

Wunderkind

eCommerce Marketing Buyer's Guide



TRIPP
CONSULTANTS
GO-TO-MARKET STRATEGY EXPERTS

Patrick Tripp, on behalf
of Wunderkind

Overview

The overall retail landscape has seen its fair share of challenges over the past several years. With the threat of global recession pending, Forrester Research notes, “The substantial savings that households accumulated during the 2020–2021 lockdowns and government stimulus have been steadily diminishing. According to estimates from the San Francisco Federal Reserve, U.S. consumers’ excess savings have decreased from approximately \$2.1 trillion in August 2021 to around \$500 billion.”¹

In fact, U.S. consumers were heavily impacted by historically high levels of inflation in 2022, resulting in an additional trillion dollars being spent on goods and services due to increased prices. U.S. consumers are showing reduced interest in high-ticket items due to rising interest rates, which have reached their highest levels in decades.²

The silver lining lies in the eCommerce sector. The size of eCommerce will grow to be \$6.9 trillion by the end of 2025.³ According to Forrester, “eCommerce sales penetration has started to increase again. After consistently remaining within the 14% to 15% range from Q1 2021 to Q4 2022, the share of eCommerce sales as a percentage of total sales has surpassed 15% in the past two quarters. In Q2 2023, eCommerce penetration reached its second-highest level in history, second only to Q2 2020.”⁴

With more than 20% of retail purchases happening online this year, businesses that can successfully sell products and services online have a competitive average over those that cannot.⁵ With the promise of eCommerce growth comes major disruption for brands. Digital transformation has come to the forefront through the post-Pandemic era. Perhaps the most disruptive force that has evolved from digital transformation is the rise of artificial intelligence and generative AI. In this new era, what do eCommerce brands and marketers need to survive and thrive?

Did you Know?



\$6.9

eCommerce will grow to \$6.9 trillion by the end of 2025



20%

20% of retail purchases will happen online this year

¹ The Rise and Fall of Pandemic Excess Savings, Federal Reserve Bank of San Francisco, 2023

² Top Five Challenges US Retailers Face Due to Rising Interest Rates, Forrester Research, 2023

³ Global Ecommerce Sales: 2021-2027, Shopify.com, 2024

⁴ Top Five Challenges US Retailers Face Due to Rising Interest Rates, Forrester Research, 2023

⁵ Ecommerce Marketing In 2024: The Ultimate Guide, 2024

What is eCommerce Marketing?

As eCommerce has grown, so has eCommerce marketing. eCommerce marketing is the process of motivating consumers to buy products or services that are sold online. That includes the entire customer experience, from simply making people aware of the brand all the way to earning their trust and making the sale. An example of this might be where Christina goes to a website, she converts on products without discounts, and it's important for the brand to know this, so it doesn't unnecessarily extend discounts and lose value.

eCommerce marketers, such as content marketers, email marketers, digital marketers, CRM experts, and affiliate marketers must work together to make this happen. This eCommerce disruption creates many challenges such as online identity, shopper conversion, driving a great customer experience, and making sense of the complicated sea of marketing technology. Let's look at each of these major challenges and offer recommendations to address them:

Challenge One

Identifying Consumers Online

Consumers are rapidly opting out of third-party cookie tracking. Privacy regulations have proliferated, and traditional browsers restrictions prevent brands from knowing who their customers are and what they're doing once they're on the site. Safari and Firefox have eliminated third-party cookies and Google will introduce a new experience in Chrome that lets people make an informed choice that applies across their web browsing. Even if the individuals visiting your website have signed up for your emails and texts, you may not know that or understand what they're doing on your website. Often, first-party cookies expire and threaten the longevity of customer data. This makes it difficult to ensure the right customers are receiving the right messages. CDPs can only identify existing customers when they self-authenticate. This does nothing to help solve the problem of new traffic, or users who switch

Did you Know?

9B

9 billion consumer devices are recognized by Wunderkind.

2T

2 trillion digital events are observed by the Wunderkind network.

browsers and devices – hint – that’s most shoppers.

Customer States

It’s important to note that marketers often deal with consumers in multiple phases of their customer journeys. This might be fully anonymous where they are completely unknown, semi-anonymous where there are some digital artifacts, or fully authenticated states. Being able to gather insights across these states, across multiple devices, sites, and touchpoints is a major challenge.

