



2022

RETAIL ECOMMERCE
**BENCHMARK
REPORT**

TABLE OF CONTENTS

INTRODUCTION	3
How to Read the Report	3
Key Takeaways	4
BENCHMARKS FOR IDENTIFICATION	6
Baseline Email Capture Benchmarks	7
BENCHMARKS FOR FIRST PURCHASE AND CONVERSION	9
First Purchase and Conversion Campaign Performance Benchmarks	10
Baseline Email Benchmarks	14
Baseline Site Campaign Benchmarks	21
Digging Deeper with Product Recommendation Types	23
BENCHMARKS FOR REPEAT PURCHASE AND GROWTH	25
Repeat Purchase and Growth Performance Benchmarks	26
Baseline Email Benchmarks	29
BENCHMARKS FOR VERTICAL AND AVERAGE ORDER VALUE	34
How Retail Vertical Impacts Performance	35
How Average Order Value Impacts Performance	39
SHOPPER LIFECYCLE BENCHMARKS	43
How Shoppers Engage Across Their Lifecycles	44
How Purchase History Impacts Performance	51
How Lifecycle Stage Impacts Performance	60
CONCLUSION	69
METHODOLOGY	69
GLOSSARY	70

INTRODUCTION

Retailers are no strangers to change.

As the rules of retail rapidly shift to incorporate new regulations — like those that emerged with the release of iOS15 and the end of Google's support for third-party cookies — brands must broaden their adaptability and constantly evolve to anticipate the needs of their shoppers.

Retailers must rethink the way they measure the impact of their outreach on business goals and, more importantly, change how they turn their insights into action. By developing and adopting more sophisticated technologies that teach retailers how to better act on their data, brands are seeing that the possibilities in digital outweigh even the setbacks the global market has recently seen — from the highest inflation in years to the supply chain issues that still persist from the global pandemic.

One thing you can always rely on?

Your shoppers.

Brands must build shopper-first experiences that stick through a shopper's entire lifecycle. The new technologies that enable retailers to deliver better, faster, more omnichannel

experiences are all there to meet the evolving needs of the shopper. As a retailer, everything you do should revolve around shopper preferences to drive continued engagement through identification, first purchase and repeat purchase — and how you measure success is no exception.

All of these shifts in retail add up to a massive opportunity. In a digitally-led environment, the moment to take control of owned programs and first-party data is now. It's essential for retailers to prove performance and drive revenue — and this report will help you do just that.

The purpose of Bluecore's 2022 Retail Ecommerce Benchmark Report is to provide an understanding of how shoppers are engaging across their lifecycle and how ecommerce campaigns contribute to the success of a brand's marketing program.

We analyzed over 35 billion campaigns and shopper data from global ecommerce brands to deliver benchmarks for retailers to both understand the success of their campaigns now and see the benchmarked opportunity in building lifetime value to **convert shoppers and keep them for life.**

How to Read the Report

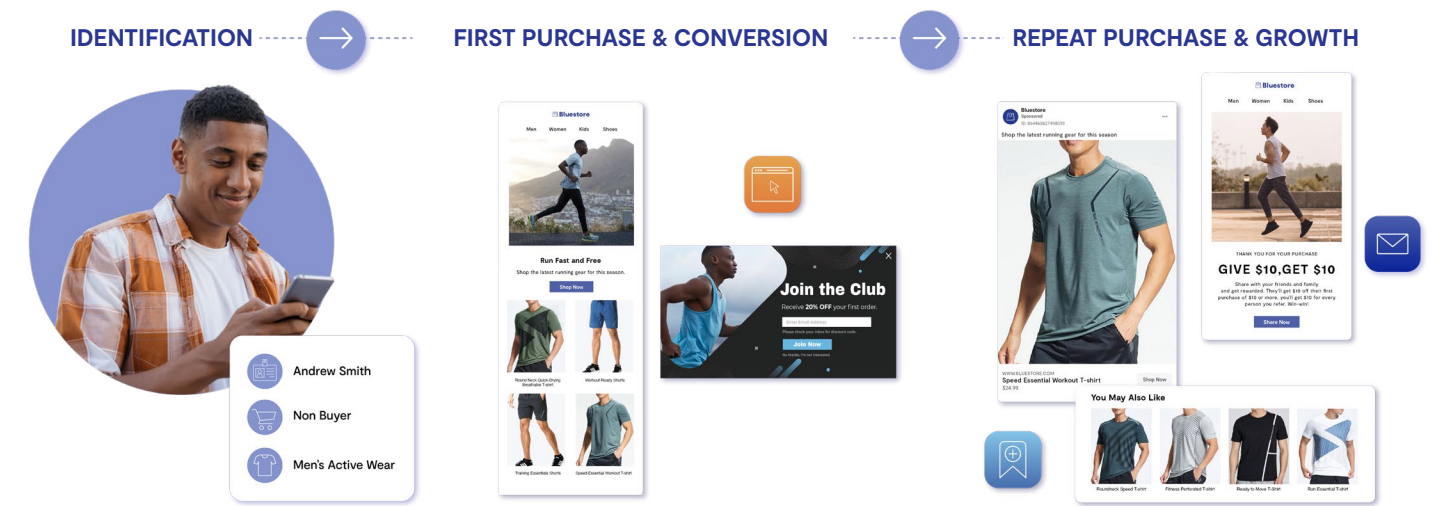
To deliver on the shopper-first promise for engagement and growth at every stage, we've organized this 2022 Retail Ecommerce Benchmark Report to demonstrate how shoppers are influenced **throughout their lifecycle.**

The Goal?

Get a clearer, more nuanced view into your program performance — and boost your customer experience and performance. Discover actionable benchmarks that will help you leverage each campaign in your arsenal to determine the next appropriate action for your shoppers — based on your retail vertical and average order value.

This happens by capturing, identifying and reaching more shoppers, converting shoppers through high-value recommendations and getting them to buy again and again through coordinated post-purchase and nurture programs.

In this report, you'll find industry benchmarks for the lifecycle marketing measures of identification, first purchase and repeat purchase — with specific campaigns that are most effective at **driving those outcomes — and revenue — under each measure.**



In the sections of the report, you'll see overall **performance benchmarks** by retail vertical and AOV to help you measure how your marketing program is performing on the whole, as well as **baseline benchmarks**, which reveal everything from Open Rate and Click Rate to Conversion Rate, Revenue Per Click, and Revenue Per Email for the campaigns in each section.

HERE'S A BREAKDOWN OF EACH SECTION:

IDENTIFICATION	Understand your shoppers on a deeper level by capturing their identifiers and building their profile over time. PAGE 6
FIRST PURCHASE AND CONVERSION	Bridge the gap from identification to conversion by influencing and maximizing the first purchase. PAGE 9
REPEAT PURCHASE AND GROWTH	Build on the first purchase to drive repeat purchase and growth from your shoppers. PAGE 25
VERTICAL AND AVERAGE ORDER VALUE	Go deeper to understand performance for your brand's retail vertical and average order value. PAGE 34
LIFECYCLE BENCHMARKS	Discover how buyer type (Non Buyers, One-Time Buyers and Multi-Time Buyers) and lifecycle stage (Active Buyers, At-Risk Buyers, Lost Shoppers and Non Buyers) influence performance. PAGE 43

Key Takeaways

At-Risk and Lost Buyers present a massive opportunity for retailers. The data shows that At-Risk and Lost Buyers are nearly as engaged as Active Buyers. While they are defined by their lifecycle stage, it's imperative to treat them with care and curate each moment spent with them. The acquisition mindset that many retailers have should not overshadow the shoppers that a retailer has already acquired and critically knows.

A retailer's revenue lies with their existing shoppers. Seizing the opportunity to engage and convert shoppers at each moment in their lifecycle is critical to driving revenue. Although repeat purchasers are a smaller subset of total purchases for the year, they drive the most revenue. Since loyal shoppers are driving the bulk of revenue, there's a massive opportunity to engage Non Buyers, Lost Customers and At-Risk Shoppers who are opening and clicking your emails to convert.

Knowing who a shopper is allows brands to understand intent and generate urgency. Capturing shopper identity is the starting point for building shopper profiles, understanding their intent and creating their personalized experiences. Brands need to identify shoppers to personalize what urgency means to each shopper through targeted campaigns like Abandoned Cart, Back in Stock, and Product Recommendations. Across benchmarks, campaigns that are triggered by shopper behavior perform across a shopper's lifecycle.

Product data is critical in engaging shoppers. Campaigns that marry a shopper's intent to buy with product data like Back in Stock, Price Decrease and Wishlist drive high engagement and high conversion. Brands critically need to activate product catalog data to reach shoppers with their in-the-moment interests — as well as the products they'll be interested in next.

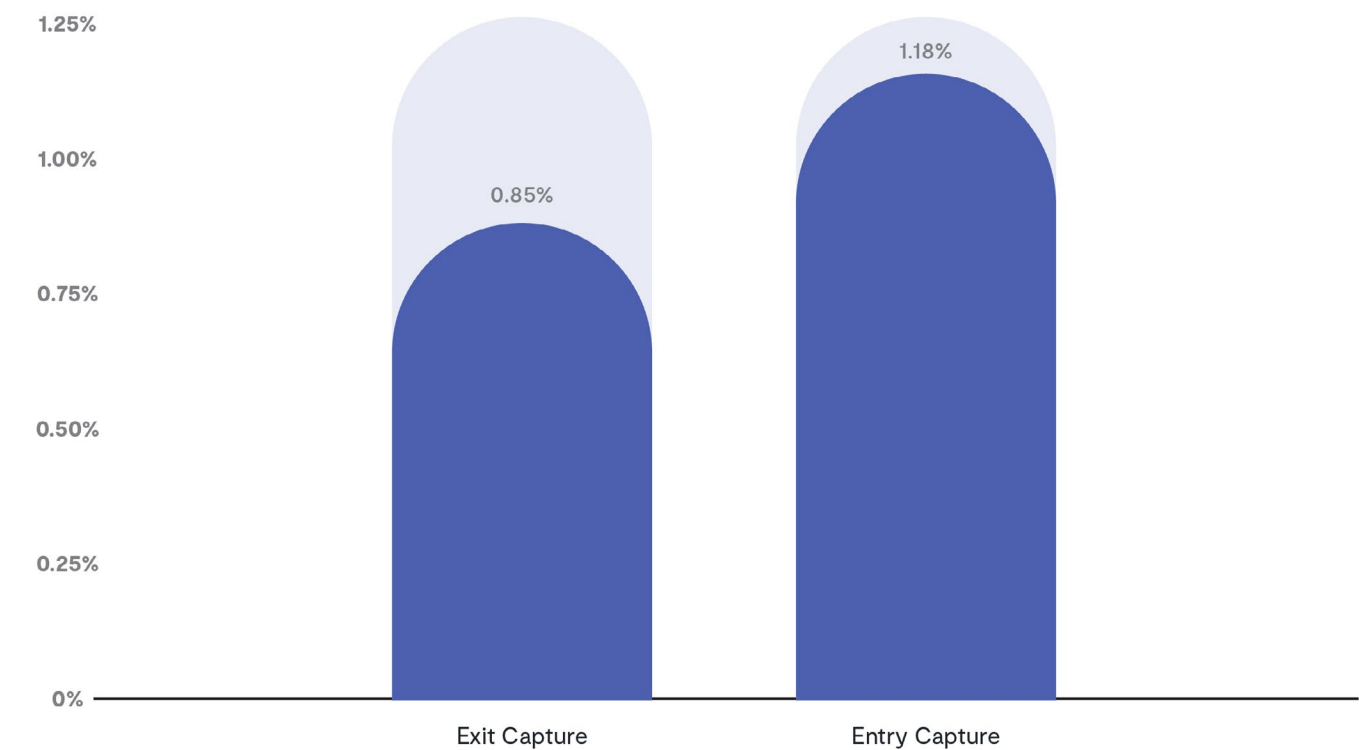
BENCHMARKS FOR IDENTIFICATION

Capturing **who your shoppers are by acquiring their email** is a critical step in your journey to personalizing each shopper's experience throughout their lifecycle with your brand. Identification is a chance to not only grow list size, but begin collecting critical data on shopper interest and tethering it together.

It's imperative to first capture and then unify your shoppers' data and identifiers to begin building the right view of each of your shoppers. The more shoppers you acquire, the more data you have to communicate with them based on their unique preferences.

Baseline Email Capture Benchmarks

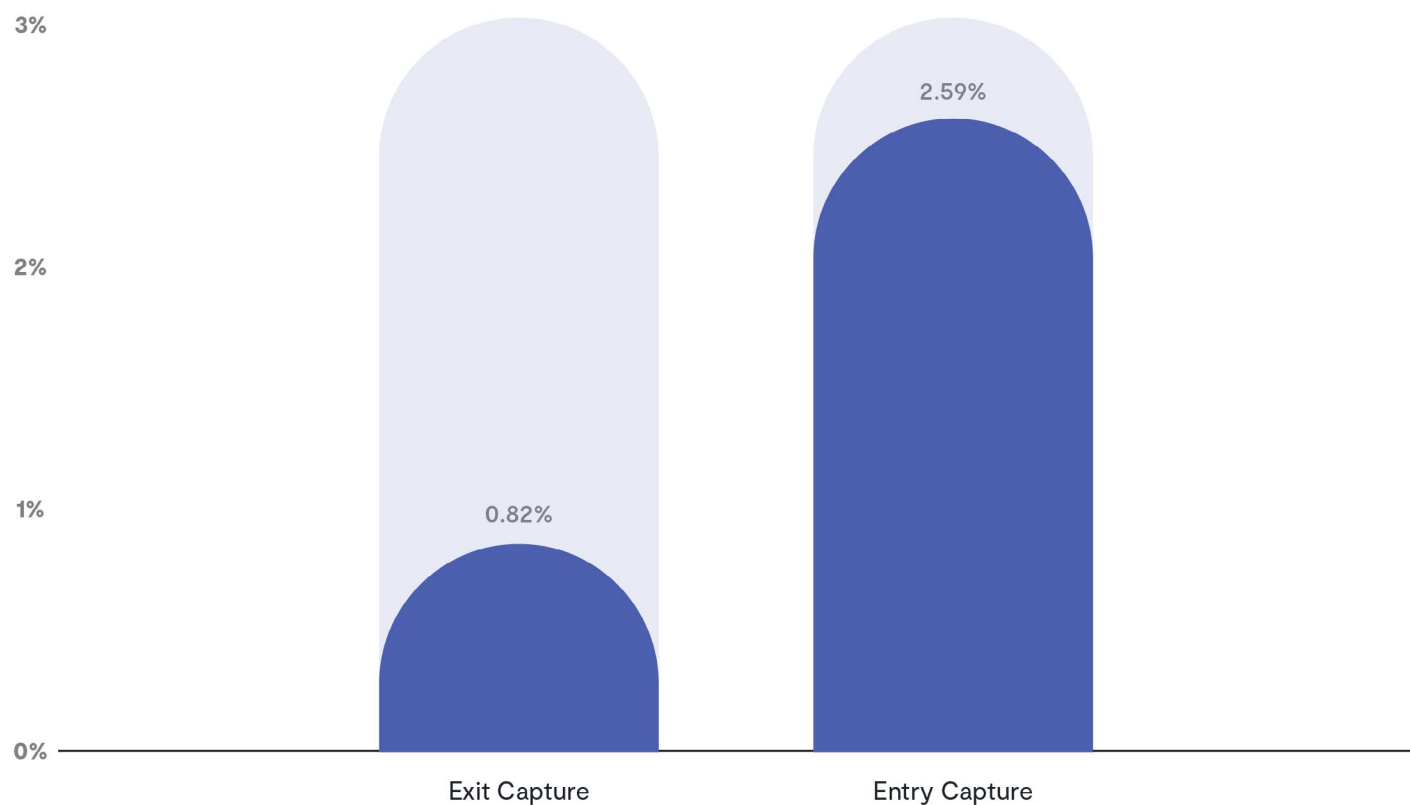
CLICK RATE FOR EMAIL CAPTURE CAMPAIGNS



This graph shows how many shoppers submitted an email in the email capture form as a percentage of total impressions for email capture campaigns — either upon entering or exiting the site.

Our data shows email capture upon entry is 38.8% more impactful than when shown upon exit. As an exiting customer is most probably disengaged, they are less likely to engage with an email capture campaign, which is reflected in this data.

PURCHASE CONVERSION RATE FOR EMAIL CAPTURE CAMPAIGNS



The above graph shows that customers who sign up on the entry email capture are converting 3x more than those submitting their emails upon exit. A shopper is more likely to engage with the shopping experience when they have an incentive or curated product recommendation offered to them upfront. Upon exit, a disengaged shopper may save this offer for a later session, especially if they have not yet carted any items.

BENCHMARKS FOR FIRST PURCHASE AND CONVERSION

Once you've captured your shopper's identity, the next step is to bridge the gap between knowing who they are and their first purchase.

At this stage, shoppers are exploring your products and discovering everything you have to offer. It's the perfect time to get them to complete that first purchase with campaigns designed to entice them. These campaigns may include a mix of behavioral triggers, merchandising triggers and Welcome and Non Buyer Lifecycle campaigns.

TRIGGER TYPES

These emails get sent at the individual level, triggered by behavioral and merchandising events. They are very targeted based on what retailers know about their shoppers.



Behavioral

Automated emails that go out when shoppers take certain actions, like Abandoned Cart and Post Purchase.

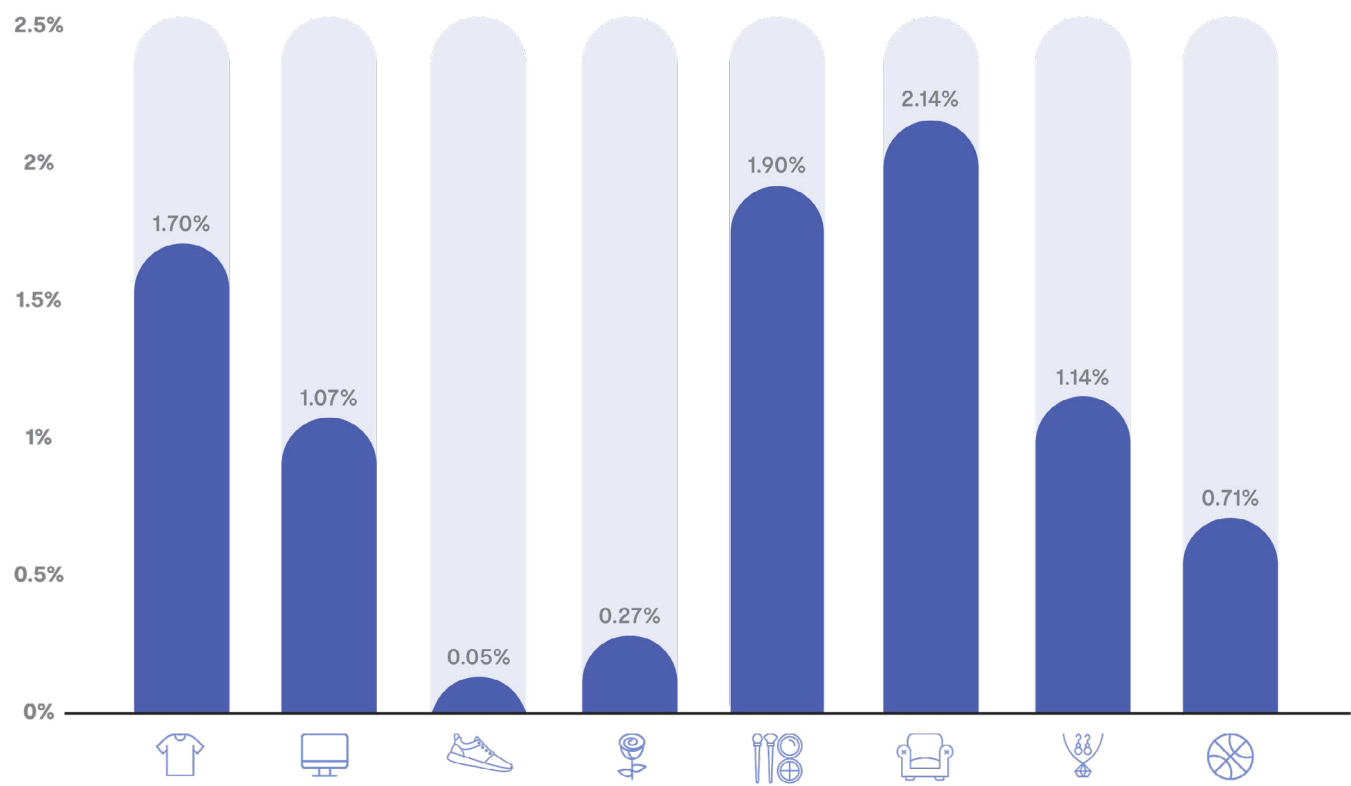


Merchandising

Automated emails that go out when changes occur in the product catalog like New Arrivals and Price Decrease.

First Purchase and Conversion Performance Benchmarks

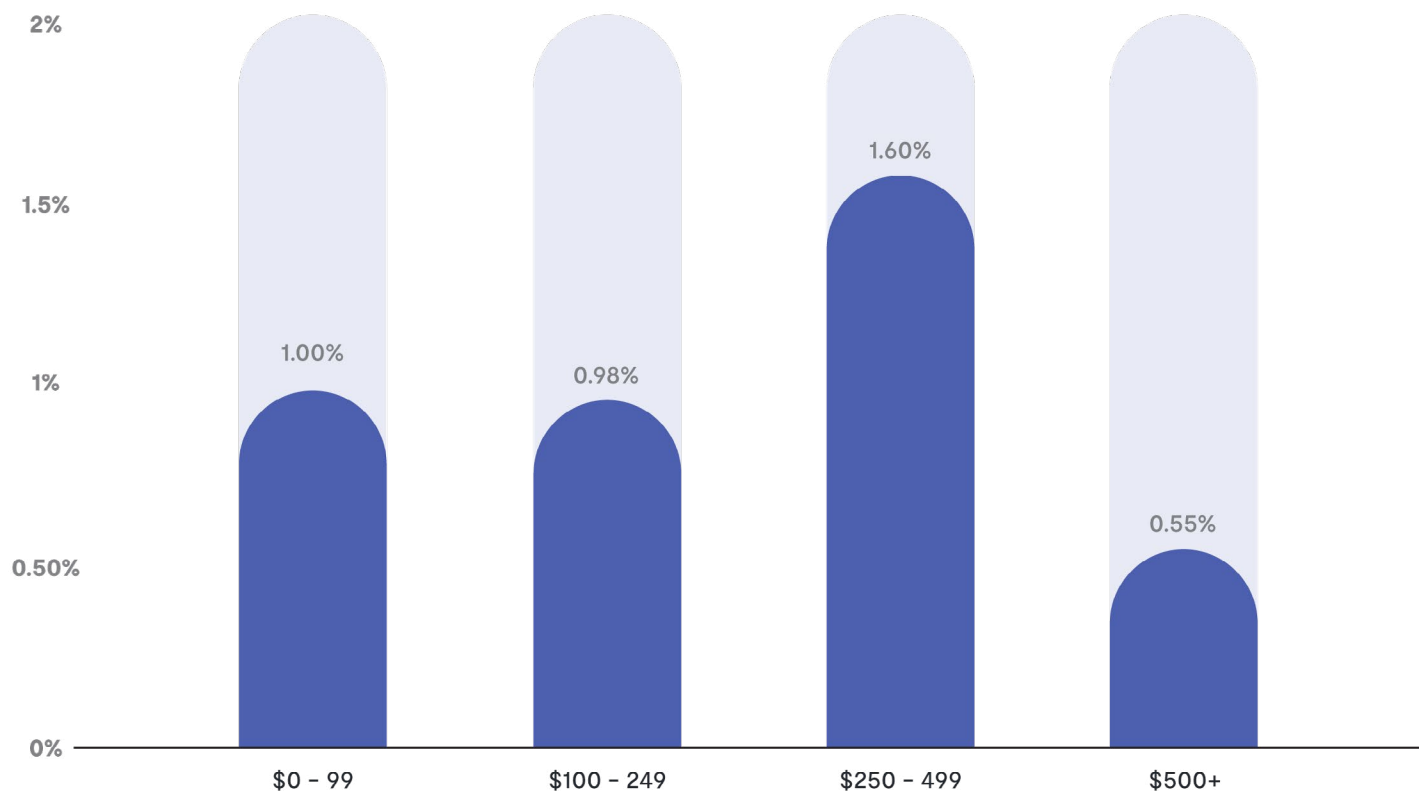
PERCENTAGE OF NON-BUYERS THAT MADE A FIRST PURCHASE BY VERTICAL



Home Goods converted the most Non Buyers (shoppers who a retailer has identified but who has not yet made a purchase) to a first purchase this year. Home Goods retailers are identifying more shoppers for conversion this year with new efforts on site, predicting and capitalizing on shifts in the real estate market that include more first-time home buyers.

Health & Beauty retailers also saw a higher number of Non Buyers complete a first purchase, proactively targeting their identified Non Buyers based on intent — for example the desire to invest in products that help shoppers put their best Zoom face forward.

PERCENTAGE OF NON-BUYERS THAT MADE A FIRST PURCHASE BY AVERAGE ORDER VALUE

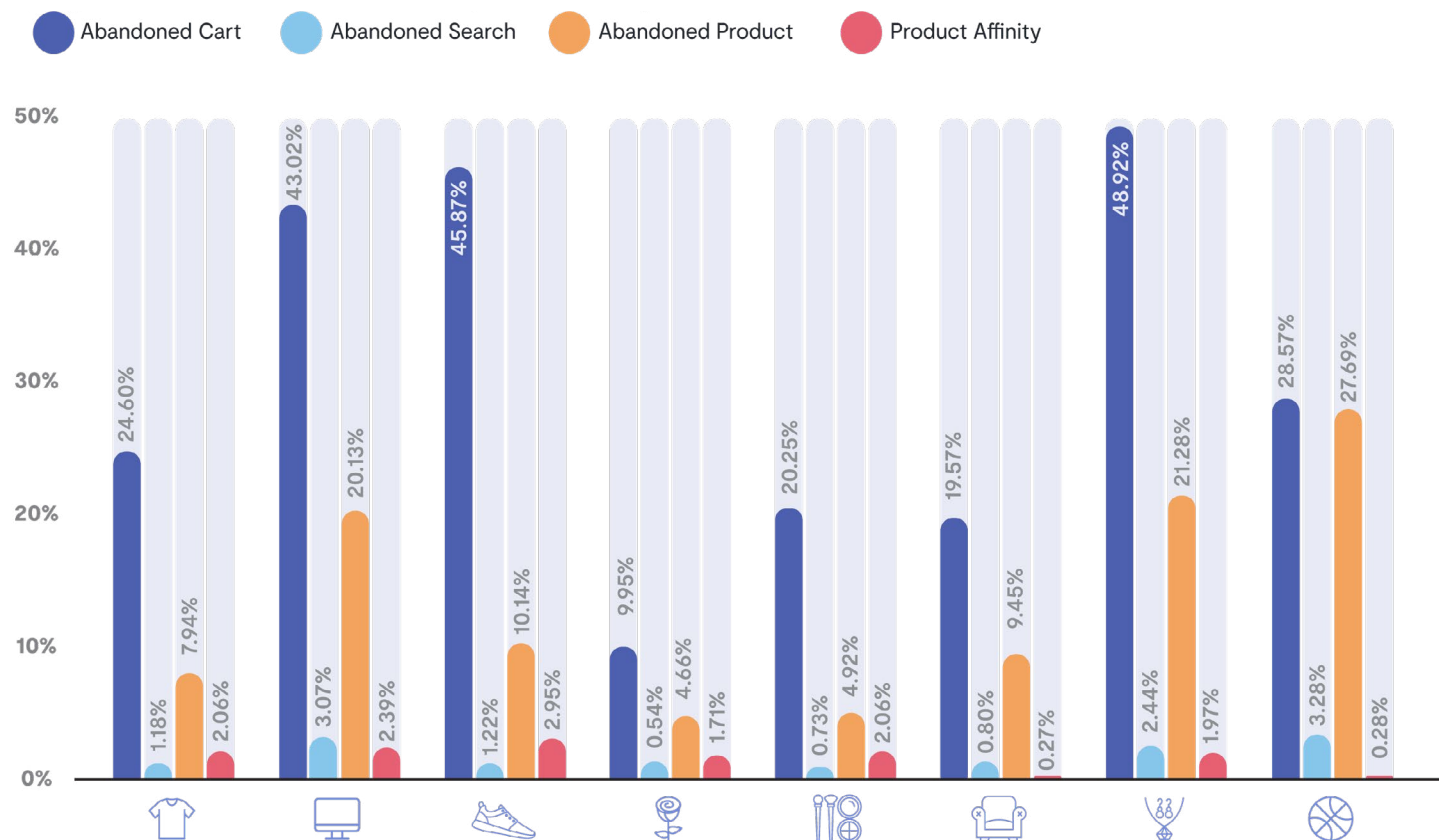


The above graph shows how many shoppers who were identified by the retailer completed a first purchase this year of the total newly identified shoppers. This year, there were more first-time buyers in the \$250-\$499 average order value than any others. In this range, the average order value may be high enough to warrant active commitment to make the purchase, but not too high to deter someone

from buying a more considered purchase.

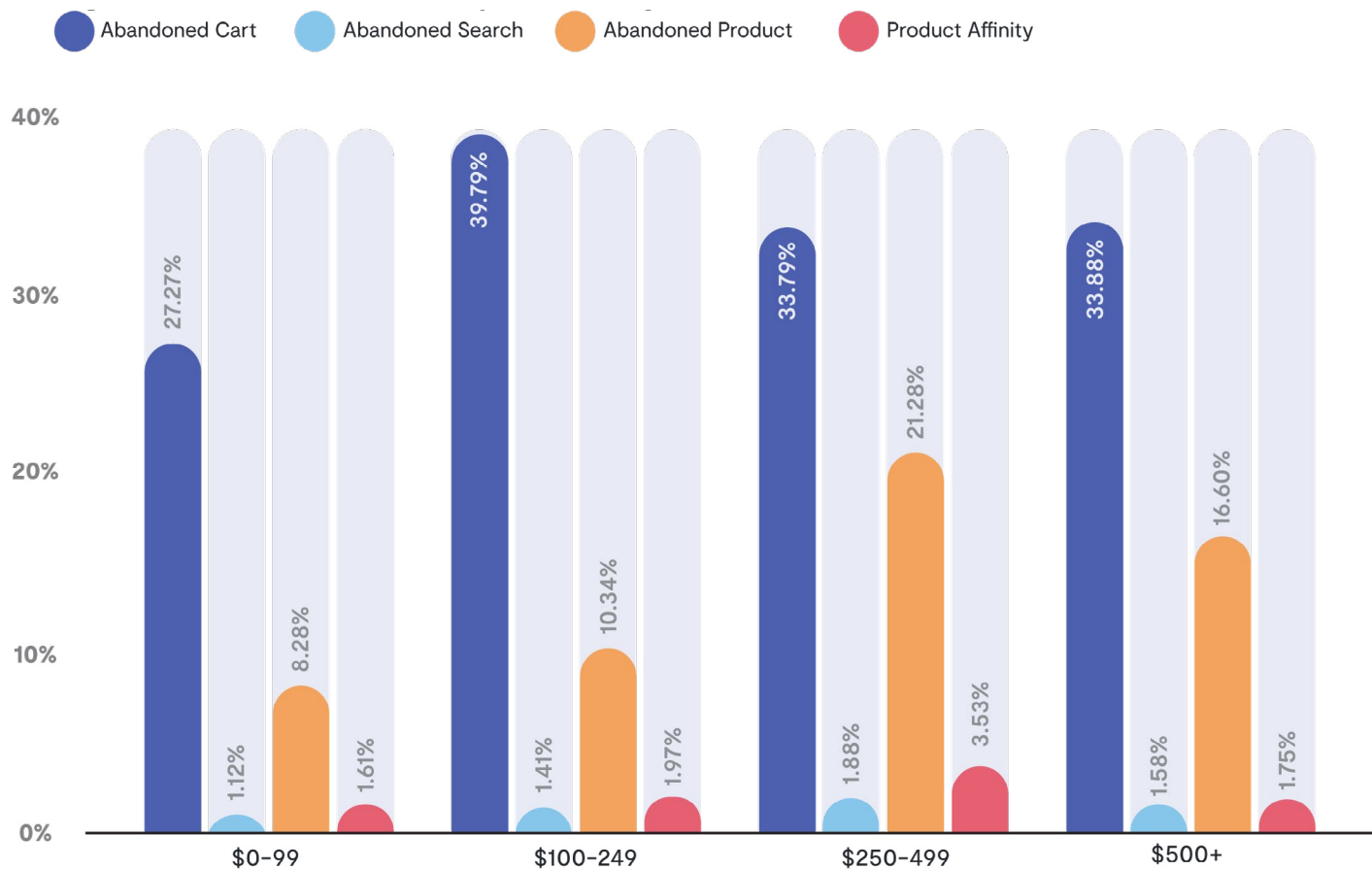
The intent of purchasing and intent to browse may also explain the gap between the \$250-\$499 cohort and the others. Shoppers in the lower average order value cohorts might just be browsing and shoppers who are browsing higher price items may be more aspirational than realistic enough to convert.

CAMPAIGNS THAT DROVE THE MOST FIRST PURCHASES BY VERTICAL



For most retail verticals, Abandoned Cart campaigns drove significantly more first purchases than any other campaign type, with the exception of Sporting Goods & Outdoor, where Abandoned Cart still led, but came neck-and-neck with Abandoned Product campaigns.

CAMPAIGNS THAT DROVE THE MOST FIRST PURCHASES BY AVERAGE ORDER VALUE



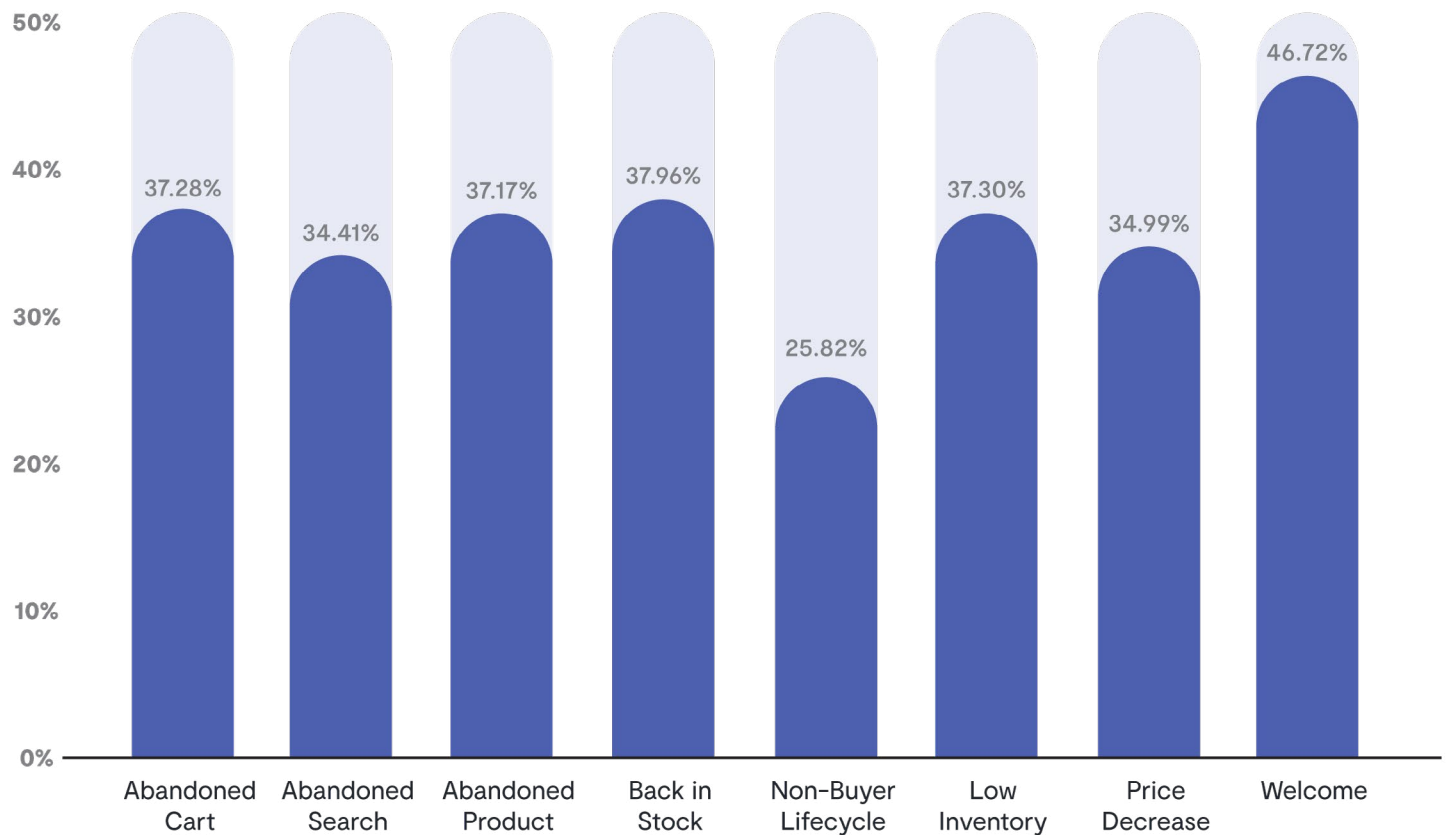
We'll see in the baseline email benchmarks that Abandoned Cart consistently drives high engagement and conversion, and the same is true here. Campaigns triggered by higher shopper intent are generally higher, especially for First Purchases.

