



#### **HICONVERSION RECOMMEND**

# Product Merchandising Strategies

Transform your site with product centric recommendations. Guide visitors, drive engagement, and grow new revenue.



# **Create the Ultimate Product Discovery Experience**

**HiConversion Recommend powered by Amazon Personalize** helps eCommerce brands across industries quickly create relevant, scalable and intelligent product discovery experiences for all their visitors.

HiConversion Recommend's merchandising strategies connect the advanced technology behind personalized recommendations to your daily operations. What this really means is you can now benefit from the power of machine learning without needing to understand it.

### Inspired by the past to reimagine the future

The main objective of eCommerce merchandising, whether you have a small or extensive product catalog, is guiding your visitors through the buying journey. So, the act of merchandising ensures visitors get a consistent, on-brand experience; no matter how they arrive on your site or navigate around it.

#### **Brick-and-mortar vs Online**

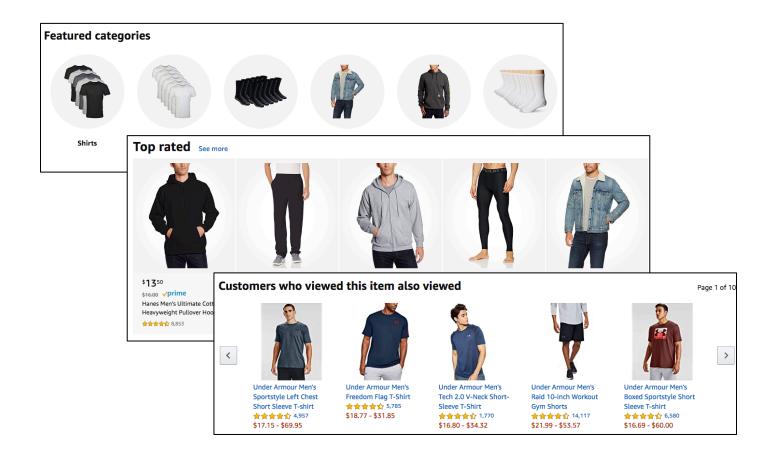
In physical retail stores, merchandising relies on simple tactics applied across the entire store. The number of paths visitors can take through the store is small, shopping behavior is quite well known and changes only during seasons or special events.

For online stores, merchandising teams are faced with a complex problem – the need to apply and manage many different strategies all at once. Unlike physical stores, information about most online visitors is unknown and often changing – these visitors can follow an endless number of paths, while their preferences and behavior changes frequently.

That's why <u>HiConversion Recommend</u> supports many different merchandising strategies, grouped into key concepts for easy selection and management.

### Merchandising 'Offering'

The main function of effective merchandising is to ensure that products are easily discovered and that they are well presented to motivate purchase.



The common theme of 'Offering' strategies is the ability to surface relevant lists of product categories and products to prominent areas of web pages based on some ranking criteria.

For example, finding product categories or collections of interest are at the root of the product discovery journey. A standard eCommerce site relies on the navigational links as the way for visitors to find the product category of interest.

If we study Amazon.com, they go a step further to create a recommendation section placed at the top of pages that promotes the most popular product *categories*.

Likewise, to build an early connection with new visitors, they list top-rated items in a product category – even exposing details such as rating and price.

An advanced strategy is to display a list of similar items, targeting visitors who have viewed a specific product. This dramatically increases the relevancy of product discovery.

## Merchandising 'Grouping'

Grouping strategies enable you control of how products are listed or ordered on your site. Recommendation criteria are dependent on things like product attributes; including tags or Vendor (Brand) IDs, etc.

The simplest way of grouping is by direct-filtering of products based on specific product attributes. As you can imagine, there is large number of combinations of how grouping can be done.

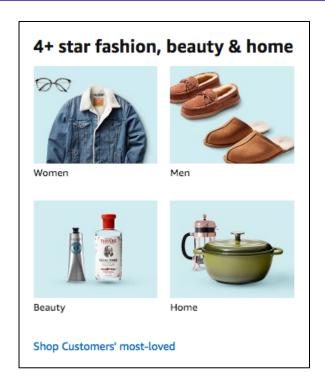
For example, you might group products in a way that spans across multiple, somewhat complimentary, product categories.

Another variation of grouping is to list brands related to products in a specific category – particularly powerful for categories with lots of accessories or peripherals.

The most advanced grouping solutions use machine learning algorithms to automatically generate lists of related items.

# Merchandising 'Promotions'

Your eCommerce site is in essence a digital billboard that enables you to dynamically promote your products in creative ways. Promotions are a tried and tested technique for drawing attention to products, and there are various tactics available to use, including:



- Price Reductions
- Price Ranges
- Seasonal Sales
- Exclusive Products
- Flash Deals

Done thoughtfully, promotions are one of the most impactful merchandising ideas, introduced to encourage demand and motivate engagement with your brand's various products.

Do be careful however, switching to an aggressive 'only promotions' strategy can have a negative impact on your brand's profile and can be hard to sustain.

## Merchandising 'Targeting'

Targeted merchandizing strategies are based on visitor segmentation and product recommendations that are tailored for the needs of different audiences.

For example, you might greet new visitors to your store with your best-selling products. While returning visitors might be recommended the best-selling products related to items viewed during their previous visits.

Similarly, a returning buyer might see a list of products related to their prior purchase(s).

#### **Merchandising Moments: Mobile vs Desktop**

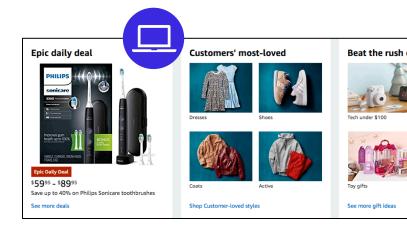
When it comes to recommendations, it's no longer enough to have a responsive web layout for smaller screen sizes.

In fact, the ways in which mobile shoppers differ from desktop shoppers is so distinct, it requires a whole new way of thinking.

Take Amazon.com, their approach is to segment visitors by device and completely change the format, content and relevancy of the product recommendations.

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#### **About HiConversion**

HiConversion is the eCommerce Intelligence™ platform helping merchants personalize and optimize shopping experiences to maximize revenue from every visitor session.

From our HQ in Boca Raton, FL, we serve eCommerce innovators all over the world including: P&G, Timex, Pat McGrath, Kiehl's, Tula, and many more.

Learn more at www.hiconversion.com