



ANNUAL SURVEY REPORT

# RICH CONTENT:

A Land of Opportunity for Retailers

PRESENTED BY

**NAPCO**RESEARCH  
TotalRetail

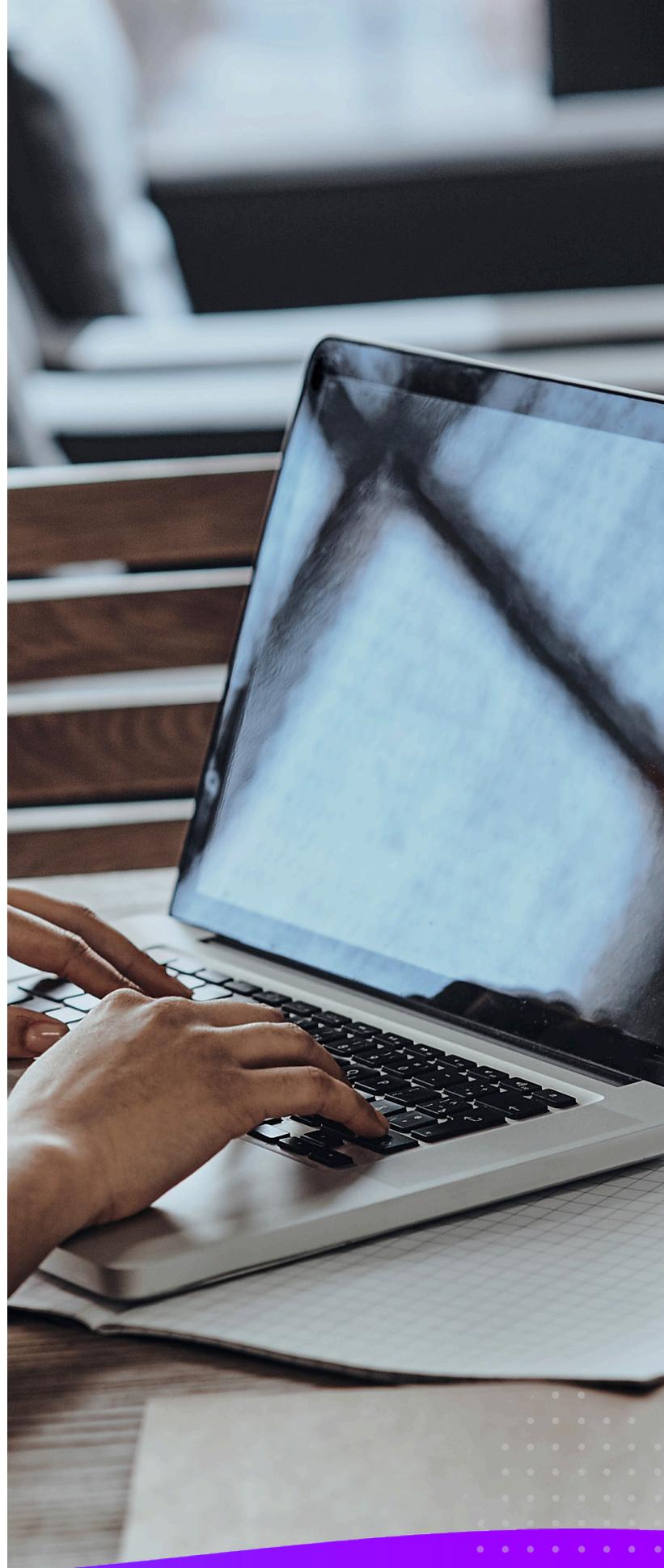
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## EXECUTIVE SUMMARY

New research from NAPCO Research and Zmags shows that online merchants see content as a top priority. Yet, they struggle to produce regular rich content, identify its ROI, and expand distribution beyond their own networks. Additionally, they are challenged by outdated content technology and processes that hinder output at scale.

