With digital commerce growing at a rate of 17% year-over-year in Q3 2018 and projected retail ecommerce sales topping $4 trillion through 2020, digital commerce now serves as the growth driver for many businesses. Increasingly, retail and brand leaders are under immense pressure to deliver growth at every opportunity, yet they are also forced to prioritize revenue-driving initiatives due to limited time, budget, and resources.

We created this guide to help you pinpoint the areas that can have the biggest impact on your growth goals.

Our insights and recommendations are backed by reliable data benchmarks from more than 2,500 leading retail sites and more than half a billion ecommerce shoppers – all with analysis from our team of retail experts dedicated to helping retailers and brands drive revenue growth. For the most up-to-date stats, check out the Salesforce Shopping Index.
Our in-house team of commerce experts uses the formula below to help brands of all sizes identify industry benchmarks and trends, thus **uncovering areas of optimization to drive revenue**. This formula also makes a compelling case for growth targets and investment with executives or your board of directors.

While it is tempting to copy the tactics of growing businesses in your space, this data-driven approach outlines the strongest contributors and ingredients to revenue growth and allows you to identify the levers to adjust specifically for your business.

**ECOMMERCE GROWTH FORMULA**

\[
\text{ORDERS} = \text{TRAFFIC} \times \text{CONVERSION RATE}
\]

\[
\text{ORDERS} = \frac{\text{TRAFFIC}}{\text{CONVERSION RATE}}
\]

\[
\text{AVERAGE ORDER VALUE} = \frac{\text{AVERAGE SELLING PRICE}}{\text{UNITS PER ORDER}}
\]

\[
\text{REVENUE} = \text{ORDERS} \times \text{AVERAGE ORDER VALUE}
\]
### KEY PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Definition</th>
<th>How to Calculate</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Traffic</strong></td>
<td>Total number of site visitors a website or channel receives</td>
<td>Total number of site visitors</td>
</tr>
<tr>
<td><strong>Conversion Rate</strong></td>
<td>The number of orders divided by the total number of visitors</td>
<td>Number of orders ÷ total number of visitors</td>
</tr>
<tr>
<td><strong>Average Selling Price (ASP) or Average Price Per Unit</strong></td>
<td>The average price at which a particular product or commodity is sold across channels or markets</td>
<td>Sum of your compilation of prices ÷ number of prices gathered</td>
</tr>
<tr>
<td><strong>Units Per Order (UPO)</strong></td>
<td>The average number of units or items included in an order</td>
<td>Total number of units purchased ÷ total order volume for a specific time period</td>
</tr>
<tr>
<td><strong>Orders</strong></td>
<td>Total number of successful orders placed on a website or channel (not counting post-sale adjustments such as returns)</td>
<td>Total number of successful orders</td>
</tr>
<tr>
<td><strong>Average Order Value (AOV)</strong></td>
<td>The average dollar amount spent each time a customer places an order on a website or mobile app</td>
<td>Total revenue ÷ number of orders</td>
</tr>
<tr>
<td><strong>Gross Merchandise Volume (GMV)</strong></td>
<td>GMV is the total value of goods and services sold through a website, adjusted for discounts</td>
<td>Total value of goods and services sold</td>
</tr>
</tbody>
</table>
Average Revenue Growth

How do you compare to the gross merchandise value (GMV) growth for all sites?

Retailers and brands saw an average of 20% revenue growth between the first half of 2017 and 2018.

While all key performance indicators (KPIs) in the equation contributed positively to this growth, some metrics had more influence than others.

- **Growth in order volume is the predominant influence on revenue growth.** At a growth rate of 18%, its contribution to revenue growth overshadows average order value (AOV) growth at 2.7%.

- **Increase in traffic volume is the key contributor to order volume growth.** Retailers and brands have continuously invested in traffic growth initiatives to drive order volume. With acquisition costs increasing across the board, brands must strategically focus on quality as well as quantity – a challenging balance to maintain. Evidence of this focus is noted in the improvements in average conversion rates (5%) for the same time period.

