

15 Ways to Turn Your SAP Commerce Data into New Revenue Opportunities



The pandemic accelerated digital transformation for all retail businesses. It also put increasing pressure on marketers to help generate revenue and positively impact the business's bottom line. All the while, today's marketers are often asked to do more with less.

The good news is, there are lots of powerful, effective strategies for driving revenue, and with the right technology in place, can be activated quickly without any IT dependency. But the key is, you'll have to unlock those revenue opportunities that are hidden in your SAP commerce data.

Emarsys connects business and marketing strategically, while connecting marketing channels together technologically. We offer a single integrated solution built for digital marketing leaders to deliver the predictable, profitable outcomes their business demands and the highly personalized experiences customers deserve.

In this ebook, we'll share with you 15 ways you can leverage your SAP commerce data across sales, product, and customers to deliver more personalized engagement, and realize new revenue opportunities, *fast*.

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Execute, and watch your revenue grow.

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Increase Purchase Frequency

According to the [latest CommerceNext 2020 Benchmark report](#), “37% of respondents said they were allocating more of their budget to retention marketing.” Even though most marketing spend still goes toward acquiring new customers, over time we see more of it going toward keeping current customers.

One of the best ways to drive retention, and customer lifetime value, is to focus on purchase frequency. Take the purchase frequency between your average customers, and compare that to your most loyal customers. What’s the difference between them? Days? Weeks? Months? This will give you a starting point as you build out a strategy to increase purchase frequency.

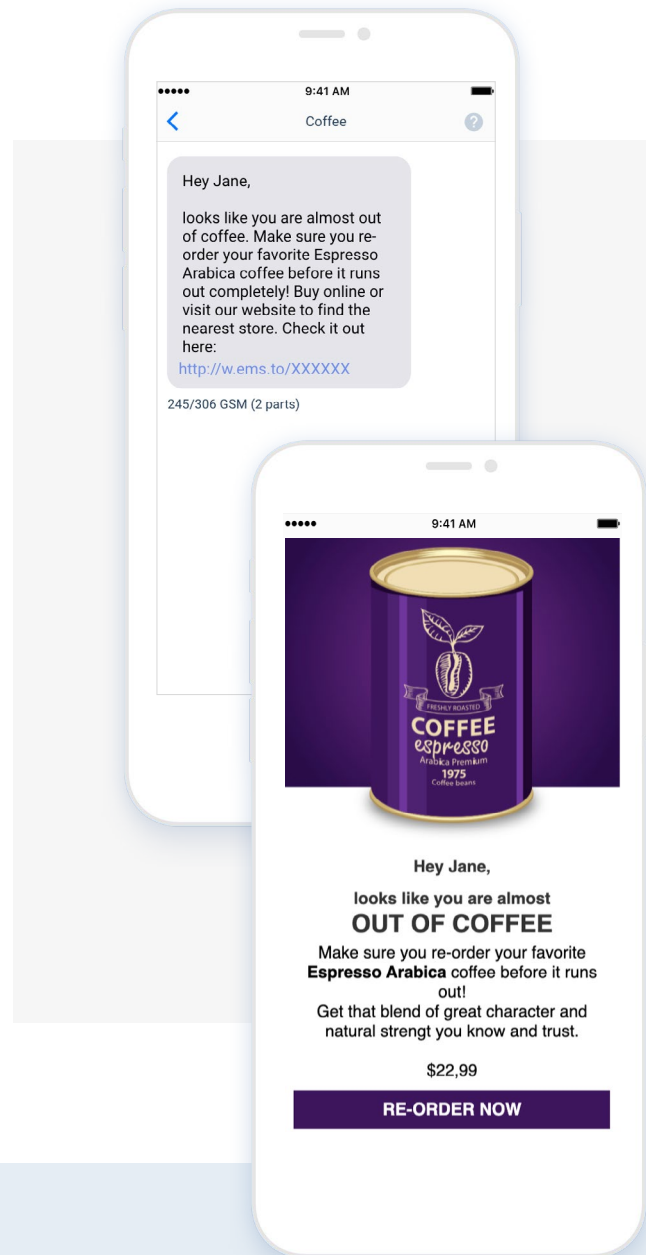
Here are three strategies you can implement to increase purchase frequency, and ultimately, increase revenue:

Replenishment Campaign

Replenishment campaigns featuring customer-favorite products or everyday items (i.e., detergent, shower gel, cereal, etc.) are a great way to drive purchase frequency. And you’ll really delight your customer if you can engage them with a reminder before they run out of a product, or before they need to purchase again.

But to do this, you'll need to leverage the power of AI so you can match the transactional data you have with the customer's purchase history, and then trigger reminder communications automatically, all from your customer engagement platform.

Repeat the process, and you have a consistent revenue stream. Plus, you can use reminder engagements to promote complementary products, which increases AOV.



Optimization Tip

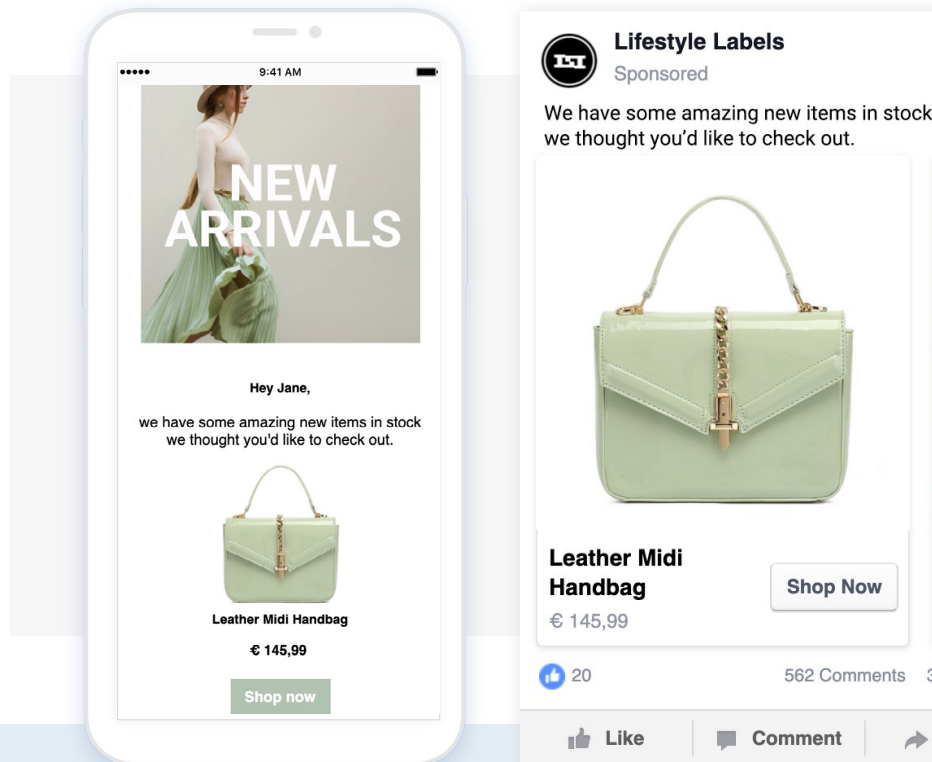
Replenishment reminders to high-value customers via SMS messages, or push notifications to mobile app users, will make sure they don't forget to place their order. This level of service strengthens your relationship with customers and builds loyalty.



New In Stock Campaign

Customers love to see the latest and greatest products. This makes new-in-stock items especially effective at capturing a customer's attention, and inspiring a purchase.

Use new in stock campaigns to increase purchase frequency and keep your brand top-of-mind for customers. To do this, you'll need to leverage your product data and sales data so you can ensure you are promoting new products to the right customer at the right time, based on relevancy and purchase history. For example, you might promote a new premium sound system to a customer who recently purchased a smart TV, or a new in stock refrigerator to a customer whose current refrigerator warranty has expired.



