



SHOP.CA optimizes and analyzes customers' searches and shopping experiences

IBM solution turns insight into action based on how, when and where to reach shoppers with personalized offers

Overview

Need

Before launching SHOP.CA in 2012, its founders needed a scalable e-commerce solution to power the huge online marketplace and digital analytics to evaluate customers' behaviors and interactions.

Solution

IBM® WebSphere® Commerce and IBM® Digital Marketing Optimization deliver a true customer-centric shopping experience at SHOP.CA by turning insight from analytics into tailored marketing programs.

Benefit

The IBM solution helps SHOP.CA optimize each e-commerce vehicle instantly, improve the search experience, target personalized emails and improve click-through rates between 300 and 500 percent.

Solution Components

Software

- IBM WebSphere Commerce
- IBM Digital Marketing Optimization
- IBM Digital Analytics
- IBM LIVEmail

SHOP.CA is Canada's largest e-commerce marketplace. It offers Canadians one-stop shopping for national and international brands, free shipping, free returns and no cross-border fees. SHOP.CA provides millions of products across 26 categories, consummate customer service and a social loyalty program that rewards members on every purchase and product referral. Launched in July 2012, SHOP.CA is the fastest growing retail site in Canada and one of the top 10 most-visited, Canadian-owned e-commerce sites.

Speed to market is top requirement

Before launching SHOP.CA, its founders had several make-or-break technology requirements. They needed a scalable and flexible e-commerce solution that would facilitate a massive online marketplace with a phenomenal number of transactions. They also needed an e-commerce solution that would integrate with other channels, such as mobile and social media.

The founders wanted to deliver a meaningful, customer-centric experience that delivered the right message at the right time. Therefore, they needed an easy way to create and analyze marketing campaigns and promotions. The founders knew that acquiring insight into customers' buying behaviors, both individually and collectively, would enable them to respond to market demands quickly, build customer loyalty and drive word-of-mouth referrals.

"At the top of our list of requirements was speed to market," said Gary Black, chief technology officer, SHOP.CA. "We wanted to partner with a company that would guide our vision through completion in a time-efficient manner. We evaluated several partner possibilities and found IBM and its Smarter Commerce initiative to be most in line with our e-commerce vision, especially regarding mobile and social channels. Knowing the Smarter Commerce roadmap aligned with our roadmap made choosing IBM an easy decision."



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Built-in analytics and marketing automation are designed for e-commerce

The founders of SHOP.CA chose IBM WebSphere Commerce as the e-commerce engine to power their online marketplace, multi-merchant product catalog and rewards program. They also chose IBM Digital Marketing Optimization, including IBM Digital Analytics and IBM LIVEmail, to evaluate how customers behave and interact, enabling them to turn that insight into tailored marketing programs. This information lets SHOP.CA target shoppers with products and offers personalized to their tastes and preferences.

IBM WebSphere Commerce and IBM Digital Marketing Optimization integrate together to help SHOP.CA deliver a true customer-centered shopping experience. The solutions are interconnected via single-sign on and many other integration points honed over the years.

“We use IBM Digital Analytics to understand, measure, track and optimize IBM WebSphere Commerce,” Black said. “The synergies between marketing automation tools for WebSphere Commerce and how they are reflected in digital analysis are amazing. We have data on conversion rates, average order size, time on site, page views per customer, where they’re coming from and whether it’s a paid search, an organic search or a result of a marketing campaign. We use this data to fine-tune and optimize every e-commerce vehicle — desktop, smart phone, tablet and social media — constantly.”

IBM Digital Analytics automatically generates insights into the metrics that SHOP.CA executives depend on daily.

Customer loyalty pays off for shoppers and brands

In addition to optimizing every e-commerce vehicle, SHOP.CA uses the IBM solution to optimize the search experience for customers, including click-through rates, by managing search-term associations and search-based merchandising. SHOP.CA improves customer search results by selecting the product attributes for display in the storefront for different categories.

“Search is a cornerstone component of SHOP.CA and one of the key reasons we selected IBM WebSphere Commerce,” Black said. “Its search capabilities are robust and extremely scalable for the millions of products SHOP.CA offers for sale.”

Thousands of manufacturers make their products available on SHOP.CA, and customers’ loyalties to manufacturers’ brands often appear in their product reviews. By writing a review or sharing a link to a favorite product on Facebook or Twitter, customers earn accelerated top-tier

“One of the metrics we’re really pleased about is membership in our loyalty network. It doubles month after month, so we’re super excited to go into the holiday season.”

— Gary Black, chief technology officer, SHOP.CA

rewards in SHOP.CA’s social loyalty program (they earn rewards for purchases as well). The IBM solution tracks visitors’ social referrals and assigns a score to each visitor based on how many referrals are made. The most loyal referrers receive the biggest cash-back rewards for onsite purchases. Using IBM Digital Analytics, SHOP.CA measures socially referred site visitors. Black said they become customers 10 times more often than organic visitors.

“All of our efforts, including our Social Loyalty Network, always circle back to customers, making them the center of everything we do,” Black said. Our goal is to personalize and target our marketing to them at every level.”

SHOP.CA also uses the IBM solution to optimize its marketing spend. It analyzes which marketing campaigns are the most successful, enabling the company to invest or divest. And, the IBM solution helps SHOP.CA track referrals granularly from marketing vendors instead of relying on vendors’ own data. For example, the solution tracks the effectiveness of thousands of simultaneous email offers, search engine marketing campaigns, display advertising and traffic sources, such as Google’s product listing ads. Built-in marketing attribution capabilities enable granular analysis of how credit is assigned to marketing touch points because customers see many of them on their paths to conversion.

Targeted email campaign turns customers who abandon carts into shoppers

Another way the IBM solution helps SHOP.CA is through IBM LIVEmail, which enables marketers to target email campaigns to customers’ behaviors and preferences by interconnecting IBM Digital Analytics with email service providers certified in the IBM Digital Marketing Network.

Soon after launching a mobile site, SHOP.CA created an email campaign to promote the new site to customers who were most likely to be interested based on past visits via mobile devices. Click-through rates on mobile devices far surpassed expectations; therefore, SHOP.CA added transactional capabilities to the mobile site and created another email campaign so people could click through and make purchases. “Mobile is a key part of our strategy,” Black said.

SHOP.CA also uses IBM LIVEmail to target cart abandonment. It sends automated, triggered and personalized emails to users to drive them back to the site and convert them to shoppers. In addition, the company uses IBM LIVEmail to personalize emails based on shoppers’ browsing activities. Black said these emails are three to five times more likely to be clicked through compared to standard emails. Therefore, SHOP.CA is in the process of expanding its use of email personalization.

IBM WebSphere Commerce and IBM Digital Marketing Optimization are part of the IBM Smarter Commerce initiative, which brings an integrated lifecycle approach to electronic commerce, putting the customer at the center of all operations to help companies buy, market, sell and service their products accordingly.

“For us, Smarter Commerce is about making more informed business decisions based on analytics, understanding our customers’ visiting behavior and being able to change elements of our merchandising strategy quickly,” Black said. “It’s also about creating a more unique customer-specific experience through a more relevant marketing strategy. We have even more planned for social and mobile, and we’re glad we’re on the Smarter Commerce roadmap.”

For more information

To learn more about IBM WebSphere Commerce and IBM Digital Analytics, please contact your IBM marketing representative or IBM Business Partner, or visit the following website:

ibm.com/smartercommerce



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