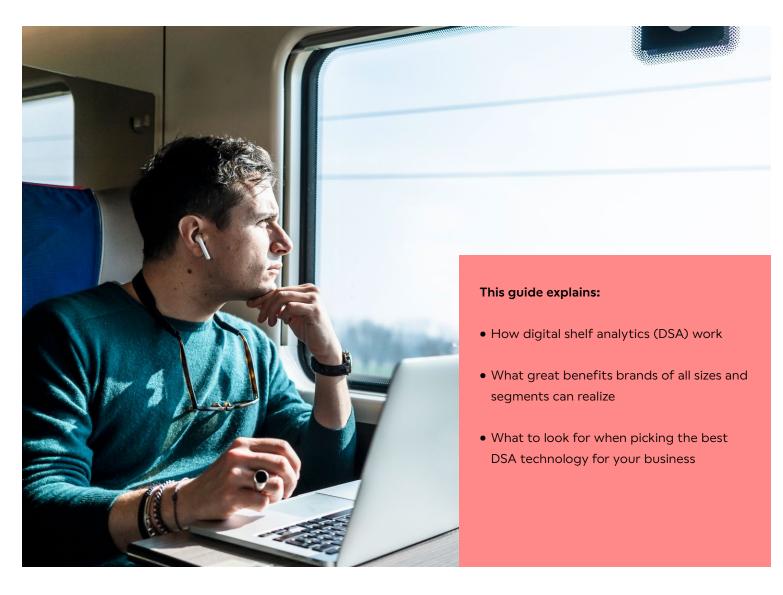


A brand's guide to digital shelf analytics

what you need to sell effectively across channels





it's time to step up your digital commerce game

Shopping and browsing habits have changed forever. COVID-19 has shown buyers that whatever they are searching for, they can buy it online quickly and easily.

E-commerce has been important for retailers and consumer goods brands long before COVID. However, the crisis has accelerated the rate of e-commerce adoption by more than five years, in just five months.

This dramatic shift has huge implications for brands who have traditionally focused their merchandising efforts on their biggest sales channel – brick and mortar retail

operations. Now however, with up to 60% of consumers planning to continue their new online shopping habits postpandemic, the shift is permanent.

In this new digital-first world, brands must ensure their products are accurately presented and optimized not only in-store, but equally, across the digital shelf. And, that is easier said than done. Unless, of course, you use digital shelf analytics.

This guide presents the case for digital shelf analytics. It explains why DSA is a 'must-have' technology for brands that are serious about competing online.



what is the digital shelf?

The digital shelf is where a brand's product is sold online. That can be on a retailer's site, third-party marketplace, social commerce site, or any other e-commerce channel. This is where online shoppers go to browse, discover and purchase products. It requires all the care and attention to merchandising, display, and marketing that a physical shelf requires, and more.

For most retailers, the primary digital shelf is surprisingly, not your own website, but the search results page. This is a big change from years ago where the majority of consumers look for items to purchase. Other examples of digital shelves are

category pages, curated product lists or product description pages.

Unlike the physical store shelf, brands can't rely on eye-catching product placement, aisle endcap groupings or bold packaging to sell. Instead they must rely almost entirely on product content such as images, videos, descriptions, instructions, pricing, and ratings and reviews. When put together, these elements are displayed on retailer websites to help consumers make informed purchasing decisions online.

If any of these elements are missing or incorrect, it can result in a missed sales opportunity.