With consumers increasingly expecting rich content experiences throughout the research and buying process, retailers have an opportunity to test new and rich content methods, determine ROI, and invest in content technology platforms that will enable the increase in quality and quantity of immersive experiences and seamless distribution to new audiences.





## DID YOU KNOW?

Global eCommerce spend will reach **\$23 trillion in 2017.**

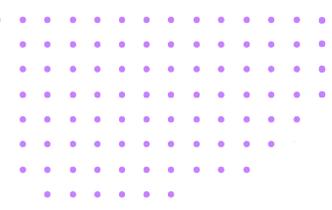
## Content, the New Engine of eCommerce

The internet has forever changed how consumers browse and shop. The ability to conduct online research and buy virtually anything from the comfort of the home shifted the balance of power to the consumer in the shopper-retailer dynamic. In 2017, eMarketer puts global ecommerce spend at more than \$23 trillion.<sup>1</sup>

Online content is the enabler for this dynamic shift. Content empowers the buyer to browse leisurely and/or research a purchase thoroughly, and it is the online equivalent of a knowledgeable sales person answering questions the buyer may have.

As the internet has evolved and shoppers' dollars have increasingly shifted from brick and mortar to eCommerce, content has evolved too. Static imagery and basic text-based web pages have graduated to richer content experiences. In response to shifting expectations, online merchants are evolving to rich media experiences such as video, lookbooks, buying guides, user-generated content, and more—in order to enable a more interactive buying experience and stay competitive in a crowded online marketplace.

# Gauging Retailers' Rich Content Maturity



Given how foundational content is to the online buying experience, and with a clear shift to rich content in process, Zmags, who provide a customer experience creation platform for marketers, partnered with NAPCO Research to gauge the state of rich content for today's online retailers (NAPCO is the parent company of Total Retail).

These insights will inform online retailers where their colleagues and competitors stand in the shift to rich content and identify opportunities for merchants to advance toward creating rich, interactive experiences for their audience.

NAPCO Research designed an online survey and seeded it to Total Retail's audience in June 2017, obtaining 158 responses from retailers across verticals such as consumer electronics, apparel, home improvement, and more.