Optimization Tip

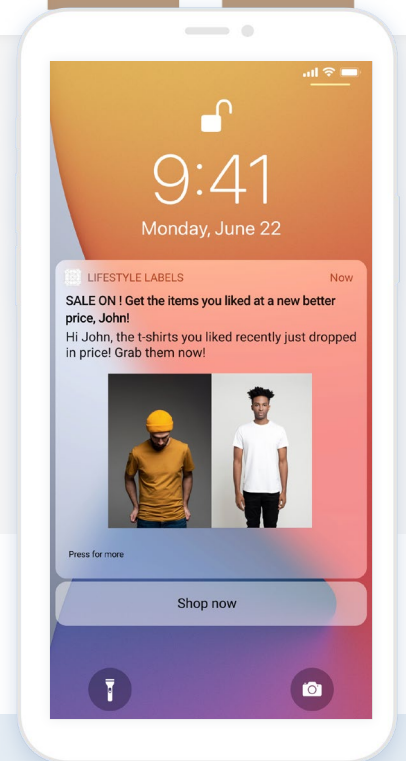
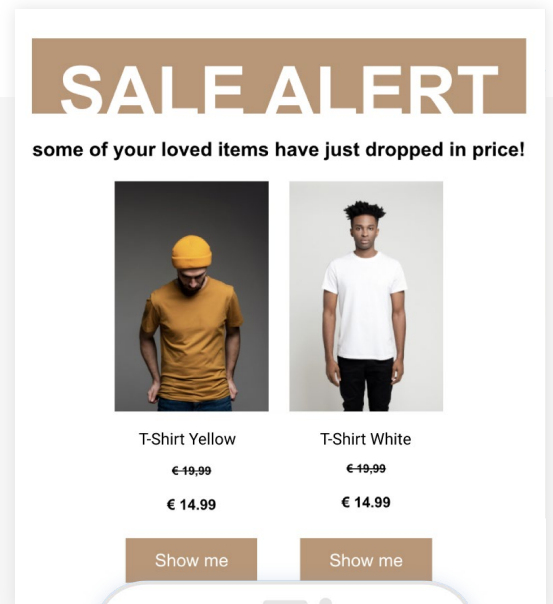
If you identify which high value customers show an affinity for the new arrivals category and convert well through paid social channels, you can target them with sponsored social content that showcases your new products.



Price Drop Campaign

When a customer abandons their cart, it's a missed revenue opportunity. But you can salvage that missed revenue by re-engaging the customer with updates about the product they left behind.

Drive purchase frequency by combining real-time product data updates with abandoned cart items and wishlist items. This allows you to alert customers in real-time with an automated message whenever a product they abandoned or showed interest in has dropped in price. To further increase margins, make sure your price drop communications also feature similar or complementary products – this will encourage multi-item purchases and increase AOV.



Optimization Tip

Price-drop campaigns aren't ideal for every customer. Exclude customers with high return rates from these campaigns to protect your margins.



Increase Average Order Value (AOV)

Average order value varies from customer to customer, depending on where they're at on their journey, and their relationship with your brand. Naturally, your loyal customers have the highest AOVs, which can be 3x higher than the rest of your customers.

But if you can increase the average basket value of your broader customer base to match the basket value of your most loyal customers, you'll be able to generate more revenue.

Here are three powerful strategies for increasing AOV for your average and loyal customers:

Strategic Incentives

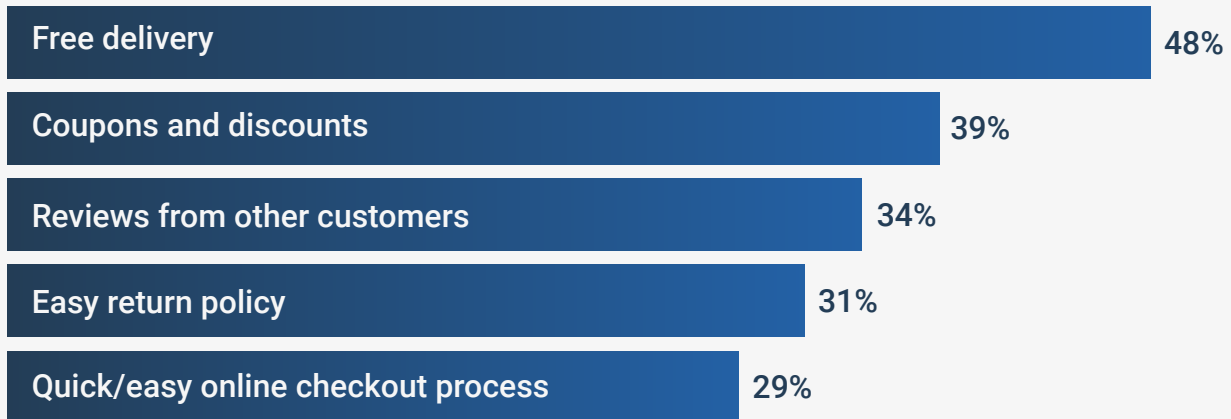
Free delivery might seem like table stakes when it comes to incentivising online shoppers. But according to eMarketer, it remains the leading driver among adults when making a digital purchase.

However, some customers will purchase regardless of free delivery. So what if instead of offering free delivery to all customers (and eroding your margins), you only offered it to customers when their likelihood of purchasing – and ultimately, converting – depended on it?

Free delivery can and should be used strategically as a tool to convert and retain customers who might not convert otherwise. The same is true for coupons and discounts. But to get this right, you'll need to tap into your data.

Leading Digital Purchase Drivers Among Adults* Worldwide, Q3 2020

% of respondents



Note: n=66,466; ages 24-37

Source: GlobalWebIndex, "Millenials", Feb 2, 2020 / eMarketer

Your customer engagement data — collected with consent and transparency — gives you tremendous insights about customers, including purchase history, purchase intent, product preference, and website browsing behavior. This can be used to personalize a visitor's website experience with incentives that are most likely to drive conversion.

If your customer engagement platform has built-in artificial intelligence, the AI can look at this data and decide what offer to serve a website visitor, and whether to offer free delivery. It does this selectively, based on the customer's propensity to spend and convert. This strategic AI-powered incentivization not only increases AOV, but it also helps protect margins.

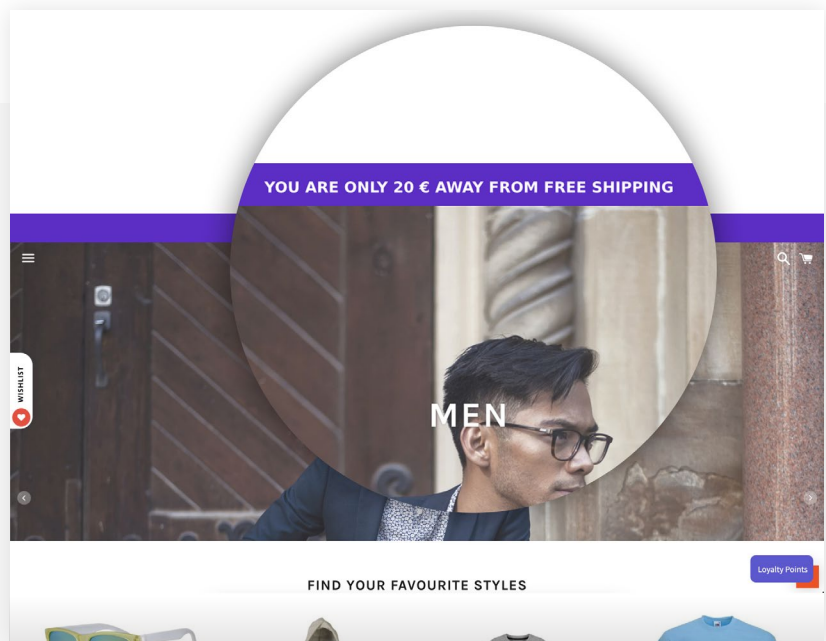
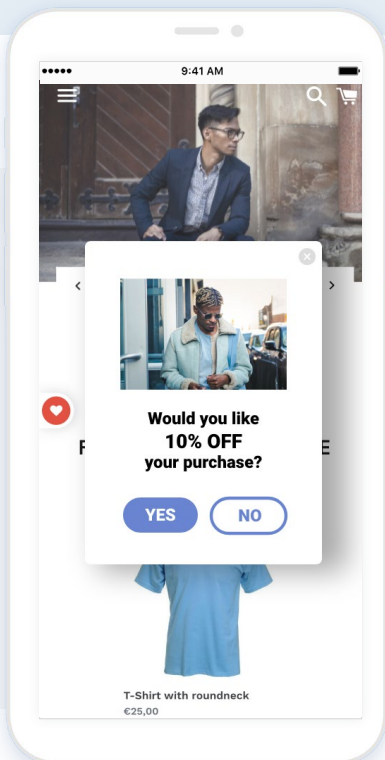
For example:

- ▶ New, unidentified site visitors see a ribbon banner offering "Free delivery if you spend [insert AOV of your loyal customers]." This sets expectations for new shoppers about price point, and leads to more first purchases.

