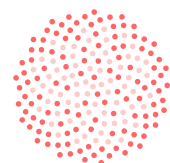Intelligence Node

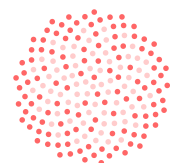# A Comprehensive Guide to Winning the Digital Shelf

Introduction

The year 2020 was a defining year for the eCommerce industry. COVID-19 brought about a permanent shift in consumer behavior and accelerated eCommerce adoption. The sudden social distancing norms and country-wide curfews coaxed small and large brands and retailers to adopt eCommerce to stay afloat and cater to the newly birthed online shoppers. This intensified the online competition as brands and retailers fought for the attention of the same shopper - bringing in light the importance of Digital Shelf optimization to appear on the first page of search results and improve visibility and hence conversions.

In addition, this accelerated eCommerce growth does not end here. Forrester predicts that by 2024 US eCommerce will reach **$1.1 trillion** and the same number for Europe is predicted to be at **$545 billion** and for APAC at **$2.5 trillion** - a massive growth trajectory across the globe. While this prediction opens up new opportunities for online businesses, it is also a harbinger of the intense competition that will follow - bringing us back to the topic of Digital Shelf optimization and the urgent need for brands and retailers to arm themselves with advanced Digital Shelf Analytics to stay ahead of the curve!

In this ebook, we will discuss key Digital Shelf challenges and proven solutions and best practices to overcome these challenges with advanced data and analytics.

US eCommerce is forecasted to reach $1.1 trillion by 2024
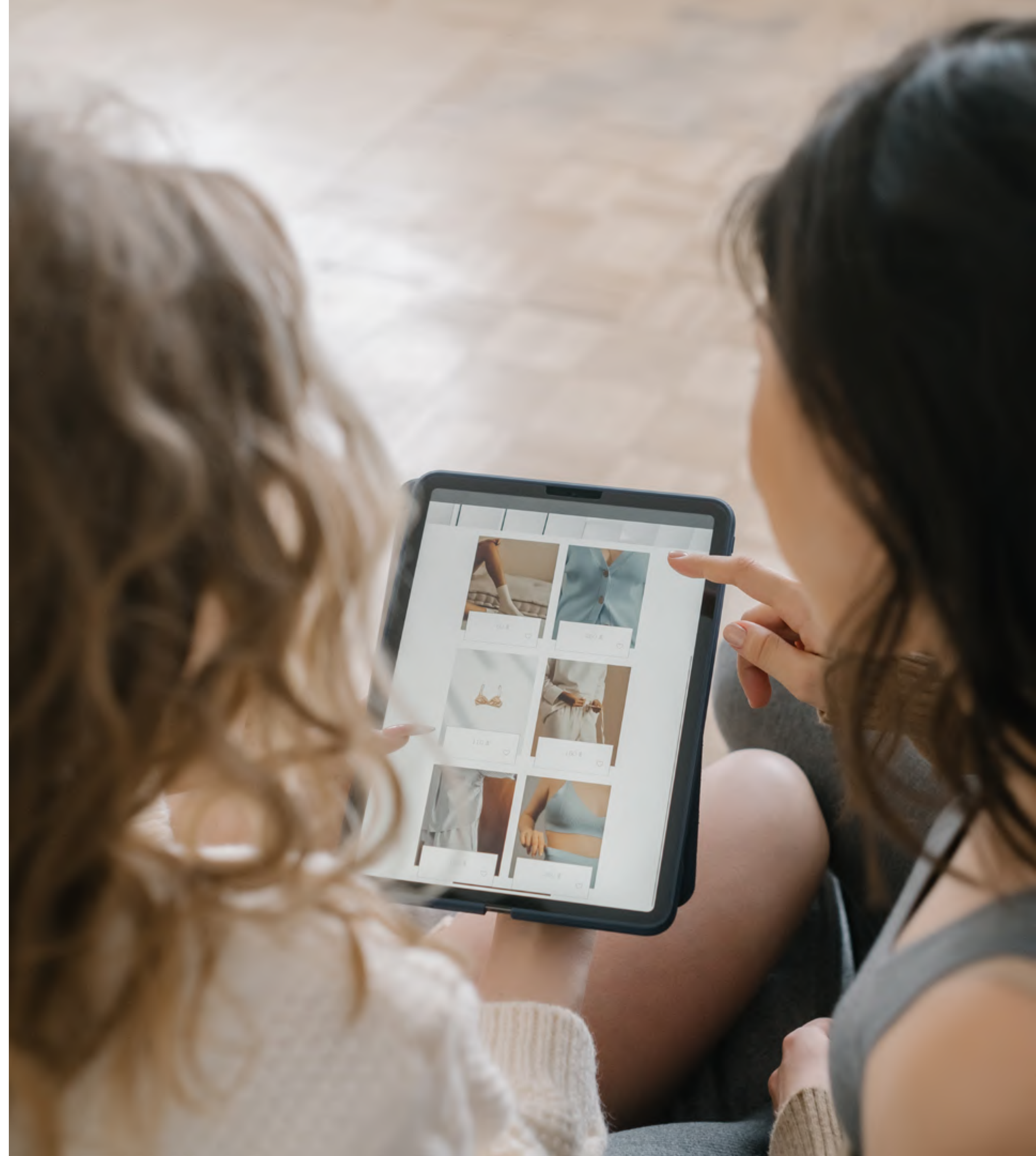
Product is not Visible on the 1ˢᵗ Page of Search or Digital Shelves
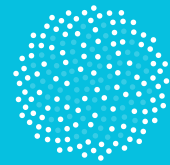
Almost 90% of online enquiries start with search. And studies show that shoppers don't look past page 1 anymore, and almost 80% only look at the first 5 rows. Hence, if your products are not ranking on page 1 of search or digital shelves, chances are you are losing your customers to your competitors. You need to make it easy for your customers to find you, if you want to improve your conversions and brand recall. And with the right tools, you can do just that!

