



# SHOPPABLE CONTENT

A RETAILER'S CHALLENGE

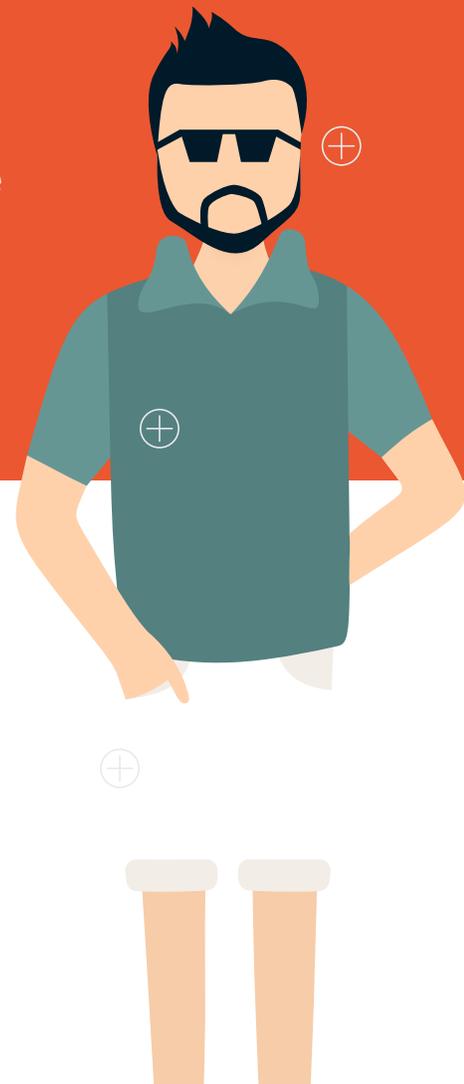


## EXECUTIVE SUMMARY

The ecommerce industry has historically lacked significant data on the nuances of content, and how retailers are tackling it. It is difficult for retailers to make strategic decisions when there are little to no points of reference for comparison, and no benchmarks to set the standard. So we launched a survey to gather this crucial information.

We received feedback from top retailers in the industry, including Williams-Sonoma, Desigual, New Balance, and QVC. We focused our questions on how retailers define various types of content, then where content ranks strategically for the retailer, and how they plan to scale this content. We found three major takeaways:

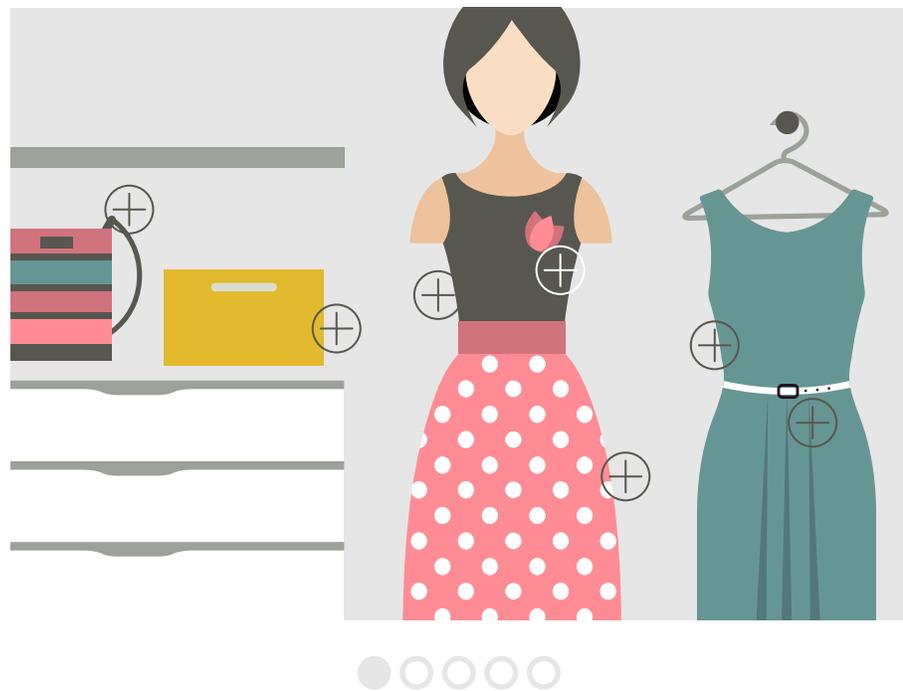
1. Rich, interactive content is a priority for most retailers
2. Retailers are looking for ways to overcome resource restraints
3. Shoppable Content is a game-changing ecommerce trend