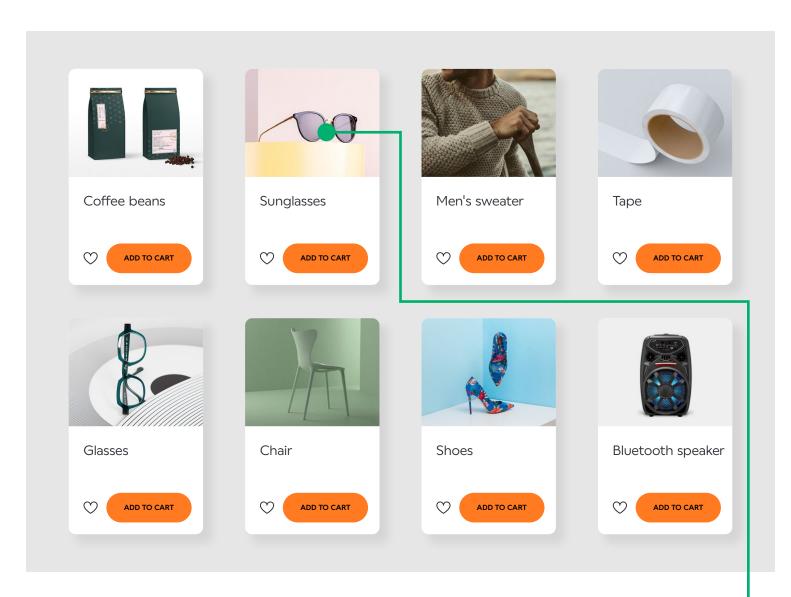


auditing your global digital shelf

Brands are faced with the challenge of auditing multiple, changing websites spread across the globe, in different time zones and different languages. Whether a marketplace megastar like Amazon or Zalando, or a smaller site that sells your products, algorithms are updated constantly. If you can't keep up, your products can become hard to find, or worse, disappear.

The first rule of the digital shelf is to make sure your products can be found (searchable). Ensuring products are in stock, visible, and presented correctly can be an exhaustive, manual process for marketing and product teams.

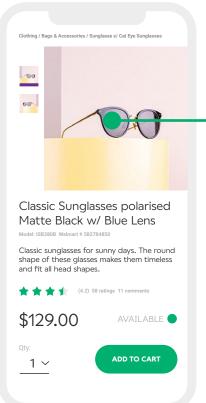
Brands must constantly ask themselves if resellers are giving their products the correct share of the digital shelf. Are they ensuring products are findable? Are they using the brand's preferred content (images, videos, text descriptions) to describe the product? Are they using the best content not only on the first page but on the secondary and tertiary pages as well, and in the right order? Does the product have enough customer reviews? Have negative reviews received a response? Are resellers even ensuring the product is in stock? Is their product available for click-andcollect in every store? The list is long and daunting.

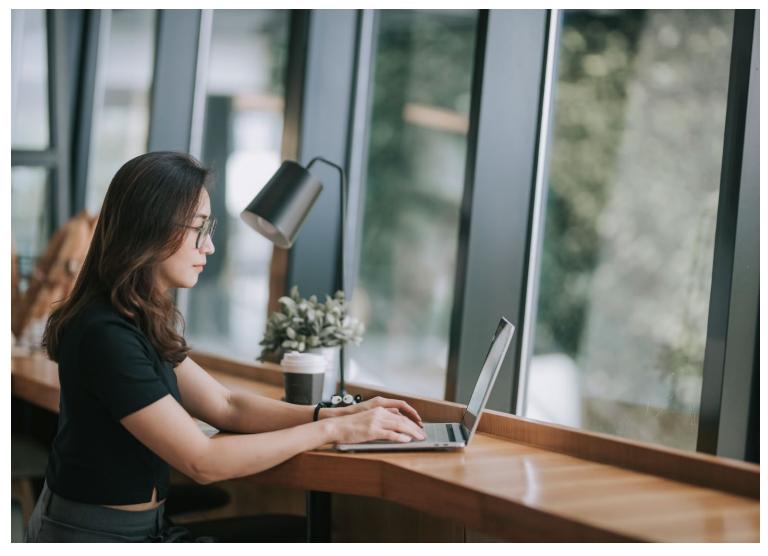


completing the product puzzle

Another big challenge facing brands is that they consistently overestimate resellers' ability to get all these details right...and the stakes are high. All it takes for a product to fall off the digital shelf is for one piece of this complex process to be incorrect or missing. In this environment, the ability to constantly audit reseller websites is the difference between stocking the digital shelf in your favor, and your products disappearing without a trace.

