Improve your Online Sales with
data driven e-Commerce

10th webinar of the retail ecommerce series

an embitel initiative

30th August 2012

Founder

dmc digital media center GmbH, Germany

www.dmc.de

Chairman

Embitel, India

www.embitel.com

Daniel Rebhorn
dr@dmc.de

- Studied Computer Science at University of Stuttgart
- Entrepreneur since 1992
- Investor, manager and/or business angel for 10+ IT companies
- Working in retail e-Commerce for last 17 years
- Responsible for development of large e-commerce sites, e.g. Kodak, Bosch, …

„In most companies, web data analysis is done by junior people or even students."

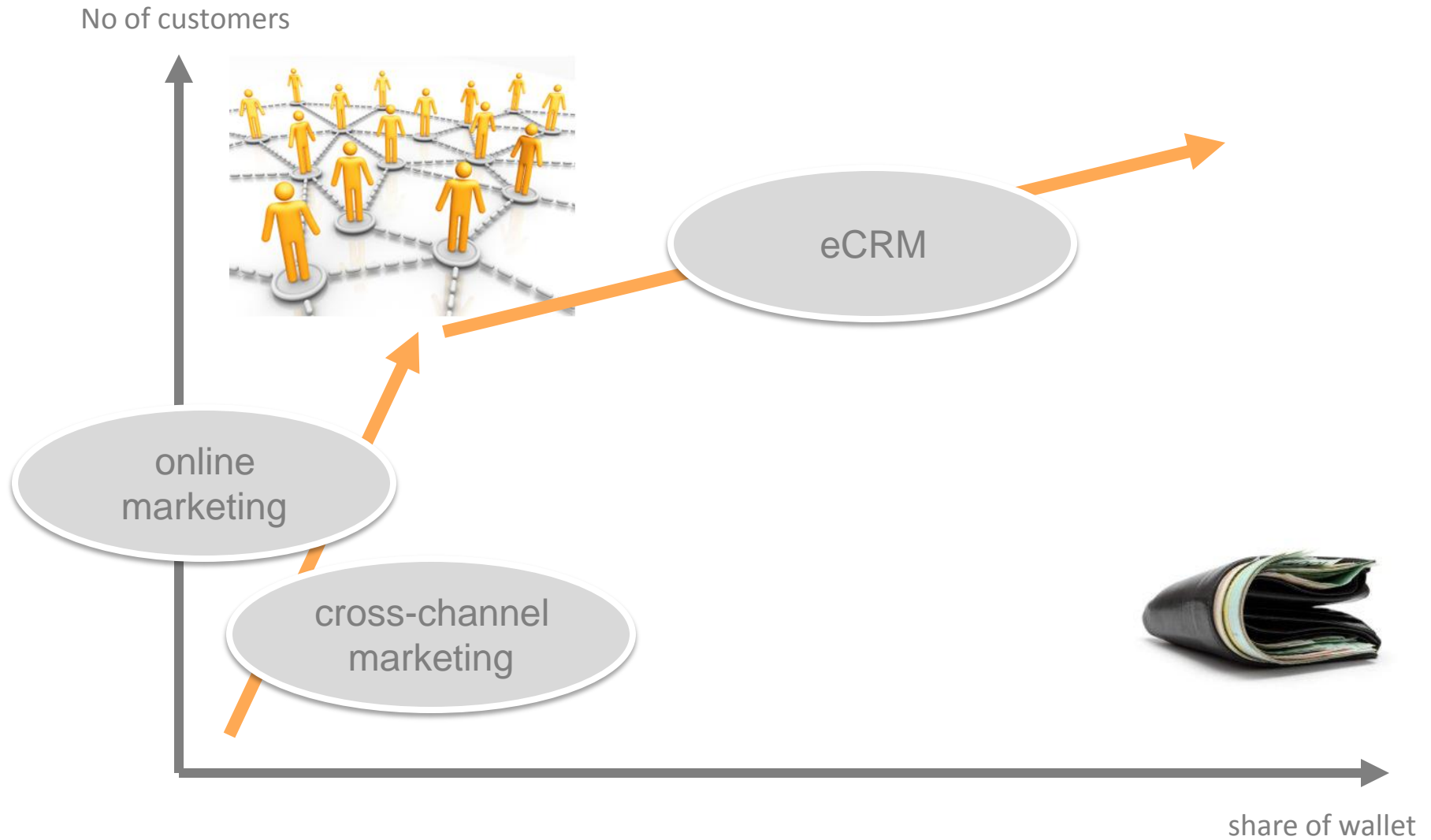Successful online players are taking this far more serious …

„We've placed our **most experienced people** to look into and analyse our data!"