- ▶ A loyal customer converts without a free delivery incentive, but their AOV still falls below what is expected for most loyal customers. That customer would then see a ribbon banner offering “Free gift with purchase if you spend [insert AOV of your loyal customers].”
- ▶ An identified high-value customer who purchases infrequently (and also has a low return rate) browses your website, and is incentivized to convert when shown an offer for free delivery, plus 10% off their next purchase.

Optimization Tip

Do you have customers who purchase frequently, but also return frequently? It's best to exclude them from seeing these promotions. Otherwise, you'll risk eroding your margins.

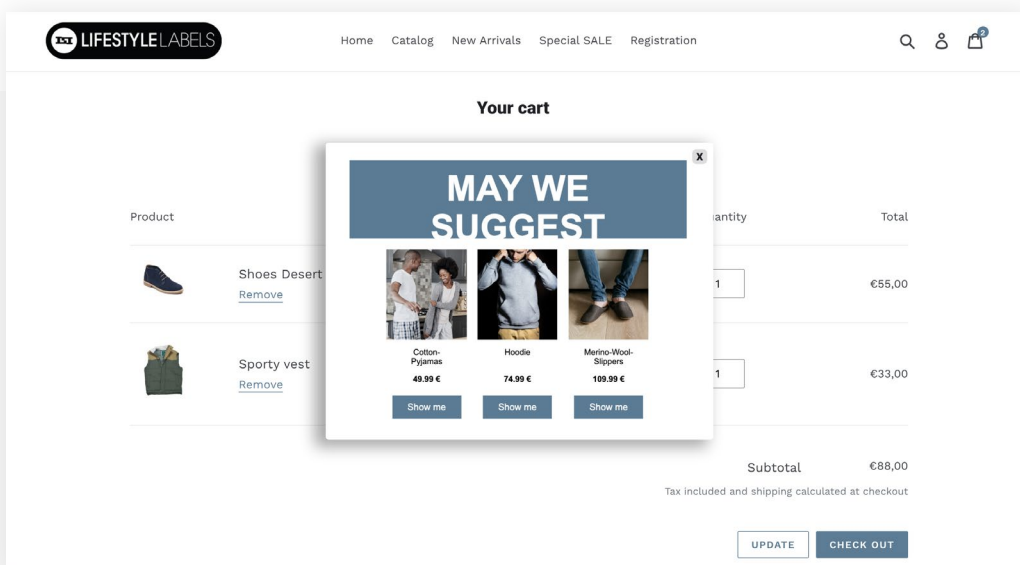


Product Cross-Sell

Timing is everything. And if your customer just so happens to see the right product at the right time, they are much more likely to buy it. This is especially true when recommending add-on products.

AI can help you make real-time marketing decisions on which products to display and recommend to a customer, based on their website or mobile app behavior. That's because AI evaluates real-time events, past purchases, product inventory updates, and other data to determine what are the best products to present to a customer in the moment, in order to sell more items and increase cart value.

For example, let's say a customer adds a shirt to their cart. They can immediately be shown recommendations for pants, shoes, and belts in stock that will complete the look. These kinds of real-time, relevant product



suggestions extend the customer's journey without any added friction that might discourage them from finishing the transaction. This means AOV increases, as well as your revenue.



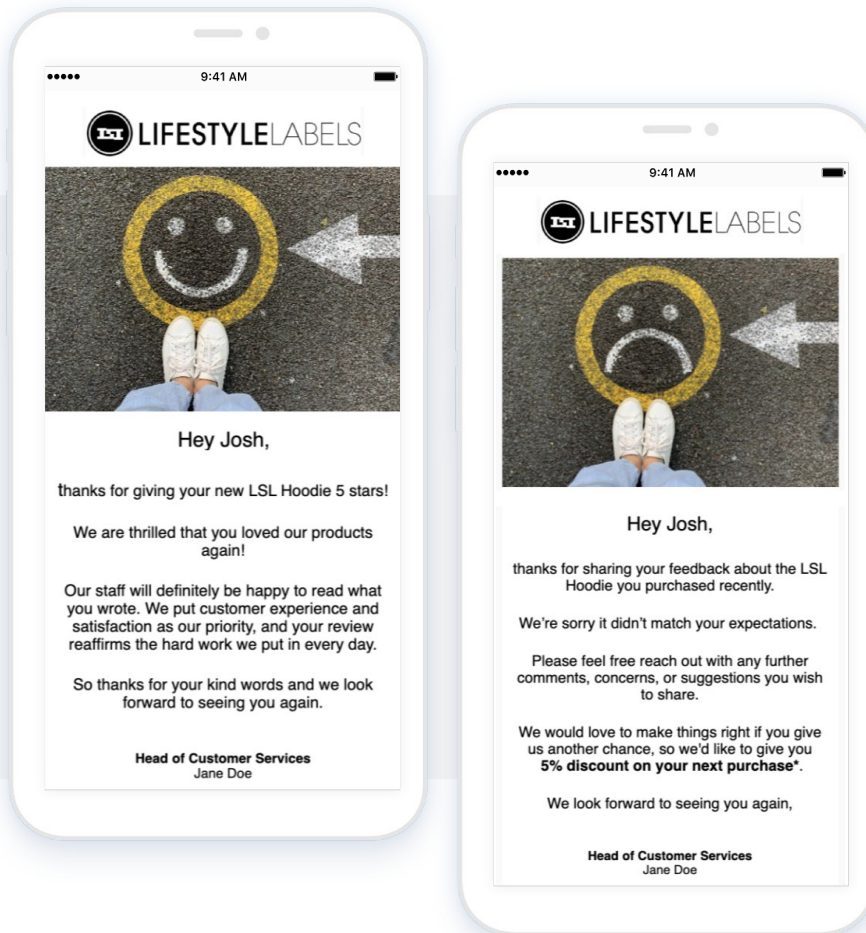
Optimization Tip

Your marketing department should not have to rely on IT teams or separate tech solutions in order to execute personalized omnichannel product recommendations. Make sure your customer engagement platform empowers your team to deliver 1:1 individualized product recommendations seamlessly and consistently across all channels (without depending on IT).

Product Reviews

Part of the challenge with cross-selling is that not every customer will be receptive to a product that is unfamiliar, or an item that they haven't previously browsed. But pair your product recommendations with product reviews, and you can help assuage the customer's fear of the unknown.

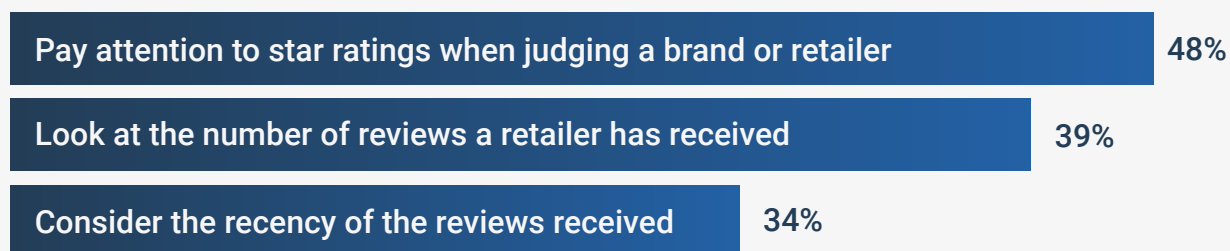
According to [eMarketer](#), "68% of internet users pay attention to star ratings when judging a brand or retailer." Clearly, product reviews have a significant impact on how a customer thinks about a brand and its products. This also means that ratings can strongly influence customer purchase decisions.



