The e-commerce auditing guide for products & brands

Secure your product visibility online
and see the results in your sales.

CPM ⬤ RETAIL**safari**

The new reality of selling products via resellers

There are a number of ways to ensure the best possible visibility of your products around the world. In the physical space, mystery shopping, frequent merchandising and regular audits are as important as ever.

However, a different approach is required in light of the new reality of online retail. Let's remind ourselves what that reality looks like.

The new reality of selling products via resellers
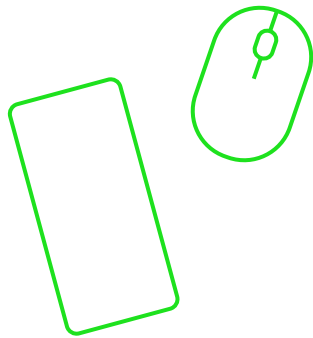
Online sales taking a bigger piece of the pie every year

Today about 14% of sales transactions happen online, as a global average. In certain industries, product categories and markets the share is much higher; upwards of 50%.
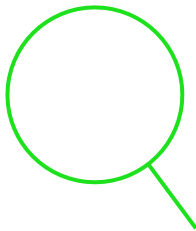
Changing shopping behaviours

Today's consumers are zig-zagging between physical stores, online marketplaces and webstores before making purchase decisions. If a washing machine breaks down to the point it's beyond rescue, to mention one example, where do we start the process of buying a new one? Or if we want a new smartphone? Or new shoes? Or new vitamins? Most shoppers – about 80%– do some research online before buying. They might ask friends on social media, read reviews, compare different brands and check the same product at different resellers. Other consumers start their shopping journey in a physical store to feel and touch the product first, before looking things up online.

A new level of complexity

For you, as a representative of a global consumer brand trying to get control of sales and support your resellers, the online sales reality comes with a new level of complexity. Consumers' shopping behaviours are not as neatly funnelled as we would like when it comes to designing every step of the journey. People shop in a gazillion ways, and shopping behaviour doesn't just vary from one person to another. We all shop differently from time to time, depending on what kind of product we are buying, how urgent the purchase is, whether we are on the bus, at home or in a shopping centre when the shopping impulse comes, to what extent we trust the retailer, and so on.

Trying to control how the consumer "should" move through a brand experience funnel simply isn't possible.

Instead, the secret to optimising sales revenues from resellers comes down to making the most of every moment with potential customers, ensuring your products and your brand are seen as you intend, no matter where the encounter takes place.

Consumers in today's digital world expect flawless product exposure and lose trust in a brand if products are displayed differently over different channels. This is why you need to master product visibility online as well as in physical stores.

Let's look deeper into some simple ways you can multiply your sales in this omni-channel landscape.

Conversion secrets for your different sales channels: The foundation

Top global consumer brands are now allocating resources to enable them to take control of product visibility in their online sales channels – not just in physical stores. It's no wonder. If we don't work aggressively to optimise the key factors that affect sales – online as well as offline – product visibility will suffer, and we'll lose a massive amount of sales opportunities.

The key factors that affect how easily your products fly off the shelves are basically the same in the physical and online world – availability, share of shelf, visibility, sales support and so on – but what do those principles look like in practice in these different channels?

What drives sales in physical and online stores

		PHYSICAL STORE	ONLINE STORE
	Availability	Product in stock.	Product in stock, and in some cases, available for in-store pickup.
		Product can be found in store by customers and staff.	Product can be found in searches, and is listed in its category.
	Share of shelf	Maximised space on the shelves compared to competitors, in terms of percentage.	More emphasis on percentage of products that show up in the top 10 for a category, or in search results for a particular keyword.
	Visibility	Product is placed in the right category, in the right section of the store.	Product is placed under the correct category and sub-category on reseller websites.
		Products get placed at eye-level, or at the end cap of the shelf, or to the right-hand side of the aisle.	Product is listed "above the fold" in searches and category listings (top 5-10 of all hits).
		Product has the very best possible exposure in the store.	Product is featured on the first page of the reseller's website, or at least on its category page, and/or appears top 3 in searches.
		Salesperson can quickly show the customer where the product is and can recommend the product.	Product is easy to find with a quick search on the site. Content is optimised to fit algorithm on reseller's website, for example with optimised product titles.
	Presentation	Product is clean and attractively presented on the shelf, including POS materials.	Rich content and correct product information and presentation with inspiring pictures, videos.
	Sales support	Opportunities to touch, feel and try products and ask questions.	Rich content and correct product presentation, reviews for guidance.
		Salesperson affirming the customer's choice.	Many great reviews affirming the purchase decision.
		No long lines, or waiting times for getting help.	A fast website. If a product page takes more than 3 seconds to load, people leave.

