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DR MARTENS POSTS STELLAR PERFORMANCE



Dr Martens has recorded revenues of £908.3 million for the year to 31st March, 2022 which is up from £773 million for the previous year. Pre-tax profits have also risen from £69.7 million to £214.3 million.

The business benefited from an 11 per cent rise in its direct to consumer eCommerce activity as well as a strong recovery when its stores were re-opened after pandemic lockdowns. Dr Martens had also opened 24 new stores during the period...

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THE MARKETING SCIENCE PEOPLE



DIRECT
COMMERCE

AWARDS 2022

2022 DIRECT COMMERCE AWARDS SHORTLIST ANNOUNCED

Turn to page 13
to see it in full.

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ANNUAL SUMMIT
23RD JUNE 2022

MILLENNIUM HOTEL CONFERENCE CENTRE - GLOUCESTER RD. - LONDON SW7

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PUBLISHER'S NOTE

The Platinum Jubilee weekend certainly lightened the mood and loosened the purse strings. Bunting flew out of the shops, not to mention the celebration cakes & obligatory bottles of fizz. Shame that most of the bunting and much of the related cheap fripperies were ordered from China though. A country which is rather too cosy with warmongering Russia, whilst having also become principal supplier to many Western businesses of just about everything.

Whilst the weekend might have briefly masked the precarious state of global economies, including ours, and the appalling ongoing atrocities in Ukraine, the repercussions of all of this are far from over. With threats and propaganda continuing to spew from Russia, lily-livered responses from certain EU countries which only have themselves to blame for coming under the fiscal grip of Russia, having become wholly reliant on Russian fuel, it is something of a relief to turn to morris dancing. To street and village hall parties, and Her Majesty waving from the Buckingham House balcony. To that amazing skit with Paddington Bear and be witness to the loyalty of the key members of the Royal family and the British public.

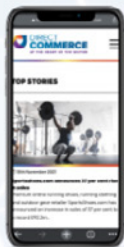
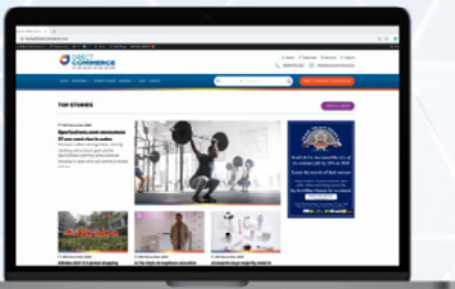
We are far from free of the threats to our way of life and the things we hold dear yet, unbeknown to many of us, we have been and may STILL be filling up with Russian fuel. We are lining the pockets of a country that would sooner wipe us from the face of this earth than admit to defeat. If ever there was a time to make our feelings known and to vote with our feet, this is it.

Let's hope that sense prevails and brings an end to the conflict. Meanwhile, let's ensure that our customers can continue to support us so that we can, in turn, continue to support our teams. Let's also remember to celebrate what is great about our sector and our country. Let's come together to find the best way forward and work together where it makes sense. Let's continue to innovate, to overcome obstacles and to strengthen our resilience. In short, let's stay true to our ideals and win against those who would do us and our allies harm.

Hoping to see many of you in person in London on June 23rd at the DCA Annual Summit and the Direct Commerce Awards – Millennium Gloucester Rd. There's full information on all of this further on in this issue.

JRH

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Missguided assets sold to Frasers

Frasers has acquired all of the related IP of Missguided in a deal valued at £20 million from administrators Teneo. Missguided was founded by Nitin Passi in 2009, capitalising on...

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B&M names new CEO

Discount variety store chain B&M which reported £4.67bn sales for the year to March, has announced the promotion of its CFO Alex Russo to the role of CEO, succeeding one of its founders...

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The Range TV to launch via Ideal World

Value retail chain The Range is to launch The Range TV in partnership with Ideal World TV. The partnership will enable The Range to livestream product demonstrations on social channels...

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M&S turns the corner

Online sales were up by 55.6 per cent at M&S for the year ended 2nd April 2022 and there was also 3.8 per cent growth in clothing and home sales following a period of transformation to bring the...

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Hornby secures funding for expansion

Business is firmly back on the rails at toy manufacturer Hornby. The firm, which was founded in 1901, has secured a £12m combined facility from Secure Trust Bank Commercial Finance...

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Smurfit acquires Atlas Packaging

Smurfit Kappa has acquired corrugated packaging specialist Atlas Packaging which is a supplier of gift boxing and related products to the retail and eCommerce sector...

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Unbound Group partners with Mirakl

Unbound Group plc has announced that its curated online multi-brand retail platform will be powered by Mirakl, the industry's first and most advanced enterprise...

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Strong Q1 for Kingfisher in UK & Ireland

Kingfisher has posted revenues of £1.568bn for its first quarter to 30 April '22, for the UK & Ireland. Of the total generated, B&Q contributed £996m and Screwfix £572m...

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Moonpig to acquire Smartbox Group

Moonpig has announced its intent to acquire Smartbox Group UK, the owner of Buyagift and Red Letter Days for £124 million. This will deliver some 3.3 million customers...

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Next Q1 sees increase in sales

Next has reported satisfactory first-quarter results with sales up by 21.3 per cent overall and has maintained its profit guidance. Store sales were 285 per cent up over last year...

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White Company agrees 5 year fulfilment contract

The White Company (TWC) has awarded a five year contract to Wincanton to cover multichannel fulfilment services. The contract comes into immediate operation and includes Wincanton...

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Wolseley makes acquisition

Wolseley UK has made an acquisition of a group of businesses in the Republic of Ireland to extend its reach. Completion of the transaction is subject to clearance from the...

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Fat Face on the block

Fat Face which was taken over by its lenders in a debt for equity deal is now understood to be seeking a buyer. Reports are that the retailer has appointed Rothschild to explore its...

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Revenue drop posted by N Brown Group

For the year ended 26 February 2022, N Brown Group has posted group revenue of £715.7 million which is down from £728.8 million for the prior year. Product revenue was down by 0.6...

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Joules CEO to step down

Nick Jones who has held the CEO role at Joules for the past three years is to leave the business. The news, accompanied by a profit warning for the 13 weeks to 1st May, caused a share price crash...

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Frugi to work with Circular Textiles Foundation

Ethical childrenswear brand Frugi is to work with the Circular Textiles Foundation (CTF) as it creates a range of fully recyclable clothing for its spring/summer 2023 collection...

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Superdry increases revenues

Superdry has posted improved group revenue of £600.7 million for the full year to April 23rd, 2022. Stores contributed £224.5 million of this and online channels delivered £153.4...

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New DC for Crafter's Companion

Paper crafts product retailer Crafter's Companion has begun to take up occupation of a new distribution centre, in Newton Aycliffe, close to its existing HQ building...

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5 STEPS RETAILERS AND DISTRIBUTORS CAN TAKE TO INCREASE PROFITABILITY IN 2022



BY IAN ROBERTSON, SALES AND MARKETING DIRECTOR, BRIGHTBRIDGE

VIEW ONLINE

It's been boom or bust for retailers over the past few years. The pandemic accelerated consumer growth in online shopping, and brands that were poised to offer a slick, seamless experience reaped rewards with customers returning time and again. A certain global online giant has raised expectations for effortless purchases, minimal clicks, flexible delivery and a hassle-free returns process.

As we transition to a future where in-store is back, but consumer mindsets have changed, both on and offline experiences must be perfect. The goal isn't just to stand still, it's to make a profit, that's why we're all here.

Recent research found that [88% of CEOs in retail are optimistic sales will rise in 2022](#). Confidence helps, but what tangible steps can retailers and distributors take to increase profitability?

UNDERSTAND WHAT YOUR TARGET MARKET WANTS, WHEN AND HOW, AND MAKE SURE YOU'RE DELIVERING IT

Accept the retail market has changed. Simply assuming you can go back to what you were doing two years ago to the same demographic is naïve. With increased competition, those that are delivering exactly what their customers want, and how they want it, will be the ones reaping rewards. Regular evaluation is vital to stay one step ahead.

Customers are now living in an omnichannel world – purchasing in-store, online, via apps, through social commerce and even via smart speakers. Ensure you understand which of these channels they are using to purchase your products or services. You also need to know if there are options customers want but you don't offer them – your competitor might. Monitor

trends across all touchpoints to avoid falling behind and act swiftly; for example, is your returns process simple, can customers buy now and pay later and is a general marketing email cutting through?

AUDIT YOUR EXISTING TECH

Remember, technology is there to help not hinder. [One report found that workplace technology failures could cost UK companies £35 billion per year](#).

If you're using multiple platforms – for your CRM, warehouse management, in-store transactions, you're just making life harder for staff and the consumer. Are the platforms you use current and fit for purpose? Has your CRM been amended so many times it's a total mess? Consider if you have legacy systems left over from an old supplier relationship or have computers that use a different operating platform to team's devices. The audit process may feel like a big undertaking, but it will be worth it.