- **Current challenges in increasing online sales**

- **Idea of data driven e-commerce**

- **Insights for a better view on data driven e-commerce**

- **Examples, how you use analytics data to boost your online sales**

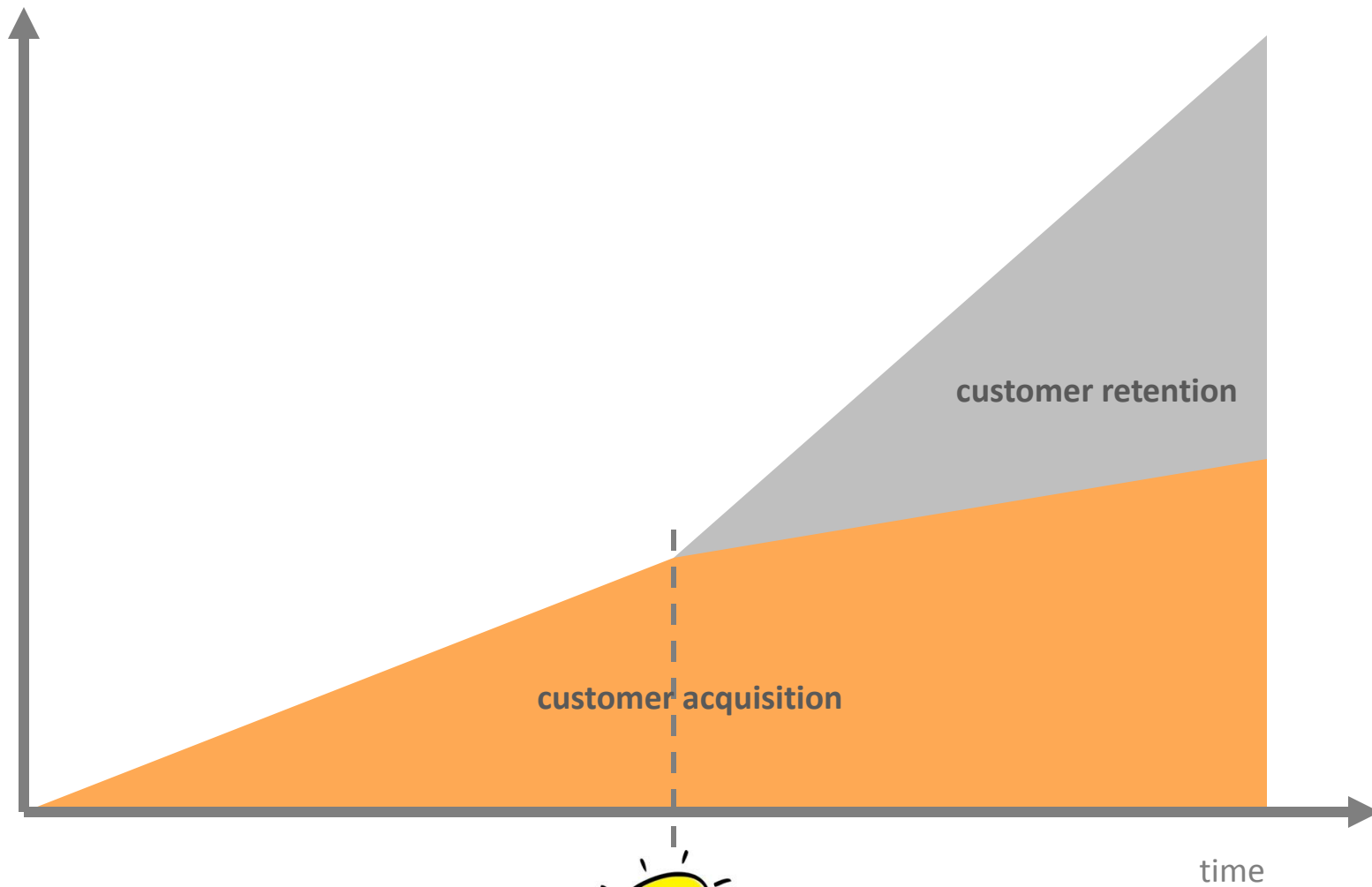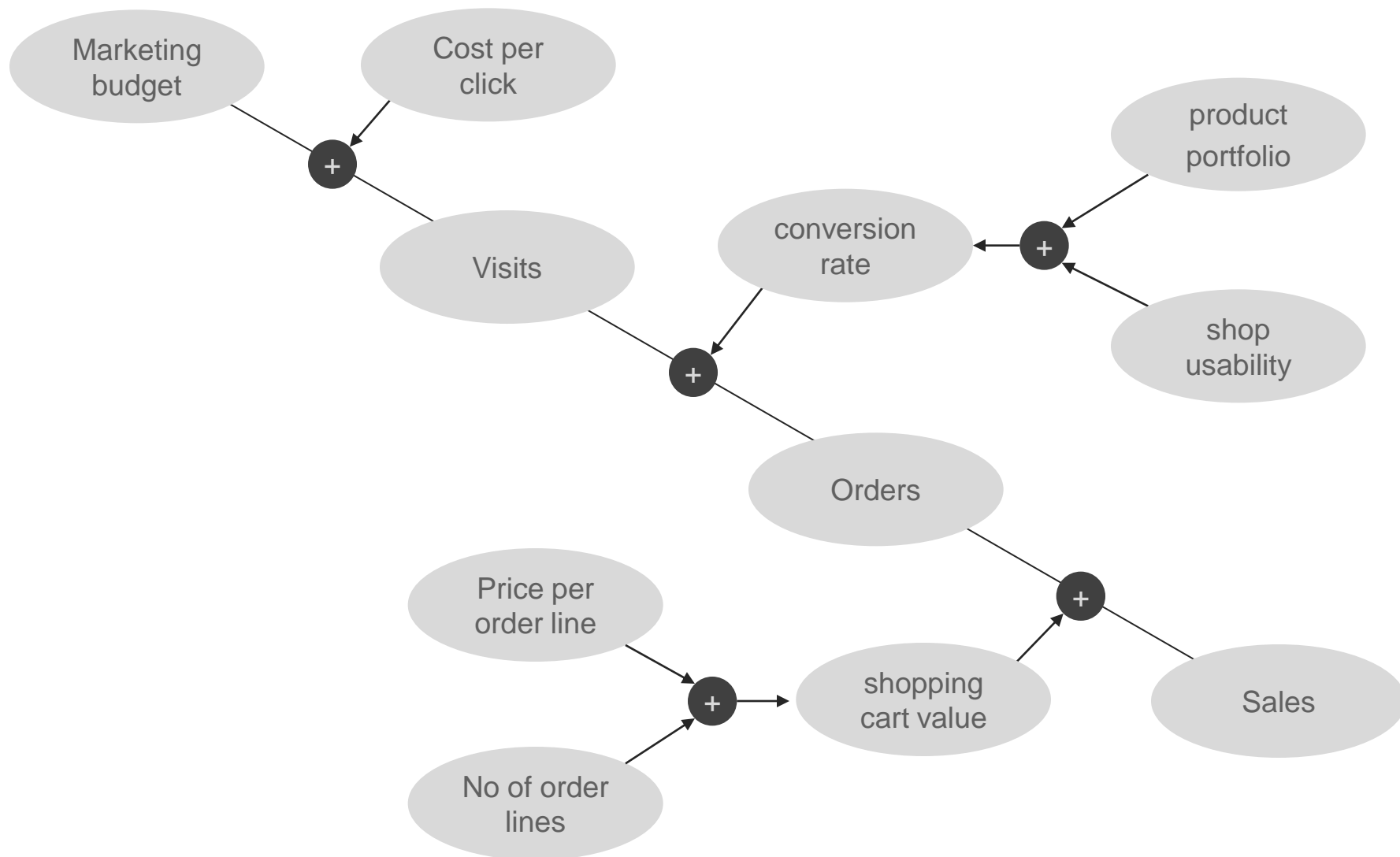- **What is next in data driven e-commerce**