- **While AOV growth appears to have a nominal contribution, it is noteworthy that improvements for this metric are primarily due to growth in units per order (1.9%) and less to do with changes in pricing.** This comes as less of a surprise when factoring the steady increase in adoption of AI-powered product recommendations during this time period. For example, Engelhorn, a Germany-based department store, has reported a 1.5% increase in AOV as a result of adopting AI-driven recommendations.
Best-in-Class Revenue Growth

How do you compare to GMV growth of the top 25%?

A look at best-in-class performers (the top 25%) helps us understand the opportunity for growth for all brands and reveals some interesting similarities — and differences — when compared with all sites.

• Growth factors for the top performers are the same for all sites. Revenue growth is primarily driven by growth in order volumes due to improved traffic, both in quality and quantity. These brands grew revenue at just over 70%, far outpacing the industry average, with 51% order volume growth.

• Best-in-class performers are 6x better at converting a higher volume of shoppers. The top sites see well-balanced growth in both traffic volume and conversion rates. This means the top sites deliver a more compelling experience and motivate more shoppers to convert. These sites see a 5x growth in traffic and 6x improvement in the conversion rate compared to the overall group.

• The top sites optimize demand generation techniques for quality from the outset. This group of sites has seen a 28% increase in traffic growth, but when the volume dial is cranked up, conversion rates follow. This growth does not come at the expense of quality, which happens when marketers focus so much on driving traffic growth that the conversion rate falters. The best-in-class improved the conversion rate by 31% — no simple feat!

The ultimate one-two punch for realizing above-average growth? Driving high-quality traffic while delivering a friction-free shopping experience.
Growth by Category

How do you perform against other retail categories?

Category comparison shows growth is healthy across the board, but the drivers of growth do vary by category.

- General apparel and home brands lead the curve with 23% and 22% growth, respectively.
- Apparel brands, both in the general apparel and activewear/athleisure categories, see average or above-average growth in the 20–25% range.
- While average revenue growth numbers are similar for the general apparel and home categories, traffic growth and conversion rates differ significantly. Both categories saw order volumes grow approximately 24%, but apparel traffic growth was double that of home, coming in at 16%—compared to 7% traffic growth for the home category. Conversion rates, on the other hand, flip the other way. Apparel sites experienced a conversion rate improvement of only 10% compared to a 19% conversion rate improvement for home sites.

The conclusion? Apparel sites prioritized driving more demand while Home sites focused on improving site experience to improve conversion.

Source: H1 2018 Salesforce Commerce Cloud Sites
Are you optimizing for growth in a multi-device world?

GMV GROWTH BY DEVICE – H1 2017 v. H1 2018

It is no secret that mobile is the core driver of growth. Mobile revenue growth is more than double that of desktop.

But despite negative traffic growth, desktop experienced positive revenue growth due to increases in average order value and conversion rate. This indicates the increasing health of the overall ecommerce engine.

- **All traffic leads to mobile.** Shoppers are increasingly comfortable with mobile shopping – not just on native apps, but on browser-based experiences as well. Investments in improving mobile-first web experiences reap great rewards in traffic and conversion rates, so brands and retailers will do well to prioritize efforts in this area.

- **Desktop experiences achieved revenue growth of 11.1% for this period, driven by average order value.** In contrast to the key mobile growth drivers, desktop growth was spurred by AOV growth of 7%, compared to order volume growth of only 3.9%. Note that mobile order volume is nearly 5x this number!

- **Desktop conversion rate improved by almost 10%,** which means the drop-off in traffic may have been caused by low-quality visitors with lower probability to convert.

The bottom line: Ecommerce is only growing. A rise in customer comfort with mobile shopping drives conversion, and desktop shoppers – while fewer – are higher quality visitors, buying more. Now, let’s look at how to activate these metrics to drive your growth.
Breaking Down the Formula to Influence Key Growth Metrics

Now that we’ve established growth benchmarks for average sites, top performers, categories, and devices, let’s dig deeper into the formula to explore opportunities to influence growth levers for your business.

A. Traffic – How do you drive quality traffic?

B. Conversion – How do you drive higher conversion on-site?

C. Average Price Per Unit – How do you ensure promotional strategies drive positive growth?

D. Units Per Order – How can you automate improvements to the number of units per order?
As we learned from the performance of the top 25%, quality traffic is key to high-impact growth. Let’s uncover the traffic sources that deliver the most business value.

