# BEING MORE DIRECT

## WHY THE DTC APPROACH IS SHAPING A NEW ERA FOR ECOMMERCE

HARNESSING DIGITAL CUSTOMER INTELLIGENCE TO INCREASE DIRECT TO CONSUMER SALES



## Introduction

Marketplaces don't afford brands the same level of control over the end-to-end customer experience as direct-to-consumer (DTC, D2C) marketing. By entrusting others to promote and sell their products or services, businesses are not only settling for lower margins, they're essentially giving away crucial customer intelligence they could be using to elevate and personalize the brand experience.

And when you're competing on experience, as brands are today, owning the relationship with your customers so you can better meet their needs and expectations — and strengthen your community at the same time — is crucial.

Competing with major disruptors such as Amazon can be a daunting process, and yet it's a challenge more and more brands are taking on. If you look at what many of these companies have in common, you'll find a real focus on building authentic relationships with a customer base they truly understand, while simultaneously innovating new retail models and re-thinking the customer experience (CX).



## Owning the customer journey

This isn't a new phenomenon, and it's not only reserved for new, agile startup companies. Leading brands like GoPro and Kenzo have shifted their strategy, and are putting more emphasis on owning the end to end experience, and cultivating a meaningful, enduring relationship with their customers on their digital properties.

Taking the power of the sales funnel into your own hands implies understanding how consumers behave every step of the way. A seamless digital customer experience is a baseline expectation in 2019. So being able to "hear" your customers' digital feedback — ie. being able to read from their taps, swipes, clicks, hovers and scrolls what frustrates them and what delights them — is the first step. The next step is turning this digital feedback into the right business decisions.

## Integrating a Digital Experience Platform (DXP) into your DTC Strategy

Today, anyone can leverage customer behavior to design meaningful experiences both online and offline. And with customer journeys increasingly omnichannel, being able to connect touchpoints to deliver a consistent experience across channels is also key. With next-gen behavioral metrics such as attractiveness, engagement, exposure, etc, brands can measure their customers' digital happiness in real time to better meet their needs. Today's tools make it possible for everyone with a stake in customer experience to have the right customer intelligence at their fingertips, and to make impactful CX decisions that will bolster their D2C strategy.

In the following pages, we'll explore how 8 companies were able to leverage experience analytics to increase customer happiness and revenue.



## **Tech Style**



Reinventing the online fashion business by creating a closer relationship between customer and brand, through a personalized and unique styling service

### Industry: Fashion



"At Tech Style, building personal relationships with our customers is our lifeblood and we can only do this by garnering as much insight as possible from the data we collect. There were several challenges that we needed to combat, some of which only became evident after consulting the analysis of the data provided by Clicktale, a Contentsquare Company. Aside from having a lack of valuable insight into the data we collected, we knew that people were dropping off before completing the registration quiz and we wanted to make the checkout experience seamless and easy for our customers."

Traci Inglis, Brand President, JustFab & Shoedazzle

## **Big Wins:**

• A massive 4.5% rise in the customer conversion rate, 1.5x the industry average, on top of existing sales.

- An enhanced customer experience, using experiential data to improve TechStyle's registration quiz and checkout processes.
- The identification and resolution of UX issues affecting the website and customer data.

## **Challenge:**

TechStyle's use of innovative technology, customized solutions and unique integrated services has enabled it to build modern fashion brands that serve a high-value community of style-loving fashionistas. The company is able to provide a personalized service to empowered through a quiz, and informed members of its community in a way that creates a swell of brand loyalty, positive experiences and long-term support. Despite its benefits for the customer experience, however, TechStyle was also aware that the quiz could prove to be a barrier to entry.

TechStyle already had data on the customer experience, confirming that customers were either dropping off on the first page of the quiz or proceeding all the way through to registration. But without the means of analyzing the intent behind this data, TechStyle lacked the necessary insight to make an actionable business decisions around the future of the quiz.





By analyzing visitor data, TechStyle was able to gather insights into the consumer mindset and better understand the customer experience and journey. This allowed the team to make essential changes to key website features – including the structure of the registration quiz. Our analysis identified a wealth of invaluable insights into the way TechStyle's website was being used, from UX issues to offer pricing, to confusion in the checkout process.



Regarding the registration quiz, the behavioral analytics revealed that, for potential customers who were browsing, the quiz was a welcome feature that encouraged registration. For customers who had a very clear goal in mind however, having searched for a specific item and been referred to TechStyle from Google Shopping, the quiz proved to be a barrier to purchase.

## Solution:

To resolve this challenge, TechStyle was able to remove the quiz for consumers who had been identified by our solution as having a high intent to purchase. TechStyle then tested a speedy sign-up process, which takes consumers straight to the registration page, as well as a "skip the quiz" option.

