The B2C Dot-Com Report

Episerver Highlights 2018–2019 B2C Commerce Site Metrics that Answer Top Digital Commerce Questions

Dear Marketers and Merchandisers,

If you're looking to compare your B2C commerce site metrics to counterparts and competitors, you're in the right place! Episerver has tracked 1.3 billion unique shopping sessions across 159 unique retail and consumer brand websites around the world to capture the key performance indicators that matter most to you.

With over 60 percent of consumers shopping online at least once a month, retailers and brands must constantly evaluate which devices and traffic sources are performing best and respond accordingly. The B2C Dot-Com Report will give digital commerce leaders and practitioners a snapshot of what is happening across a statistically significant sample of retail and consumer brand websites to get definitive answers to top B2C commerce questions.

To complement these benchmark figures, we've included buyer-reported information from our consumer behavior study (indicated by this icon) of more than 4,500 global online shoppers. As you will see, consumers know what they want and how to get it.

Ready to see how your site stacks up? Browse through these pages to add, adjust or accelerate your digital commerce strategies.

Commerce cheers,

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How are people accessing retail websites?

When looking at share of traffic by device, mobile has hit its tipping point with **50 percent of all sessions coming from a smartphone device**, 9 percent coming from a tablet and 41 percent of sessions coming from desktop, making it critical for retailers and brands to re-evaluate and optimize mobile experiences including addressing site speed, content priority and user experience. Some Episerver customers tracked in this report see more than 80 percent of their sessions coming through mobile on certain selling days.

Share of Traffic by Device

9%

41%

50%
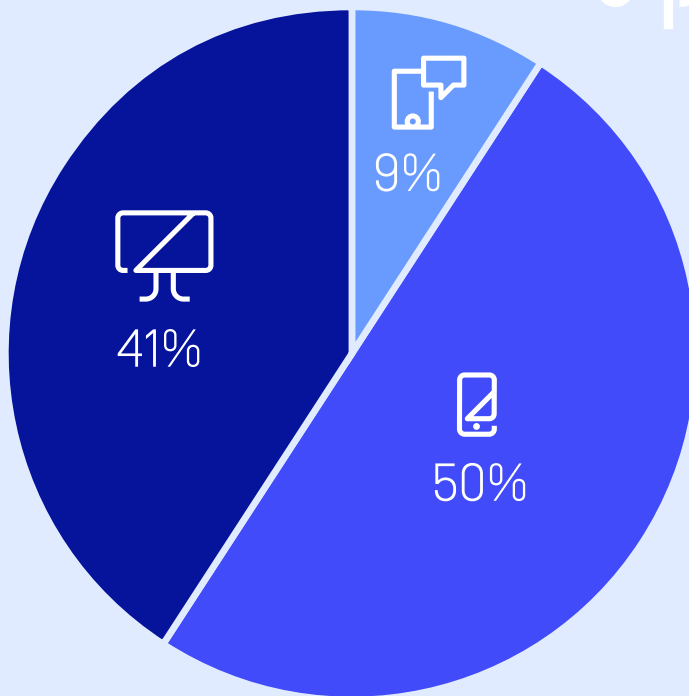
A third (32 percent) of global online shoppers expect brands and retailers to offer a website that works well on mobile devices.

Which device type accounts for the most items sold per transaction?

Units per Order by Device

3.6

2.9

3.3

epi

Despite mobile being responsible for most retail website traffic, people are buying more items when they access a retail website on their desktop computers. **Units per order on desktop are 24 percent higher than mobile and units per order on tablets are 14 percent higher than mobile.** While desktop users are more profitable in this case, mobile users may be more inclined to add items and get out of clunky experiences. Desktop buyers do not need as much patience to add more items and take advantage of recommended products to supplement their order. To increase the number of items a consumer purchases, websites must be device specific, providing an experience that is intuitive and useful for each device type. The adoption of Adaptive Web Design and Progressive Web Application (PWA) functions have proven to increase mobile conversion rates and average order values (including units per order). Read: Why Responsive Design is Dead.