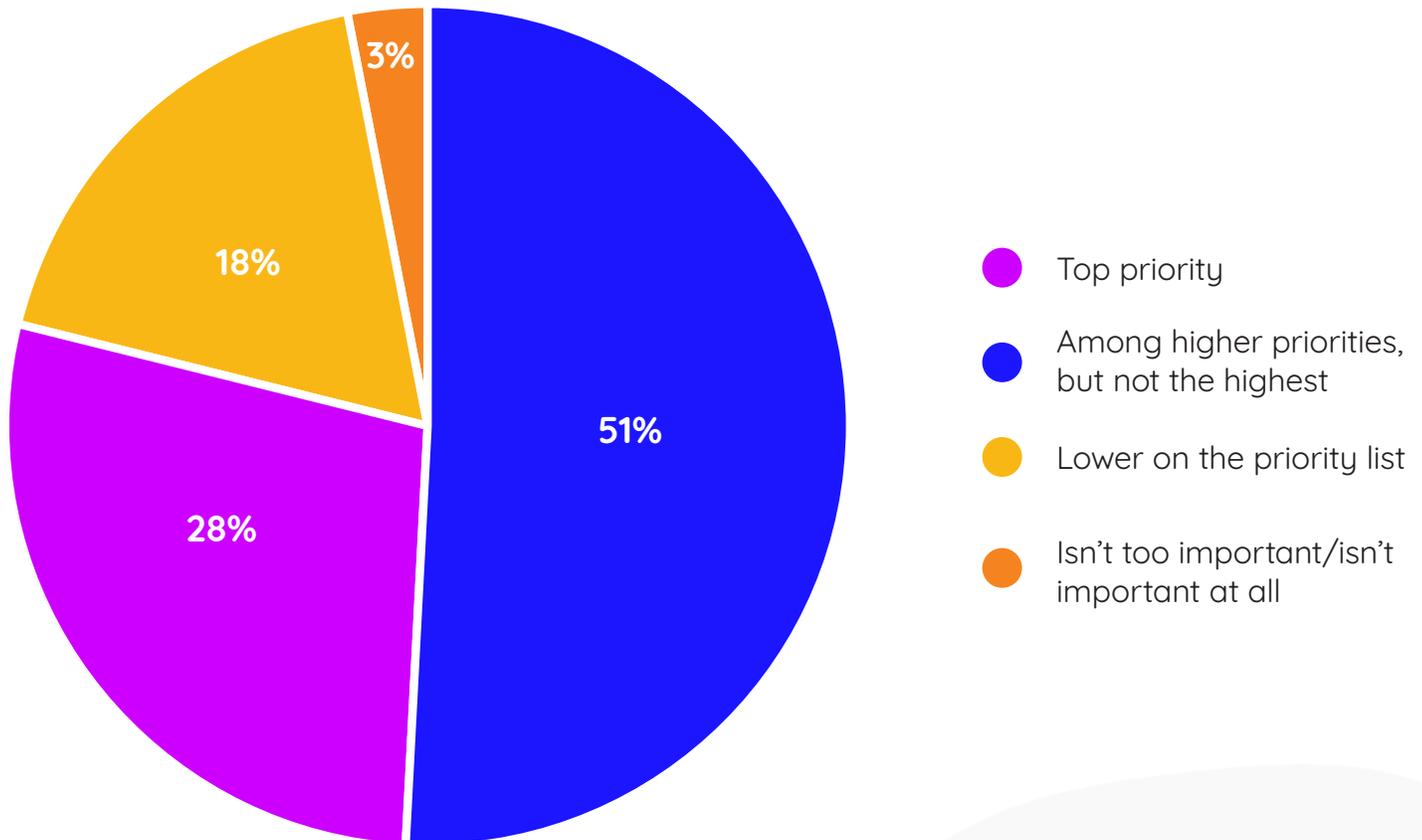
This research report will answer the following questions:

- Where does content fit in terms of marketing priorities for retailers?
- How much rich content do online retailers produce?
- What kinds of content do online merchants have/want to have?
- What are the ecommerce drivers for creating rich content?
- How do online retailers distribute content?
- What are retailers' top pain points in creating rich content?
- What technology do online merchants use to create/host rich content?



# Content is a Key Part of Retailers' Marketing Strategy

How much of a priority is content production as a part of your marketing strategy?



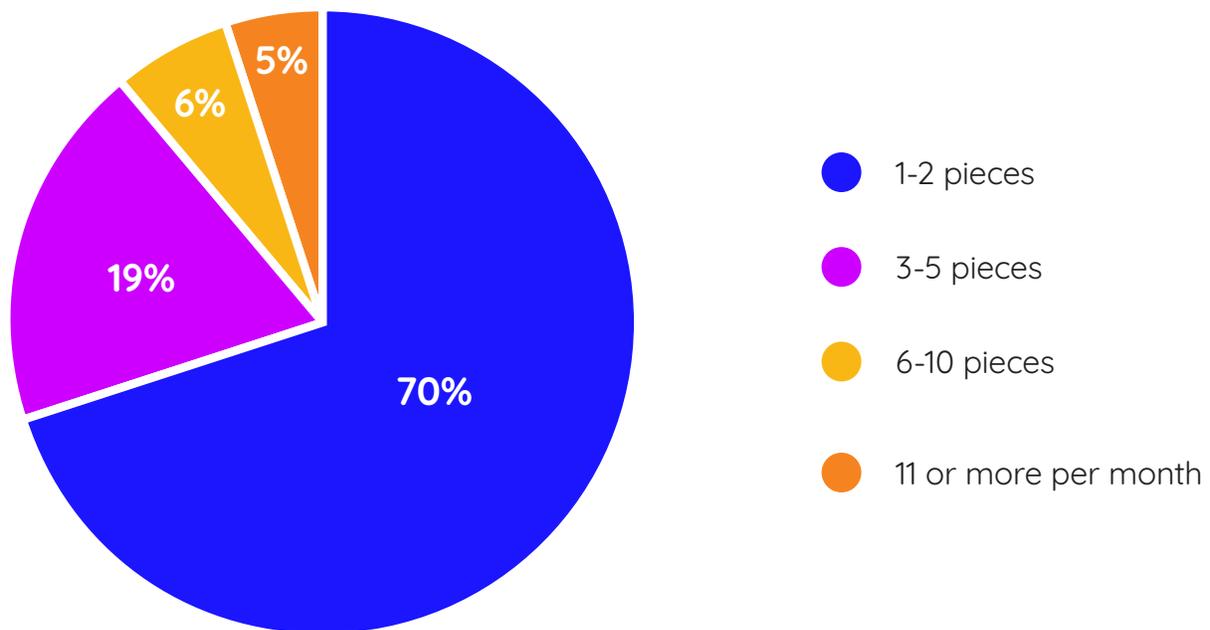
Our first insight is into how online merchants prioritize content. 79 percent of retailers consider content production a 'top priority' or 'among higher priorities.' This suggests merchants have fully absorbed the importance of consumer content in the online buying process and realize that content drives the buyer down the purchase funnel.