SOLUTION #1

# Optimize your Online Visibility for Improved Search Rankings

1ˢᵗ page visibility is critical as it builds credibility and trust and moving from page 2 to page 1 can boost your sales by almost 20x. With advanced digital shelf analytics, you can easily track your rankings, compare them against your competitors, and optimize your listings so you rank higher on search engines. With the right data, you can analyze what is working for your competitors, add the necessary keywords, ensure your product categorization is correct, and price your products competitively, which will together result in improved visibility.

Best Practice: Dominate 1ˢᵗ Page Visibility

Find a solution that can track share of digital shelf for keywords across text ads, organic search, image ads and more.
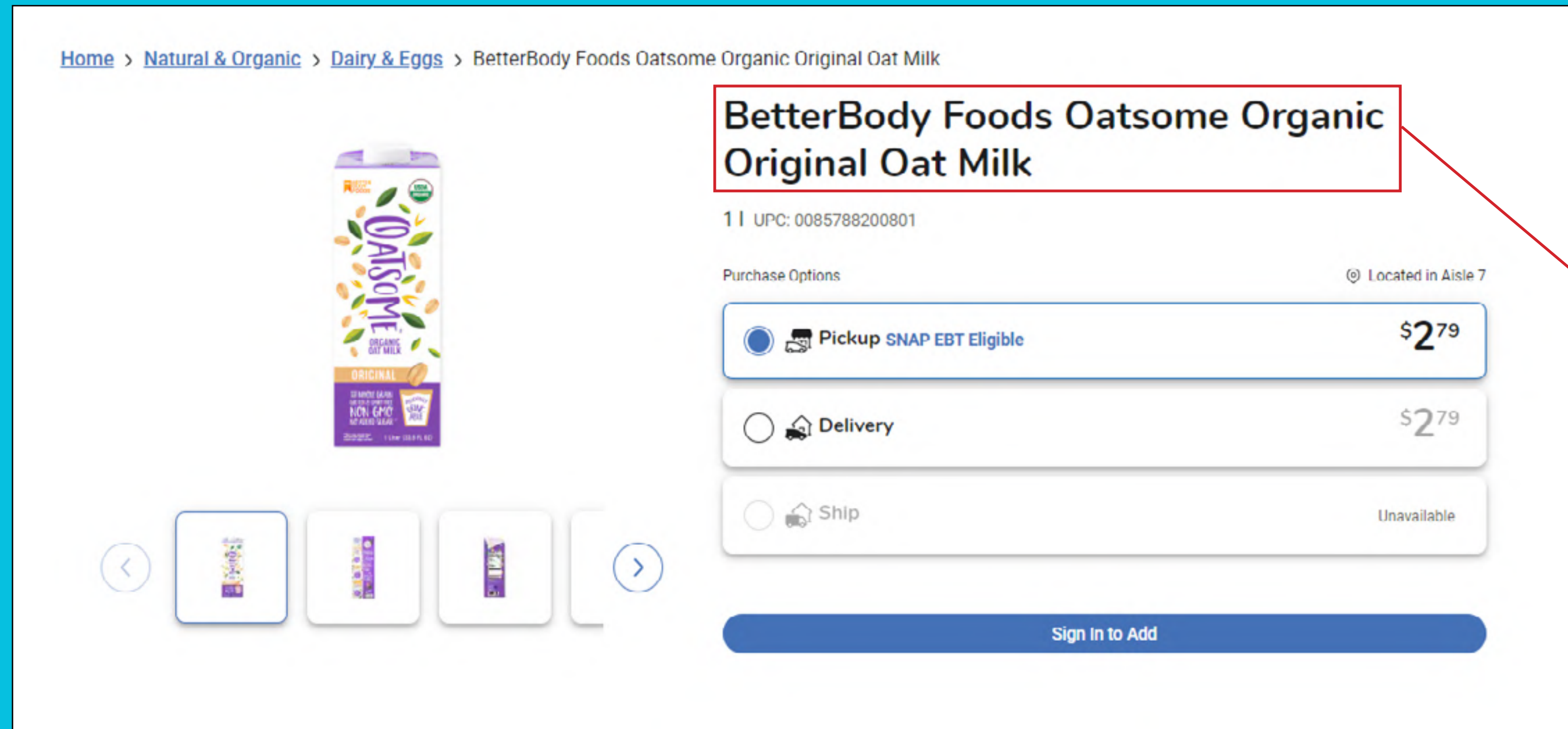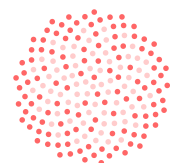

