

eTail

PERSONALISATION,

AUTOMATION AND

INTERNATIONALISATION



“

eTail Europe has an excellent mix of speakers with really good actionable insights. The interactive meeting planner made it extremely easy to plan in meetings with other guests and exhibitors. I came away inspired and would definitely like to attend again next year.

**Emerald Willett
Digital Marketing Manager
Astley Clarke**

CONTENTS

Introduction	4
Cart Abandonment Emails: A Brisk Path To Commercial Success	5
Tracy Sestili, Head of Marketing, SparkPost	
Non-Traditional Fulfilment Paves the Way for International Expansion	6
Joe Farrell, VP International Operations, PFS	
Providing Personalisation that Respects Privacy	7
Bill Schneider, VP Product Marketing, SheerID	
Part One:	8
Navigating the New eCommerce Landscape	
Part Two	14
Strategy Overview	
Part Three	18
Driving Customer Acquisition and Loyalty	
Part Four	22
Internationalisation	
About SparkPost	27
About PFS	27
About SheerID	28
About WBR Insights	28

INTRODUCTION

In Q1 of 2019, WBR Insights, SparkPost, PFS, and SheerID surveyed 100 Directors of Commerce from across the Europe to find out more about the challenges they face and the innovative solutions they bring to the table. The survey was conducted by appointment over the telephone. The results were compiled and anonymised by WBR Insights and are presented here with analysis and commentary by SparkPost, PFS, SheerID, and the eTail Europe community.

CONTRIBUTORS



Tracy Sestili
Head of Marketing
SparkPost



Joe Farrell
VP International Operations
PFS



Bill Schneider
VP Product Marketing
SheerID



Martin Roulund Jakobsen
eCommerce Manager, Nordics
Radisson Hotel Group

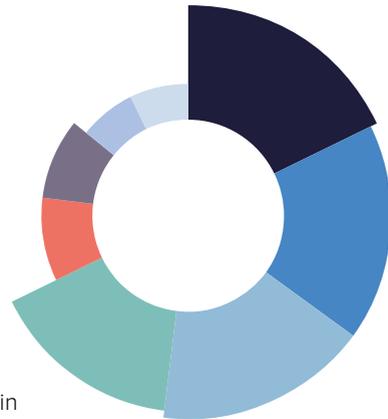
RESPONDENTS BY JOB TITLE



- Director Marketing
- Chief Executive Officer
- Head eCommerce
- Head Marketing
- Director eCommerce
- Director Digital
- Chief Operating Officer
- General Manager
- Chief Digital Officer
- Chief Marketing Officer
- Director Omnichannel
- Global Director Marketing
- Head Digital
- Other

- 26%
- 17%
- 10%
- 7%
- 6%
- 5%
- 3%
- 3%
- 2%
- 2%
- 2%
- 2%
- 2%
- 13%

RESPONDENTS BY COUNTRY



- Spain
- Germany
- United Kingdom
- Italy
- Denmark
- Netherlands
- Belgium
- Sweden

- 18%
- 17%
- 17%
- 16%
- 9%
- 9%
- 7%
- 7%

CART ABANDONMENT EMAILS: A BRISK PATH TO COMMERCIAL SUCCESS

Tracy Sestili, Head of Marketing, SparkPost



Shopping cart abandonment is an ongoing problem in eCommerce, and realistically no business is immune to it. In fact, 75% of leading brands admit suffering from it. (source: SmartInsights)

With the average documented cart abandonment rate reaching a rocking 70% (source: Baymard Institute), abandoned carts can be perceived as an unavoidable stage of the eCommerce buying process. For marketers, they can also be a brisk path to success and generate immediate sales. Reports have shown that email campaigns targeting abandoned carts have the highest ROI, with more than 44% open rate and 30% conversion rate. The average open rate for cart abandonment emails in Q1 2018 was 48% with a CTR of 6.5%, according to [SaleCycle](#). That's huge. And, particularly in the UK, a series of three abandoned cart emails can lead to an impressive 131% increase in conversions (source: [eFundamentals](#)).

Cart abandonment emails work, and often have a really low unsubscribe rate. If properly timed, they can make all the difference as to whether or not the consumer comes back to complete their purchase. For example, when SaleCycle looked at an aggregate of their customer's data they

found that sending cart abandonment emails around an hour after the person has abandoned their cart were most effective. Everyone likes to shop around for the best deal and realistically it takes a bit of time to research and find a better price. However, retailers who waited past an hour to send a cart abandonment email found that conversion dropped in half. And waiting beyond 24 hours dropped the conversion rate down to almost nothing.

Some tips to help ease your cart abandonment issues:

1. Everyone likes EASY. Online shopping is all about the customer's experience, and a complicated checkout process accounts for 26% of the abandonments. Make it easy to log back in from the email and put them directly into their shopping cart.
2. Be clear with your CTA. Make sure the email has easy to read call-to-action buttons that stand out.
3. A picture's worth a thousand words. Or in this case, maybe 1000 GBP; so show them a picture of the item(s) they left behind to tug at their purse strings a little harder.



NON-TRADITIONAL FULFILMENT PAVES THE WAY FOR INTERNATIONAL EXPANSION

Joe Farrell, VP International Operations, PFS



PFS

Brands large and small are exploring new avenues to create more purchase paths for customers. Marketplaces, pop-up shops and social commerce are just a few of the new channels making it possible for brands today to expand their eCommerce reach faster and further than ever before.

As technological advancements have made it possible for these markets to grow so successfully, though, consumer expectations have also increased demand for more and more challenging service levels. Consumers expect fast delivery, easy returns, and responsive customer care as a standard for any order they place online. It is exceedingly challenging for brands to provide a five star experience with every shipment.

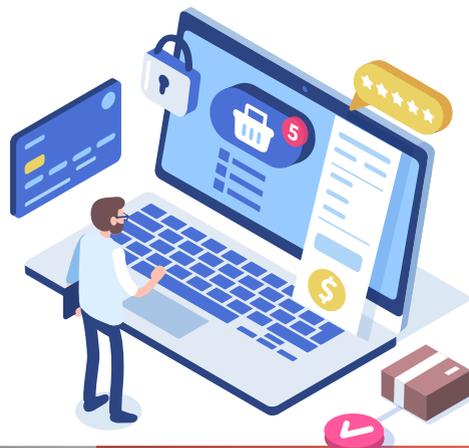
Traditional fulfilment models are struggling to keep up with new consumer expectations. Especially for the latest retail channels, traditional fulfilment models are proving costly and inflexible. They require long-term commitments, pricey implementations with heavy input from IT for systems integrations, and expensive overhead costs. For established and new businesses alike, these dated, expensive approaches to fulfilment simply make it impossible to pursue international expansion, something at least 80% of companies are likely to be investing in over the next year according to this survey.