## DID YOU KNOW?

**73% of online merchants** consider content production a top/among higher priorities.

# 70 Percent of Online Merchants Produce One to Two Rich Content Pieces per Month

How much rich content (e.g., lookbooks, buying guides, carousels, UGC, and video) are you producing per month?



## DID YOU KNOW?

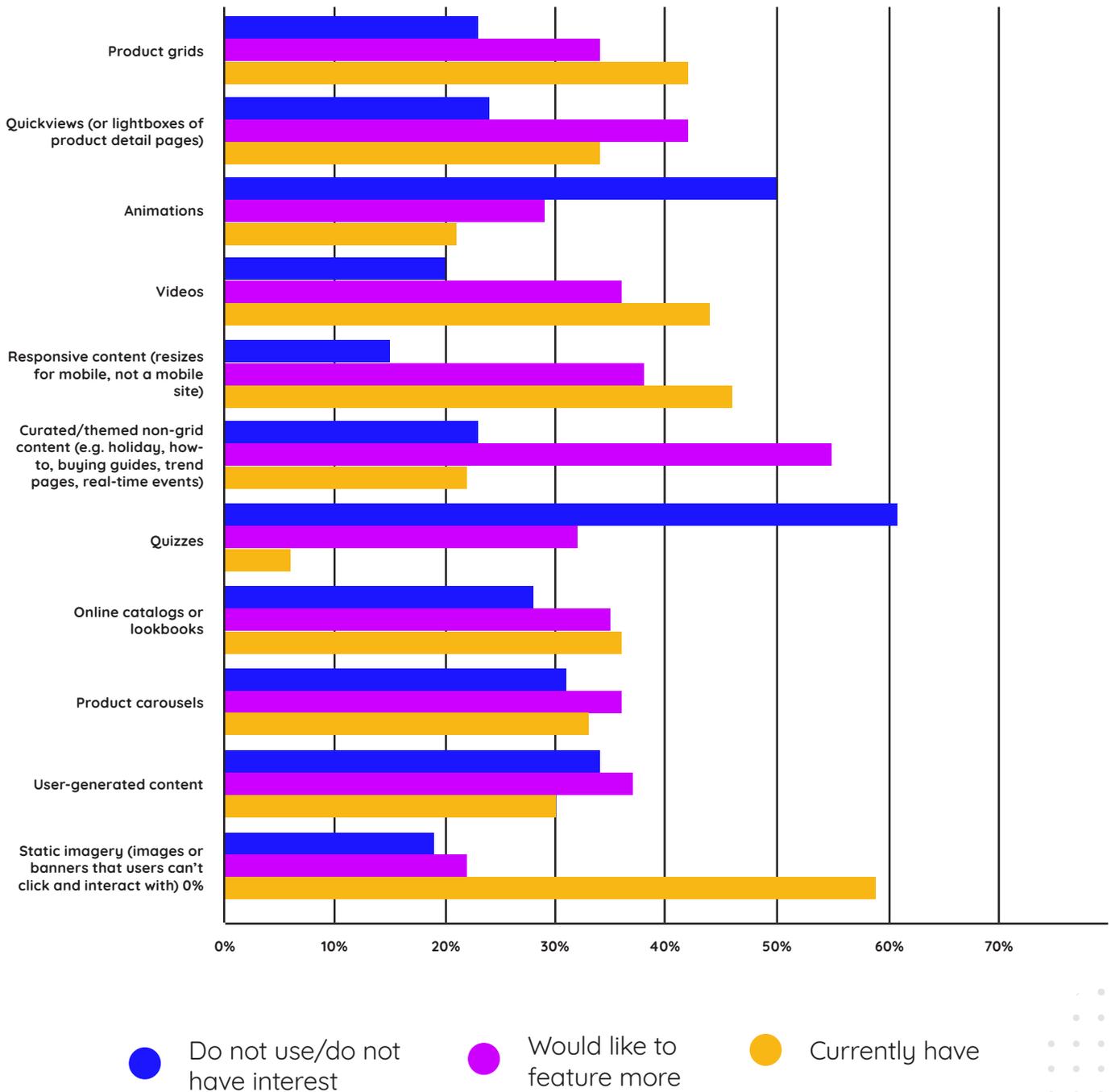
**70% of retailers** produce only one or two pieces of rich content per month.