Baseline Email Benchmarks

Bluecore has established a series of benchmarks for how different retail emails perform as part of growing email marketing programs. These baseline findings include an overall look at email performance for retailers, broken down by type of email.

THE CAMPAIGN	WHAT IT DOES
Abandoned Cart	Automatically triggers a personalized email to shoppers who do not complete a purchase, but leave at least one item in their shopping cart.
Abandoned Search	Notifies shoppers who search for a specific category or a specific product, and then leave without taking further action.
Abandoned Product	Notifies shoppers a few hours after they've searched and viewed products, but did not make a purchase.
Back in Stock	Notifies shoppers when a sold-out product that they previously searched for, viewed, carted, or have a predicted affinity toward is now back in stock and available for purchase.
Non-Buyer Lifecycle	Notifies subscribers that have signed up for your email campaigns, such as a Welcome Series, but haven't yet made a purchase.
Low Inventory	Notifies shoppers when the inventory for a product they have previously searched for, viewed, carted, or have a predicted affinity toward is running low.
Price Decrease	Notifies shoppers when a product they have previously searched for, viewed, carted, or have a predicted affinity toward has dropped in price or is on sale.
Welcome	Notifies shoppers after they sign up to receive emails.

OPEN RATE FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS

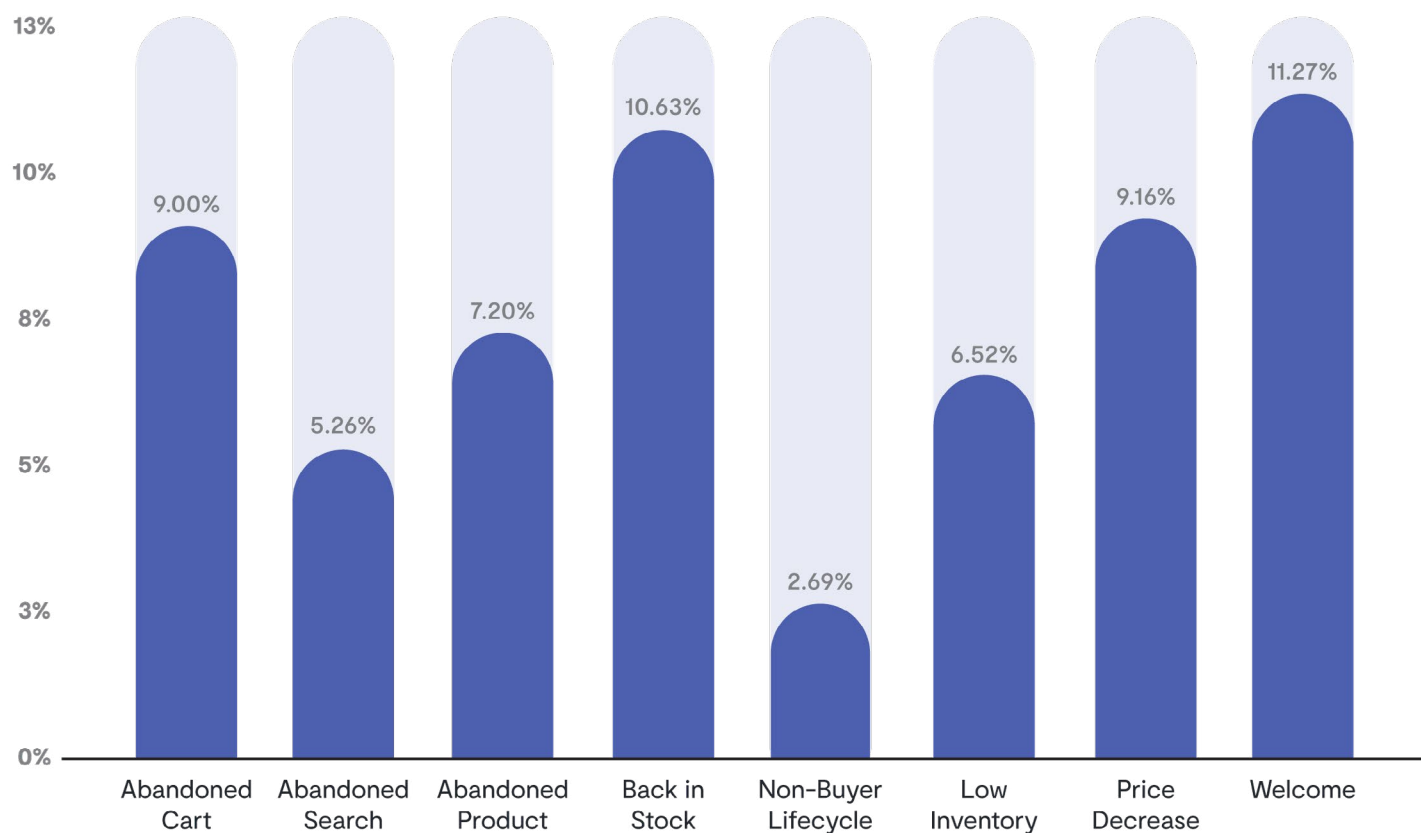


Welcome Emails are the most successful in getting shoppers to open. At this stage, a shopper has expressed an intent to engage with a brand, and a retailer may meet them with useful information in the Welcome Email, such as discounts and additional product recommendations. Back in Stock is slightly more effective than Abandoned Cart,

demonstrating the importance of providing triggers based on product catalog changes — especially where there is strain on inventory and supply chain.

Abandoned Product is just as effective as Abandoned Cart, which shows the power of being able to act on browsing behavior.

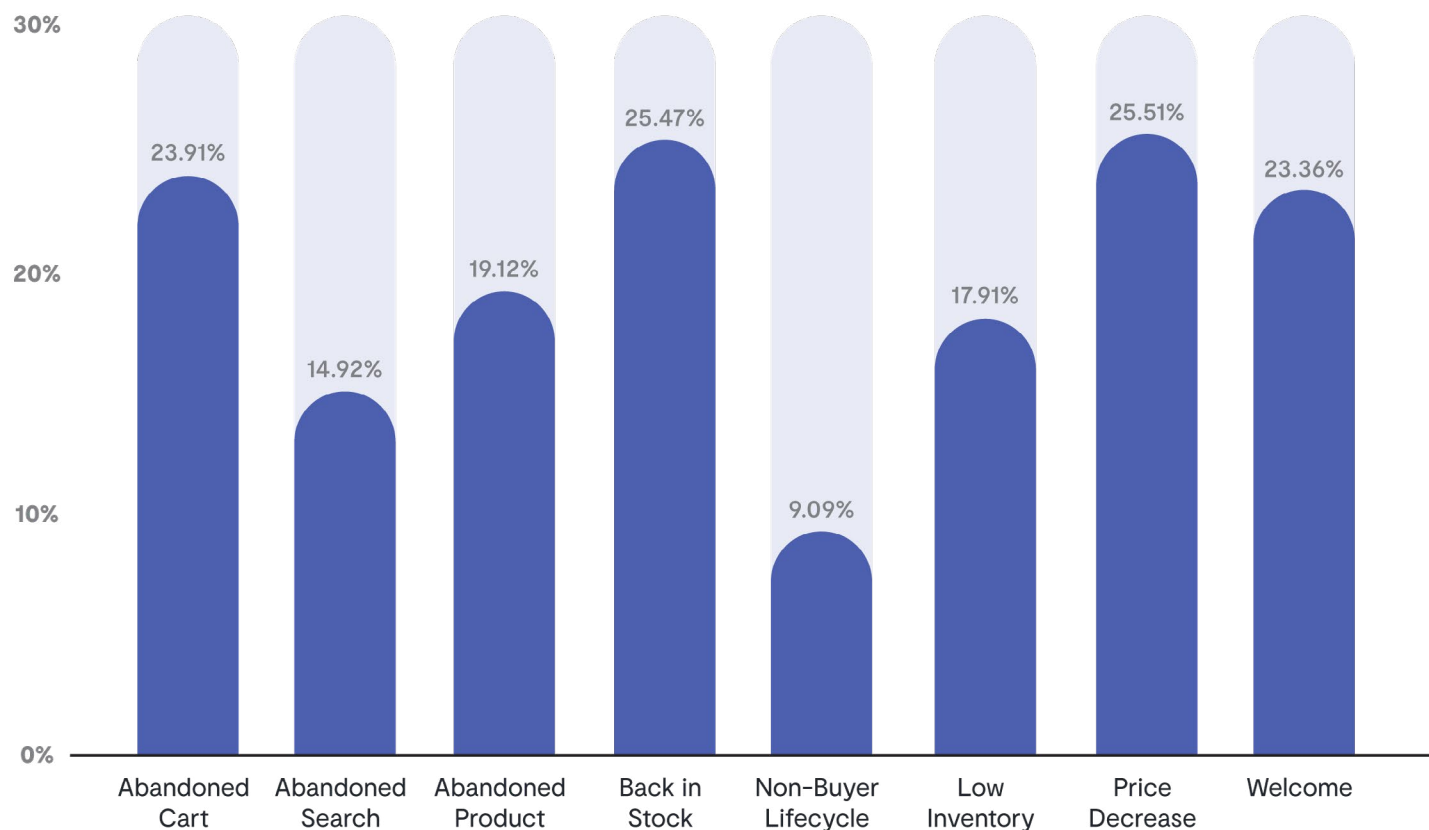
CLICK RATE FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS



Click Rate is the strongest indicator of customer engagement and possible purchase. It's more closely tied to conversion from a funnel perspective and more reliable than Open Rate as more consumer privacy updates like iOS15 roll out.

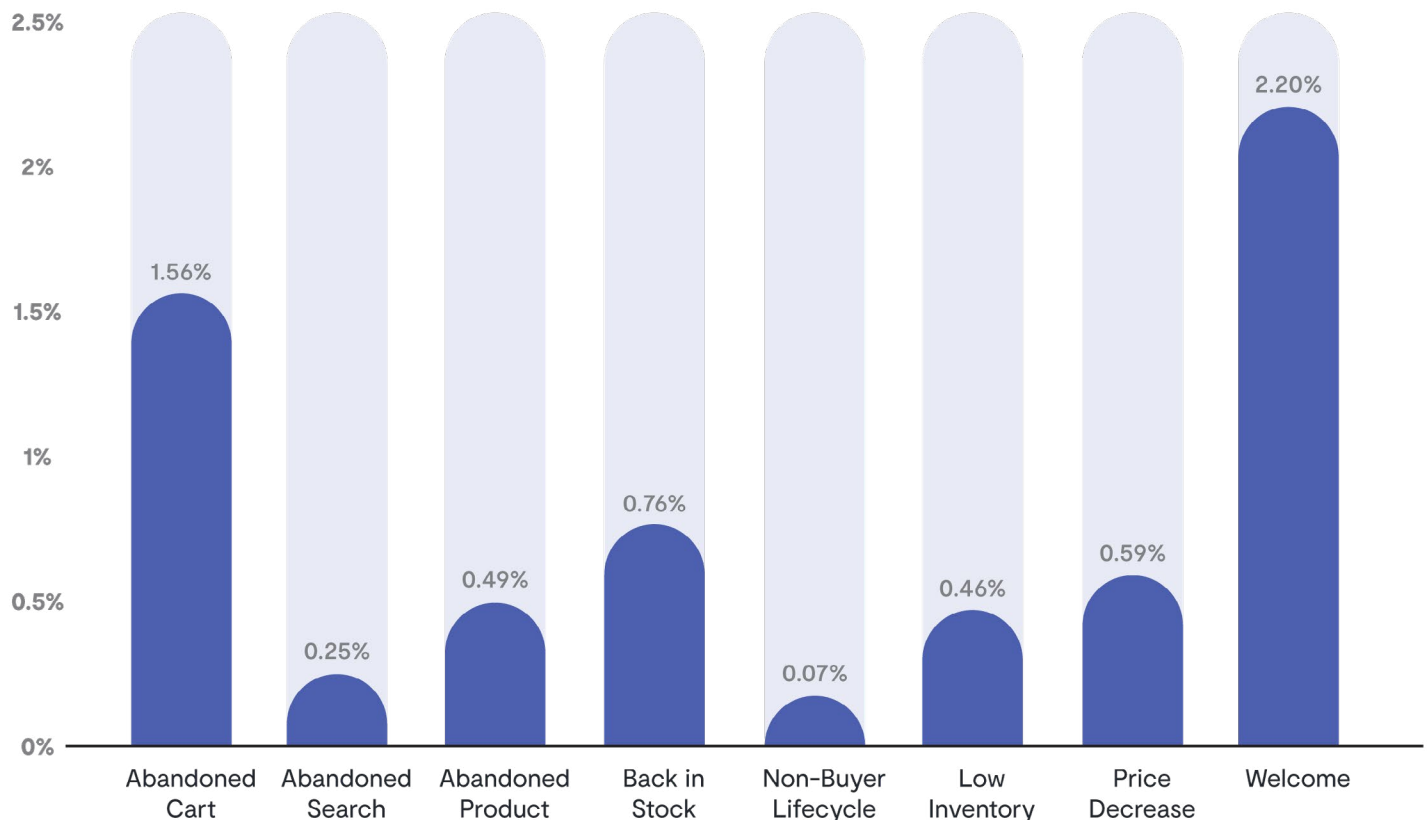
Consistent with Open Rate, Welcome is the highest, with Back in Stock following as a close second. Retailers are proactively sending more inventory-related emails as supply chain pressures persist, responding to the needs of shoppers who are keeping an eye on those products they're interested in.

CLICK-TO-OPEN RATE FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS



Merchandising triggers like Back in Stock and Price Decrease are the highest performing. This demonstrates the importance of acting on product catalog changes.

CONVERSION RATE FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS



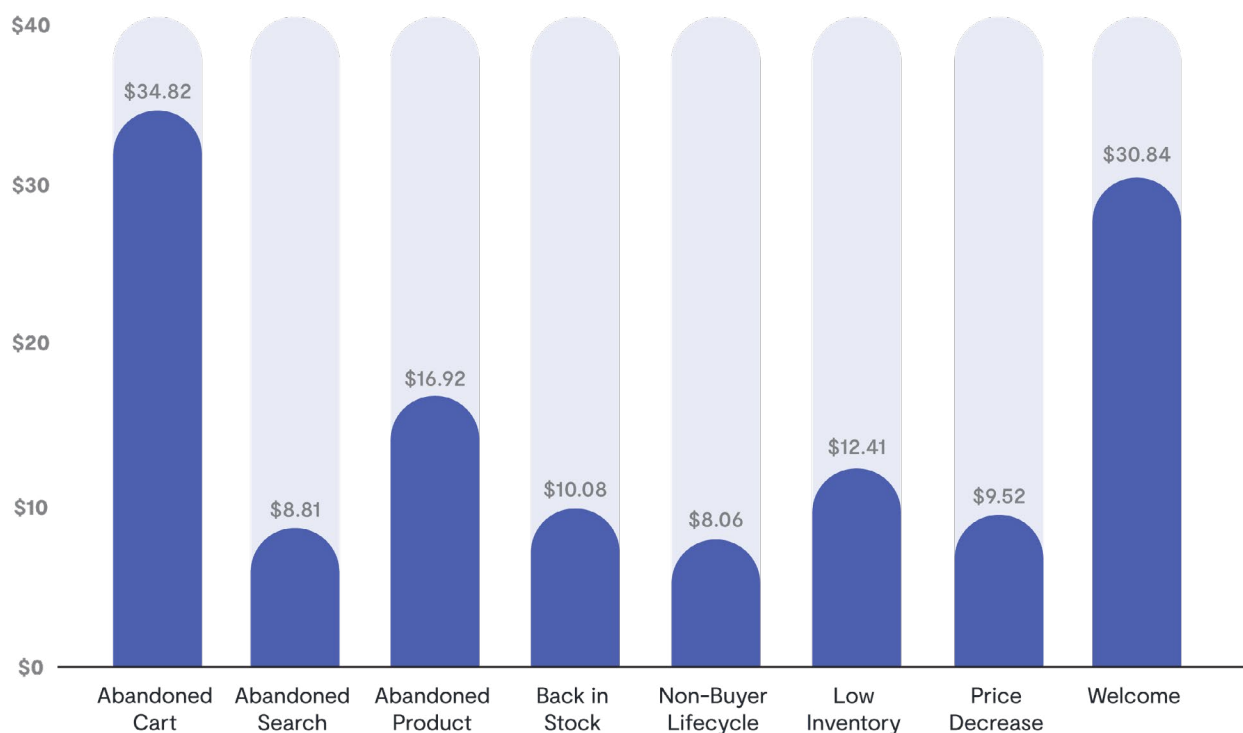
Comparatively, Back in Stock campaigns don't do as well on Conversion Rate as clicks. If a shopper waits too long for a product to come back in stock, there's a good chance they have already purchased an alternative.

Welcome has the highest Conversion Rate, leading campaigns that perform strongly across other metrics, like Abandoned Cart. This demonstrates the importance of having Welcome triggers set up to help shoppers

discover products and kickstart their relationship with your brand. Welcome emails present a wealth of opportunity. At this stage, shopper intent to act is high, so brands can capitalize on these campaigns for Non Buyers looking to buy for the first time.

Abandoned Cart is still, not surprisingly, one of the highest converting campaigns — with Back in Stock being the third most effective.

REVENUE PER CLICK FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS

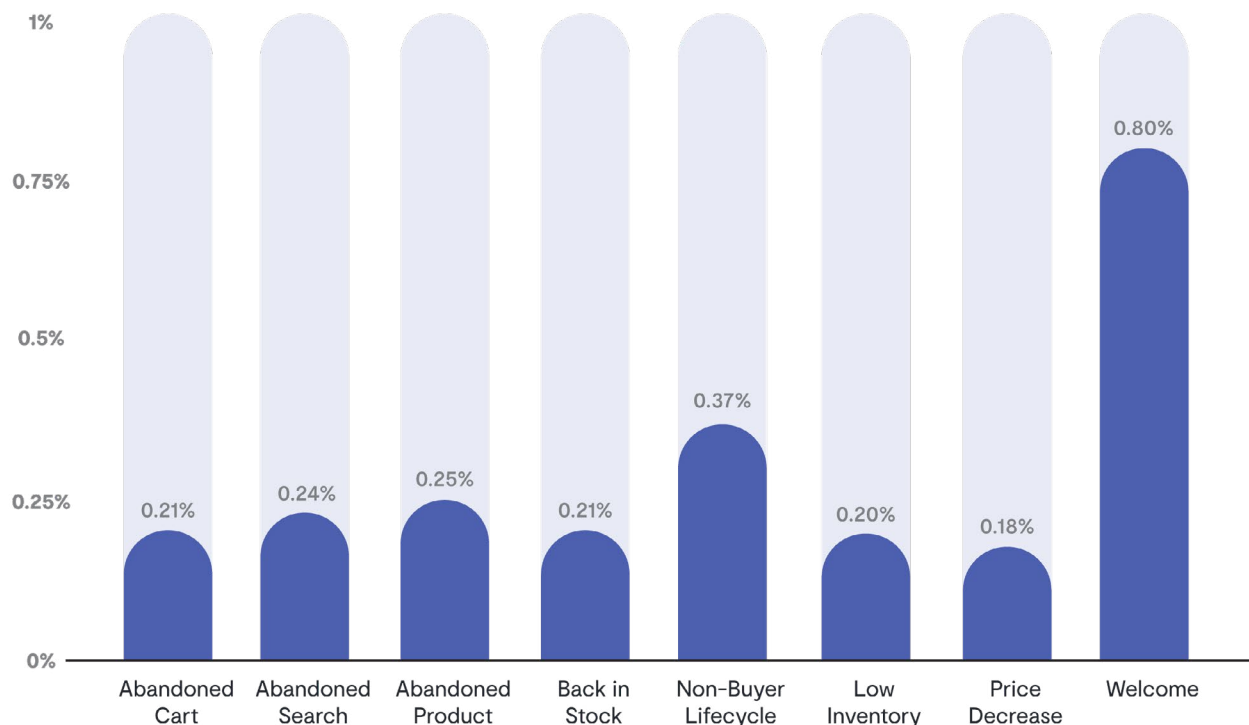


Abandoned Cart has the highest Revenue Per Click, given it shows a high intent to purchase, with Welcome campaigns following closely behind. Abandoned Product has nearly half the Revenue Per Click of Welcome emails, but is still twice as high as Abandoned Search. This shows that, even if the shopper doesn't know exactly what they're looking for, the retailer can still effectively encourage them to make a purchase by helping them discover the product they're interested in.

REVENUE PER EMAIL FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS



UNSUBSCRIBE RATE FOR FIRST PURCHASE AND CONVERSION CAMPAIGNS



While Welcome emails have high conversion and high engagement, they're also the highest for unsubscribe rates. Shoppers who signed up for a quick incentive may want to quickly disengage after they receive the offer. To use this critical period to draw shoppers in, brands have an opportunity at this stage to provide value outside of a discount in Welcome emails with more targeted product recommendations.

The Takeaways

Welcome emails are an important lever to immediately engage Non Buyers and draw them back in. Welcome emails can be as effective as Abandoned Cart emails, which have the highest intent to purchase.

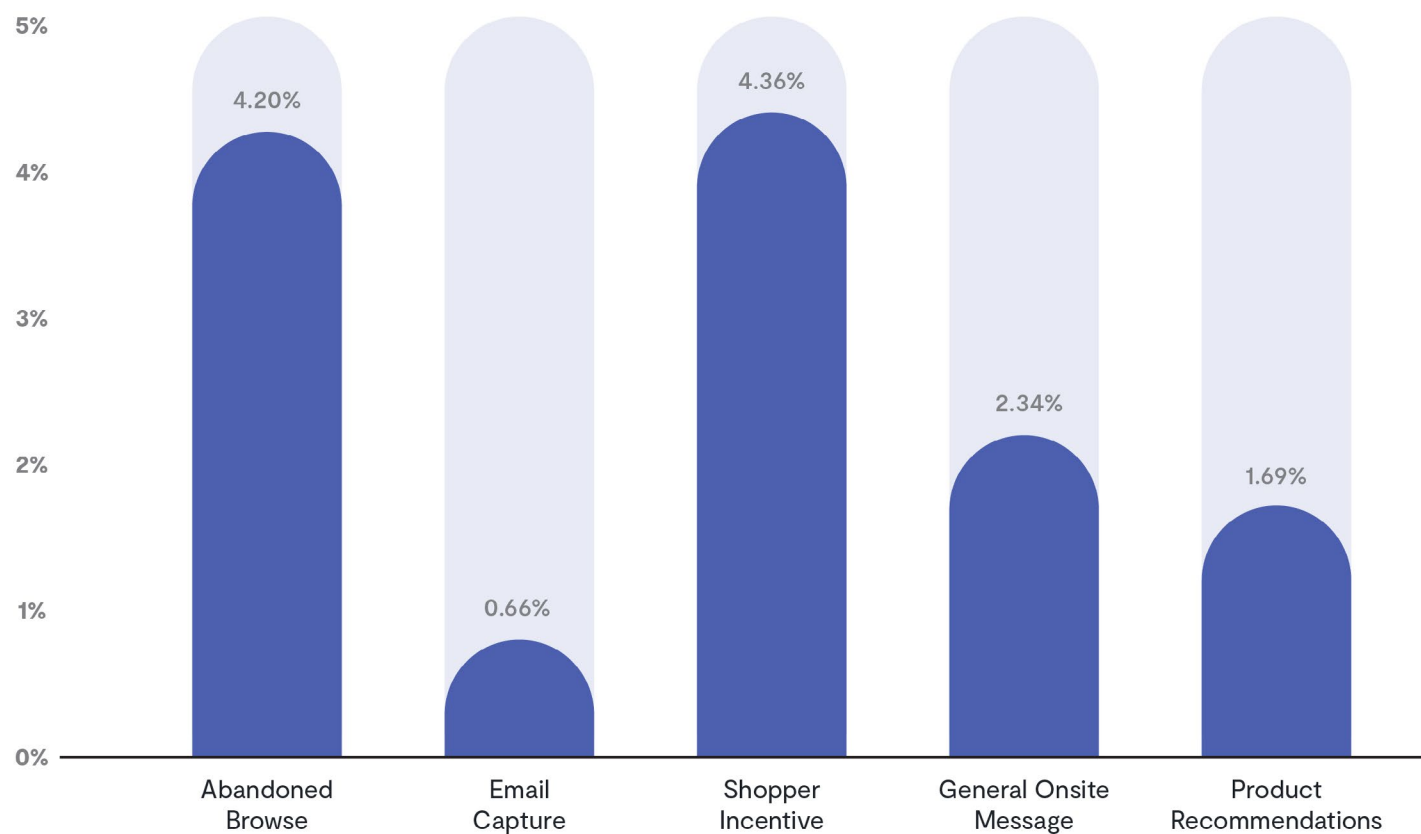
Retailers face a huge opportunity to further personalize Welcome campaigns with recommendations that rely less heavily on discounts, such as product offerings based on a shopper's category preference — or even predicting the next best product for them to buy.

Abandoned Product shows relatively strong engagement across the board. Retailers are using this campaign to pull in seemingly casual browsers. Back in Stock also delivers strong performance, showing how critical merchandising triggers are — especially during a period of inventory and supply constraints.

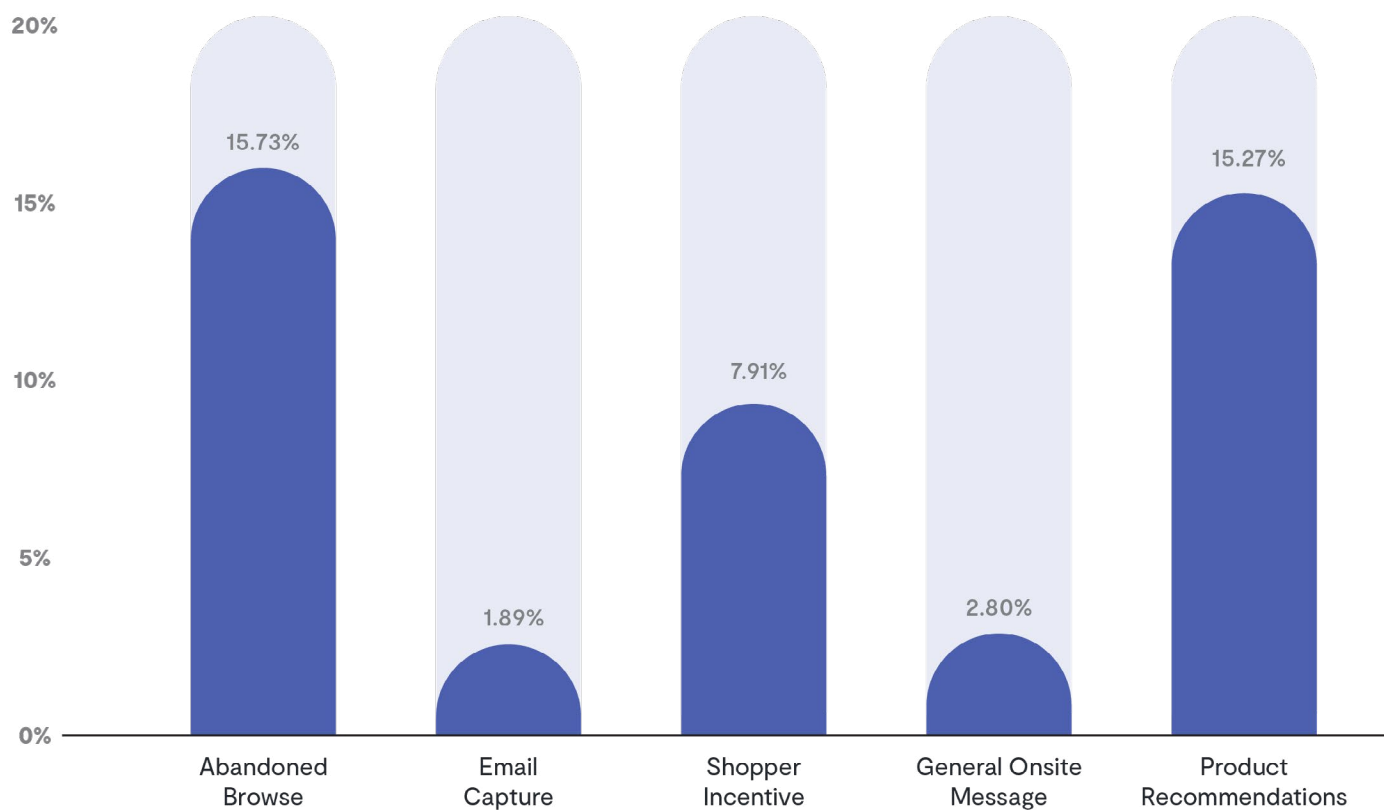
Baseline Site Benchmarks

THE CAMPAIGN	WHAT IT DOES
Abandoned Browse	A site campaign where the shopper viewed a product and demonstrated that they're leaving the website with a field for email capture.
Email Capture	A site campaign requesting that the shopper submit their email.
Shopper Incentive	A site campaign where a coupon incentive is included. May or may not be personalized based on the shopper's discount affinity and includes an email capture field.
General Onsite Message	A site campaign that includes an offer for free shipping or any other customized non-specific or informational content.
Product Recommendations	A site campaign with personalized content generated for their shopper based on their known preferences.

CLICK RATE FOR SITE CAMPAIGNS



CONVERSION RATE FOR SITE CAMPAIGNS



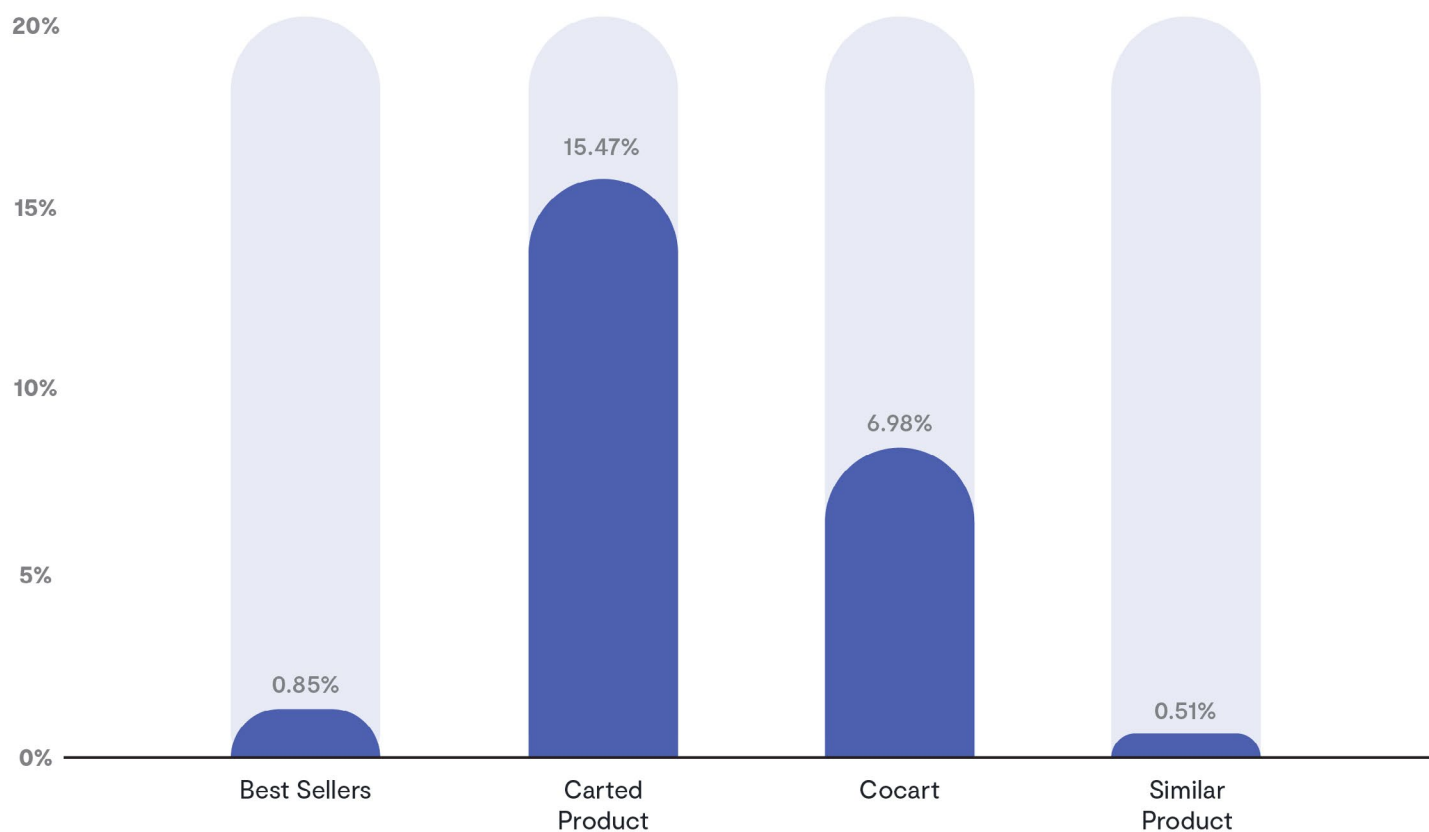
Digging Deeper with Product Reminder and Recommendation Benchmarks

Beyond measuring campaigns, there are also different types of product reminders and recommendations contained within each site modal or campaign. Below are the four most successful of these at driving clicks and conversions.

