CYBER YEAR:

14 Trends You Need To Know in 2022



CYBER YEAR: 14 TRENDS YOU NEED TO KNOW IN 2022

2021 was one for the books. Brands and customers alike set record high numbers across the eCommerce landscape and 2022 is already shaping up to be an exciting year. But we can't grow without reflecting and learning from previous years.

This ebook will be split into two parts. In part 1, we'll break down the top trends from BFCM'21 and take a deep dive into what worked (and what didn't). In part 2, we'll take a closer look at 2022 trends and how you can implement those strategies today to make this year the best one yet. Plus, some of our favorite eCommerce consumer and technology brands give their advice on how to dominate this year.

TABLE OF CONTENTS

PART 1 — Top trends from BFCM'21

 $\operatorname{PART}\,2$ — 7 tips you can use to fill out your 2022 strategy





Top trends from BFCM'21

The 2021 BFCM season saw major shifts than previous years, which wasn't surprising given the state of the pandemic. We compiled a list of the top trends we saw this past year during BFCM—and some of them are pretty shocking. Here are the top 7 trends from BFCM'21:



1. It's cyber season, not cyber day or even week.

Unsurprisingly, BFCM sales started earlier than ever. It's really time to rename BFCM to Cyber Shopping Season instead of Black Friday and Cyber Monday, but we won't press too hard on that just yet.

Especially with shipping delays and supply chain disruptions, starting holiday sales ASAP wasn't an option, it was a requirement. Customers were looking to do their holiday shopping as early as possible to ensure that the right gifts would be delivered on time.

But how early is too early? There's no perfect science. The right time to start your brand's BFCM sale relies on two things: finances and product stock. You can't have a 40% off month long sale with minimal stock and low profit margins.

If you want to fully embrace cyber season, but it's not financially viable to do a massive month or two long sale, you may consider splitting your sales up. For example, let's say that you already offer 10% off as a welcome gift for customers signing up for your email list. To participate in cyber season, you could offer 20% off products for November and December but 30% off during Black Friday and Cyber Monday. Be strategic with your finances, you may be surprised by how much you can offer and remain profitable and the extra sales will bring in more potential customers (aka more revenue!).

For this type of model, you may consider price matching for customers that missed out on sales or omitting recent purchasers from sales promo. This will help out your customer support team and decrease the amount of inbound tickets.



We started our Cyber Monday sale the week before, but even that felt like we started a bit late. A good day to start would have been Saturday, or even earlier. We probably lost some sales to other brands because we didn't start until Monday."

— Nevin Jethmalani, Founder of Bondchain Growth

.

We launched this year on Monday, November 8, which was quite a bit earlier than previous. It drove a massive, massive increase in revenue from what we can tell, it incrementally drove millions of dollars."

> — Josh Knopman, Director of Growth and Digital Product at Caraway



2. Personalization at every interaction

You value personalization in day to day communications throughout the year with your customers, so why would BFCM be any different? Nothing beats a carefully crafted, personalized customer experience. Don't just take our word for it, a recent study showed that 80% of consumers are more likely to buy from a company that provides a tailored experience.

With customers making more purchases during the holiday season, brands need to put extra attention on personalization strategies and tactics. Get started with personalization by implementing:

- Customized **shipment tracking platform** to easily communicate with your customers, upsell and cross-sell, provide educational content, and more.
- SMS messaging that's relevant to your customer's recent purchases and interests.
- Intelligent product recommendations to increase conversion rate and average order value.
- Individualized **email marketing campaigns** that inform your customers of sales, products they may be interested in, abandoned cart messaging, or educational content on how to care for their products.



66 On the personalization side, we've just started sending traffic through **>>** a quiz, and have found really interesting information through that process. Now we're updating that quiz to be more strategic for the next nine months.

— Bryan Smith, Ecommerce Director at Ned



3. The bigger the sale, the better the performance

Now we're not suggesting that you start offering 70% off sales on all your products for BFCM and go bankrupt. That doesn't help anyone! Offering a bigger sale doesn't mean that you have to lose money.

It's all about your message and how you can communicate it. The bigger you can message it, the better the performance will be. For example, your brand could offer 50% off select items plus a sitewide sale. It's a win win. Your customers will be able to score great deals and your brand will reap the rewards of bigger purchase totals.