The first sign that there may be a gap between stated and actual content priority is the retailers' response to the question, How much rich content are you producing each month? A significant number seven out of ten—state they produce between one and two pieces per month, while 19 percent report producing three to five.

Volume is not the sole indicator of priority, but online content does require a 'freshness' factor: search algorithms prioritize fresh content, seasonal events and holidays should be acknowledged, and new items are most conducive to being shared on social networks. We'll gain more insight into what keeps retailers from scaling rich content as we continue to examine the survey results.

# Retailers Want to Create Shoppable Content and Animations

What kind of content does your site currently feature/would you like to feature more?



Next, we probed deeper into content creation habits and asked merchants about the kinds of content their site currently features, compared to the kinds of content they'd like to feature or produce more of going forward.

The data tells us that most retailers have basic product content on their website. 58 percent have static imagery and 43 percent have product grids. Surprisingly, less than half (44 percent) have mobile-enabled their websites. With eMarketer forecasting<sup>2</sup> mobile commerce sales to reach \$151 billion in 2017, these retailers should consider expanding to this channel as a part of their overall plan to grow in rich content production.

In terms of rich content, retailers have made the most progress with video, likely because it was the first rich media type to make inroads in retail. 44 percent report they currently have video on their website and 36 percent want to produce more of it.

When it comes to other immersive content experiences, retailers are most interested in producing more curated/non-themed content, with 55 percent saying they would like to deploy more while 42 percent say they want to produce more quickviews. While many online merchants use them successfully, quizzes have not yet resonated with our respondents as 61 percent say they do not use/have no interest in deploying them. In reality, according to research firm Econsultancy, personalized content such as quizzes can increase conversions by 30 percent or more<sup>3</sup>. It will be interesting to watch this statistic over time as the question/answer format can be a valuable way to drive specific products to a researching consumer.

This data paints a picture that retailers have mastered deploying basic content, stepped into rich content production with videos, and want to advance to additional rich content types. Yet, most have not yet been able to do so successfully. Next, we'll share insight into the mindset of retailers when it comes to rich content by examining the drivers for its creation.