Fortunately, there are other options for these brands. Non-traditional fulfilment methods, such as pop-up distribution centres, space on demand, localised warehouses and more, offer the flexibility brands seek at an affordable rate. With alternative fulfilment methods, brands can rapidly deploy operations and de-leverage the fixed

costs involved with long-term distribution centres, enabling them to reach customers anywhere with quality service.

Take pop-up distribution centres, for instance. Brands seeking to test new international markets with seasonal or promotional campaigns can deploy a pop-up distribution centre to get product closer to customers for faster, in-region shipping – at a fraction of the cost and time required to set up a permanent regional distribution centre.

A positive shopping experience is vital when it comes to building a brand's reputation. Equally, a negative delivery experience can be extremely damaging to a brand's reputation and, ultimately, their bottom line. As the final touchpoint, it is crucial that the condition of the product and the overall quality of the delivery experience leaves consumers with a positive impression. By partnering with an experienced third-party logistics provider offering non-traditional fulfilment solutions, brands can afford to explore new geographies while ensuring each package delivers a loyalty-inspiring customer experience.



PROVIDING PERSONALISATION THAT RESPECTS PRIVACY

Bill Schneider, VP Product Marketing, SheerID



Retail marketers face an old conundrum with a new twist. Shoppers want products and services that satisfy their unique needs, and brands want to know what shoppers want so they can better market to them. The obvious solution is greater digital personalisation.

But implementing effective personalisation is getting harder because the approach marketers used to capture data—first- and third-party data collection—is becoming a much bigger liability. GDPR poses great challenges, and widespread data breaches have made consumers wary of sharing their personal information.

Consent-Based Customer Acquisition

Retailers need a privacy-friendly way to engage customers, and many leading brands are finding it in a new, consent-based personalisation technique called gated offers. Gated offers are exclusive promotions that can only be redeemed by specific groups, such as college students. Here's how it works:

1. A retailer creates an exclusive offer, say 15% off for all students.
2. Shoppers provide basic information like the school and email address to prove eligibility and redeem the offer.
3. Brands verify shopper eligibility with digital verification and provide a single-use reward code.
4. Qualified students enjoy their reward.

Gated offers help retailers turn the challenge of privacy concerns into an opportunity to engage customers in the way they want, and the brands that seize that opportunity will thrive.

The Perfect Union of Personalisation and Privacy

Gated offers bridge the gap between personalisation and privacy because they:

- **Are consent-based.** Students opt-in to a brand relationship.
- **Reward shoppers for who they are.** Honouring someone's life stage, such as being in college, affirms a deep part of their identity.
- **Tap into a person's network.** Because gated offers are exclusive, people share them with peers in their tribe.
- **Facilitate ongoing engagement.** Brands can nurture customers with personally relevant promotions, such as back-to-school offers or discounts on favourite products.

The Range and Success of Gated Offers

Leading retailers like Converse, Zappos, and TOMS give students an evergreen 10% off. Urban Outfitters provides time-limited discounts throughout the year. Even subscription companies like SoundCloud and YouTube have launched gated offers giving students a whopping 50% off.

Gated offers help these and other brands stand out. Shoppers who appreciate a discount when they're still students become loyal brand advocates when they graduate, and have more money to spend. Gated offers on average see three times conversions, twice as much in repeat purchases, and 20:1 return on ad spend (ROAS). Gated offers help retailers turn the challenge of privacy concerns into an opportunity to engage customers in the way they want, and the brands that seize that opportunity will thrive.

PART ONE:

NAVIGATING THE NEW

eCOMMERCE LANDSCAPE

Almost half selected internationalisation as one of the top three opportunities for the coming year

In the coming year, what are the top three opportunities for your eCommerce business, specifically in regard to operations?

Despite market uncertainty, retailers continue to reach for international growth. Though the technology to address customs and duties, logistics, currency and other challenges has been available for over a decade, companies are still working through these issues. Brexit uncertainty now expands the challenges retailers face in the coming year.

Faster delivery times, ranked by our responders as a top three opportunity, could be viewed hand in hand with international expansion as businesses seek ways to speed up the delivery process into new markets.

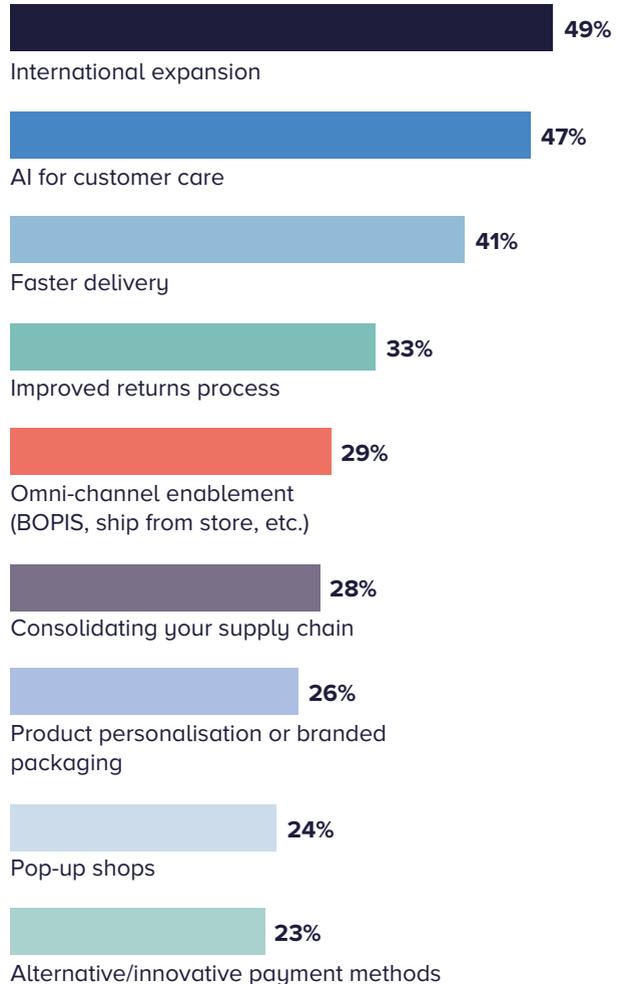
– Joe Farrell
VP International Operations
PFS

eCommerce businesses are connecting the dots between operational efficiency and customer experience. Technologies that improve and enrich the customer journey, like artificial intelligence and omnichannel, will increasingly gain ground and become an integrated part of the international expansion strategy, as they can have a direct impact on the eShop's operational and commercial success.