Another way to message your sales is tapping into FOMO marketing. No one likes to miss out on awesome sales and limited time products so by highlighting that, you may encourage more customers to purchase.

Identify your best and worst performing products to better determine what your sales strategy should be. Your top performing products makeup 80% of your revenue, so BFCM presents a great opportunity to drive revenue featuring those products.



The brands that did something along the lines of 40% or 50% off select styles, plus some kind of site wide sale did really well this year. They were able to offer a deep discount and get people to click to the site, but then encouraged those users to stay and continue to shop. The discounts weren't as significant on some products, but they still were able to convey that big sale messaging. Those are the brands that saw the best numbers overall."

— Nevin Jethmalani, Founder of Bondchain Growth



4. The gold is in the post purchase survey

It's no secret that customer feedback is vital for eCommerce success and with BFCM being the biggest event of the year, you want to make sure your customers are happy with the experience. That's why you can't skip the post purchase customer feedback surveys.

Some of the best advice comes from these post purchase surveys because you get an unfiltered response from your customers. A few questions that you should make sure that you ask include:

- · How would you rate your overall experience?
- \cdot What can we do to improve your experience?
- What do you love the most about your shopping experience?
- What, if anything, almost stopped you from
- completing your purchase?

With this information, you'll be able to quickly decipher any pain points your customers may have and also know what you can capitalize on next year. Without customer feedback, you really don't know how your customers feel about your brand and your products—you're just speculating. Maybe the website was buggy or they didn't get notifications when their shipment was in progress.



Some of the best advice we got last year was on our post purchase survey."

> — Bryan Smith, Ecommerce Director at Ned

 Think about utilizing lending solutions to solve cash flow problems that so many emerging brands are facing to focus on production, marketing efforts, and customer retention."

> — Zachary Goodwin, CRO of Ampla



5. Privacy changes led to new advertising strategies

The iOS 14 privacy changes hit marketers hard. Ecommerce brands rely heavily on Facebook, Instagram, and Google Ads as their main acquisition channels so these updates led to some panic. But these changes aren't the death of advertising as we know it, brands just have to get more creative.

BFCM advertising unearthed some old-school marketing strategies and proved that they still work. 3 marketing and advertising strategies that dominated included:

- Direct mail: Don't underestimate the power of direct mail marketing. While it's not a viable option for some brands, those strong visual products have seen great success with this route. Direct mail open rates hover around 90% while most marketing emails average at about 20%.
- 2. Word of mouth: 92% of consumers trust suggestions from family and friends more than advertising, but word of mouth marketing can be hard to perfect. Start by identifying your top customers and nurture those relationships and always ask for reviews when things are going well.
- 3. Written content: With video and multimedia advertising taking up our newsfeeds, written content has seemed to take a step back—but that's the wrong approach. Users who visit your website want content that is educational, substantial, and easily digestible. Plus Google really likes words.



Like many marketers, we underestimated how significant the iOS 14.5 rollout impact would be. Honestly, targeting got pretty dicey. And so for us one channel that we've been really excited about and that we've scaled up a lot is direct mail. It's definitely one of the more old school channels, but we've seen massive success."

— Josh Knopman, Director of Growth and Digital Product at Caraway

Focus on trying to get shoppers to come back and feel that sense of loyalty through an omni channel approach where your brand is being consistent at every touchpoint. This will help take the customer experience to the next level."

— McKenzie Bauer Co-Founder, Threadwallets



6. Don't forget about gift guides

An online gift guide can help you better engage with your customers by providing them with gift ideas early in the season. Why? Because you're making the frustrating gift shopping process easier and making the holidays less stressful.

There are 4 main reasons why gift guides are so important during BFCM (and all year long, hello Valentine's Day):

- Gift guides engage shoppers early in the holiday season, when they are ready to purchase.
- 2. By helping shoppers make a gift choice, you're increasing your conversion rate.
- 3. Gift guides are the perfect way to promote your best-selling items or introduce new trends and ideas.
- 4. Last-minute shopping? No problem! Creating a gift guide that caters to your customers who procrastinate will help them when they need to get a gift quickly.







Example of a high converting gift guide from PuraVida.