Current challenges in increasing online sales

No of customers

eCRM

online marketing

cross-channel marketing

share of wallet

e-commerce sales

customer retention

customer acquisition
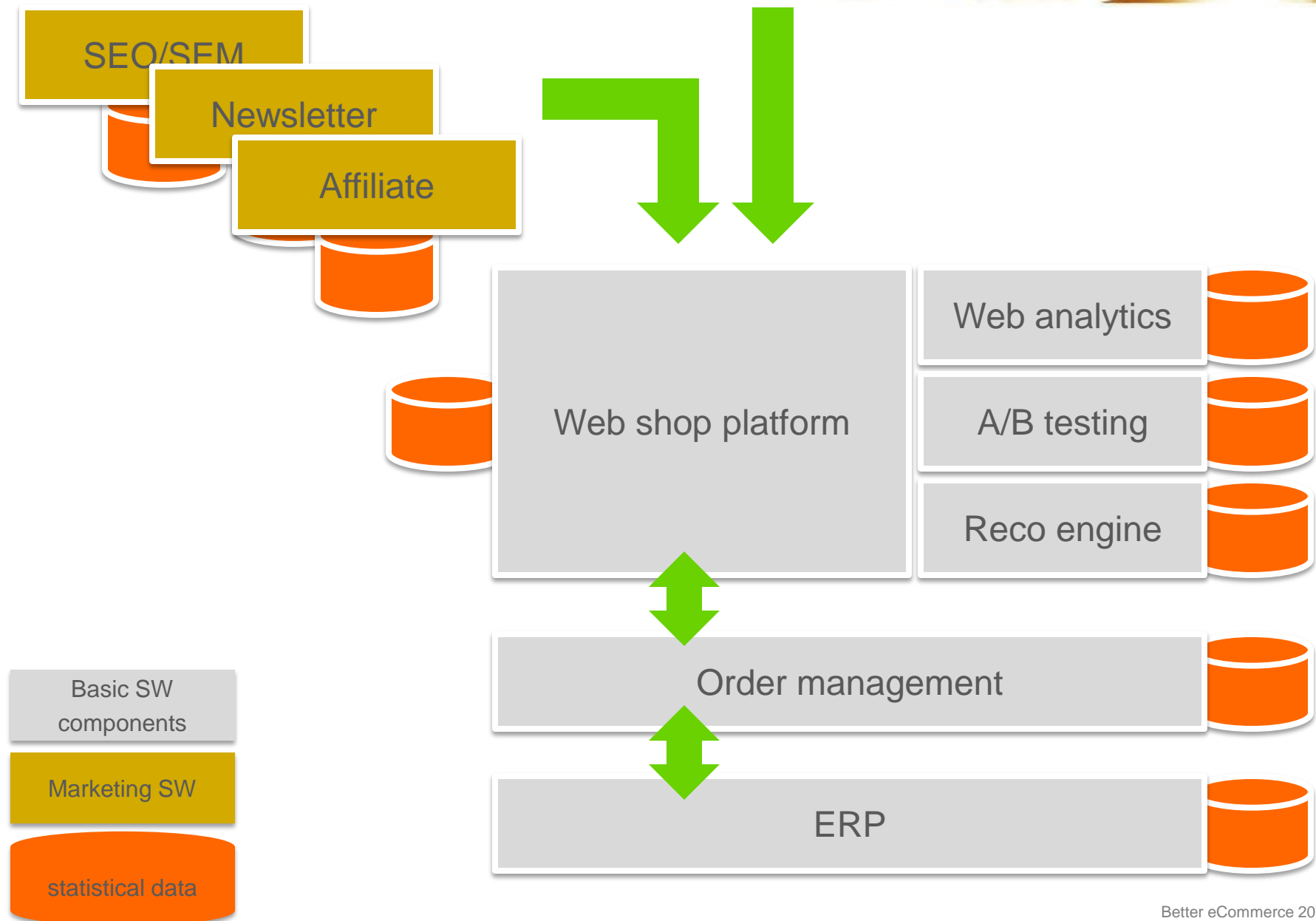
time

Idea of data driven e-commerce