The good news is that brand manufacturers, big or small, no longer need to attempt manual auditing of online reseller channels. Instead, auditing can now be carried out automatically and in near real-time, using digital shelf analytics technology.





here's the lowdown on digital

In a nutshell, digital shelf analytics (DSA) help brands automatically audit their online reseller channels, analyzing the methods third-parties use to sell their products. DSA technology provides insights, which when actioned, improve key metrics and customer conversion rates. DSA can also audit competitor brands' performance and reveal key sales opportunities.

The data-driven insights can include product search ranking, pricing comparisons, product availability, promotions, ratings, and reviews. You can also check if resellers are using the brand's preferred content to display and promote products, giving them the correct share of shelf.

This engagement intelligence helps stakeholders including brand managers, merchandisers, category managers, and e-commerce managers increase conversions.

DSA technology uses software "spiders" to analyze reseller websites and collect performance metrics in much the same way that internet search engines work. DSA spiders can audit any type of online reseller — including marketplaces such as Amazon and retailer's e-commerce sites such

as Tesco, John Lewis & Partners, Home Depot, or Walmart.

DSA gives brands a near real-time view of the activity of their resellers. This can be one reseller or thousands simultaneously, anywhere - across the globe.

Any language can be translated and incorrect or missing product content can be detected quickly and easily.

Best of all, market-leading DSA solutions analyze huge amounts of data and deliver clear, easy-to-use insights that can be actioned immediately.

Marketers are quickly realizing the value of DSA in their tech stack.
Auditing resellers and marketplace performance ensures nothing is left to chance in your digital commerce strategy.



five benefits of DSA for brands

It's clear that digital shelf analytics has a valuable role to play helping brands manage their reseller channels and owned sites. Now let's drill down further into the five big benefits DSA brings to the table.

maximizing product 'findability'



Consumers won't buy your product if they can't find it. Market-leading DSAs check your product

is being sold in the most logical location and it hasn't been mis-categorized. For example, a laptop computer should be listed in a home electronics category with similar products and brands. DSAs also ensure a retailer or marketplace uses the preferred keywords for your product and has the correct level of visibility on their platform to drive conversions. Leading DSAs not only reveal your product's search ranking, but also how it ranks in comparison to similar products made by your competitors. This data-driven guidance provides closed loop feedback, letting you quickly make any adjustments to optimize revenue.

2. harnessing smart product information management (PIM)



The most advanced DSA solutions enable you to control your rich product content and

alert you if a retailer's site deviates from your preferred images, video and written content. When it comes to auditing your own product pages, DSA providers do more than scratch the surface. They don't just check there's an image in place, they ensure it's the

right image, and any secondary images are correct as well.

The same applies to your titles, unique selling points and granular product information. This detail is checked throughout the customer's buying journey – from category, search and product pages all the way into their cart.

This approach has been shown to directly improve conversion rates.

The full buyer experience needs to be optimized from search to sold.

The experience is as important as the product or service. A poor experience can mean consumers lose trust in brands and products, increasing the likelihood that they'll abandon their cart.

Having a DSA solution integrated with your PIM means any product information changes are done seamlessly. No need to switch between different systems. Everything you need is at your fingertips.

3. monitoring product pricing



Pricing intelligence is worth its weight in gold – no matter what sales channels you're

using. The challenge with the digital shelf is that it can be vast and prices constantly change, making human monitoring virtually impossible. DSAs,

however, use artificial intelligence to automatically analyze pricing and promotions across the digital shelf.

This data helps you understand how retailers are pricing your products and it enables you to benchmark your prices against competitors.

4. eliminating out of stocks is a best practice to increase conversions and keep customers on your site



Consumers can only buy your product if it is available. Online, 70% of consumers choose

another product or brand if they run into out of stock issues. Focusing on eliminating out of stocks is a good start to drive up online sales.

Digital shelf analytics provide you with early warnings of potential out of

stocks so you can take action before you lose your search results positioning due to a lack of product availability.

DSA technology can also audit product availability in individual physical stores. This ensures omnichannel sales opportunities are in sync and that <u>buy online pick up in-store</u> (BOPIS) sales opportunities are maximized.