Data Types

Identity resolution, the process of linking a customer’s online behavior, is at the heart of the matter for eCommerce marketers. These are the data types that marketers must try and

Zero-party data:

Data that a customer intentionally and proactively shares with a brand. This includes preferences, purchase intentions, personal context, and how the individual wants the brand to recognize them.

First-party data:

Data collected directly from your customers or audience through interactions with your websites, apps, social media, surveys, or customer service.

Second-party data:

Essentially first-party data that you acquire directly from another organization. This data is shared between partners or purchased from a company that has a direct relationship with the data source.

Third-party data:

Data purchased from outside sources that do not have a direct relationship with the data subjects. These sources aggregate data from various platforms and sell it to companies for marketing purposes.

Data Privacy

There is a growing concern among consumers and regulators about data privacy. Data privacy is critical to building trust and a positive reputation for eCommerce brands. With global regulations such as the General Data Protection Regulation (GDPR) in Europe, California Consumer Privacy Act (CCPA), and many other regional considerations, it's critical that brands obtain explicit consent from users before collecting data.



Recommendation: Say What You'll Do, Do What You Say

Brands need to ensure they are only collecting the data necessary for the intended purpose to reduce privacy risks and comply with regulations. Brands need to ensure they are securing data storage and transfer, conducting regular audits, leveraging technologies to anonymize and pseudonymize user data, and educating consumers about how their data is being used. Brands need to allow for records to be purged upon consumer requests, and copies of data collected need to be shared, if requested.

make sense of:

Challenge Two

Converting Shoppers to Customers

It's critical to understand why visitors come to your site and provide them a great customer experience. Being able to attract the right audience to your site and engage them with the right content to encourage purchases is a major challenge. This can be achieved by leveraging ads, web analytics technologies, and triggered real-time interaction management solutions. Most brands have a limited understanding of their visitors, and consequently 98%⁶ or more of site traffic is unidentified, severely limiting the opportunities for remarketing. Additionally, over 90% of shoppers take more than one session to convert.



Recommendation: Create Intelligent Offers

Only 2% of website visitors make a purchase.⁷ Savvy eCommerce marketers must leverage intelligent content and offers to deliver unique experiences for customers to change these parameters. Offers might take the form of discounts, promotions, or incentives for customers to engage with the brand longer term. Offers must be presented in real-time to site visitors, and leverage in-context channel and session data to ensure accuracy and relevancy. Marketers need to leverage technology that can trigger remarketing messages, offers, and content at the right moment in the buying cycle.

⁶ How to Engage Your Anonymous Online Visitors through Personalization, Shelley Media Arts, 2024

⁷ Ecommerce conversion rate benchmarks, Smart Insights, 2024

Challenge Three

Driving a Great Customer Experience

In the world of eCommerce, customer experience (CX) refers to the broader perception and feelings your customers have throughout their entire journey with your business, from first interaction to post-purchase support and advocacy. This journey might include browsing, researching, purchasing, receiving, and using the product, as well as interactions with customer service, returns, or exchanges. Great eCommerce CX incorporates personalizing the site for intuitive navigation, mobile responsiveness, and recommending products, policies, shopping, and payment options.



Recommendation: Remove Friction from the Experience

To facilitate great eCommerce customer experiences, marketers need to incorporate more fluid, ongoing and automated interactions with customers. This can be enabled by AI-driven customer service, mobile site optimization, or feedback loops across multiple customer journeys. Ultimately, CX in eCommerce is about building a strong, positive relationship between your brand and your customers. It aims to not only satisfy and retain customers but also turn them into advocates for your brand, driving word-of-mouth and repeat business. In a highly competitive digital marketplace, the customer experience you deliver is a key differentiator that can set your eCommerce business apart and fuel long-term success.

Challenge Four

Making Sense of eCommerce Marketing Technology

The eCommerce marketing technology landscape is vast and complex. One only needs to view Scott Brinker's [Marketing Technology Landscape Supergraphic](#) to realize that there are over 11,000 solutions to evaluate! Marketers need to carefully examine the areas that will enable quick and effective wins and avoid costly and lengthy projects that may deliver limited returns.

Marketers must not only choose which tools to adopt but also understand how to integrate them effectively in a cohesive digital marketing strategy. The key to navigating this complex landscape lies in a clear understanding of business goals, customer needs, and the specific functionalities of each technology, ensuring that each solution chosen aligns with the overarching aim of delivering a seamless and engaging customer experience.