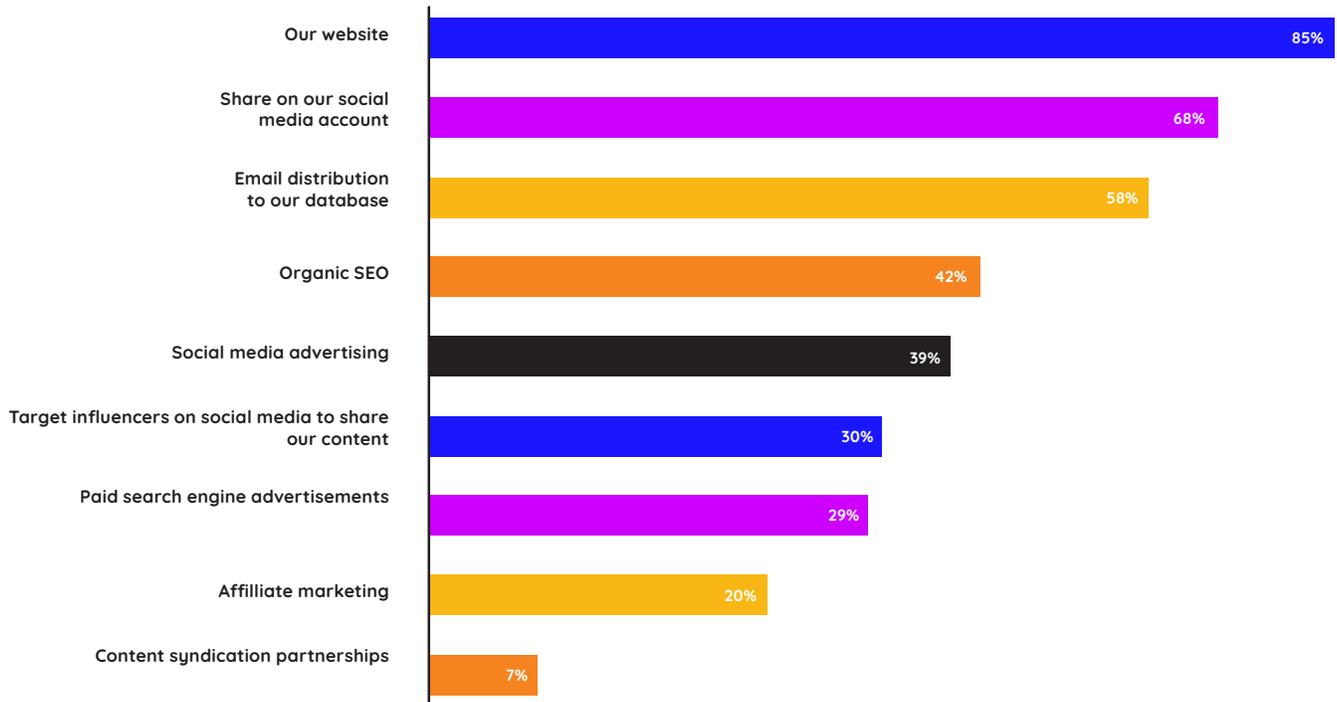
## DID YOU KNOW?

Online merchants most want to create curated/themed content and content enabled with quickviews to **shorten the path-to-purchase.**



# An Opportunity to Expand Distribution Beyond Retailers' Own Networks

## How do you distribute your content to your consumers?

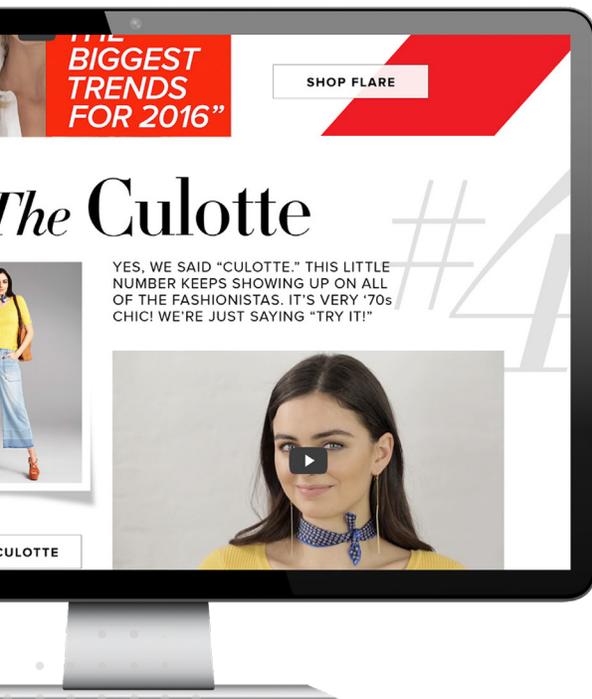


### DID YOU KNOW?

Retailers mostly distribute content **via their own networks** (website, social media, email database).