The results verified the value of the quiz for many consumers – revealing that around 60% still chose to take the quiz, even with the option of skipping it. Of the 30% that didn't, TechStyle found that they came through and registered at a higher rate.

For TechStyle, our solution has now become a mission- critical technology. The insights derived are contributing to tangible growth, with a **4.5%** lift in lead conversations, driven by implementing changes to make the checkout experience seamless.

"If someone is looking for fashion advice while browsing at home, we want to serve them a fashion quiz or match them with a stylist, to give them more information and inspiration. However, if they're shopping for a specific item, then we simply want to remove any potential barriers to purchasing. This solution gives us the ability to identify, understand this motivation and act accordingly."

Traci Inglis, Brand President, JustFab & Shoedazzle



## New Avon



Understanding customer preferences to drive smart content decisions

### Industry: Beauty



"Contentsquare answers the question of "how" and "why," and this is extremely valuable to our team with regards to our A/B tests and site analyses. Perhaps one of the biggest benefits is the visual representation of behavior that Contentsquare provides. Our entire team (creative, marketing, merchandising, etc.) is now familiar with unique behavioral metrics such as click rate, exposure rate, and scroll rate. We can sit in a room, take a look at the results and come up with a plan of action."

Rachel Bronstein, Website Optimization Analyst, NEW AVON

## **Big Wins:**

- +35% increase in revenue
- +44% increase to the exposure rate
- +24% increase to the click rate

## Challenge:

With 130 years of social selling under its belt, legacy beauty brand Avon has been ramping up its digital transformation, setting its sights on conquering new spaces for customer experience optimization. As part of its digital brand lift, Avon has been investing heavily in customer-friendly content, equipping teams with the right tools to make insight-led CX decisions.

When the website optimization analyst on New Avon's digital team analyzed the makeup category page, she discovered that the product carousel had a low 60% exposure rate on desktop — meaning, 40% of customers were not even seeing it.

Visitors were viewing the banner image at the top of the page but were not scrolling down to the product carousel, which was located beneath the fold.

A deeper analysis showed that, despite the low exposure of the product carousel, it had a high attractiveness rate and a healthy conversion per click rate, meaning that those who did scroll down to see it were likely to click and — even better news — to convert.





## Method:

The team decided to run an AB Test on the page to determine whether reducing the height of the banner and bringing the product carousel higher up the page would translate into a healthier exposure rate, more engagement and an improved conversion rate.

The team had already considered the potential benefit of shrinking the height of the A-Spot banner to bring the carousel up the fold, but there had been insufficient data to back up this decision.

The team was also concerned about devaluing the banner image so it was important to test before rolling out any changes. During the test, the team analyzed exposure, clicks, scroll, time spent, and bounce and exit rates. They also took into account conversion metrics.





The page with the shorter banner saw positive outcomes across the board. It led to a **44% increase in exposure**, which climbed from **57%** in the control page to **82%** in the variant page. The click rate increased by **24%** and the bounce and exit rates dwindled. The team also reported a 5-second increase inof time spent on the page.

These uplifts resulted in a 35% increase in overall revenue in the carousel zone. The revenue in the variant page was 6% higher than that of the control page.

The test also disproved Avon's original misgivings of reducing the banner, in that it did not negatively affect its performance — quite the opposite! Revenue generated by the banner increased by 2% during the test, strengthening the argument to change the standard size of the category page banner.

Today, 20 people across several departments regularly use the solution to underpin UX optimization actions. The tool's clear visualization means everyone on the team can understand behavior-measuring metrics like exposure rate, and see the impact of changes.



"We ran our test for two weeks, analyzed the results immediately thereafter and put a plan in motion on the day the results were presented. Contentsquare has empowered our team to make data-driven decisions quickly."

Rachel Bronstein, Website Optimization Analyst, New Avon



## The North Face



Leveraging customer experience intelligence to make holiday shopping user-friendly

### Industry: Apparel



"What's great about Contentsquare is that the insights are visual and extremely easy to digest. It's particularly helpful to be able to give the creative or leadership team a clear picture of pain points and successes it helps secure immediate buy-in and significantly reduces time to action, meaning we don't miss out on potential sales"

Lisa Skowrup, Senior Manager, Site Experience, The North Face

## **Big Wins:**

- Increased exposure rate by 50%
- Reduced click recurrence
- Improved wayfinding and removed customer frustration

## Challenge:

The North Face is an outdoor gear company that has been providing activewear and equipment to adventurers and athletes for over 50 years. Started as a storefront in San Francisco, the brand has revolutionized technical performance apparel, and acquired a loyal following among the world's top mountaineers and extreme sports enthusiasts.