– Tracy Sestili
Head of Marketing
SparkPost

Removing friction in the shopping process is the number one job for every retailer. Retailers that are able to identify a shopper, anticipate their interests, answer their concerns, and fulfill their wants are going to rise to the top in their respective categories.

– Bill Schneider
VP Product Marketing
SheerID



Respondents were asked to select three

The majority say it's very likely they'll invest in international expansion

How likely are you to invest in these customer experience opportunities in the next year?

As the market conditions become rougher and competition intensifies, it doesn't come as a surprise that eShops plan to invest more in customer experience. Practices that provide the consumer with choice, such as branded packaging, alternative payment methods and omnichannel communication, are likely to be included in next year's investment plans. In the future, we'll see businesses becoming more interested in cutting-edge technologies, like predictive analytics, to ensure a seamless, consistent communication with their customers.

– Tracy Sestili
Head of Marketing
SparkPost

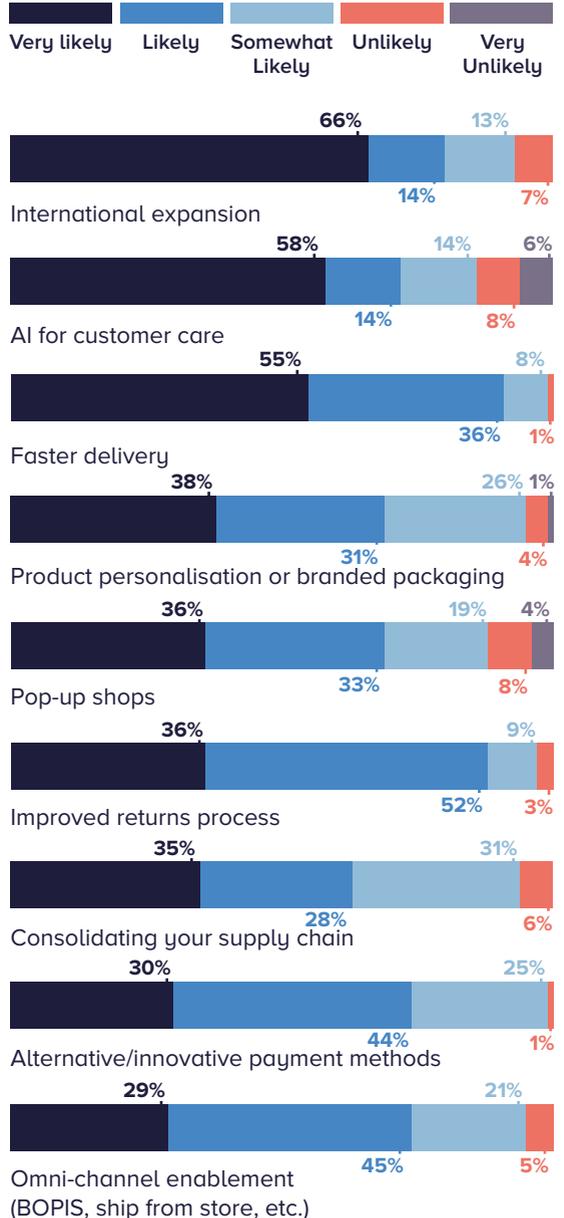
It is no surprise that the top three opportunities are also the most likely opportunities retailers will look to invest in in the year ahead. What is a surprise however, is that strategies that do not appear as top opportunities are showing a higher investment level than predicted. For example, pop-up shops and product personalisation. This could be based on investment requirements as a knock-on effect of investments in other opportunities or consumer-driven investment requirements resulting from increasing customer demands and expectations.

Though it does not appear to be a top priority at a glance, 88% of companies surveyed are at least likely to invest in improving their returns process this year.

– Joe Farrell
VP International Operations
PFS

In the age of the customer, the winners in retail are those that will be able to use digital to serve customers quicker, provide faster delivery, and reduce the friction of physical distance and time.

– Bill Schneider
VP Product Marketing
SheerID



The most common answer when asked to select the biggest threats to eCommerce was the implementation of GDPR

What do you consider to be the top three external threats to your eCommerce business?

eCommerce is gradually becoming a more regulated industry, making compliance a constant requirement for the business, and an ongoing challenge for the eCommerce Manager. While GDPR ranks as a top concern for many enterprises, it can be more of an opportunity than an actual threat. There is a hidden gem here; a unique opportunity for businesses to improve the quality of their database, focus on customers who are really active and engaged, and improve their email deliverability, as well as the efficiency and ROI of their marketing programmes.

– Tracy Sestili
Head of Marketing
SparkPost

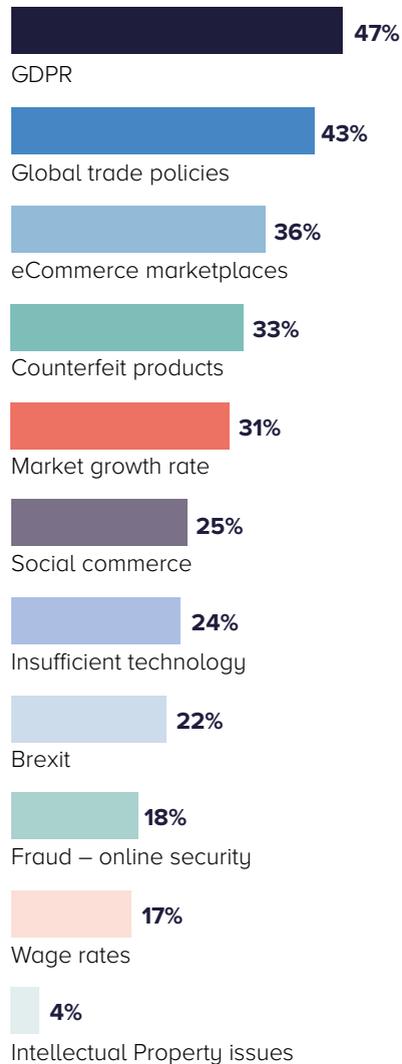
GDPR is rapidly shifting how retailers think about how they personalise their marketing campaigns. One technique that many retailers are using is gated offers. It allows a retailer to protect or “gate” an exclusive promotion for a target segment, like students, ask the customer to verify eligibility, and once verified, provide a reward code for the shopping trip. It puts the customer in control of their data – the intent behind GDPR. It also allows the brand to create a highly personalised offer, without the costly investment of implementing and managing a customer data platform or investing in a third party data source, which can be problematic with GDPR. Moreover, after polling dozens of brands, our analysis shows gated offers outperform a typical promotion by three times as much.