You can increase AOV by promoting recommended products that have positive (or ample) reviews at the cart level. Showing the reviews alongside the product recommendation is particularly effective at motivating customers who are on the fence about adding items to their transaction. The social proof of reviews inspires customers to think: *If other customers like this product, there's a good chance I will, too.* This leads to more comfort in buying an item that they weren't initially considering.

What Factors Do US Internet Users Consider When Judging a Brand or Retailer While Making a Purchase Decision?

% of respondents, March 2019



Note: ages 18+

Source: Brightpearl and Trustpilot, "Rise of the Review Culture", June 25, 2019 / eMarketer



Optimization Tip

You can also drive sales by engaging customers who have left reviews. For example, a customer who left a 5-star review for a product they purchased can be sent a message: "So glad you like it — here are more products you might enjoy." Even if they don't engage right at that moment, they'll be more likely to add on products during their next purchase.

Increase Second Purchases

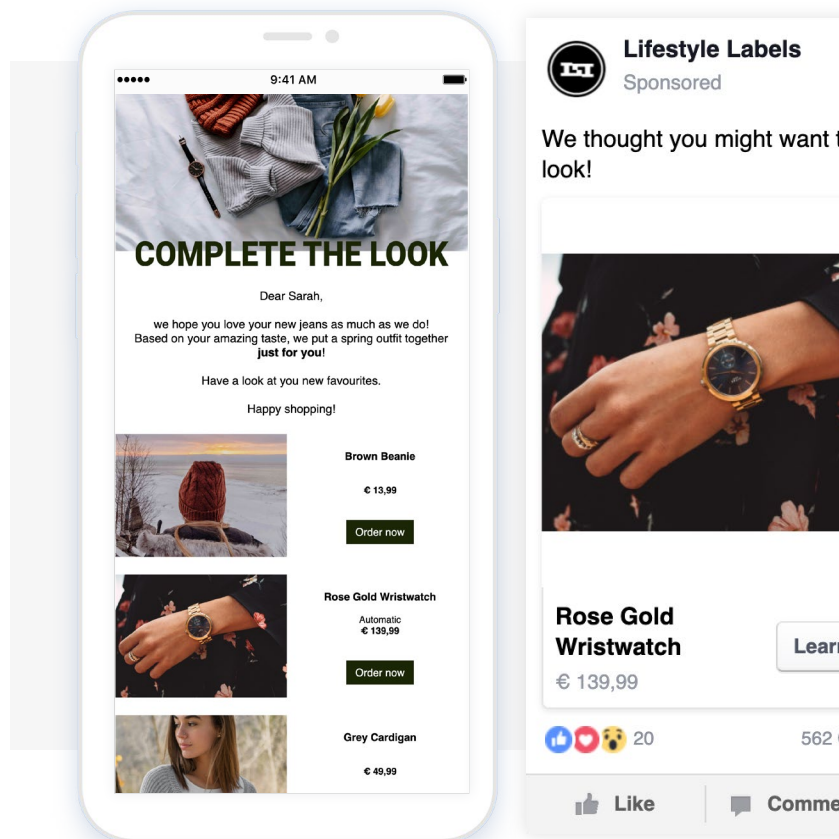
A second purchase is one of the most important purchases a customer will make during their journey with your brand.

That's because, according to RJ Metrics, 53% of customers who purchase a second time come back to make a third purchase. And, among those who purchased a third time, 64% will make a fourth purchase.

Getting that second purchase is critical to driving customer lifetime value and increasing revenue. Here are a few strategies that will help:

Post-Purchase Cross-Sell and Next-Sell

How you communicate with a customer after their first purchase can have a huge impact on inspiring their second purchase. One strategy is to send a post-purchase follow-up email promoting products that customers who made a similar purchase also bought. This could be products



in the same category (i.e., the same t-shirt, but in a different color), or a complementary product from a different category (i.e., a pair of jeans or a sweater to go with the t-shirt).

The key here is immediacy and relevancy – to drive that post-purchase cross-sell, follow-ups should come soon after the first purchase, showcasing products that make sense, based on the purchase.



Optimization Tip

Remind customers to review their previous purchases so you can continue recommending similar and complementary products based on their tastes and preferences.

Transactional Emails

Customers are inundated with unexpected emails on a daily basis, and they have to quickly discern which ones to open, to ignore, or filter out completely.

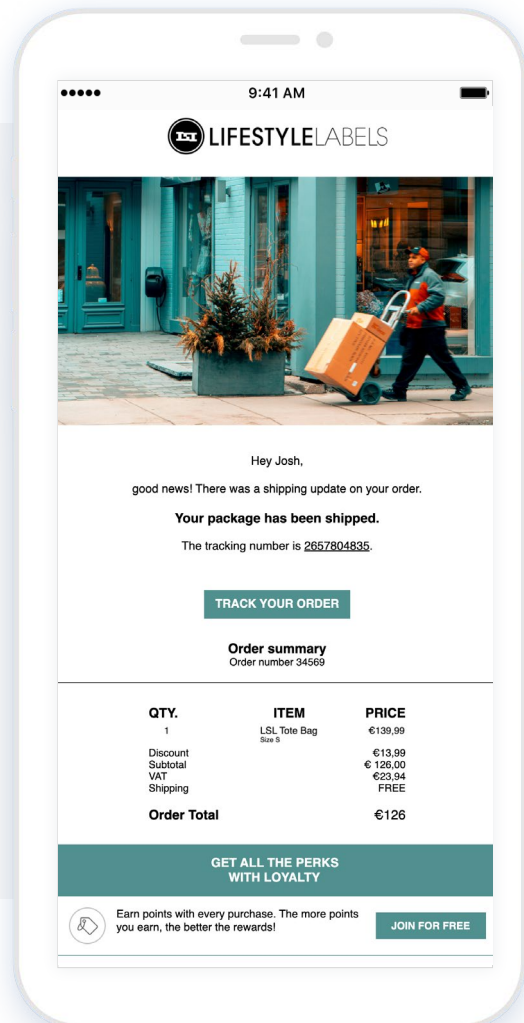
Litmus reported that, between January 1st and September 30th 2020, Gmail represented 32% of the email client market share, just behind Apple's iPhone at 33%. Gmail offers users prompts to unsubscribe from

promotional emails that are rarely opened, as well as a rapid unsubscribe link at the top of most marketing emails and newsletters. This means there's a good chance your basic marketing email won't get through to the customer.

However, transactional emails are a highly effective way to cut through the inbox clutter and reach the customer.

Transactional emails often see higher open rates, because customers are expecting specific information pertinent to their order. While a customer checks these emails for order confirmation, shipping status, delivery date, or a recap of what they were charged, it's an opportunity for you to connect with them in other ways, and potentially drive their next purchase.

For example, inside a transactional email, you can recommend complementary products, offer a coupon they can redeem online or in-store, or promote loyalty program registration. It's also a great time



to ask for their marketing opt-in, if they haven't opted-in already. This gives you a chance to go beyond the transactional information and extend the customer's journey.



Optimization Tip

When it comes to your mobile app marketing, you can treat in-app inbox messages just like transactional emails, giving the customer the necessary and relevant information they need without having to leave their preferred channel.