Example: Keyword "Buy plant-based milk"

If product name is missing keywords in the name, it will yeild poor search results.

Almost
80%
**of shoppers only look
at the first 5 rows
of search results**

Incomplete, Incorrect or Missing Product Copy & Images

To improve your search rankings and visibility requires more than just good products or competitive pricing. Although these two factors are important, your product descriptions, SEO keywords, and quality images significantly contribute to ensuring your products are visible on the first page. The reality is that consumers shop online because:

1) they believe they can get a better price and
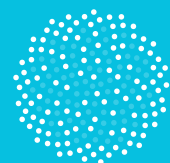2) they think they can conduct better research into the product features

So, if your product descriptions are not comprehensive, your consumers will move to the other brands that have more complete information.

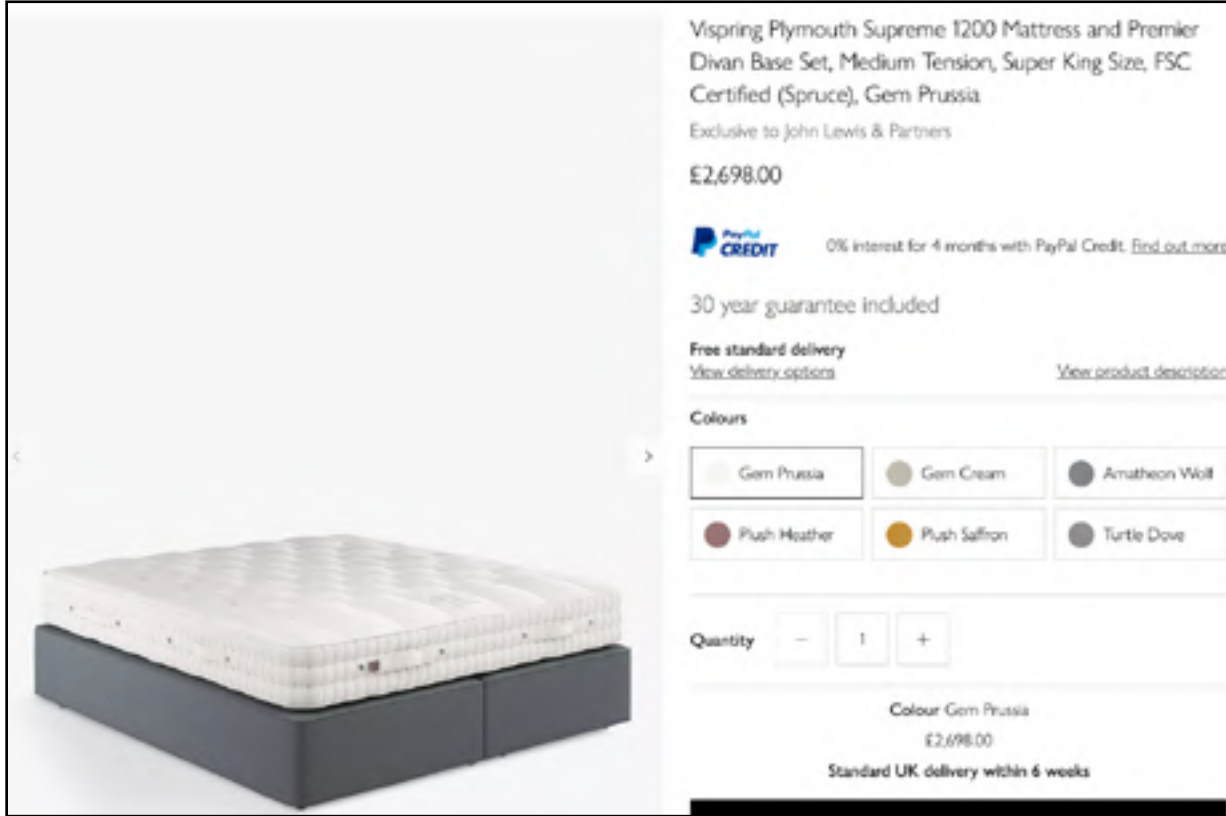# Include Detailed Descriptions and Product Images