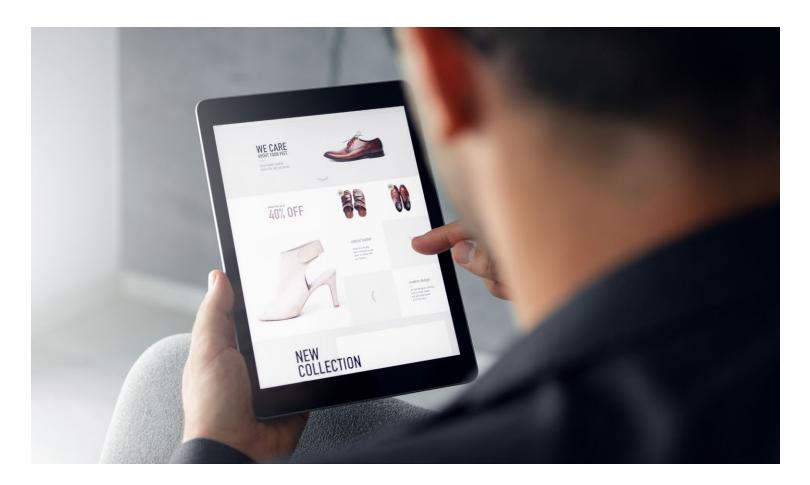
5. winning the ratings and reviews battle



Research suggests 94% of online shoppers read reviews before making a purchasing decision. It

also suggests a product listing with at least five reviews is 270% more likely to convert a customer. For a higher-priced product, this likelihood increases to 380%.

In short, online product ratings and reviews are now a big deal. DSA technology warns you when product listings don't have enough customer reviews compared to competitors' listings. It can also alert product owners of negative reviews so they can respond on the reseller's website, depending on site functionality.



want to pick the perfect DSA technology for your brand? First, ask yourself these questions: Different DSA solutions have different strengths and weaknesses. To pick the perfect DSA technology for your brand, you first need to decide what your goals are.

do you need insights just for hero products or a wider view?

Do you need insights just for hero products or a wider view?

Is your product strategy focused on a select number of hero products and how resellers are performing in specific countries or markets? Or would you rather track hundreds or thousands of SKUs in multiple regions across lots of reseller channels? Or is it a mixture of both?

You may only want to monitor out of stocks for one hero product in one region for now, but your requirements may soon change.

That's why it's important to carefully consider the pros and cons of choosing a fully scalable solution that grows with your business requirements.

what KPIs would you like to measure?

Brands need to monitor the right KPIs if they are to discover exactly where sales opportunities are being lost in their indirect sales channels.

Market-leading DSA technology should be able to monitor the following KPIs: Low or zero stock levels Internal and external search visibility E Listing and assortment Compliance and selective distribution agreement (SDA) status Share of shelf Consumer ratings Content



who will use your DSA solution and what insights do they need?

Raw data is useless to the end user. The best DSA solutions provide meaningful near-real time data-driven insights that your teams can immediately leverage to optimize each and every product in your own control or managed by resellers.

The best DSA solutions enable authorized users to 'slice and dice' data in different ways so that they can reveal actionable guidance that is highly relevant to their role. This can be achieved using a series of data filters and overlays.

This engagement intelligence helps key account managers and resellers promote your products, convert more customers and protect your brand.

For example, key account managers need to know how to improve product findability when speaking to resellers.