Recommendation: Evaluate Best of Breed vs. Full Stack

In some cases, marketing technologies can be consolidated into a single cloud or martech stack provider. Consolidating under one provider can provide consistency and streamline the approach of customer engagement but may be costly and time consuming to deliver. Leveraging a best of breed approach can be tricky to integrate, but if done so successfully, can be more cost effective in the long term as companies can fully leverage their previous technology investments. Regardless of the approach taken, a common practice by leading vendors in this sector is providing best practices, playbooks, and full service solutions to help organizations get up and running quickly. This performance marketing concept focuses more on delivering outcomes and results than it does features and products.

A Blueprint for End-to-End eCommerce Marketing

Given these mega challenges, marketers that want to deliver meaningful outcomes which delight consumers need a roadmap for success. A technology blueprint for eCommerce marketers outlines the essential digital tools and platforms needed to execute a comprehensive marketing strategy effectively. This blueprint ensures that all the technology aspects are integrated and aligned with the business's marketing objectives, providing a seamless experience for both the marketers and the customers.

A next generation blueprint for eCommerce marketing moves brands from rigid and linear to flexible and adaptive, from journeys to evolutions, from rules to intelligence, from segments to people, and from reactive to predictive. Here are five key areas that marketers can leverage as a technology blueprint for eCommerce marketing success:

Did you Know?

Petco saw these results with Wunderkind:

3X

increase in emails captured

5X

increase in revenue through triggered email

33%

lift over set goals

1. Actionable Data

Marketers must navigate large amounts of data from various digital sources. 87% of marketers say data is their most underutilized asset.⁸ Marketing technology vendors should have robust audience creation capabilities that allow marketers to query any set of customer attributes at lightning speed.

Actionable data should also include rich historical data an identity resolution partner can provide on both known and unknown traffic visiting a digital property. Because identity solutions are tracking devices as they browse, click and buy, – on thousands of websites and ad platforms – they can provide context at an individual level to optimize a brand's messaging and offers. Not only can identity solutions stitch together multiple devices across multiple channels back to a single customer profile for a true single view of the customer, but they can help personalize offers and persuade consumers from opt-in through repeat purchases.

Capabilities marketers need to deliver actionable data include:

- An identity resolution solution that provides historical context on a consumer profile while stitching together their devices across email, text, ads, and additional channels to enable building of a single customer profile that can drive effective segmentation and decisioning
- A reporting suite that allows users to easily configure metrics across all their channels for predefined and custom date ranges.
- Real-time audiences that leverage a combination of ML generated and easy to configure segments to target customers who are most likely to engage.

⁸ The Importance of Data Driven Marketing- Statistic and Trends, 2023

2. Artificial Intelligence and Decisioning

eCommerce marketers need to tap into AI and machine learning capabilities to leverage always-on continuous interactions, powered by a rich tapestry of consumer data. Journeys will transform into dynamic, ever-evolving loops, adapting in real-time for hyper-personalized customer experiences, resembling individualized playlists. This improves performance and streamline processes, freeing up marketers to focus on strategic and creative initiatives.

Capabilities marketers need to deliver AI and decisioning include:

- ML-based decisioning that identifies the most impactful segment, campaign, and content to deliver to customers, on the channels they prefer.
- AI-generated brand copy for creatives written in brand voice, which will streamline and automate content creation processes.
- ROI-prediction capabilities that will allow campaign results and ML models to be constantly being updated and monitored for greatest returns.

3. Omnichannel Engagement

Ecommerce buyers engage with brands in any given channel, such as web, email, ads, mobile devices, and increasingly through connected television (CTV). According to McKinsey⁹, 33% of US consumers have made omnichannel a part of their shopping routine. A channel is more than a one-way avenue for disseminating information; it's a dynamic space for brands to listen and engage with their consumers and understand their behavior across channels.

Capabilities marketers need to deliver omnichannel marketing include:

- Mobile app push notifications triggered by user behavior delivered to mobile phones. This will provide more relevant and contextual opt-in experiences.
- Mobile customization enables higher creativity by allowing marketers to customize creative stylings such as different fonts and images.
- Omnichannel sends leverage AI to deliver messages across all channels based on customer context and performance predictions.