Search is the new shelf where the first page is eye level.

Consumer ratings and reviews are the new floor salesperson.

To get your products moving from the shelves, you can't leave it up to chance how your resellers are presenting your products. They need your help to maximize sales, online as well as offline. That's why mystery shopping, auditing and merchandising have been so important for decades. However, in times of digital transformation, those old methods are not enough.

If you want to defend your position in the market and avoid losing massive amounts of sales opportunities across the board, you need cost-effective ways to take control of product visibility in your online sales channels. If you don't, your competition sneak in from all corners and take bites off your part of the pie.

You need to give your products attention. Most resellers appreciate all the support they can get to improve product visibility. Keep one thing in mind though: Just as in physical stores, they appreciate brands who speak for the whole category, not only pushing their own agenda.

Now is the time to discuss this with your resellers, because your competitors are already doing so. Manufacturer/retailer collaboration is the key to success and, as we know from physical stores, there won't be many category leaders. Category management thought leaders will run the show online as well, so use this window of opportunity to connect with your resellers. Use it the same way you have offline, only with an omni-view, and your resellers will give you the space you need.

What often goes wrong in online sales channels – holding back revenues across the board

Here are some of the pitfalls in online sales channels worldwide which affect sales for global brands:

1

SKUs quietly go out of stock for days or weeks

You would think that resellers would notice this quickly and order more. That's not always the case. Just as a physical store merchandiser would encourage stores to order more products or adjust stock level notifications, so should you do online. This problem alone means millions in lost revenues for many brands. An unavailable product can, in the worst-case scenario, mean losing a customer for life. Online consumers are much more "unfaithful" than in the physical world. Often when they don't find the product they want in an online store, they are recommended another similar product, ready for them to buy.

2

SKUs disappear, including bestsellers

Up to 40% of all products expected to be visible at resellers aren't. Just as in physical stores, retailers move things around online from time to time. In the process, some products suddenly become invisible – most often because of broken links, usually due to restructures of the website of some kind, for example when categories are changed, and products moved. It can also be keyword issues or other tech issues causing the problem. In any case, consumers can't buy your product if the shelf is empty.