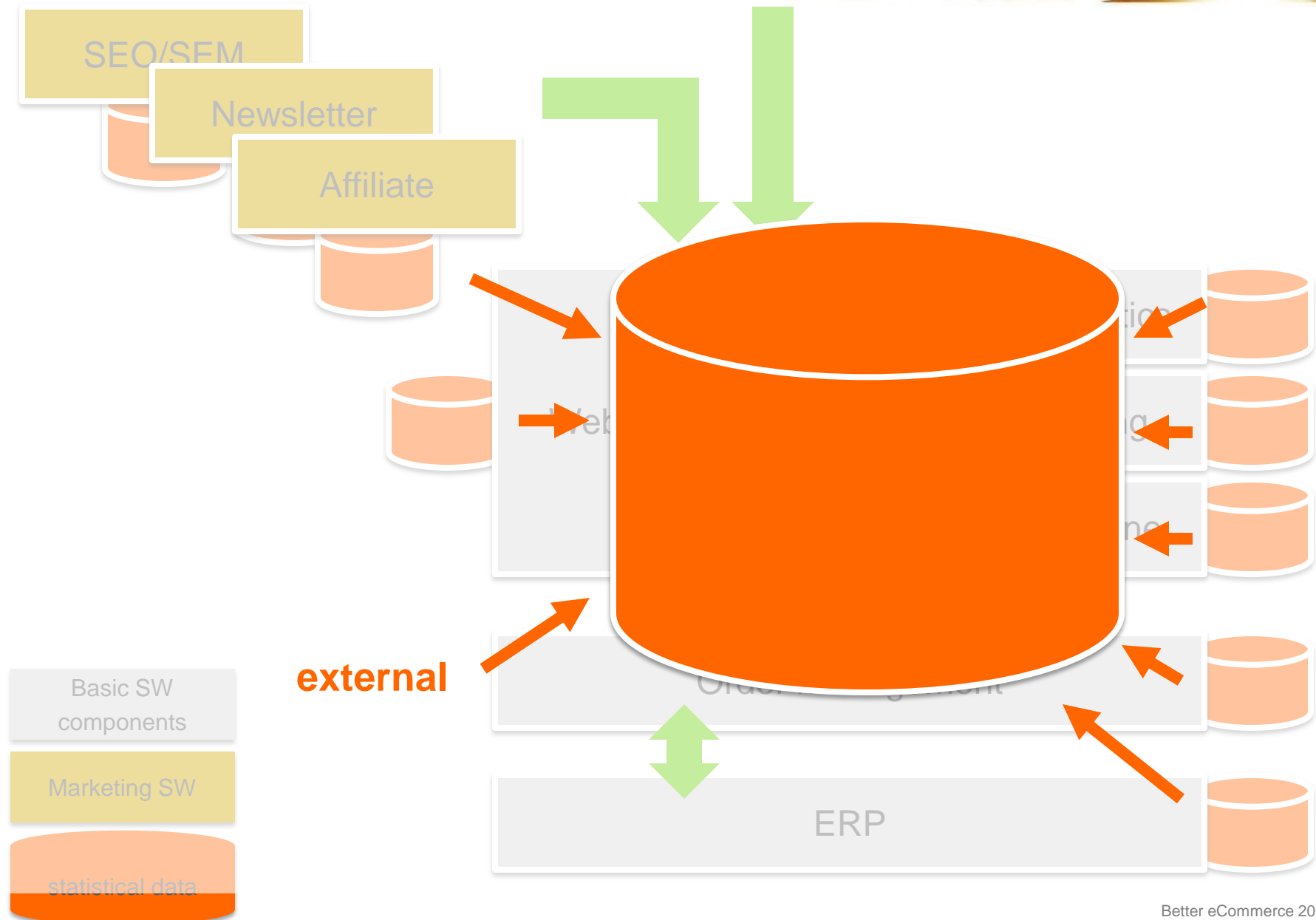
feature driven e-commerce

- **based on expert intuition and decision**
- **„state-of-the-art" thinking**
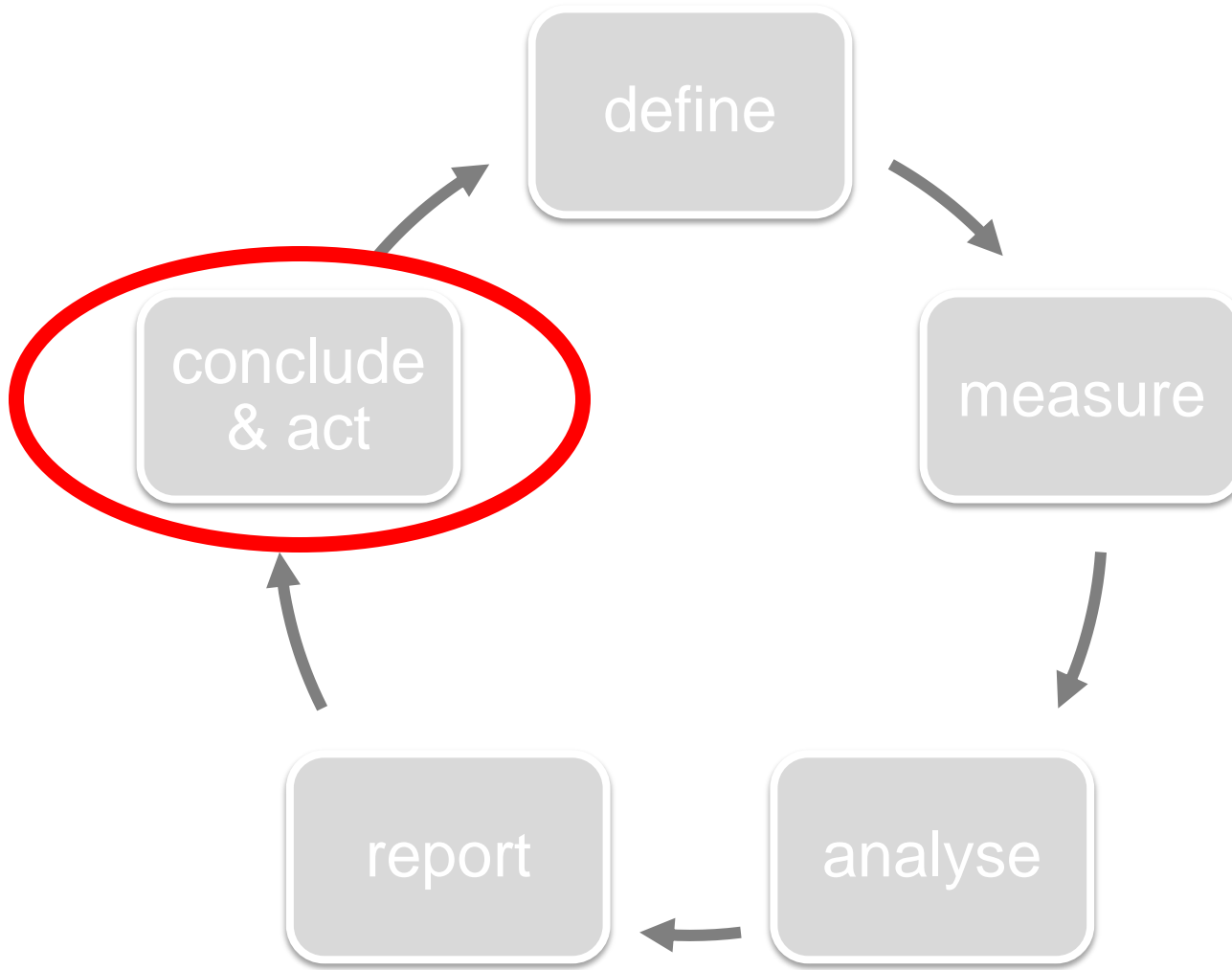- **create impression at consumer**
- **also irrational decision**