**A DEEPER LOOK AT GLOBAL REFERRAL TRAFFIC: VOLUME VERSUS VALUE**

When it comes to revenue, direct traffic clearly has the most impact at 73%. Social traffic drives awareness and discovery and is best utilized as a traffic volume driver in demand-generation activities. Brands should prioritize social in awareness-centric campaigns and avoid overemphasis on snagging an order from the shopper in that same session.

The drivers of traffic volume and revenue take a different order of priority depending on the region. This is representative of the way ecommerce and general internet usage has evolved in parts of the world.

Most noteworthy is the Asia-Pacific region, where local incumbents play a bigger role in the way the internet is accessed and ecommerce demand is generated. In the Asia-Pacific region, 50% more revenue is attributed to search-driven traffic, while traffic volume remains similar to global averages.

This indicates that brands and retailers have more work to do in establishing brand identity and recollection among shoppers. Search traffic comes at the expense of direct traffic, the cheapest source of revenue-driving traffic for ecommerce sites.

Source: H1 2018 Salesforce Commerce Cloud Sites
Digging deeper into the value of social traffic.

Facebook clearly dominates, by a significant margin, as a driver of both traffic volume and value among social channels. While Instagram takes second place, it is a very distant second.

Regional differences are also very pronounced for social traffic. Facebook is more dominant as the main source of social traffic in Europe compared to North America or the Asia-Pacific region. Instagram is slowly, but steadily, taking a larger share of the pie – it seems at the expense of Facebook.

As we explore the impact on orders and revenue, the value from social media also differs for Europe. This is due to the general fragmentation of social media outlets. **Social media sources that are not named Facebook or Instagram are responsible for half the revenue attributed from social traffic in Europe.** In fact, the Russian social network, VKontakte, brings in 99.75% of social GMV and 74.6% of social visits in the “Other” category. The takeaway? Expand your outlook beyond “Facegram” to account for regionally dominant social players.

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**A DEEPER LOOK AT SOCIAL TRAFFIC: VOLUME VERSUS VALUE**

<table>
<thead>
<tr>
<th>REFERRAL SOURCE</th>
<th>VISITS</th>
<th>GMV</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACEBOOK</td>
<td>78%</td>
<td>74%</td>
</tr>
<tr>
<td>INSTAGRAM</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>OTHER</td>
<td>8%</td>
<td>10%</td>
</tr>
<tr>
<td>YOUTUBE</td>
<td>2%</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: H1 2018 Salesforce Commerce Cloud Sites
Understanding the impact of search.

Google rules as the largest driver of search traffic volume – both in organic and paid. Digital marketers are rightly obsessed with Google search engine crawler reaction and response to site changes. Yahoo and Bing are distant laggards in this seemingly one-horse race.

Yet from a sales perspective, the picture looks rather different. In fact, Google’s domination begins to waver. This finding took our teams by surprise, so we continued to dive further to explore the cause.

As it turns out, regional nuances play a big role in the global impact of search. While Google continues to dominate search in terms of volume and value across North America and Europe, this changes in the Asia-Pacific region.

Google drives a solid amount of traffic volume in the Asia-Pacific region, but when it comes to value (i.e., orders and revenue), regional leaders take a bigger share. Specifically, Baidu in China, Yandex in Russia, and Naver and Daum in South Korea maintain regional domination over Google.

Continued on next page.
For shoppers, privacy is also a growing factor as it relates to search engines. While Google still dominates traffic volumes, privacy-focused search engines like DuckDuckGo are beginning to appear prominently and consistently in these analyses, chipping away at the volume and value numbers of incumbents.
**LET’S GO: 3 TIPS TO OPTIMIZE QUALITY TRAFFIC**

1. **FOCUS ON YOUR OWNED CHANNELS**

The way you manage your owned channels is likely to bring the biggest ROI because they are the easiest to control. Data shows that owned and paid channels are the biggest drivers of qualified traffic across geographies, verticals, and merchandise types. Retailers and brands that fail to optimize use of these channels are at risk of leaving unrealized value behind. In fiercely competitive industry segments, potential competitors could realize this value instead.