66

Gift guides were a major part of our BFCM strategy this year. Anytime we had questions that were about sizing or a product they should get, we included our gift guide in all of those conversations. Our customers really appreciated having everything they needed in a convenient PDF.

— Dan Brady, Customer Success Manager at PuraVida



7. Shipping delays were prevalent, but expected

Shipping delays were much higher this year due to a massive supply shortage—but did that really blindside anyone? Along with brand's messages around their own trials and tribulations with shipping, the news media made this topic a priority so the public was well informed with the state of the industry.

As we move into 2022, shipping delays will continue to be a roadblock, so it's important to use those messages from the media to further inform your customers. Especially because consumers have become accustomed to nextday, or even same-day shipping. Set expectations early and communicate often.

This year, brands capitalized on creating a sense of urgency and ran sales earlier than previous years. While some promoted the same sale throughout the holiday season, others saved their best sales for BFCM but offered smaller discounts before and after.



"

"

Luckily, the media did such a good job at communicating shipment delays that most customers knew they had to shop early from the getgo. I was talking to my mom, for example, and she even mentioned that she started shopping at the beginning of November to avoid shipping delays. The media helped a lot as far as setting expectations goes.

— Chuck Melber, Marketing Director at Nomad





7 marketing strategies you need to implement today



1. Start looking into sustainable options

The pandemic sparked an interest in sustainability with consumers across the country, and now more than ever, consumers are advocating for sustainability measures with the brands they shop with. In fact, 8 out of 10 consumers say that sustainability is important when making purchasing decisions.

To win the loyalty of consumers who are eco-conscious, retailers need to make every effort to go green. This can be done by:

- \cdot Utilizing reusable and ready to return packaging
- \cdot Offering environmentally friendly products and packaging to consumers
- Educating customers on how they can extend the lifespan of their products and how to dispose of them
- \cdot Shipping in bulk and using eco-friendly shipping practice and partners
- \cdot Giving customers a green shipping option at checkout

Dane Baker, Co-Founder and CEO of Ecocart, has witnessed first hand the growing popularity of sustainability.

"The percentage of consumers that are willing to pay more for their order to make it carbon neutral has significantly increased over the last 12 months. A year ago our adoption rate was 5%, and now it's skyrocketed to 28%."

Don't forget to communicate your green efforts with your customers. They won't know that sustainability is important to your brand unless you tell them! You can promote your sustainability efforts on your social media, website, email campaigns, and custom tracking page. Don't make your customers go searching for it.

The verdict is in: sustainability isn't a trend, it's a lifestyle and to succeed in 2022, retailers will need to make it a top priority.





2. Consider affiliate marketing and influencer marketing

You've probably heard of it by now, but affiliate marketing is a performance-based marketing strategy where brands reward an affiliate for each customer brought by their own marketing efforts. Partner affiliates can help you engage your current customers and also tap into new audiences.

"For every dollar spent in affiliate marketing, you're getting \$6.15 ROI in comparison to \$2 with traditional methods. We're seeing that roughly 15% of revenues from digital marketing channels can be attributed to affiliate marketing. At the end of the day, people are realizing that this strategy is skyrocketing in popularity and that they need to develop and invest more time in their relationships with the influencers that they work with." -Brandon Rowe, Director of Brand and Content at Refersion.

Social commerce is taking off and affiliate marketing is at the heart of it all. If you're not sure where to start, we have a few tips to help:

- **1. Start by choosing the right affiliates**: If you want to influence your customers to buy your products, you need to choose an affiliate with an engaged audience that trusts them. The right affiliate is an expert in your field, has a strong following, and has an audience that would benefit from your products or brand.
- 2. Influence sales with deals and promotions: Who doesn't love a good deal? Leveraging coupons and deals is not only a great way to boost affiliate sales, but they are also measurable so you can easily track how your affiliates are performing.
- 3. Use an affiliate marketing software: Creating and managing an affiliate marketing program can be overwhelming and time consuming. A software like Refersion integrates with your eCommerce solution, manages your affiliates, and houses trackable links, coupon codes, and more.

John Erck, co-founder of Rebuy, explained how Rebuy teamed up with Pura Vida and Refersion to create an affiliate marketing strategy:

"When affiliates are driving traffic to an online store they want to have attribution for those sales, of course. And so to track that there's a URL parameter that is used and in all of the links that they share there will be a Refersion ID. You can make a rule in Rebuy's product that connects a specific Refersion ID to a data source so you can easily find out top affiliates and the most popular products.