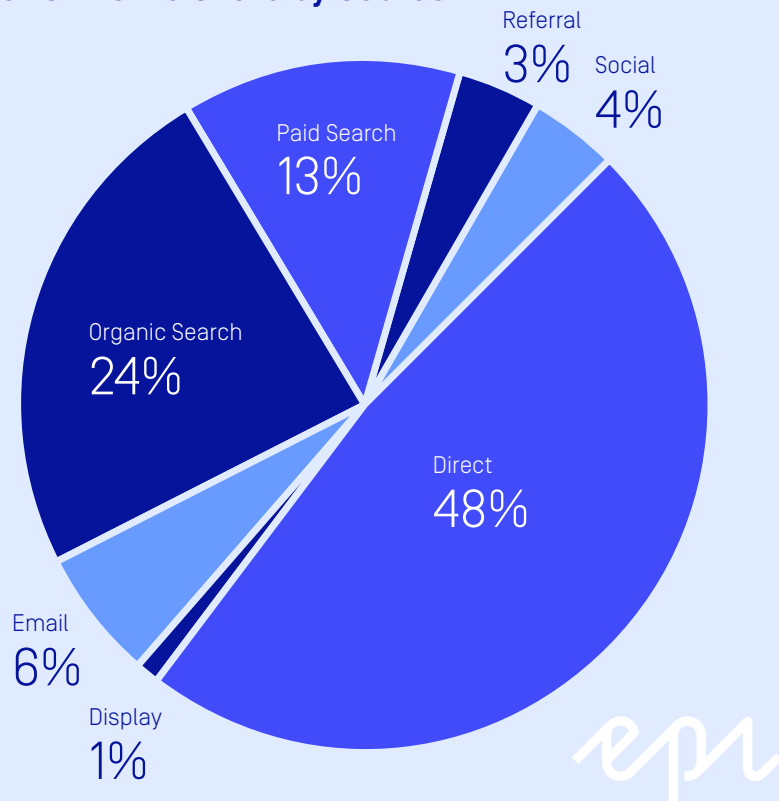**Only 17 percent of the online shoppers say the primary reason they visit a brand's website for the first time is to make a purchase.**

What channel is driving the most site traffic?

Referral Traffic Share by Source

- Referral 3%
- Social 4%
- Paid Search 13%
- Organic Search 24%
- Direct 48%
- Email 6%
- Display 1%

The culmination of a brand's marketing efforts may be more valuable than any one channel as **48 percent of website visits from Episerver's sample come from direct traffic**, which is counted as a person who types in the retailer's website directly into their browser or clicks various non-defined paths such as a bookmark, a personal email or other non-Web links. The second highest referral source for retail website traffic comes from organic search, another referral source in which myriad factors are at play such as brand awareness (for branded keywords), website crawlability, search engine optimization strategies (e.g., mobile friendliness, rich content, page speed, accessibility) and how competitors rank. While marketers and merchandisers do not have much authority over direct and organic search visits, paid search can be managed firsthand, and it accounts for 13 percent of all retail website visits. On the next page, however, let's see how each of these sources are converting.

Even with the majority of consumers visiting a retailer's site via a direct path, 87 percent of global shoppers compare what they find on a brand or retailer's site to Amazon.

What traffic source has the highest units per order?

Units per Order by Traffic Source

Direct
3.4

Email
3.4

Organic Search
3.1

Referral
2.9

Paid Search
2.8

Social
2.3

Display
2.2

Quantity pays off for direct traffic as a source of website traffic in that it not only offers the most visits but also provides the highest basket sizes, tied with email, with 3.4 units per order. Since every extra item counts, retailers want to look at each metric provided within to complement their goals. Is it to increase units per order? Then units per order by traffic source is a benchmark to consider. What's more, **direct and email had the highest units per order by traffic source in both 2017 and 2018**. As for why, personalized recommendations are more abundant on retail websites and in the emails they send versus other channels listed.

Additionally, there could be an attribution problem. If the user comes back later with the intent to buy, after a session from social or paid search, that traffic source does not get attributed. So, take this data with a grain of salt. It's quite likely that users are coming back on a second or third visit to conduct final comparisons and make the purchase starting by going directly to the retailer or brand's website. It's also possible that this indicates brand preference is very important because brands and retailers with name recognition, loyalty and preference, will see higher units per order than impulse purchases from social.

Twenty percent of online shoppers expect retailers to offer product recommendations based on their purchase or browse history.