⁹ Omnichannel: The Path to Value, McKinsey & Company, 2021

4. Analytics and Insights

The importance of analytics and insights cannot be overstated. They are the backbone of informed decision-making, enabling brands to understand customer behavior, preferences, and trends, tailoring their offerings and strategies for maximum impact.

Capabilities marketers need to deliver analytics and insights include:

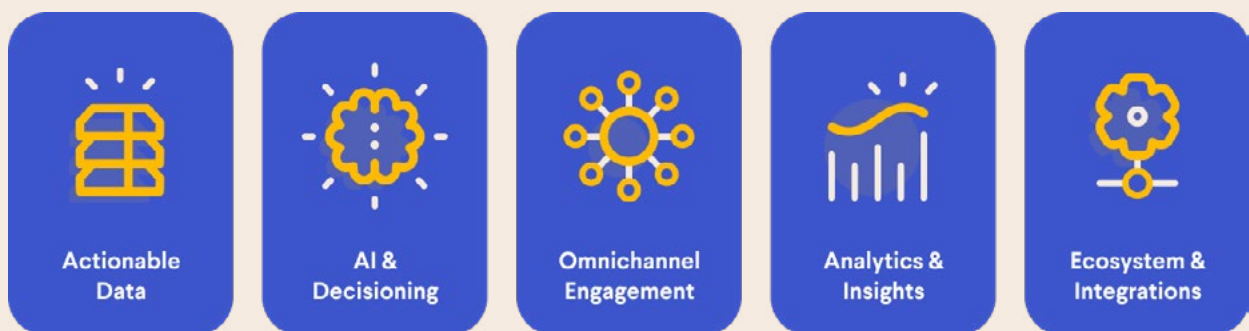
- Standardized dashboards and opt-in reports allow marketers to view common KPIs quickly and easily over time, including campaigns, match rates, and filtering by segments.
- Attribution and incrementality is key as many firms flail between first, last, and weighted average attribution models. A standardized approach to attribution and incrementality shows the impact of decisions and actions, above and beyond traditional ESP clicks and opens. This allows marketers to surface data from third parties and unveil industry benchmark comparisons in standard reporting.
- Lifetime value (LTV) reporting helps marketers understand behavior of audiences to understand purchase frequency, frequency distribution, and repeat purchases.

5. Ecosystems and Integrations

The success of an eCommerce business hinges not just on the products it sells, but also on the cohesion and efficiency of its operational ecosystem. Ecosystem building and interoperability is a critical pathway to build growth and resilience. As the demand for autonomy and efficiency in campaign execution and reporting continues to rise, some eCommerce marketers are looking for cutting-edge self-service tools. These tools are designed to not only enhance real-time control but also significantly improve efficiency and timeliness in creative optimizations and onboarding processes. On the other hand, many larger marketing organizations prefer white glove service, where eCommerce marketing vendors perform some or all the work for them, guaranteeing revenue performance outcomes.

Some options marketers need to weigh include:

- Leveraging third parties such as the Shopify app to provide checkout extensibility solutions without the need to integrate and provides a new channel for self-service client acquisition. Vendors like Klaviyo can be embedded to provide guided setup for integrated email sending and cart abandonment use cases.
- A full-service model can help larger clients handle the heavy lifting, including design, creative, development, QA, and optimization, all in collaboration with a brand's objectives, feedback, and approval.
- Customer success management teams can be dedicated to making strategy recommendations based on our best practices, analyze results, and continue to ideate and optimize the strategy throughout the length of the partnership.



This blueprint offers a strategic framework for building and growing your eCommerce business through digital marketing. It emphasizes the importance of understanding your audience, leveraging multiple marketing channels, and continuously optimizing based on data and feedback. The key to success lies in creating a cohesive and adaptable strategy that focuses on delivering value and enhancing the customer experience at every touchpoint.

Key Questions to Ask Your eCommerce Marketing Vendor

Choosing the right eCommerce marketing vendor is critical to your business's success. The right vendor can help you increase sales, improve customer engagement, and enhance your overall marketing strategy. Before pulling the trigger on martech vendors, make sure to ask your prospective vendors these key questions:

What experience do you have in my industry?

