Guide to Online Retail Strategies to Scale Your eCommerce Business

Description

Online sales now account for about one-quarter of the total retail market, as per Statista, further illustrating online retail's explosive growth. Online retailing offers several advantages, such as easy access to market for many brands/sellers through online marketplaces such as eBay and Amazon that enables any individual to set up an online shop and sell products in a very short span of time, requiring less expenditure from the seller since they can eliminate labor expenses, staffing costs, and maintaining a retail space.

But Online retailing can be of lot of work. There is so many things to consider from optimizing your product page for SEO to run ads and tracking performance.

Even though there is always more that can be done, most retail businesses can achieve exceptional results online by using certain strategies. We'll explore these tactics here and see how you can use them to increase sales online.

1. It's Bricks and Clicks all the way: Connecting the Silos

Despite the massive move towards eCommerce and the importance of an omnichannel strategy, 32% of retailers fail to sell through newer online or social channels due to not knowing their options. 29% of respondents feel it's difficult to deliver consistent shopping experiences across online and offline channels. (Omnisend).

Even though retailers are digitizing their operations, it's not an all-or-nothing proposition, making it imperative to educate yourself about the omnichannel selling options available. Flexible omnichannel experiences, such as shopping online and picking up or returning in-store, are clearly valued by consumers. Moreover, the post-pandemic event demonstrated the importance of online and offline presences.

2. Focus on Customers

An online retail marketplace that offers all things to all people that already exist. A perfect example would be Amazon. While emulating its strategy may make sense for some businesses, playing to your strengths is more likely to be a strategy that works for yours. You'll do well to start by focusing on your core customers: identifying their needs and wants and the additional products they really want to buy from you.

For [BestBuy](#), it's things like small appliances, pet supplies, and baby goods, rather than fast fashion. For Myntra, its products like apparel and accessories would be a hit. Like, As we discussed, play your category strength as per the marketplace to reach your ideal customers.

3. Tweak your pricing strategy

The online retail strategy requires an appropriate pricing structure that covers goods and overheads while remaining affordable for customers.

Here's how you can tweak them:

1. Everyday steal deals or lower prices: these are the prices at which retailers operate within narrow margins and try to attract as many customers as possible. Several retailers use this strategy, including Walmart, Flipkart, and Target.
2. Balance of low and high pricing: this pricing strategy is usually employed by SMB retailers, where the price starts out high and then decreases as its popularity fades.
3. Price comparison: the retailer studies what the competition charges for the same merchandise and will base its pricing on that.
4. Charm pricing – when retailers use odd numbers to price their products. In this way, consumers believe they are paying lower prices, but they are not.

4. Experiment with social channels

Social commerce is soaring as more people are forwarding toward these channels to discover products and research them. While promoting your products can benefit you with brand awareness. Some consumer brands and retailers are already leveraging platforms to create stimulating content for new

audiences as well as strengthen loyalty with existing customers.

