

Strategies to develop a successful E-commerce business

Introduction:

If you want sell any type of products to any type of customers, online is that one place to give your unique pitch. However, as the market is growing, it's getting crowded day by day it's bound to be more challenging than ever.

A good ecommerce strategy can help your business emerge from the pack. Whether you're about to take your brick-and-mortar business online for the first time or launch your next brand, an ecommerce strategy will help you hit goals and stay ahead of competitors. This guide has everything you need: steps, tips, and examples to help you build and execute a successful ecommerce strategy.

What is an ecommerce strategy?

An ecommerce strategy is a set of plans and activities businesses use to sell products or services online. This includes reaching the right people, converting them into customers, generating repeat purchases, and creating a smooth, enjoyable shopping experience.

The best ecommerce strategies are comprehensive and reliable. They're easy to follow and give you confidence for big projects like ecommerce expansions.

Why is it important to have an ecommerce strategy plan? [Source link](#)

Just like a business plan or a marketing strategy, having a roadmap for your ecommerce business can set you up for success. There are four key benefits to having an effective ecommerce strategy:

1. Long-term company health and stability: An ecommerce strategy gives you a consistent stream of new customers and a way to turn one-time shoppers into loyal repeat buyers. It gives you a blueprint for launching a new product line, a holiday campaign, or a new market.
Having an ecommerce plan means you can weather dips in website traffic or revenue. Not only will you know what caused them—you'll know what to do to get back on track. The result? A stable, resilient company with happy employees.
2. Foundation for scalability and growth: By definition, ecommerce strategies are made to help you grow, whether that's expanding from retail into omnichannel selling or growing your current ecommerce business.
The magic is in knowing what to do when those opportunities arise. It could answer some high-level business-related questions like, should you hire more staff, and how many? Could a brick-and-mortar store increase the success of an ecommerce launch? What do you have to do to thrive in a new country or continent? How can your brand be the go-to option based on what's working in your target market? Ecommerce planning helps answer those questions, and more.
3. Ability to edge out competition: Competitor research is a big part of an ecommerce business strategy. It allows you to develop your unique value proposition, intentionally position yourself in the market, and stand out from your competitors while giving your target customers exactly what they want.
4. Operational and cost efficiency: Being strategic about your ecommerce operations lets you optimize your inventory management, supply chain processes, tech stack, order fulfillment, and every moment in the customer journey. You'll avoid hidden costs, minimize errors, and maximize productivity throughout the business so you can stay operationally lean and serve your customers well.

How to create an e-commerce strategy plan:

It can be hard to know where to start when developing your ecommerce strategy plan, but these six steps will help you know what to consider and what data you need to gather.

1. Get to know your ideal buyer

Your e-commerce brand's success is a reflection of how well you match what your target customers want and what they need. Understanding them is essential to everything you do.

Buyer personas, or profiles of ideal customers, often have details like location, gender, age, and interests. But it's easy to make the mistake of stopping there. To meet the needs of your target audience, you should ask them:

- What are their needs?
- What is the pain point they're frequently dealing with?

- What would make them search for a product like yours?
- How do they search for new products: online, asking a friend, in person, or a mix?
- What criteria do they use when making a purchase decision? Budget, ease of product use, shopping experience, or something else?

2. List marketing channels and customer touchpoints

Diving deep into your target customer's struggles and motivation will help you unpack another crucial element: where they research, compare, and shop for solutions. There are many ways you can figure this out, including interviewing customers, using audience intelligence tools, monitoring forums and social media channels.

If you have an ecommerce site, you can dig through your Google Analytics reports to analyze all touchpoints your customers go through, including social media, emails, marketplaces, and more. This will help you build a customer journey map, which unlocks what your customers need on every channel and at every stage of their buying process, so you know where to focus your efforts

3. Define your goals and objectives

What are the key performance indicators (KPIs) you'll use to track the success of your ecommerce store or your newest launch? What do you want to achieve, both now and in the long run?