Every year in Q4, the company publishes its holiday gift guide — an online experience that helps match customers with the right gift while showcasing the breadth of products on offer. The gift guide typically goes live at the end of October, before peak holiday traffic, giving the team some time to analyze engagement and make adjustments prior to launching the gifting marketing campaign.

The lead-up to the holidays is a major source of digital revenue for the brand, and the whole season can be make or break — getting it wrong is simply not an option.





## Method:

This year, the team decided to work with Contentsquare throughout this "'soft launch" period to learn from the digital behavior of earlybird holiday shoppers, and apply these learnings to create a positive site experience for all segments before the traffic really ramped up.

The team undertook a methodical analysis of customer interactions within each page of the guide, using Contentsquare's unique metrics to bubble up friction points and frustration along the buyer journey.

The gear company used our unique metrics for a comprehensive analysis of the gift guide's performance. Particularly, they studied exposure rate, click recurrence, click-through rate and exposure rate, each of which provided distinct pieces of data on how visitors were interacting with the guide.



This analysis informed the brand of where customers were struggling and which page elements were hindering conversions. For example, a low exposure rate of the category CTAs imparted the need to move them above the fold. A high click recurrence showed that the entirety of the hero image wasn't clickable, telling the brand to make it so.

### **Outcome:**

Understanding user behavior on the Gift Guide granted The North Face the intelligence required to move forward with any changes to its UX. Moving the CTAs above the fold increased their exposure rate by a lofty 50%. Rendering the entire banner image clickable halved the click recurrence rate.

"Contentsquare provides us with unique KPIs such as attractiveness rate and click recurrence to measure our storytelling, reduce friction, and improve the experience."

Rachel Bonn, Content Manager, E-Commerce, The North Face



## Go Pro

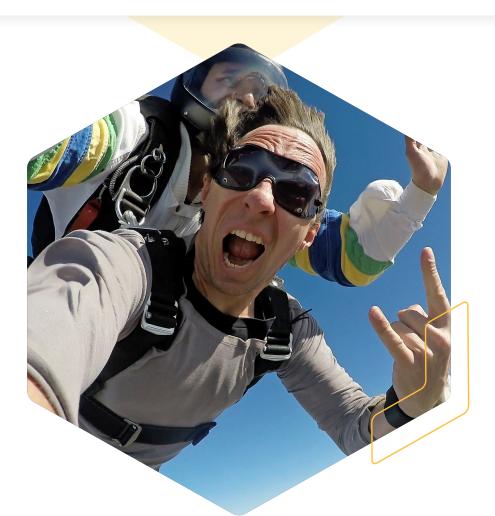


Community, content and eCommerce conversions: how GoPro's bold brand experience strategy paid off

## Industry: Lifestyle

"Contentsquare has made our lives so much easier — not only can we see how each element of content performs, it also shows us how visitors journey through the site, giving us all the information we need to make decisions confidently. The visualization makes the data easy to consume, and today the team uses Contentsquare as part of its daily decision-making process and whenever we are thinking about UX design."

Eumir Nicasio, Head of Product, Digital & eCommerce, GoPro





## **Avis**



Understanding in-page interactions to optimize the booking funnel and improve the members section of the site

### Industry: Auto

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"Web analytics --- it can tell you what is happening on your site, but it can't tell you why. Contentsquare's been really powerful in helping us paint the picture of why things are happening on our site. I think one of the really powerful things about Contentsquare is the attribution of revenue against metrics like clicks, content engagement, etc."

Neil Morgan, Digital Experience Director, Avis

## **Big Wins:**

- 500% increase in user interactions with a key element
- An enhanced customer experience, with a seamless booking process and zero frustration
- The unconvering of hidden revenue opportunities

## Challenge:

Avis was receiving negative feedback from member customers who didn't realize they were booking a car group (economy, compact, etc), instead of a specific car. The information about the specific vehicle was available on the quote results page, but it was hidden behind a link. The digital team at Avis decided to hold a mini-hackathon to see how they could make this information clearer to customers before it led to frustration or unwanted confusion.

At the same time, the team was also getting customer complaints about the member section of the website. Visitors found it confusing to navigate and reported difficulty with finding the information they needed. The team organized a workshop where everyone came up with suggestions for what should be improved on the page — creating a new account, editing account details, etc





During the Hackathon, the team pulled in visitor data and learned that a tiny number of people were clicking the link with the specific vehicle information. That's why customers were complaining — because no one was actually seeing the vehicle specs prior to making a booking.

When they analyzed the member section, the team found that the Start a New Search section of the page was getting five times the amount of clicks of any other section. And yet no one on the team had put this forth as an area for improvement...