We've all known someone who boasts that once they've flown business class, they can't go back to economy. Apply that to your customers – once they've had a seamless retail experience, expectations are lifted, and it's hard to go back. While it's not a recent study, [Microsoft concluded more than 90% of consumers would consider taking](#)

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SUPPORTED CONTENT

[their business elsewhere](#) rather than work with a company that used outdated technology.

Remember to keep teams involved with the evaluation process – they may have valuable insight on what works and what doesn't from a staff and a customer perspective but may have never felt comfortable sharing feedback.

CONSIDER OVERHAULING YOUR BUSINESS ARCHITECTURE

The initial input may sting but as soon as you understand how tech is holding you back, and how you can address it, it can be empowering. Contemporary solutions are designed to make communication with customers and distribution processes easier, not more convoluted, and in fact often provide automated solutions to those routine, time-consuming and sometimes daunting tasks.

There are solutions that can bring together many disparate business functions and software on to one cloud-based platform, such as Microsoft Dynamics 365, which has superior AI features that can personalise the user experience. And for the warehousing arena, there's Oracle NetSuite, which includes [intelligent supply allocation features](#) and sophisticated inventory tracking. These elements keep the customer informed at all stages of the buying process and the business informed of pretty much everything, all in real-time. Should you already be thinking 'but we can't do without this or that software', then there are also API solutions, like Jitterbit, that becomes the filling in the ERP and in-house system to ensure all data is integrated.

INVEST IN TRAINING

Not only will fit-for-purpose technology help the bottom line, but it can have a more holistic impact. Staff who are frustrated by inefficient systems will feel their voices are being heard. Their job will be easier due to more user-friendly, intuitive process, which will increase their motivation, leading to greater productivity.

However, where this falls down is if you don't invest in training. You can't simply 'set and forget'. We're all

human, and you may find if staff struggle to use the new system properly they may go back to relying on old methods they feel more comfortable using. There may also be concerns that the new technology is a threat to staff's job security, so keep communication channels open and ensure any fears are addressed, before motivation is impacted.

Crucially, for the software investment to be worthwhile, all must be on board, so make sure staff have been consulted at every stage of the process, rather than decisions made exclusively by senior leaders. And invest in a comprehensive programme from an expert.

FOCUS ON CUSTOMER SERVICE

Once you have the technology securely integrated, make the most of it! How can you use the new solution to maximum effectiveness? From a CRM perspective, it's all about personalisation. The system should track all purchase behaviour, open and click rates of all communications activity, and store this together in a central dashboard. Utilise the user-friendly analytical tools to identify customer preferences – don't keep sending e-communications with the same format / time / content if they aren't getting the response you want. CRM systems can be smart – it's not about historical customer behaviour but predicting the future. By knowing what they want, and when, personalisation becomes even more valuable.

Utilising sophisticated technology for your distribution channel is not just about tracking stock, it's about maximising the customer experience too. What the growth of online shopping has shown us is that people want to know when to expect their purchases, and have little tolerance for inconvenience, inaccuracy or unreliable communications.

The direct commerce sector faces external challenges of which they have no control, by focusing on the elements that can be controlled such as the customer experience and distribution chain, they'll be in a stronger position to see profit in 2022.

Ian Robertson is the Sales and Marketing Director of [BrightBridge](#), a UK-based technology consultancy offering Oracle NetSuite and Microsoft Dynamics 365 solutions. Ian has over 30 years of experience in ERP and CRM implementations. Prior to forming BrightBridge, Ian worked for a major US IT corporation, where he acquired a depth of knowledge around time saving efficiencies through technological integration and automation.
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Q & A WITH... SEVERINE THIRION FROM ASPACE



BY CLAIRE HART, ASSOCIATE CONTRIBUTOR, DIRECT COMMERCE MAGAZINE

VIEW ONLINE



Located in the heart of Wiltshire, leading children's furniture specialist, Aspace can attribute their current success to Severine Thirion and Caspar Williams; two good friends who joined forces to take the original company out of liquidation in 2016 and who have now built it into an award-winning brand.

Q: HOW DOES A FRENCH WOMAN WITH AN AMERICAN MASTER'S DEGREE END UP WORKING IN WILTSHIRE?

A: Well I originally came to England through a Town Twinning experience between my hometown of Chateau-Gontier in West of France, and Frome in Somerset. I met my husband whilst I was over here and given that I was better at languages, we agreed I should stay here in the UK. The rest, as they say, is history!

Having completed a Master's degree in Business and Languages at Pennsylvania State University, I settled in the West Country and worked with Publishers Butler & Tanner and then a large PVC manufacturer as their sales representative in Europe.

By 2003, I had a young family and needed a job that involved less time on the road, so I started working at Aspace, soon after it was set up.

It should be noted Aspace was established one year previously in 2002 and was at the vanguard of designing and manufacturing products with direct links to factories here in the UK as well as across Europe and the Far East, in addition to supplying retail customers such as John Lewis and Mothercare. During this time, the brand developed many of the exclusive ranges of Children's furniture it sells today.

Severine explained: "Good customer service is something that I am very passionate about! So, before I went for the interview, I called up, pretending to be a customer. I was not at all impressed by the lack of help or engagement I received. I had no hesitation in sharing this disappointing experience during my interview. I knew that I could do so much better!"

Fortunately, the company had the foresight to employ her and Severine worked in several positions,

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including Customer service, Warehousing, and Operations and HR. “In those early days, there was no website and sales were based on catalogues and telephone only. Later as we grew, we bought data from Abacus and Experian and undertook a lot of Direct Mail.”

Q: ASPACE USED TO BE A MUCH BIGGER COMPANY- WHAT HAPPENED?

A: In their heyday, before the financial crash of 2008, Aspace had around 120 staff, with 25 of those in warehousing and 20 or so in customer service. Unfortunately, the margins were narrow and there was a disconnect between the quality and high standard of their products, which should have commanded a premium price, versus the discounting they started to offer, trying to compete against new competitors. Offers of 30 per cent for online orders were just not sustainable.

They also operated seven retail outlets in London, including Notting Hill, Fulham, Chiswick and additional shops in Tunbridge Wells and Guildford, which were all leaching out profits. Added to that, Mothercare, a major former client, had also ceased trading and the cost of logistics continued to increase.

Q: WHEN DID YOU TAKE OVER?

A: In 2016 the company finally went into liquidation. Caspar, who was the former chairman having originally joined the company in 2012, stepped in to take the helm in equal partnership with me. Between us, we set out to revitalise and relaunch the Aspace brand. Our skill sets compliment each other. Both of us share a strong commitment and passion for the Aspace brand; the products we sell, the customers we serve and the dedicated smaller team of 10 that we still have behind us, who help to make it all happen.

Q: SO WHAT IS THE NEW COMPANY ETHOS AND WHAT SETS YOU APART?

A: Our collections are all exclusive to us with a focus on quality, durability and adaptability. We source from local suppliers in Wiltshire and Somerset, as well as internationally including Portugal, Poland and the Far East. We are big supporters of British manufacturing as this gives us the flexibility to

offer our customers bespoke and customisable furniture in addition to our exclusive collections. From bunk beds and furniture to accessories and mattresses our furniture is designed to last from one generation to the next.

We operate an in-stock model with above 80 per cent of our items in stock. We deliver to our customers within a week of placing their order in most cases. This strategy was key during the last lock-downs.

Our manufacturing specification is very exacting. No Cam-Bolts for us here! We specify beech/oak or hardwood and have a collaborative relationship with our suppliers. We expect our furniture to last for 2 or 3 generations, so it does tend to be a one-off sale per household. We constantly need to attract new customers.

During lockdown we gained a lot of new customers with sales increasing by around 25 per cent. Living and working at home made them more aware of their living areas and gave rise to re-modelling and re-vamping. Parents realised that children being home schooled needed better home study areas and desks for example.

Q: WHAT ABOUT ASPACE STORES TODAY?

A: Funny, you should ask. We are extremely excited to announce that we have just opened a showroom space in Bruton, Somerset. We have partnered with Smouk Interiors (who specializes in crafted rugs and textiles). It has been so amazing to finally meet our customers in person and listen to their likes and dislikes! We are learning so much every day. It has taught us that retail can work with carefully curated brands. We are loving it here in Bruton!

Q: HOW IS YOUR IS YOUR MARKETING MIX DELIVERED?

A: We sell around 70 per cent of our furniture online with the rest via telephone.

We drive website traffic via dedicated PPC campaigns, social media and using influencers. We also outsource graphic design and SEO/website and PPC management. That is the beauty of people being able to work from home. Our email marketing has been ‘OK’, but is being re-vamped this year focusing, on doing better with more personalised



campaigns. We do not undertake any off-the-page advertising.

We have collaborated with the Watergate Bay Hotel in Cornwall, where we fitted out their bedrooms. We also have a strong relationship with Abi caravans where we have supplied them with many bunks for their high-end caravans.

