's likely not worth it. If your storefront is working, customers will appreciate the consistency.
- **Don't skimp on services:** If you use partnerships, invest in trusted professionals and expert services. Chances are if you use a cost-saving alternative, it will affect the quality of your final product, while also doing some damage to your budget or customer reputation.

In 2023, It's absolutely okay if you DO:

- **Use a loyalty program:** Loyalty programs are critical to ecommerce. Rewarding customers is the easiest way to advertise and get them to come back again. If they purchase again — and then two or three more times — they become a customer for life.
- **Segment your customers based on who's logging in and purchasing:** Ensure each experience is tailored to the user. If Amazon can do it, so can you.
- **Optimize for 2 a.m. purchases:** Put features in place that encourage sales, even in the middle of the night. This might include chatbots, FAQs, or detailed product info.
- **Use partners:** Cover your internal knowledge gaps by investing in the right brand partners.
- **Lead people from a marketplace to your DTC site:** Marketplaces are a great way to gain brand awareness. However, get creative and find a way to lead customers back to your DTC site. As an example, place a small gift in a shipped order with your direct web address on it.
- **Pick a price and run with it:** Don't agonize endlessly over pricing and constantly try to compete with competitors. Know what you offer and double down on it.

Use trending marketing channels: Try engaging customers through social media, email, your website/SEO, and through video content and influencer marketing.

Final thoughts

Despite global economic instability on the horizon, the world of ecommerce continues to show growth. Every tip, tool, or strategy you implement gives you the possibility to optimize and grow your business. Cart.com offers a powerfully designed end-to-end ecommerce solution.

The new year is an ideal time to refresh — let us help you make 2023 your best year of ecommerce yet. Want to learn more?

Click here.