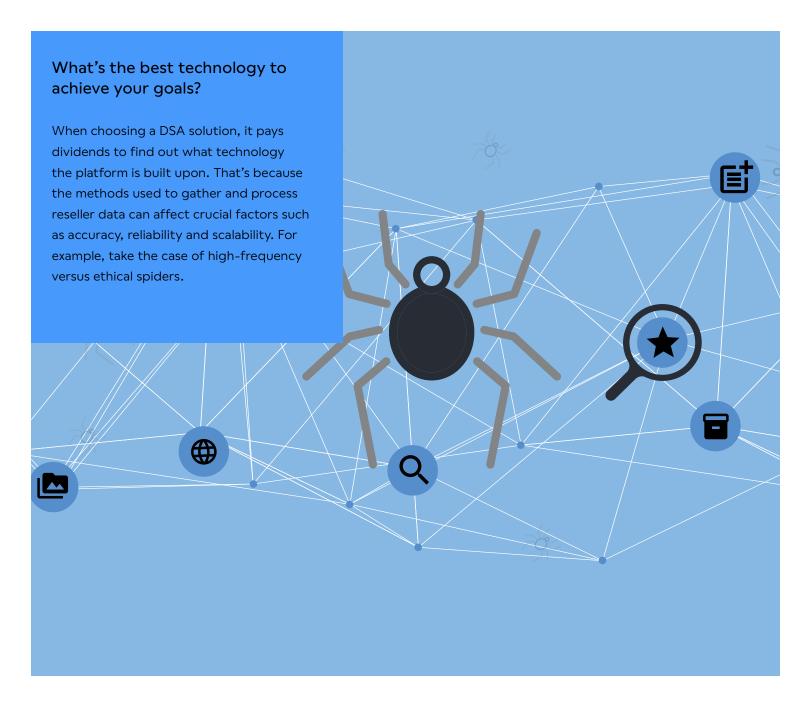
Meanwhile your legal team may need extra support tackling counterfeit goods. All of this information can be specifically tailored and delivered via user-friendly dashboards and push notifications so that key personnel can improve a wide range of reseller metrics.

what technologies are you currently using?

Make sure you choose a DSA solution that is cloud-based. Don't waste time and resources procuring additional hardware or risking downtime implementing and updating software. Ensure solutions are built to scale with

limitless possibilities, to meet changing needs, and can easily integrate into other systems like PIM solutions and the rest of your e-commerce stack.

Agility is key.



the problem with highfrequency data-scraping spiders

DSA technology harvests product data from online reseller channels in much the same way as Google's search engines crawls the web. Software known as spiders 'crawl' e-commerce sites so they can collect relevant information. What is less well known, however, is that there are good and bad spiders.

High-frequency spiders scrape data from reseller websites multiple times a day in order to constantly update KPIs. This may sound like a good idea, but in reality, this approach causes real problems for resellers and brands alike. High-frequency spiders often operate at peak traffic times and arrive in such large numbers that they reduce website speed and cut site conversion rates. In response, resellers often install protection software which produces a torrent of false data to confuse and deter spiders.

The end result is that high-frequency spiders collect data that is inaccurate and untrustworthy – exactly the opposite of what brands want. Brands that condone this behavior also risk upsetting valuable reseller relationships as it falls under illegal pricing control.



the benefits of highquality ethical spiders

Market-leading DSA solutions offer ethical and highly effective spiders, without controversy. These spiders may be more expensive, but that's because their algorithms are more accurate and more sophisticated. For example, they are individually customized for each reseller website and only visit during low-traffic flows to ensure they don't interfere with website speed or sales conversion rates.

The best-designed ethical spiders thoroughly analyze product content, digging down into primary, secondary and even tertiary content to provide the high-quality insights that brands need. They can analyze first pages, category pages, product pages,

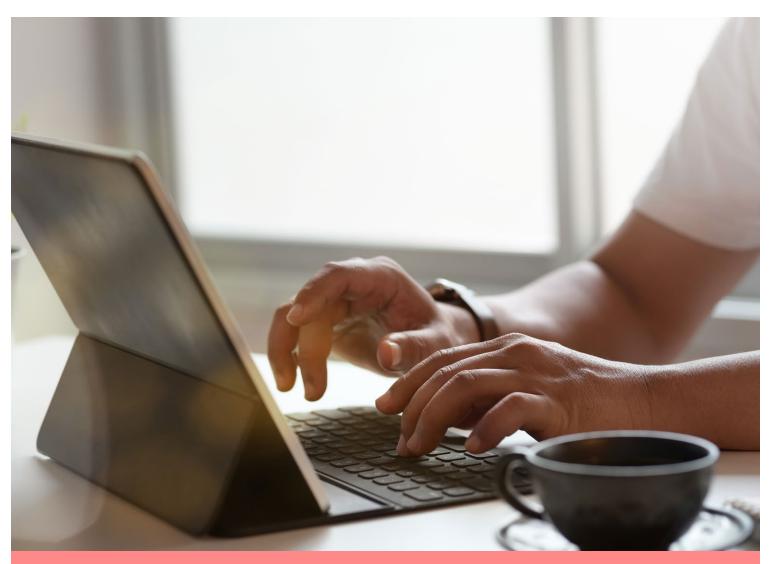
descriptions, prices, images and out of stock statuses. They can also check whether products appear in the relevant internal and external searches and categories.