data driven e-commerce

- **based on analysis of data**
- **efficency is king**
- **success oriented approach**
- **rational decisions**
- **validation possible**

SEO/SEM

Newsletter

Affiliate

Web shop platform

Web analytics

A/B testing

Reco engine

Order management

ERP

Basic SW components

Marketing SW

statistical data

SEO/SEM

Newsletter

Affiliate

external

Basic SW components

Marketing SW

statistical data

Web

ERP

Order Management

- **personalization**
  - isolated and limited data
  - based on consumer behavior
  - system-reaction possible
    (e.g. product recommendation)
  - increase sales

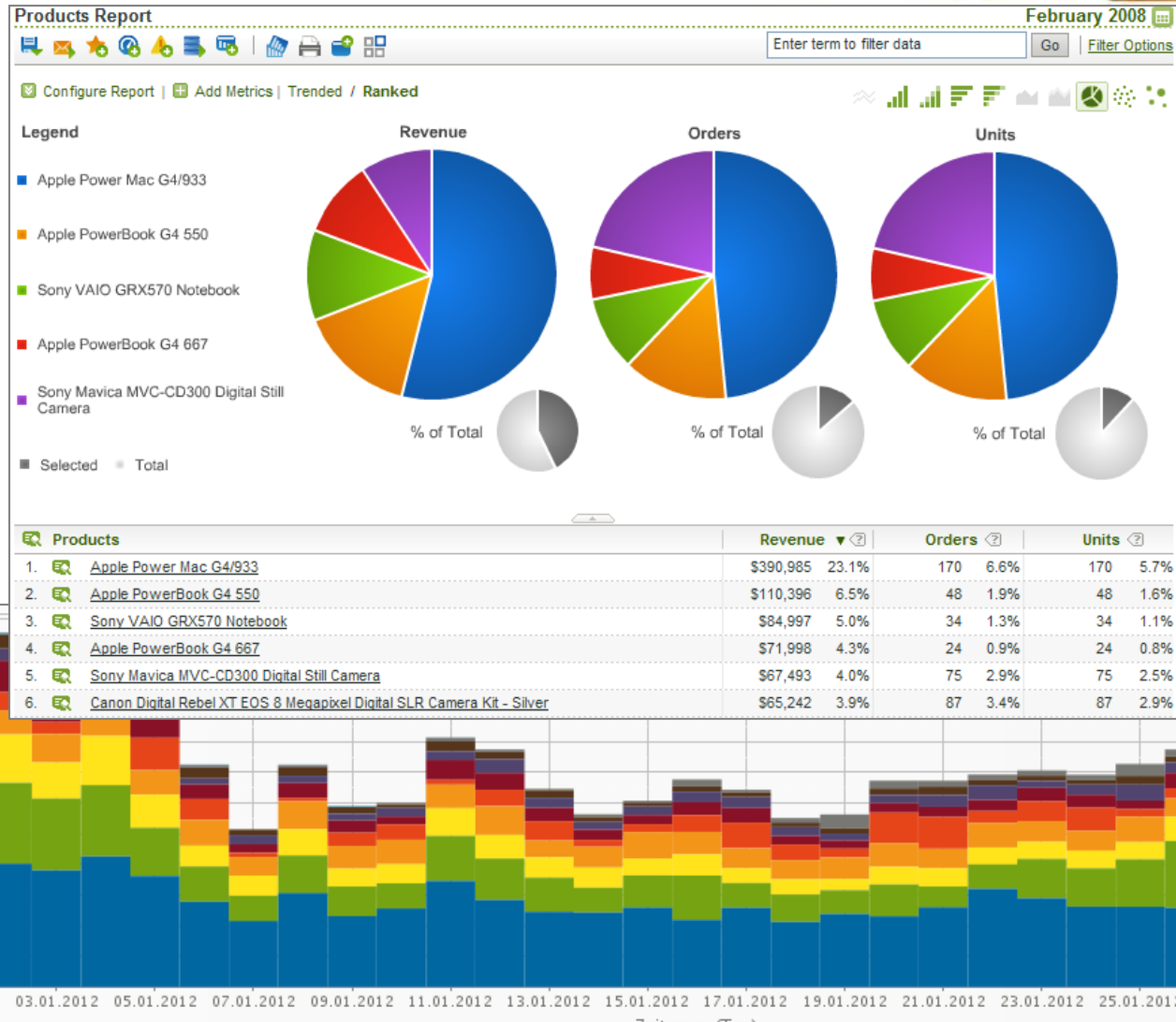- **data driven e-commerce**
  - used for business decisions
  - focus on business goals
  - no automated system reaction,
    maybe automated informations
  - improve sales (ROI)

- data security acts / privacy protection

- merge of multiple sources

- amout and complexity of data

- different „units" to measure (PI vs. visits vs. user)