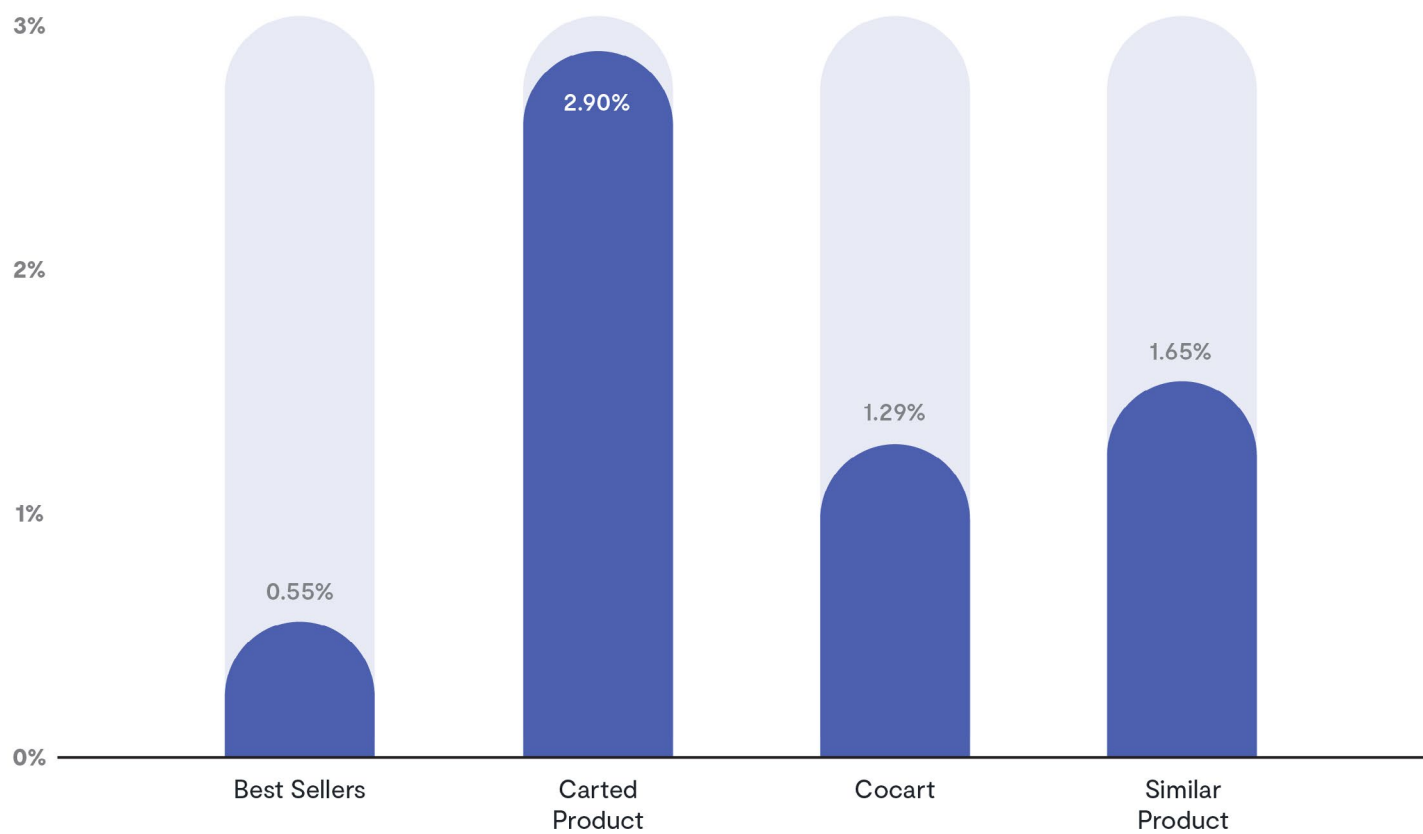
PRODUCT REMINDER AND RECOMMONDATION TYPES

Best Sellers	Displays site-wide or category-specific best-selling products based on purchase trends from the last 7 days.
Carted Product	Displays products that a shopper left in their cart as a reminder of what they left behind. This campaign is not a personalized product recommendation as defined by other campaigns, but an important recommendation in a brand's site arsenal.
Cocart	Displays recommended products based on other customers who have added similar items to their cart.
Similar Product	Displays products generated through a collaborative-based approach that analyzes similar customers' engagement with the catalog.

CLICK RATE FOR SITE RECOMMENDATIONS



CONVERSION RATE FOR SITE RECOMMENDATIONS



BENCHMARKS FOR REPEAT PURCHASE AND GROWTH

After the shopper's first purchase, retailers need to shift their focus to nurture each shopper into a repeat buyer — and ultimately a loyalist. We gathered baseline benchmarks for campaigns designed for shoppers who have already converted to keep the purchases coming and the growth going.

As the data will show, there's a massive opportunity to nurture your First-Time Buyers into loyal shoppers. The more your shoppers buy, the more value and revenue you get back.

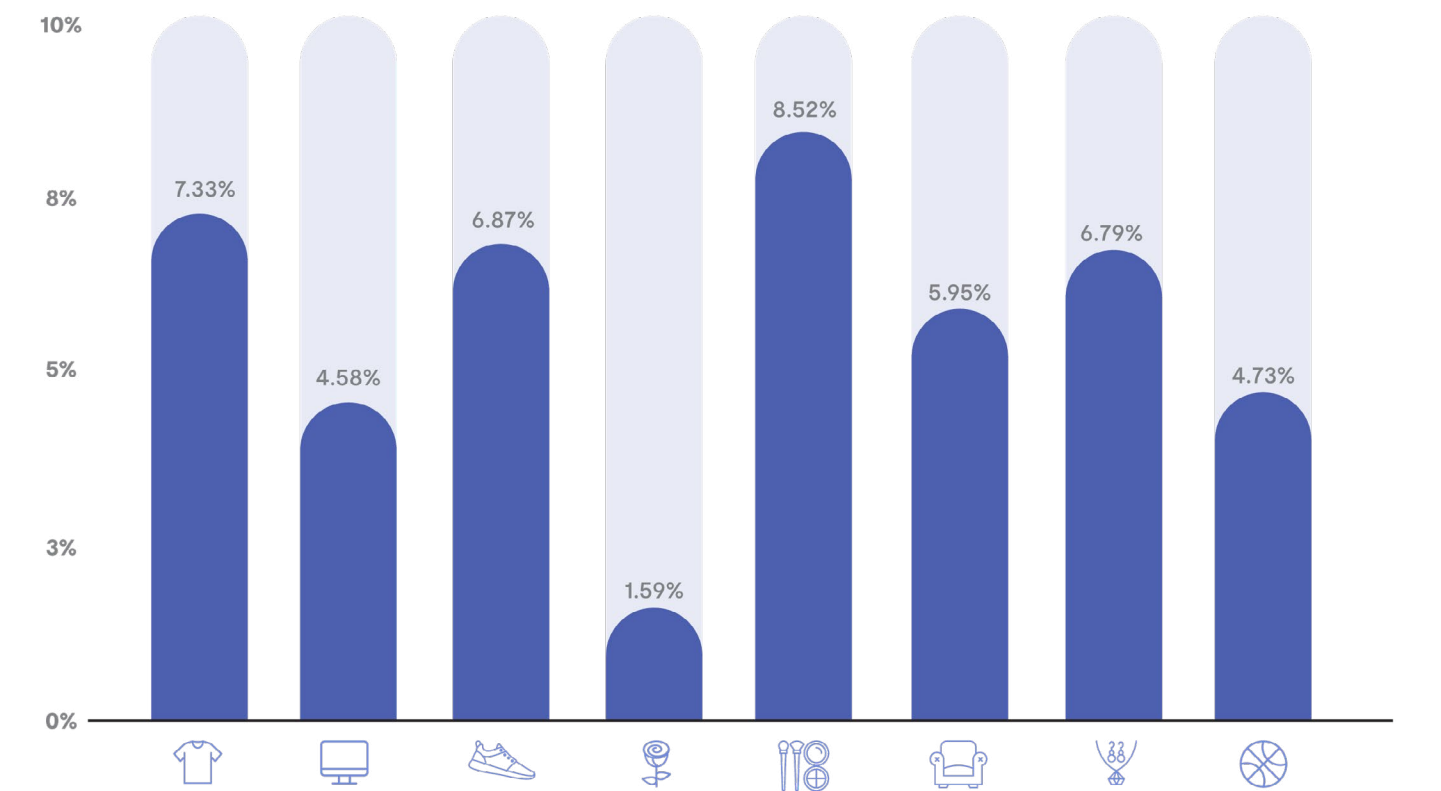
WHAT'S LOYALTY?

Traditionally, loyalty is about total spend and perks — but that doesn't drive the lifetime value that sustains brands. True shopper loyalty that delivers high engagement, high purchase frequency, and high spend to your brand comes down to full price buying, cross category buying, and increased cart size.

Repeat Purchase and Growth Performance Benchmarks

Even though the greater percentage of a brand’s total shoppers in this report are One-Time Buyers, retailers converted more One-Time Buyers to a repeat purchase than they converted Non Buyers to a First Purchase. As retail strategies shift and more brands are going with Direct-to-Consumer models, they are also taking customer retention more seriously as a key lever to driving revenue and profitability.

PERCENTAGE OF ONE-TIME BUYERS THAT MADE A REPEAT PURCHASE BY VERTICAL



Health & Beauty leads in repeat purchases this year, which is not surprising considering that these brands invest more in cross-category strategies and drive a higher level of customer dedication with cult-like products that shoppers need to replenish at a faster rate.

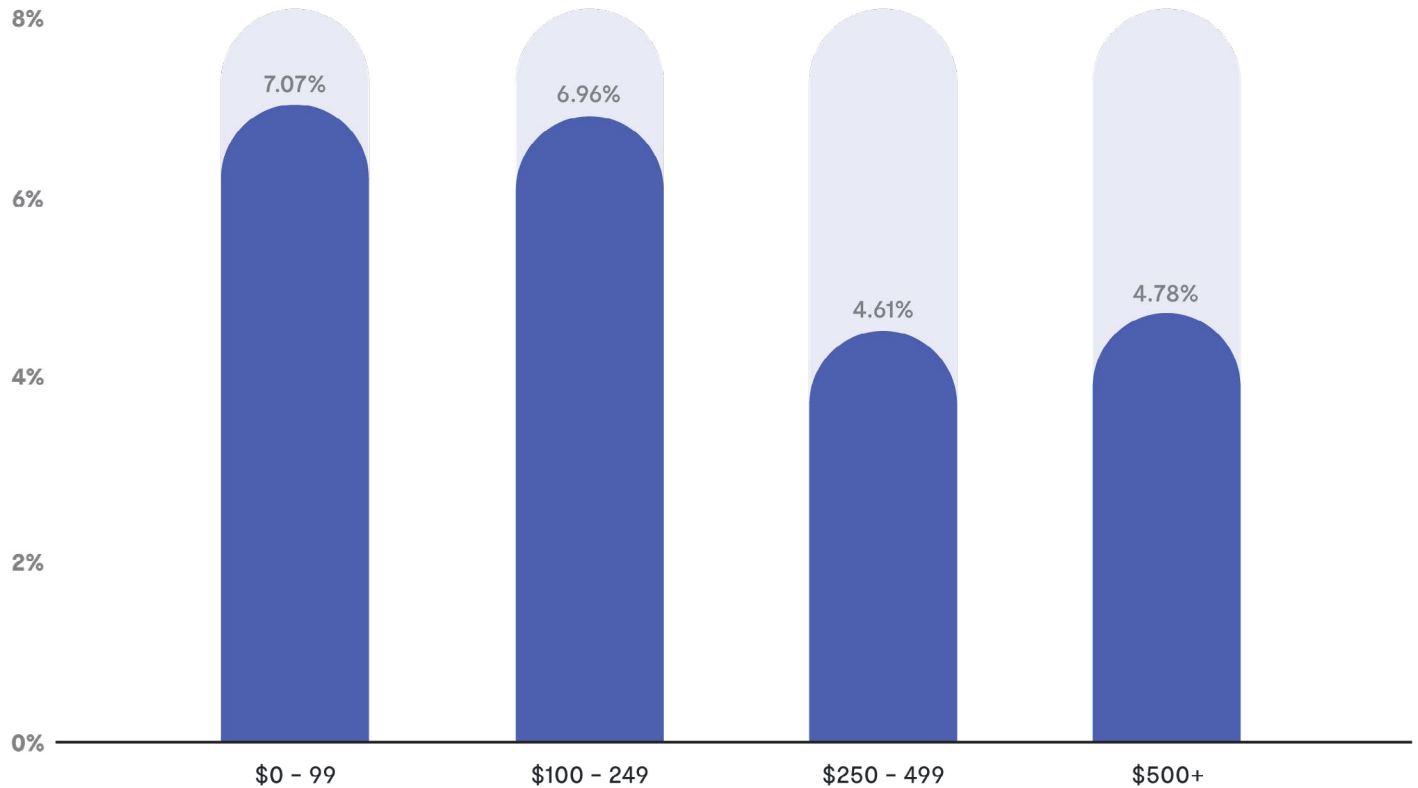
Gifts & Floral sees the lowest percentage of One-Time Buyers to Repeat Buyers. Shoppers are less likely to be engaged with gifting brands and may purchase from a different brand when the occasion arises. This demonstrates a big opportunity for Gifts & Floral brands to be attuned to shopper

behavior and buying cadences — and bring shoppers back into the fold.

Footwear made a big jump in repeat purchases over First-Time Buyers. Some of the larger Footwear brands who are going Direct-to-Consumer this year are investing in experiences designed to bring shoppers back again and again.

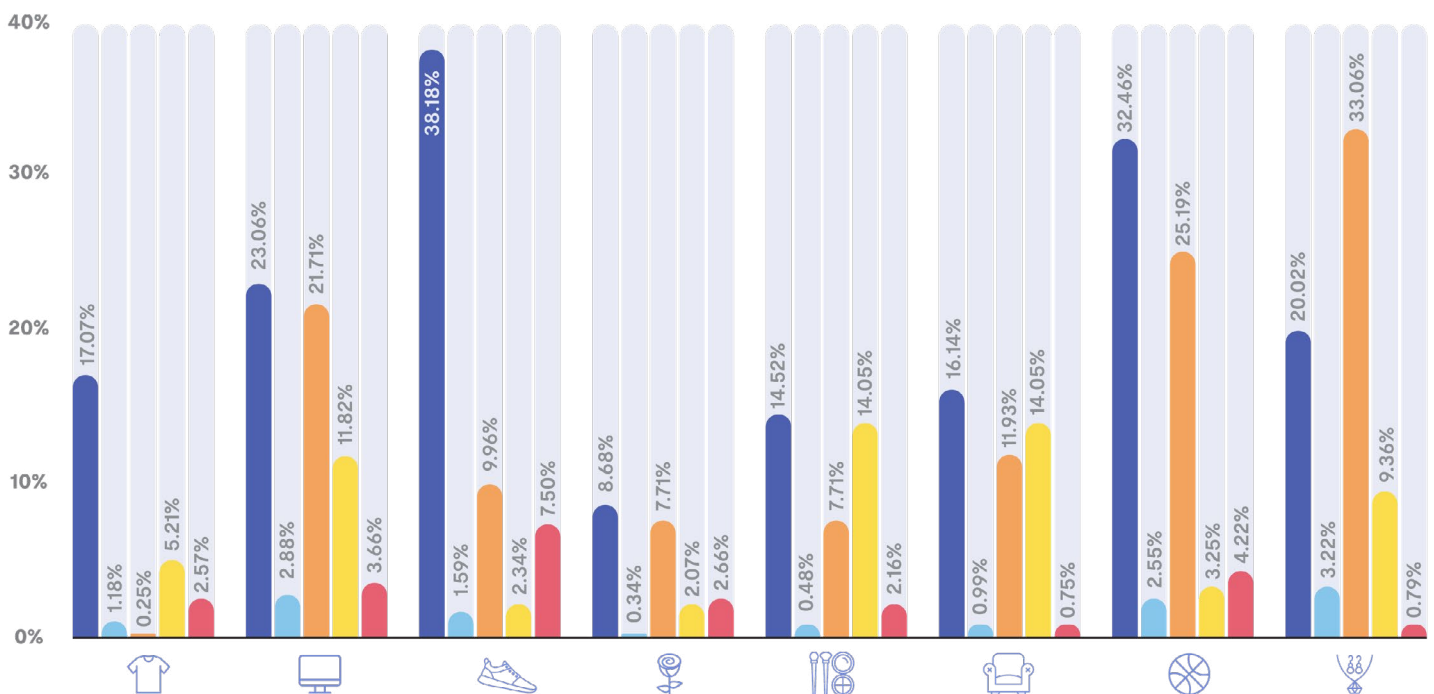
As expected, verticals that have invested in more advanced tactics around personalization and experiential retailing — such as try-before-you-buy in Health & Beauty —perform well for repeat purchases.

PERCENTAGE OF ONE-TIME BUYERS THAT MADE A REPEAT PURCHASE BY AVERAGE ORDER VALUE



CAMPAIGNS THAT DROVE THE MOST REPEAT PURCHASES BY VERTICAL

Abandoned Cart Abandoned Search Abandoned Product Price Decrease Post Purchase

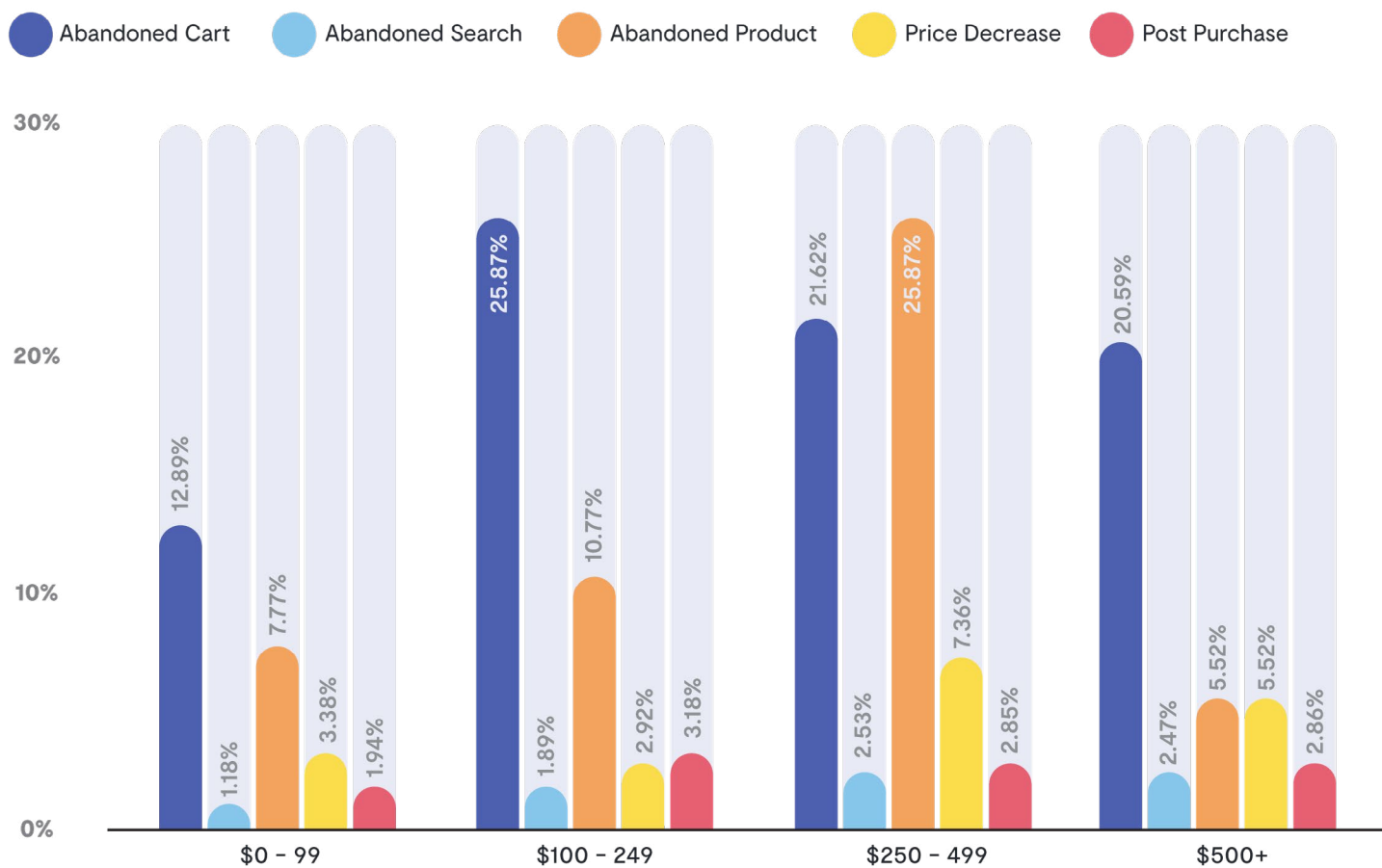


Post Purchase — which includes personalized reminders and recommendations designed to cross-sell and boost repeat purchase — also performs well for Health & Beauty.

Interestingly, Abandoned Product is virtually non-existent for Apparel which is the opposite of Sporting Goods & Outdoor. This calls out a major opportunity for Apparel brands to boost their product discovery and make it more enticing and convenient for shoppers.

Footwear leads in Product Affinity. With a better understanding of retail data to charge personalized experiences for shoppers, there's a big opportunity to boost Abandoned Product and Product Affinity. Apparel's lack of performance in some of these campaigns could mean that as a more saturated retail vertical, shoppers are less likely to convert on those campaigns.

CAMPAIGNS THAT DROVE THE MOST REPEAT PURCHASES BY AVERAGE ORDER VALUE



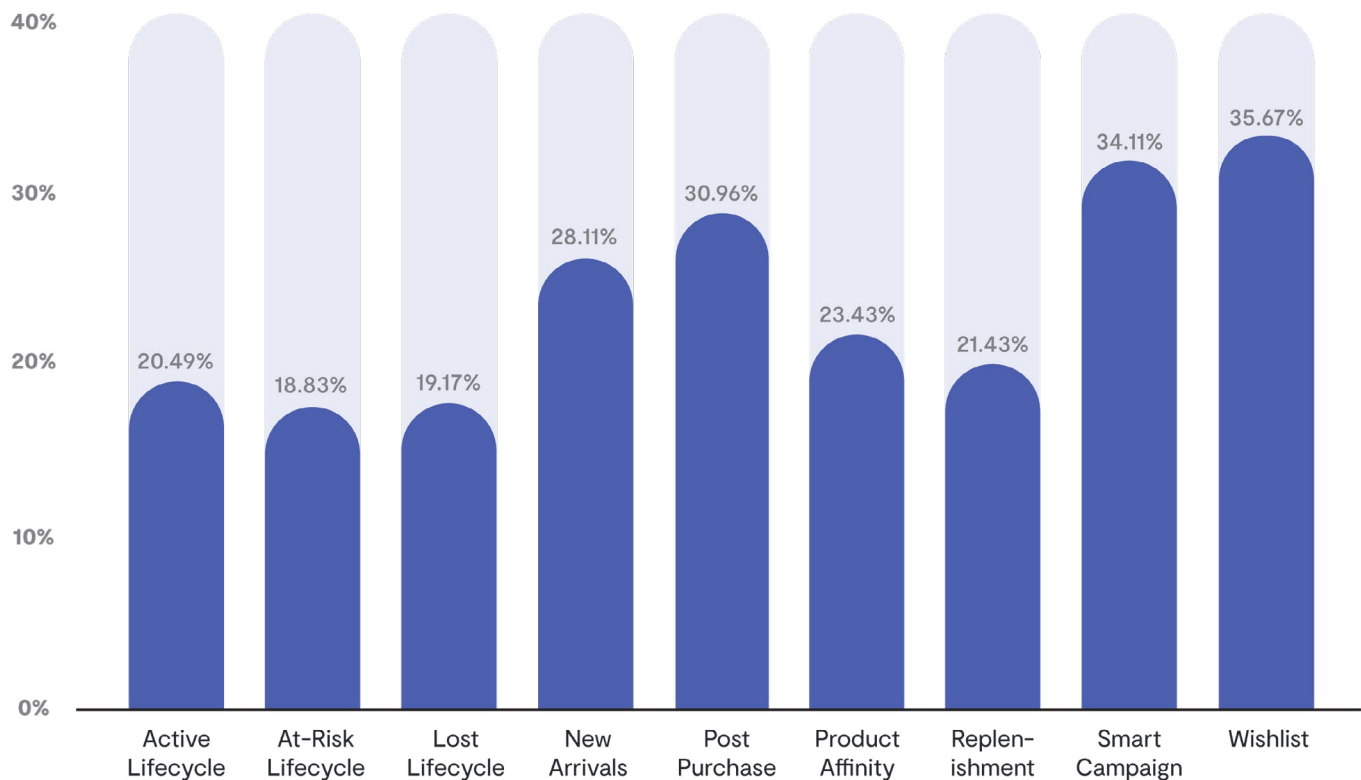
Abandoned Product is only the highest performing campaign in the \$250-\$499 cohort. Since Abandoned Product is earlier in the purchase pipeline, this performance indicates that brands may be “training” customers to expect specific responses. Shoppers are becoming more aware that, if they start adding to a cart, they may receive an extra incentive to complete a purchase.

Baseline Email Benchmarks

Here is a continuation of Bluecore's established benchmarks for how different retail emails perform as part of growing email marketing programs. These baseline findings include an overall look at email performance for retailers broken down by type of email. These benchmarks go beyond the first purchase to analyze campaigns that engage shoppers after the first purchase as shoppers continue to grow with your brand.

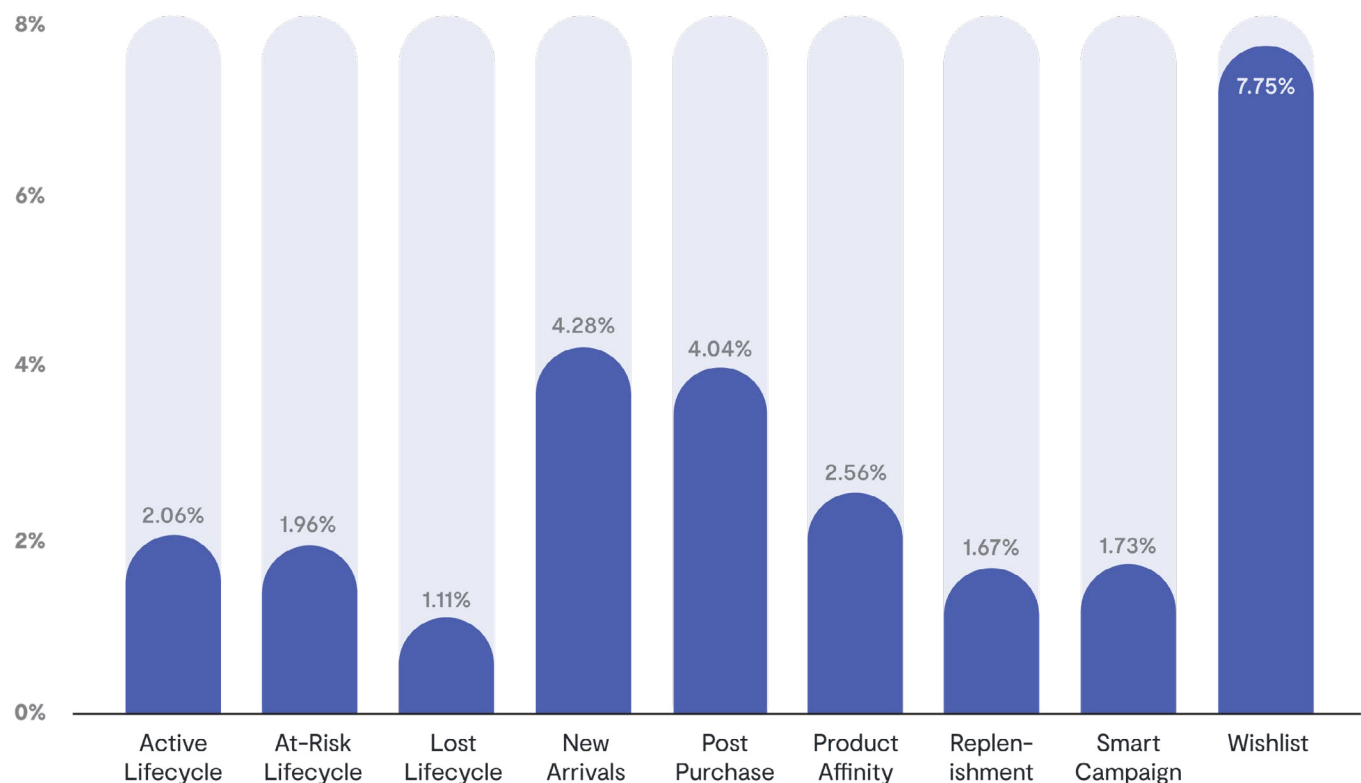
THE CAMPAIGN	WHAT IT DOES
Active Lifecycle	Active Buyers are customers who have made a purchase within their typical buying cycle. Each customer's typical buying cycle is unique – one customer's buying cycle can be one purchase every two weeks, while another customer's buying cycle is one purchase every six months.
At-Risk Lifecycle	Finds customers who have deviated from their typical buying cycle with your brand and are at risk of never purchasing again. This campaign type can identify this group of customers and nurture them into completing a purchase to increase repeat purchase rate.
Lost Lifecycle	Sends a message to your customers who have a high probability of never purchasing again, encouraging them to come back and make a purchase to increase repeat purchase rate.
New Arrivals	Notifies shoppers who have previously purchased, browsed or have a predicted affinity toward a certain category when a new product is available in that category.
Post Purchase	Notifies customers following a purchase they made, thanking them for their purchase.
Product Affinity	Predicts the customer's preference for a specific category or product based on each shopper and the relationships between products.
Smart Campaign™	A recurring campaign segmented to specific customers or sent to your entire list that uses machine learning to automate segmentation while delivering unique content for each customer.
Wishlist	Sends a reminder to shoppers who have added items to a wishlist but haven't purchased them yet.

OPEN RATE FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS

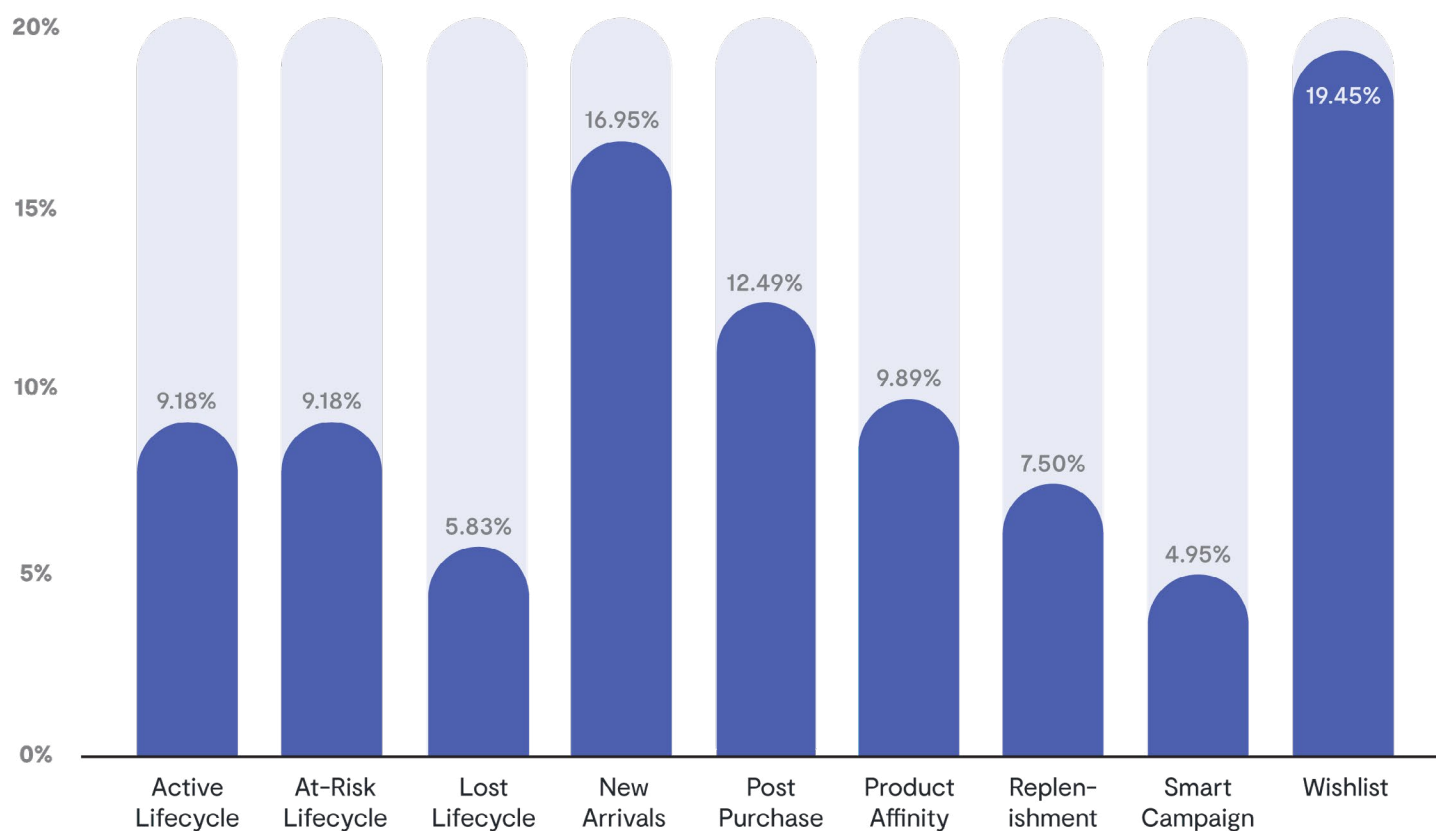


Customers are more enticed to open an email when it's tailored toward their needs, as we can see with Wishlist and Smart Campaign™ leading in opens. Personalization has a high value in driving engagement across the buying funnel based on in-the-moment preferences and needs.