Platforms like Instagram, Facebook, and Snapchat have taken note. For example, Snapchat already allows Amazon and eBay to redirect their product listings via the snap camera in order to monetize t fast-expanding customer base and make it easy for their users around the world to shop when they are inspired. The capacity for in-app purchases and live streaming functionality provide inspirational, digital-first ways to engage new audiences and build excitement and loyalty around brands and new products.
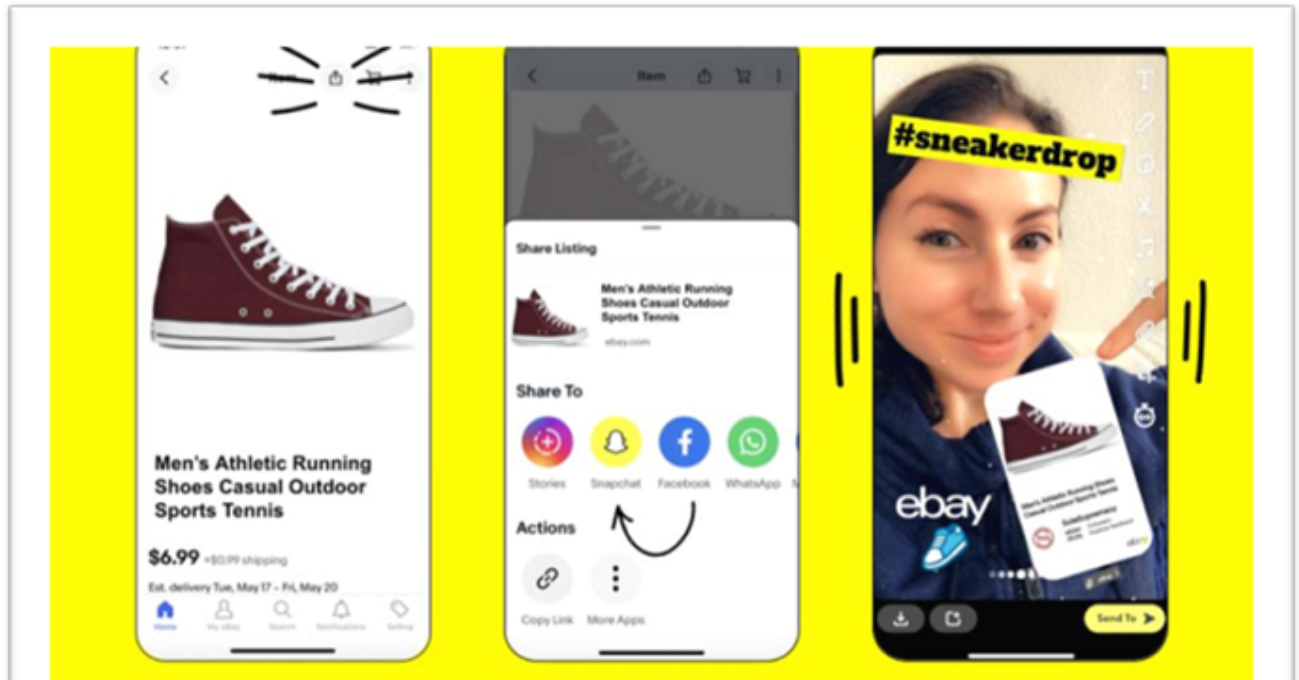
Source: Snapchat

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5. Up-sell and cross-sell strategically

Shopping baskets provide an excellent opportunity for cross-selling and up-selling products. Having visibility into the shopping cart and a record of the shopper's previous purchases opens up multiple sales and marketing opportunities. Consider these:
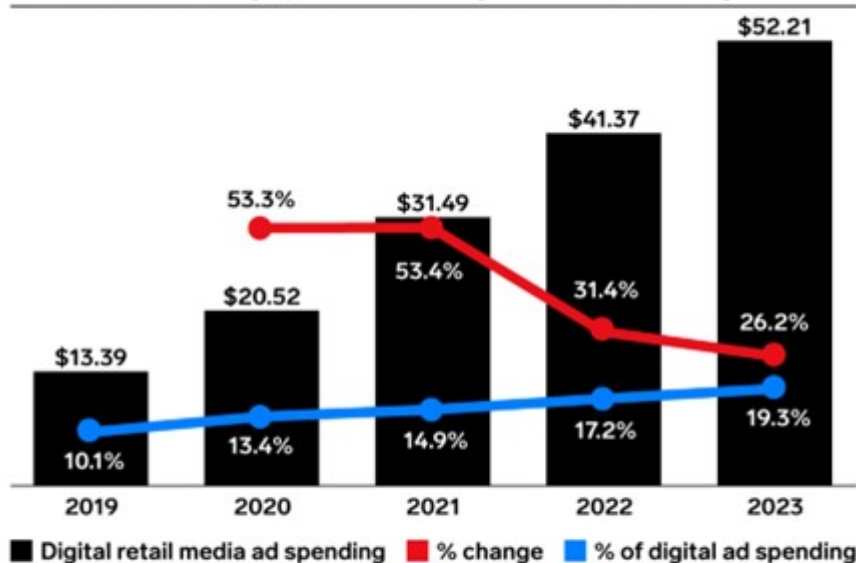
- **Cross-Sell**: Provide shoppers with a value pack of other relevant items they are likely to buy alongside the item they have put in their basket.
- **Up-Sell**: Instead of showing an item's value after it is placed into the basket, a pop-up could suggest a newer, and possibly higher, version of that item.