- different definition of time

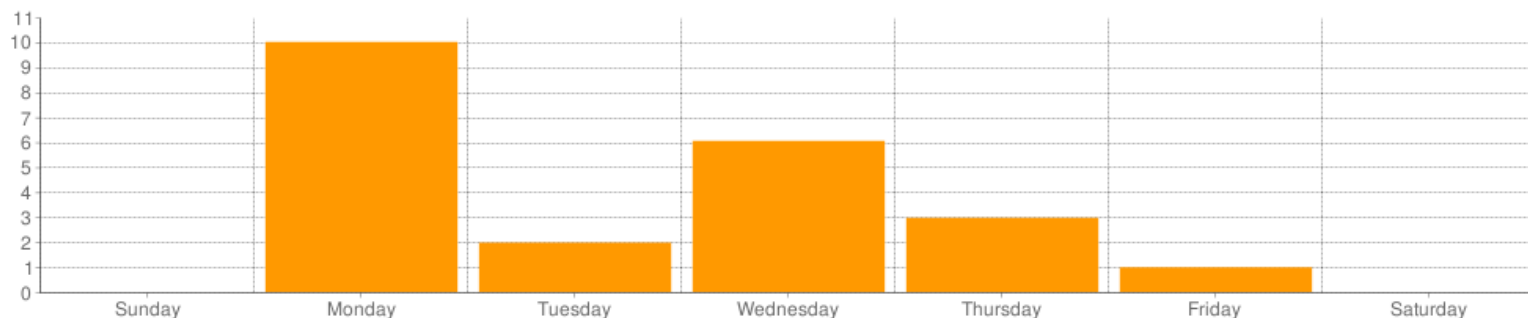- realtime vs. near-realtime vs. batch processing
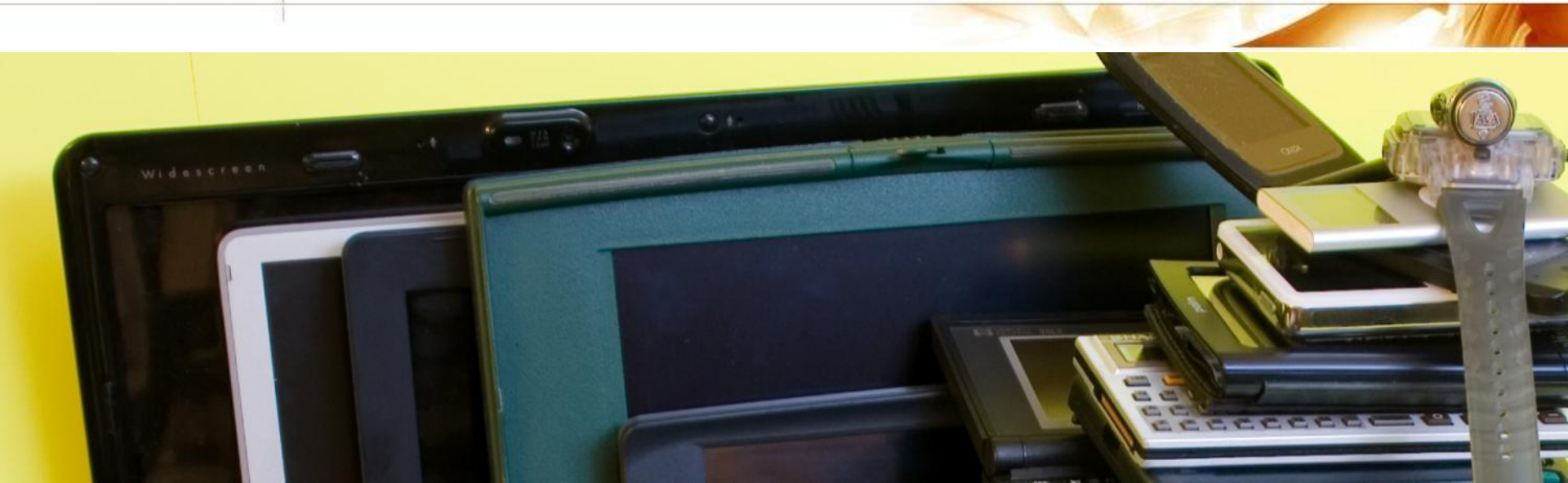
Insights for a better view on data driven e-commerce

- All components have their **own reporting interface**, dashboards and user management

- Components have a **limited view** on „real world"
  - Web-analytics has no or little knowledge on products, margins, …
  - Webshop has little view on channels, campaigns
  - ERP has little view on client source, …

- **Overlap** of data and reports
  - they might also deliver different report for same question