Win-Back Campaign

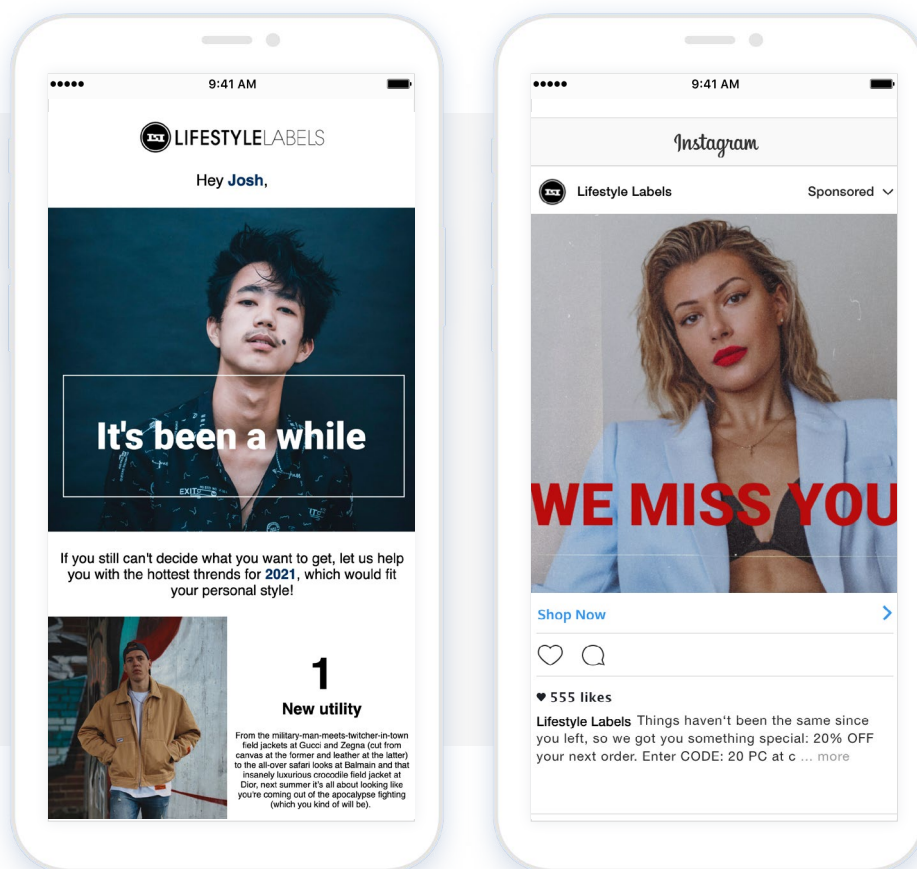
Some customers will buy once from a brand, and never return. It's not necessarily due to a bad first experience — often, they simply forgot about your brand. Considering how important that next purchase is to customer lifetime value, if you're not top-of-mind for the customer, you're missing out on potential revenue.

A targeted win-back campaign is an excellent way to re-engage one-time shoppers and motivate them to shop with you again. What's more, your data can allow you to get granular with who you target, and how you target them.

For example, campaign content can be tailored to prioritize retaining high value customers rather than customers who shopped once, but returned their order. If a customer only shopped once and returned their purchase, or left a negative review, your approach will change. In this case, you can use

a win-back campaign to collect their feedback and understand what went wrong, rather than offering a discount or other incentive.

These win-back campaigns are friendly, engaging reminders to help keep you top-of-mind for the customer, and to drive that all-important second purchase.



Optimization Tip

If a customer only shopped once, but didn't leave a negative review, try re-engaging them with complimentary products, through the channel they first converted from initially.

Increase First-Time Buyers

Any website visitor, email subscriber, or social media follower that hasn't made their first purchase is a deficit for your business, due to the increasingly high cost of acquisition. But to make sure you're getting the most from your marketing spend, and to secure more budget for other marketing activities, it is critical to convert these visitors and subscribers into revenue-generating customers. Inspiring their first purchase is a must.

With more and more customers using social channels like Facebook, Instagram, and others for product and brand discovery, your brand must maintain a presence and engage potential customers on these channels. You need to connect with customers wherever they are active.

Here are few ways to drive conversions, increase first-time buyers, and increase revenue.

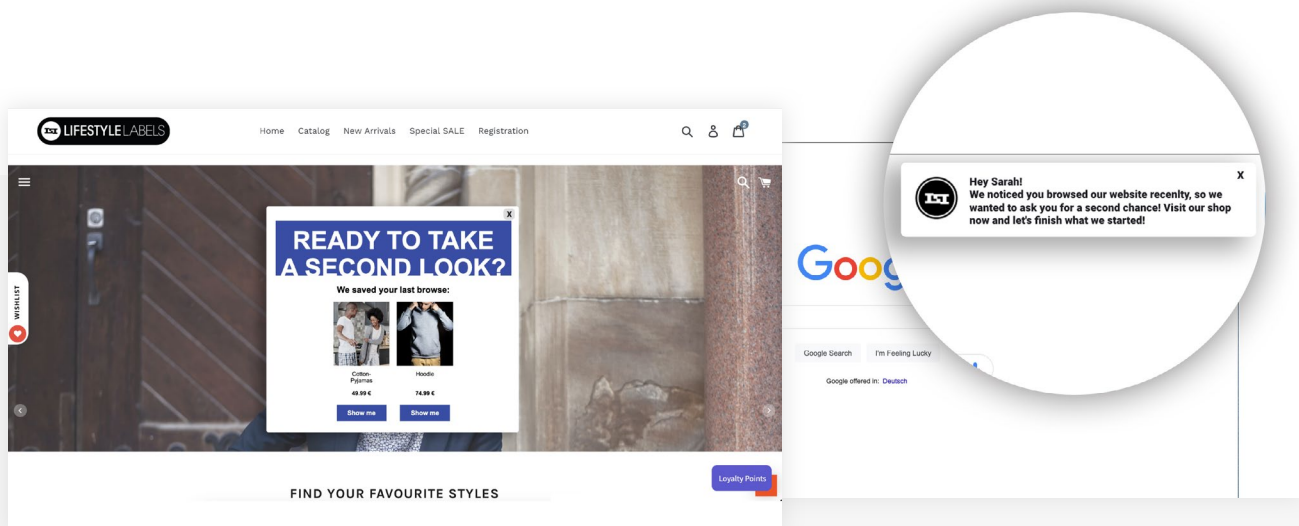
Abandoned Browse and Cart

An abandoned cart is one of the most common challenges you face as a marketer. Fortunately, there are effective campaigns that will help salvage the abandoned transaction and keep the shopper moving on their journey with your brand.

What does that look like? A simple email sent to the customer within minutes after they've abandoned their cart will help drive them back to

finish their order. These abandoned cart campaigns, along with abandoned browse campaigns, can win back a significant portion of customers.

However, these campaigns are time-sensitive, and they require real-time synchronization between critical data sets, such as customer data, product data, and behavior data. This ensures the customer receives relevant content in a timely manner, based on the most up-to-date information. And speed does matter – our product team analyzed 14 pilot accounts and saw that quickly deployed abandoned cart campaigns can increase revenue 40-60%.