## WHAT IS SHOPPABLE CONTENT?

We started the survey by setting a baseline of definitions. In our daily conversations, we have found that retailers use the same words – shoppable content, rich content, interactive experiences – and often mean very different things. Our survey asked retailers how they define shoppable content: 13% of retailers’ definition was a combination of responses, including images that took you to a landing page, and curated media that took you to a landing page. This falls short of our definition of shoppable content, which keeps customers within a digital experience by enabling them to add to cart without leaving the page and going to a grid, landing page, or product detail page. 44% of retailers agree with this. A third of respondents seem to see it as a spectrum, and said “all of the above.”

When we speak of shoppable content, we are referring to the e-commerce experience that all retailers strive for: beautiful, clickable imagery and interactive media with integrated quick views, keeping the customer in the digital experience and a positive emotional state. Shoppable content removes the searching through product pages and replaces it with a sleek, curated experience that seamlessly blends creative and commerce. Consumers are guided to buy organically, within the experience, and the path to purchase is simplified and shortened.



# KEY FINDINGS

## 1 RICH, INTERACTIVE CONTENT IS A PRIORITY FOR MOST RETAILERS

In order to determine how important content truly is to today's top retailers, the survey began by asking what type of content they currently have onsite, versus what they want to produce, to help discern if a gap exists. We found that only 9% actually have a curated lifestyle experience with commerce enablement. This means that over 90% of survey takers do not have shoppable content, and a concerning 26% are limited to flat, static images only. But when asked what sort of content retailers want on their sites, the responses were more encouraging, with 53% answering shoppable content. This dissonance between these

statistics is clear: without their current barriers, retailers would have shoppable content on their websites.

Next we wanted to gauge if the content gap was a priority for retailers to bridge by asking them where content ranks in their 2016 strategic initiatives: 56% responded in their top 5 priorities, while 25% had it as number one. With 81% of retailers designating content as a top priority, the gap between the retailers

who have true shoppable content and those who want it will be bridged in 2016. This data is incredibly telling, proving that retailers are acutely aware of the power of rich shoppable content, and the benefits of a seamless path to purchase, and yet most are lacking it. Why is this?

WHAT KIND OF CONTENT DO YOU MOSTLY HAVE ON YOUR SITE NOW?

**9% SAID SHOPPABLE CONTENT**

WHAT KIND OF CONTENT DO YOU MOSTLY WANT ON YOUR SITE NOW?

**53% SAID SHOPPABLE CONTENT**

WHERE DOES CONTENT RANK IN YOUR 2016 STRATEGIC INITIATIVES?

**81% SAID TOP 5**

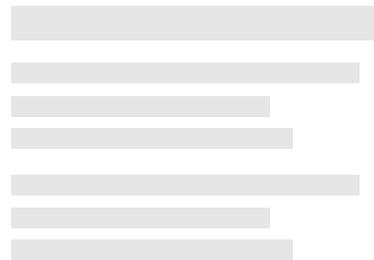
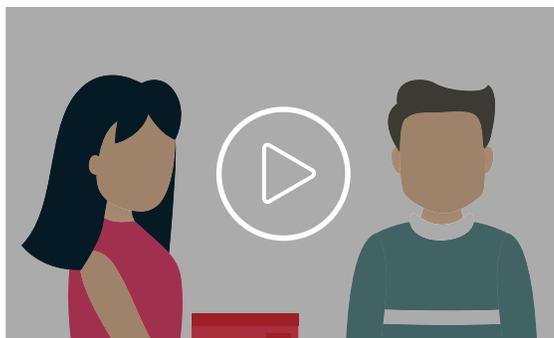