2. **BE SMART ABOUT SEO ANALYSIS AND OPTIMIZATION**

While you should consider keyword performance, it is more important to consider user intent or the goal a user has in mind when typing in their search query. Understanding user intent will help you utilize the right terms to drive results, giving each consumer the most relevant information to increase conversions.

Almost all search engines offer auto-suggest capabilities that allow shoppers to refine their search keywords further, giving retailers better insight into intent behind that search. Open tools like Google Trends and Answerthepublic.com offer opportunities to discover emerging trends in search keywords.

It is also critical to understand the way search intent differs between devices. Shoppers searching on desktop may exhibit different intent signals than shoppers searching on mobile. This difference helps deliver personalized and relevant shopping experiences to users.
USE CONTENT TO CONNECT WITH CUSTOMERS

Brand content, such as blog posts, style articles, and any other non-product content, plays an important role in driving traffic. It gives search engines a plethora of keywords to index and provides potential impactful organic growth. Content must guide and anticipate the questions customers will ask along their journey. Some examples of content that connect with customers include:

**User-generated content (UGC):** 92% of consumers trust online content from friends and family above all other forms of brand messages. UGC shows real stories from customers about how your product is making their lives better by empowering them to succeed, complete passion projects, and enjoy rich experiences. For more on UGC, visit our partner, [Olapic](#).

**Guided selling tools:** Encourage product discovery and help shoppers find what they’re looking for faster with [guided selling](#).

**Customized landing pages:** Create landing pages for different types of customers, sources of traffic, or stages of the sales funnel to help personalize the shopper journey no matter the entry point.

**Brand stories:** Further brand perception among shoppers while offering search engine crawlers a rich set of keywords to index. This not only helps to improve search engine visibility, it offers the added bonus of improving site engagement by increasing the average time spent on the site – an important indicator of shopper engagement.

**How-to articles:** Drive early stage awareness and allow longtime customers to rediscover your brand.

**Video content:** Consumers are 46% more likely to search for information about a product after seeing a video about it.

B. Improve Conversion

The holy grail of commerce metrics, conversion rate, is really made up of multiple smaller metrics.

The path to purchase is now a series of stops and starts – or micro-moments – across multiple devices. It’s critical to measure how efficiently you move the shopper between stages of their purchase journey to identify friction points that prevent the shopper from completing a purchase. Reducing the friction in just one micro-moment can improve the overall shopping experience and dramatically drive higher conversion and revenue.

To maximize conversion rate at each step, it’s best to benchmark your business against industry peers. This gives you visibility into how the entire ecommerce sales funnel is performing to identify areas of improvement for your business and adjust accordingly.

We can further split the overall conversion funnel into the following collection of micro-moments. Here’s an overview of the stages to ensure no sale is left behind.
B. IMPROVE CONVERSION

We provide global averages for the KPIs at each stage below. The flow of purchase stages differs for desktop-based experiences versus mobile experiences. Shoppers have a shorter attention span on mobile, and data points like checkout rate reveal a variation in the friction points across these micro-moments based on device.

For example, desktop checkout rates are in the range of 40–46% while mobile rates range between 29–33% depending on the region.

**DESKTOP v. MOBILE BY REGION**

<table>
<thead>
<tr>
<th></th>
<th>NORTH AMERICA</th>
<th>EUROPE</th>
<th>ASIA PACIFIC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Desktop</td>
<td>Mobile</td>
<td>Desktop</td>
</tr>
<tr>
<td>Product View Rate</td>
<td>6.4 pages</td>
<td>4.7 pages</td>
<td>8.0 pages</td>
</tr>
<tr>
<td>Add-to-Cart Rate</td>
<td>10.0%</td>
<td>8.0%</td>
<td>8.74%</td>
</tr>
<tr>
<td>Checkout Rate</td>
<td>44.6%</td>
<td>29.5%</td>
<td>45.9%</td>
</tr>
<tr>
<td>Conversion Rate</td>
<td>2.1%</td>
<td>0.95%</td>
<td>1.82%</td>
</tr>
<tr>
<td>Cart Abandonment Rate</td>
<td>80.4%</td>
<td>89.0%</td>
<td>78.5%</td>
</tr>
</tbody>
</table>