– Bill Schneider
VP Product Marketing
SheerID

GDPR is likely to remain a top concern as it continues to influence brands’ ability to personalise targeted marketing. Brexit is a major challenge today, and yet, it is ranked as the fourth lowest threat. There are a few possible explanations for this:

- 1. Businesses feel prepared to handle the ramifications of Brexit*
- 2. Businesses have grown tired of the constant headlines revolving around Brexit and are desensitised to it*
- 3. There is too much uncertainty to know what to be concerned about.*

– Joe Farrell
VP International Operations
PFS



Respondents were asked to select three

Two thirds of Heads of eCommerce surveyed say that one of the key challenges they have with fulfilment is damaged goods

What eCommerce fulfilment challenges do you currently have?

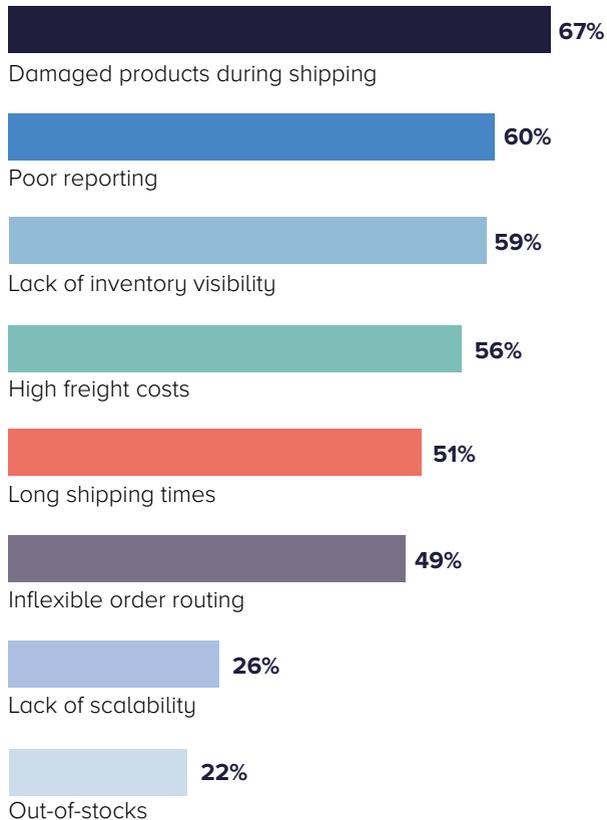
Fulfilment challenges and a lack of overall insights have a direct impact on the end customer experience. As the market becomes more customer-centric, companies will need better tools to meet the needs of the ever demanding customer.

– Tracy Sestili
Head of Marketing
SparkPost

The leading response, 'Damaged products during shipping', indicates there is an opportunity in the market for packaging enhancements, including right size packaging, adjustments to dunnage, or carrier selection.

In addition to packaging enhancements, this high response rate could hint at challenges in storage, product workflow, and product handling.

– Joe Farrell
VP International Operations
PFS



Respondents were asked to select three

87% of respondents reported that they were satisfied with their 2018 eCommerce peak results

How satisfied are you with your 2018 eCommerce peak results?

Although holidays and seasonality require extensive planning and preparation, most respondents are satisfied with their business' peak performance. However, with only a third being 'Very satisfied', it begs the question of whether businesses are leaving money on the table by not identifying and making even small improvements to personalisation or cart abandonment issues, which could provide an incremental boost to their annual and seasonal performance.

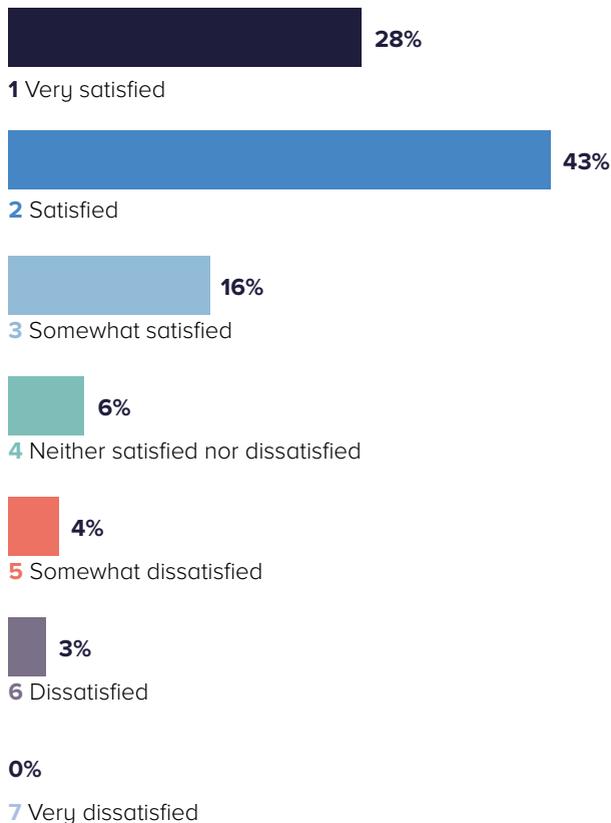
– Tracy Sestili
Head of Marketing
SparkPost

It's great to see retailers reach their goals for peak shopping opportunities. But how about other times during the year? We see successful retailers look to other seasonal campaigns that allow them to target a specific segment, like back to school or armed forces day. These yearly events are very important to specific segments like students or military families, which can engender a brand with a specific customer segment. We see brands take this type of programme a step further by protecting the promotion with a gated, exclusive offer that signals to the customer that this promotion is just for them, encouraging them to act now, and tell their peers.