What's great is that you can make a seamless handoff between that link. So when a person on Instagram clicks on a link of, for example, 'Jill's favorite products', the name Jill can show up on the website. And you can recommend products on the website without having to create another landing page. It's just one strategy you can use to really up your game when it comes to increasing conversions and creating a really sophisticated experience. It's really pretty cool."



3. Implement referral and loyalty programs

Referral and loyalty programs are great ways to retain existing customers while also reaching a new audience. These programs also have a high engagement rate and have been shown to increase brand awareness and advocacy.

While these programs are similar in nature, they aren't quite the same thing. A referral program rewards customers for sharing your brand or a particular product with friends and family. A loyalty program rewards customers for continuing to purchase from you and earn points with every purchase.

If you're on the fence about implementing a rewards program, think about this: 43% of consumers are more likely to buy a new product after learning about it from friends on social media. More so, people are 4x more likely to buy from a brand when they're referred by a friend.

The three main points to a successful referral program are **awareness**, **accessibility** and **ease of use**. If you currently have a program in place, ask yourself: Do your customers know that you have a referral program? And can they find it quickly? On your website or on social media? If your answer is no or maybe to any of these, it may be time to rethink your strategy.



"If your site wide offer is 30%, but potentially, you're only giving your referrals 10% discount, they're not going to be incentivized to refer that friend, because the friend can get a better discount just by going on the website. You really need to think about the strategy."

— Ivette Muller, Enterprise Customer Success Manager at Friendbuy



4. Value transparency and communication

While transparency and active communication aren't new ideas, they've become more important than ever. Transparency is vital in omnichannel shopper buying decisions because customers shop with their value systems in mind. Meaning that if your brand doesn't meet those value expectations, potential customers will take their money elsewhere.

While transparency is a rather broad term, it carries a lot of weight. 94% of customers show loyalty to a brand that offers complete transparency.

Transparency can aspire in a lot of ways, like social impact. That could mean speaking out on topics like Pride or Black Lives Matter, focusing on the impact your brand has on the environment, or giving more information about what goes into your products. It also means taking ownership of your actions. We all mess up, but social media can spread that information like wildfire, so we can't just wait and see anymore.

There's no perfect strategy for transparency and honesty, but it's quite simple. Your customers will ultimately ask the question, "can I trust you"? And if the answer is not a resounding yes, you may need to go back to the drawing board.





5. A/B test (most) everything that you do

While A/B testing has been around for a while, it's still crucial for success in 2022. Also known as split testing, A/B testing will help your brand determine the best and highest converting strategy. It's a great way to get real time insights and feedback from your audience.

Now you may be thinking, do you really need to do twice the work? Who has time for that?

We get it. But here's the thing, effective A/B testing can actually save you time and money. You don't have to test every single part of your business. Focus on specific campaigns centered around a larger goal. A few ways you can start A/B testing is through:

- **1. CTAs**: Try changing things like copy, color, and size to increase click throughs and conversions.
- 2. Emails: If your open rates are trending downward, test out different subject lines with emojis or witty text, the frequency of your emails, and placement of your CTA.
- **3.** Ads: Try out 2 different versions of an advertisement to see which has a better click through rate. Play around with the colors, copy, and type of ad.
- **4. Promotion timing**: Test which days of the week and time your audience is most active and likely to engage.
- 5. Personalization tactics: We already know that personalization is huge for 2022, but you need to find out what types of personalization your customers like best. Try out tailored product recommendations, cart abandonment emails, loyalty rewards, personalized subject lines in emails, and more.
- 6. Landing pages: Similar to what we've discussed above, you can see which landing page converts more by testing different copy, color placement, page design, and more.

To put it simply: stop guessing and start testing!



Prior to our product launch, we A/B tested between two different tier structures. So we offered 10%, 15%, or 20% off depending how much you spent. We tested putting our hero product, which was a cookware set, in the 10% bracket versus the 15% bracket and tested it with a subset of consumers. By doing that we saw a double digit increase in revenue by putting that hero product in the 15% tier with a smidge lower AOV, but the revenue difference was huge. It actually maximized our top line and bottom line."