Source: H1 2018 Salesforce Commerce Cloud Sites

**KEY PERFORMANCE INDICATORS**

<table>
<thead>
<tr>
<th></th>
<th>DEFINITION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product View Rate</td>
<td>The average number of product pages viewed to overall page views a site sees on average</td>
</tr>
<tr>
<td>Add-to-Cart Rate</td>
<td>The rate at which a shopper adds at least one item to the cart</td>
</tr>
<tr>
<td>Checkout Rate</td>
<td>The percentage of checkouts started every time a basket is created</td>
</tr>
<tr>
<td>Conversion Rate</td>
<td>The “holy grail” KPI – the number of orders placed divided by total number of site visits</td>
</tr>
<tr>
<td>Cart Abandonment Rate</td>
<td>The percentage of shopping carts created that did not translate into an order</td>
</tr>
</tbody>
</table>
LET’S GROW: 4 TIPS FOR IMPROVING CONVERSION

1. OPTIMIZE SITE SEARCH
Make site search (and filters) easily findable.

Search-driven shoppers, also known as “surgical shoppers,” center their site experience around the search bar and are proven to convert at higher rates than non-surgical shoppers.

This is why it’s crucial to configure search tools to align with the complex ways that customers search for products.

POWERFUL SITE SEARCH DRIVES CONVERSION AND GROWTH

<table>
<thead>
<tr>
<th>2.4x</th>
<th>3.7x &amp; 4.2x</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shoppers who use search are 2.4x more likely to convert.</td>
<td>Shoppers that use search and click on an AI-powered recommendation convert 3.7x more often on desktop and 4.2x more on mobile.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>23%</th>
<th>2.6x</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shoppers use site search for 9% of all visits, driving 23% of all digital sales.</td>
<td>Shoppers spend 2.6x more when using search vs. those who don’t.</td>
</tr>
</tbody>
</table>

Source: Salesforce Shopping Index
Add a persistent search bar.

A “sticky” or persistent search bar stays on the page when the customer scrolls through products. It reduces friction for mobile shoppers, who are 2.6x times more likely to purchase when they click on a search bar.

Use search bars (not icons) at the top of the mobile page:

- **SEARCH BARS** capture 15% of usage and 29% revenue from search.
- **SEARCH ICONS** capture 7% of usage and 19% revenue from search.

### Comparison of Conversion Rates

**Desktop**
- Persistent: 15.38%
- Search Icon: 6.18%

**Mobile**
- Persistent: 15.16%
- Search Icon: 5.33%
Embed intelligence to optimize for unique search terms.

- **AI Search Dictionaries** include all site searches and surface terms that are searched but are not in a retailer’s keyword list. This feature then recommends synonyms, hypernyms, and search redirects. For example, shoppers searching for a product in a particular color, like a red shirt, may use one of its several variants as a search term — crimson, auburn, ruby, scarlet, etc.

- **AI Search Recommendations** enable type ahead (or search-as-you-type) site search to power personalized recommendations for both known and anonymous shoppers, helping shoppers find the products they want — or items they didn’t even know they wanted — much faster. Before a shopper even types a single letter in the search bar, they are presented with drop-down search recommendations.

Make it easy to see product refinements.

When searching or browsing for products, make sure that your search refinements are relevant to the product results. For example, if selling clothing, ensure that the filters for apparel type, size, and color are clearly visible at the top of the site. Refinements should narrow the result set. For example, if you are selling shoes and you offer width but don’t offer narrow or wide widths, showing only regular width doesn’t help.

**Highlight mobile filters to drive conversion:**

27% HIGHER ADD-TO-CART RATE ON SITES THAT PROVIDE 4 OR MORE FILTER ATTRIBUTES

Learn more about **Salesforce Einstein**, an integrated set of AI technologies for CRM.
2. BE STRATEGIC ABOUT PLACEMENT AND PRODUCT RECOMMENDATIONS

Maximize the space above the fold.

