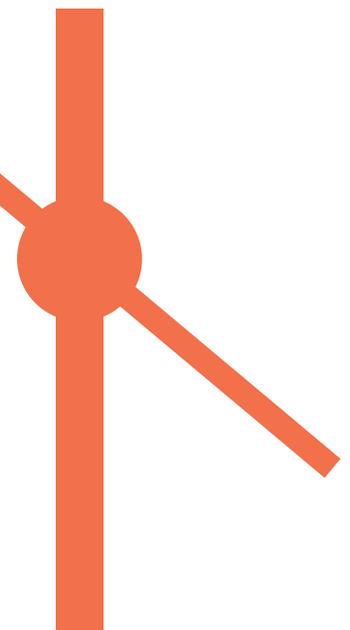
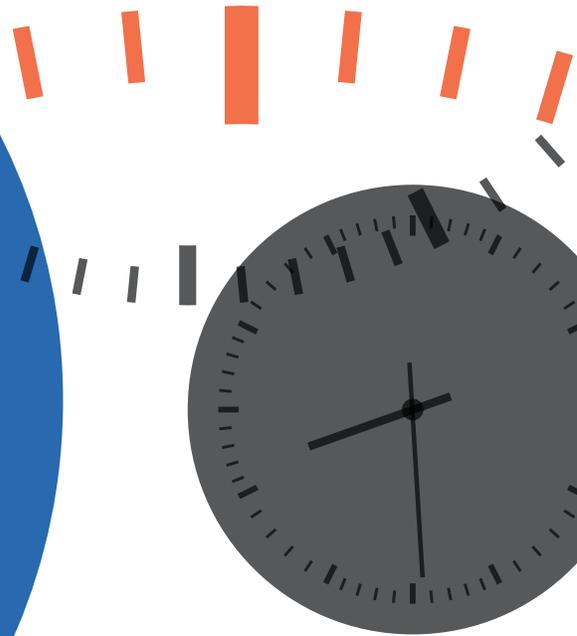
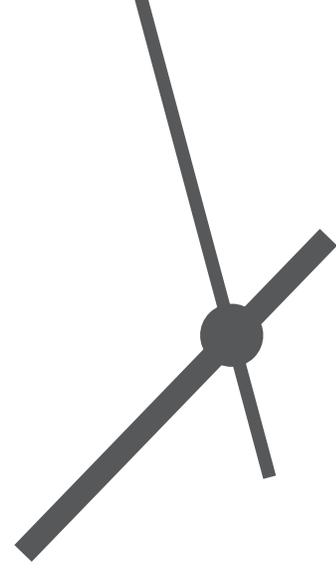




Reflektion

# Unlocking Shopper Intent: The Real Time Imperative

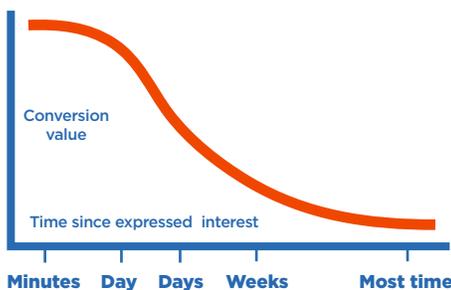


**Understanding and responding intelligently to shopper intent has long been the goal of marketers. In person, it's a pretty easy thing to do. Brick-and-mortar sales associates can take note of what aisles and displays their shoppers are heading towards, ask them questions, and guide them to their preferred items. But in eCommerce, it hasn't traditionally been so simple.**

**Although not everyone realizes it yet, in the last couple of years it's actually become easier for digital retailers to analyze and understand their shoppers than ever before - even easier than it is for brick and mortar. There is a wealth of data and insight in each shopper session that can be used to determine intent. When this data is tailored to the individual and used intelligently to guide the experience in real time, the end result is rewarding for the shopper and for marketers, as engagement and conversions increase dramatically.**

# What is shopper intent and why does it matter to eCommerce?

## Time vs. Intent Inverse Value



**48% of marketers cite the inability to gain insight on shopper intent from data to be critically challenging<sup>1</sup>**

A shopper's intent is their plan to purchase something. By responding intelligently to their intent and showing them what they want, you can win their business. eCommerce presents an opportunity where intent can be viewed and engaged with in real time. It's expressed by the shopper through their digital actions like clicking on certain products, searching your site, and the categories they visit.