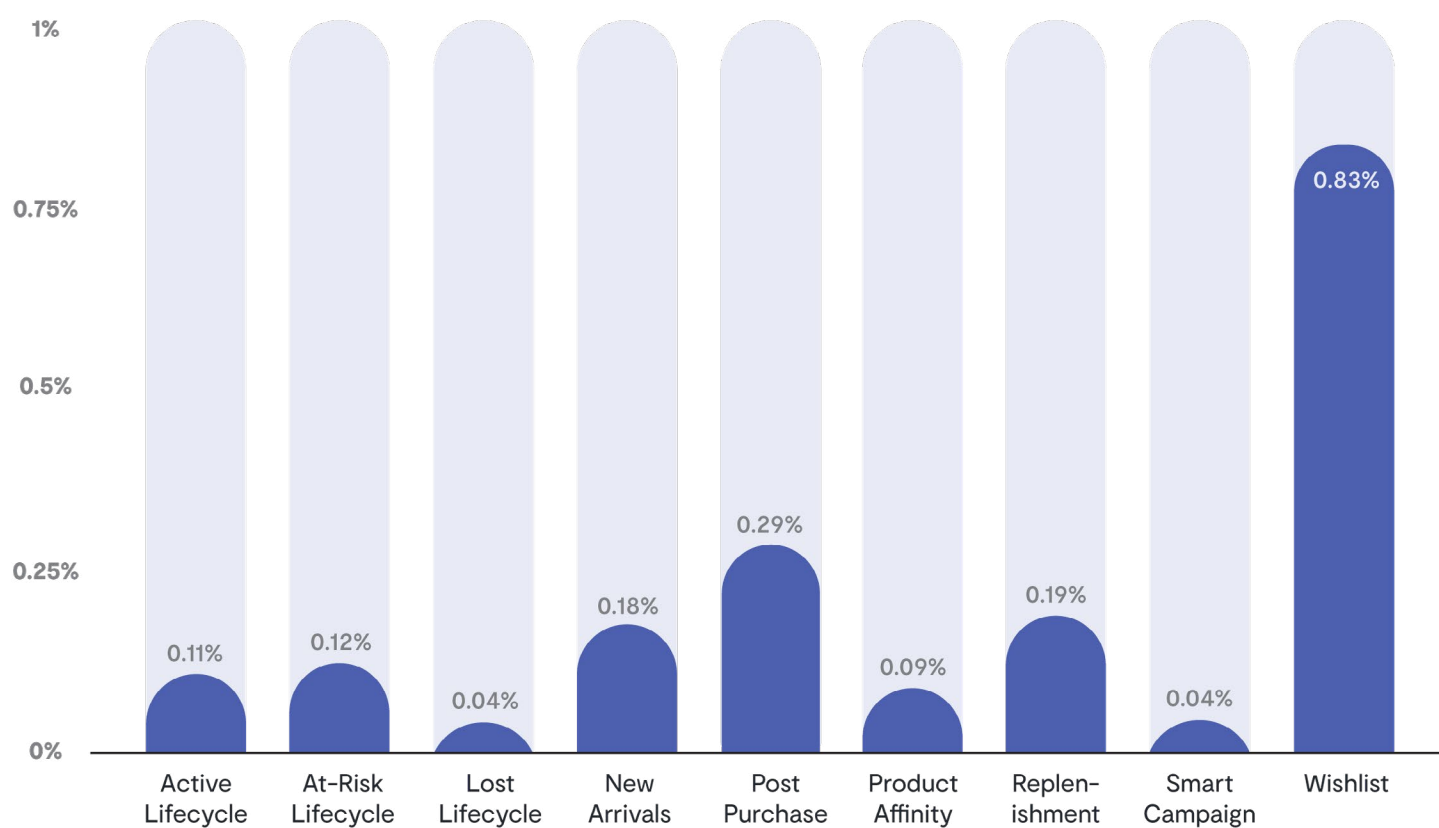
CLICK RATE FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS



CLICK-TO-OPEN RATE FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS



CONVERSION RATE FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS

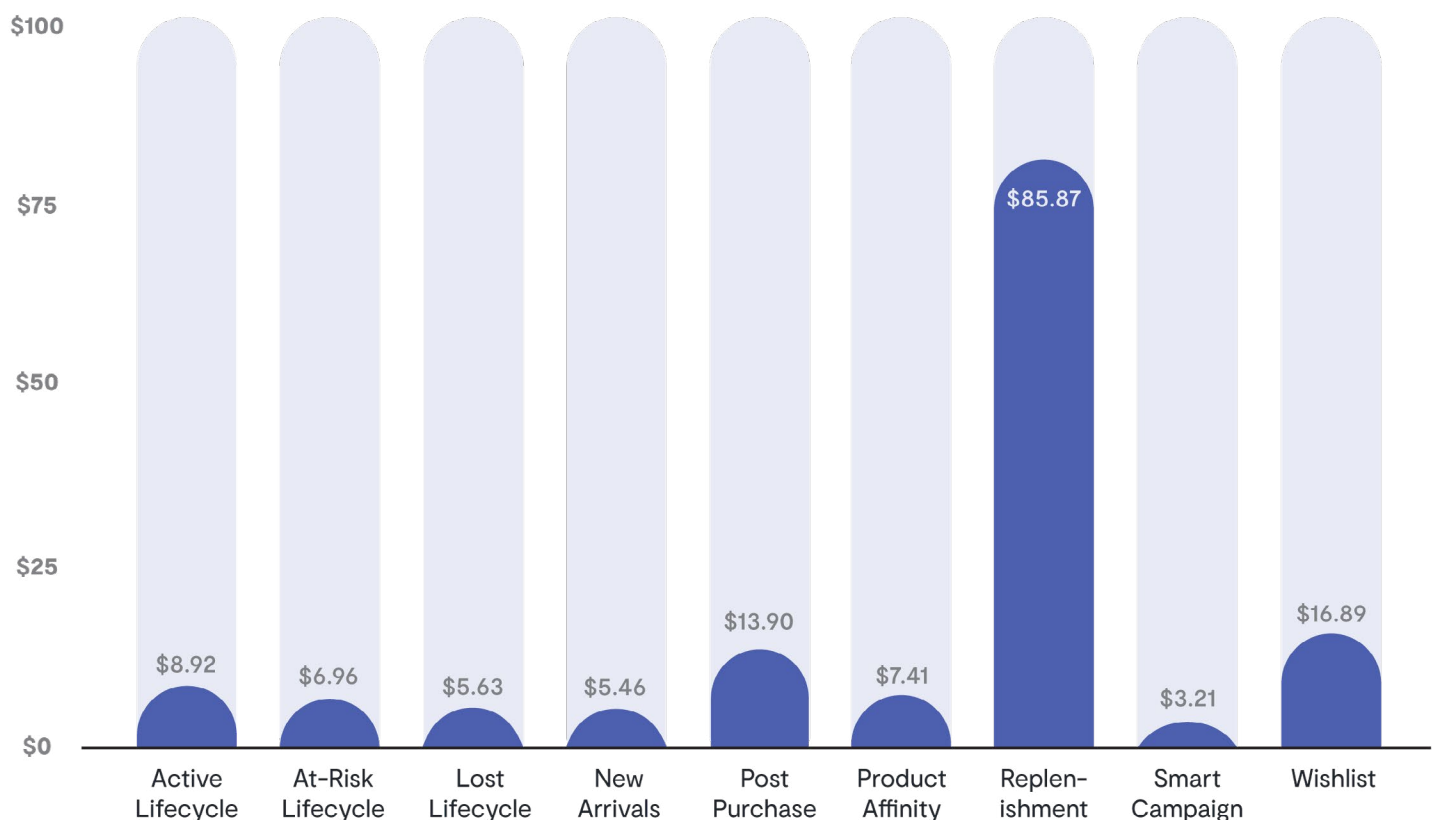


The high intent of creating a Wishlist easily explains the high Conversion Rate for these campaigns. Wishlist is also effective at boosting cart sizes. Once a brand knows what a shopper is looking for, they should devise strategies to showcase related purchases and products to make that conversion even larger.

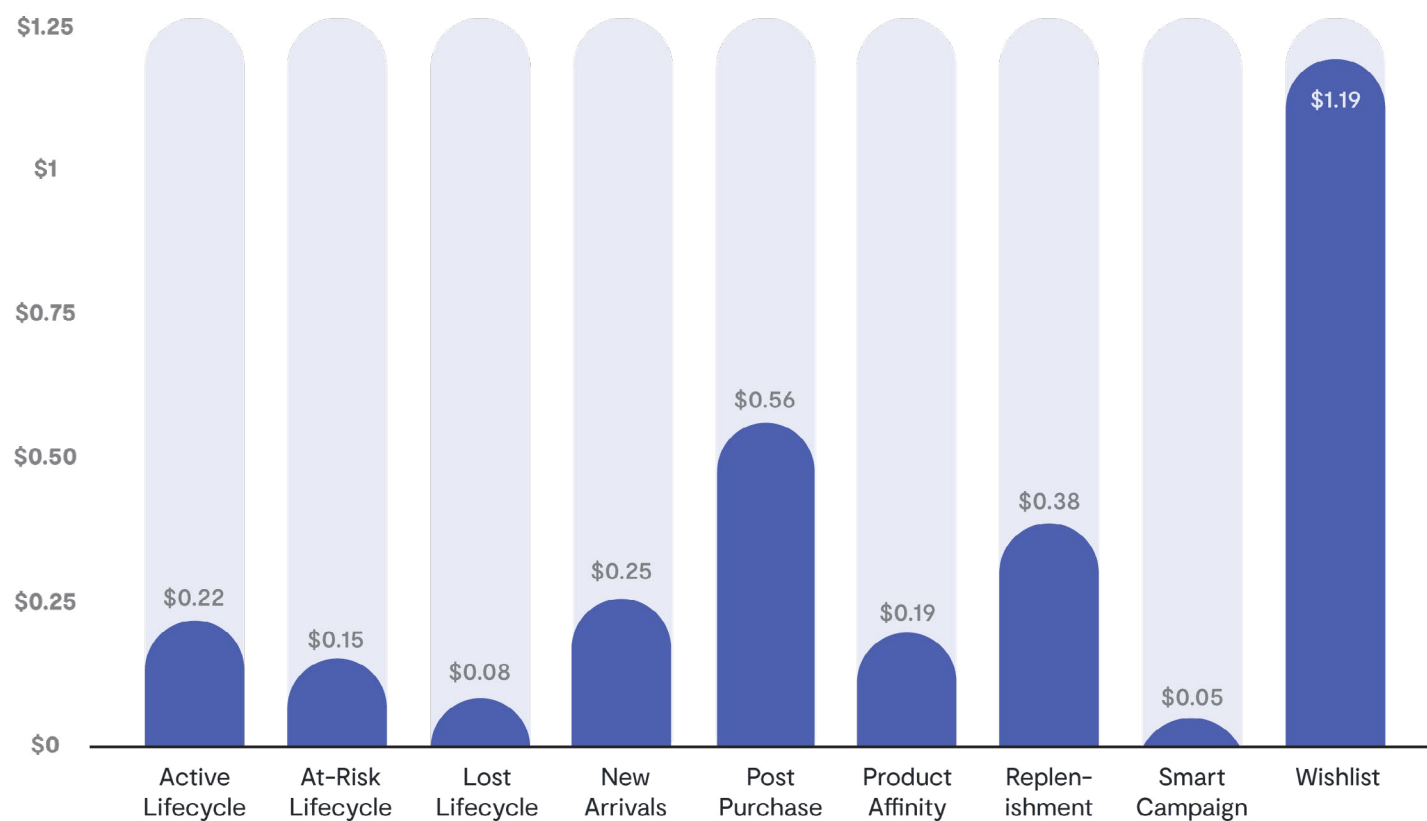
Interestingly, At-Risk Shoppers are converting at a rate that is neck-and-neck with Active Shoppers. This represents a big opportunity for brands to recognize shoppers before they're lost with the right messaging to bring them back to active profiles.

Campaigns that capitalize on the product catalog also perform well, like New Arrivals.

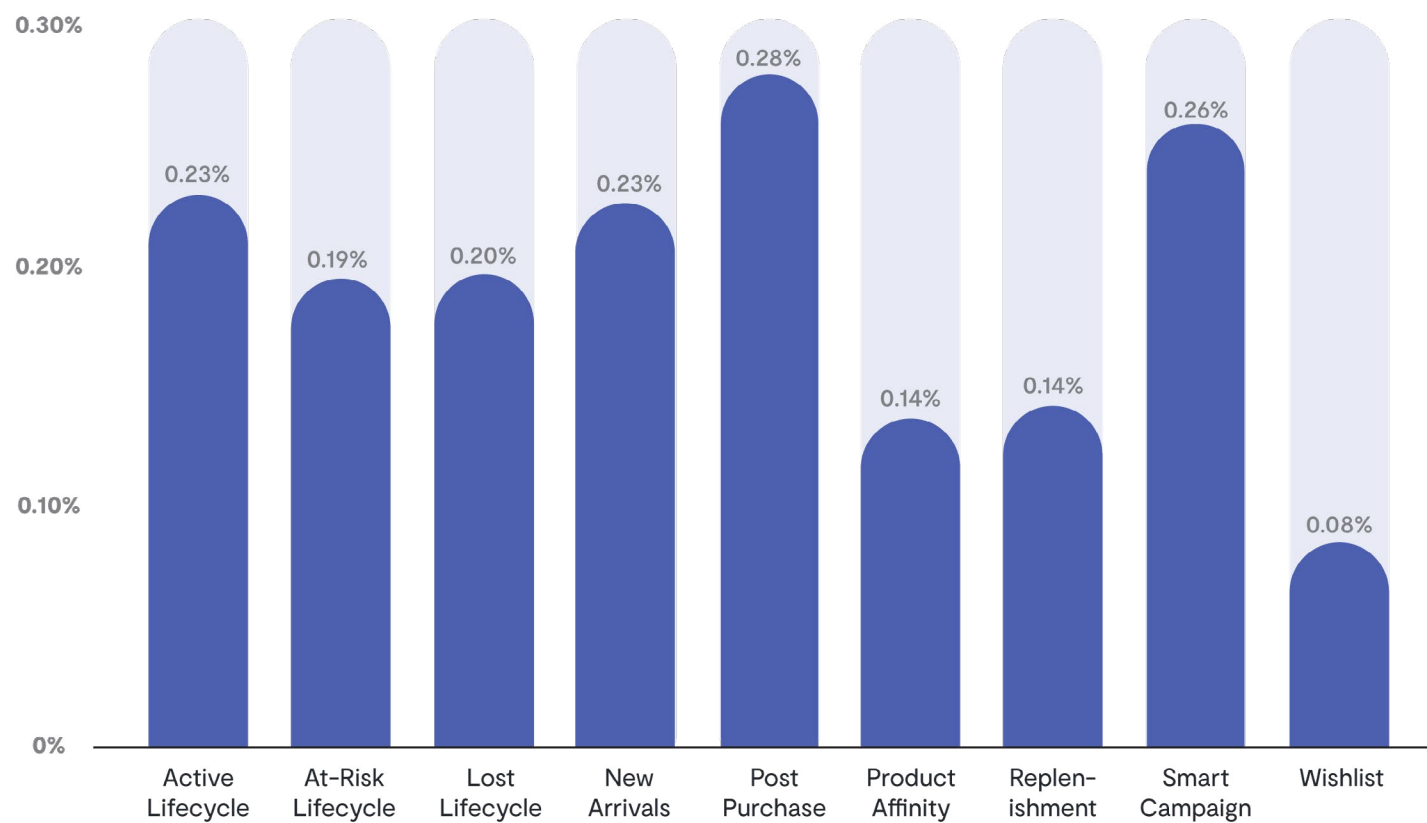
REVENUE PER CLICK FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS



REVENUE PER EMAIL FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS



UNSUBSCRIBE RATE FOR REPEAT PURCHASE AND GROWTH CAMPAIGNS



BENCHMARKS FOR VERTICAL AND AVERAGE ORDER VALUE

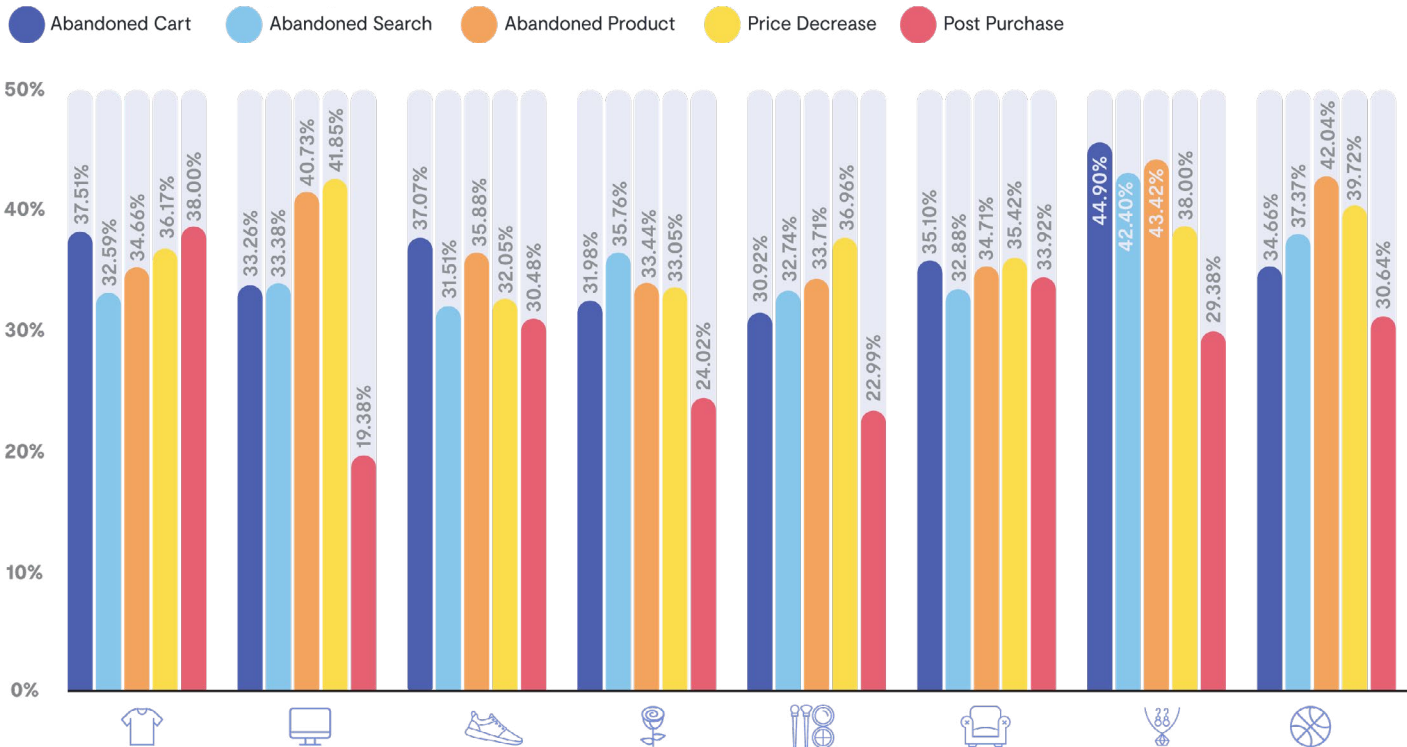
A number of different factors can impact brand performance. Shopper lifecycle stage, campaign type, purchase history and more are all circumstances that surround any given campaign.

The following differentiated email performance benchmarks evaluate how retail vertical and average order value impact engagement with ecommerce benchmarks.

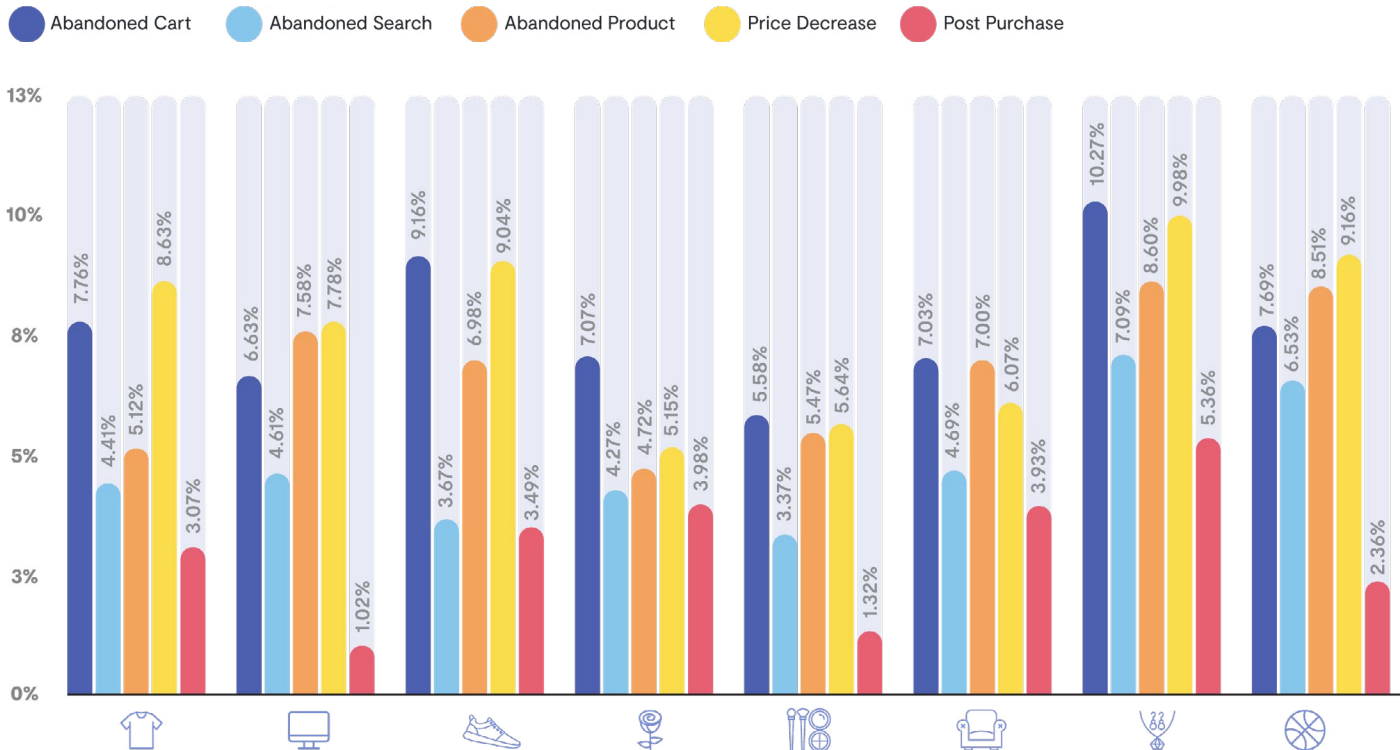
THE RETAIL VERTICALS		
	Apparel	Includes clothing and accessories, like backpacks and bags.
	Consumer Electronics	Includes all of the cool gadgets and tech that you use daily.
	Footwear	Includes any brand that specializes in footwear, from sneakers to stilettos.
	Gifts & Floral	Includes specialty stores that sell books, novelty and flowers. Anything you would give as a gift.
	Health & Beauty	Includes makeup, skincare and health and wellness.
	Home Goods	Includes brands that sell kitchenware, furniture and home furnishings.
	Jewelry & Luxury	Includes high-end luxury brands across apparel as well as jewelry.
	Sporting Goods & Outdoor	Includes anything from fitness equipment to kayaks and bikes.

How Retail Vertical Impacts Performance

OPEN RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



CLICK RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL

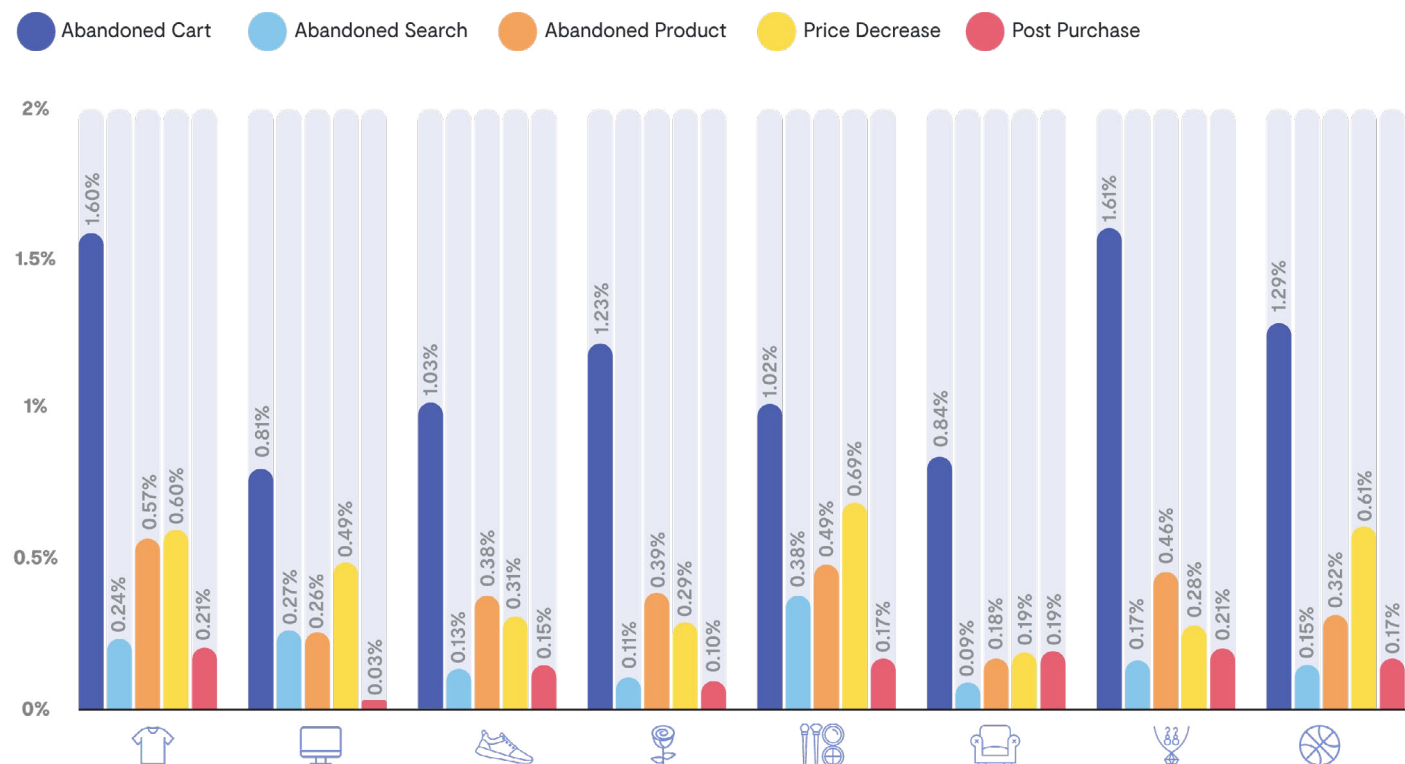


Abandoned Cart and Price Decrease drive the most clicks, but interestingly Abandoned Cart leads in conversion.

CLICK-TO-OPEN RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



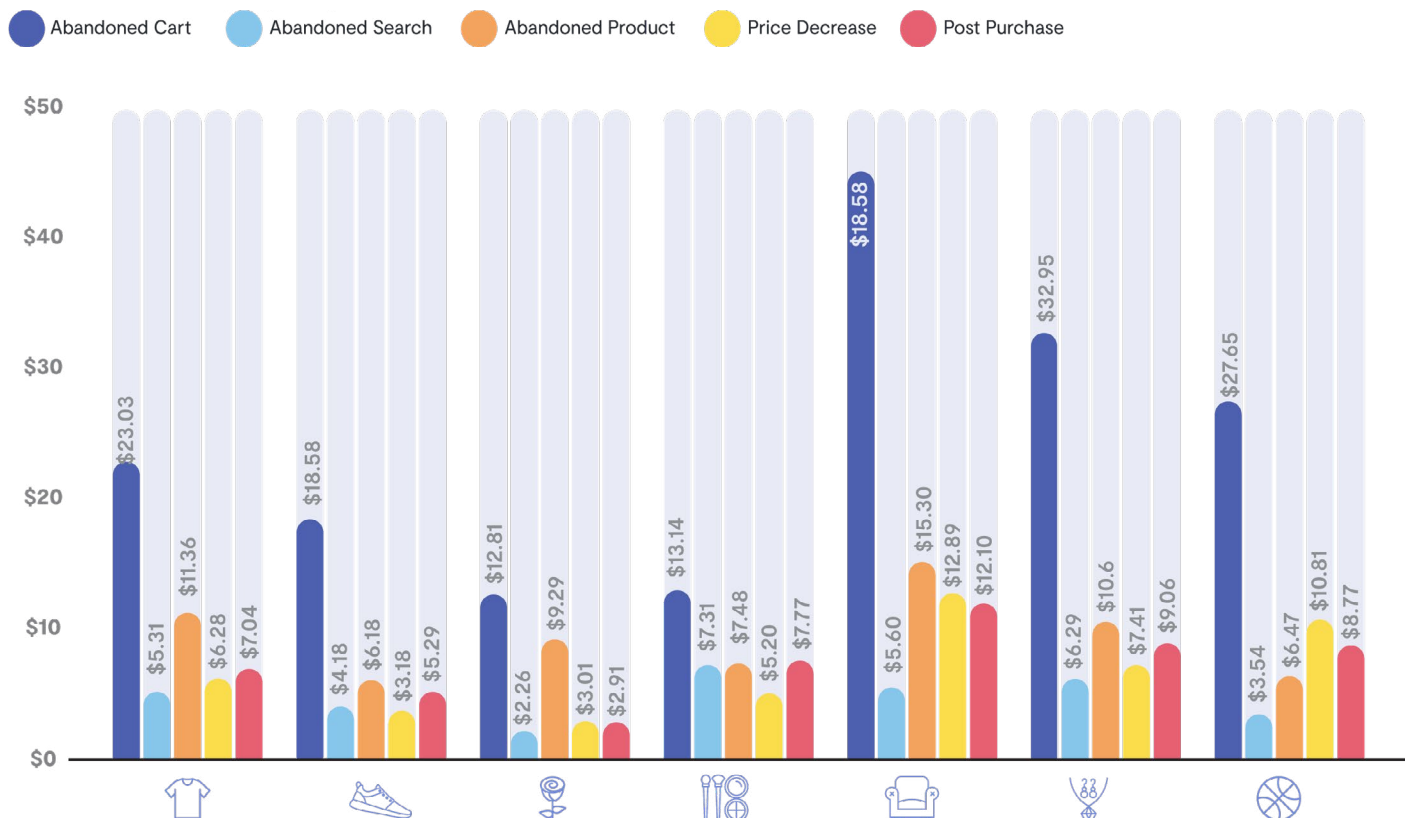
CONVERSION RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



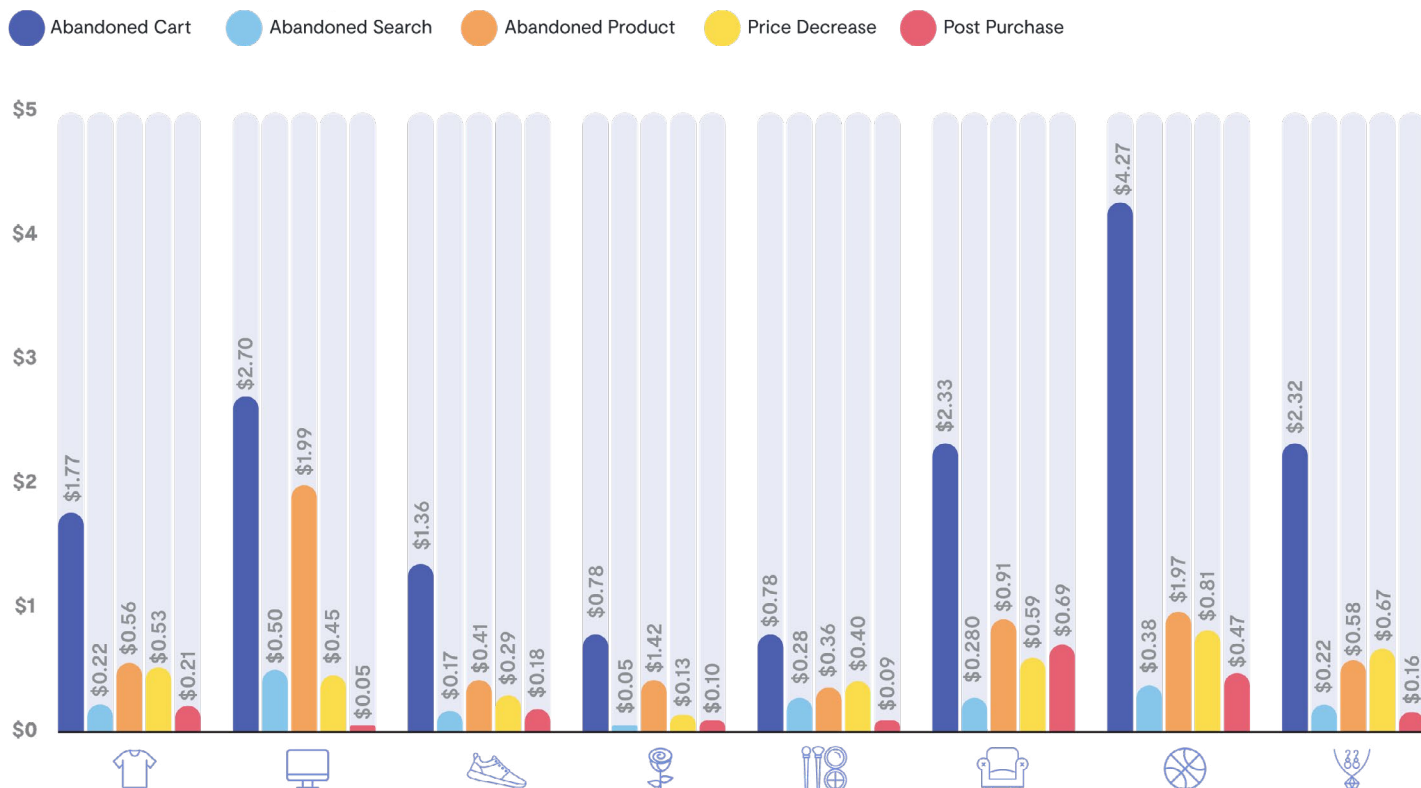
Abandoned Product has a higher Conversion Rate for Apparel relative to the other retail verticals. Shoppers spend more time browsing on sites for apparel and they aren't always looking for something specific.

Price Decrease is higher for Health & Beauty, which shows that shoppers may be slightly more prone to markdowns here than in other verticals — though the trend holds steady across the board.

REVENUE PER CLICK FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



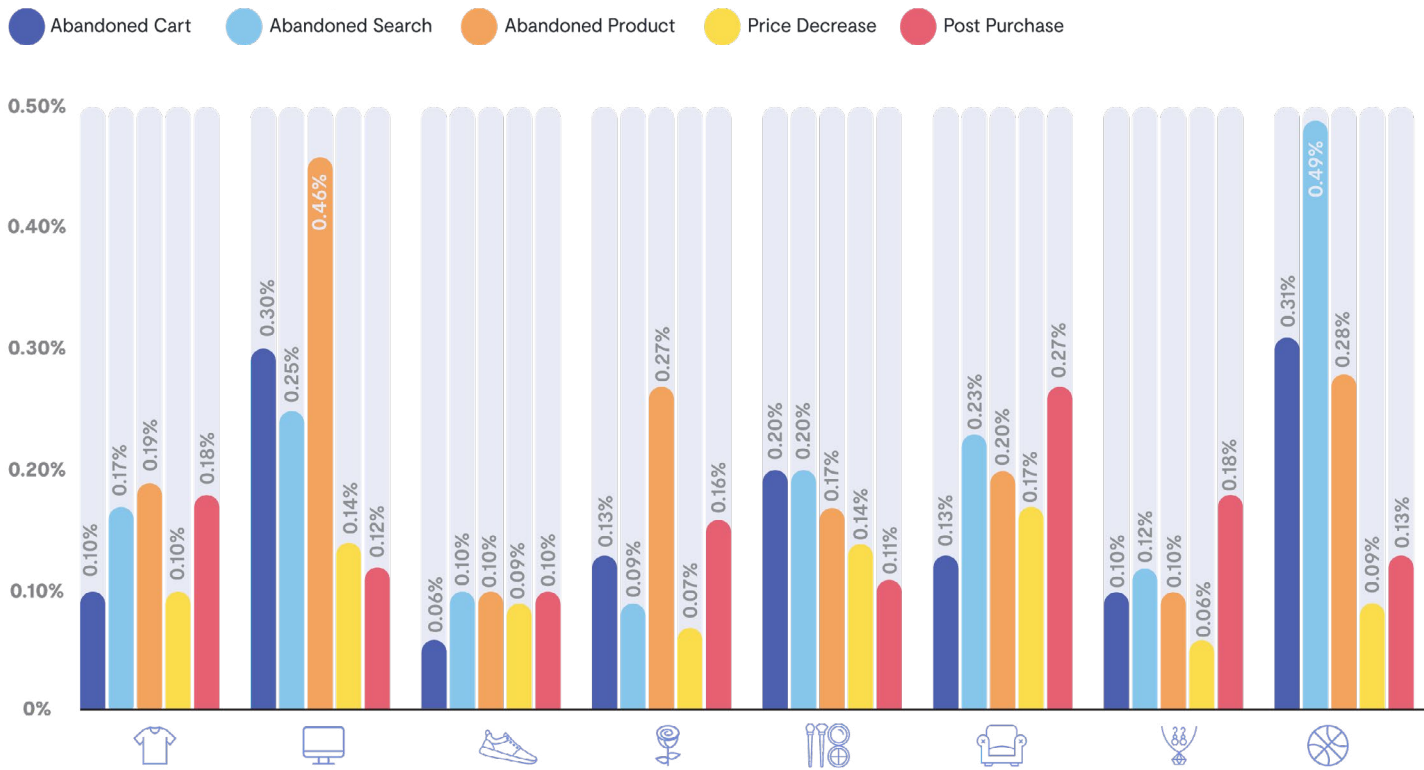
REVENUE PER EMAIL FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



Abandoned Cart demonstrates a high intent from shoppers looking to buy. At the same time, Abandoned Product demonstrates that shoppers are looking around for the best deal.

This explains the higher Revenue Per Email for Consumer Electronics, where a deal might be particularly valuable.

UNSUBSCRIBE RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



Both Sporting Goods & Outdoors and Consumer Electronics tend to be larger purchases for shoppers. Once someone decides against a product in favor of an alternative, they may not be willing to continue engaging with the original product or brand, which explains the high

unsubscribe rates for Abandoned Product.

Additionally, higher unsubscribe rates in Abandoned Search show a lower intent action. If a shopper didn't find exactly what they wanted, they may not be willing to continue engaging with that brand.