Thirty percent of users don’t scroll below the fold. Maximize the space above the fold with relevant sales-oriented content and tools like product recommendations, product filters, and special offers. Evergreen pieces of content, such as Instagram posts or product reviews, should go below the fold.

Focus on product recommendations and placement.

5% of mobile site visits include a tap on a product recommendation – but those visits provide 29% of revenue.

Mobile sites that position recommendations between the product description and reviews enjoy a 14% increase in conversion rate and a 25% higher add-to-cart rate.

Bundle offers for products customers already buy together.

AI gives you better insights into the products customers buy together so that you can create more relevant special offers and targeted marketing strategies. In fact, personalization drives revenue, especially with product recommendations. Visits where a shopper clicked a recommendation comprise just 7% of all visits – but 24% of orders and 26% of revenue.
3 FACTOR THE ENTIRE CART FUNNEL

Allow shoppers to view their cart.

This funnel starts even before the cart page – in the mini cart. The mini cart is important but often underappreciated by retailers, as shoppers want a clear notification when products are added to the cart, especially on mobile.

It may seem tempting to drive shoppers straight to checkout and skip the cart. Do not skip the cart! We see in usability testing that people want to see their shopping cart before beginning checkout. The reason? This is where the final budgeting decision happens.

Here’s the data you need: Retailers and brands see a 14% improvement in conversion when traffic is sent to “View Cart” instead of straight to “Checkout.”
Optimize the cart page for wish lists and budgeting.

While it may seem counterintuitive, shoppers should know how to remove items from the cart quickly and easily. “Remove” buttons have some of the highest interaction rates on the cart page.

The reality is that shopping carts now serve as wish lists and the step where price comparison and spending decisions are made. It is important to make shoppers feel comfortable adding as many items to the cart as they wish, all with the comfort of knowing that they can remove them later.

Our assessments also show that many brands and retailers forget to provide the option of a simple wish or gift list for customers who have the intent to purchase but a commitment to pay at a later time.

Another quick win on the cart page is to include “comfort copy” – security badges and customer service messaging to make shoppers comfortable with the online transaction. Our analysis has shown a 2.73% conversion lift when security badges are present.

Additionally, cart elements should scale to mobile UX to accommodate finger taps. The average index finger is 45–57 pixels.
4 TIPS FOR IMPROVING CONVERSION

4 STREAMLINE THE CHECKOUT FUNNEL

Here are the stats you need to know to close the purchase on the checkout page.

The guest checkout option is incredibly important and can’t be overlooked. 85% of checkouts are guest checkouts.

Tackle cart abandonment.

As the shopping experience increasingly spans multiple devices, abandonment rates have increased globally, across all retail categories.

Sites in the Asia-Pacific region experience some of the highest cart abandonment rates. This is for good reason, as several Asia-Pacific ecommerce markets are still developing and this demonstrates how users like to shop online.

With shopping carts now acting as a wish list and budgeting tool, brands and retailers would be remiss to ignore this important signal of buying intent. Abandoned cart retargeting campaigns prove highly effective at reducing this rate and signaling to the shopper that you want to earn their loyalty.

Looking for more detailed tips on UX and conversion? Check out our UX blog series authored by experts who conduct thousands of retail site audits per year.

Mobile Wallets

The option to pay with a mobile wallet has a significant impact on conversion.

2x MOBILE CONVERSION RATE INCREASE FOR SITES WITH MOBILE WALLETS

85 SECONDS FASTER MOBILE WALLET BUYERS SPEED THROUGH PURCHASE ALMOST A MINUTE AND A HALF FASTER
C. Adjust Average Price

Contrary to popular perception, merchants at the lower end of the price spectrum have a higher propensity to leverage promotions as a sales growth strategy.

What roles do promotions play in the revenue equation? Before we answer this question, it’s helpful to review the spectrum of pricing and see how some verticals are naturally more promotion-oriented than others.

Data shows, and most brands and retailers intuitively understand, that promotions can be an effective strategy to drive revenue growth. But as history has shown, brands must use this strategy judiciously as it can create unintended consequences.
Consider the impact of promotions.

• **Customer Expectations**: Constant use of promotions may train shoppers to wait for the next promotion to make a purchase because they expect a constant stream of discounts. Why buy that new pair of boots at full price when you know the next discount is just around the corner?