A successful content strategy is a two-part equation: engaging, insightful content + wide distribution = success. The most engaging content asset that nobody sees does not help a retailer achieve its goals.

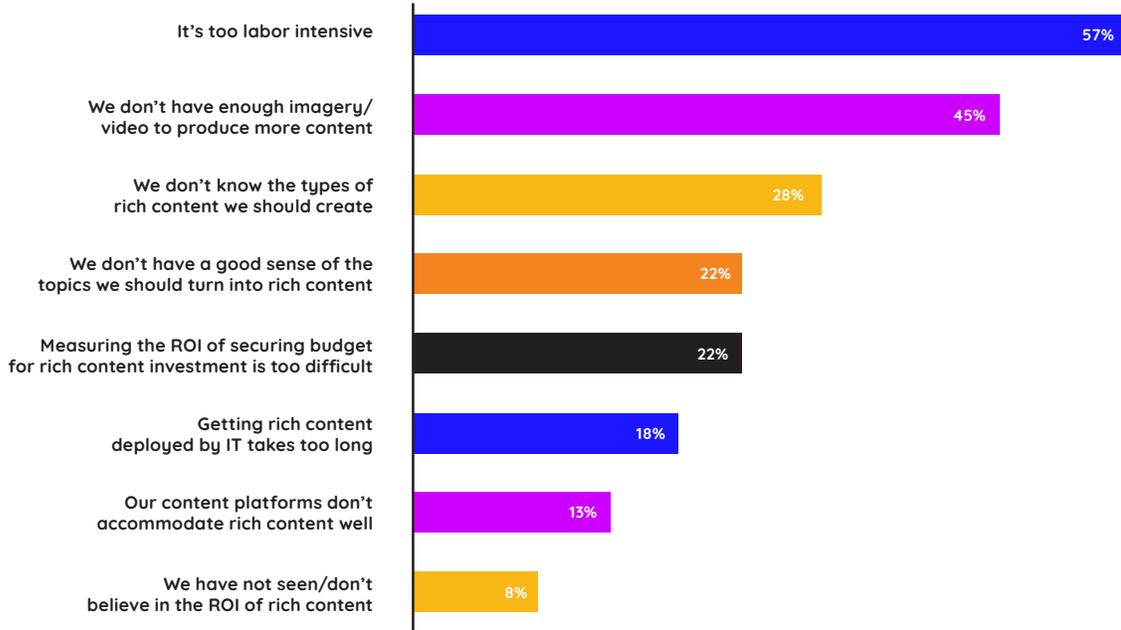
Some merchants seem to come up a bit short on the distribution side of our equation. Most retailers distribute content via their own network: their website, social media accounts, and email lists. This approach inherently limits their content reach to audiences they know when further outreach would draw in audiences they want to know.



Retailers are missing the opportunity to leverage their content assets to reach new audiences and acquire new customers. According to Forrester Research, 71 percent of consumers begin their journeys by using a search engine to discover new products and services, but only 42 percent of retailers use organic SEO to distribute their content. Advertising is a way to drive eyeballs to content assets, but only 39 percent of retailers use social media advertising and 29 percent use search advertising. Only 7 percent look to take advantage of content partnerships to drive content. This juxtaposition between shopper behavior and retailer content distribution strategies points to a huge opportunity. To achieve maximum return on content investments and reach new audiences, retailers must take advantage of new distribution channels.