We no longer have printed catalogues. I recall the company spending over £1 million on print back in the day. We will be looking at inserts and A4 leaflets in the last quarter of this year, aiming to be as targeted as possible, to young families and parents with babies.

Q: HOW DO YOU MEASURE YOUR SUCCESS?

A: We have amazing testimonials from our clients and that feedback is very important to us.

Many of our leads come from personal recommendations or through the role of influencers. Customers have included David and Victoria Beckham and the residents at number 11 Downing Street George Osbourne, Dylan Hartley, Roger Black, Mel C....

We are also delighted to shout about several award wins we have under our belt. We are immensely proud to have received the highest recognition for customer excellence; Feefo's Gold and now Platinum Trusted Service Award in 2018, 2019, 2020 and 2021. In the same two years, we also gained recognition from Direct Commerce, by being awarded 'best children's retailer'.

We are very much looking forward to the More2 Direct Commerce Awards on 23rd June at the Millennium Hotel, in London, in

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person this year. We hope that we can pull it off again!

Q: WHAT IS THE SECRET TO YOUR SUCCESS?

A: I admit that I do question and challenge everything! I will ask – is this the best way? I also never give up! My advice in business is to surround yourself by a great team. As a small company, we rely on good communication between us all and we are always there for each other. Mutual support and trust is invaluable.

I feel that is also very much the case with fellow members of the DCA. It is very easy to reach out and ask for advice. It is a very helpful community.

I love reading about other people’s challenges too.

Q: WHAT IS NEW ON THE HORIZON?

A: The current age range of our customers is 2 to 12 years. Clearly, there is an opening from birth upwards. This is why we are excited to have just launched a capsule nursery range including a quality cotbed – a baby cot that will then convert into a bed as the child grows up. We know it’s important for parents to invest in flexible and sustainable furniture. Hence our slogan: “Designed for Today’s Family.”

With additional nursery products on the horizon to expand the new range, we’re really excited to get stuck into this new market and bring people into the Aspace family earlier.



SHORTLISTED ENTRANTS

Aspace	Bird & Blend Tea Co	Brand Alley	Butterflies Eyecare	CityLit in partnership with Williams Commerce
Craft Gin Club	Cyberjammies	Drinkstuff	Fairfax & Favor	Fife Country in partnership with DJH Advertising
Forest Holidays	French Bedroom Company	Fruugo	Furniturebox	Gardening Naturally
Granby Marketing Services	Herman Miller in partnership with Infinity Nation	Hippyckick	Home Leisure Direct	Hotter Shoes
Huboo Technologies	Ideal World TV	Intersoft	John Smedley in partnership with Williams Commerce	Lamberts Healthcare
Mail Handling International	MOOT group	Natusan in partnership with Join The Dots	Office Power	Online4Baby
Paleo Ridge	Posturite	PPP Taking Care	ProCook	Rarewaves in partnership with Whistl Fulfilment
Red Paddle Co	Ricoh	Scotts & Co	Soletrader in partnership with Americaneagle.com	Sophie Allport
Sport Pursuit in partnership with Whistl Fulfilment	STRYKK in partnership with Infinity Nation	Thane Direct in partnership with Whistl Fulfilment	The Courtauld in partnership with Un.titled (part of Williams Commerce)	Tiger
UniFida	Watco	Weird Fish	WoolOvers	Wyse London



See who wins what at the More2
Direct Commerce Awards presentation dinner on
23rd June 6.45pm - midnight, London SW7



The Awards will be presented by Shaun Williamson, best known for playing 'Barry Evans' in Eastenders from 1994-2004 and he has appeared in a number of West End Musicals.

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L'ORÉAL BEAUTY TECH DATA PLATFORM - A DATA STORY OF TERABYTES AND SERVERLESS

VIEW ONLINE

L'Oréal was born out of science. For over 100 years, it has shaped the future of beauty, and taken its eternal quest to new horizons. This has earned it the current position as the world's uncontested beauty leader (~€ 32 B annual sales in 2021), present in 150 countries with over 85,000 employees.

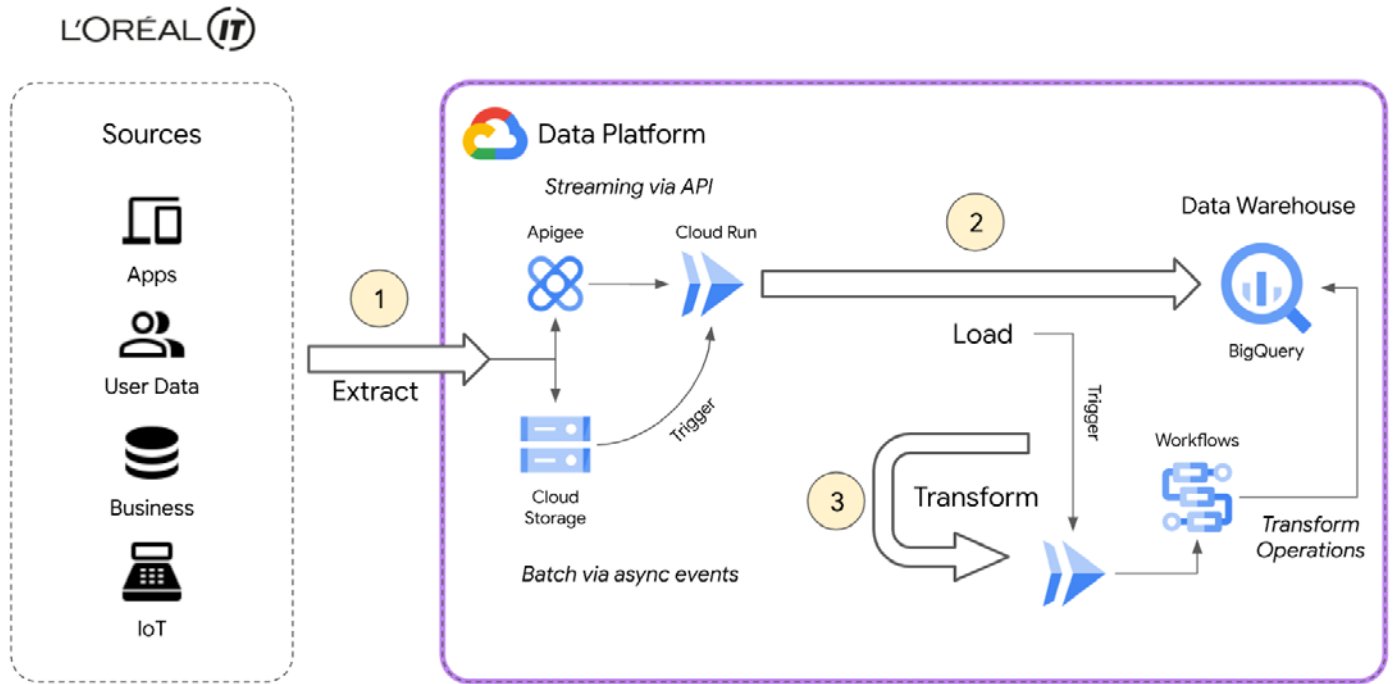
Today, with the power of its game-changing science, multiplied by cutting-edge technologies, it continues its lifelong journey of shaping the future of beauty. As a Beauty Tech company, it leverages its decades-long heritage of rich data assets to empower decision-making with instant, sophisticated analysis.

Because it oversees global brands, which must adapt to local requirements, it needs to maintain a deep understanding of what a brands' data represents, while managing disparate legal and regulatory requirements for different countries. The end goal is to run a safe, compliant and sustainable data warehouse as efficiently and effectively as possible.

It syncs and aggregates internal and external data from a wide variety of sources across organisations and retail stores. This made the management of its data warehouse infrastructure very complex and hard to manage before Google Cloud. L'Oréal's footprint was so large that it had found it impossible to have a standardised method to handle data. Every process was vendor-specific, and the infrastructure was brittle. It went looking for a solution to its complex data infrastructure needs, and defined the following non-negotiable principles:

- **No Ops:** The job of a developer at L'Oréal is not to manage servers. We need an elastic infrastructure that scales on demand, so that our developers can focus on delivering customised and inclusive beauty experiences to all consumers, rather than focusing on managing servers.
- **Secure:** We have strict security and compliance requirements which vary by country, and we employ a zero-trust security strategy. We must keep both our own internal data and customer data safe and encrypted.
- **Sustainable:** Our data lives in multiple environments, including on-prem data centres and public cloud services. We must be able to securely access and analyse this data while minimising the complexity and environmental impact of moving and duplicating data.

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- **End-to-end supervision:** Because developers shouldn't be managing servers, we need a "single pane of glass" dashboard to monitor and triage the system if something goes wrong.
- **Easy-to-deploy:** Deploying code safely should not compromise velocity. We are constantly developing innovations that push the boundaries of science and reinvent beauty rituals. We need integrated tools to make our code deployment process seamless and safe.
- **Event-driven architecture:** Our data is used globally by research, product, business and engineering teams with high expectations on data quality and timeliness. Many of our internal processes and analysis are based on near real-time data.
- **Data products delivered "as a service":** We want to empower our employees to drive business value at record speed. To that end, we need solutions that enable us to remove the developers from the critical path of solution delivery as much as possible.
- **Extract-load-transform (ELT):** Our goal is to implement the pattern to load data as soon as possible into the data warehouse to take advantage of SQL transformations.