• **Margins**: It’s common knowledge that promotions negatively affect margins. While an aggressive promotions strategy may have a positive impact on top-line growth, it can affect the bottom line in unintended ways if not managed properly.

While we can cite several examples to demonstrate how aggressive promotional strategies can be used to trigger sales growth, it requires disciplined bottom-line management to be able to scale for the long-term.

Benchmark your merchandising efforts.

• **Benchmarks**: Promotional strategies must continue to evolve with changing customer expectations. One of the critical ways merchants need to remain “plugged in” is to benchmark promotional strategies with the industry at large by answering questions such as:
  • Do my industry peers increasingly use free shipping promotions?
  • What competitors or industry trends are reshaping the expectations of my target demographic?

• **Brand Alignment**: Ensure your online promotional strategy aligns with your brand values and position. As the pricing chart shows, brands with a higher average price point (traditionally categorized in the luxury segment) leverage promotions sparingly in alignment with the general brand ethos of exclusivity and quality.
D. Automate Units Per Order

Over the past few quarters, the variable of units per order has not changed significantly. The impact of this metric on revenue growth has remained in the range of 1–3%. Brands and retailers have, on average, experienced an improvement of 20–30% for this metric.

In a world where orders are placed with just one or two items, the growth impact from a 20–30% improvement in units per order pales in comparison to other revenue influencers.

**Our recommendation:** As bandwidth and resources spread thinner every day, this is one metric that should be given less mind share.

In fact, this is a great opportunity to invest in automation technologies and artificial intelligence to help improve units per order. Use AI to implement automated cross-sell and upsell strategies that typically improve units per order.

**For more, check out our Implementing AI for Commerce Guide.**
Let’s Drive Continuous Growth Together

Unlock our partnership built on shared success.

With limited resources and mounting pressure to drive growth, brand and retail leaders need a trusted partner aligned to their growth and success.

At Salesforce, we don’t walk away the minute the ink dries on your contract. Our shared success model ensures deep commitment not only to your initial replatforming, but to your long-term growth and innovation. We provide clear tools, services, and support throughout your journey, from organizational readiness to post-launch assessments and ongoing optimization to power future growth.

See a snapshot of critical milestones and discover how Salesforce partners with brands of all sizes to optimize and grow each step of the way.

The benchmarks in this guide provide a glimpse of the advance benchmarking services our team offers. You can tap into this wealth of information to get the most out of your sales data and find actionable insights that will help you optimize the digital experience, make better decisions about merchandising, use AI to gain data-driven insights, and deliver more relevant offers and messages to customers that improve conversions at every micro-moment of the customer journey.

Contact us and let’s see how we can put our powerful, data-driven tools to work for your business.
Methodology

The analysis for this guide is based on aggregate, anonymized shopper behavior data as observed across digital commerce sites on Commerce Cloud.

Revenue growth analysis is based on a subset of the Salesforce Shopping Index data and includes shopping activity from digital commerce sites transacting through H1 2017 and H1 2018, unless otherwise noted.

Traffic and conversion analysis is based on site visit and behavioral data from digital commerce sites operational in H1 2018, globally.

The analysis set accounts for more than 1 billion shopping visits and more than 20 million transactions. This global data set includes results from digital commerce sites across more than 2,500 retail sites that span 37 countries. The top five countries – United States, United Kingdom, Germany, France, and Canada – represent approximately 61% of the sites.
Additional Resources

Expand into new markets.

Markets outside the United States are adopting digital commerce even faster than American shoppers. Geographic expansion can initially be a challenging undertaking, but it can also provide a huge opportunity for growth and revenue. Use this assessment tool to evaluate your global commerce opportunity.

Transform your organization.

To successfully embrace the future of ecommerce, retail and brand leaders must find a way to assess and shift their people, processes, and technologies. True organizational transformation must take place for these efforts to be successful, drive growth, and have a worthwhile ROI. The Retail Operations Canvas can help you take a holistic approach to organizational transformation by focusing on capabilities, decision points, and workflow to reveal impacts and opportunities for change to steer your business down the right path.