3

SKUs lose rankings quickly

As mentioned earlier, being "above the fold" in searches is as important as being placed at eye-level in physical stores. When a product drops in ranking, it will instantly affect sales. There's a saying: "If you want to hide something, hide it on the second page of Google". The same thing applies online; consumers browse products on the first page of the search results and don't click any further.
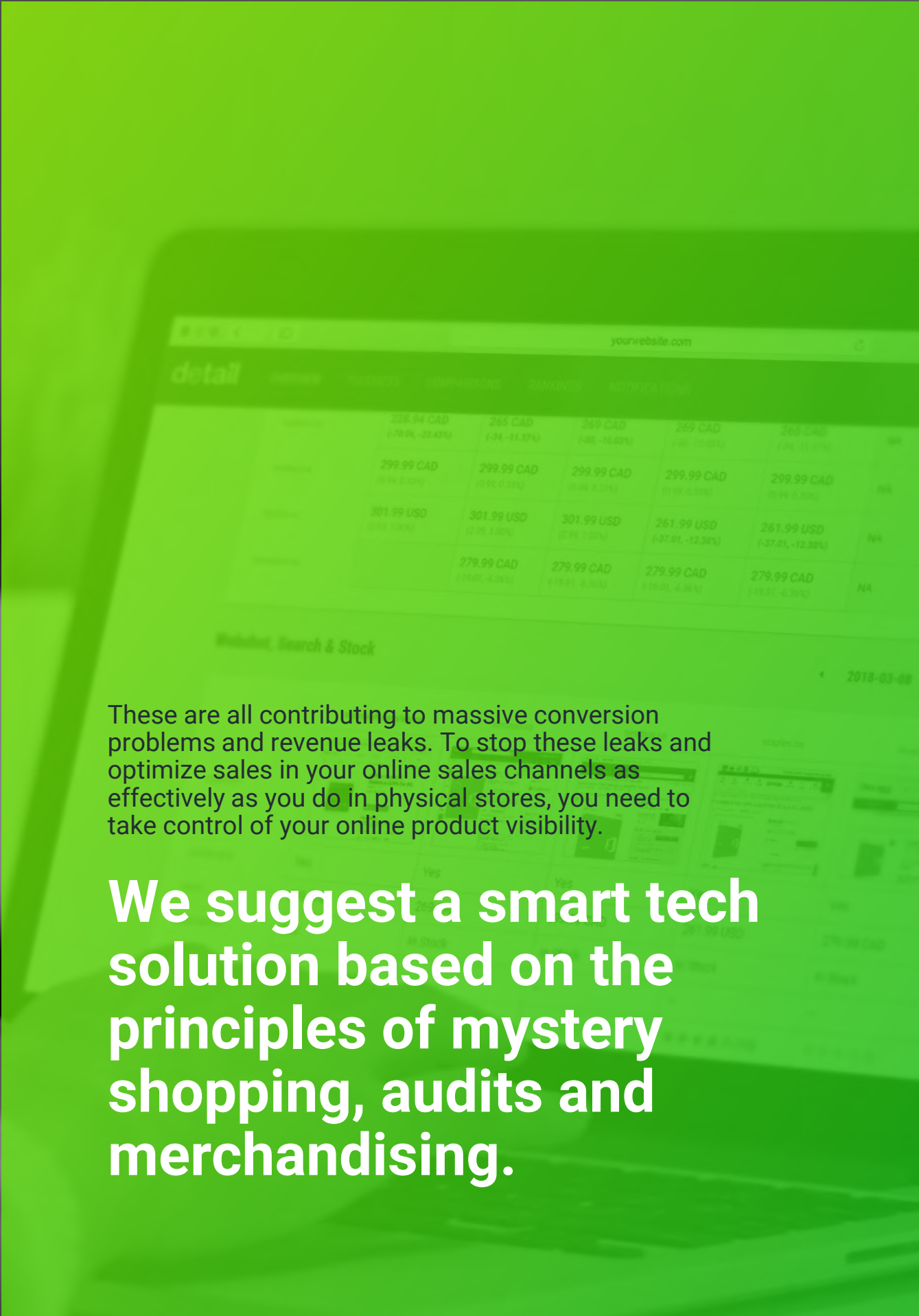
4

Share-of-shelf is shrinking

A brand may have a 40 percent share of shelf in physical stores, but online many global consumer brands are now being knocked off by smaller brands or by other competitors who are more aggressive in making sure they get enough exposure. Creating brand blocks will help online sales just as it does offline.

5

Product information is incorrect

Low-quality images, outdated or inaccurate product information, omitted critical facts and more. And this happens even if all the product data was correctly uploaded by product publishing systems to begin with. Trust is lost instantly, followed by sales. Nowadays, consumers can quickly detect if information online is incorrect or inconsistent. This affects sales in physical stores, as well as online. Up to 20 percent of all e-commerce product data researched by Digital Shelf Analytics tool has been found to be incorrect or inconsistent, with two of the biggest culprits being distorted or mixed-up images (not a problem in physical stores) and outdated descriptions and specifications. 98 percent of online shoppers say that incorrect or inconsistent content has stopped them from completing a purchase online.

These are all contributing to massive conversion problems and revenue leaks. To stop these leaks and optimize sales in your online sales channels as effectively as you do in physical stores, you need to take control of your online product visibility.

We suggest a smart tech solution based on the principles of mystery shopping, audits and merchandising.

Can you discover and fix these sales leaks manually?
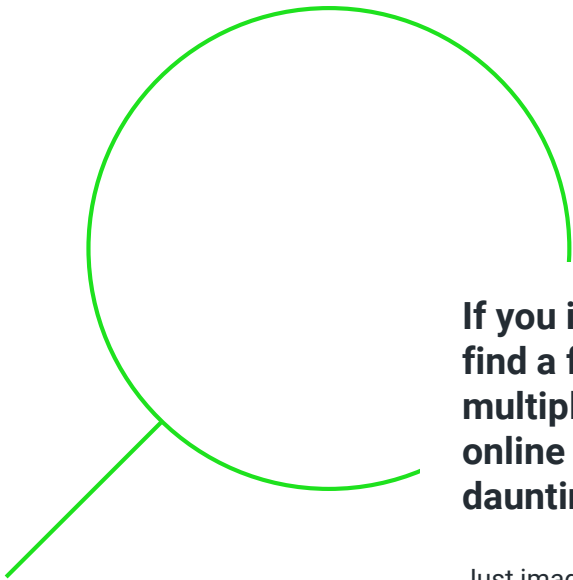
If you invest enough manual labor, you will no doubt find a few sales leaks. However, keeping track of multiple of SKUs, in multiple indirect sales channels online manually, in multiple languages, is a very daunting task.