After considering multiple vendors on the market, with these principles in mind, we landed on end-to-

end Google Cloud serverless and data tooling. We were already using Google Cloud for a few processes, including BigQuery, and loved the experience.

We've now expanded our use of Google Cloud to fully support the L'Oréal Beauty Tech Data Platform.

L'Oréal's Beauty Tech Data Platform incorporates data from two types of sources: directly via API, which is data that adapts easily to our schema and is inserted directly into BigQuery, and bulk data from integrations, which require event-driven transformations using Eventarc mechanisms. These transformations are performed in Cloud Run and Cloud Functions (2nd gen), or directly in SQL. With Google Cloud, we can adapt very quickly.

Today, we currently have 8500 flows for ~5000 users using the native zero-trust capabilities offered by Google Cloud. Indeed, the flows come from Google Cloud and other third-party services.

BigQuery enabled us to adopt standard SQL as our universal language in our data warehouse and meet all expectations for queries and reporting. We were also able to load original data using features like federated queries, and efficiently transitioned from ETL to ELT data ingestion by handling semi-structured data with SQL. This approach of loading

"... these services' pay-as-you-go model perfectly aligns with L'Oréal's strategy of only paying for something when you use it."

original data from sources into BigQuery with non-destructive transformations allows us to reprocess data for new use-cases easily, directly within BigQuery.

Our applications are hosted on multiple environments – on-premises, in Google Cloud, and in other public clouds. This made it difficult for our data engineers and analysts to natively analyse data across clouds until we started using BigQuery Omni. This capability of BigQuery allowed us to globally access and analyse data across clouds through a single pane of glass using the native BigQuery user interface itself. Without BigQuery Omni, it would've been impossible for our teams to natively do cross-cloud analytics. Moreover, it eliminated the need for us to move sensitive data, which is not only expensive because of local tax and subsea transport, but also incredibly risky – sometimes even forbidden – because of local regulations.

Today Google Cloud powers our Beauty Tech Data Platform, which stores 100TB of production data in BigQuery and processes 20TB of data each month. We have more than 8000 governed datasets, and 2 millions of BigQuery tables coming from multiple data sources such as Salesforce, SAP, Microsoft, and Google Ads.

For more complex transformations where custom and specific libraries are required, Cloud Workflows help us to manage the complexity very efficiently by orchestrating steps in containers through Cloud Run, Cloud Functions and even BigQuery jobs — the most used way to transform and add value to the L'Oréal data.

Additionally, by using BigQuery and Google Cloud's serverless compute for API ingestion, bulk data

loading, and post-loading transformations, we can keep the entire system in a single boundary of trust at a fraction of the cost. With ingest, queries, and transformations all being fully elastic and on-demand, we no longer have to perform capacity planning for either the compute or analytics components of the system. And of course these services' pay-as-you-go model perfectly aligns with L'Oréal's strategy of only paying for something when you use it.

Google Cloud fulfilled the requirements of our Beauty Tech Data Platform. And as if offering us a no-ops, secure, easy-to-deploy, custom-development free, event-based platform with end-to-end supervision wasn't enough, Google Cloud also helped us with our sustainability efforts.

Being able to measure and understand the environmental footprint of our public cloud usage is also a key part of our sustainable tech roadmap. With Google Cloud Carbon Footprint, we can easily see the impact of our sustainable infrastructure approach and architecture principles. Our Beauty Tech platform is a strategic ambition for L'Oréal: inventing the beauty products of the future while becoming the company of the future.

Sustainable tech is an imperative and a very important step towards this ambition of creating responsible beauty for our consumers, and sustainable-by-design tech services for our employees. We all have a role to play, and by joining forces, we can have a positive impact.

Google Cloud's data ecosystem and serverless tools are highly complementary, and made it possible to build a next-generation data analytics platform that met all our needs.

From 08.30 REGISTRATION & WELCOME COFFEE

09.15 – 09.55

The year that was what's next

ORCHARD 1
Nigel Swabey, Chairman Emeritus, DCA & CEO, Scotts & Co; Shona Jameson, CMO, Cotton Traders; Graham Winn, Director, Fragrance Direct & Richard Bell, CEO, Sophie Allport
 Join our panel & hear their views on the rollercoaster year we've all had. What's their take on current trading conditions? What do they think we need to focus on to keep our businesses on track.

10.00 – 10.30 CHOOSE FROM

5 secrets of growth marketing your agency won't tell you...

ORCHARD 1
Hannah Fairclough, Customer Growth Specialist, former Brand Lead, John Lewis
 How do you scale in the face of tough economic times, global unrest and climate change? How do you build a strong brand and an even stronger customer base?

Online Marketplaces – What's next?

ORCHARD 2
Chaired by Claire Hart, Direct Commerce Magazine
Håkan Thy, Chief Revenue Officer, Fruugo; Lubin Hoque, Spryker; Robert Bassett, eBay Channel Manager, Optimizon
 Are marketplaces the future for growing ambitious brands? How can we protect our brand IP in the marketplace environment? How can we sell on more than just price? How can we leverage marketplaces to reach new customers in new territories? How can we manage marketplace trading more efficiently? Should we be looking to develop our own marketplaces? Join this session to hear some interesting points of view & get your questions answered.

Beyond GDPR

SENTOSA TABLE 1
Rob Bielby, GDPR Consultant
 Pull up a chair and learn about the latest changes to data legislation and how it could affect your business. What you need to know about and how to prepare for what's coming next. Field your questions freely to access honest advice.

10.35– 11.05 CHOOSE FROM

Think customer, not campaign: putting people at the heart of your marketing strategy

ORCHARD 1
David Lockwood, Co-Founder & Analytics Director, Tapestry Agency & Lauren Juster, Sales and Marketing Director, Biscuiteers
 Lauren and David will show how Biscuiteers' embarked on its journey to becoming an agile, customer-centric marketing organisation by putting people at the centre and used data to deliver a customer-based measurement approach to drive its activity.

Planning customer service around customer needs

ORCHARD 2
Elaine Lee, Managing Director, ReynoldsBusbyLee
 In today's market customer service delivery is a key challenge facing almost every organisation - how do we ensure that quality customer service is accessible to all? This session explores how we begin to rise to the challenge and deliver fully inclusive customer service.

WORKSHOP 1 running from 10.35-13.20

Prebooking is required for this workshop

How to optimise content for marketplaces in 2022

MARINA
Mel Henson, Head of Creative, Optimizon
 Creating a listing on marketplaces such as Amazon and eBay is easy. However, getting it right is not (unless you know how). In this fast-paced workshop, packed with examples and interactive exercises, two copywriting experts will take you through the steps to create winning content on Amazon to help you beat the competition today and tomorrow.

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11.05 – 11.35 COFFEE & NETWORKING - SENTOSA

11.40 – 12.10 CHOOSE FROM

ORCHARD 1	<p>Live Interview with Nick Wheeler, Founder & Chairman, Charles Tyrwhitt The interview will be conducted by Claire Hart, Direct Commerce Magazine</p> <hr/> <p>How your brand can drive your success in 2022 Jonathan Alder, Managing Director, Alder and Alder</p>
ORCHARD 2	<p>This session is for decision makers who want to make an impact in 2022 (and beyond). It will look at the role that brand can play in driving business success, and the opportunities business leaders have to influence that process.</p> <hr/> <p>Shipping Goods from UK to Europe Michael Boulton, Managing Director International & Steve Bennet, Head of International Sales, Whistl</p>
SENTOSA TABLE 1	<p>IOSS and Impact of IOSS on UK Businesses shipping to the EU Shipping – benefits and disadvantages using DDP for the EU (Delivery Duty Paid) Shipping - benefits and disadvantages of using DDU for the EU (Delivery Duty Unpaid) Impact on Export volumes post Brexit EU vs ROW The Impact of excess shipping costs in the backdrop of BREXIT, COVID and Ukraine (the perfect storm)</p> <hr/> <p>WORKSHOP 1 (continued) Prebooking is required for this workshop How to optimise content for marketplaces in 2022 Mel Henson, Head of Creative, Optimizon</p>
MARINA	<p>WORKSHOP 1 (continued) Prebooking is required for this workshop How to optimise content for marketplaces in 2022 Mel Henson, Head of Creative, Optimizon</p>