Brands and retailers need to spend time and effort in ensuring that their product copy and listings are comprehensive and accurate. With smart digital shelf analytics, they can identify the right keywords to use and enrich their copy with key attributes. They can track competitor rankings and optimize their content by including similar keywords to improve visibility and provide the right descriptions to aid conversions. They can also ensure that their products are not miscategorized and have comprehensive search filters. With Intelligence Node's product improvement score, retailers and brands can analyze their product performance and improve it immediately.

Best Practice: Maintain Detailed Product Listings + Quality Images

Find a solution that helps you generate a product improvement score to understand the value added by the product copy.

Parameters	Definitions	Product code: 80050312	Example score calculations	
1) Attribute coverage	Number of attribute details available, out of the total number of attributes for the product (category specific). Attribute coverage < 50% results in "failed" coverage (score =1)		17% (assume)	Failed = 1
2) Image count	Image count < 3 results in "failed" coverage (score =1)		2	Failed = 1
3) Image quality	Image quality < median results in "failed" coverage (score =1). The highest image pixel count for every product has been considered in calculating the median of image quality		assume 226000 (median = 395875)	Failed = 1
4) Length of product info	Length of product info < results in "failed" coverage (score =1). The total character count of the product info has been considered for calculating the median of the length		assume 409 (median = 626)	Failed = 1
Total				4

30%
of shoppers abandon their shopping carts due to inaccurate product descriptions
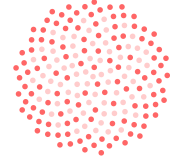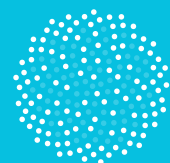
Poor Visibility into Consumer Reviews

Consumers often rely on customer reviews to give them an indication of the experience they might get with the product or the store. Poor consumer reviews can have a direct impact on your conversions and brand identity. A product with more than 5 reviews has a 270% higher chance of being purchased, making it extremely important for brands and retailers to encourage customers to leave a review. On the other hand, products without reviews or with poor reviews can discourage shoppers from buying your product and can have a huge impact on consumer sentiment about your products.

SOLUTION #3

# Listen to What is Working for Your Customers

Consumer reviews are insightful and give you a peek into their sentiments about your product. However, the trend is that most retailers are not tracking customer reviews, much less negative reviews. Lack of visibility to negative customer reviews can severely impact customer's perception of the brand and the product. Brands and retailers should use customer reviews to improve their product features and attributes. They can leverage user generated keywords into their product copies to resonate better with their customers.
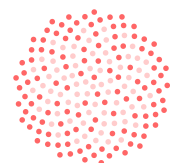
Best Practice: Understand Shopper Reviews

Leverage a 'rating dashboard' that provides an overview of how the products are perceived and rated by consumers in a summary form and can be drilled down further to any category, brand or competitor.
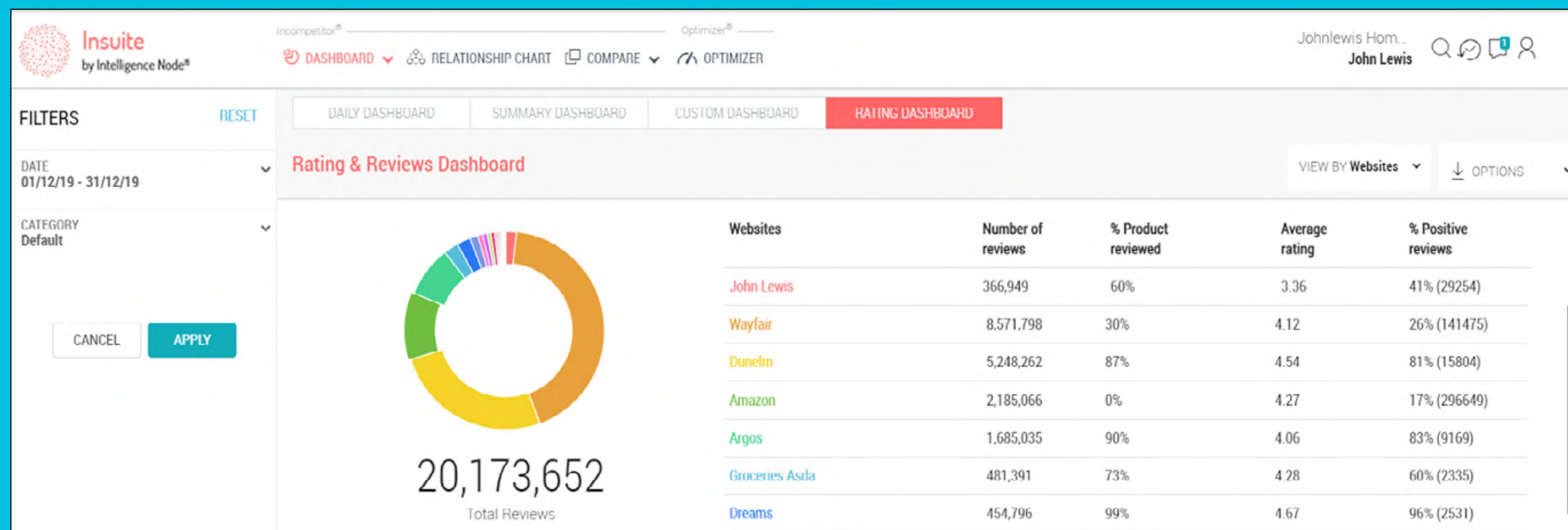
A product with more than 5 reviews has a