The most important principle of cross-selling and upselling is to recommend products that are relevant to the customer's needs to simplify the customer's purchase journey.

6. Improve your reach with the booming Retail Media Network

US Digital Retail Media Ad Spending, 2019-2023
billions, % change, and % of digital ad spending

Year	Digital retail media ad spending	% change	% of digital ad spending
2019	$13.39		10.1%
2020	$20.52	53.3%	13.4%
2021	$31.49	53.4%	14.9%
2022	$41.37	31.4%	17.2%
2023	$52.21	26.2%	19.3%

■ Digital retail media ad spending ■ % change ■ % of digital ad spending

Note: digital advertising that appears on websites or apps that are primarily engaged in retail ecommerce or is bought through a retailer's media network or demand-side platform (DSP); examples of websites or apps primarily engaged in retail ecommerce include advertising on Amazon, Walmart, and eBay; examples of retail media networks include Amazon's DSP and Etsy's Offsite Ads; includes ads purchased through retail media networks that may not appear on ecommerce sites or apps
Source: eMarketer, Oct 2021

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The emergence of retail media networks is timely. Consumers are shifting more of their shopping online, resulting in lower margins for retailers. Retailers can offset eroding margins of digital sales with revenue from retail media networks. Retail media networks differ from other digital advertising networks because consumers buy products directly from retailers with the help of their ads, putting retailers in a unique position to provide closed-loop marketing.

Digital retail media, in many cases, does not feel like advertising to consumers. Engaging and personalizing a digital retail experience requires mixing organic and promoted (paid advertising) messages, suggestions, and information without being intrusive. Integrated advertising on digital retail media networks will include more engaging media formats like "content-to-commerce" (publishing valuable or helpful content to drive conversions) and video live streaming on retailer websites and social platforms.

Shoppers and advertisers alike will benefit greatly from this boom. But maximizing this opportunity is not easy. To be successful, retailers must invest in every aspect of the advertising experience, from the infrastructure that powers it to the environment in which the ads appear.

7. Invest in technology to fill error gaps

Streamlining efficiencies for tasks like tracking orders, managing customer loyalty programs, and communicating with customers are the top three areas where retailers say automated technology will help save manual tasks and further reduce errors. E-Retailers should consider investing in automated

software or upgrading what they currently use to meet the changing needs of consumers and ever adopting technology.

Invest in a [data analytics tool](#) to gather insights on the entire lifecycle of your campaigns. e-tailers need to stay up to date about how this change impacts their eCommerce business and how their customers consume!

When deciding which metrics and data you want to follow, first start by considering your goals. Focus on the end goal and look into what metrics should be measured and which KPIs should be tracked. It could be increasing your visibility, improving sentiments, etc.

Final thoughts

The nature of eCommerce is that it's a lot of experimentation. Test new ideas and implement new advancements that align with your goals. The blurring of physical and digital lines makes it a bit challenging to come up with new online retail strategies. Taking a hybrid approach will help your business grow.

We hope these tips give you new ideas on how to succeed in the new normal, tools to get ahead of your competitors, and actionable insights to increase your sales.

You can contact us at info@paxcom.net if you'd like to implement any of the strategies mentioned in this guide.

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