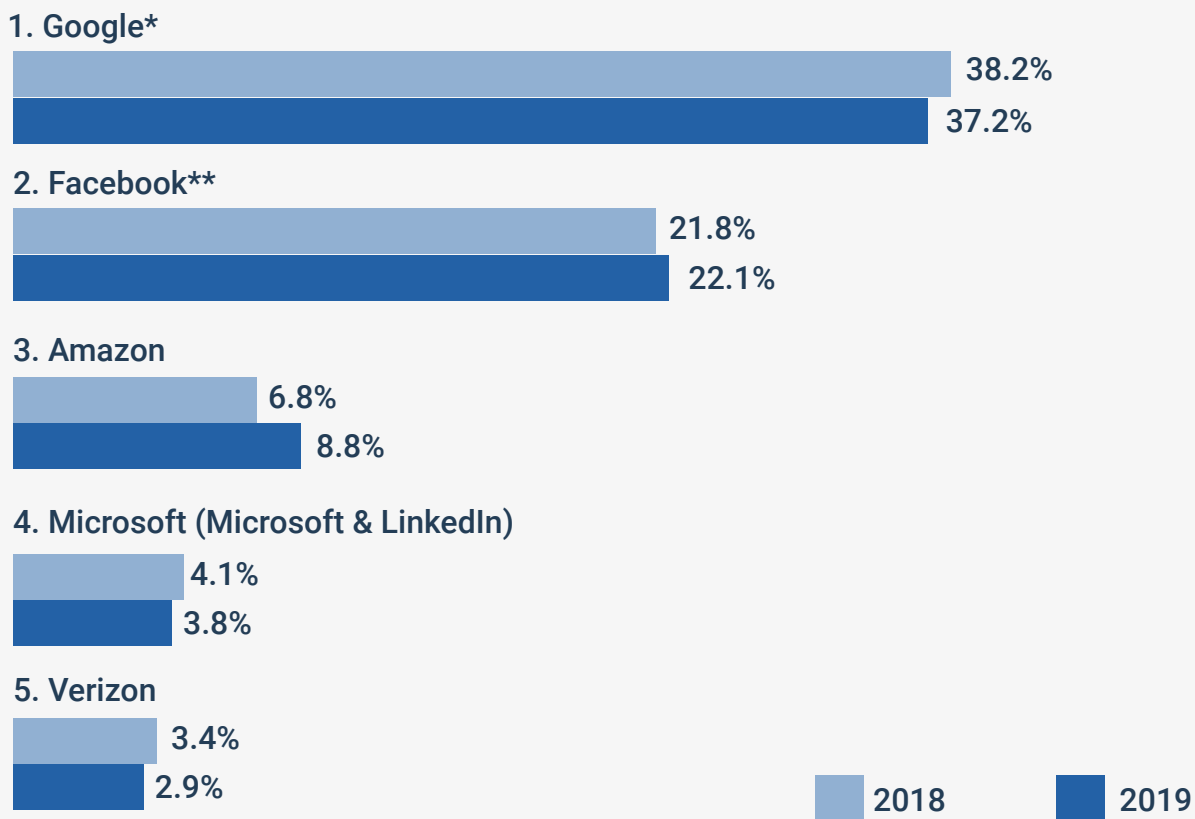
Optimization Tip

When it comes to abandoned cart or browse campaigns, don't limit yourself to email. Choose a customer engagement platform that enables you to trigger website pop-ups that remind a customer if they've left items in their cart, or trigger an SMS message if the abandoned cart value is above a specific threshold.

Lead Re-engagement

Top 5 companies, Ranked by US Net Digital Ad Revenue Share, 2018 & 2019

% of total digital ad spending



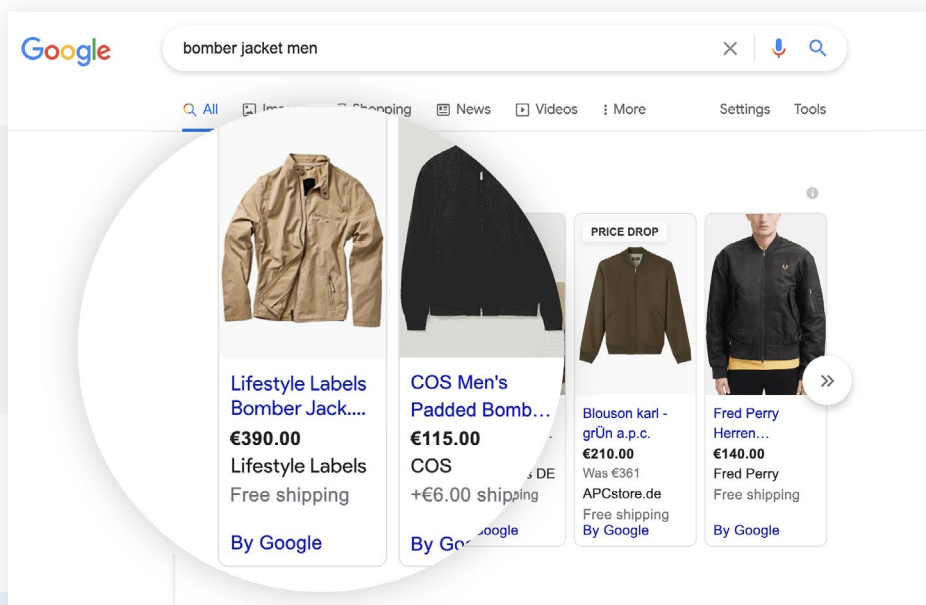
Note: US total digital ad spending in 2019=\$129.34 billion; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; *includes YouTube advertising revenues; **includes Instagram advertising revenues

Source: eMarketer, Feb 2019

As a business, you're probably spending a lot of your budget on Google and Facebook ads to help acquire and retain customers. You might be able to get an email subscriber from this, and they might even open a few emails,

but what if they disappear without buying anything? If they don't purchase, all the time and money you invested getting that customer to your website and registered for your newsletter becomes an unprofitable investment.

The good news is, you can still re-engage that lead. Perhaps they subscribed for a specific purpose and forgot, or maybe they were just waiting for a specific item to be restocked, or go on sale. Use lead re-engagement campaigns to identify your cold leads and gradually re-engage them through a series of personalized communications based on their browsing history that will drive their first purchase.



Optimization Tip

To avoid acquiring the same email subscribers or social media followers multiple times, use targeted sponsored advertisements on social media and Google featuring products a customer most recently browsed, or new products they may be interested in.



Welcome Program

When customers shop with you, they aren't just buying your products — they are buying an experience. First impressions matter, so their experience with your brand is largely defined by how you welcome them.

Use welcome campaigns to onboard every new social media follower, email subscriber, loyalty member, and mobile app user with content that not only defines your brand values, but also (and more importantly) defines the value you'll provide for the customer. Here, it's important to be transparent with a customer about how their data will be used to personalize their shopping experience, and how that benefits them.

Remember, when a customer feels comfortable with your brand, they're much more likely to make their first purchase.



Optimization Tip

Stand out from competitors and impress customers by sending personalized direct mail communications as part of your welcome campaign. Not only does this cover you in case the customer missed your welcome messages from other marketing channels, but direct mail feels more personal and individualized than digital communications.

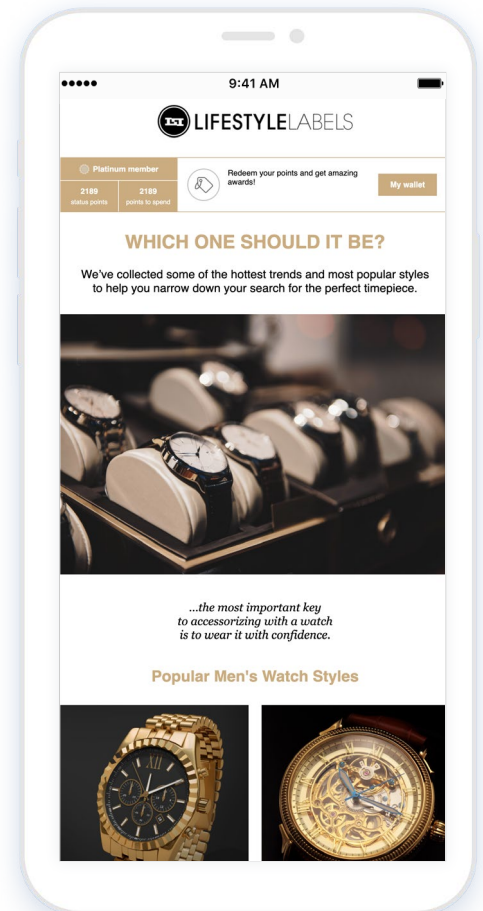


Best-Selling Product Campaign

Positive product reviews can be quite persuasive when it comes to inspiring a purchase. In fact, website visitors who read customer product reviews or Q&As are “105% more likely to purchase while visiting,” and will “spend 11% more than visitors who don’t interact with user-generated content,” according to [Bazaarvoice](#).

The problem is, visitors often have to actually be on your website to see these product reviews.

With a best-selling or best-rated product campaign, customers can see great product reviews anywhere. You can use product reviews as content to inspire and convert customers who haven’t purchased yet, connecting them on the channel that they prefer. Seeing positive ratings and reviews adds an element of social proof that confers trust, and can nudge customers to take action and buy.



Optimization Tip

These campaigns work great when automatically triggered if a customer hasn’t converted within a month of registering for your newsletter or emails. Positive reviews will remind the customer why they were attracted to your brand in the first place, and encourage them to purchase.

Increase Units Per Transaction (UPT)

If increasing revenue is the goal, you'll want to focus on increasing units per transaction. Here's where your ability to offer the right products to the right customer, in real time, and on the right channel, is critical.