270%

higher chance of being purchased

Product is Unavailable or Out of Stock

You have gotten the consumer's attention, they have looked at your terrific product details and great images and they click on the link to "buy" the product and all of sudden the "out of stock" message pops up and now you have a frustrated consumer or worse, they feel like they have wasted their time and so they go to your competitor.
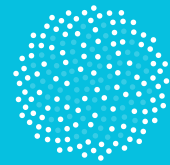
Out of stock products are a major turn off for shoppers and alienate them from a brand. It is also a big loss for the brand or the retailer as you are essentially turning down a customer who is ready to buy a product from you. As out of stock or over stocking of products is a common problem haunting retailers, finding a data-driven solution is the best bet to solve this challenge.

SOLUTION #4

Maintain Optimum Inventory Levels of all Products

Deciding the inventory levels for your SKUs cannot be based on product forecasts alone. You need comprehensive data analytics to understand actual day-to-day demand for top-selling products, the short-term impact of seasonal trends, and real-time competitor sales. Once you have current and historical data, you can predict demand and sales velocity and accordingly optimize your stock levels to ensure you are neither over stocked nor under stocked. You can make sure you have inventory when the customer wants to buy; and you can also take advantage of the market if your competitors don't have inventory.

Best Practice: Ensure Around the Clock Availability (Inventory)

Use AI-technology to detect declining inventory and receive early replenishment notifications.

Retailers lose out on nearly

$1 trillion

in sales every
year due to stock outs

# Limited, Non-targeted Product Assortment

Brands and retailers often display limited assortment on their shopping sites or in their physical stores. Limited assortments can lead to customer disappointment and can drive away an interested shopper. When customers have unlimited choices at their fingertips today, brands need to be more aligned with customer preferences and offer them choices by making their assortment more inclusive, diverse, and customer-centric.

SOLUTION #5

# Curate Winning Assortments that Customers Actually Want to Buy

Not all shoppers have the same taste or preferences. Brands and retailers need to understand this and curate assortments that cater to a diverse range of customers with different preferences. While having a deep or wide catalog is important, brands need to ensure that the assortments are on-trend, targetted, and not in the least bit overwhelming. With the right assortments, you can improve your conversions and improve customer experience ensuring they return to your website.
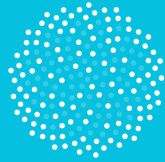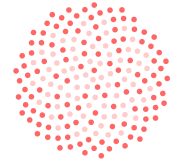
Best Practice: Offer Customer-focused Assortments