– Bill Schneider
VP Product Marketing
SheerID

An 87% satisfaction rate overall indicates market strength, with vendors and systems performing to expectations throughout the peak season. It is clear companies are meeting objectives and achieving growth, displaying a healthy eCommerce market. Instead of repairing issues from the previous peak, companies will look to build upon that momentum.

– Joe Farrell
VP International Operations
PFS



PART TWO:

STRATEGY

OVERVIEW

When respondents were asked to rank channels in order of priority, web came out on top

Rank the below channels in order of your organisation's priorities when it comes to creating the optimal customer experience for your users

As many shoppers are now using social channels as an alternative to eCommerce websites to make purchases, it is no wonder emerging retailers are turning to social platforms as a means of creating meaningful engagements with their target audiences. With more retailers seeking to bring positive purchasing experiences to the consumer, social commerce has become an emerging trend in eCommerce strategies. To ensure the quality of products upon arrival for a positive customer experience, retailers must pay attention to what happens after clicking the 'buy now' button, in particular with fulfilment and packaging operations.

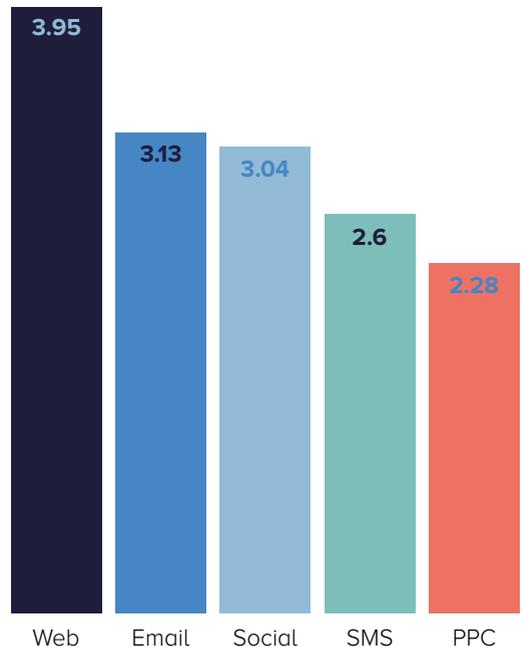
– Joe Farrell
VP International Operations
PFS

Of all the components of the marketing mix, email is perhaps the one that's come along furthest, as a friendly, cost-effective and highly responsive tool for marketing and customer relationship management. Enhanced with kinetic elements, rich multimedia content and personalised aspects, email has evolved into a key element of the overall customer experience, impacting every stage of the consumer's journey.

– Tracy Sestili
Head of Marketing
SparkPost

The web has reshaped consumer expectations and given them a lot of power, so it's no wonder brands are investing in strengthening this channel along with other digital channels to better serve them. However, I believe this is more than a single channel conversation. This is about bringing the benefits of the web, moreover digital, to every channel in the business. The customer doesn't see the world through a channel lens. Instead, they see the world through the lens of which brand provides the best value and service for what they want to accomplish right now. Retailers that can best execute on this need will win.

– Bill Schneider
VP Product Marketing
SheerID



Respondents were asked to rank from one to five, five being the highest priority

60% of Heads of eCommerce send cart abandonment emails within 24 hours

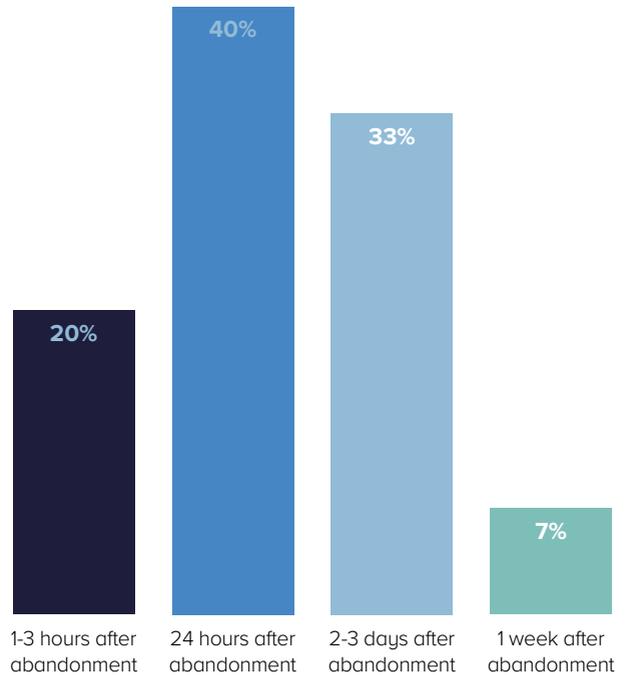
How soon after a customer abandons their cart do you send a cart abandonment email?

We've found email campaigns targeting abandoned carts have the highest ROI, with more than 44% open rate and 30% conversion rate. When it comes to cart abandonment though, time is literally money. The sooner an email is sent, the better results we should expect. Businesses who wait past an hour to send a cart abandonment email would see their conversion rate drop by half.

– Tracy Sestili
Head of Marketing
SparkPost

It's great to see 60% of brands have optimised their re-engagement campaigns to respond to a customer within a day or less. As media consumption and tech innovation continue to advance, consumer attention is declining. Brands that respond within a 24 hour window are going to stay front-of-mind with shoppers that are on the fence with a purchase decision. Being there at the right time and place is more than half the battle to retail success.

– Bill Schneider
VP Product Marketing
SheerID



When automating the eCommerce and Marketing departments, 41% of Heads of eCommerce surveyed struggle to hire the right talent

What is the main challenge when it comes to automating your eCommerce/marketing department?

Marketing automation, digitalisation and the omnichannel experience have become common practice in retail and eCommerce, and this new era requires employees with an advanced, complex skillset. Companies need to address the skill gap by investing in the training and development of their current staff, or employing contractors with the right skills.