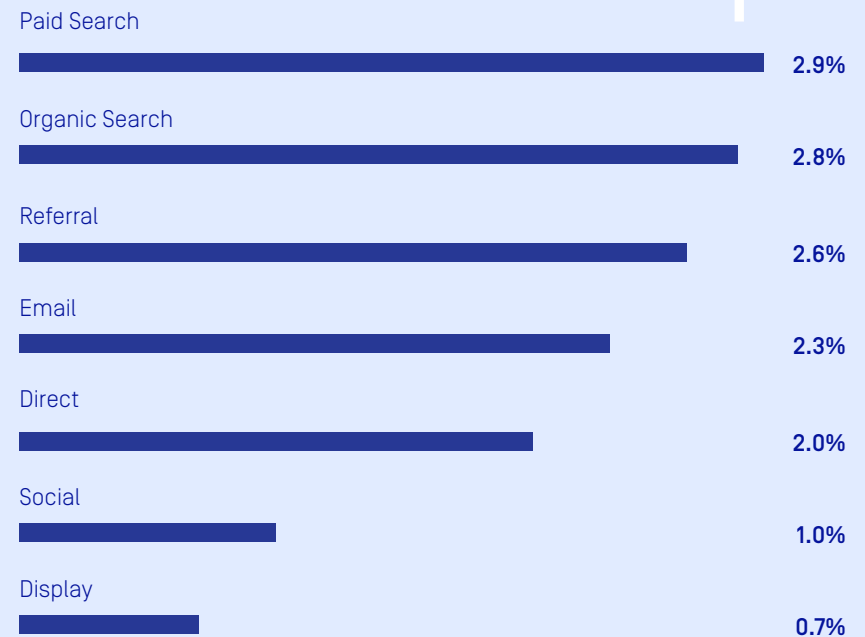# What traffic source has the highest conversion rate?

Organic and paid search combine for a formidable traffic source, but paid search alone has a slight advantage. What organic search's second-place conversion rates tell us is the importance of mobile-to-mobile experiences in a time when most retailer's mobile experience is lacking. **Google's de-ranking of non-mobile friendly sites may be helping searchers going from the results pages to a website and easily making a purchase there**. People on social are clearly having a much different experience. While social apps are inherently mobile, a lowly one percent conversion rate indicates retailers are not taking advantage of social commerce features in which casual swipers can turn into serious shoppers.

This should encourage retailers and brands to optimize entry pages from search with the best and most relevant products using product recommendation engines like Episerver Personalization.

Whether they have a product in mind or not, Google is the top place people start their shopping journey according our 2019 global consumer survey.

Conversion Rate by Traffic Source

Paid Search
2.9%

Organic Search
2.8%

Referral
2.6%

Email
2.3%

Direct
2.0%

Social
1.0%

Display
0.7%

What traffic source is the most valuable?

According to Episerver's Traffic Source Index, paid search and organic search are the highest performing traffic sources when taking conversion rate, units per order and bounce rate into consideration. The higher the number, the higher cumulative performance from the channel. **Search-oriented traffic has the strongest combination of low bounce rates and high conversion rates and units per order.** Retailers and brands should ensure they're seeing similar strength in paid and organic search traffic and if not, optimize accordingly. Merchants must shore up other high traffic sources such as direct and email, which saw lower conversion rates and higher bounce rates despite the high quantity of traffic.

Remember, the lower the Traffic Source Index score, the lower the channel performs. Direct traffic is the lowest because it gets the most traffic and has the highest bounce rate, despite having highest units per order and a decent conversion rate. This indicates that direct gets a bad rap for having look-and-leave traffic whereas search and referral traffic usually indicate intent. Email is likely more profitable than these other channels because they are return or at least loyal customers who convert from a retailer or brand's email campaign.

Traffic Source Index
(Computation of bounce rate, conversion rate and units per order)

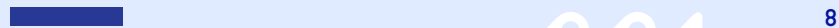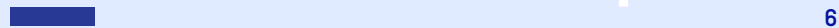Paid Search
55