## Solution:

Based on these findings, the team was able to carry out targeted optimizations of these two problem areas. The improved version of the booking page, for example, drove a 500% increase in interactions with the newly-designed link.

"Whether it's changes we make to protect core revenue streams or changes we make to drive incremental revenue, Contentsquare is the heart of that decision-making process. Being able to go into the tool, gain insight within minutes as we spend less time analyzing and more time optimizing."

Neil Morgan, Digital Experience Director, Avis



## Kenzo



Unconvering the cause of low conversion rate on a newly launched checkout page.

## Industry: Luxury

## **Big Wins:**

- 150% increase in conversion rate in only 7 days following the UX optimization
- Data-driven customer centricity
- The discerning of data-based recommendations like reassurance elements and a simplified improved site usablility

## Challenge:

After releasing its new checkout page, the digital team at Kenzo noticed a decrease in the conversion rate. They were faced with two options: revert to the original interface or identify the source of the problem.







With a unique set of behavioral metrics and other data, Kenzo was digitally armed to analyze not only its new checkout page, but the broader purchase funnel.

The analysis that Contentsquare provided unearthed a myriad of UX bottlenecks. These included missing login fields, unclear Call to Actions and other page anomalies. These were stalling user conversions, with many would-be customers completely forsaking purchases.

Within the short span of a week, Contentsquare's unique UX reports laid out operational recommendations to further optimize the website, along with its overall shopping experience.





## Solution:

With the guidance of our UX-perts and our granular customer data, the digital team at Kenzo made a series of modifications to improve site performance.

These changes included the addition of reassurance elements (secure payments, mention of customer support, warranties, etc.) so that customers felt secure and at ease buying from Kenzo, along with a simplified login for faster and easier access.



## L'Occitane



Closing the discrepancy between national markets and increasing international conversions by studying visitor behavior

## Industry: Beauty

"By tracking every digital interaction, Contentsquare provided us with valuable KPIs hesitation, friction and engagement. This data is a tremendous source of insight which empowers our teams to fine-tune our segments and prioritize the changes and optimizations to roll out"

Anne Lesuer-Neidhart, International E-commerce & Media Director, L'Occitane En Provence

## **Big Wins:**

- 15% increase in conversion rates
- Actionable customer insights to drive smarter localization
- Visual intelligence of the customer journey, identifying troublesome pages and elements.

## Challenge:

L'Occitane noticed a large discrepancy in checkout conversions between markets. For instance, the drop-out was much higher in Russia and China. The brand needed to quickly understand how users behaved differently in each of its key markets.





Using Contentsquare's advanced UX analytics platform, L'Occitane was able to identify checkout struggle points specific to each market. In Russia, which had the lowest conversion rate, behavioral metrics surfaced several key insights.

Customers in Russia hesitated 13 seconds longer on the Delivery page than the international average. This was time spent finding the difficult-to-locate Address Modification button, a function visitors in Russia used more than their international peers.

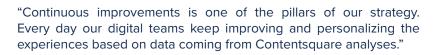


The team also recorded higher engagement with reassurance elements among users in Russia. The call center contact, for example, was being clicked 2.52 times more than anywhere else. Despite these hints, the bar containing all the important shipping and contact information was placed low on the page, with only 30% users scrolling far enough to view it.

## Solution:

L'Occitane's partnership with Contentsquare allowed for a step-bystep analysis of the checkout process. With a single snippet of code, L'Occitane was immediately able to dive into advanced metrics and data at the granular level from any country or custom segment.

Based on the insights found above, L'Occitane was able to gain an in-depth understanding of how users from a particular international market were interacting with their website. Armed with this behavior understanding of the behavior of their international users the team at L'Occitane was able to make targeted UX improvements that resulted in a 15% uplift in conversions.



Anne Lesuer-Neidhart, International E-commerce & Media Director, L'Occitane En Provence



## Delivering value, direct to consumers

In order to deliver the most value to their audience, teams need access to a sophisticated understanding of customers — of what it is they are trying to do, and how they are going about achieving it.

Today, anyone can leverage customer behavior to design standout experiences both online and offline. And with customer journeys increasingly omnichannel, being able to connect touchpoints to deliver a consistently delightful experience across channels is also key.

After all, digital customer happiness is your best acquisition, retention, loyalty, and strategy all rolled into one.

### About Contentsquare

Contentsquare empowers brands to build better digital experiences through new customer insights. The Contentsquare experience analytics platform tracks and visualizes trillions of digital behaviors to delivery intelligent recommendations everyone can use to proactively grow revenue, increase loyalty and fuel innovation. Founded in 2012, Contentsquare acquired Clicktale in 2019, and now serves 600 leading including 30% of the Fortune Global 100.

Contact us at contact-us@contentsquare.com