Just imagine doing searches for hundreds of products to make sure they are available, and the product description is correct. Then imagine doing it on a regular basis to account for any changes that happen at the reseller.

There are global brands who have tried doing it this way, at least for a while. In most cases, they audit a limited number of SKUs, at a limited frequency (monthly or quarterly), in just a few cherry-picked stores. Therefore, they discover just a fraction of all their lost sales opportunities online. It still costs a fortune in manual hours. And the people who are involved also have the challenge of compiling their findings in a digestible format and making it available to the right stakeholders who can take action and make improvements.

Manual monitoring usually takes place using the same IP number, which does not give you an accurate picture of your online presence since the site will remember you. As with physical stores, you need to see an objective consumer view to be able to use the data in your discussions with resellers.

AI technology is, by nature, much better suited to this challenge.

Using smart tech to do all your mystery shopping and audits online – and to help with online merchandising in the new landscape

Thanks to new AI-powered smart search technology, it's easier than ever to apply the principles of mystery shopping, audits and merchandising in the digital world.
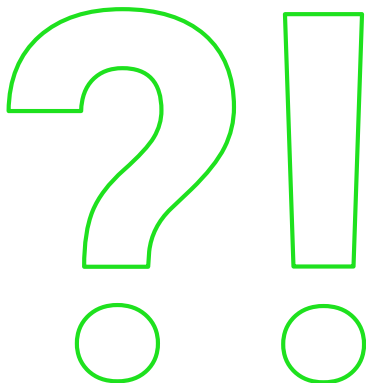
	PHYSICAL STORE	ONLINE STORE
Mystery shopping	Ordinary people pretend to be customers.	Smart search technology interacts with the website to see what customers are seeing.
	Done monthly, quarterly or yearly depending on budget. It's expensive as you need to pay salaries and travel costs.	Done daily, weekly or monthly, as preferred. It's cost-effective as you can capture your online landscape without anyone leaving the office.
	Ask questions to store staff to hear what they recommend, observing how they sell the products.	Scan product pages, looking at product descriptions, clicking on links, viewing images.
	Report on any products incorrectly displayed, old versions, etc. – if they are noticed	Report on any products incorrectly displayed, old versions, etc. with laser precision. Reported daily to the relevant stakeholders.
Audits	Done by brand representatives.	Done by smart search technology.
	Done monthly, quarterly or yearly depending on budget. It's expensive.	Done daily. Cost-effective.
	Photos of product visibility in-store (including competition).	Screenshots of product pages, category pages, search rankings, etc. (including competition).
	SDA compliance checked at the time of visit.	SDA compliance tracked at the desired frequency.
	Check share of shelf.	Check share of shelf.
	Check if out of stock.	Check if out of stock.
	Observe if POS materials are missing.	Observe if pictures or videos are displayed incorrectly or missing (including resolution, colour)
	No check for counterfeit products in other stores.	Check for unauthorized resellers selling counterfeit products.
Merchandising	KAMs support resellers to drive sales through merchandising. Merchandisers build relationships with store staff, helping them to keep the brand top-of-mind when they meet consumers.	KAMs support resellers to drive sales online by providing high quality content to the retailer. Online merchandiser builds relationship with retailers' internal content managers or CSPs so that they take good care of the brand's content online.
	KAMs (usually) give ideas for improving sales, showing results from pilot experiments in other stores, benchmarking what works well, developing pictures of their perfect shelf.	KAMs discuss online content and conversion locally with resellers with support from global headquarters, giving examples of perfect stores.
	Build relationships with resellers and help them to implement agreed actions in-store with the right stakeholders.	Build relationships with resellers and help them to implement agreed actions online with the right stakeholders.
	Discuss improvements based on observations at the time of visit, and from previous audits: SDA compliance, out-of-stock issues, share of shelf, etc.	Discuss improvements based on accurate data analysis and screenshots over a period of time. If a reseller complains about poor conversion for a product, the manufacturer can use data to show why a product did not sell better, for example because it was out of stock for 10 of the last 30 days or it was missing from the category page.
	Calculating the expected ROI for a suggested change is difficult.	Calculating the expected ROI for a suggested change is possible with access to easy-to-analyze sales data.