What vertical expertise does your vendor provide? Many marketing tech vendors focus on specific verticals like retail, healthcare, or financial services. Some focus on SMB accounts and self-service, while others support enterprise customers and provide full services. Some support B2B marketing but not B2C. Ensure you have a clear picture of the vendor's focus before engaging.

Can your platform know all that is knowable about the customer?

How does your vendor capture, manage and activate data? Having a comprehensive, single view of the consumer from multiple data sources across sites and properties is not easy. Most vendors cannot capture deep insights around customers and focus on antiquated tracking methods such as third-party cookies.

How do you approach strategy development for clients?

Does your vendor help with a strategic plan for engaging consumers? Many providers focus only on the technology, and require sophisticated users with IT backgrounds to deploy, manage, and maintain solutions. Fewer vendors provide performance marketing solutions that incorporate strategy playbooks, creative design, integration, integrations, quality assurance, and guaranteed outcomes.

What capabilities do you have to deliver personalized experiences at scale?

What techniques, capabilities, and programs does your vendor run to drive deep personalization? Make sure you evaluate the vendor's ability to personalize content, experience, and interactions with visitors beyond cursory levels. Key dimensions to evaluate personalization include context, customer, channels, content, timing, offers, and accuracy.

What channels and touchpoints do you enable?

Ensure you understand all the channels and touchpoints the vendor supports. Does the provider focus on supporting the channels that matter most for the customer? Are the channels enabled natively or through integrations? Evaluate vendors that can support SMS, mobile app push, email and can orchestrate the entire process without manual intervention.

How do you measure and analyze results?

What reporting, dashboards, and ROI tools will you have access to? Being able to easily access insights and metrics that you define has become table stakes in this space. Ensure the vendor has a point of view and capabilities on attribution, incrementality, and value measurement.

How do you guarantee outcomes?

What kind of outcomes can your vendor deliver? Make sure to ask your vendor if they can guarantee you key results like revenue and retention because of leveraging their platform. Most providers will take your money and not guarantee a thing. Focus on vendors that can drive relevancy, great customer experience and deliver at very high quality.

Quick Reference Guide

What is eCommerce Marketing?

eCommerce marketing is the process of motivating consumers to buy products or services that are sold online. That includes the entire customer experience, from simply making people aware of the brand all the way to earning their trust and making the sale.

Four Key Challenges eCommerce Marketers Face

- Identifying consumers online
 - Converting shoppers to buyers
 - Driving a great customer experience
 - Making sense of eCommerce marketing tech
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A Blueprint for End-to-End eCommerce Marketing

- Actionable data
 - Artificial intelligence and decisioning
 - Omnichannel engagement
 - Analytics and insights
 - Ecosystems and integrations
-

Key Questions to Ask Your eCommerce Marketing Vendor

- What experience do you have in my industry?
- Can your platform know all that is knowable about the customer?
- How do you approach strategy development for clients?
- What capabilities do you have to deliver personalized experiences at scale?
- What channels and touchpoints do you enable?
- How do you measure and analyze results?
- How do you guarantee outcomes?

Wunderkind

Wunderkind is the leading AI-driven performance marketing solution that collects consent based, first-party data and identifies anonymous traffic for brands in order to scale hyper personalized one-to-one messages. Brands lean on the Wunderkind Identity Network, a proprietary database recognizing 9 billion devices, 1 billion opted-in consumers and observes 2 trillion digital transactions per year, to trigger the most impactful offers to their target audience at the right moment and in the right channel. This proprietary data is accessed by Wunderkind's Autonomous Marketing Platform, an AI engine which integrates seamlessly into a brands' existing ESP to boost performance across email, text and advertising channels. Wunderkind is the only performance solution that guarantees a lift in revenue for its clients and delivers over \$5 billion in directly attributable revenue annually for brands across a number of industries, often ranking as a top 3 revenue channel in clients' own analytics platforms. Brands such as Perry Ellis, HelloFresh, Avis, Uniqlo and Tarte partner with Wunderkind to drive top-line revenue through its guaranteed results. To learn more, go to www.wunderkind.co.



Tripp Consultants is a boutique marketing consultancy helping brands with go to market strategy, fractional CMO work, messaging, product launch, pricing, packaging, and thought leadership content. For the past 20 years, Patrick Tripp and his teams have helped tech companies create a strong brand presence, increasing growth, retention, and profit. For more information, go to www.trippconsultants.com.