## 2

# RETAILERS LACK RESOURCES TO PRODUCE MORE CONTENT

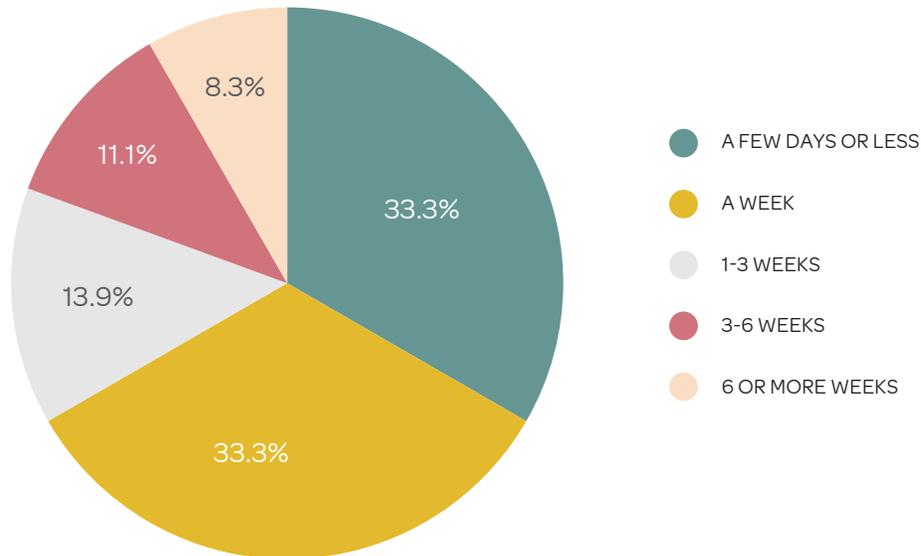
Despite confirming shoppable content as a preeminent trend for 2016, most of the retailers surveyed cannot deliver this level of engagement. Our results point to the usual suspects: time and money.

The main challenge the respondents faced was technical limitations; 36% responded that it was simply too technically challenging to create. It requires a significant back and forth between IT and creative, and retailers rely heavily on developers hand-coding any embedded commerce functionality, resulting in limited designs. This process is so time consuming for retailers, 67% say it takes a week or more to get rich content online, while 19% reported it takes more than three weeks to create and publish rich content. Given the small amount of retailers who have shoppable content, when asking this question we did not specify that the content had to have quick view functionality. This typically requires extensive hand coding, and would therefore lengthen the production process considerably, meaning these metrics are unlikely to factor in this additional development time. When the production process is that drawn out, it's unsurprising that retailers have such a large gap between the content that they have and the content that they want – 53% said that they are only producing 1-2 digital experiences monthly.



Even once retailers had content created, they are limited in their ability to react to changes in inventory, business, or trends. A huge trend this summer was Beyonce's Lemonade album, and without the ability to edit content on the fly, retailers would not have been able to take advantage of this monumental and completely unscheduled event. Consumers expect this sort of topical, fresh content, so the ability to change or edit content is essential. Of those surveyed, 20% said it can take a few days, while 9% said they simply don't make edits, due to how time-consuming the process can be. In many cases, a few days can be too long, especially considering the amount of time and energy involved in the process. This presents a huge issue within the industry. Ecommerce, especially fashion, changes at lightning speeds, and is incredibly reliant on being "of the moment." When content takes more than a day to edit and change, retailers are ultimately left behind. Consumers want fresh content, and it keeps them coming back amongst the stale and standard grids.