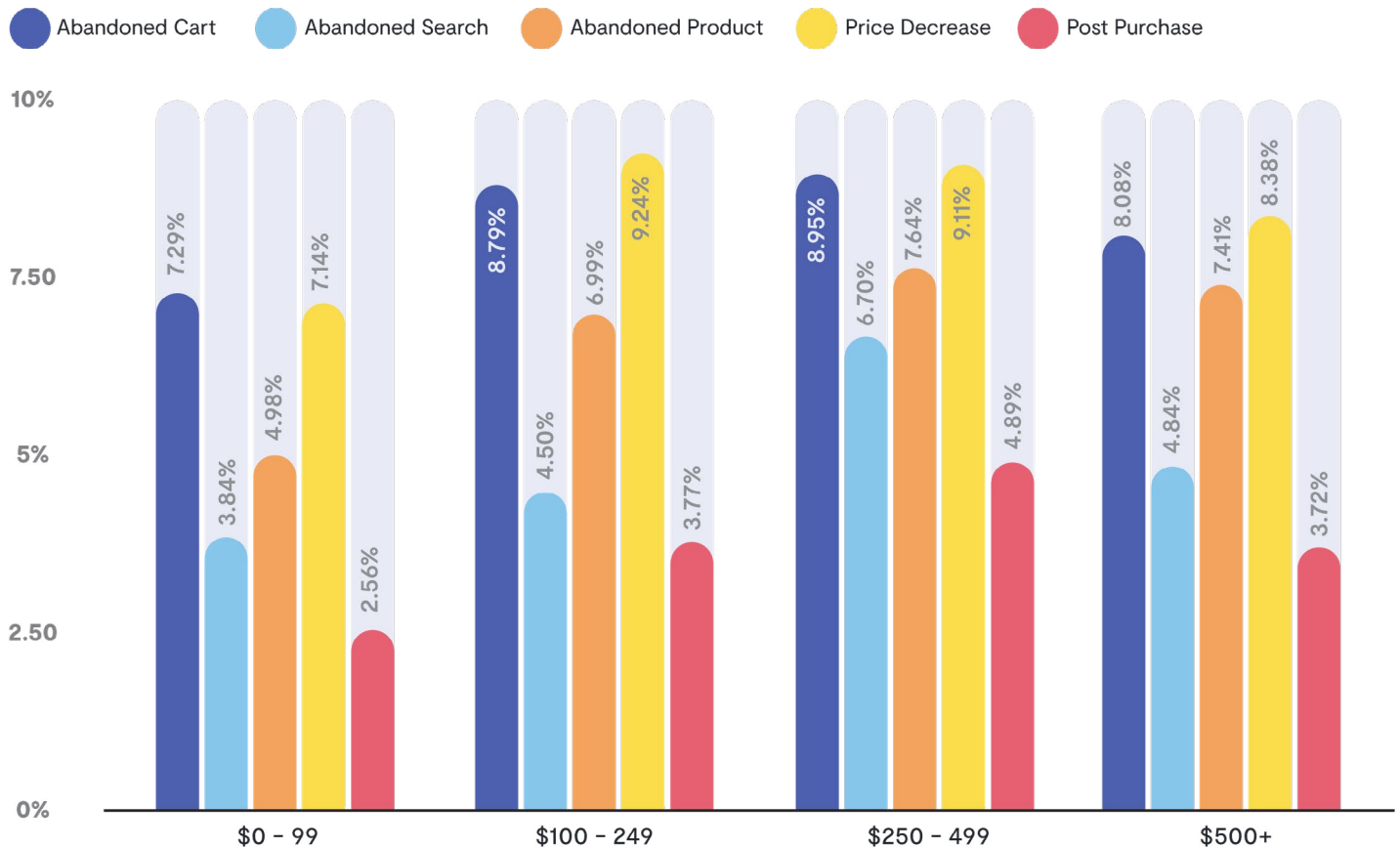
How Average Order Value Impacts Performance

OPEN RATE FOR SELECT CAMPAIGNS BASED ON AVERAGE ORDER VALUE

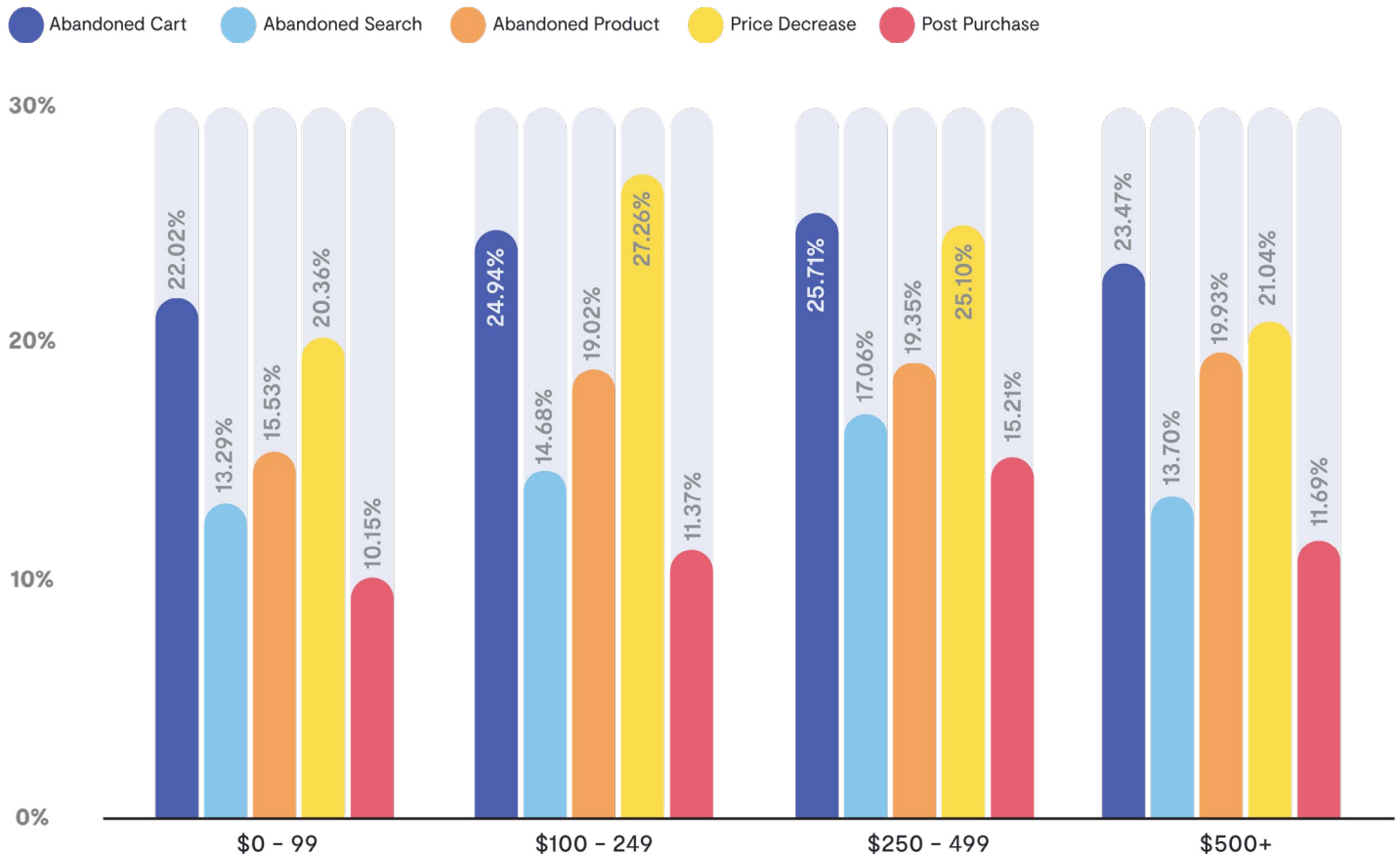


The \$250-\$499 and \$500+ groupings have higher engagement but lower Conversion Rates. This indicates that a lot of research and time may pass before a shopper makes a purchase on a higher consideration product.

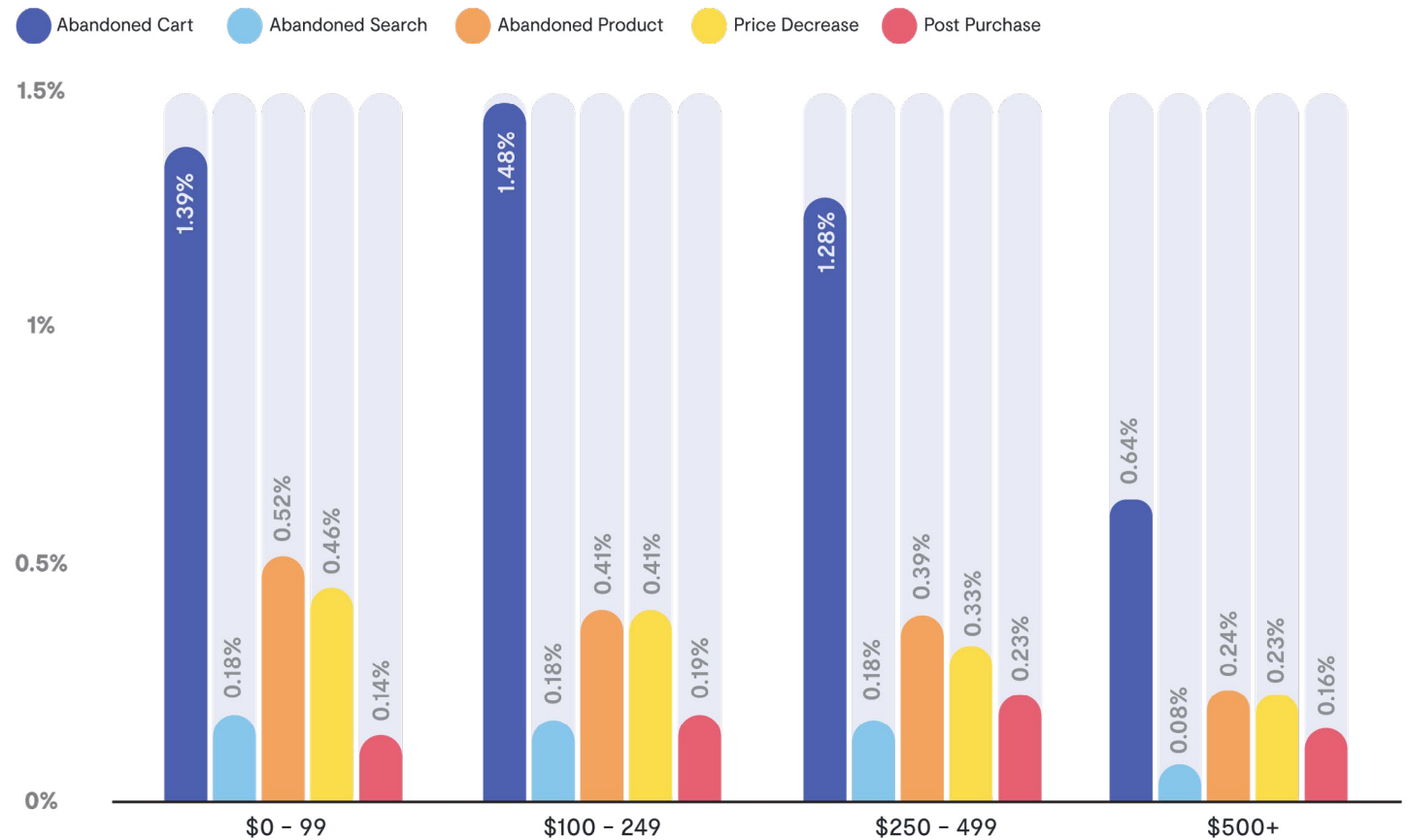
CLICK RATE FOR SELECT CAMPAIGNS BY AVERAGE ORDER VALUE



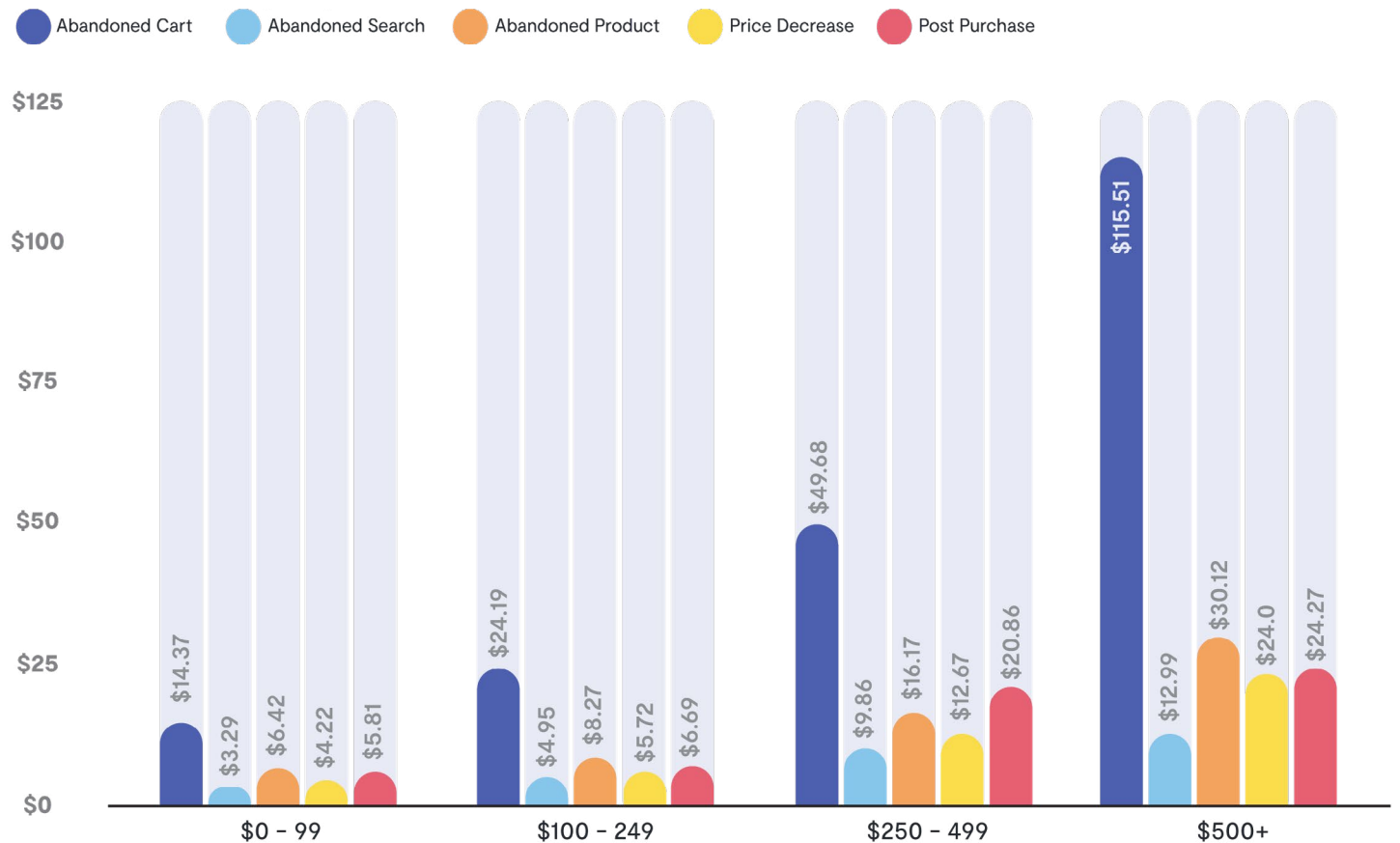
CLICK-TO-OPEN RATE FOR SELECT CAMPAIGNS BY AVERAGE ORDER VALUE



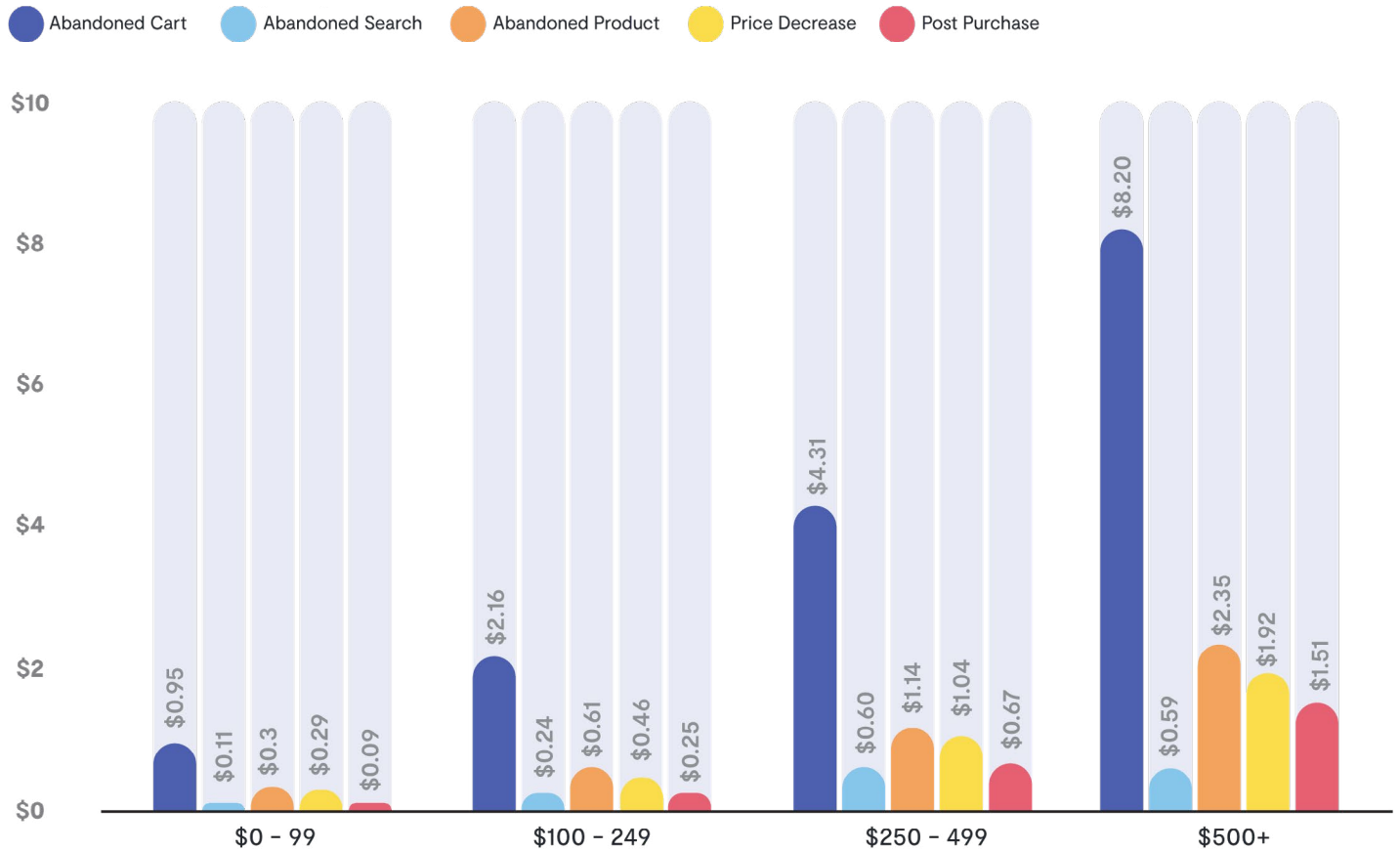
CONVERSION RATE FOR SELECT CAMPAIGNS BY AVERAGE ORDER VALUE



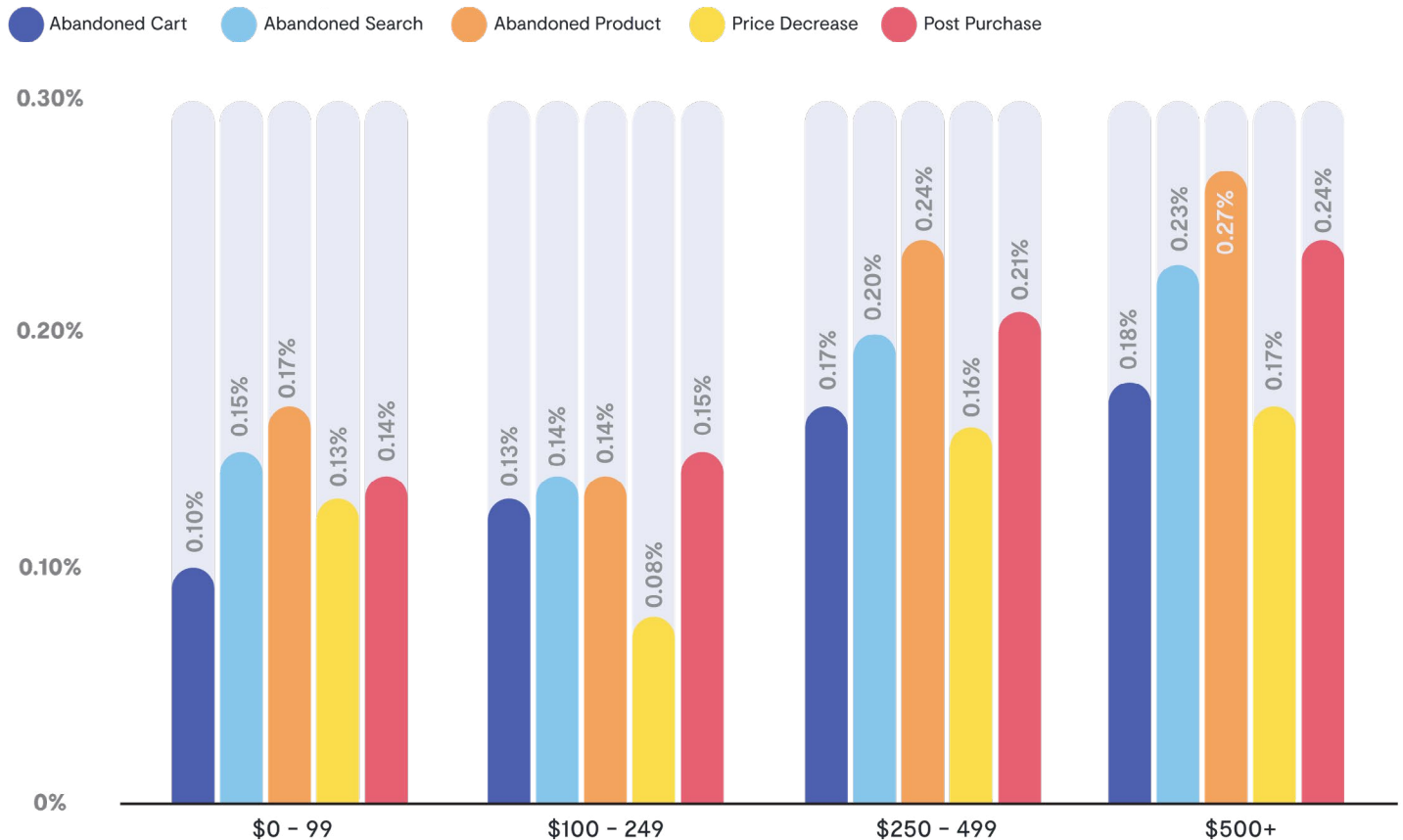
REVENUE PER CLICK FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



REVENUE PER EMAIL FOR SELECT CAMPAIGNS BY AVERAGE ORDER VALUE



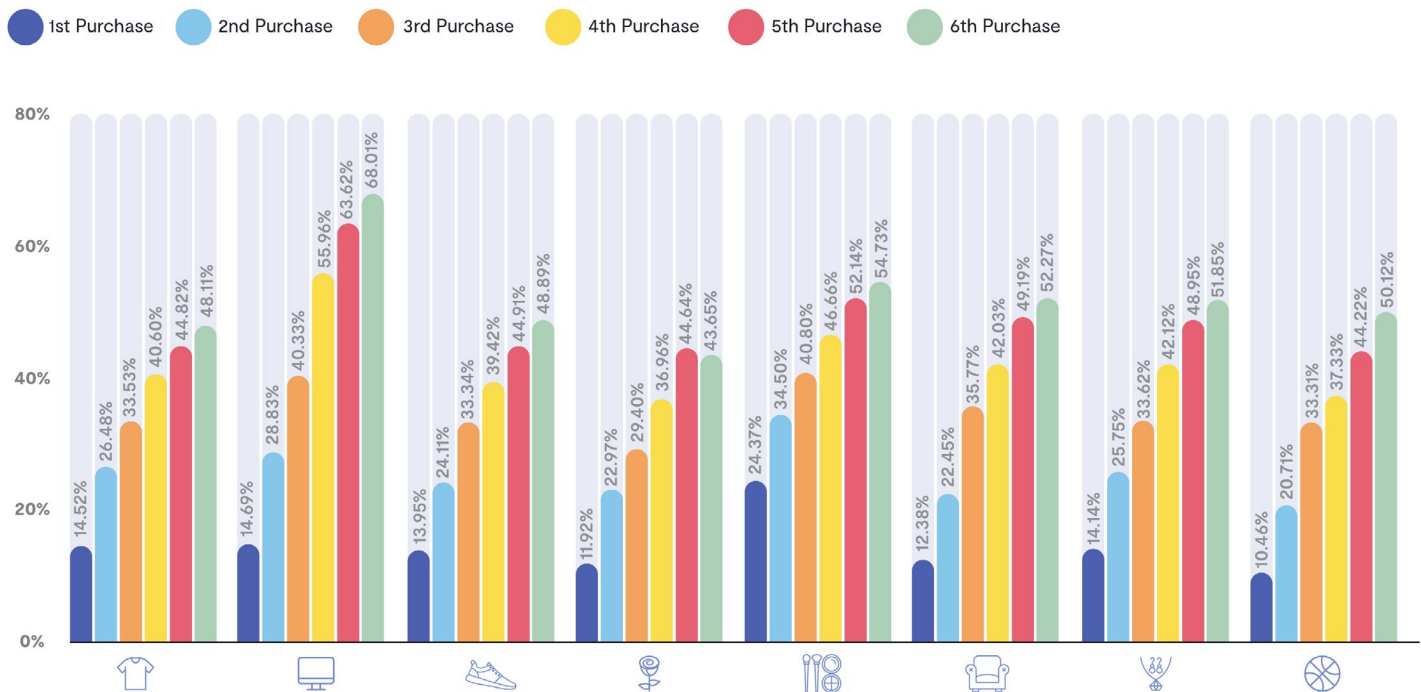
UNSUBSCRIBE RATE FOR SELECT CAMPAIGNS BY RETAIL VERTICAL



SHOPPER LIFECYCLE BENCHMARKS

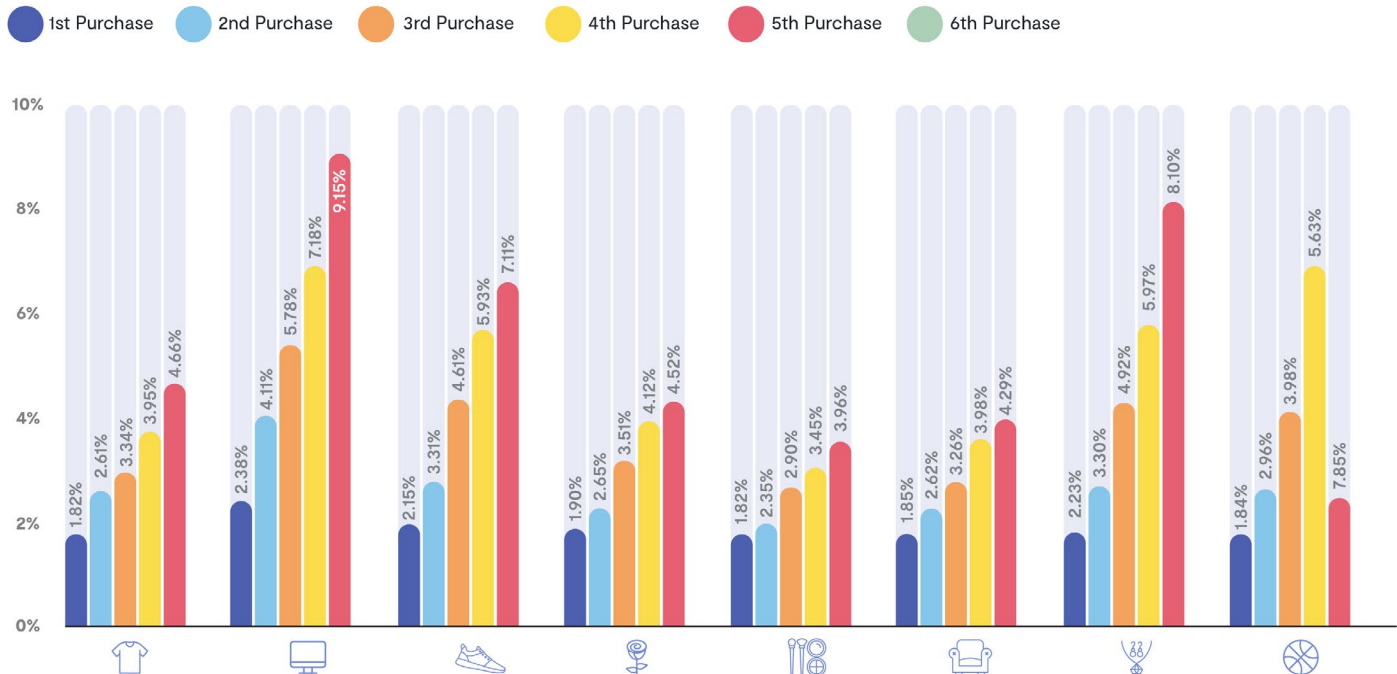
How Shoppers Engage Across Their Lifecycles

PERCENTAGE OF SHOPPERS LIKELY TO BUY AGAIN BASED ON PURCHASE HISTORY BY VERTICAL



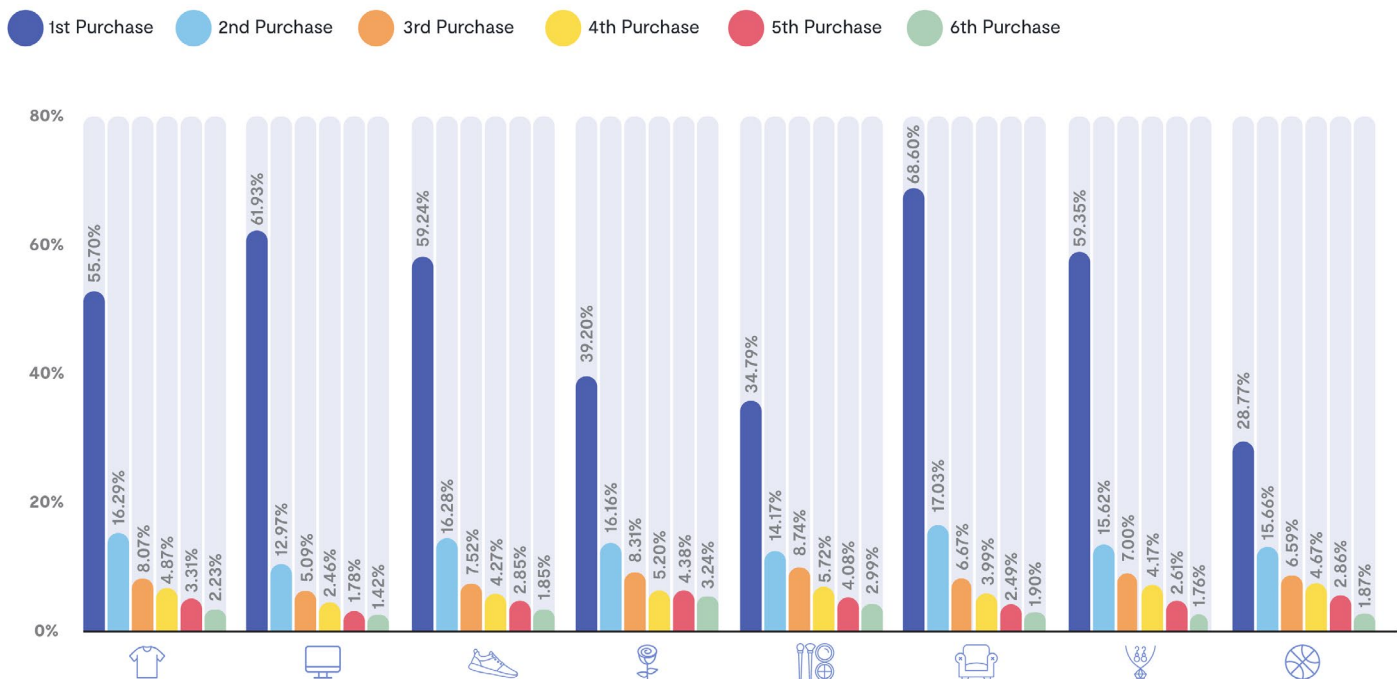
What we're seeing here is the likelihood of shoppers to come back with each new purchase. Across the board, the more a shopper buys, the more likely they are to complete a next purchase. This demonstrates the importance of cultivating loyal shoppers to drive sustained revenue. These percentages are consistent across the board, with Consumer Electronics leading the way with increased likelihood to purchase — evidence that these retailers are resolving supply chain shortages as more inventory became available.

PREDICTED CUSTOMER LIFETIME VALUE BASED ON PURCHASE HISTORY RELATIVE TO THE FIRST PURCHASE BY VERTICAL



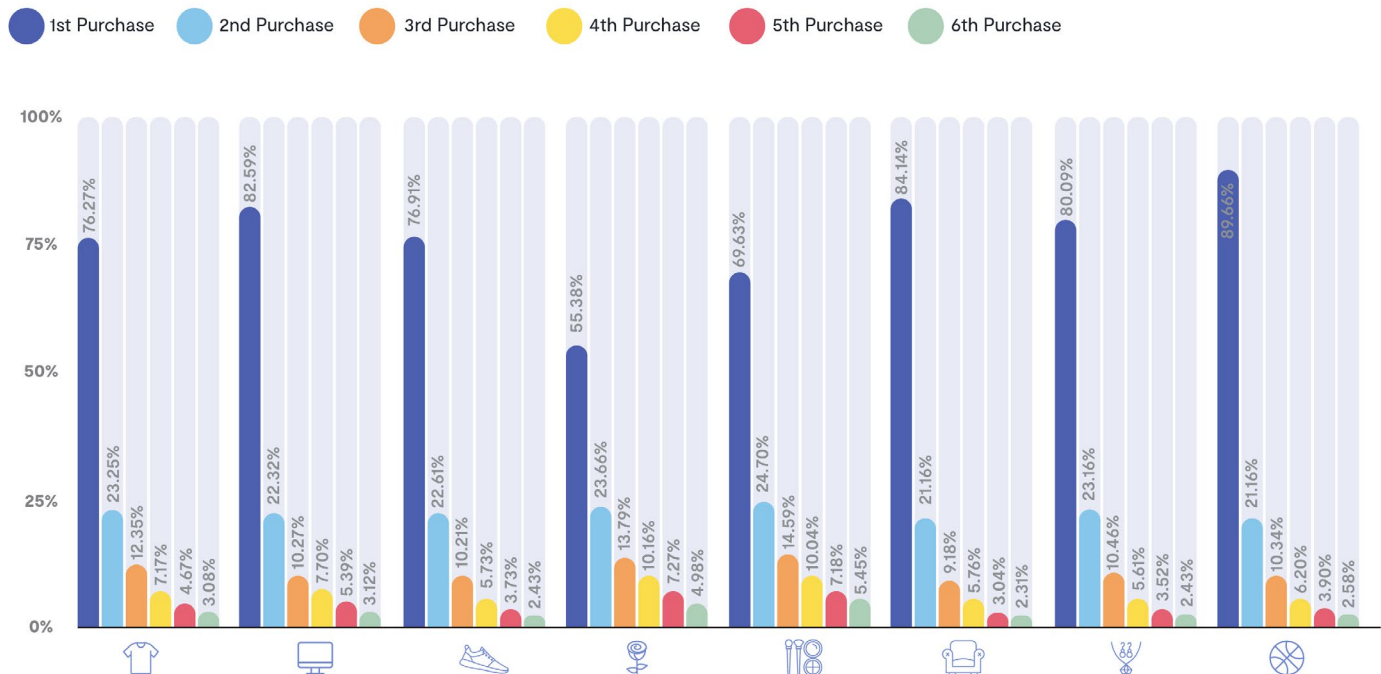
Here, we see that a shopper's Predicted Customer Lifetime Value (PCLV) steadily increases with the more purchases they complete. Loyal shoppers represent a huge opportunity for driving revenue, as this amount increases enormously as brands intensify their focus on customer retention.

PERCENTAGE OF TOTAL PURCHASES BASED ON PURCHASE HISTORY BY VERTICAL



Of all the shoppers these retail verticals had this year, the majority were First-Time Buyers for each vertical. This confirms the findings above, with Home Goods excelling at first purchases and demonstrating a high share of second purchases as well.