— Josh Knopman, Director of Growth and Digital Product at Caraway



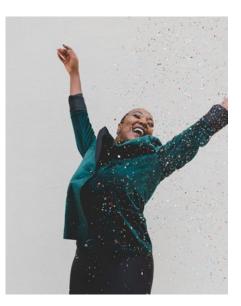
6. Retention marketing will remain top priority

As the saying goes, your best customer is your existing customer, and with customer acquisition costs steadily increasing year after year, it remains true today. Ecommerce brands that want to win in 2022 will need to make customer retention a primary focus.

The goal of retention marketing isn't just to keep your current customers, but to keep them coming back again and again and advocating your brand to others. Why is retention so incredibly important? The probability of selling to an existing customer is between 60% and 70% while selling to a new customer is only between 5% and 20%. Even more so, existing customers are 31% more likely to spend more on that average order value with your business.

So, it's pretty important. If you want to refresh your retention marketing strategies, here are a few that your brand can explore:

- 1. Reward and loyalty programs: 75% of consumers say that they favor companies that offer reward programs, so it might be time to explore that option. There are a lot of different types of programs to consider like pointbased, tiered, perk programs, hybrid, and subscription-based.
- 2. Email marketing: Email marketing has remained a top retention strategy since the beginning, and for good reason. It's a great way to stay in contact with your customers and send personalized messages, reminder emails like when their subscription order is ready, and special offers and promotions. Some other flows to consider include a welcome series, post purchase engagement, and cart abandonment.
- 3. SMS marketing: During BFCM'21, Caraway drove almost \$100,000 in product sales through SMS marketing during an early access sale. SMS marketing is a great way to break through the "noise" of eCommerce. While email marketing is great, you have to think that your customers probably get 20, 30, 40 emails a day—so it can be difficult to stand out. Text messages have been shown to have high open and response rates and are another great way to implement personalization strategies.



Big brands are into SMS marketing and email marketing for good reason. Don't forget to optimize where you're driving the user, because just getting them on the website isn't enough. You want to make great product recommendations, reconvert them, and help them discover new products."

— John Erck, Co-Founder of Rebuy



7. Utilize first-party data and zero party data

First-party and zero-party data has been a hot topic since recent iOS updates have made it harder to obtain user data (aka the death of the third-party cookie). First off, you need to know the difference between the two.

First-party data is data you collect directly from interactions with your customers from your own channels. Examples include purchase history, website activity, email engagement, sales interactions, and customer feedback.

Zero-party data is similar to first-party data in a lot of ways, but the key difference is that zero-party data is data that your customers intentionally share with you. A great example of zero-party data are quizzes. Platforms like Octane.Al allow brands to create quizzes that can easily be integrated into sales and marketing funnels so you can interact on a deeper level with your customers.

The reason these strategies are so important is because they drive engagement and retention and allow brands to continuously provide value to their customers. Zero-party and first-party data are really a great combination of retention marketing and personalization, which is why it's important in 2022.

Remember that your online store is a funnel and every touchpoint is a sales opportunity. The key to success is to focus on using the right data to communicate the right message to your existing customers.



"Zero-party data helps brands build out customer profiles so you can really fine tune the customer experience."

- Brandon Rowe, Director of Brand and Content at Refersion



Build your brand with every customer interaction

And that's a wrap on trends from BFCM'21 and marketing strategies that your brand needs to succeed in 2022. At the end of the day, you always need to be thinking about your customers and their wants and needs. Customers look for brands that care about their experience and have high standards for their business operations. Think about how you can set your brand apart from the competition by focusing on retention strategies and personalization and your customers will notice.

Contributors:





McKenzie Bauer | Co-Founder

McKenzie Bauer is the Co-Founder at Thread Wallets, a DTC brand with slim, functional, expressive wallets and accessories to fit your lifestyle and personality. In 2015 she and her husband, Colby, founded Thread Wallets. Through their venture, they have found an irreplaceable sense of freedom and happiness as they watch their vision unfold. McKenzie loves coming up with creative ways to market a product or idea and enjoys brainstorming ways to build long-lasting brands.