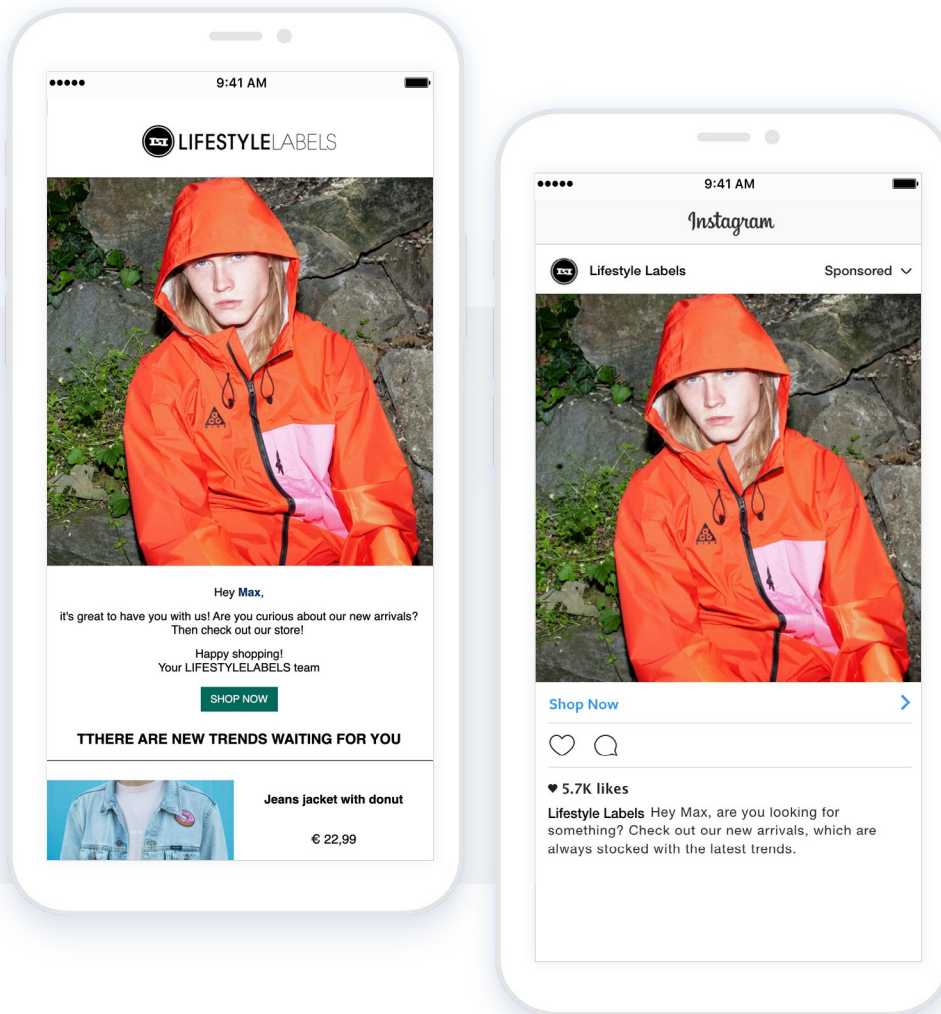
The following strategies can help you increase UPTs and drive revenue:

Target Customers Likely to Convert

Recommending add-on products is an art. Offer a relevant product that complements a purchase at the right time and to the right customer, they're likely to add it to their cart. However, if you offer an irrelevant product to the wrong customer, it will be ignored.

Consider running a campaign that specifically targets customers likely to convert with personalized product recommendations. If you know that a customer is likely to purchase, but hasn't yet, recommend something that perfectly complements the product they are considering. Then, to help drive the upsell, you can sweeten the deal by offering a high-value service, such as next-day delivery or a virtual personal stylist that can make personalized recommendations based on the customer's unique tastes.

By selectively targeting customers likely to convert, you'll have greater success increasing UPTs, which leads to more revenue.



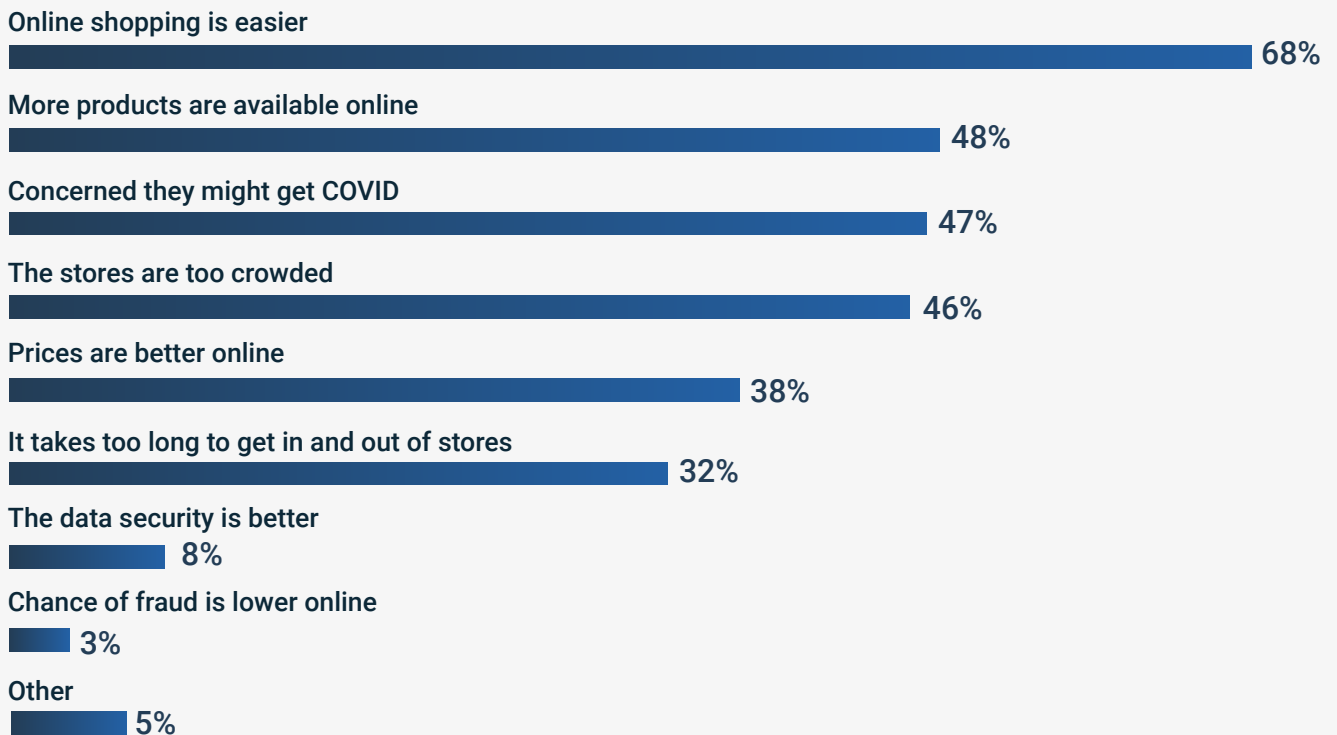
Optimization Tip

AI takes the guesswork out of this process by looking at customer and behavior data, and then targeting customers more likely to convert with relevant offers on their preferred channel. With AI built into your customer engagement platform, you can effectively predict a customer's purchase intent, and proactively engage them with personalized product recommendations that drive units per transaction.