But it's also important to note that intent is a time sensitive matter. Dated intent can be valuable, but the site's ability to react in the moment is most critical. Unfortunately most digital stores are blind to their shoppers' immediate intent. Or, if they can actually see it, it is through the rear-view mirror. Most retailers are completely incapable of responding to intent in real time. For eCommerce, this inability has traditionally been a painful and

costly achilles heel. It's one that not only marketers, but also their customers feel through poor user experiences that don't help them find what they are looking for quickly and easily.

## The 95% of Shopper Data That You're Throwing Away...

Typically less than 5% of shopper activity is related to actual purchasing. There's a tremendous wealth of data that stems from all the visits, clicks, and searches that make up the other 95%. With each visit, a shopper's clicks can show their affinity for a product attribute like "petite", or a particular brand, while search connects the shopper's natural expressions with specific products. It's a trail of valuable information that most retailers don't tap into. Ignoring it all is a major opportunity loss.

1. <http://bit.ly/1LkxH5s>

The following three scenarios present different opportunities where a conversion event can potentially be made or broken based on whether a site is losing or winning with shopper intent:

## SCENARIO ONE



## The mother shopping for her son and daughter

A mother visits a site looking for a birthday present for her son. She searches and clicks on action heroes and spaceship models, expressing interest around products and categories that share common attributes.

### IGNORING INTENT



The mother is force-fed princess related merchandise (the site's trending items). This continues even after her click and search behavior on the site demonstrates an interest in boy's items. She doesn't see the full assortment of action heroes and spaceship models, so she believes the site is mostly catered to girls based on trending items. She ends up going elsewhere to find what she is looking for.

VS

### WINNING AT INTENT



Based on her real-time clicks and searches for action heroes, the site immediately picks up on her intent. Boy related merchandise is more heavily weighted and irrelevant items like princess dresses are deprioritized in recommendations and site search results. As a result, she is able to find the assortment of curated products she is looking for and ends up purchasing in that same session. If she later returns to the site to buy something for a jealous daughter, the site picks up on the mother's new behavior and merchandises girls' items. By picking up on intent and responding to it, the site gains two conversion events from the shopper.

## SCENARIO TWO



## The man who buys a frying pan today and a duvet tomorrow

A man purchases a frying pan from a home goods retailer's mobile site. Using his smartphone, he returns to the same site a week later with the intent of buying a duvet cover.

### IGNORING INTENT

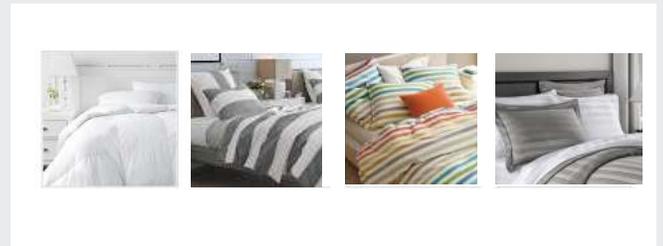


Based on his last purchase (frying pan), his tiny screen is inundated with kitchenware, even though he has selected the bedding category with the intent to buy a duvet. As a result, he's worn out by doing all the heavy lifting of sorting through irrelevant merchandise and abandons his search.

**74% of online consumers report frustration with websites where content appears to have nothing to do with their interests.<sup>2</sup>**

VS

### WINNING AT INTENT



While he sees kitchenware at first, once he clicks on bedding, the product recommendations of the mobile site's home page is populated with duvet covers and sheets. As he types the first few letters of the word "striped" into the site's search box, he is instantly presented with product previews of striped duvets. This kind of immediate recognition of intent not only helps him find the right duvet, but also a pair of queen sized sheets that also match his preferences.

2. Harris Interactive Survey <http://bit.ly/1d3Ks8C>

## SCENARIO THREE



## The teenager buying a laptop

A teenager visits a computer site looking for a laptop. She begins to configure her model, selecting the various specs she wants. But she is not yet ready to fork over her credit card number and check out.