Here are some goals to consider:

- Total number of sales
- Total revenue
- Number of new customers
- Number of repeat customers
- Average order value
- Market share percentage

Lean on your past performance to set goals that are both ambitious and realistic, and check in with your analytics regularly to make changes to them, if necessary. Don't forget to define and track leading indicators, as they'll give you instant feedback and a chance to course correct.

4. Get to know your competitors

Spend some time analyzing your competitors. This isn't to copy their activities—after all, you don't know what's working for them—but to gain insights into trends, opportunities, challenges, and the industry as a whole. That's what lets you carve your own space in the customer's eyes.

Spend time browsing your competitors' social media profiles, product pages, blog articles, and emails, and take notes on what they're doing. What stands out to you? Note gaps or opportunities you see. You can also use the publicly available data social media platforms offer, like the audience insights provided by Tik Tok and Facebook.

You can run your own analysis on each relevant competitor, meaning you're looking at their strengths, weaknesses, opportunities, and threats (SWOT).

5. Develop your unique value proposition

Your unique value proposition is what sets you apart from competitors. It needs to resonate with your customers and give them the reason to choose.

Underwear brand Pepper nailed its unique value proposition by saying it makes bras that finally fit small-chested women. It differentiates itself from other brands that don't serve this audience, or don't do it well.

Accessories brand The Ridge positions itself as the minimalist, RFID-blocking wallet with a lifetime guarantee, helping it stand out from standard wallet brands.

Kids brand Ten Little aims to make shopping for little ones easy by offering items based on their size and stage, separating it from other ecommerce stores' shopping experience.

These ecommerce brands have developed resources—quizzes, shopping guides, social media posts—that support their unique value proposition. They help grow their reach by turning visitors into customers and customers into loyal brand ambassadors.

Matt Scanlan, CEO of knitwear brand NAADAM, says it takes time and focus to build an intentional and effective value proposition.

“I think it takes having something unique about that proposition, whether it’s quality or supply chain or intention,” he says. “I think we know that if we just keep our heads down and just keep on doing what we know we do better than other people, then at least we have a chance to do it right.”

6. Map out the system and tools you need

It’s important to define the tech stack you need to attract new customers, convert them, fulfil orders, manage your inventory, and seamlessly execute your ecommerce marketing strategy.

You might already be using these, but here’s a list you can refer to when building your suite of ecommerce systems and tools:

- **Online store:** features like product pages, rich visuals, and a smooth checkout process
- **Omnichannel selling:** enable buying through social media channels and marketplaces; offer purchase options like buy online, pickup in-store or buy in-store, ship to customer
- **Payment options:** let customers pay securely using different payment providers or digital wallets
- **International ecommerce:** run an online store tailored to locations with international domains, custom duties and taxes, and custom pricing
- **Supply chain management:** monitor your inventory, fulfil orders, coordinate shipping and returns from an integrated platform (consider a third-party logistics partner you can integrate with your ecommerce software)
- **Customization:** launch custom campaigns, tag customers, send back-in-stock notifications, personalize your checkout, and more with automations and workflows

Strategies to Improve customer personalization & user experience: [Source link](#), [Source link](#)

1. **Get active and consistent on social media:** social media is crowded and it can be difficult to stand out. When you tap into your unique value proposition and use it to improve customers’ lives, your content reaches new people every day. Take it from [Fashion Footwear](#), a brand that sells convertible heels. Its TikTok has more than 200,000 followers, and its videos reach 20,000 to two million people. It focuses on the problem these shoes solve and uses trending audios and video concepts.
2. **Reach the right people through search engines:** Putting efforts into SEO might be one of the best long-term investments you can make. When product pages or guides rank at the top for the terms your customers are looking for, you become their go-to option. If you stay there for months or years to come, you become the brand everyone knows about.
3. **Partner with influencers who align with your brand and goals:** Influencer marketing including Micro influencing is estimated to reach a \$24 billion market size in 2024, and it’s not just about influencers with millions of followers. If there’s a creator with a thousand followers that has built a strong connection with their followers—and they match your tone and values—it’s worth partnering with them, because they might have targeted audiences with higher engagement rates combined with low cost. But always identifying the right influencers which align with your brand goals is important when considering to collaborate.
4. **Optimizing product page for success:** A product page should give a shopper everything they need to add a product to their cart. How to do it? Include all relevant information about the product in a way that’s easy to browse and navigate. This includes product details, shipping and return options, and customer reviews. The more specific you can get, the better.
5. **Optimize checkout process:** How easy is it to complete a purchase on your ecommerce website? How smooth and delightful is the journey you’re sending your customers on? The answers will define how happy or frustrated customers feel by the time they reach the thank you page—and, as a result, how excited they’ll be to receive your products, tell their friends about them, and buy from you again.