## HOW LONG DOES IT TAKE YOU TO GET RICH CONTENT ONLINE? (I.E. INTERACTIVE LOOKBOOKS, GUIDED SELLING TOOLS, ETC)

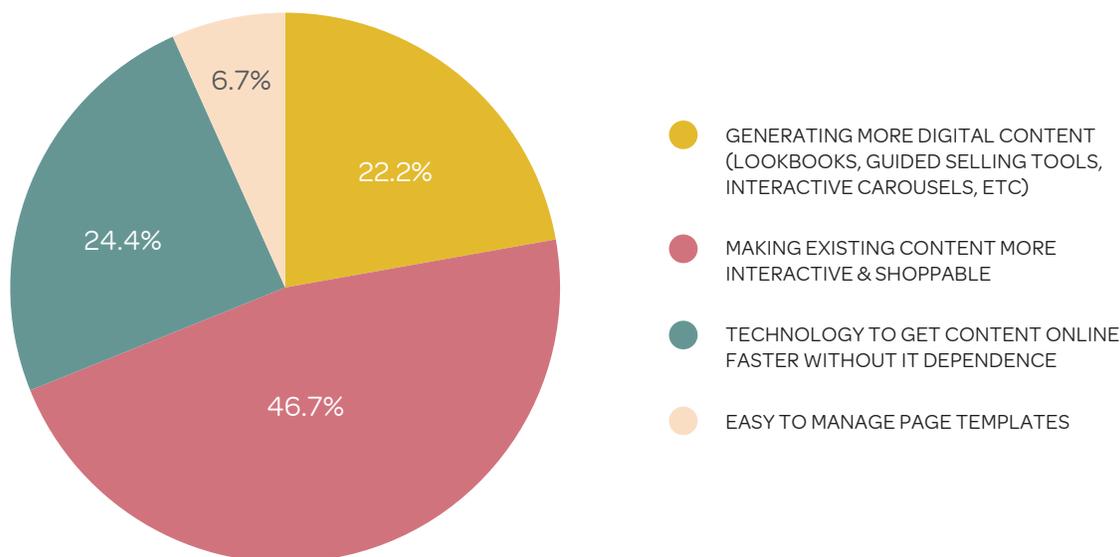


Overall, when asked what the greatest hurdle their team faced to produce more rich content, the majority of our survey takers said it was their limited resources (63%), citing a lack of funds and personnel. Meanwhile, 26% reported that the design process between creative and development takes far too long. When they are constantly going back and forth with design and code edits, it makes production that much more arduous, and ultimately not worth it. This unfortunately results in stale content.

### 3 SHOPPABLE CONTENT IS A GAME-CHANGING ECOMMERCE TREND

Retailers recognize that they need to focus on technologies to decrease the time to get content online. When asked where their focus would be in 2016, 47% answered “making existing content more interactive and shoppable.” Retailers have the imagery and creative available, but they are lacking the resources to truly make it into an experience that is both interactive and commerce enabled, and deliver a smooth purchase path. Meanwhile, 24% answered procuring “technology to get content online faster, without IT.” Again, this statistic points to a conflict between the vision and creativity of marketers and development.

## WHAT IS YOUR MOST IMPORTANT CONTENT FOCUS FOR 2016?



UK retailer Marks & Spencer recently showcased the power of shoppable content on their site. After implementing quick views on their annual vacation digital campaign, the results were staggering: compared to the year before, engagement increased by 90%. Average order value increased by 50%. And revenue increased by 100%. Curating their imagery, which they always were able to produce beautifully, and adding interactivity and shoppability, made a world of difference on their metrics.

Neiman Marcus experienced a similar lift. Adding shoppability to their lookbooks increased their click through rate by 10%, prompting VP of Webstores Peggy Trowbridge to note, "It was a clear miss for us to not enable the customer to shop the lookbooks... [it] was a functional gap."

## CONCLUSION

Shoppable content is no longer an "added bonus." It has evolved into a necessity, a game-changing element that will enable retailers to either pull ahead, or fall behind. Retailers value shoppable content, and as they strive to create impactful digital experiences, many are running up against technology and resource constraints. It comes as no surprise that in the retailer's quest for engaging content, they are looking for tools that give control back to the business or creative user. They want to be able to reduce time to market and quickly respond to trends. This year, retailers are demanding more content and they're betting on technology to help them create it.