Back in Stock

Reasons that US Adults Prefer Digital Shopping, Nov 2020

% of respondents



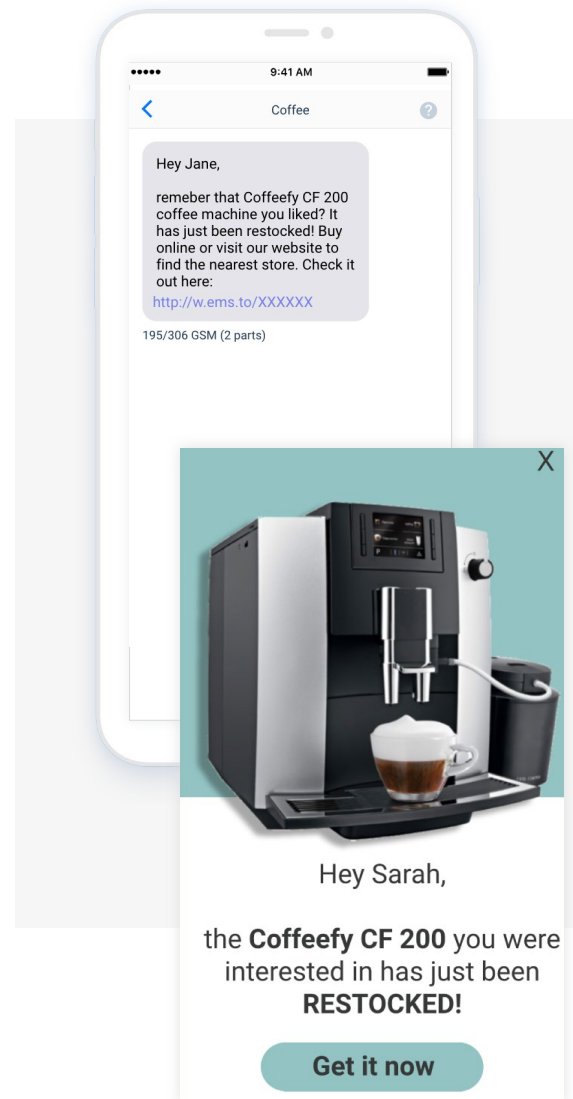
Source: Pymnts.com, "Black Friday 2020 Report: Crossing The Digital-Physical Shopping Divide", Nov 30, 2020 / eMarketer

One of the main reasons why US adults prefer online shopping to in-store shopping is because of product availability. Digital stores often have a better, broader, and more up-to-date inventory. So when a customer signs up for alerts or adds a sold-out item to their wishlist, they expect to be the first to know once the item is back in stock.

Back in stock campaigns not only provide a beneficial service for customers, but they also drive engagement. This was particularly relevant

when the pandemic first hit. Kettlebells and home gym equipment sold out rapidly, leaving fitness-minded customers eagerly checking websites to see if stocks had been replenished. Businesses with back in stock campaigns in place had more success navigating the challenges of depleted inventories, because they were able to immediately communicate to customers once items had returned, which helped increase conversions.

To further increase units per transaction, combine back in stock campaigns with product recommendations that are based on the newly replenished item. The customer is going to return to purchase the back in stock item anyway, so this is a great opportunity to cross-sell and drive revenue.



Optimization Tip

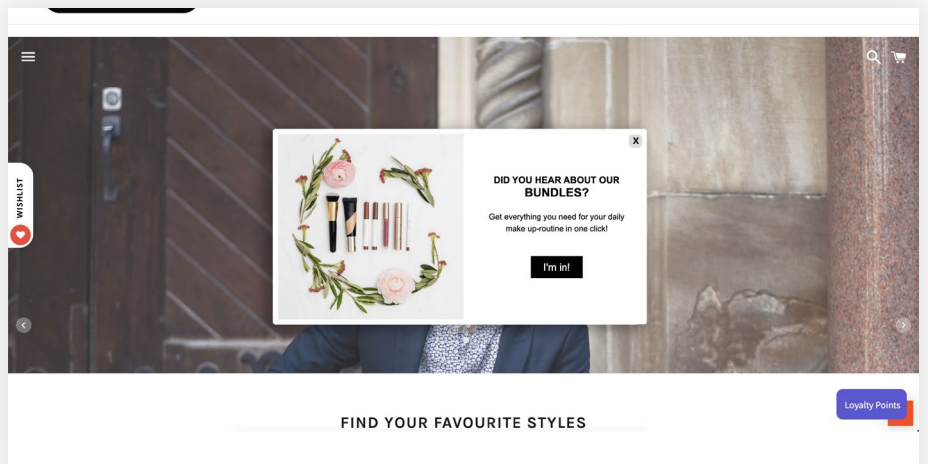
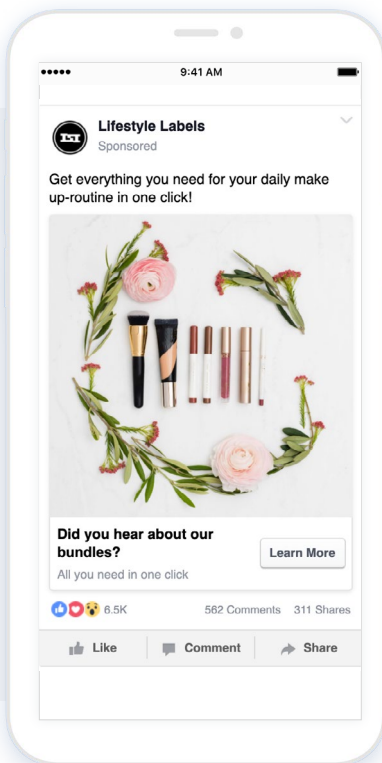
Leverage in-app notifications to provide back in stock alerts more quickly to loyal customers as a reward for trusting your brand, and to reinforce their loyalty.

Promote Bundles and “Frequently Bought Together” Items

Depending on your category, you likely have products that are so complementary (i.e., shampoo and conditioner) that they can be bundled and sold together. But how do you identify bundling opportunities?

Here’s where you can turn to your data.

Your marketing and trading teams can leverage your consolidated and enriched product data to identify the right products to bundle together, based on the product combinations that will ensure the highest demand and yield the highest profit margin.



You can also create product bundles by determining which products are frequently bought together. Bundling items this way will help reduce friction during the buying process, because it will save a customer from having to manually add all those items to their cart, and instead, let them purchase multiple items with a single click.



Optimization Tip

Drive traffic to bundled items with sponsored social media ads or email campaigns. Bundles are great for the customer because they offer value and convenience, and they're great for your business because they drive UPTs, AOV, and revenue.



Conclusion

Your job as a marketer is to delight and engage customers with satisfying experiences that drive sales and lead to more revenue for your business. As we've shared in this ebook, there are a multitude of ways you can turn your SAP Commerce data into revenue opportunities.

However, you must have the right technology in place to fully leverage this data.

If you're like most marketing departments you probably have a tech stack with several databases spread over several tools such as an EMP (Email Marketing Platform), CRM (Customer Relationship Management), customer service software, SMS platform, ad platform, and social media management. But there's a much quicker way to do everything you need in order to increase revenue through your marketing efforts, all while reducing time to value.

When you connect your SAP Commerce data across your sales, product, and customer data via a native connector, and integrate it all with an omnichannel customer engagement platform, you can easily execute on all 15 revenue-generating strategies described in this ebook. This will also give you a true 360-degree view of your customer, so you can deliver the 1:1 personalized omnichannel experiences that make these strategies so effective at driving business results.

Fully leverage your SAP Commerce data so you can deliver the predictable, profitable outcomes your business demands, and the highly personalized experiences your customers deserve.

How We Help

The integration between SAP Commerce and the Emarsys Customer Engagement Solution offers you the ability to:

- ▶ Launch solutions faster than the competition
- ▶ Improve your customer's experience across all channels and devices including mobile apps
- ▶ Create and deploy automated and real-time omnichannel campaigns
- ▶ See actionable and predictive insights on your customers and their buying patterns
- ▶ Rapidly deploy 40+ proven customer engagement strategies and tactics
- ▶ Empower your marketing team with strategic metrics to demonstrate their impact on revenue growth
- ▶ Deploy an integrated loyalty program to increase customer lifetime value beyond blanket discounts

Emarsys for SAP Commerce grants you access to advanced APIs, unlimited bandwidth, complete online store personalization without IT dependencies, and the capability to contextually and consistently engage customers on any sales and marketing channel.

Emarsys is dedicated to supporting your business goals and growth, and empowering your team to make the best decisions with the data you already have.

Ready to uncover all the additional revenue opportunities in your SAP Commerce store?

SIGN UP FOR YOUR DEMO TODAY





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