Leading DSA solutions also have the capability to double and triple-check all of the data collected by their spiders using artificial intelligence. If a single piece of data still seems out of place it can be flagged up for a manual check by a human. As a result, we've found DSA technology can achieve an accuracy level of up to 98%. It's safe to say that, like most areas of life, when it comes to DSA technology, you get what you pay for.

making the case for cloud

If you're looking for an agile, scalable and easy-to-implement DSA solution, look for one built and hosted on a secure cloud platform such as Microsoft Azure. Azure is one of the most trusted cloud platforms available

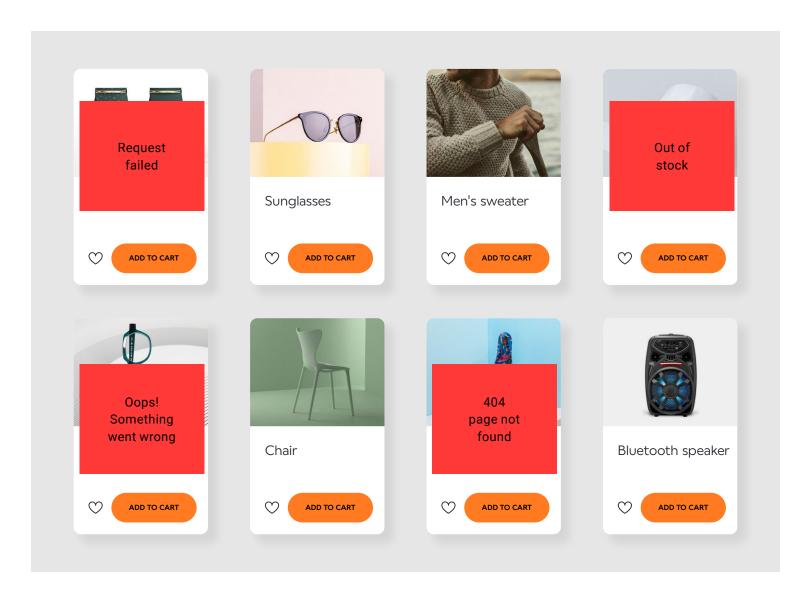
thanks to its stability, speed and reliability. It is also highly compatible with other systems, doesn't limit technology development or the functionality of your chosen DSA solution.



game-changing actionable insights... and what they look like

As previously mentioned, raw data is useless to an end user. The best DSA technology provides meaningful data-driven insights that your team can immediately leverage in their reseller relationships. For example, on day one, market-leading DSA can

spot if the link to your hero product on Amazon Germany is broken. Or it can alert your key account manager if an item is out of stock for click-andcollect at a specific store.



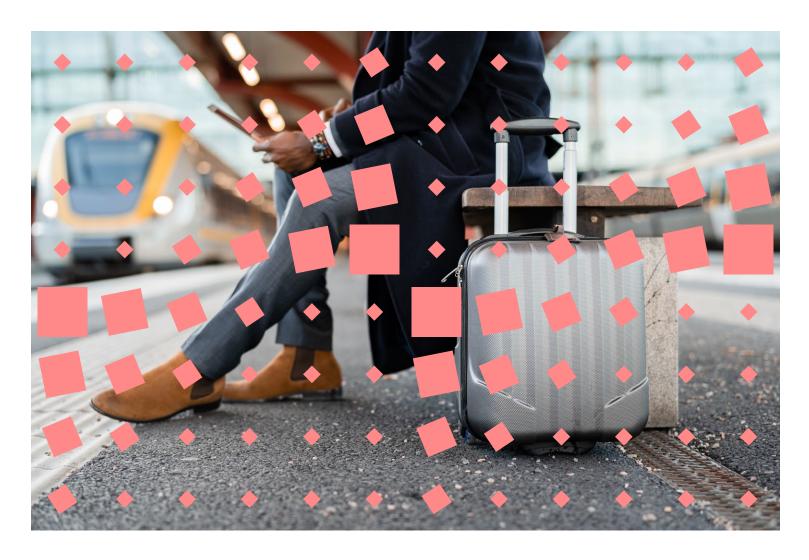
personalize insights to match team needs and roles.