# Rich Content is Thought to Be Too Labor Intensive

## What are your top three pain points when it comes to creating rich content?



We've examined the priority, volume, and types of rich content retailers produce and have highlighted opportunities to expand output in terms of both volume and effectiveness. When we look at what actually keeps retailers from growing their rich content, far and away they point to the effort involved in creating the content assets. 57 percent say creating rich content assets is too labor intensive while 45 percent point to a lack of visual content to support those efforts.

When we dig deeper, only 13 percent of respondents cite their ecommerce platforms not accommodating rich content as a top pain point, but they also cite the labor involved in producing content as preventing them from scaling. Modern ecommerce content solutions are specifically designed for a retailer's unique content needs — quickviews, animations, lookbooks, buying guides, and landing pages are easily buildable for marketers without needing IT assistance. Additionally, these tools integrate seamlessly with any ecommerce platform and provide extensive analytics, significantly reducing the effort required to deploy and measure rich content assets.

Are retailers taking advantage of them?

### DID YOU KNOW?

**57% of retailers** say the biggest impediment to producing rich content is that it is too labor intensive.

# More than Half of Merchants Use No/Outdated Content Creation Solutions

Analysis of online retail content tools show that a third use WordPress, a CMS designed originally for bloggers and text-heavy publishing, with no native retail-specific features. Nearly 20 percent use no content solution at all, and presumably make changes to their website via code or lean on extremely limited text editing through an eCommerce platform.

Even with half of respondents using more than one content tool, only a small minority use software specifically designed to build shoppable rich media. Platforms like Creator™ by Zmags greatly reduce the effort required to deploy rich media assets such as shoppable video, animated content, real-time landing pages, gift guides, tutorial videos, and shoppable editorials.

The best-of-the-best in this new breed of immersive content solutions integrate seamlessly with retailers' existing technology stacks, limiting the fatigue that non-technical marketing and ecommerce teams already face. They serve as true partners to online merchants as they continue to adapt to the modern consumer's ever changing expectations.

Retailers' top pain points when it comes to producing rich content are the belief that it is too labor intensive and a lack of base assets to use as building blocks for their content. Only a small percent of merchants use content tools that drastically reduce the effort required to scale rich content production.

## What content platform do you use?

Content Platform	Respondents Using
Wordpress	33%
None	19%
Adobe Experience Manager	15%
Other	14%
Magento	10%
Shopify	10%
Salesforce Commerce	8%
Oracle Commerce	8%
Adobe Scene7	8%
BigCommerce	6%
IBM Websphere	6%
Sitecore	4%
SuiteCommerce	4%
Drupal	3%
Creator™ by Zmags	3%
WooCommerce	2%
Volusion	1%
Hybris	1%
Amplience	1%
Ceros	1%



Although we are in the early-to mid-stages of the transition to rich consumer experiences, opportunities exist for retailers to set themselves up for success as the industry evolves — and these options are not as time-, money-, or labor-intensive as merchants may expect. Retailers must experiment with immersive content to identify what content types result in customer conversion and loyalty. They also need to expand content distribution to reach new markets and investigate technology to help scale rich content production. If they take these steps, retailers will be better equipped to engage their current audiences, and ultimately, build new ones.

**Sources**

- <sup>1</sup> <https://www.emarketer.com/Article/Worldwide-Retail-Ecommerce-Sales-Will-Reach-1915-Trillion-This-Year/1014369>
- <sup>2</sup> <https://www.emarketer.com/Article/Mcommerces-Rapid-Growth-Primarily-Coming-Smartphones/1013909>
- <sup>3</sup> <https://econsultancy.com/blog/66284-how-to-drive-ecommerce-sales-using-quizzes/>
- <sup>4</sup> <https://www.catalystdigital.com/wp-content/uploads/WhySearchPlusSocialEqualsSuccess-Catalyst.pdf>

## DID YOU KNOW?

Retailers must test the ROI of rich content, evaluate shoppable content publishing technology, and expand content distribution networks.

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