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Optimizing Digital Paths to Purchase

Differing Economies and
Differing Customer Journeys

Digital

OUTWIT OUTLAST

SURVIVOR

OUTPLAY
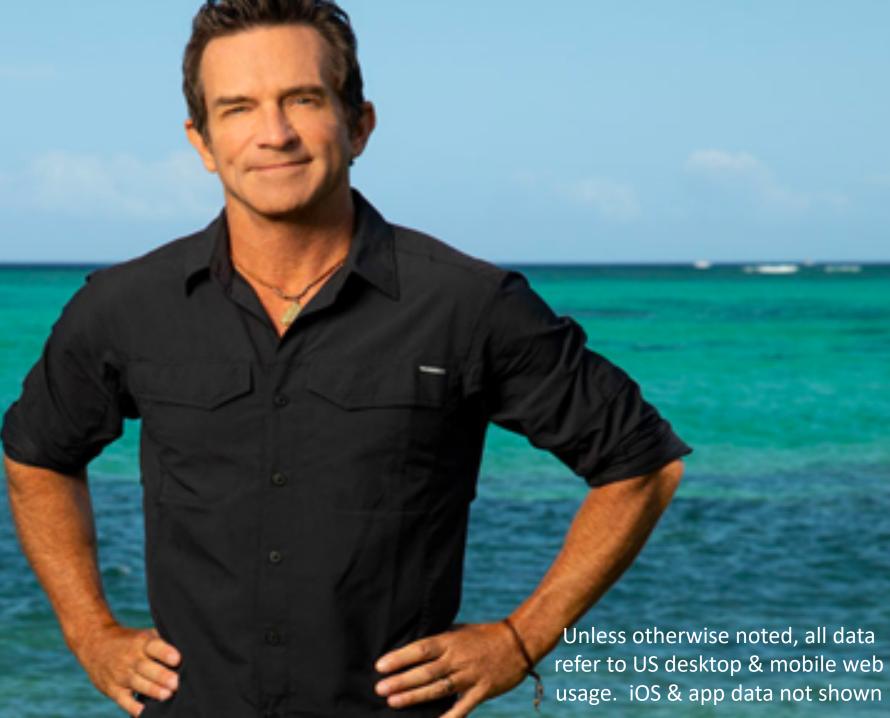
Everyone starts out on the island.

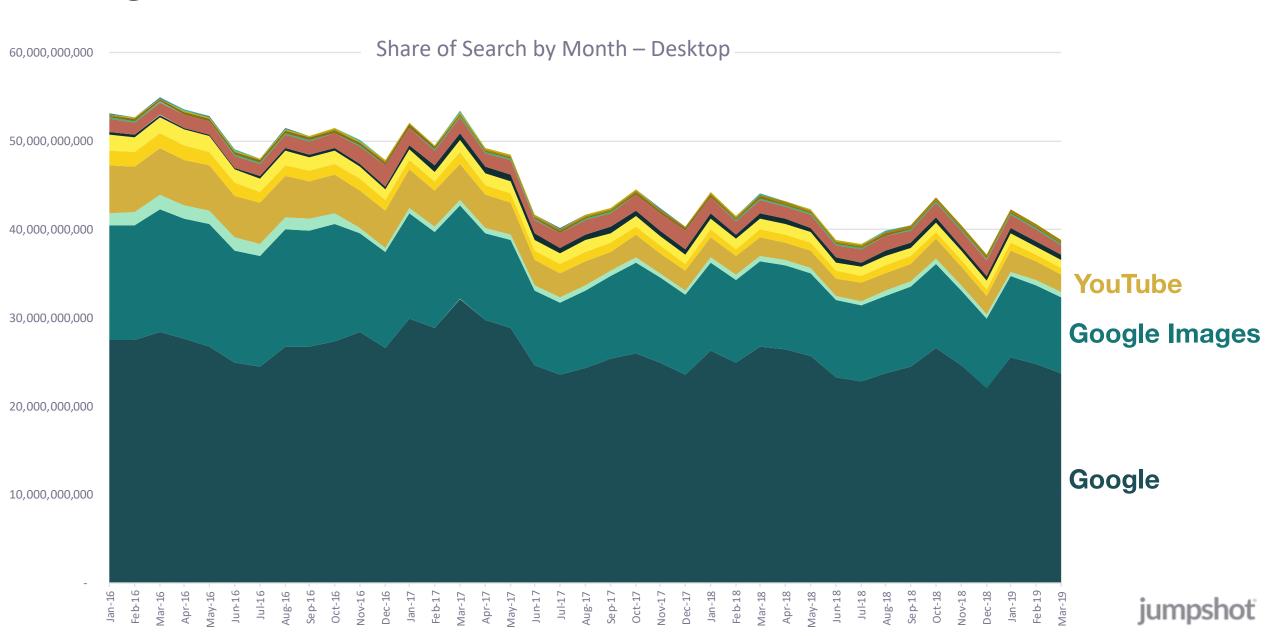People are kicked off based on their digital knowledge.