ΝΟΜΛΟ

Chuck Melber | Marketing Director



Chuck Melber is the Marketing Director at Nomad Goods, a consumer electronics and accessories brand that values resourcefulness, seeking adventures, and living in the moment. Chuck considers himself lucky enough to jump into the world of digital marketing while working at an online skate shop based in Palo Alto at the birth of Facebook ads. Since then, he has spent a few years working as a UX designer in Silicon Valley, before finding his way back to marketing at Nomad. He's been with Nomad for the last seven years overseeing all aspects of digital marketing and PR. CONCLUSION



Bondchain Growth

Nevin Jethmalani | CEO and Founder

Nevin Jethmalani is the CEO and Founder of Bondchain Growth, a New-York based growth consulting firm. Before starting Bondchain Growth, Nevin led e-commerce at Tusk, a direct-to-consumer leather goods brand. Nevin continues to advise Tusk but also work with brands like Prive Revaux and others on growth related to their direct-to-consumer business.



Ned

Bryan Smith | Ecommerce Director

Bryan Smith is the Ecommerce Director at Ned, a DTC brand that helps their consumers feel better and live better through their full spectrum hemp products. Bryan has been working in a variety of e-commerce roles since 2008. In the past 6-7 years his primary focus has been growing/improving E-comm performance through owned marketing channels, retention, and recurring revenue. He's been working at Ned since March 2020.



Josh Knopman | Director of Growth & Digital Product

Josh Knopman is the Director of Growth and Digital Product at Caraway..., a non-toxic ceramic cookware and bakeware brand designed to raise your standards for healthy cooking. Josh joined pre-launch to build out its ecommerce business as Caraway debuted their signature cookware set. Previously he worked in growth marketing at Quip helping to scale its subscriber base and before that in brand management at Newell Brands bringing products to brick & mortar retail (Target, Costco, etc). CONCLUSION





Dan Brady | Customer Success Manager

Dan Brady is the Customer Success Manager at Pura Vida, a jewelry and lifestyle brand where giving back is at the heart of their mission. Prior to Pura Vida, Dan was a team lead at a DTC startup called Smashtech, where he and his team sold supplements. In his free time, Dan loves to exercise, travel, try new restaurants, spend time at the beach and is an avid New England sports fan.





Dane Baker | CEO and Co-Founder

Dane Baker is the Co-Founder and CEO of EcoCart, an ecommerce sustainability software that enables brands to offer carbon neutral orders for their customers. EcoCart started with the mission to make the fight against climate change easy, affordable, and accessible for everyone, working to leverage the immense power of digital commerce as a force for good.



Brandon Rowe | Director of Brand and Content

Brandon Rowe is the Director of Brand and Content at Refersion, a platform that manages, tracks, and helps grow ambassador, influencer, and affiliate marketing programs. With first-party tracking, unlimited offers, and custom commission structures, direct affiliate payments and taxes.

CONCLUSION





John Erck | CEO and Co-Founder

John Erck is the Co-Founder and CEO at Rebuy, which empowers Shopify stores of all sizes to offer personalized shopping experiences designed to increase conversions, boost order values, and retain more customers using intelligent upsells, cross-sells, and post-purchase follow-ups.





Ivette Muller | Enterprise Customer Success Manager

Ivette Muller is an Enterprise Customer Success Manager at Friendbuy, a referral marketing platform designed to increase word of mouth marketing. With over 15 years of experience in the e-commerce space, Ivette provides expertise and strategic guidance to help customers like Salt and Straw, Olaplex and MUD/WTR accelerate customer acquisition and increase retention through word-of-mouth referrals.

Ampla



Zachary Goodwin | CRO

Zachary Goodwin is the CRO of Ampla—a modern working capital solution built for emerging consumer brands. Zach brings deep experience building commerce solutions from previous roles at both Facebook and eBay. Zach now leads the Go-to-Market teams at Ampla—helping empower founders and operators to grow their business. This ebook is presented by Malomo, a shipment tracking platform that helps ecommerce brands turn order tracking from a cost center into a profitable marketing channel. This ebook is comprised of expert advice from customers and partners from our webinar: Capitalizing on Holiday Momentum. Watch it <u>here</u>.

Has reading this ebook made you eager to build out your 2022 strategy with Malomo? Request your <u>free trial</u> today!