Analyze customer buying trends, preferences, and best-selling products to curate assortments that are customer-focused and can drive conversions.
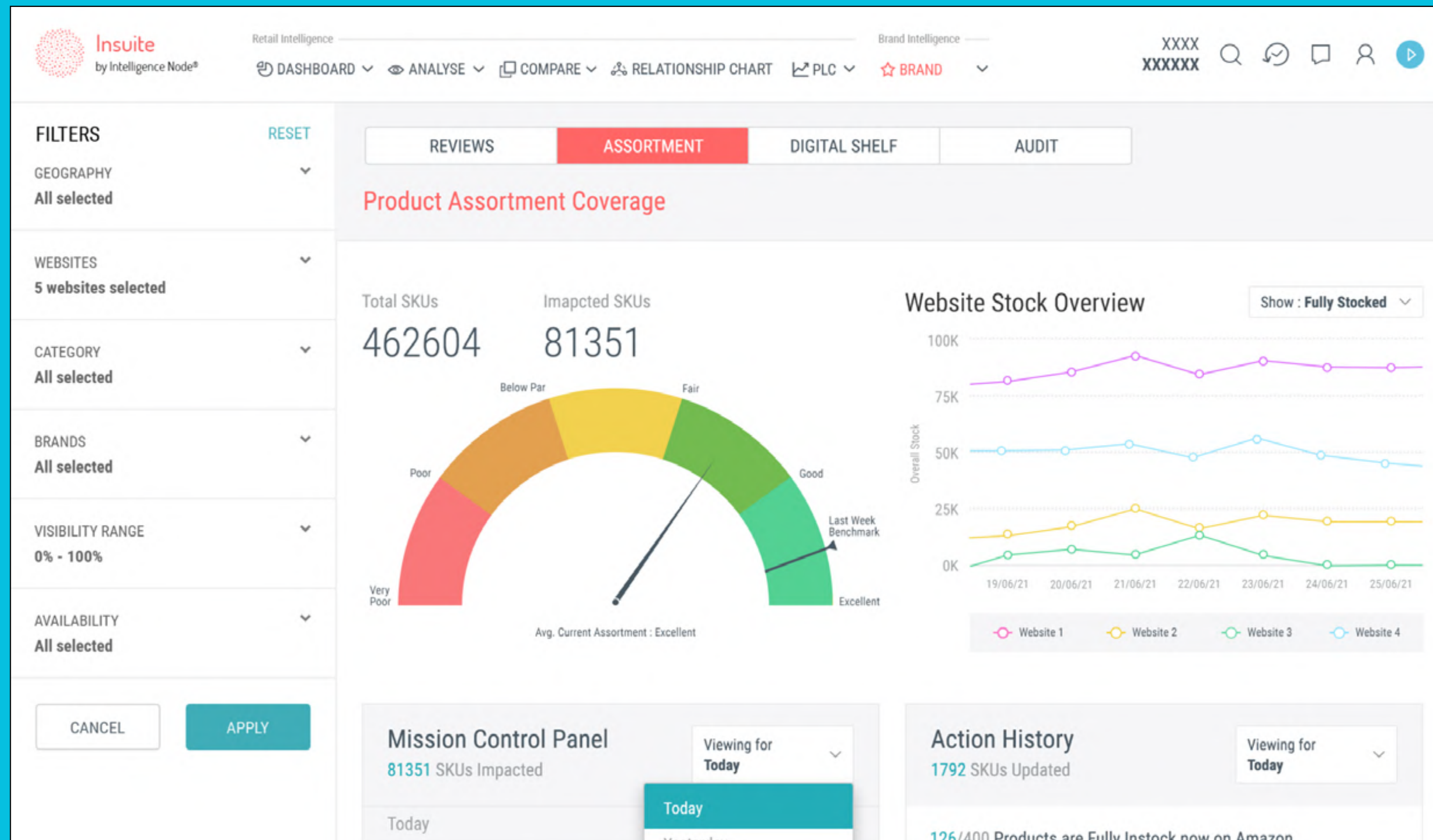
Every 10% increase in the unique products sold can lead to an average sales growth of

**12% sales**

No Real-time Assessment on Competitive Pricing

In today's highly competitive eCommerce environment, price remains the most popular reason why shoppers select a product. For this reason and others,sophisticated players like Amazon are reviewing their pricing every 2 minutes to ensure they are strategically priced. And without visibility into competitor prices, brands and retailers can lose sales owing to overpriced products or lose margins by underpricing their products. They might also leave money on the table in the absence of a robust pricing strategy in place.

# Offer Competitive Prices by Optimizing Online Prices

When selling online, you are competing with players like Amazon and Walmart who are known to review their prices multiple times a day. Hence, your pricing strategy needs to be agile and dynamic to keep up with price changes and comparison shoppers. You need to track competitor prices in real-time and have an automated price optimization strategy to take advantage of any pricing or assortment gaps left by competitors. Ensure your pricing tools are equipped to offer accurate price recommendations based on multiple factors like competitor prices, market trends, demand, product visibility, etc.
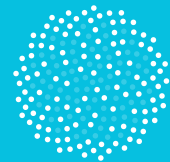
Best Practice: Benchmark Against Similar Products and Price Competitively