PERCENTAGE OF A BRAND'S TOTAL CUSTOMERS BASED ON PURCHASE HISTORY BY VERTICAL



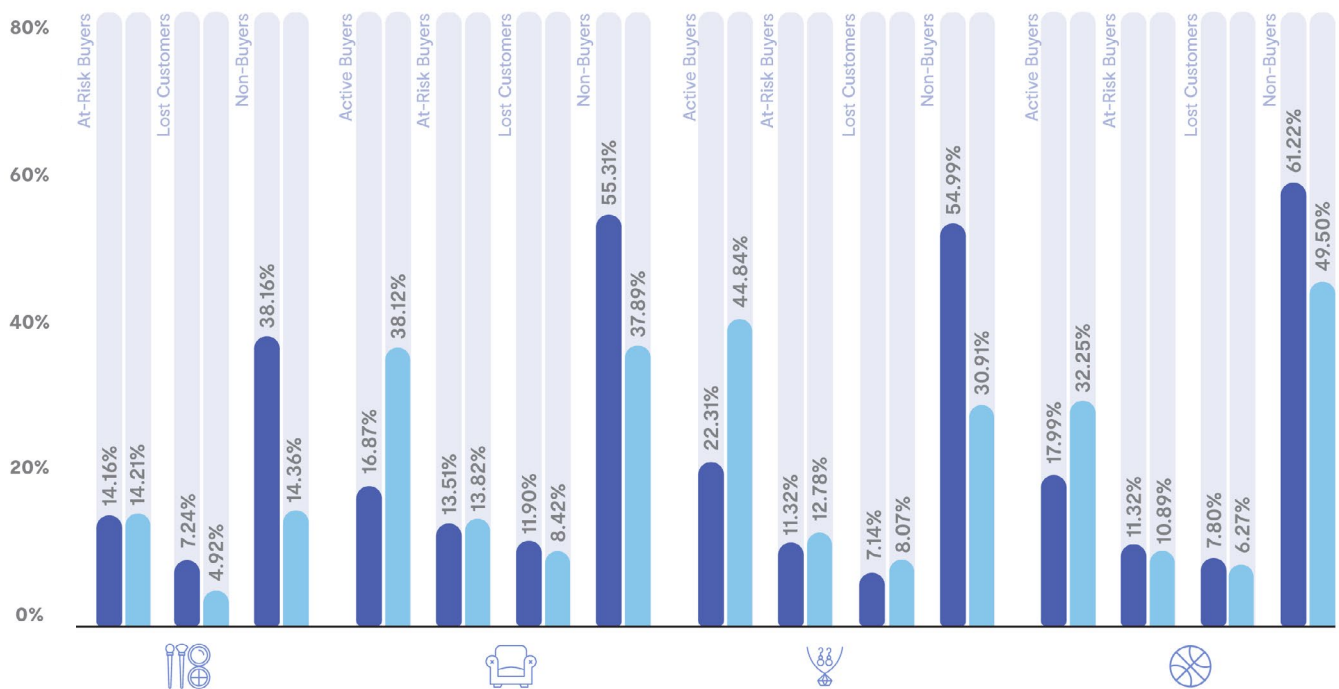
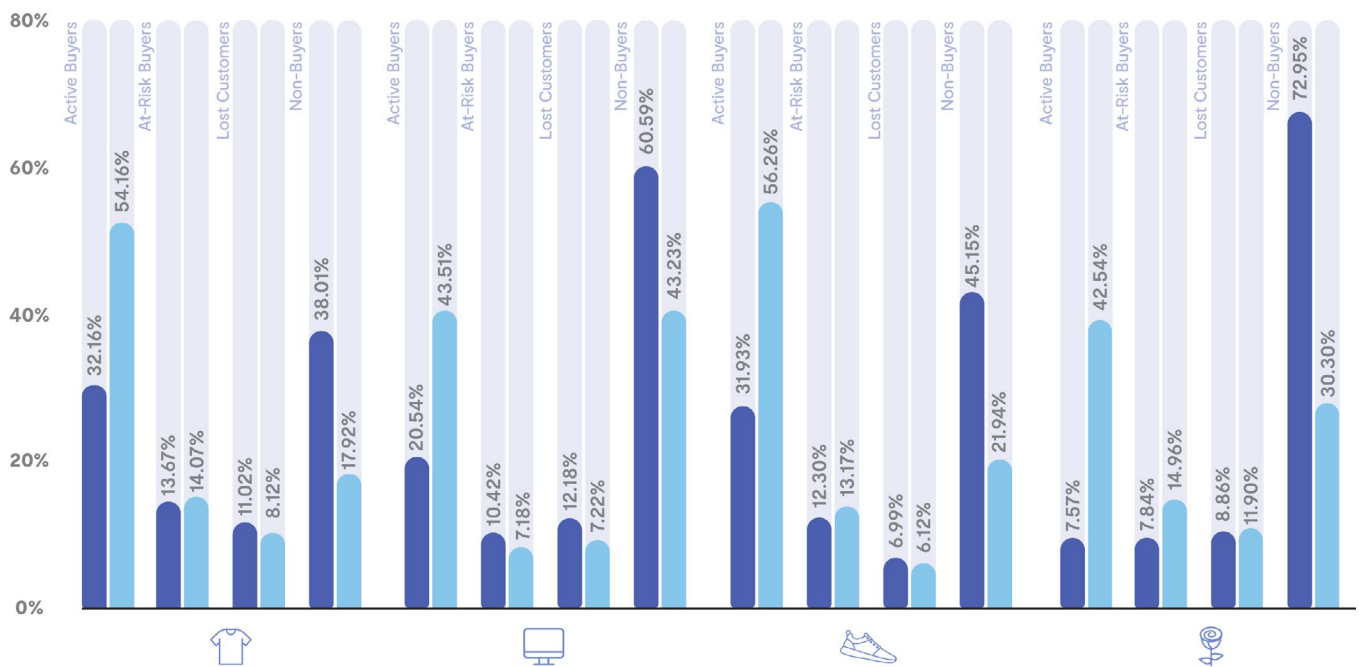
Also consistent with findings above, these percentages demonstrate that most of a retailer's shoppers are First-Time Buyers.

Health & Beauty has the most second purchases, likely due to their tendency to promote cross-category buying and replenishment.

The steep drop-off from the second to the third purchase across almost every vertical indicates a need for campaigns that continuously nurture shoppers, bring them back into the fold, and cultivate their ongoing loyalty.

PERCENTAGE OF SHOPPERS IN EACH LIFECYCLE STAGE AND THE PERCENTAGE OF PURCHASES THEY MADE BY RETAIL VERTICAL

● Average % of customers over all
 ● Average % of purchases made

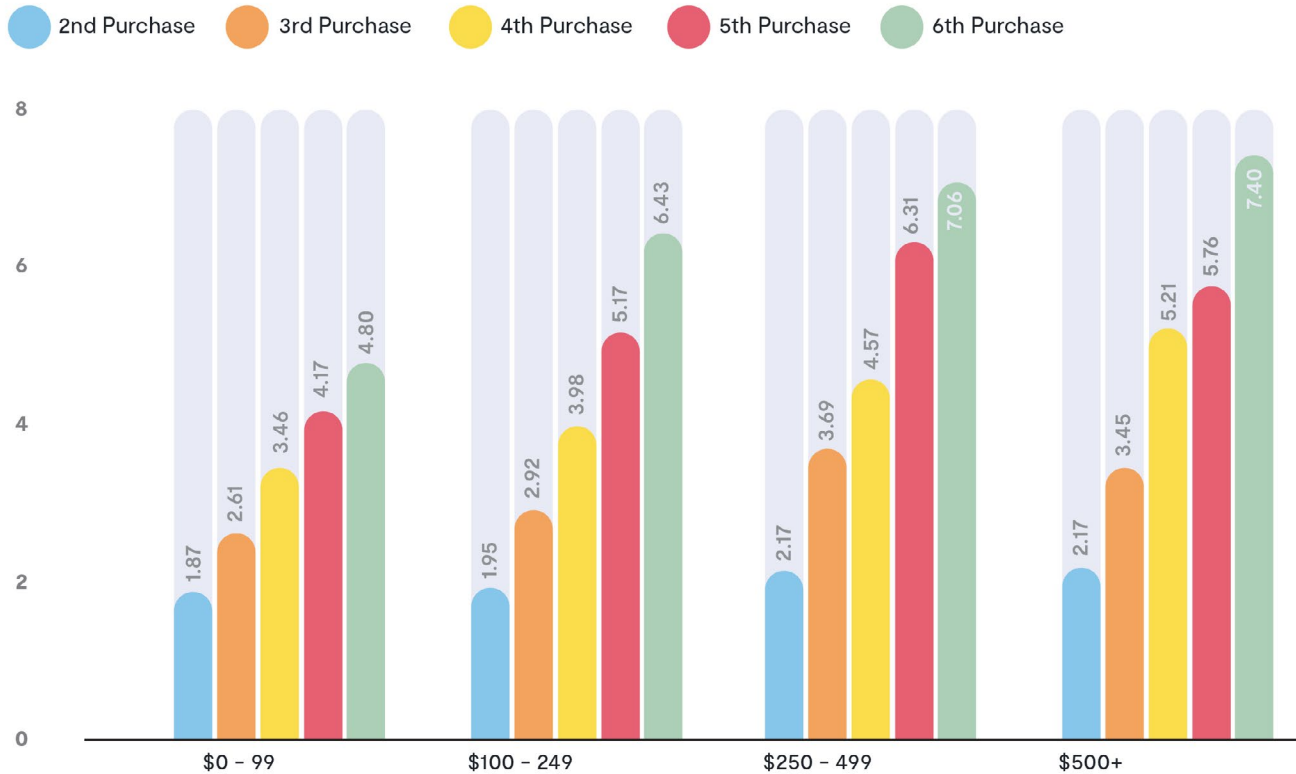


PERCENTAGE OF SHOPPERS LIKELY TO BUY AGAIN BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE

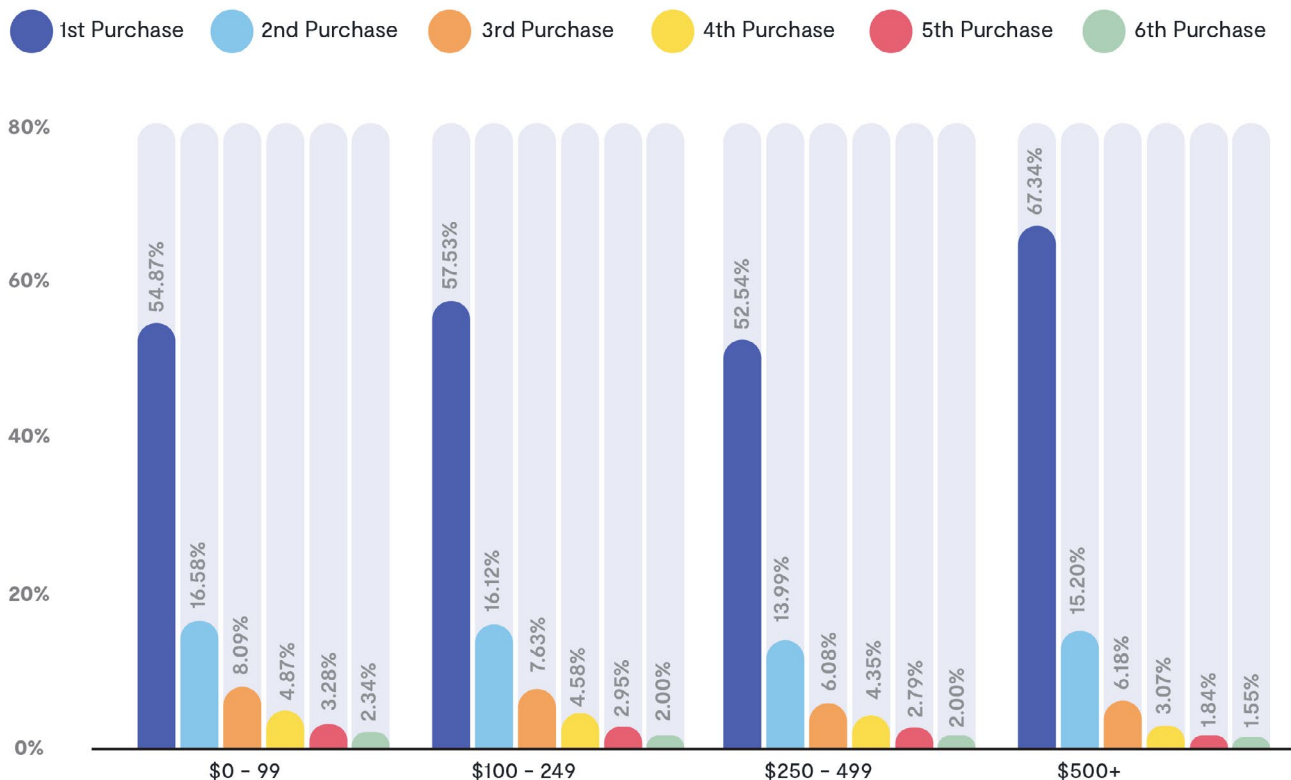


This increasing pattern in likelihood to buy again is consistent across all AOV buckets, with the slight exception of \$250-\$499, which accounts for most of the differentiation across the board. Within this range, shoppers demonstrate a sufficient intent to purchase, but a reluctance to commit to a higher cart size in the \$500+ bucket.

PREDICTED CUSTOMER LIFETIME VALUE BASED ON PURCHASE HISTORY RELATIVE TO THE FIRST PURCHASE BY AVERAGE ORDER VALUE

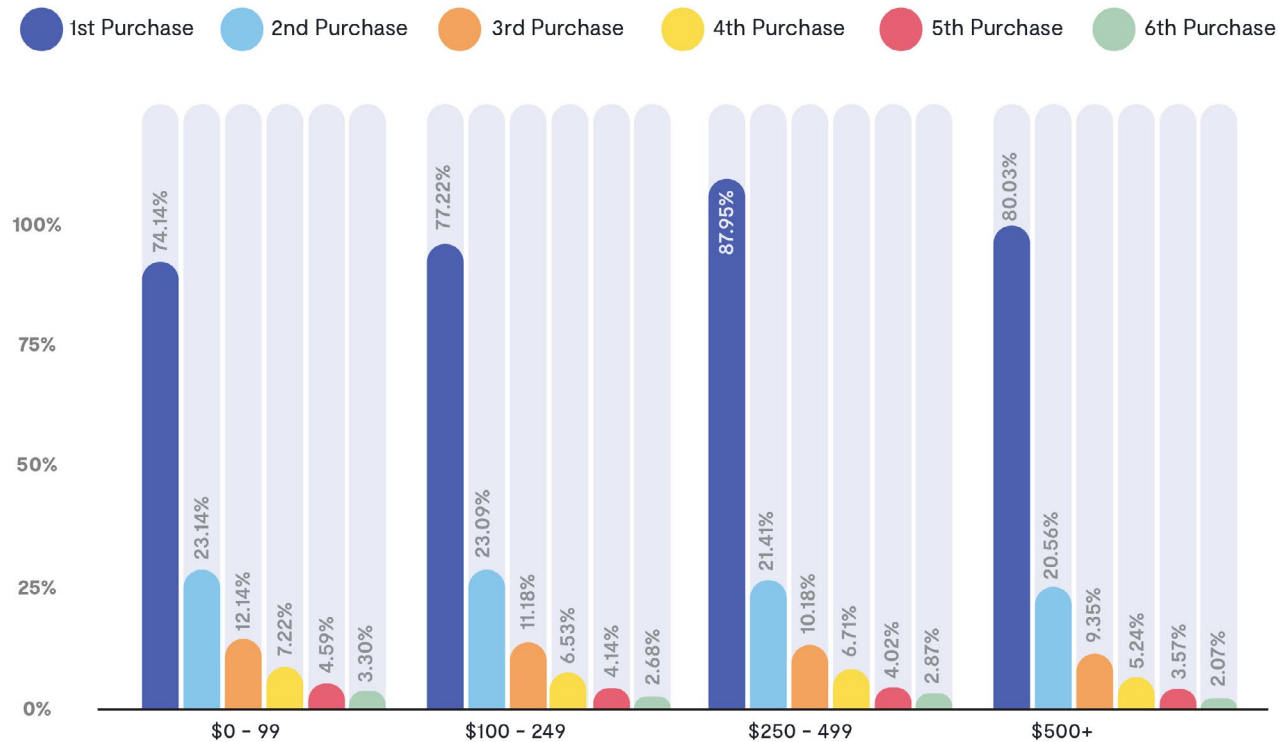


PERCENTAGE OF TOTAL PURCHASE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE

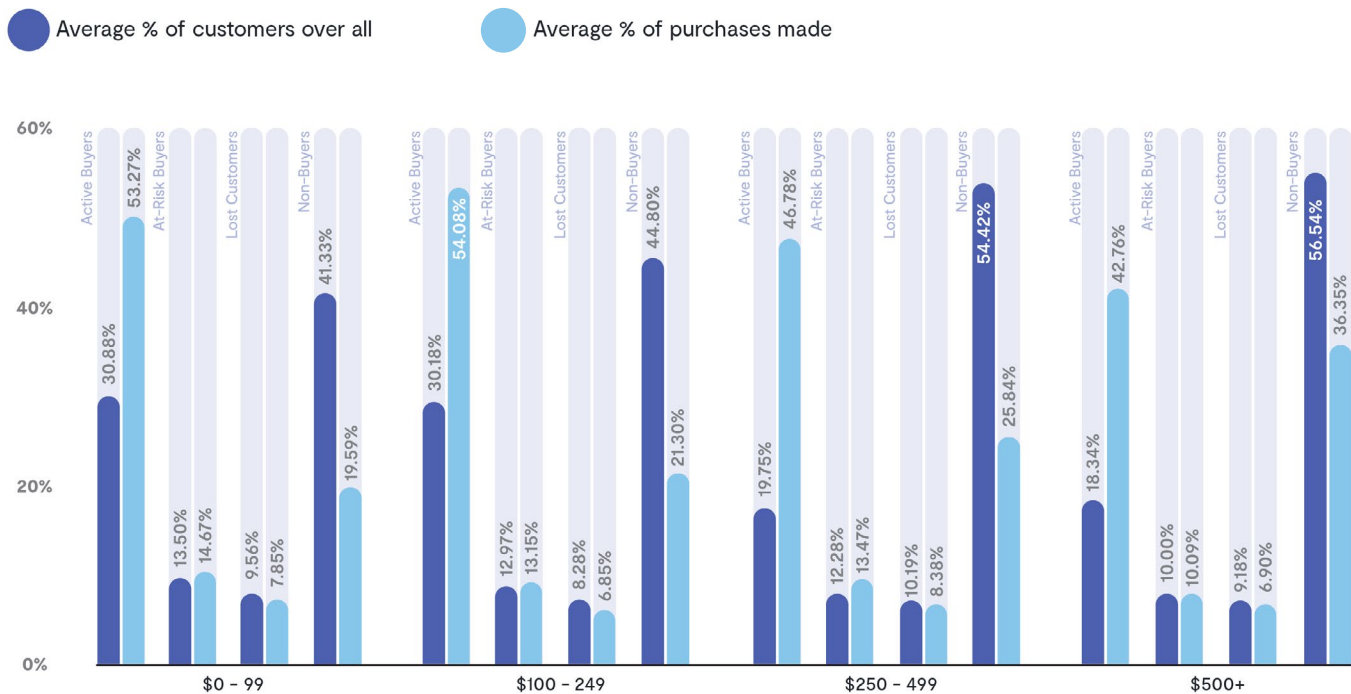


This is consistent with findings that most shoppers are First-Time Buyers, with a steep dropoff after the first purchase.

PERCENTAGE OF A BRAND'S TOTAL CUSTOMERS BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE



PERCENTAGE OF SHOPPERS IN EACH LIFECYCLE STAGE AND THE PERCENTAGE OF PURCHASES THEY MADE BY AVERAGE ORDER VALUE



Across lifecycle stages, we see that At-Risk and Non Buyers are actually quite engaged and make up a formidable percentage of purchases. There is a massive opportunity to turn those At-Risk Buyers into Active Buyers to increase the likelihood of a new purchase and increase PCLV.

How Purchase History Impacts Performance

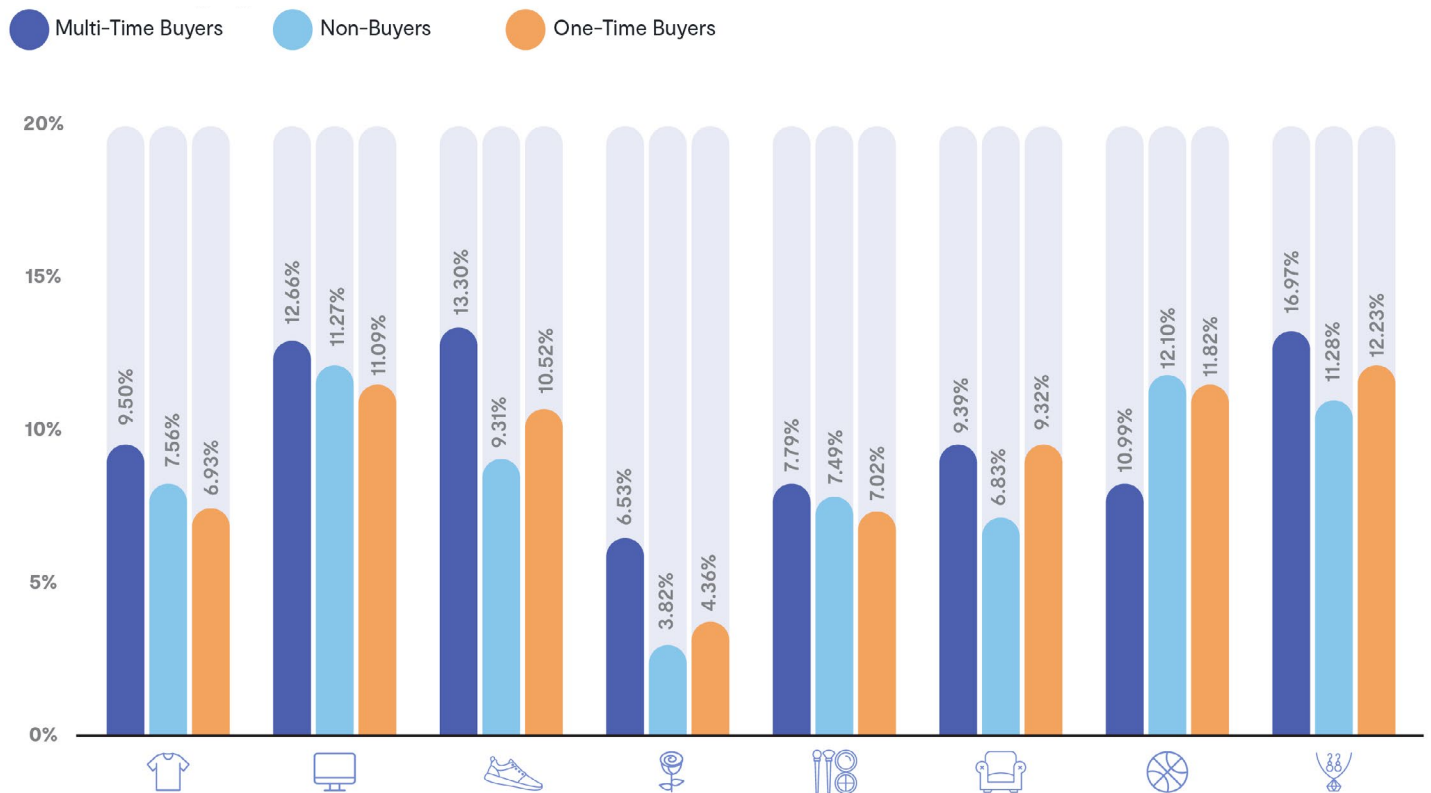
Every retailer needs to understand the distribution of their customer base according to purchase history. This type of analysis is particularly important because purchase history correlates to lifetime value and loyalty. Specifically, the more times customers buy from a retailer, the more likely they are to buy again, leading to increased lifetime value and loyalty.

Net-new shoppers drive immediate revenue; however, because these shoppers only buy

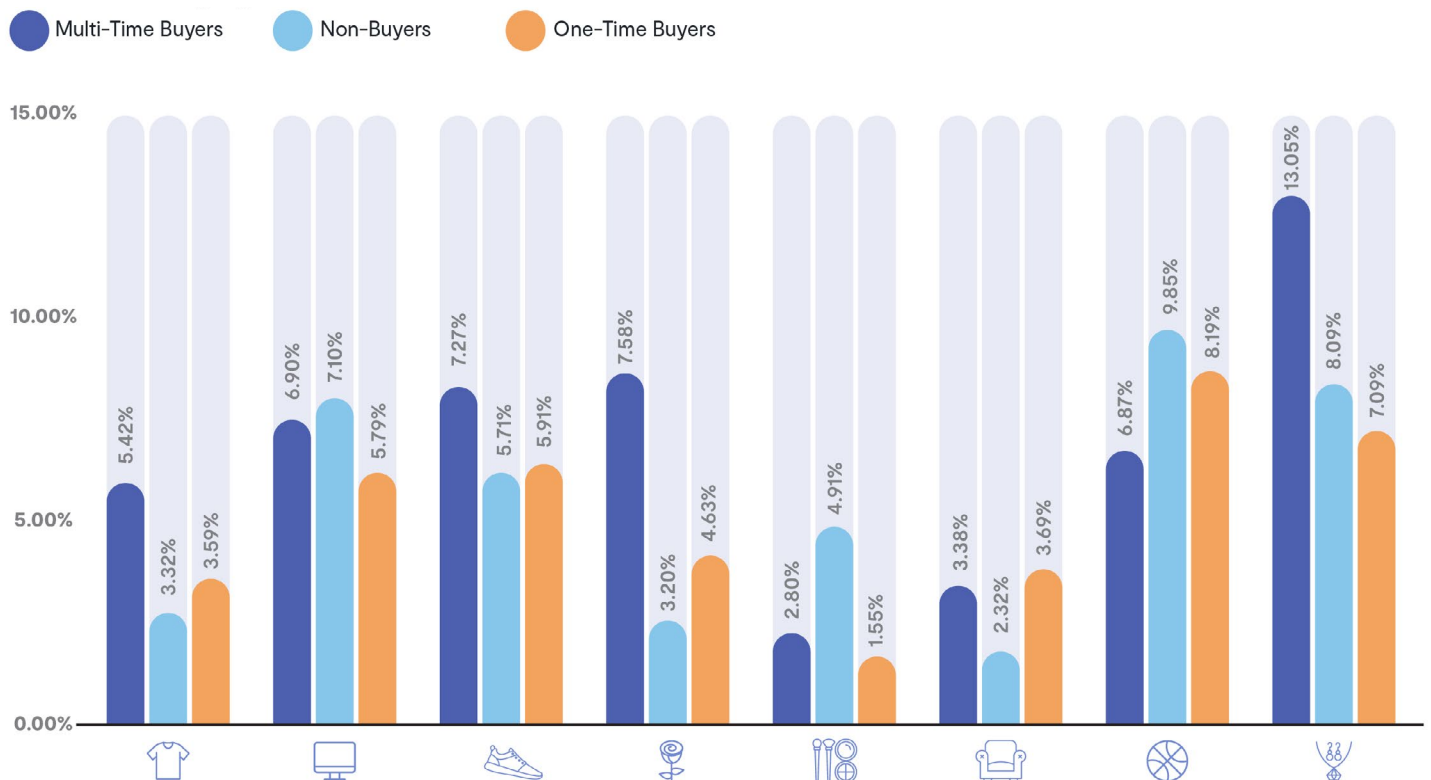
once, the overall payoff is detrimental and affects long-term LTV and profitability. The cost to acquire a shopper begins to overshadow the initial revenue.

Retailers must evaluate how purchase history impacts performance. But true shopper-first metrics don't just rely on past purchase data alone — they look beyond who the shopper has been to take into account who the shopper is going to be in the future, as you'll see below.

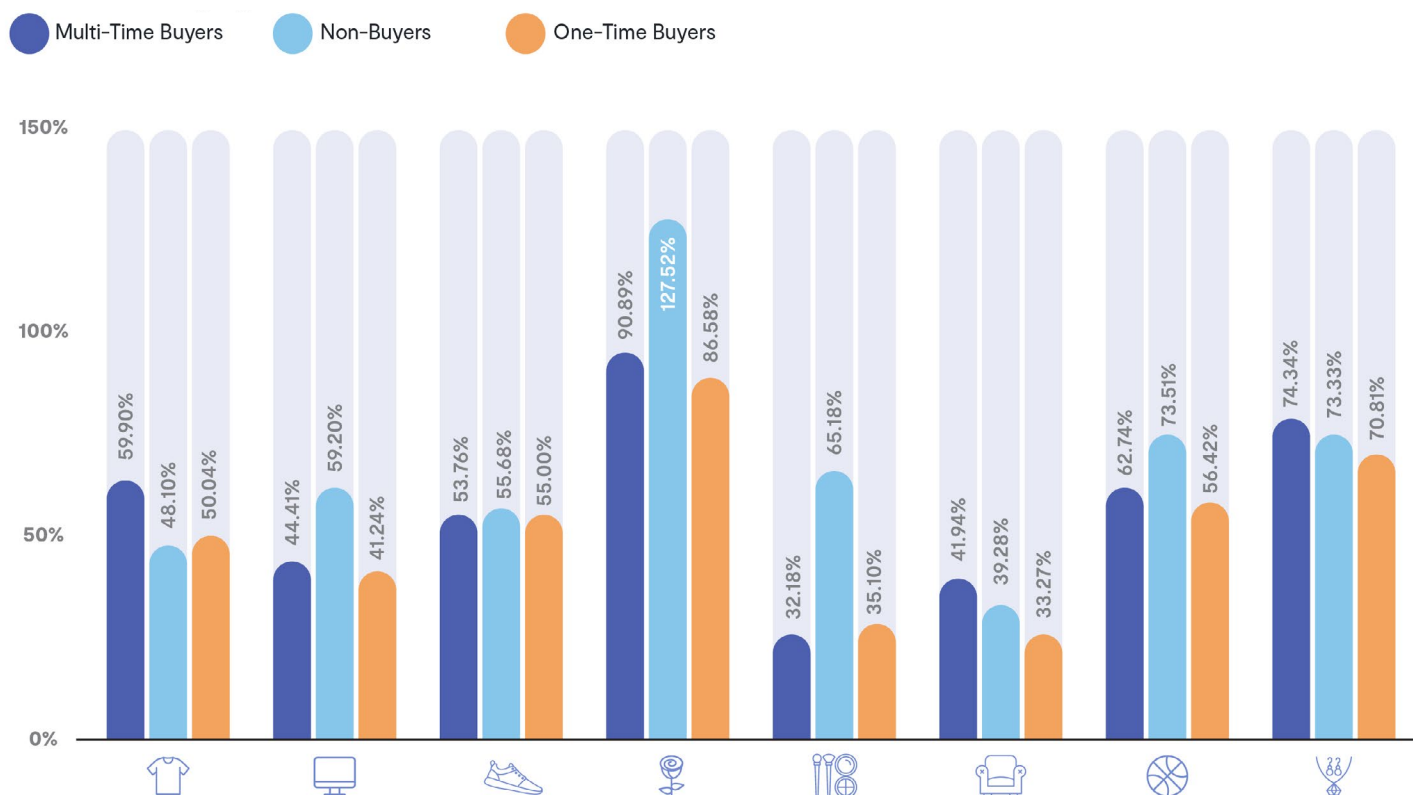
OPEN RATE BASED ON PURCHASE HISTORY BY RETAIL VERTICAL



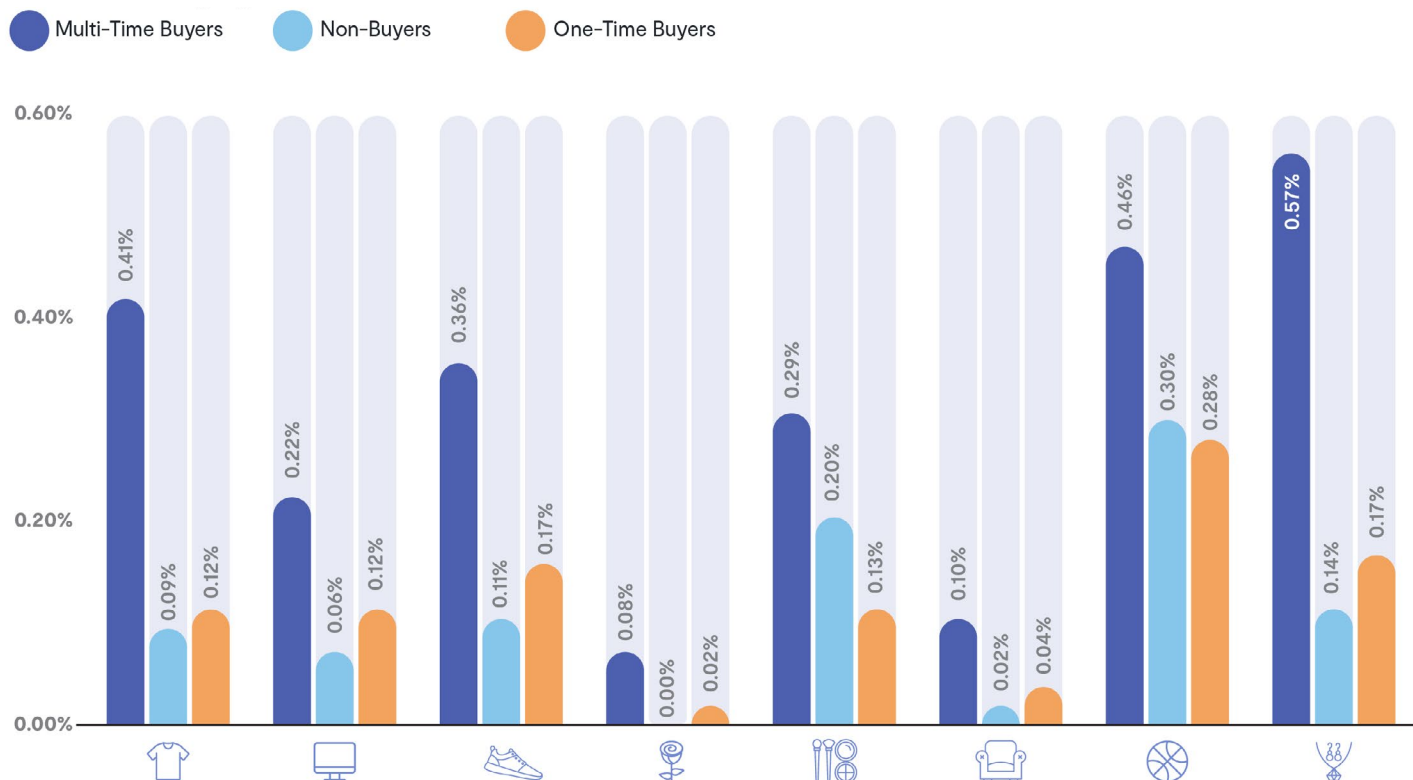
CLICK RATE BASED ON PURCHASE HISTORY BY RETAIL VERTICAL