12.15 – 12.45 CHOOSE FROM

ORCHARD 1	<p>Buying & Merchandising Survival Tactics Samm Swain, Product & Merchandise Consultant, former Buying & Merchandising Director, Lakeland</p> <p>After 30 years in Buying & Merchandising I've seen my fair share of problems. From a beached ship containing my best selling tableware, to a factory fire; from selling a season's estimate in a day, to the many issues arising from Covid. Join me to hear about my survival tactics and what you can do to ride the storm.</p> <hr/> <p>Knowing what customers want, before they do John Meaden, Founder & Managing Director, Boards360 and ex Marketing Director, Toolstation</p>
ORCHARD 2	<p>Having spent 20 years delivering double digit growth for B2B and B2C businesses, John will share insights into developing a truly customer-centric, data driven approach which delivers results.</p> <hr/> <p>Own Warehouse vs 3PL – which is best for you? James Hayes, Business Development Director, Whistl</p>
SENTOSA TABLE 1	<p>Choosing to manage your warehouse yourself or to outsource is a common question in eCommerce. This round table will explore the pros and cons of each to help you identify if you should paddle your own canoe or let someone else steer your ship!"</p> <hr/> <p>WORKSHOP 1 (continued) Prebooking is required for this workshop How to optimise content for marketplaces in 2022 Mel Henson, Head of Creative, Optimizon</p>
MARINA	<p>WORKSHOP 1 (continued) Prebooking is required for this workshop How to optimise content for marketplaces in 2022 Mel Henson, Head of Creative, Optimizon</p>

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12.50 – 13.20 CHOOSE FROM

ORCHARD 1	<p>One marketing budget, many channels - how omnichannel attribution optimises these Jo Young, Client Director UniFida & Sarah Watson, CEO, Wentworth Wooden Puzzles For companies that use a range of channels, it is challenging to understand how channels interact and the optimal mix of marketing.</p>
ORCHARD 2	<p>Delivering superlative customer service Elaine Lee, Managing Director, ReynoldsBusbyLee; Mark Mainstone, Technology & Business Services Director, The Folio Society; Alex Pratt, Founder, Serious Brands & Stuart Lally, CEO, Mango Direct Marketing Customers these days expect great service and responsive retailers are always looking to improve. In a world which has seen many businesses (still) using the pandemic as an excuse to cut their CS costs, those who acknowledge that great customer service is every bit as important as the ranges they sell have the advantage. Draw up a seat to find out what your CS policy and team can do to win the hearts and loyalty of your customers.</p>
SENTOSA TABLE 1	<p>Practical strategies to navigating the ever-changing print & paper market Bridget Petty, Director & Sarah Stott, Head of Sales at JPS Over the last couple of years, hundreds of thousands of tonnes of paper have been taken out of production, mills have closed or re-purposed into manufacture of packaging materials. In this session we will look at how to secure your supply, mitigate escalating costs and build stronger supplier relationships.</p>
MARINA	<p>WORKSHOP 1 (continued) Prebooking is required for this workshop How to optimise content for marketplaces in 2022 Mel Henson, Head of Creative, Optimizon</p>

13.20 – 14.20 LUNCH & NETWORKING - SENTOSA

14.25 – 14.55 CHOOSE FROM

ORCHARD 1	<p>Starting with the customer - putting first party data to work Chris Simpson, CMO & Digital Director, more2 & Victoria Betts, CCO, Unbound Group Victoria Betts, Chief Commercial Officer at Unbound Group PLC, will join Chris Simpson, CMO and Digital Director at more2 to share how the business has made their 1st party customer data work harder to drive results. From winning the right auctions to delivering a more personalised experience, we'll hear how the group continues to innovate by starting with the customer.</p>
ORCHARD 2	<p>Your sustainable future Georgie Hopkin, Consultant, Oakdene Hollins & Founding Director Myakka Sustainable Development Goals, Net Zero, Circular Economy, Regeneration, B Corp, the Just Transition... we all know we need to become more sustainable but what does it really mean for you and your business?</p>
MARINA	<p>WORKSHOP 2 running from 14.25-16.00 Prebooking is required for this workshop Leveraging Lower Cost Print to Drive Web Sales Norman Revill, Print Consultant The print & paper market has changed dramatically over the past few years and has forced something of a rethink of our use of print. In this workshop Norman will first provide a thorough grounding in the basics of print and the current market. He'll then explore cost-effective format options using current samples, as well as offer delegates the opportunity to have their own recent print work reviewed & questions answered.</p>

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15.00 – 15.30 CHOOSE FROM

- ORCHARD 1** **3 Make or Break Moments for Customer Loyalty**
Lauren Ackerman, VP Client Strategy, J Schmid
Lauren will be presenting live from the USA
Keeping customers coming back is the key to a healthy business. While points-based loyalty programs are the norm they aren't the whole picture. Join Lauren as she shares 3 key make or break moments for customer loyalty
- ORCHARD 2** **Mission Possible: reducing your business impact**
Georgie Hopkins, Consultant, Oakdene Hollins & Founding Director, Myakka; Adam Hall, Head of Sustainability, Internet Fusion; Ben Dreyer, Sustainability and Operations Director, Boden & Emma Barlow, Founder, Lighthouse Sustainability
In this session, Georgie and our panel will explore some of the exciting innovations that businesses are putting into practice on their journey to becoming more sustainable.
- MARINA** **WORKSHOP 2 (continued)**
Prebooking is required for this workshop
Leveraging Lower Cost Print to Drive Web Sales
Norman Revill, Print Consultant

15.35 – 16.00 COFFEE & NETWORKING - SENTOSA

16.00 – 16.30

- ORCHARD 1** **Just when you thought it was safe to get back in the water... just what should be in your marketing strategy this year?**
Chloe Thomas, Managing Director, eCommerce Masterplan
In this session best selling author and award winning podcast host Chloe Thomas will be (attempting) to make sense of it all for you! Highlighting the trends you actually need to care about, sharing case studies of brands doing it well right now, and hopefully making everyone feel a little happier than this description suggests!

16.30 – 17.00

- ORCHARD 1** **The Great Debate**
Chaired by Nigel Swabey, Chairman Emeritus, DCA & CEO, Scotts & Co
Have your say and get involved in this lively, no holds barred closing session. Ask questions, challenge your peers and share your opinions.

RATES

DCA Members - £225 per place or 3 for £585

Non Members - £295 per place or 3 for £745

Rate includes lunch & refreshments – all bookings are subject to VAT at the prevailing rate.

To book [email](#) us or call 0208 092 5227

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UK PLASTIC PACKAGING TAX NEEDN'T BE TAXING



BY JOSH REMI, COMMERCIAL
MANAGER, ECOVERITAS

VIEW ONLINE

With just months to go until the UK government introduces its green tax on plastic packaging, many businesses are still navigating its requirements and considering how to accommodate this significant regulatory change into their daily operations.

The new UK Plastic Packaging Tax comes into force on April 1, 2022, and applies to any UK business that manufactures or imports ten or more tonnes of plastic packaging per year. The tax is due on finished plastic packaging components that contain less than 30 per cent recycled plastic and charged at a rate of £200 per tonne of packaging.

The environmental tax forms part of the government's bid to tackle avoidable plastic waste and aims to drive real and lasting change in the packaging industry. In the UK, over two million tonnes of plastic packaging are used each year and, according to WRAP (the Waste and Resources Action Programme), plastic packaging accounts for almost 70 per cent of the country's plastic waste.

The tax is being introduced to encourage businesses to incorporate more recycled plastics into their plastic packaging; drive demand for recycled materials; and increase the collection of plastic waste, thereby diverting it from landfill or incineration. The government estimates the use of recycled plastic in plastic packaging could increase by approximately 40 per cent as a result of this tax.

The tax obligations will present new challenges for many businesses, from small and medium sized processors to major, multi-national brands. Concerns regarding the increase in demand for recycled materials – and indeed a lack of such items in the UK and Europe – have been voiced.

Whilst manufacturers and processors are well versed in managing fluctuations in raw material cost and availability, the new tax introduces a variety of unique complexities for the plastic packaging industry. In the medical and food industries, for example, some recycled plastics do not meet the same technical standards as virgin polymers, leading to potential price hikes. Additionally, any material shortages or increased costs could see more brands opting for non-plastic alternatives, such as carton board and fibre-based packaging.



Companies will be required to submit data every quarter to ensure compliance with the tax. Inevitably, collating and maintaining highly accurate records will be the most disruptive aspect of the new tax for many businesses. However, effective data and compliance management delivers a host of benefits.

It enables packaging producers, brands and retailers to identify their own strengths and weaknesses whilst evaluating their environmental performance and position within the marketplace. It also assists with the streamlining of audits, quality control, compliance, budgets and operating efficiencies. Accurate data management provides visibility and clarity, which helps businesses identify emerging trends, cost savings and growth opportunities with greater ease.

Many plastic packaging companies are using data to create sustainable targets that align with their growth objectives and market demands. The packaging industry has been pioneering sustainable alternatives for some time but at the start of the pandemic, many businesses went into survival mode and predominantly focused on output, hygiene and workplace wellbeing; sustainability was temporarily pushed down the agenda.