Compare and benchmark against exact and similar competitor products with advanced pricing solutions.
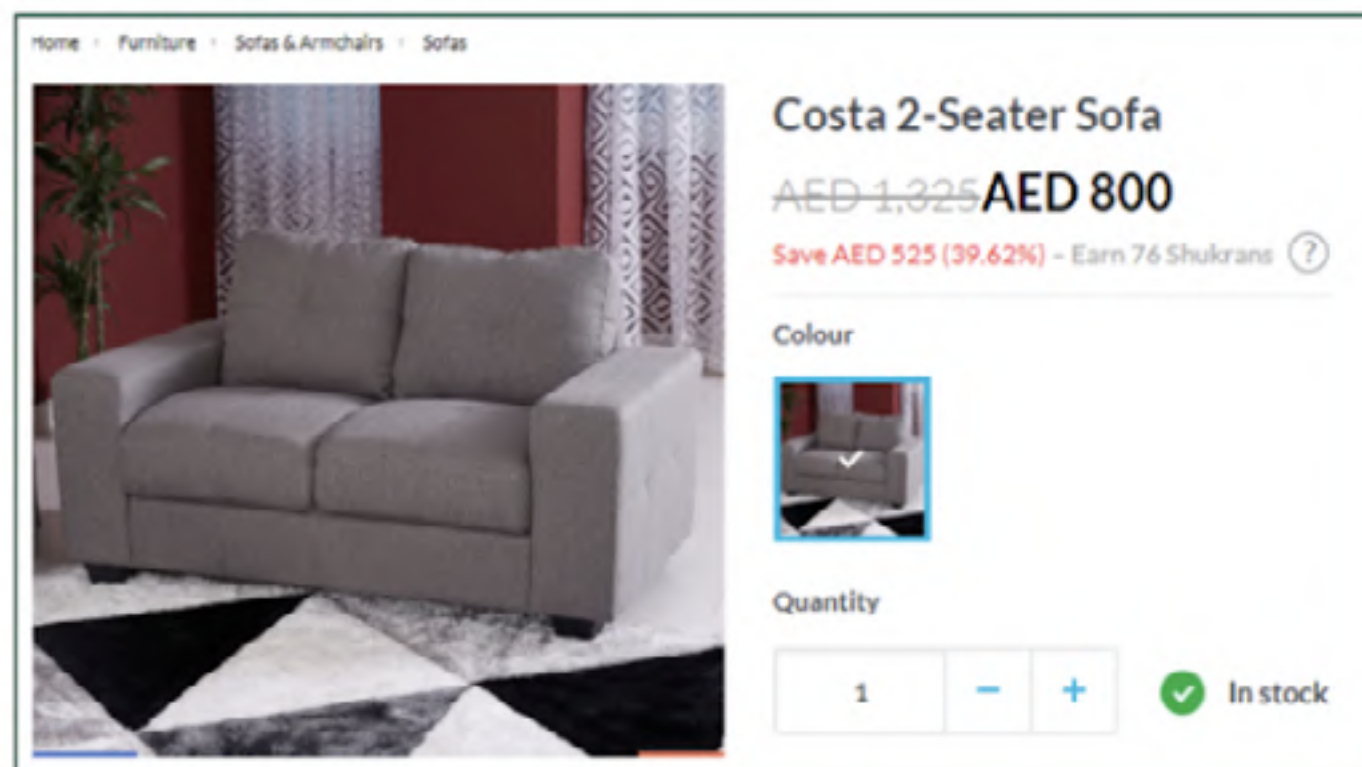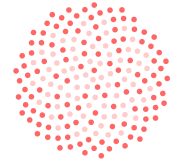