CLICK-TO-OPEN RATE BASED ON PURCHASE HISTORY BY RETAIL VERTICAL

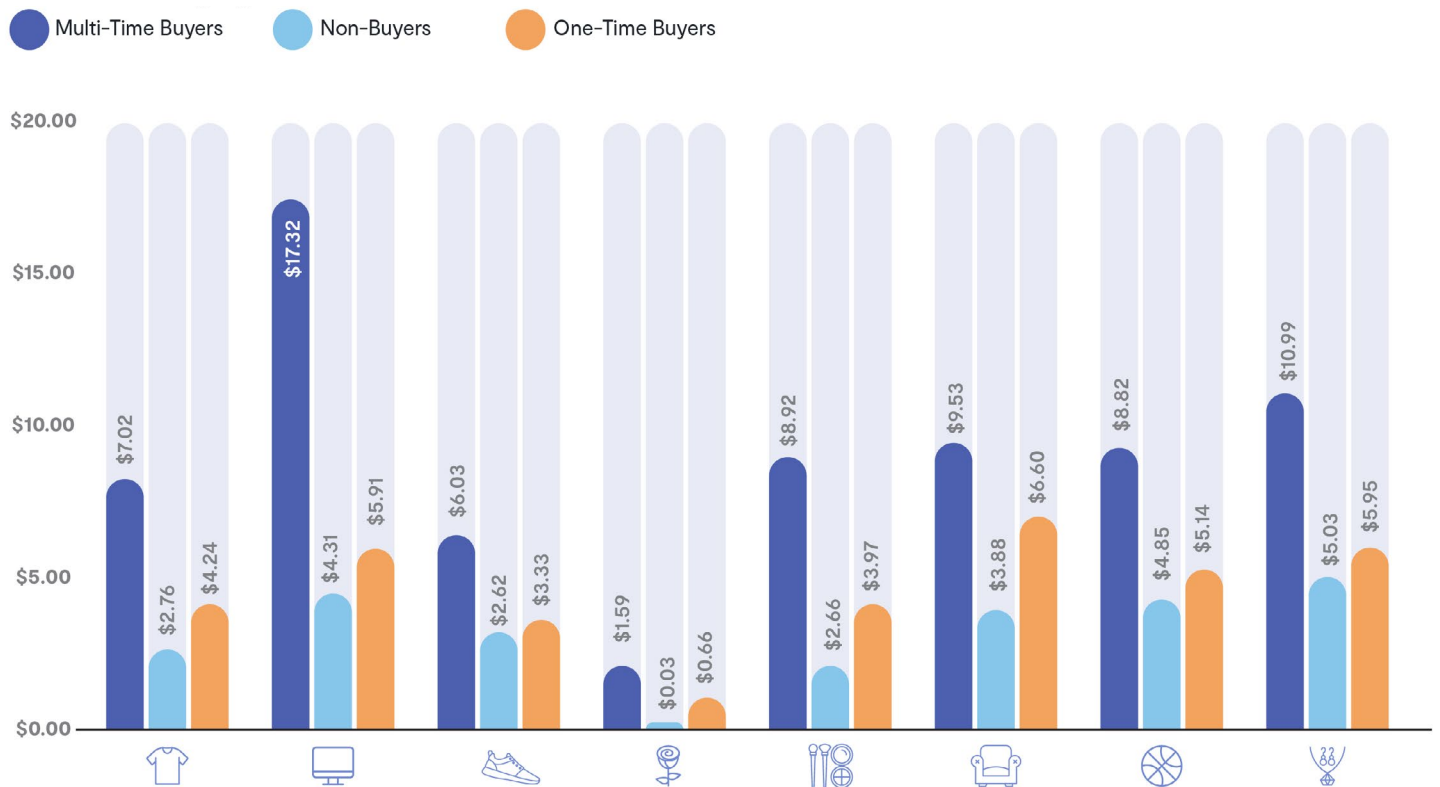


CONVERSION RATE BASED ON PURCHASE HISTORY BY RETAIL VERTICAL

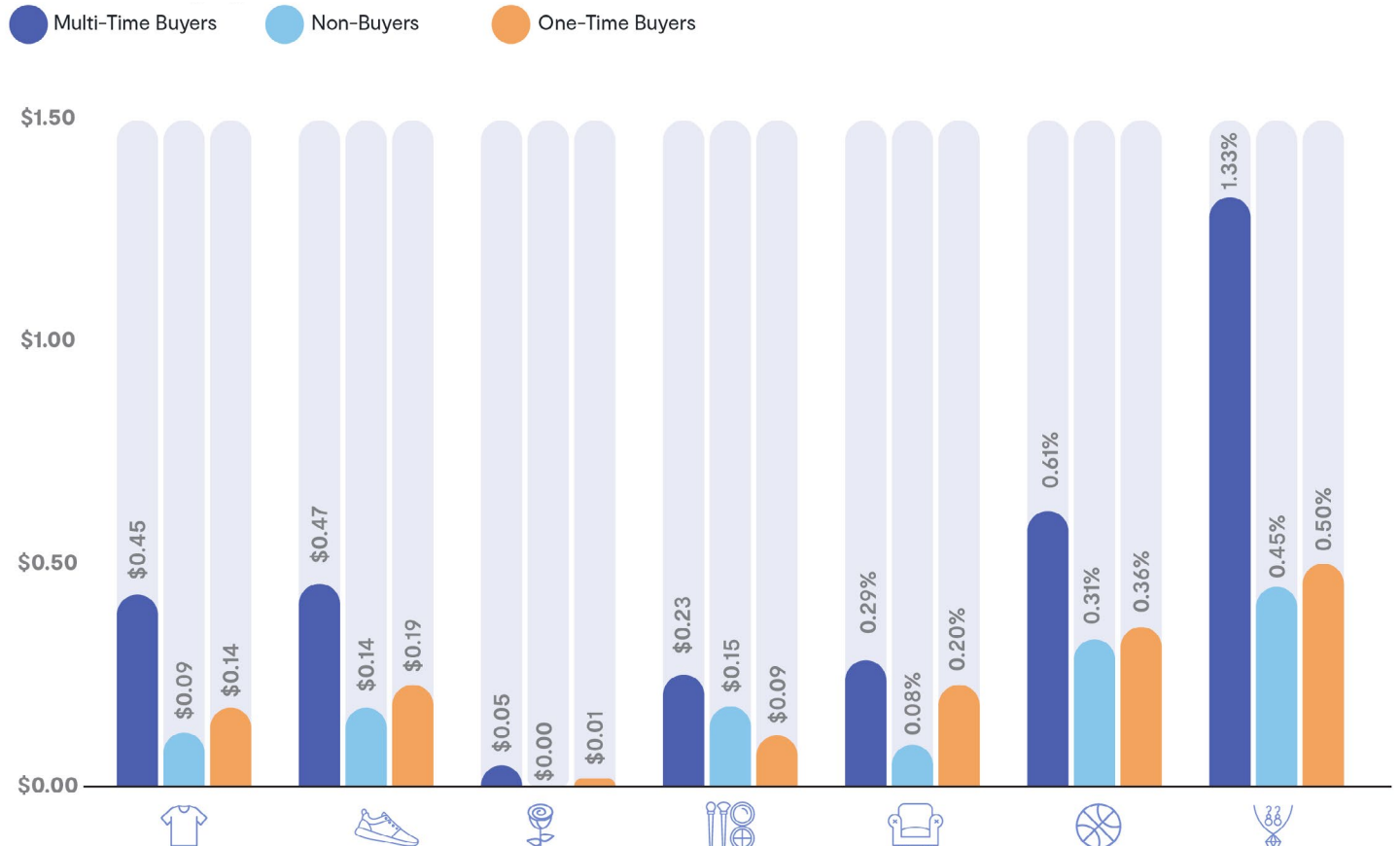


The value of multi-time buyers cannot be underestimated. Although they make up a smaller subset of total purchases, they convert at higher rates than other shoppers. Thus, focusing on increasing repeat purchases is an important opportunity to capture more predictable, long-term revenue.

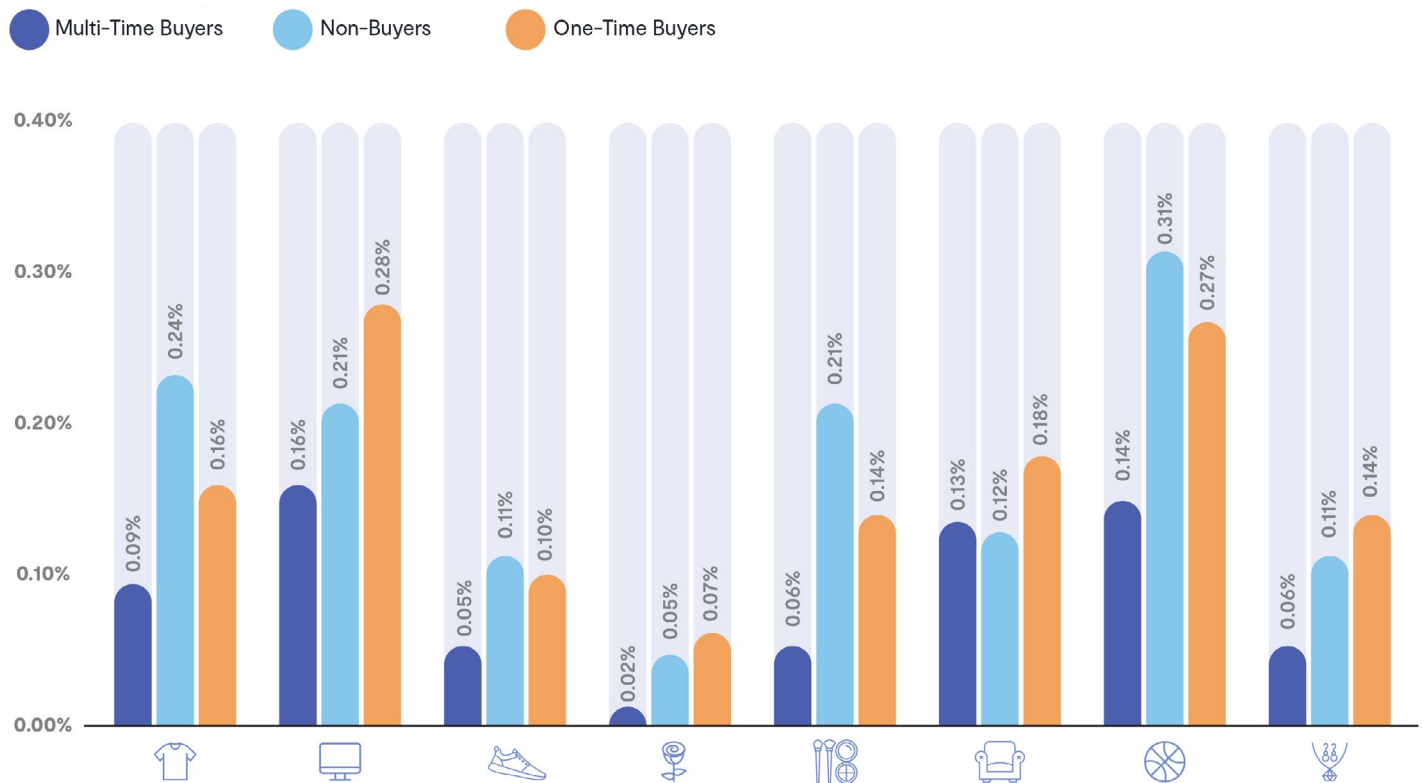
REVENUE PER CLICK BASED ON PURCHASE HISTORY BY RETAIL VERTICAL



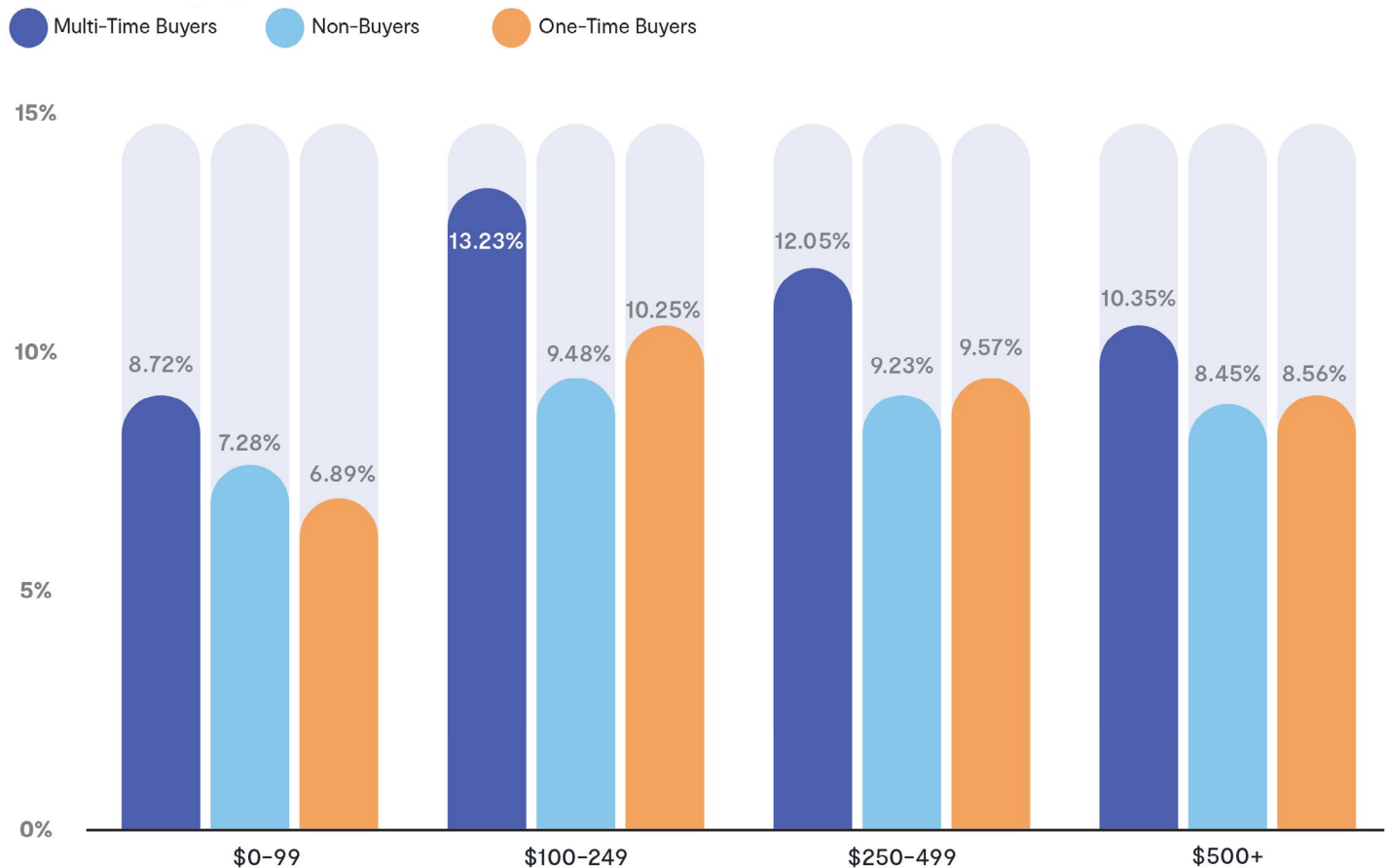
REVENUE PER EMAIL BASED ON PURCHASE HISTORY BY RETAIL VERTICAL



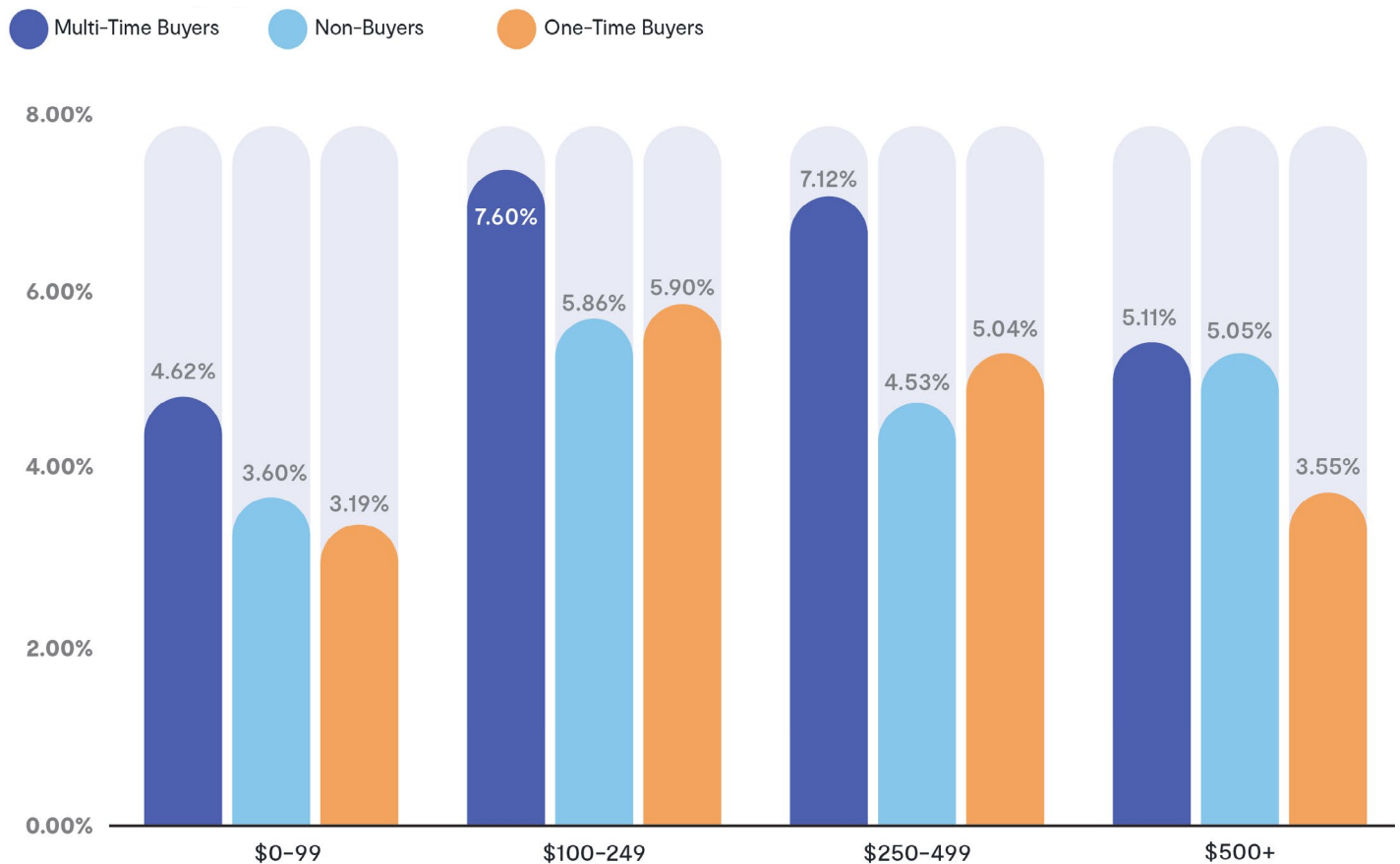
UNSUBSCRIBE RATE BASED ON PURCHASE HISTORY BY RETAIL VERTICAL



OPEN RATE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE



CLICK RATE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE

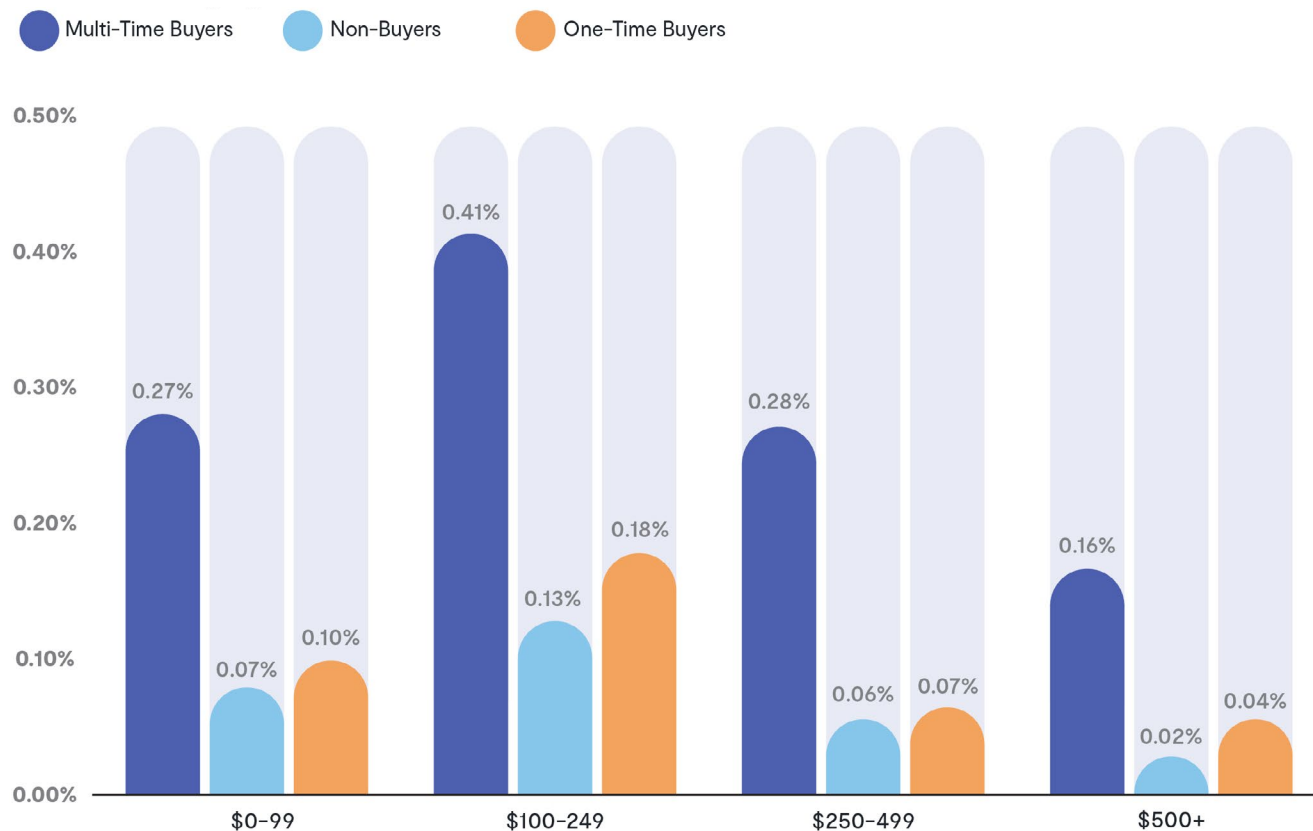


While Multi-Time Buyers are generally more engaged, there is also an opportunity to engage Non Buyers and One-Time Buyers, who are close behind in engagement.

CLICK-TO-OPEN RATE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE

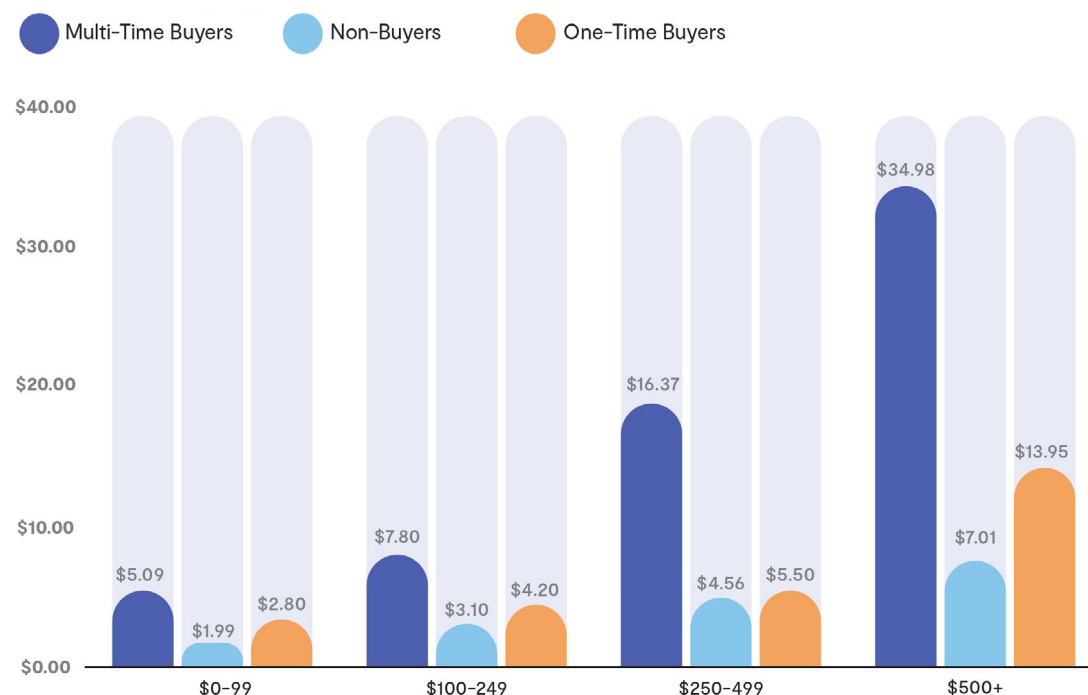


CONVERSION RATE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE

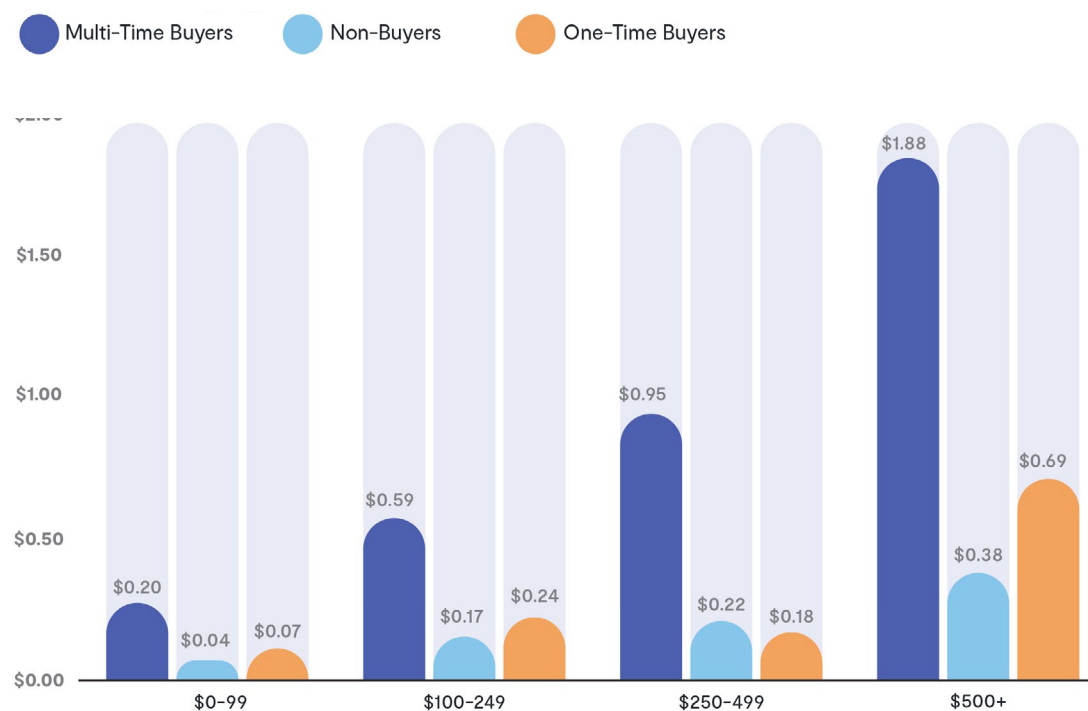


This demonstrates the value of repeat purchasers and reinforces the opportunity to consistently engage shoppers across buyer types.

REVENUE PER CLICK BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE



REVENUE PER EMAIL BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE



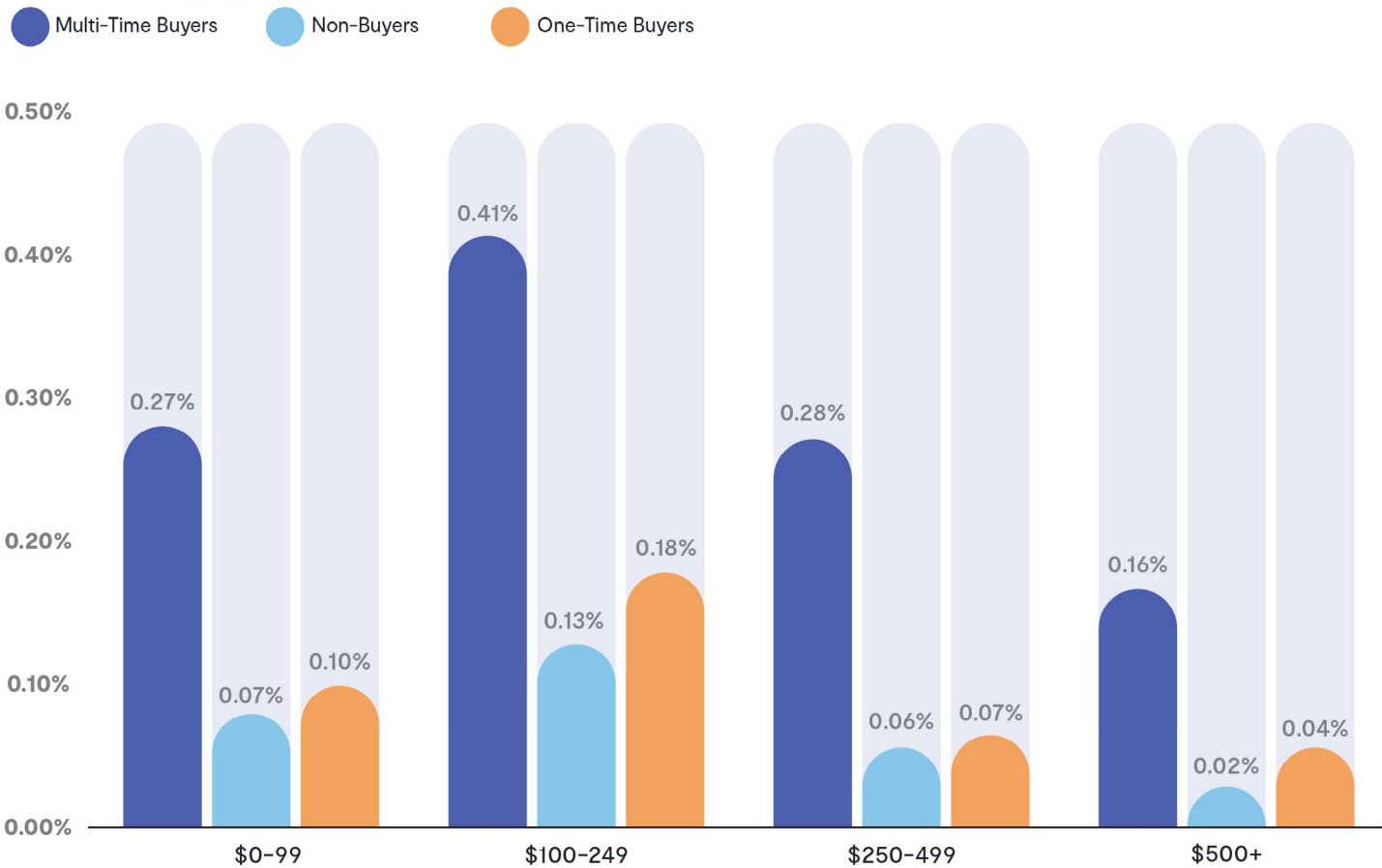
Revenue per email and revenue per click increase as average order value increases.

This is an expected trend, however it's important for brands with a higher average order value to take note of this, since it means that looking at metrics like revenue per email and revenue per click alone may not be the best way to understand overall email

performance compared to other benchmarks.

Rather, this data is most useful for comparing email performance within the same program (and for similarly priced products) over time, since any increase in revenue per email or revenue per click in that measure will indicate positive program growth.

UNSUBSCRIBE RATE BASED ON PURCHASE HISTORY BY AVERAGE ORDER VALUE



How Lifecycle Stage Impacts Performance

Each shopper’s lifecycle stage differs based on their unique buying cadence. Understanding each lifecycle stage allows retailers to add value for customers based on unique needs at certain points in time. For example, this type of breakdown allows retailers to save at-risk customers with “come back” messaging and offers. It also helps retailers time product recommendations strategically to keep active buyers in their normal buying cycle.

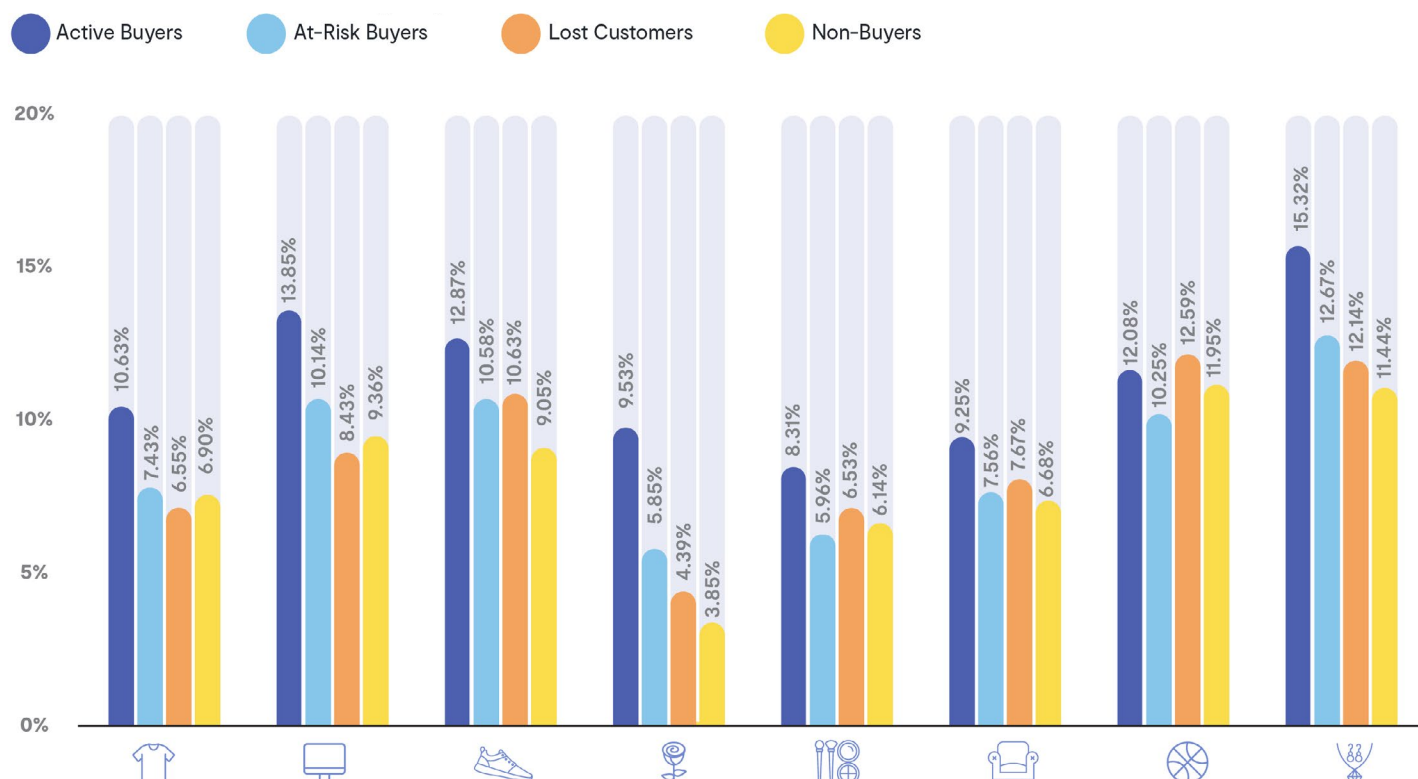
Critically, it’s important to use a predictive lifecycle model to capture each customer’s unique buying cadence rather than using static benchmarks that won’t apply to everyone. For example, if one customer regularly purchases every 30 days and another customer regularly purchases every 90 days, a static benchmark for becoming at-risk after no purchases in 45 days wouldn’t apply evenly.

LIFECYCLE STAGES

Each shopper’s buying cadence is unique — one customer might purchase every three weeks, while another customer may purchase every six months. Therefore, lifecycle stage calculation represents that unique cycle, so customers can enter each of these stages at varying time periods.

Active Buyer	Active Buyers are customers who have made a purchase within their typical buying cycle.
At-Risk Buyer	At-Risk Buyers are customers who have deviated from their typical buying cycle and are at risk of never purchasing from your site again.
Lost Customer	Lost Customers are customers who have a high probability of never purchasing from your site again; they have exceeded the threshold of their typical buying cycle.
Non-Buyer	Non Buyers are customers who have not made a purchase on your site yet.