6. **Reward customers with free shipping:** Free shipping and freebies play a huge role in converting visitors into customers. Shopify's Commerce trends report revealed customers order more items and spend more money with free shipping. The key to conversion is in making the free shipping threshold obvious and reasonable. If someone needs to add a dozen products to the cart to reach it, it won't have the desired effect.
7. **Offer discounts that win customers and grow your revenue:** Discounts allow shoppers to buy products at a lower price through sales, coupon codes, or bundles. Ecommerce businesses use discounts often because it's a quick way to generate more sales than usual. You can offer discounts on specific items, give a buy one, get one (BOGO) deal, offer volume discounts, promote a time-based discount code, and more. The challenge is to do it in a way that doesn't devalue your products, anger customers who purchased at full price, or slow down sales because people are waiting for a discount.
8. **Tailor your website to the customers location:** Buying from a merchant that isn't in your country can be a challenge if shipping requirements aren't clear. That's why it's important to be transparent from the very first touchpoint with a visitor. It means letting them select the language and currency to shop in, as well as showing them shipping rates and timelines. If you're not yet shipping to their country, show them a pop-up to let them know instantly.
9. **Personalize the shopping journey:** Helping your customer find exactly what they need saves them time, but also improves their satisfaction. Getting to know your customers and using what you've learned to recommend products gives you an advantage. There are many ways to collect those insights, like looking at a customer's previous purchases and reviews. But you can also be proactive. Skin care brand [Skin Inc](#) offers a skin identity check—a survey examining the shopper's skin condition and frustrations to recommend a skin care regimen that matches their needs.
10. **Support your customers:** It's in your best interest to help your customers any time they have questions or issues. Otherwise, they may get frustrated and turn to your competitors. Remember that your customers shouldn't have to jump through hoops to get the support they need. To make things easy and convenient for them, offer a self-help knowledge base, live chat, phone and email support.
11. **Create original content:** A robust strategy made up of different types of original content, such as blogs, videos, infographics and podcasts, can help you stand out from your competitors. It's a good idea to create a content calendar that outlines the type of content you'll share with your audience and when you'll share it. Remember that content creation should be ongoing and unique.

Strategies to handle customer retention: [Source link](#), [Source link](#)

1. **Check in with customers after a while:** A strong email list can give you many opportunities to connect with leads and customers through emails and newsletters. To acquire email addresses, you may use landing pages, lead magnets such as e-books or white papers, pop-ups, sign-up forms and discounts. Once you have a list of subscribers, send engaging and targeted emails to encourage opens, clicks and, ultimately, conversions. Make sure your emails are highly personalized, visually appealing and include compelling subject lines and clear calls to action. Send personalized emails to customers based on what they've bought in the past or what they've recently browsed on your website. You can send them a reminder to reorder their products before they run out, a shopping guide for the product category they were browsing recently, or testimonials for a product that complements what they already have.
2. **Create cart recovery campaigns:** It's not uncommon for users to add a product to their cart without purchasing it. The good news is you can set up cart recovery campaigns to remind or encourage these users to go ahead and make a purchase. A few examples of cart recovery tactics that may allow them to reconsider their decision to abandon their cart are abandoned cart emails and exit-intent pop-up messages.
3. **Build and maintain a loyalty program your customers love:** A loyalty program is a way to reward your customers for trusting you with their time, money, and energy. In exchange for the points they've collected by buying, you can give them exclusive discounts on their next purchases, or Mission driven loyalty programs wherein the business donates a percentage of its profit to a charity or organization, or Refer-a-friend loyalty programs which offers rewards for referring others, or Community programs which bring together like-minded customers and offer them a chance to engage, learn and share experiences with each other and other programs which include free products, early product releases, limited edition products, and more to certain groups of loyal consumers. In order to conduct this properly you have to check in with your loyal customers often. Remind them to redeem their points (and what they get in return), tell them how to collect more, and nudge them toward the products and categories they've bought most frequently.
4. **Fulfil and ship your orders quickly:** Under promise, overdeliver—the strategy of setting expectations and then knocking them out of the park—works well in fulfilling ecommerce orders. The promise is easy, but the challenge is in the overdelivering. Will your products arrive when you said they would? Will all of them be included and