Attribute	Homebox URL	Homecentre URL
Seater Type	2-seater	2-seater
Sofa Type	Not Available	Not Available
Frame Material	Not Available	Wood
Upholstery Material	Fabric	Fabric
Reclining	No	No
Price threshold	AED 800	AED 1000
Visual Similarity	Yes	Yes
Dimension	H90 X W152 X D91	H83 X W92 X D156
Color	Grey	Grey
Seating Height	Not Available	Not Available
Wood Type	Not Available	Not Available
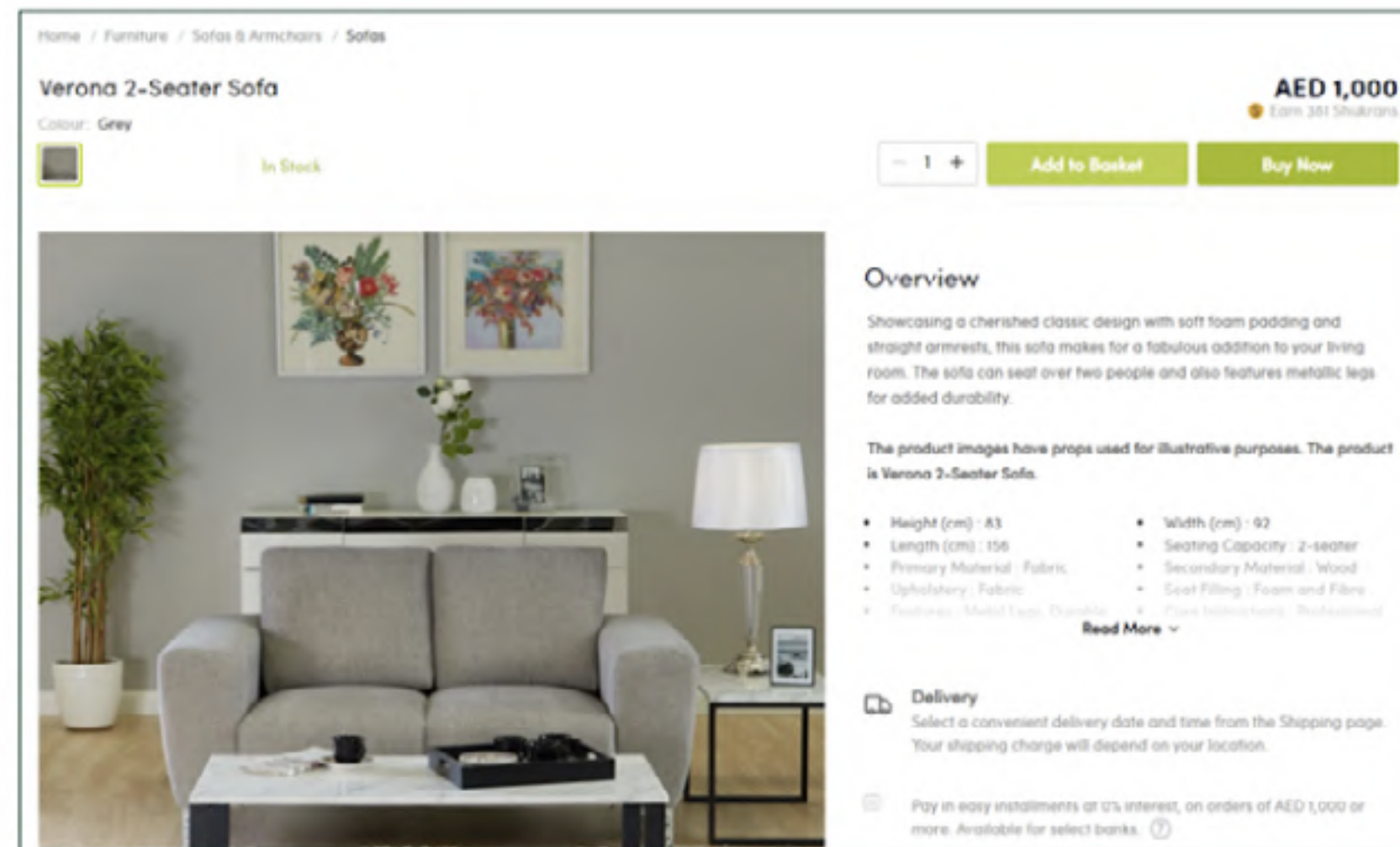
Amazon reviews prices of millions of its products every
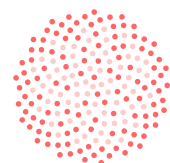
2 minutes

It's Time to Own the Digital Shelf with Powerful Analytics

Most of the online shopping queries start at 'search'. And quoting an old proverb, 'out of sight, out of mind', if you don't appear at the top of the search results, chances are shoppers will forget you and move to your competitors. That's why, in a highly competitive eCommerce world, you need to optimize for the digital shelf to improve your rankings and hence visibility, to improve conversions and get an edge over your competitors.

While Digital Shelf is still one of the less explored retail areas, it is time brands and retailers realize its importance in their quest to dominate eCommerce and leverage advanced analytics to ride the digital wave and emerge at the top of the digital shelf pyramid.
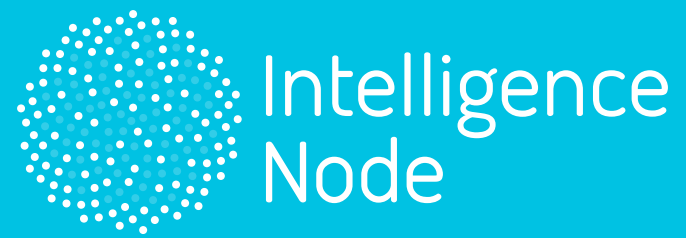
About Intelligence Node

Intelligence Node is a real-time retail price intelligence platform that empowers businesses to drive product level profitability and grow margins using data-driven competitive insights. Leading as a premier independent data powerhouse, it has created the world's largest pricing dataset with unmatched accuracy - feeding the growth of more than $600 billion in retail revenue globally.

Intelligence Node's proprietary AI-driven algorithms are packaged in an intuitive and beautiful user interface, simplifying onboarding by providing easy-to-use plug & play capability.

It is the platform of choice for hundreds of retailers and brands worldwide, including category leaders like Nestle, Lidl, Clos 19, Li & Fung, Lenovo and many others.

Intelligence Node

Achieve First Page Visibility with AI-driven Digital Shelf Analytics

Intelligence Node's Digital Shelf Analytics Solution is powered by proprietary AI and offers real-time insights into your digital shelf performance with 99% accuracy. Experience how our advanced Digital Shelf Analytics can help you improve your visibility and conversions with real-time, accurate insights.

BOOK A DEMO