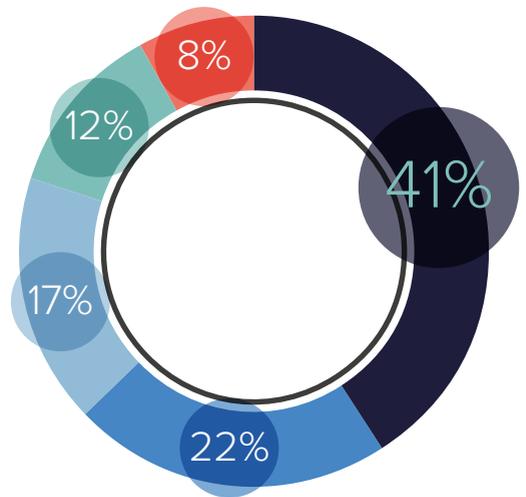
– Tracy Sestili
Head of Marketing
SparkPost

eTailers should focus on ensuring that their talent pool understands tech development. Education is an on-going process that needs to be as dynamic as technology. Creativity is not just about campaigns, but also about exploration within the usage of partners and platforms. Involve vendors in assessing your needs. Automation is relatively new, so its source could be helpful in the recruitment process to make sure the right people are on board from the beginning.

– Martin Roulund Jakobsen
eCommerce Manager, Nordics
Radisson Hotel Group

Choosing the right channel is only half the battle in customer acquisition. To win, retailers need to carefully think about how they are creating a compelling offer that allows them to rise above the noise in a competitive marketplace. Gated, exclusive offers allow retailers to create a very compelling offer for a high-value segment that gets their shoppers attention and protects margin erosion. Brands like TOMS use gated offers to produce a 20:1 return on ad spend (ROAS).

– Bill Schneider
VP Product Marketing
SheerID



- Attracting and hiring the right people to make it all happen **41%**
- Lack of resources **22%**
- Gaining support from senior management **17%**
- Choosing the right technology and vendors **12%**
- Demonstrating ROI **8%**

PART THREE:

DRIVING CUSTOMER

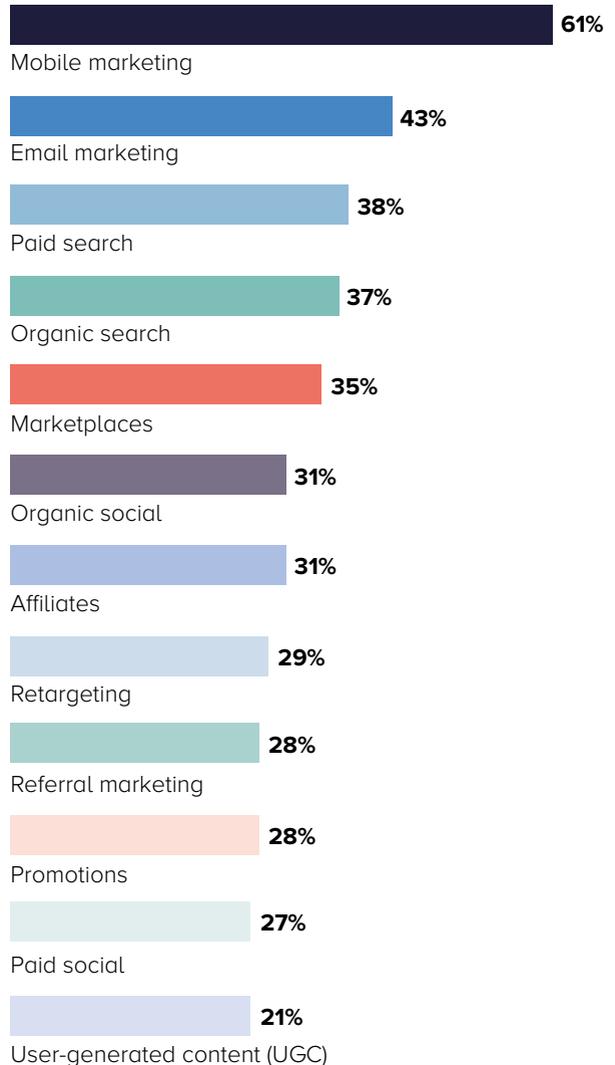
ACQUISITION AND LOYALTY

Mobile marketing is by far the most significant online activity for driving customer acquisition

Which online activities primarily drive customer acquisition for your organisation?

It's no surprise that email is one of the top channels given its high ROI. Something as simple as triggered or transactional email which can generate up to six times more revenue makes email marketing a very worthy investment. (Source: Experian).

– Tracy Sestili
Head of Marketing
SparkPost



Respondents were asked to select all that apply

Decreasing conversion rates are the most common problem marketers face when trying to acquire new customers

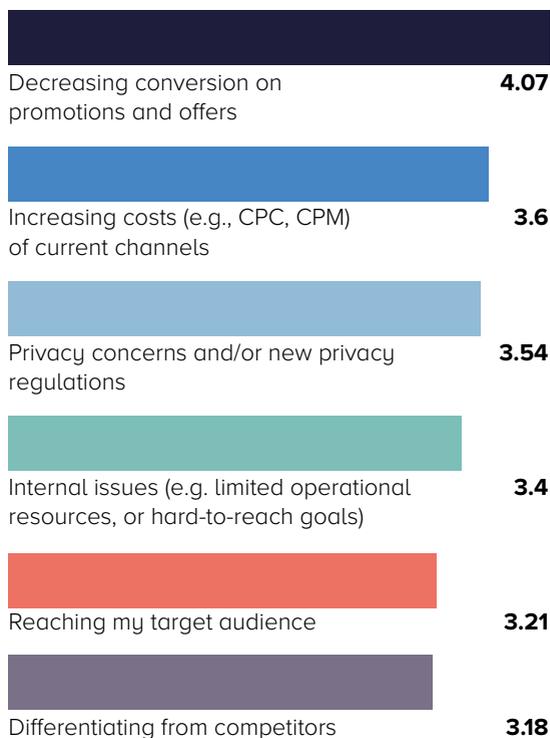
Rank the following common problems marketers experience with customer acquisition

Prospective customers have their own expectations, needs and pain points. We need to know the customer. Predictive analytics and improved personalisation can help eCommerce businesses address key challenges, such as the decreasing conversion rates, or reaching the right audience at the right time and differentiating the brand amongst its competitors. Email marketing remains the most efficient and cost-effective channel to reach out to consumers and keep them informed and engaged.

– Tracy Sestili
Head of Marketing
SparkPost

Loyalty is generated by making someone feel special. The data supports this with shoppers responding well to free returns, faster delivery, or unique promotions just for me. The key is to put the customer at the center of all that you do, so they feel like you're in their corner. That type of attention is worth its weight in gold.