### IGNORING INTENT

Refine Your Search

|                   |             |            |                  |
|-------------------|-------------|------------|------------------|
| Operating System  | Screen Size | Processor  | Memory           |
| Screen Resolution | Price       | Video Card | Delivery Options |

When she returns to the site in a couple days, ready to buy her laptop, her choices are forgotten. She is forced to start the laborious laptop configuration process all over again. To the retailer, this means a conversion that was already in the bag is now at risk.

VS

### WINNING AT INTENT

Laptop and 2-in-1 PCs

Refine Your Search Smart Selection - In-Stock For Fast Shipping | Up to 900GB | Up to 4 GB | 1800x900 | \$400 - \$600 | Intel

NEW 4th Gen Intel® Core™ i3 | 13" - 18" | Windows 7 | Clear All

|                       |                 |                |                      |                     |
|-----------------------|-----------------|----------------|----------------------|---------------------|
| Operating System (1)  | Screen Size (1) | Processor (1)  | Memory (1)           | Hard Drive Size (1) |
| Screen Resolution (1) | Price (1)       | Video Card (1) | Delivery Options (1) |                     |

The site recalls the shopper's specific configuration preferences on her subsequent visit. She is saved the trouble of going through the exact same process twice. And while she makes a change based on recent research, the rest of her preferences are saved - making the checkout process painless.

# Tactics That Help Marketers Nail Down

## Know your customer

Your shoppers are constantly being exposed to experiences that are tailored to their intent - from their search engine results to the suggested content shown in their Netflix accounts. They are growing accustomed to a digital world that recognizes and adapts to their immediate wants.

In terms of eCommerce, there are countless instances of why a retailer should know their customer. They implicitly expect a computer hardware site to remember their preferences for a certain laptop configuration. They don't want to think about having to login to view a shopping cart that they started to fill yesterday. When they search a retailer's site for "shorts", it is natural to first see results that match their gender. When an eCommerce site recalls user preferences in an intelligent way, shoppers can more quickly reach the products they intend to buy. This payoff naturally leads to better engagement and conversion rates.

## Focus on first party more than third party data

Many retailers depend on third party data that accompany a visitor to their site. While this data can be directional (at best), giving you an idea of what search terms they may have used on another site or previous interests, it doesn't always address a shopper's true intent.

The way a shopper behaves on your site is critically important when it comes to uncovering their real-time intent. Everything you can observe directly from the shopping behavior - their clicks, searches, and what they've added to their cart - are pieces to this puzzle. Retailers who focus more of their attention on this kind data are in a much better position to engage each of their visitors with the most relevant content and merchandise.

## Go beyond basic "bought, also bought" logic

The eCommerce industry has an unhealthy obsession with product recommendations that are based

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**The more often an individual visitor returns and engages with the site, the more relevant their shopping experience should become.<sup>3</sup>**

3. <http://bit.ly/1LkxH5s>

**67% of marketers report that using intent data would give them an advantage over the competition<sup>4</sup>**

on what other visitors have looked at or bought. While shoppers have become accustomed to this old-school method, “people who bought this also bought that” flat out ignores individual shopper intent. Industry leaders are now realizing that these generic, product-centric methods are not enough to create impactful engagement or conversions.

### **Focus on Individualization, not Segmentation**

While segments are a traditional starting point to engaging your visitors, they can wind up hurting your brand in the long run because you’re essentially norming your audience. Trying to respond to 5,000 people as if they had one intent never works for any individual customer. Retailers should instead respond with content and merchandise tailored specifically to each individual.

4. <http://bit.ly/1LkxH5s>

## **Tangible results for retailers and brands who tap into real-time intent**

 **70%**  
**Engagement**

 **26%**  
**Conversion**

Retailers and brands that stick with outdated approaches that don’t capture and address shopper intent in real time will continue to see outdated results. A 3-5% lift is the best for many old school, segment-dependant personalization efforts.

But by responding to shopper intent in real time, engagement increases by an average of 70% and conversion rates lift by 26%. Disney, Converse, and Uniqlo are among the leading eCommerce businesses that have cracked the code to uncovering higher engagement, conversion, return visits and subsequent revenue increases as a direct result of taking a new approach to how they treat each individual shopper by responding to each visitors intent.