packaged correctly? As you grow and have to send more orders, will you keep the quality of your fulfilment and customer experience as a result?

5. **Run a smooth enjoyable return process:** How you handle returns can make a big difference to how customers feel about your brand and whether they'll buy from you again. A 2022 survey found that 96% of customers would buy from a brand again if it was "very easy" to return items.
Buying online is always a risk—sizing, colors, fit, style, and so many other factors can make even your most popular products not work for a customer. It happens even when your product pages offer sizing charts, virtual try-ons, videos, and buying tips. A smooth return process is the key to bridging risk and giving customers confidence to buy from you not just once, but time and time again.

Actionable steps for optimizing User Experience through Data: [Source link](#), [Source link](#)

1. **Implement a Robust Analytics Platform:** Utilize tools like Google Analytics, Adobe Analytics, or specialized ecommerce analytics platforms to collect and analyze data.
2. **Track Key Performance Indicators (KPIs):** Identify and monitor critical KPIs such as conversion rates, average order value, customer lifetime value, and cart abandonment rates.
3. **Conduct A/B Testing:** Use A/B testing to evaluate the impact of changes in product listings, website design, and marketing campaigns on customer behaviour and sales performance.
4. **Leverage Customer Feedback:** Integrate customer feedback into your analytics framework to gain qualitative insights that complement quantitative data and also to conduct sentiment analysis.
5. **Collect Comprehensive Data:** Gather data from multiple sources, including sales, customer interactions, social media, and market reports.
6. **Supply chain optimization:** Predictive analytics and machine learning are instrumental in optimising the e-commerce supply chain. By analysing historical sales data, seasonal trends, and external factors, businesses can forecast demand with greater accuracy. This enables efficient inventory management, reduces holding costs, and ensures products are available when and where customers need them.
7. **Develop Scalable Models:** Create predictive models that can be scaled and adjusted as new data becomes available, ensuring continuous improvement and accuracy.

Actionable steps for optimizing marketing and sales efforts:

1. **Segment Your Audience:** Use data to segment your audience based on demographics, behaviour, and purchasing history, and tailor marketing messages accordingly.
2. **Analyze Campaign Performance:** Continuously monitor and analyze the performance of marketing campaigns to identify what works and optimize future efforts.
3. **Utilize Predictive Analytics:** Implement predictive analytics to anticipate customer needs and behaviours, enabling proactive marketing strategies.
4. **Integrate Marketing Automation Tools:** Leverage marketing automation tools to streamline campaign management, track customer interactions, and personalize communications.

Other actionable steps for enhancing customer experience

1. **Personalize Product Recommendations:** Use data on past purchases, browsing history, and demographic information to offer personalized product suggestions.
2. **Optimize Website Navigation:** Analyze user behaviour to identify pain points in website navigation and make data-driven improvements to the user interface.
3. **Implement Dynamic Pricing:** Adjust pricing in real-time based on demand, inventory levels, and competitive analysis by implementing AI models to maximize sales and profitability.
4. **Utilize Chatbots and AI:** Deploy AI-powered chatbots to provide personalized customer support and streamline the shopping experience.