Digitally driving web sales

August 5 2021, by David Bradley

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An analysis of web sales data from the top 100 US online retailers shows that digital sales channels including direct website visits, display ads, e-mail marketing, organic search, paid search, referrals, and social media all play an important role in driving sales. The details of the findings published in the International Journal of Electronic Marketing and Retailing, point to certain sales channels as being more effective in some contexts and so could guide those companies with limited resources to the most appropriate approach to driving web sales effectively. The team carried out their hypothesis testing using a log-log model with a Box-Cox transformation, and the average ticket value is used as a control variable.

Ravi Narayanaswamy of the School of Business Administration at the University of South Carolina in Aiken and Richard Heiens of the Department of Business Administration at the University of South Carolina Beaufort, Bluffton, U.S., open their paper with a quote from the American poet, Maya Angelou, who once famously said, "if you don't know where you've come from, you don't know where you're going." These words could very much apply to the online retail world, the team suggests. They explain that for online retailers, the route a user takes from entry point to shopping basket is a strong predictor of whether the user will ultimately complete the purchase. As such, understanding the path taken and the likely outcome for the vendor is important to guiding their sales and marketing strategy.

They give an obvious example of a user who accesses user feedback before completing their transaction compared with one who reaches the checkout point without any other interaction between browsing, choosing, and getting ready to pay. With the feedback detour, there is often greater resolve to make the purchase in the end. Conversely, a user that reaches the checkout directly may well be presented with unexpected purchase terms or fees and be dissuaded from committing to

the sale.

The researchers have taken this notion much further to analyze the effect of the detailed route taken and the digital channels used to bring a customer from the point of browsing to the point of buying to allow them to predict how a seller might better guide their customers more effectively to closing a sale. In an age when bricks-and-mortar shopping is becoming less relevant, especially in the present COVID-19 pandemic era, companies need to understand their digital sales channels as clear a way as possible to drive sales.

The study was published in the *International Journal of Electronic Marketing and Retailing*.