OPEN RATE BASED ON LIFECYCLE STAGE BY VERTICAL

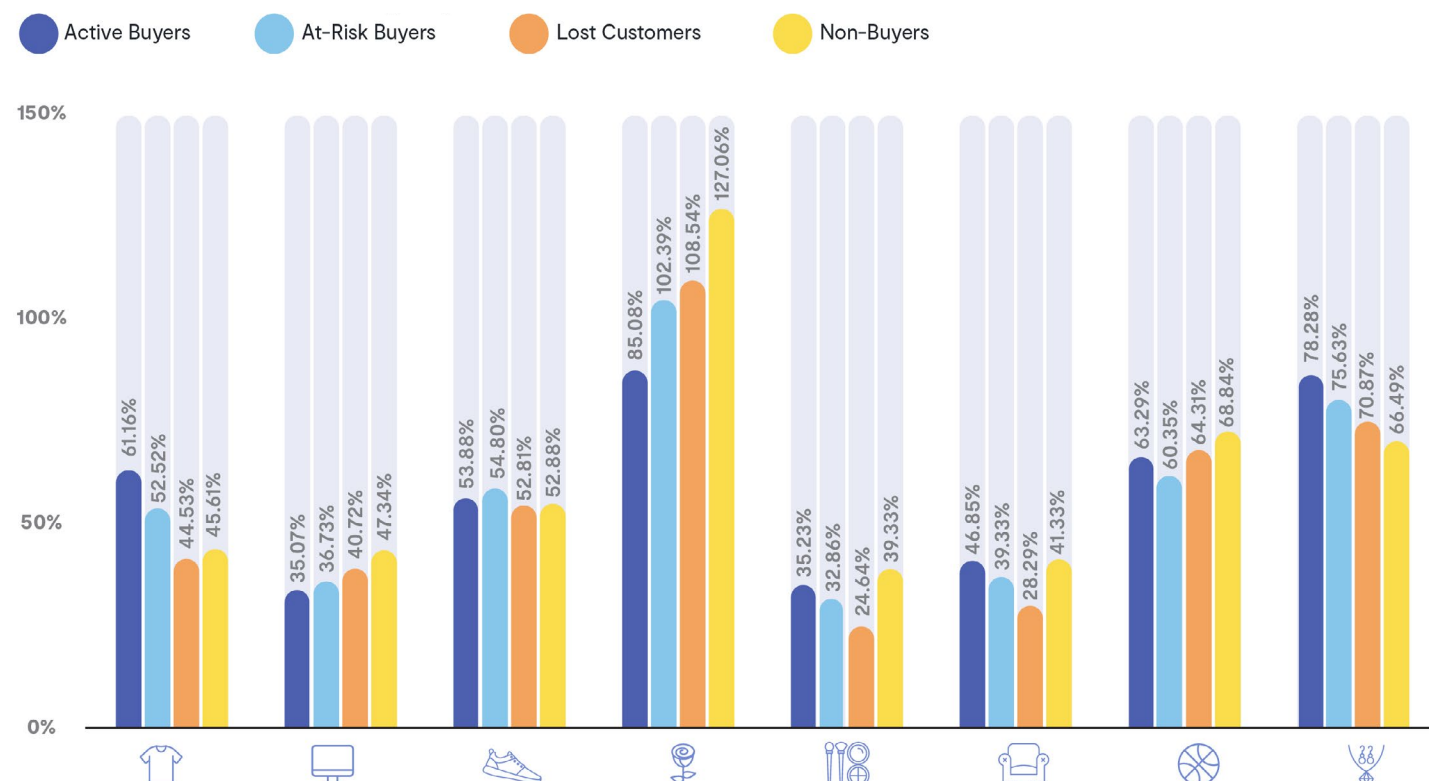


CLICK RATE BASED ON LIFECYCLE STAGE BY RETAIL VERTICAL



Lost Customers are engaging, and there's high Non Buyer engagement here as well. Of all the retail verticals, Sporting Goods & Outdoor has a consistently high click rate. They might be doing some extra browsing and taking a while to make a purchase.

CLICK-TO-OPEN RATE BASED ON LIFECYCLE STAGE BY VERTICAL

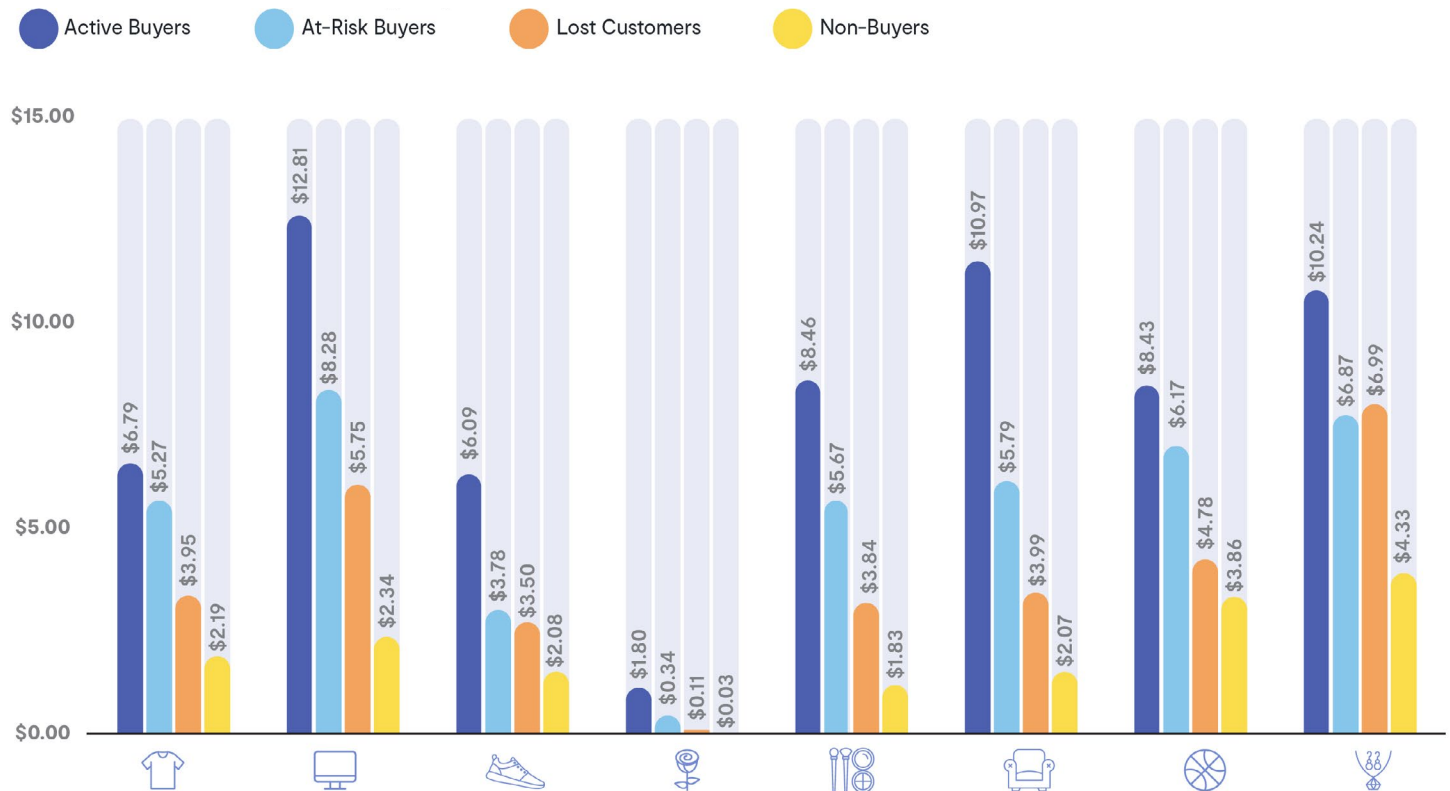


CONVERSION RATE BASED ON LIFECYCLE STAGE BY RETAIL VERTICAL

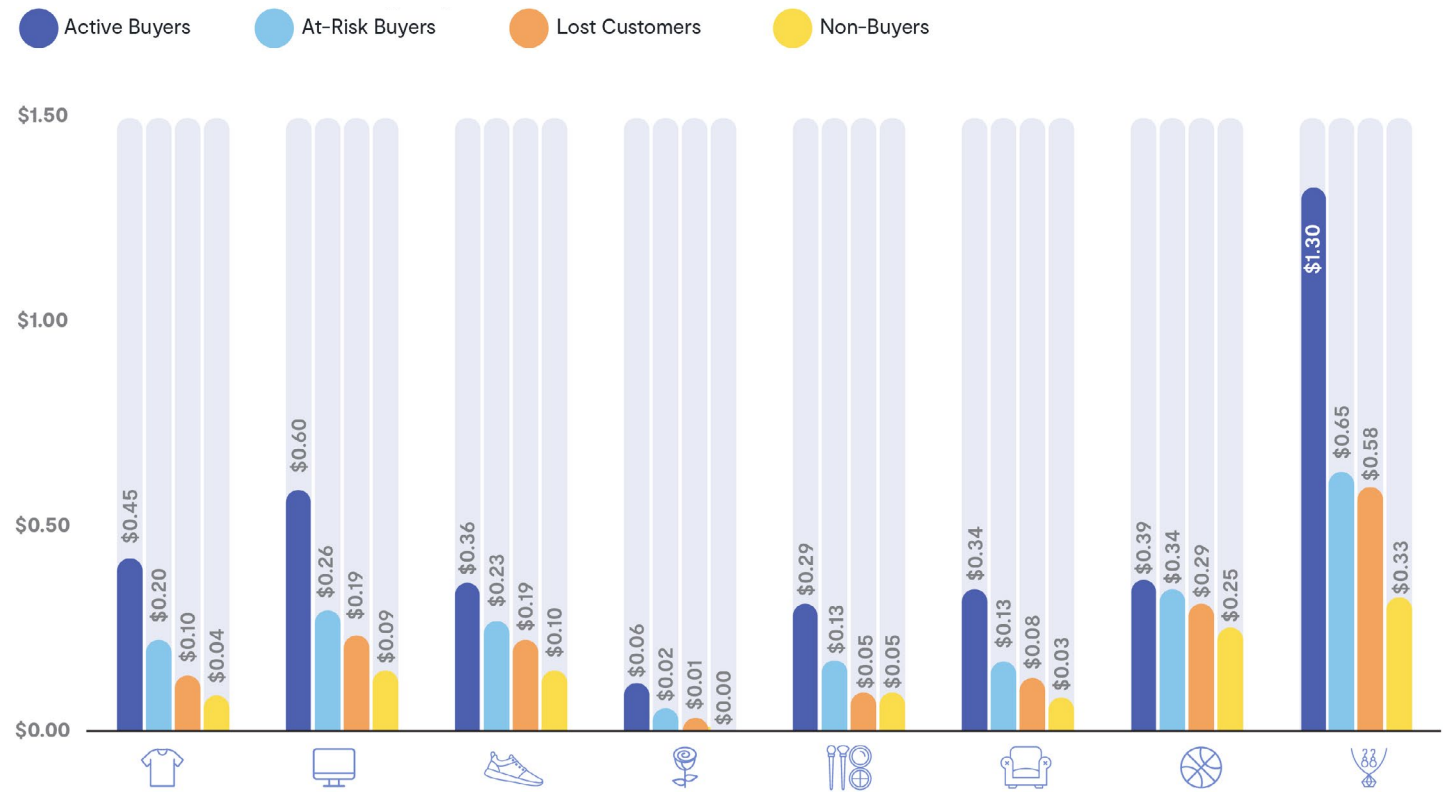


There is a high Conversion Rate for Lost Buyers, At-Risk Buyers and Non Buyers for Sporting Goods & Outdoor. This could be because COVID has made people want to be back outdoors — they're looking for more of those items than they had previously. We're also in a remote-first culture, and shoppers may have more time available to spend outdoors because of the lack of commute.

REVENUE PER CLICK BASED ON LIFECYCLE STAGE BY VERTICAL



REVENUE PER EMAIL BASED ON LIFECYCLE STAGE BY RETAIL VERTICAL



UNSUBSCRIBE RATE BASED ON LIFECYCLE STAGE BY RETAIL VERTICAL



Active Buyers are unsubscribing at a higher rate than shoppers at other lifecycle stages. This may be because they aren't getting continuous communications that speak to their unique preferences and in-the-moment needs from a brand and decide to disengage. This also makes sense given the higher number of First-Time Buyers and unsubscribes for Welcome emails like we saw earlier — shoppers buy, engage and then ghost.

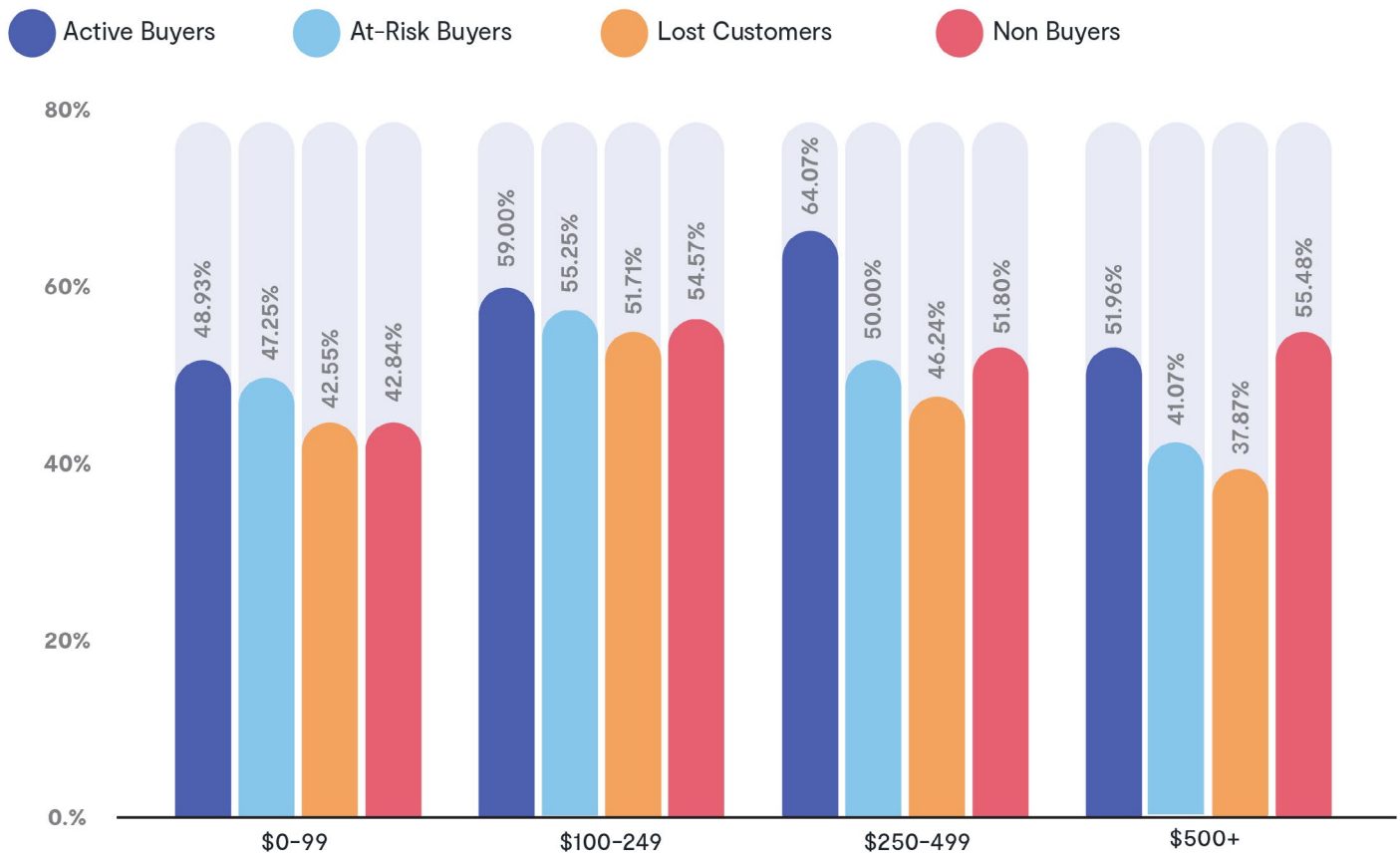
OPEN RATE BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



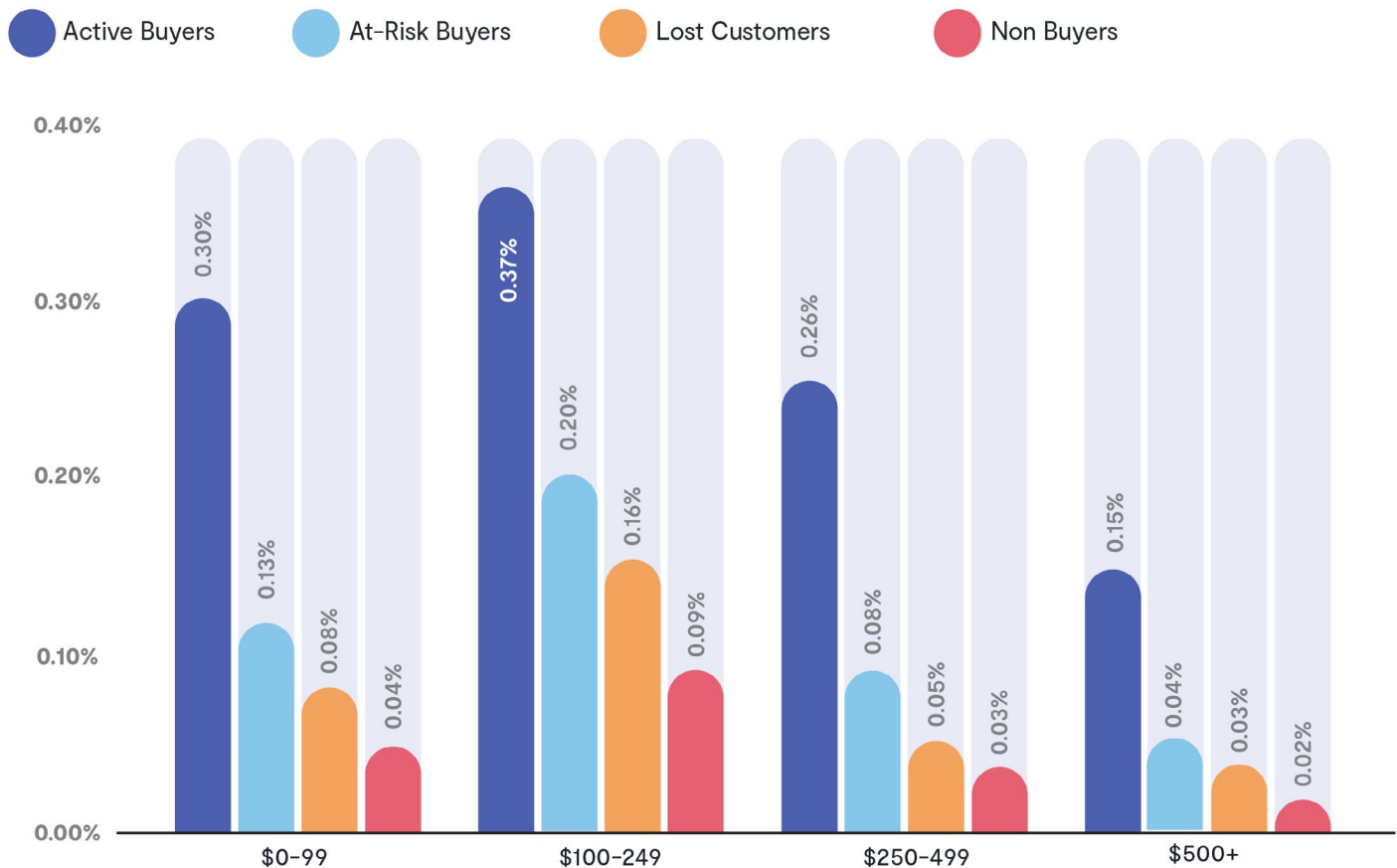
CLICK RATE BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



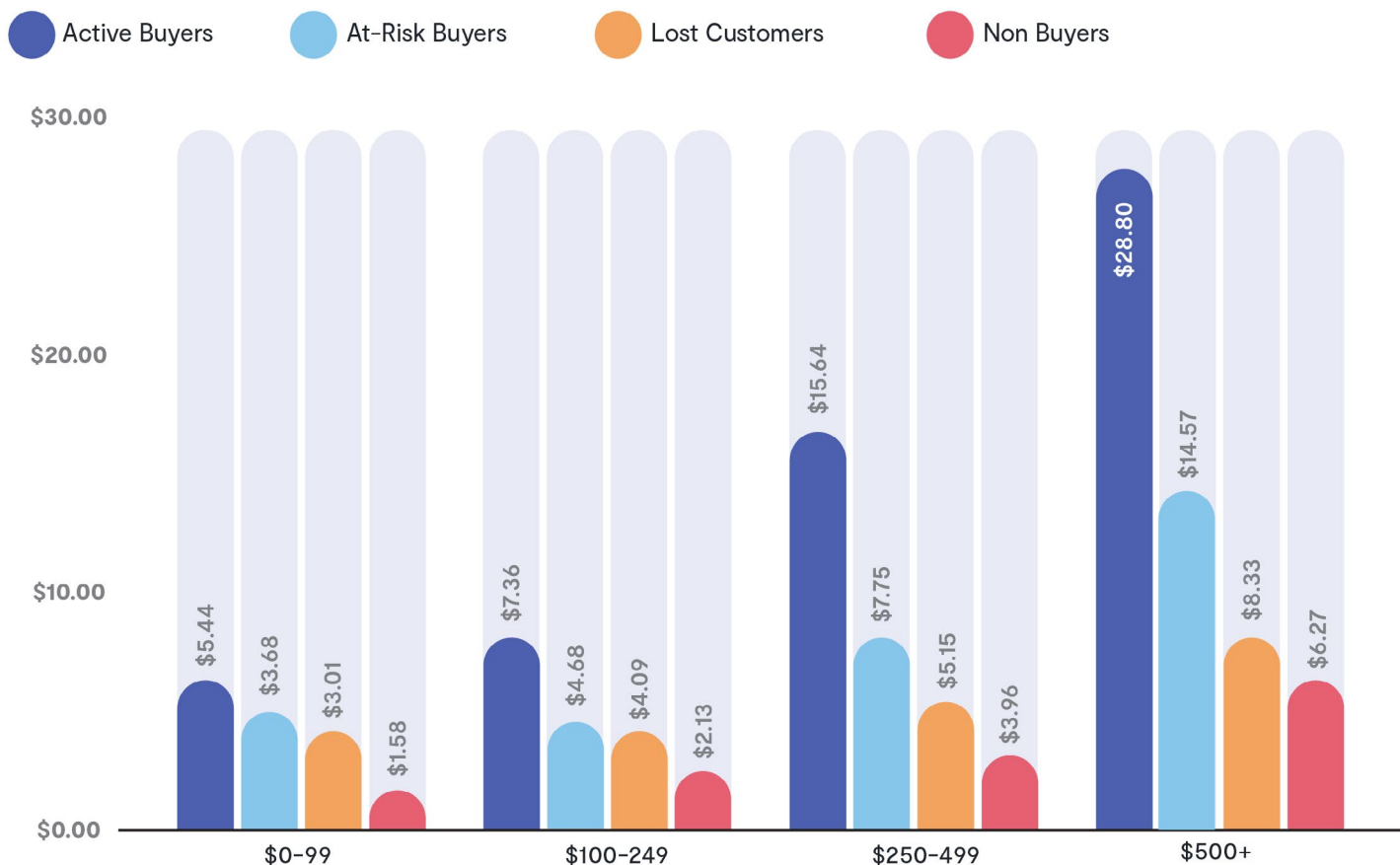
CLICK-TO-OPEN RATE BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



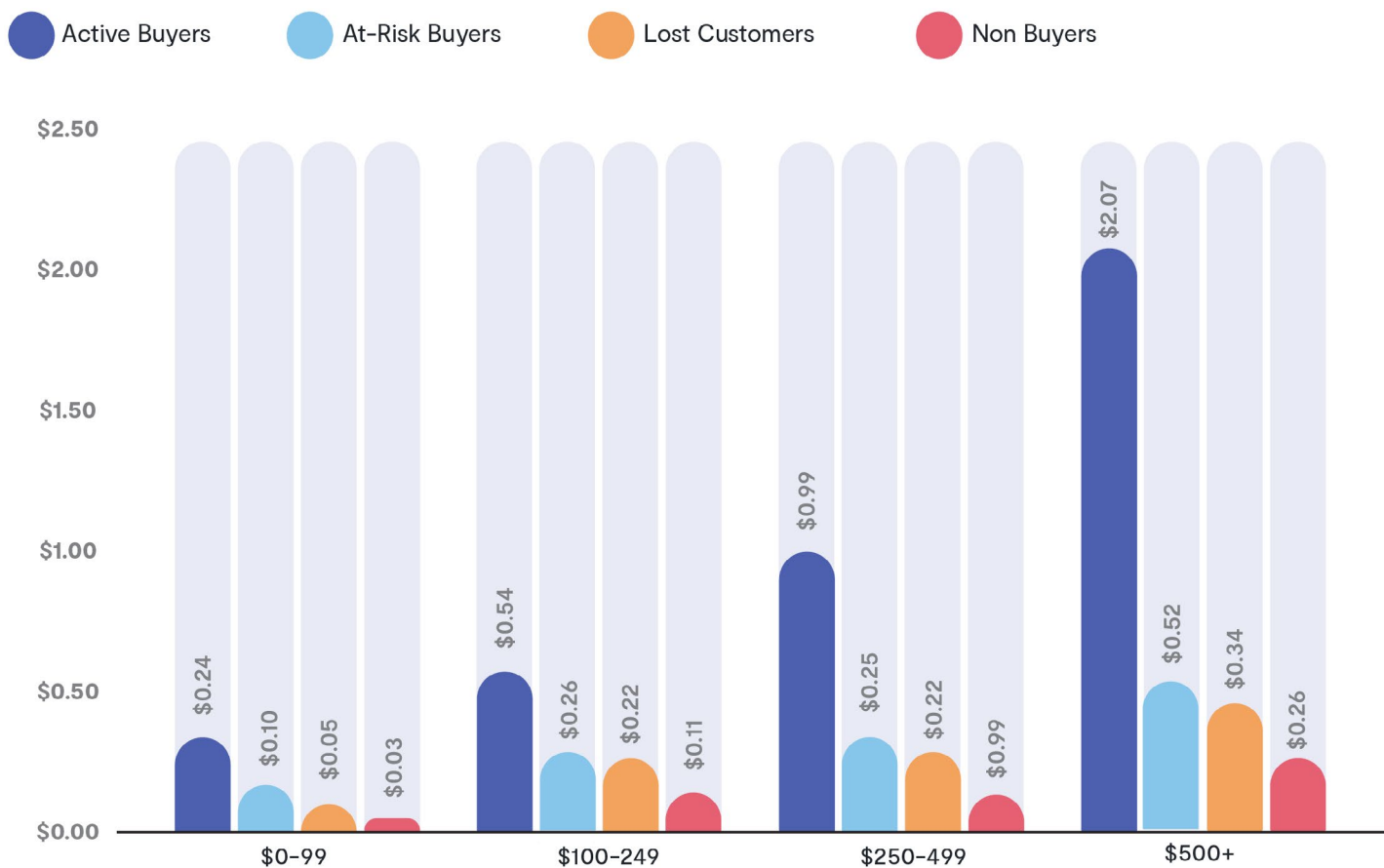
CONVERSION RATE BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



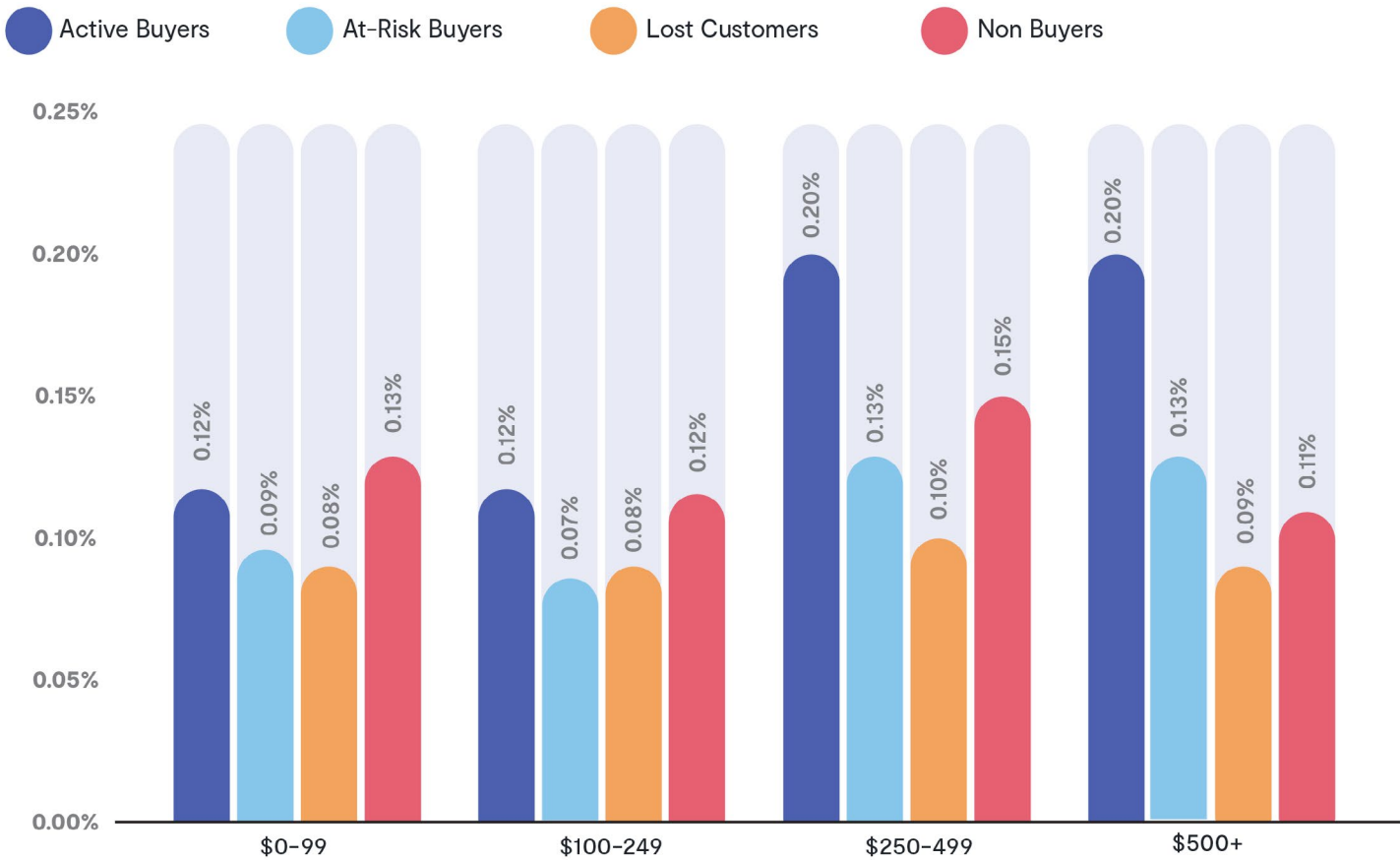
REVENUE PER CLICK BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



REVENUE PER EMAIL BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



UNSUBSCRIBE RATE BASED ON LIFECYCLE STAGE BY AVERAGE ORDER VALUE



Conclusion

This report is designed to give brands a clear view into how their shoppers are engaging across their lifecycle, and how individual campaigns will drive improved engagement at each stage.

With benchmarks supplied by retail vertical and average order value, retailers can gain even deeper and more accurate insights for what

success looks like for their brand.

The insights derived from this report critically allow brands to act and apply each insight to new strategies designed to increase shopper identification, first purchase and repeat purchase rates with campaigns that drive engagement, lifetime value and revenue.

Methodology

Bluecore's 2022 Retail Benchmark Report is based on data from more than 35.5 billion campaigns across email and site sent by a subset of Bluecore's Ecommerce customers from January 2021 through December 2021.

The benchmark metrics are the average partner performance per campaign type, less outliers, where the campaign had at least 1,000 sends in the time period.

GLOSSARY

Key Performance Indicators

AVERAGE ORDER VALUE (AOV)

Total attributed revenue divided by total conversions for the specified quarter.

$\text{Total Attributed Revenue} / \# \text{ Conversions} = \text{AOV}$

CLICK RATE

Total number of clicks on links from individuals within five days of the email send time as a percentage of total sends.

$\# \text{ Total Clicks} / \# \text{ Sends} = \text{Click Rate (\%)}$

CLICK-TO-CONVERSION RATE

Total number of purchases made as a result of clicking through a given email expressed as a percentage of total clicks.

$\# \text{ Purchases} / \# \text{ Total Clicks} = \text{CTR (\%)}$

CLICK-TO-OPEN RATE

Total number of clicks on links in a given email as a percentage of the unique opens.

$\# \text{ Total Clicks} / \# \text{ Unique Opens} = \text{CTOR (\%)}$

CONVERSION RATE

Total number of purchases made as a result of a given email within five days of the email send time as a percentage of total sends.

$\# \text{ Purchases} / \# \text{ Sends} = \text{Conversion Rate (\%)}$

OPEN RATE

Total number of unique opens within five days of the email send time as a percentage of total sends.

$\# \text{ Opens} / \# \text{ Sends} = \text{Open Rate (\%)}$

REVENUE PER CLICK

Total revenue generated through total clicks in an email using a five day attribution window.

$\text{Total Revenue} / \# \text{ Total Clicks} = \text{RPC}$

REVENUE PER EMAIL

Total revenue generated through emails using a five day attribution window.

$\text{Total Revenue} / \# \text{ Sends} = \text{RPE}$

UNSUBSCRIBE RATE

Total number of individuals who unsubscribe through a given email as a percentage of total sends.

$\# \text{ Unsubscribes} / \# \text{ Sends} = \text{Unsubscribe Rate (\%)}$

Campaign Types

ABANDONED CART

An Abandoned Cart campaign automatically triggers a personalized email to shoppers who do not complete a purchase, but leave at least one item in their shopping cart.

ABANDONED BROWSE

A site campaign where the shopper viewed a product and demonstrated that they're leaving the website. Includes a field for email capture.

ABANDONED PRODUCT

An Abandoned Product campaign notifies shoppers a few hours after they've searched and viewed products, but did not make a purchase.

ABANDONED SEARCH

An Abandoned Search campaign notifies shoppers who search for a specific category or a specific product, and then leave without taking further action.

ACTIVE LIFECYCLE

Active Buyers are customers who have made a purchase within their typical buying cycle. Each customer's typical buying cycle is unique – one customer's buying cycle can be one purchase every two weeks, while another customer's buying cycle is one purchase every six months.

AT-RISK LIFECYCLE

Refers to customers who have deviated from their typical buying cycle with a brand and are at risk or never purchasing again.

BACK IN STOCK

A Back in Stock campaign notifies shoppers when a sold-out product that they previously searched for, viewed, carted, or have a predicted affinity toward is now back in stock and available for purchase.

BEST SELLERS

A site recommendation that highlights products that perform well for your brand based on engagement — and notifies shoppers who have previously purchased, browsed or have a predicted affinity toward those items.

COCART

A site recommendation generated through a collaborative-based approach that analyzes similar customers' engagement with the catalog after adding similar products to their cart.

EMAIL CAPTURE

A site campaign requesting that the shopper submit their email.

GENERAL ONSITE MESSAGE

A site campaign that includes an offer for free shipping or any other customized non-specific or informational content.

LOST LIFECYCLE

A message to customers who have a high probability of never purchasing again, to encourage them to come back and make a purchase to increase repeat purchase rate.

LOW INVENTORY

A Low Inventory campaign notifies shoppers when the inventory for a product they have previously searched for, viewed, carted, or have a predicted affinity toward is running low.

NEW ARRIVALS

A New Arrival campaign notifies shoppers who have previously purchased, browsed or have a predicted affinity toward a certain category when a new product is available in that category.

NON-BUYER LIFECYCLE

You may have subscribers that have signed up for your email campaigns, such as a Welcome Series but haven't yet made a purchase. Use a non-buyer campaign to turn your subscribers into customers to increase conversion and revenue.

POST PURCHASE

A Post Purchase campaign goes to customers following a purchase they made, thanking them for their purchase.

PRICE DECREASE

A Price Decrease campaign notifies shoppers when a product they have previously searched for, viewed, carted, or have a predicted affinity toward has dropped in price or is on sale.

PRODUCT AFFINITY

Predicts the customer's preference for a specific category or product based on each shopper and the relationships between products.

PRODUCT RECOMMENDATION

A site campaign with personalized content generated for their shopper based on their known preferences.

REPLENISHMENT

A Replenishment campaign notifies customers in their buying cadence to replace a product.

SHOPPER INCENTIVE

A site campaign where a coupon incentive is included. May or may not be personalized based on the shopper's discount affinity and includes an email capture field.

SIMILAR PRODUCT

A site recommendation that displays products and product categories to shoppers based on their existing behavior.

SMART CAMPAIGN™

A Smart Campaign™ is a recurring campaign segmented to specific customers or sent to your entire list that uses machine learning to automate segmentation while delivering personalized content for each customer.

WISHLIST

A Wishlist campaign sends a reminder to shoppers who have added items to a wishlist but haven't purchased them yet.

WELCOME

A Welcome email goes to shoppers after they sign up to receive emails.