How aware are you of your sales problems online?

You can't fix something if you don't know if it's broken, where it's broken and how it's broken. Every global brand today needs to be auditing their online resellers, in one way or another, to reveal their conversion problems, revenue leaks and lost sales opportunities.

Here's something you can try today to get started identifying and fixing your problems.

Visit your top 3 resellers online and complete using this audit checklist as support

Are all your products visible?

Are all your products in-stock everywhere?

Are all your products exposed?

Do you have ratings & reviews in place?

What is the gross price for each product?

Are your products in a proper raking position?

Who are your competitors?

Once you have completed this process, you'll realize just how helpful it would be to have smart technology doing it automatically for you.

Getting started using smart tech for better conversion

Smart technology can do the heavy lifting for you, quickly identifying problems and finding lost sales opportunities at all your online resellers worldwide. This can be done for all your SKUs, in any language you need or for any selection you choose.

Taking control of product visibility online is both necessary and urgent if you want to get ahead online. You may feel overwhelmed at this point, but don't worry. This development in technology is new to everyone. But some of the world's top consumer brands have already taken advantage of this chance to control their online product visibility and improve their revenue.

Something is better than nothing?

It's much better to get started, on a small scale, than to look away and ignore the problem. Imagine completely ignoring the possibility of automated online audits for a few years, only to see more adaptable brands take market share from you.

What we recommend is getting started right away, but with a growth mindset. You WILL learn something useful, and you WILL gain valuable experience in this area. Those who manage to do this in harmony with their resellers have a great opportunity to succeed and take the lead. Now is the time to do it. And since online audits are very cost effective, you don't even need a large budget.

Where to start?

Make sure you choose a tool that will not only point out a list of problems, but also tell where you are losing the most sales and where the highest-value opportunities are (Digital Shelf Analytics tool does this for you).

How to start?

Let us help you set things up for your business.

1

Start with your hero products and your most important markets and resellers

and your most important markets and resellers. If you have previously monitored them manually, don't assume that the landscape is the same just because someone did a report two years ago, or even two months ago – things change daily.

2

Define your targets

Apply a few basic KPIs, such as getting more and better consumers reviews.

3

Define how you can reach your targets.

Map out who is responsible for what, just like you do for physical stores. For example, at reseller _____ person X is responsible for making sure pictures are correct, and person Y is responsible for stock levels. Each person can then "subscribe" to a daily report, customized just for them.

Ready to find and take action on lost sale opportunites?

Contact us and see for yourself why brands use Digital Shelf Analytics every day to monitor, analyse and improve product visibility online.
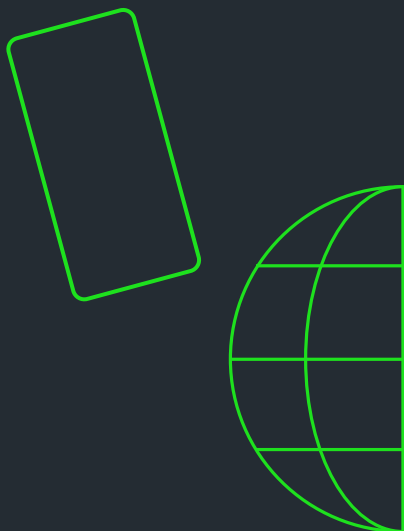
Contact Nabs Awad
E nawad@retailsafari.com.au
W www.retailsafari.com.au

About Digital Shelf Analytics

Staying on top of how your products are shown across multiple online retailers can be difficult and time-consuming. Digital Shelf Analytics (DSA) eliminates manual audits, enables brands to analyse the digital shelf, helps to identify new opportunities, and drives online conversions.

Digital Shelf Analytics uses AI-powered smart search technology to reveal how visible, available, and compliant your online products are at each of the retail partners' websites – anytime, anywhere.

Digital Shelf Analytics provides you with data-driven insights into how well your products are performing on your retail partners' websites, allowing you to take control of your digital shelf, optimize product performance, and increase online sales.

About CPM Australia

Whether at home, at work, at leisure or in retail stores, we connect brands and people. CPM Australia operates under a group structure, with brands including CPM and Retail Safari. We provide field, contact centre, talent acquisition and training solutions, and a complementary suite of retail marketing services that connect the consumer with a brand in environments where the ability to influence is at its strongest.

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