– Bill Schneider
VP Product Marketing
SheerID



Respondents were asked to rank options in order of difficulty, six being most challenging and one being least

79% of Heads of eCommerce offer free returns to encourage shopper loyalty, and 73% offer the option to store card details

What does your organisation currently do to encourage shopper loyalty online?

Loyalty programmes are crucial to repeat business. Nielsen has found that 84% of consumers are more likely to choose a retailer that has a loyalty programme. Although respondents cite convenience, ease-of-use, and the seamless customer journey to encourage loyalty, they seem to devalue personalisation which has been known to generate a boost in sales. Personalised emails can boost message effectiveness up to 65% by utilising customer-centric practices like dynamic content. (Source: The Relevancy Group). As consumer demands increase, personalisation will become a key ingredient in online shopper loyalty.

– Tracy Sestili
Head of Marketing
SparkPost

A big challenge to breaking into a saturated market segment is earning shopper attention. We see successful retail brands use gated, exclusive offers to demonstrate an offer that is extraordinary to create urgency and increase sharing.

– Bill Schneider
VP Product Marketing
SheerID

In the first question, over a third of respondents listed 'Improved returns process' as a top priority for the year ahead, while 79% here state "Free returns" are a top initiative for encouraging shopper loyalty online. It is therefore not surprising that we see retailers look to improve their returns process to be faster, more cost effective and efficient.

– Joe Farrell
VP International Operations
PFS



Respondents were asked to select all that apply

PART FOUR:

INTERNATIONALISATION

The top two challenges for eTailers looking to expand are a lack of internal ownership and creating local demand

What are your organisation's top two challenges when growing new markets?

Consumer behaviour and shopping habits vary significantly from place to place, as well as amongst different age groups, cultural backgrounds or other demographics. When growing new markets, these differences can be a barrier to integration and mid-term success. Apart from deep and thorough analysis of the new markets, businesses should focus on segmentation to develop customised marketing campaigns. Market intelligence and predictive analytics can be an eCommerce Manager's biggest allies.

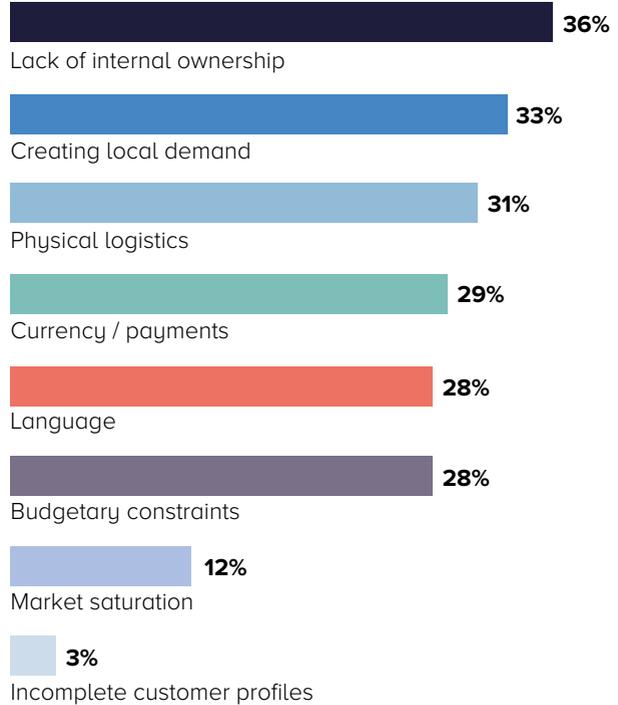
– Tracy Sestili
Head of Marketing
SparkPost

Retailers need to invest first in their own online experience. A retailer's brand and long-term viability are dependent on creating the best customer experience they can in their respective category. Marketplaces can extend a retailer's reach and as such should be viewed as an additional marketing channel to reach a new pool of customers that they don't already have a brand relationship with.

– Bill Schneider
VP Product Marketing
SheerID

31% of respondents selected 'Physical logistics' as a top challenge. Inadequate logistics can be a major constraint to international expansion. Implementing fit-for-purpose logistics solutions can help the 49% of companies prioritising international expansion in the coming year. Top areas to consider include scalability, inventory management, a streamlined returns process, and carrier relationships.

– Joe Farrell
VP International Operations
PFS



Respondents were asked to select two

81% of Heads of eCommerce surveyed see the popularity of marketplaces as an opportunity rather than a threat

Do you see marketplaces as a threat or an opportunity?

With well-established brands, clear delivery and refund policies, and frequent automated updates sent to customers, marketplaces (particularly those that operate around the clock) can help businesses approach new customers locally or even expand overseas with minimum investment, while giving consumers the confidence to buy from a new supplier.

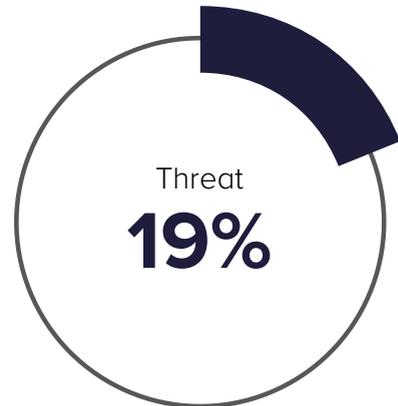
– Tracy Sestili
Head of Marketing
SparkPost

81% of respondents see marketplaces as opportunities here, yet 36% see eCommerce marketplaces as one of the top three external threats to their business in response to question three. It's likely some companies see marketplaces as a threat as they may not view them as a strategic priority. Marketplaces, however, are beneficial in driving customer acquisition. Such polarising responses between these two questions demonstrate the uncertainty towards marketplaces and their position in eCommerce strategies.

– Joe Farrell
VP International Operations
PFS

Marketplaces can give retailers a fast path to entering into a new market and selling products without setting up their own online store, particularly when entering new geographies. They can be very effective in accessing a business opportunity with relatively low startup costs.

– Bill Schneider
VP Product Marketing
SheerID



44% of respondents report that the biggest benefit of selling through a marketplace is rapid growth, and a further 39% say it's having a third party handle logistics

What is the biggest benefit to selling through a marketplace?

Marketplaces usually have solid customer communications streams, making consumers feel reassured. eCommerce businesses recognise the benefits of using a marketplace to cultivate a level of trust between the company and the buyer, that it would take much more time, effort and financial investment to build otherwise.