Organic Search
48

Referral
47

Social
44

Email
34

Display
8

Direct
6

Buyers are in a searching mindset as searching for a product or service is the top reason for visiting a brand or retailer's website for the first time as noted by 33 percent of global online shoppers.
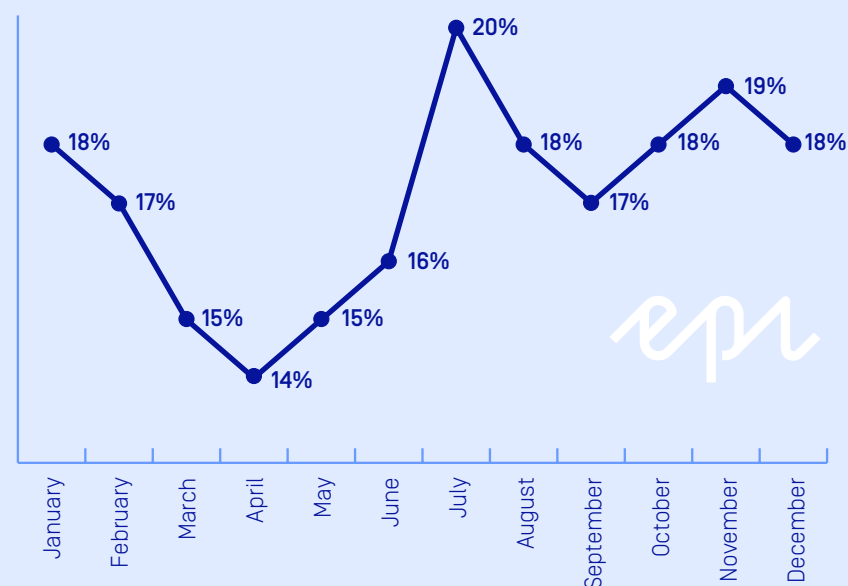
When do retailers put the most items on sale?

On any given month, retailers and brands had 17 percent of items in their catalog on sale with an average discount of 12 percent. **The months with the highest percentage of products on sale were July (20 percent) and December (19 percent) in both 2017 and 2018.** The months with the biggest discounts off list-price were December (14 percent) and July (15 percent). Retailers and brands in our sample offered an average of 12 percent off list-price in November.

Retailers and brands must balance discounting and loyalty building without giving away precious margin. This can be accomplished by better targeting of promotions based on certain user behavior or traffic sources and creating meaningful content experiences that satisfy consumers' desire to search and swipe as the majority of purchases are not pre-planned.

While consumers welcome discounts, they will not buy without transactional elements accounted for. Online shoppers report that the top three capabilities/ features brands and retailers should support include free shipping (67 percent), shipping tracking (61 percent) and information about returns (52 percent).

Percentage of Catalog on Sale by Month

Month	Percentage
January	18%
February	17%
March	15%
April	14%
May	15%
June	16%
July	20%
August	18%
September	17%
October	18%
November	19%
December	18%

How do I use these benchmarks?

Each touchpoint offers the chance to connect with an individual in a hyper-relevant manner that speaks to how they arrived on a site, where they were before and what they are trying to accomplish. The site must adapt to this information and intent to deliver the best experience for the person even as they evolve themselves. Episerver calls this experience-driven commerce and it is only reached when content, commerce, marketing, analytics and personalization form to create the perfect union.

Need to make a business case for improving your digital experience?

Check out Forrester Research's Total Economic Impact of Episerver, an independent study of our customers' return on investment. Key findings include:

- Episerver reduces time spent on content and product management updates by 50 percent.
- Episerver customers see a 443 percent return on investment in three years.
- Episerver's artificial intelligence based personalization increases conversion by 5 percent and basket size by 5.5 percent.

Download Reimagining Commerce 2019, a survey of more than 4,500 global consumers. Key findings include:

- Incorrect or incomplete content has stopped 97% of online shoppers from completing a purchase.
- Forty-three percent of consumers cited a lack of security features as the number one reason they won't make more purchases via voice-enabled devices.
- Twenty-one percent of millennial online shoppers turn to social for inspiration when they don't have a product in mind.

"Whether it is catering to visits by device or by source or discounting to attract year-around shoppers, marketers and merchandisers cannot improve key performance metrics in isolation."

Episerver Digital Experience Cloud

The Episerver Digital Experience Cloud™ unifies digital content, commerce and marketing in one platform, including omnichannel solutions for intelligent campaigns. The platform uses artificial intelligence and behavioral analytics to deliver personalized experiences everywhere. With our secure, reliable platform you can quickly increase engagement, revenue and productivity, while getting the fastest time to value.

About Episerver

At Episerver, we believe digital transformation is a journey. We have been guiding customers for more than 20 years in providing standout digital experiences. Today our network of 880 partners, in 30 countries, supports 8,000 customers and over 30,000 websites. Founded in 1994, Episerver has offices in the US, UK, Sweden, Australia, Germany, Denmark, Finland, Norway, Poland, the Netherlands, Spain, South Africa, Singapore, Vietnam and the UAE.

For more information, visit episerver.com.

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