A product manager may need a completely different set of reseller visibility insights than a regional marketing manager or the management team.

The best DSA technology can enable authorized users to 'slice and dice' data in a multitude of different ways so that they can reveal actionable guidance highly relevant to their role. They also enable your team to set up personalized notifications within a few seconds. The aim should be to automate as much of this actionable guidance as possible.

Here are just a few examples of gamechanging actionable guidance:

- Monitor the visibility of your new hero product during its seven-day launch among 100 of your leading resellers.
- Receive an alert whenever any of your 10 best-selling grocery products disappear from the shelves at any of your top 10 German resellers.
- Receive an email at 8am every morning showing exactly where your products are out of stock.
- Show all the exposure violations by your top reseller during 2019.
- Show the fluctuation in average consumer price for product X during the past two months.



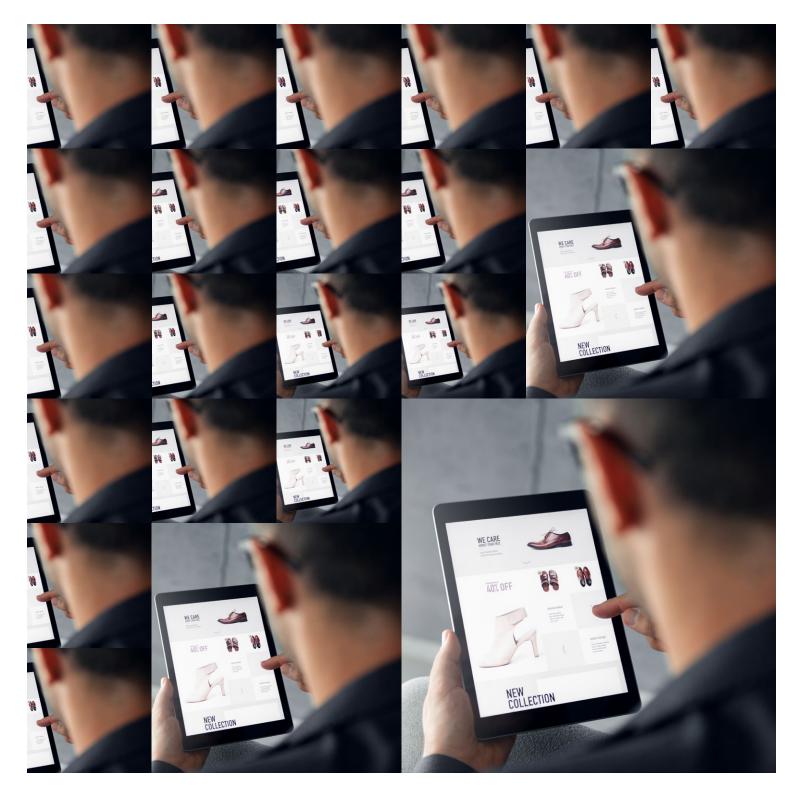
taking the next steps on your DSA journey

The e-commerce explosion has created huge opportunities for brands, enabling them to break into new markets and reach more customers.

But it also comes with huge risks for the uninitiated and unaware.

E-commerce is more dynamic than physical retail and it requires brands to adopt smarter reseller management and auditing techniques. Think of the digital shelf as a living organism that is constantly changing and evolving. This means it needs continuous oversight and management to ensure each and every product and sales opportunity is maximized.

If budget or resources are a barrier to launching a DSA solution, brands should consider starting small. Run a pilot program identifying out of stocks in a particular region or marketplace. This will reveal how sales opportunities can be increased, providing both proof of concept and return on investment. This success can then be used as a proof point in a full implementation of DSA.



Digital shelf analytics (DSA) takes the guesswork out of digital merchandizing. If you want to learn why digital shelf analytics and product information management are more powerful together, contact us.

tell me more

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