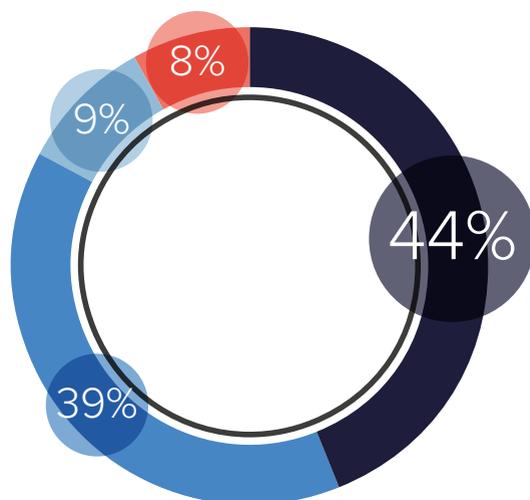
– Tracy Sestili
Head of Marketing
SparkPost

More and more, marketers are seeing the potential in marketplaces. I think this is due to the massive reach they can provide through their own marketing programmes, and the localisation of online shops – which is especially useful when working in a global market.

– Martin Roulund Jakobsen
eCommerce Manager, Nordics
Radisson Hotel Group

Each marketplace has its own advantages and disadvantages, so retailers should do their due diligence to make sure the marketplace they choose aligns with their brand values and cost-structure.

– Bill Schneider
VP Product Marketing
SheerID



- Growing the business very quickly **44%**
- Logistics are handled by a third party **39%**
- Entering new markets and expanding internationally **9%**
- It helps to gain the trust of the customer **8%**

61% of respondents feel that having a third party handle logistics is actually a disadvantage, as they have no control over customer service

What is the biggest disadvantage to selling through a marketplace?

61% feel a lack of control is a disadvantage to marketplaces, while according to the previous question, 39% feel one of the biggest benefits to marketplaces is the support they get from third party vendors. This benefit does not come without constraints, the main constraint being the impact on consistency of customer experience.

Most SMB companies do not have the resources to outsource logistics to an enterprise level 3PL or handle internally, yet they want to have control over the customer experience. 3PL providers have an opportunity to support the needs of these businesses with affordable solutions initially, and the ability to expand support as the brand grows.

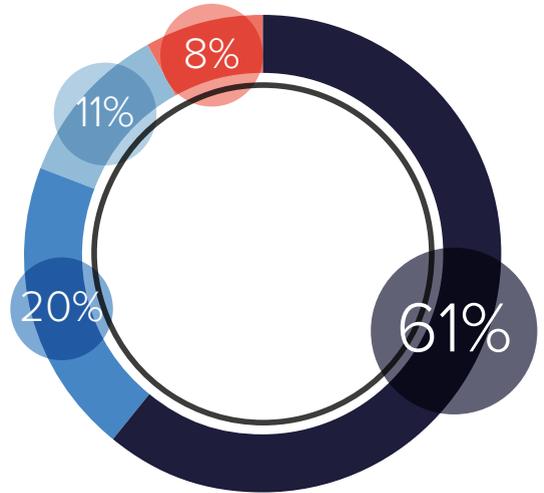
– Joe Farrell
VP International Operations
PFS

The eCommerce industry has developed an active interest in customer service. Businesses seem confident to manage operations that are determining factors for the customer experience. I believe this proves the increased maturity of the market.

– Tracy Sestili
Head of Marketing
SparkPost

Having marketplaces as part of the overall distribution opens up new revenue streams, but with the rise of marketplaces, retailers need to rethink how they can gain and manage control over brand and customer service.

– Martin Roulund Jakobsen
eCommerce Manager, Nordics
Radisson Hotel Group



- Lack of control over customer service as logistics are handled by a third party **61%**
- Poor profit margin **20%**
- Commission charge **11%**
- Loss of brand identity **8%**

ABOUT SPARKPOST



SparkPost is the world's #1 email sender, trusted by customers like Microsoft, The Financial Times, Atlassian, LinkedIn, and Oracle to dramatically increase email performance. We send more than 37% of the world's commercial email, more than 5 trillion messages a year. SparkPost's unmatched data footprint and signals help leading enterprises break through the email noise to drive top-line results.

[Find out more at www.sparkpost.com](http://www.sparkpost.com)

ABOUT PFS



PFS is a tested-and-proven Global Commerce Operations Partner with solutions spanning branded fulfillment services, high-touch customer care, intensive fraud management offerings, and scalable WMS and OMS technologies.

PFS also offers alternative fulfilment methods grounded in proven technology through our Fulfilment-as-a-Service (FaaS) product line. Products such as RetailConnect and CloudPickSM make PFS technology and processes available for deployment within our client's own distribution and retail environments.

PFS supports B2B and DTC clients with omni-channel eCommerce expertise gained through 20+ years as an industry leader. Our innovative solutions deliver intelligent commerce operations and shape brand experiences for the digital age.

[Find out more at uk.pfsccommerce.com](http://uk.pfsccommerce.com)

ABOUT SHEERID



SheerID's leading digital verification platform instantly verifies the identity of individuals and businesses, enabling enterprises to deliver gated offers and experiences to high-value customer segments while mitigating fraud and minimising friction. By using authoritative data sources to verify credentials in real-time within an organisation's brand experience, SheerID delivers a seamless customer experience that reduces churn and fuels loyalty to drive revenue growth. As a result, the world's biggest brands – including Amazon, Lowe's, Spotify, and T-mobile – rely on SheerID as their trusted verification partner.

To find out more, visit www.sheerid.com

ABOUT WBR INSIGHTS



We use research-based content to drive conversations, share insights and deliver results. Connect with our audience of high-level decision makers in Europe and Asia from industries including: Retail & eCommerce, Supply Chain & Procurement, Finance, as well as many more. From whitepapers focused on your priorities, to benchmarking reports, infographics and webinars, we can help you to inform and educate your readers and reach your marketing goals at the same time.

Contact us to find out how your business could benefit from:

- Year-round access to our network of decision makers and industry leaders
- In-depth research on current fast-moving issues and future trends
- Lead generation campaigns that fit your priorities
- Promoting your organisation as an authority in your industry

To find out more contact:

Teri Clarke

Insights Portfolio Manager

T: +44 (0)20 7036 1315

E: teri.clarke@wbr.co.uk