Source: eResult
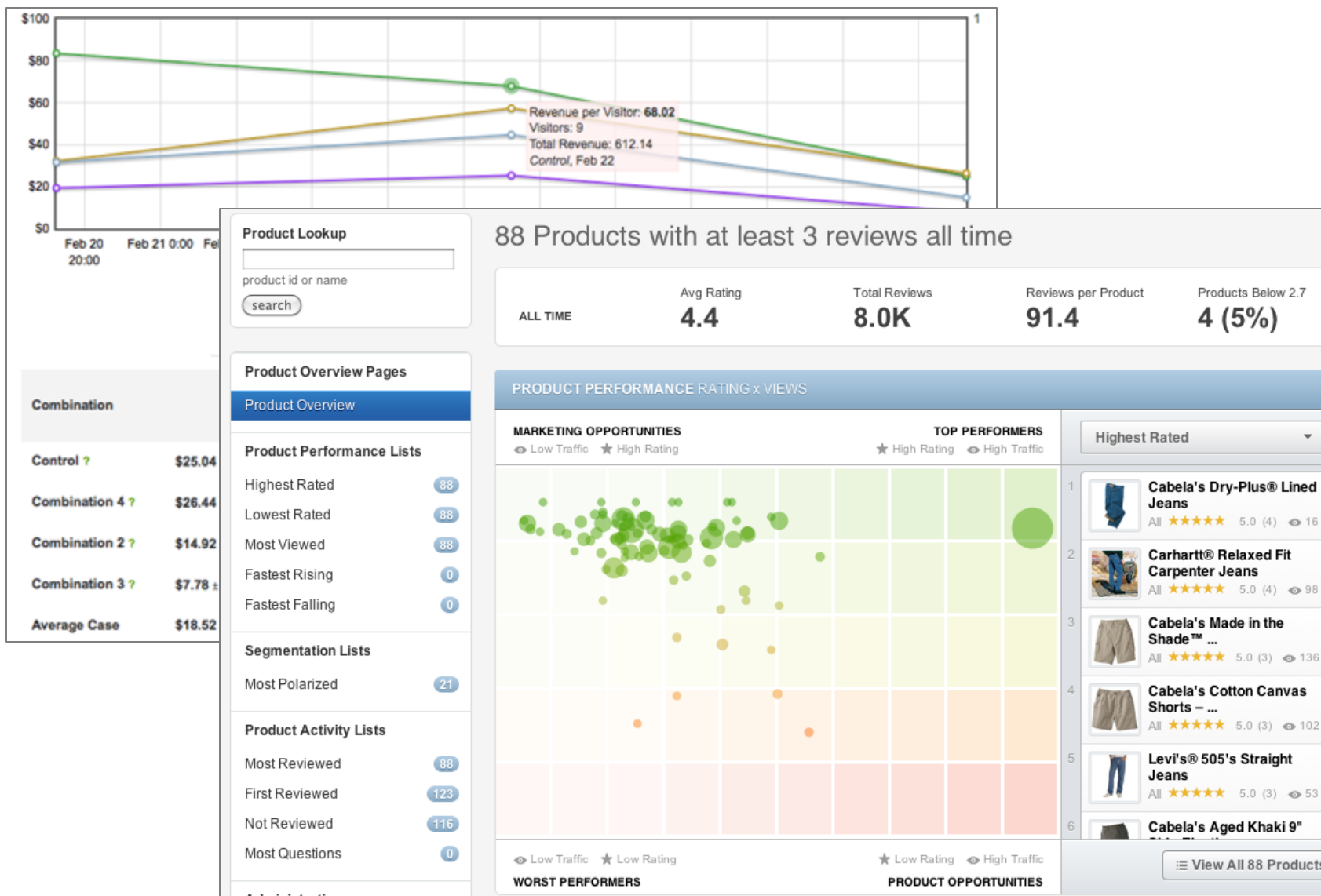
product detail page

large image display
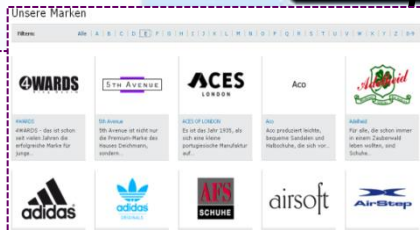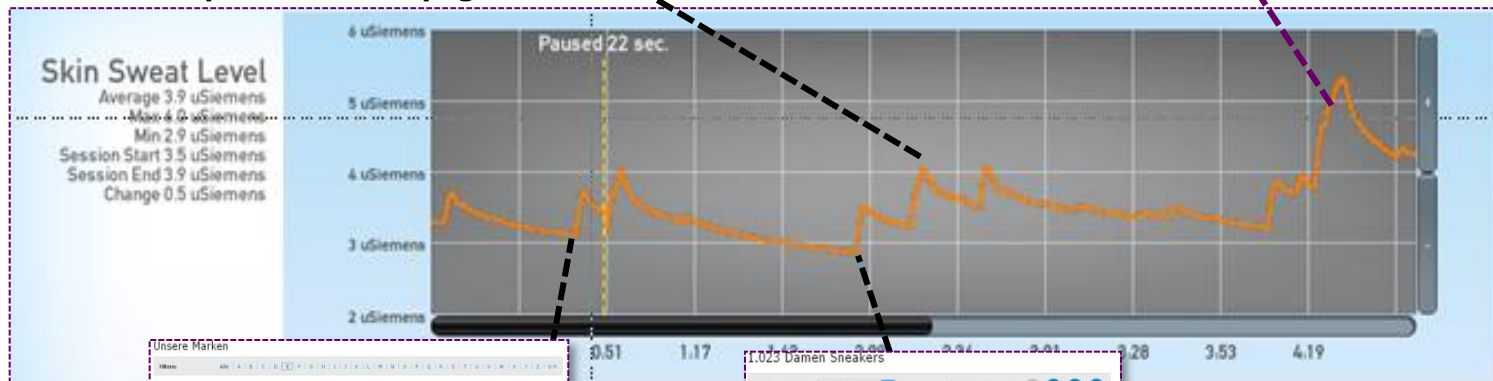
brand overview page