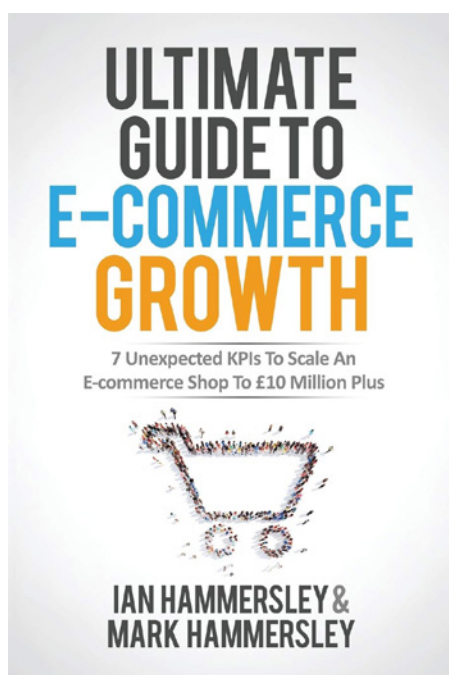
From April 2022, manufacturers and brands will have to prioritise the new legislation and adopt a much more targeted approach to sustainability in order to reduce costs. Going the extra sustainable mile is no longer an aspiration for this industry. If your business is impacted by the tax, implementing a comprehensive sustainability strategy will be critical to your long-term success.

The new tax calls for greater collaboration and transparency within the supply chain. The businesses that manage their data effectively will be able to maintain a clear audit trail and prove, without doubt, the authenticity of the materials used in their packaging. Combining excellent environmental credentials with the ability to demonstrate the provenance and quality of formulations will strengthen credibility, a key attribute of any packaging business moving forward.

Sourcing, collating, maintaining, and analysing data from a variety of sources may seem daunting, but integrating a robust data and compliance management infrastructure will deliver long-term significant benefits and a considerable competitive advantage.

ULTIMATE GUIDE TO SCALABLE eCOMMERCE PART 11

VIEW ONLINE



KPI SUCCESS DEPENDS ON YOU

Are we making e-commerce too complicated? Often when we brainstorm about a new customer and how to grow their revenue, we imagine the online store as a physical store. This visualisation makes everything seem much simpler. Just imagine you are a supermarket manager. You come into work and an employee tells you that 100 people have abandoned their shopping trolleys full of food. The obvious question would be, where did they do this and why? Let's say that they all abandoned at the fish counter because of the smell. Well, you can fix that.

However, on an online store, unless you have set up Google Analytics add-to-basket events, it's impossible to know where those full baskets are being left. Creating a segment in Google Analytics to only show people who add something to the basket and then exit the site without buying is fascinating. What tends to emerge is some category pages where people just give up and knowing this means you can optimise these pages.

Coming back to the supermarket analogy, imagine walking past



BY IAN & MARK HAMMERSLEY

the self-checkouts and seeing customers kicking the tills in frustration. Again, you would do something about it, yet on a website click rage is common and most of the time not seen and not acted upon.

If 25 people asked your supermarket employees a question, like 'Where is the Gouda cheese?' and got an answer and then you watched the customers run out the door, you would know something was wrong. Onsite search has exits like this every day.

Or how about people walking a supermarket aisle with only one item in their basket, ignoring everything else. Not one person, but many people. As a supermarket boss you would talk to them and ask why they don't buy something else at the same time. You would get instant feedback, but it's not common to survey customers on an e-commerce store and make changes.

The point is that what's not seen gets ignored. You need to bring the pain of your customers right smack bang in front of your team, so it gets acted upon. It's hard to

watch customers leave the store. Buy a big TV and show live users on the store moving their cursor, so that everyone understands what's important.

WHERE TO START

A good e-commerce owner is like a great investor. The main decision is where to invest time and money.

Joel Greenblatt's book *You Can Be a Stock Market Genius* sounds like a lofty title. But when you look at Joel Greenblatt's investing track record you must take your hat off to him. Over a 10-year period he averaged a 50% return on investment. That's crazy good! This means that every 1.7 years he would have doubled your money. So, what's his secret?

Well, there are many investments you can make but you don't have to make them all. Joel focuses on those investment areas where he has the wind behind him. He looks for special situations where in the past on average things have gone well.

Take spinoffs, for example; on average, these tend to outperform the market. So if you invest in spinoffs, you are already playing off the 'ladies tee' and starting a little ahead of the market.

He also invests in areas that are too complicated for the average investor to understand or are places that stink and put investors off. If he can find an area where most people will put it into the 'too hard' basket but with a bit of digging gold nuggets can be found, this is where he will invest. Here he would look

for bankruptcies, warrants and options. Again, because a lot of the competition has given up the wind is behind him when he makes an investment based on sound research.

So, what's this got to do with us as e-commerce site owners? Well, we are investing in our websites all the time, either in time or in actual money. Where we allocate that spend is important is it dictates the return we get. Also given it's our own business we should be getting decent returns.

If we are to invest in our businesses like Joel, then we must look for where the wind is behind us. This means looking for what's already working and making this go further. Don't invest in everything, invest more in what's working. Invest in the product categories that do well. Invest in the customer types that buy the most. Invest in the marketing channels that work.

This might sound obvious. But time after time we see e-commerce sites trying to expand to new countries before they have maxed out the marketing spend in their own market. We see sites adding new product ranges when they have not dominated the existing categories they serve.

We must also look for those 'too hard' categories that other competitors avoid but customers want. Think back 10 years in e-commerce and those businesses that first offered 'free delivery, free returns.' Much of the competition would have put

this into the 'too hard' category thinking that they would lose money. But those that tried it realised it was a winner.

If you are a business to business site, maybe customers want a certain payment plan or buying on account. Most sites will put this down as 'too hard' but it might be a game changer.

WHERE TO END

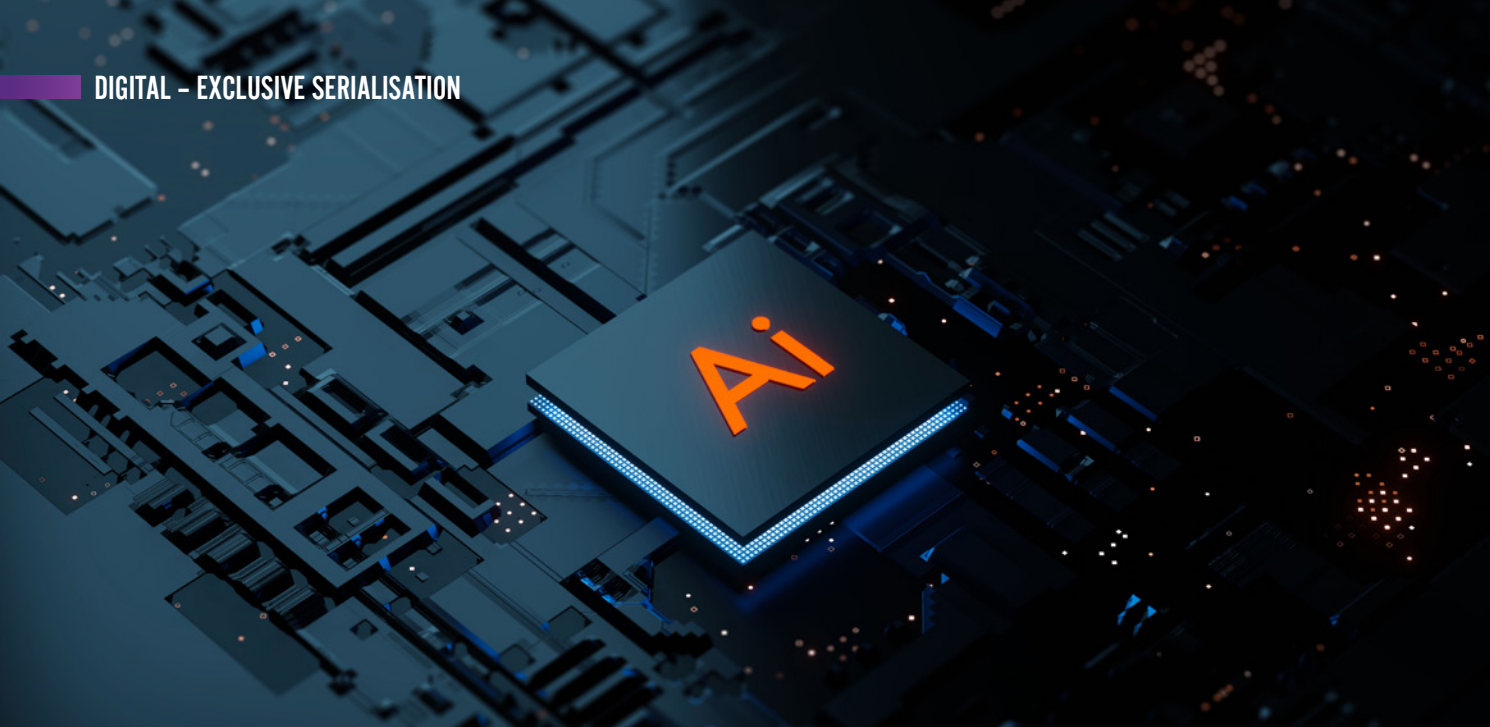
Where to end? This is a trick question because there really is no end to the optimisations you can do.

In this book we have been looking at the KPIs and sales funnels as a whole across all marketing channels and traffic types. But as you grow you can segment them down into silos that make sense, such as AdWords, existing customers, new customers, lapsed, etc.

Doing this fits nicely into the wave of artificial intelligence that's being applied to e-commerce as we write. It's the dawn of AI and that's here to stay for e-commerce. What this means for us marketers is that the one-size-fits-all split test just does not cut it anymore.

Look at the tests run over the past five years on sites like WhichTestWon and you will see big AB split tests mostly across all traffic; for example, split testing two different category header images is now dead. We need to go deeper. How? With artificial intelligence adding to the equation we need to think of our e-commerce site as not one site, but many sites for

CONTINUES OVERLEAF >



all the segments of users coming to it. Given that, for now at least, the magic number of conversions per month needed for an AI engine to optimise on Facebook and AdWords seems to be around 50, we need to slice the website into at least 50 conversions a month. This might look like the following segments:

- Existing customers who bought within the last six months.
- Existing customers who bought within the last 12 months.
- New visitors.
- Repeat visitors within the past 30 days but never bought.
- Lapsed customers.

If we have at least 50 conversions per month for each of these segments, then we should be able to optimise them further.

Once you are done, you might have very different user experiences for each segment, as what converts one segment might lower the conversion rate in one and vice versa.

Using free tools like Google Optimize we can start to segment the traffic into silos like the above and find out exactly what makes them buy.

You will find out that the traffic to your site is very different in motivation and buying trigger. For example, we found that for segment 1, making the reward points on the checkout MASSIVE had a big difference in their conversion rate. However, reducing the reward points prominence for segment 3 had no effect and instead putting in testimonials here was much better.

The key eyeball real estate on your e-commerce store is quite small. The places that people focus on are narrow and they will miss your main sales points unless positioned carefully. For example, an existing customer knows you have free returns and free delivery and so might respond better to other messaging, whereas this is key for first-time buyers. So, start cutting your traffic into segment silos and throw some variants at an

AI engine and let it find out what converts best. It's exciting times.

IN SUMMARY

Lastly, remember that your KPI success ultimately depends on you.

Let's recap the most important points. You'll need to define your KPIs and use Google Analytics and other methods to determine whether your site falls below the average statistics in the three areas we've established:

- 11% of visitors will add a product to their basket.
- Of that 11%, 55% will proceed to checkout.
- Of that 55%, 84% will place an order.

The other KPIs are going to be unique to your industry and so it's important to measure them and improve them. While this book is a start, it's hard to provide different industries with a blanket rule of thumb. You need a professional to look at the statistics and evaluate the ins and outs of your website for the best results.

Start with the bounce rate for your categories, products and search results at the add-to-basket, basket-to-checkout and check-to-order confirmation steps, then invest your time and money at the most critical point.

Once you've finished this, benchmark your website against your defined KPIs again. Repeat the process, month after month, to ensure your e-commerce site continues to perform the way you want it to and provides you with the increased revenue you're looking for.

Most importantly, don't rely on your e-commerce agency to do everything for you. Get into the mix and evaluate your category pages, product pages and search terms yourself. Many of these items may not work the way you want them to, but you may have better insight into the reason why. You know your product better than anyone—or you should!

Also, set KPI targets for add to basket, basket to order, AOV, traffic, etc., to take into seasonality. Some months you're naturally going to want to spend more on AdWords and reach for higher conversion rates. This is one of the first things we do with our new clients. We get the monthly KPIs sorted out so that we know how well we are doing each month.

Continually come back and decide where you want to invest to keep on increasing your statistics. This will result in steady and predictable scaling of your

e-commerce business, and that's exactly what you want!

We hope this information has helped bring clarity to the way you think about your products and the entire purchasing process on your e-commerce site. Keep learning and growing! We are always here to help.

GO FOR IT

Recently we had lunch with a good friend of ours. He runs a very successful e-commerce store selling outdoor sports goods. He started with about 5K worth of personal funds and has grown in five years to be a global business turning over millions. We dropped what we thought was a simple question: 'If you went back three years what changes would you make to your business knowing what you know now?'

He replied, 'I would set my expectations higher; the only reason we didn't do more revenue that year was because I thought that it was a big number. If I had changed my outlook and believed that x turnover was too low, then we would have done more.' We see this a lot.

Sometimes the limit on an e-commerce business is our own belief in what it can do. We think that hitting a million in sales is amazing because we have never hit it before. But what if you could easily be doing more?

Have you set your business thermostat too low? Why have you set it at that level? Could it go much higher? If you spend 5K on AdWords and get back 40K—why not spend more?

We don't realise how scarce the opportunity is or how time dependent it is; even more so if this is our first e-commerce business and it's a big hit. Imagine you are prospecting for gold and you hit it big first dig. You would be convinced you were a gold mining genius. However, if you have been digging for gold for years and failed and failed, when you hit gold you would realise how difficult it is.

If you have good arbitrage in your business, let it run, as it's as rare as hen's teeth and there are a thousand people behind you trying to find the vein of gold you are sitting on. Go for it, now, today!

KPI WORKBOOK

KPI 1: ADD-TO-BASKET RATE

Your product pages are just as, if not more, important than your category pages, especially when using Google Shopping. Make sure all essential details and the Add to Basket button is above the fold, provide info about other similar items and make sure customers can easily return to previous products they were looking at. Put it to use:

- 11% of visitors should be adding to their baskets. If your percentage is less than 11%, this KPI needs attention.
- Determine your type of buyer: spontaneous, methodical, humanistic or competitive.
- Adjust your product pages so that all pertinent information occurs above the fold. This makes it easier for customers to see everything and make quick decisions.

CONTINUES OVERLEAF >

- Look at the middle reviews to determine what your site is doing wrong.
- Improve your worst-performing searches to increase add-to-basket rate.

Answer the following questions:

- What type of buyer does your website appeal to? Why?
- Take a look at your product pages and category pages. What areas can you improve on?
- What is your worst-performing search? Why do you think it performs so poorly?
- Take a look at your middle reviews. What areas do these reviews indicate need work? Write out your plan for improvement here.

KPI 2: WEBSITE SPEED AND CAPACITY

Customers spend an average of six minutes on your website. If your site is running slow, they'll achieve a lot less in that amount of time than if it is running at a high speed. The faster your website speed, the higher your average order value and conversion rate will be. Put it to use:

- Slow page load can cause Google penalties that affect your page ranking.
- Measure your web speed often. This will help increase conversion rates.
- Google Analytics can help you measure your website speed, as well as other sites like www.webpagetest.org.
- Your site should measure under four seconds.

- Increasing speed and capacity involves using clean code, varnish caching and optimising the server.

Answer the following questions:

- Have you experienced slow page load recently or seen a lot of browser abandonment from visitors?
- What is your current website speed? Use the information in this chapter to check the speed via webpagetest.org and Google Analytics.
- What are three things that could be causing the reduction in website speed? How can you fix them?
- Are there certain times of the year when you need more website capacity (e.g. Black Friday, Christmas)?
- How do you plan on making sure your website is ready for visitors during this peak time?

KPI 3: LIFETIME CUSTOMER VALUE

Tracking lifetime customer value involves a number of different steps, including considering the type of customers you have, the coupons they use, their overall satisfaction and their delivery choices. Put it to use:

- LTCV helps you track the products that lead to the highest lifetime value.
- Providing discount coupons, in the right setting, helps increase lifetime value.
- Use ScentTrail to track the type of customers you recruit and which products work best to recruit them.
- Upload customer email lists

in Google AdWords so you can continually show your ad or products to customers on the list.

- Track this KPI regularly and watch it year after year to see how it changes.

Answer the following questions:

- What customers are you recruiting? Does your business naturally lead to high repeat purchase rates?
- What delivery options do your customers choose most often? What delivery rates do repeat customers opt for?
- Has your average review rating increased or decreased since your business began? This can tell you immediately whether your customers are happy with you and your products.
- How do you track the effect of marketing channels? After reading this chapter, what do you think the benefits of using ScentTrail to track LTCV marketing channels would be?
- Would you be willing to offer a lapsed customer a special rate if it meant increasing your LTCV overall? What type of special offer do you think would encourage a lapsed customer to come back to your website and make a purchase?

KPI 4: GROWTH OF SIX-MONTH CUSTOMER RECRUITMENT YEAR ON YEAR

Your recruitment rate should stay the same or increase year on year. If you compare the last six months to the same time last year and the rate is lower, there

is a definite issue. Sometimes it's another KPI. Other KPIs that affect conversion rates can affect your recruitment rate. Fixing these other indicators will usually help increase this KPI.