product overview page

landing page

homepage
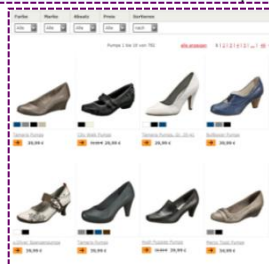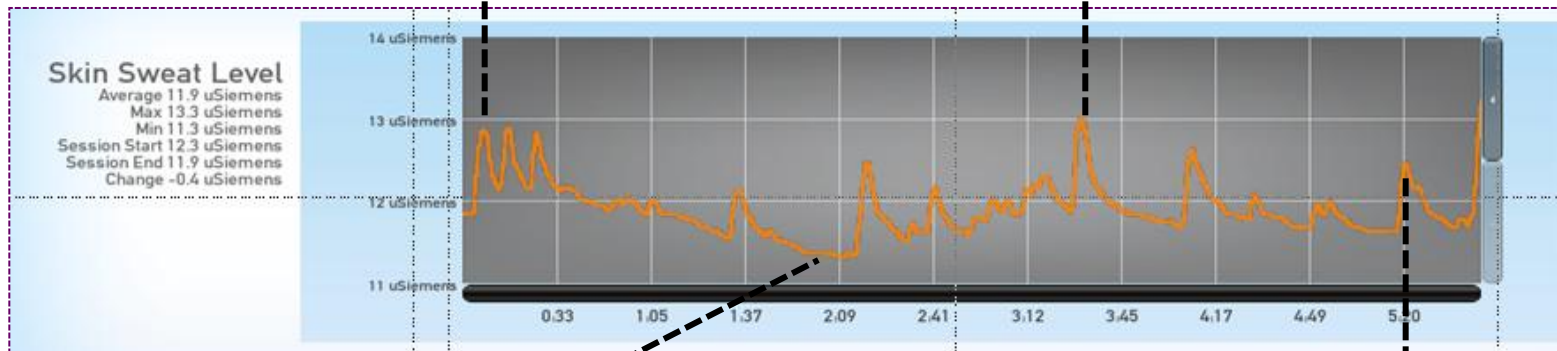
product overview page

shopping cart

Skin Sweat Level
Average 11.9 uSiemens
Max 13.3 uSiemens
Min 11.3 uSiemens
Session Start 12.3 uSiemens
Session End 11.9 uSiemens
Change -0.4 uSiemens

Source: eResult

Examples, how you use analytics data to boost your online sales

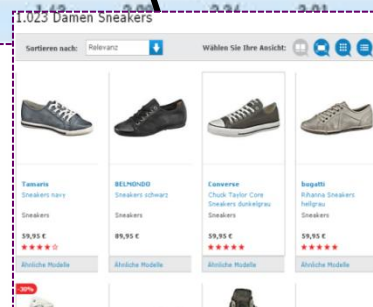| A/B test	Web analytics	ERP

	Users	Orders	Conv rate
Homepage default	43,202	1,175	2.72 %
Homepage Version 1	22,136	631	2.85 %
Homepage Version 2	22,116	588	2.66 %

	Users	Orders	Conv rate	Return rate	Margin
Homepage default	43,202	1,175	2.72 %	20.22 %	12.02 %
Homepage Version 1	22,136	631	2.85 %	28.67 %	11.75 %
Homepage Version 2	22,116	588	2.66 %	18.93 %	14.04 %

embitel
delivered with passion

Web analytics	Google Adword	Webshop	ERP

	Users	Orders	Conv rate
Direct user	321,742	6,853	2.13 %
Keyword set 1	78,293	947	1.21 %
Keyword set 2	21,954	143	0.65 %

	Users	Orders	Conv rate
Direct user - Cat: „Shoes"	89,471	2120	2.37 %
Direct user - Cat: „Watches"	45,916	1106	2.41 %
Direct user - Cat: „Apparels"	186,355	3627	1.95 %

	Users	Orders	Conv rate	Return rate	Margin
Direct user - Cat: „Shoes"	89,471	2120	2.37 %	20.22 %	12.02 %
Direct user - Cat: „Watches"	45,916	1106	2.41 %	28.67 %	11.75 %
Direct user - Cat: „Apparels"	186,355	3627	1.95 %	18.93 %	14.04 %

| Webshop order management | POS System | ERP | external: demographic |

	Orders	Order value	# orderline (avg)
Web user	10,341	$ 1,070,431	3.12
Mobile user	965	$ 856,428	2.67
POS user	23,562	$3,567,927	5.96

	Orders	Order value	# orderline (avg)	Own brands
Web user	10,341	$ 1,070,431	3.12	78 %
Mobile user	965	$ 856,428	2.67	82 %
POS user	23,562	$ 3,567,927	5.96	67 %

	Orders	Order value	# orderline (avg)	Own brands	% rural areas	% urban areas
Web user	10,341	$ 1,070,431	3.12	78 %	25%	75%
Mobile user	965	$ 856,428	2.67	82 %	47%	53%
POS user	23,562	$ 3,567,927	5.96	67 %	21%	79%

What is next in data driven e-commerce

- **eCRM and campaign management**
  - single-user-campaigns
  - after-sales-campaigns

- **Real time alerting**
  - Set thresholds for existing reports

- **Mobile access to reportings**

- **Reuse data by transfering back to ERP etc.**

- **Include external data sources from partners etc.**

**Daten driven e-commerce
is best if merging data from
different sources.**

**Though it is complex,
ROI can be seen fast.**

**Replace intuition based decision by
fact driven decisions.**

**Let your smartest people analyse data
and call actions based on this.**

- E-Commerce service company since 1995

- e-commerce projects in 30+ countries (incl. Europe, US, Australia, India, Japan)

- Responsible for …
  - 100+ Webshops
  - **1.000.000.000+ USD** E-Commerce Order Volume/year
  - **5.000.000+** E-Commerce Transactions/year

- 300+ employees in Stuttgart (HQ) and Berlin, Germany

- 150+ employees in Bangalore

- Offering Online Commerce services in India and overseas
  - consulting
  - design
  - technology
  - hosting
  - shop management
  - online marketing (SEO, SEM, SMM)

Magento Open Source eCommerce
SILVER SOLUTION PARTNER

INTERSHOP
platinum partner

hybris
hybris partner GOLD

demandware

- **# 1: E-Retailing - A perfect storm in India**
- **# 2: Essence of Retail e-Commerce and its optimization**
- **# 3: SEO - More Visibility, More Traffic & More Sales for free?**
- **# 4: Social Media Marketing**
- **# 5: Customer Acquisition & Retention**
- **# 6: Mobile Commerce for Retailers**
- **# 7: Online Retailing using facebook**
- **# 8: Multi-Channel Retailing**
- **# 9: Webshop personalization**

Thank you for your interest!

Any questions?

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