This refers to the total number of customers you have recruited in the last six months. Add these together, then compare them to the same data gathered the prior year. Put it to use:

- This KPI helps you determine if your business will continue to grow.
- Cannot be found in Google Analytics, but may be worked out in Excel.
- If this number declines, it means you're experiencing less growth. This is a warning sign.
- Some KPIs will affect your recruitment rate. If they aren't doing well, your recruitment rate will show it.

Answer the following questions:

- Use an Excel sheet to calculate your current six-month recruitment rate. What is it? Compare it to the previous year's. Did the amount increase, decrease or stay the same?
- If the number decreased, look at the other KPIs. Are they functioning as they should be? If not, what steps will you take to resolve this issue?
- Consider other trackable things you've done to contribute to a lower recruitment number. Write them here and check each one.

- What marketing channels do you use? How are they performing?
- What steps can you take next to increase your six-month customer recruitment rate year on year?

KPI 5: AVERAGE ORDER VALUE ROBUSTNESS

While perhaps not the first KPI you look at, the average order value is probably the most important of all seven. If this value is too low, your add-to-basket rate or checkout-to-order rate cannot grow. It also affects your lifetime customer value, revenue and marketing costs.

The average, compared year on year, of the average value of orders and traffic growth. Put it to use:

- You should always keep an eye on your average order value, as it can stifle or improve growth, depending on whether it is low or high.
- You should have a high AOV and 1.5x purchase frequency per year or a low AOV and 5x purchase frequency per year.
- As you increase the amount of traffic and the conversion rate of your website, your AOV should increase as well.
- If your AOV isn't robust enough, it can negatively affect other KPIs.
- Increasing the customer's basket size or checkout amount can improve AOV.

Answer the following questions:

- What is your average order value? It is high or low compared to the traffic rate

and conversion rate you have?

- What are three products on your website that are frequently purchased together?
- What are three ways you can increase your average order value?
- Do you normally offer bundles? Do you think your customers would be open to purchasing more from you if they got a bundled promotion at a slight discount? Why or why not?

KPI 6: TRAFFIC GROWTH

To increase the amount of traffic to your online store, you need to be able to pay more for a customer than your competitor can. This means making sure all of your KPIs, especially lifetime customer value and add to basket, are improved so your traffic resources are available and you are able to increase your traffic numbers. Put it to use:

- Increase traffic with SEO. With a great marketing strategy and e-commerce structural SEO, you can achieve natural traffic through Google.
- Make sure the e-commerce structure is correct or it can lead to bad SEO.
- The way your website operates affects revenue and traffic growth. Slow sites kill traffic.
- Use Google Page Speed or YSlow for page speed times. Google Analytics tends to get confused.

Answer the following questions:

- How well are your other KPIs

CONTINUES OVERLEAF >

performing? Can you afford to move your attention to this KPI or do you need to spend more time on the add-to-basket KPI or LTCV KPI first?

- Is your e-commerce implemented correctly? If you can't answer this question, or you can't say yes for certain, get the help of a professional. A poor structure leads to poor results.
- How often do you test the speed of your website? What speed tests do you use? What is your average load time?

KPI 7: BASKET-TO-ORDER RATE

The issues that prevent customers from getting from the basket to checkout are typically small, yet significant. Trouble with coupons or the use of PayPal Express are two of the most common problems we see.

The number of orders divided by the people that add an item to the basket. Put it to use:

- Only 55% of people who add something to their basket will proceed to checkout.
- Simple things can result in lost customers, such as coupon codes with one digit wrong.
- PayPal Express works well with new customers, but not with recurring customers. New customers don't trust you yet.
- Display every detail, including cost of product, delivery options and payment icons on the basket page. There should be no surprises.
- 84% of customers go from the checkout to order confirmation.

- Split test different types of checkouts on different platforms to see what works best.

Answer the following questions:

- Do you offer coupon codes? If so, what happens, right now, if a customer enters the coupon code wrong? How would you handle it better? Think of it the same way a physical sales assistant would.
- Split test your checkout payment options. See which one work better: Paypal Express or credit card payments. Which one is more successful on your website?
- What does your checkout basket look like? Are all the details a customer needs in one place? Write down where the basket is excelling and where it is lacking.
- Does your checkout work on all platforms? Check this carefully. If your checkout isn't working on an iPad, but works on the desktop, you could be losing customers.

THE 12 COMMANDMENTS OF E-COMMERCE

Why 12? No idea. 10 would be biblical and 20 would be too much. Here you go.

1. Create a KPI plan for each month. Make sure you have targets for average order value, traffic, add-to-basket % and basket-to-order % each month. Otherwise, how will you know how you went?
2. Things change. Embrace them. Marketing is moving faster than ever. Don't hold

on to things that used to work but no longer get results.

3. Have a beginner's mind. The day you stop learning is the day you stop growing. Never think you are the best; there are always people to learn from.
4. If you're scared of investing in site and growth, e-commerce isn't for you. Sell or get a job.
5. Be brave enough to make offers that seem outrageous to the competition; if they work, no one will copy them for a long time.
6. Design your site for one person; make it personal to that main buyer persona.
7. You can't sell the same product that others sell more cheaply unless you are famous or the Mafia.
8. Don't do marketing that you cannot track the results of.
9. Build good arbitrage that you can leverage. Lower cost back office, lower cost delivery, famous products, exclusive product, reward points. You need something to arbitrage off.
10. Have min and max marketing budgets per month. Spend more when return is good and less when it's not. Don't try and spend the same each month. Make hay when the sun shines.
11. Competitors are mostly idiots, don't copy them blindly. Seek out the few that get it.
12. Be creative artists on the shop front but like a military operation in the warehouse.

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- Amazon Account Executive - Lincs
- Direct Marketing Specialist - WFH
- Head of Database Marketing - Herts

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Masterful performances

Music experts agree that it takes 10,000 hours of hard practice, coupled with natural aptitude, to make a world-class violinist. And if you were paying for tickets to a Beethoven concerto, that's who you'd want to hear.

Perceptive marketers take a similar attitude to their catalogue designers. They prefer the agency whose Creative Director has over 70,000 hours of specialist experience, has a multi-award-winning team, and an unrivalled portfolio of performance.

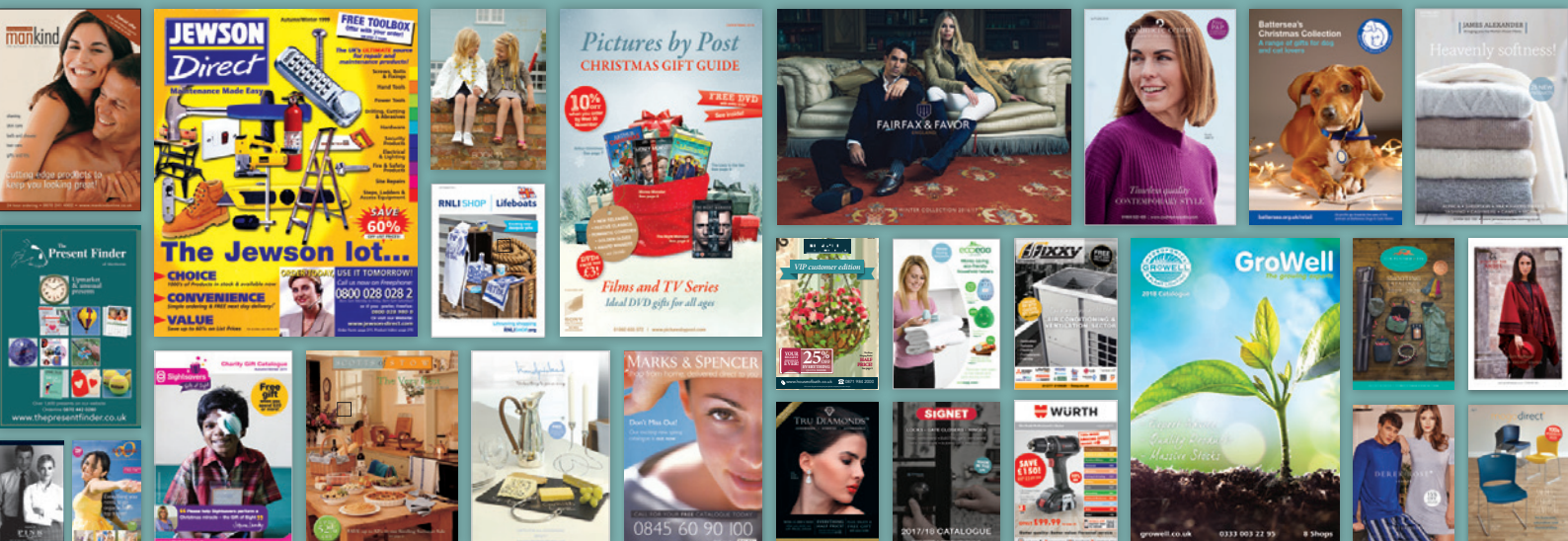
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