Unless otherwise noted, all data refer to US desktop & mobile web usage. iOS & app data not shown

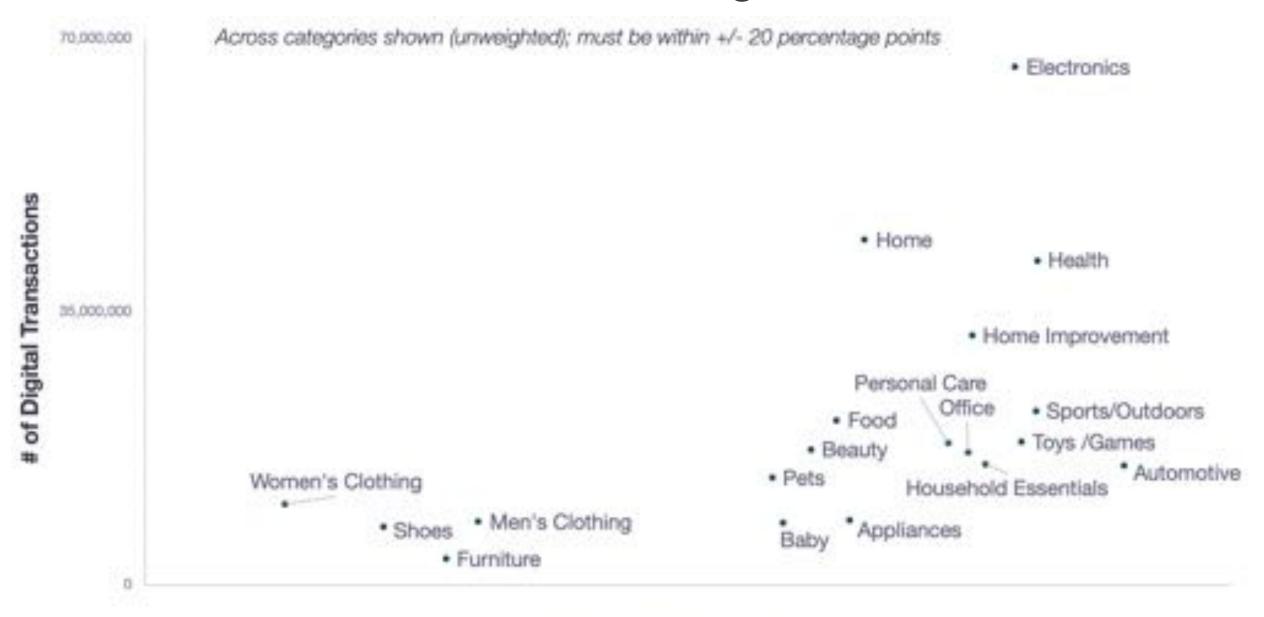Must be within +/-10 percentage points

What Percent of All Search Is On Google?
(includes Google's "extended family" of YouTube, Google Image Search, etc.)

Google Garners About 90% of All Searches

Share of Search by Month – Desktop

YouTube

Google Images

Google

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What Is Amazon's Share of U.S. Digital Transactions?

Across categories shown (unweighted); must be within +/- 20 percentage points

# of Digital Transactions (y-axis)

- 70,000,000
- 35,000,000
- 0

Amazon's Market Share (x-axis)

Categories shown: Electronics, Home, Health, Home Improvement, Personal Care, Office, Sports/Outdoors, Food, Beauty, Toys /Games, Pets, Automotive, Household Essentials, Women's Clothing, Baby, Appliances, Shoes, Men's Clothing, Furniture

Amazon Averages 74% Share of Digital Transactions

Chart: # of Digital Transactions (y-axis, 0 to 70,000,000) vs Amazon's Market Share (x-axis, 30.0% to 100.0%)

- Electronics
- Home
- Health
- Home Improvement
- Personal Care
- Office
- Sports/Outdoors
- Food
- Beauty
- Toys /Games
- Pets
- Automotive
- Household Essentials
- Women's Clothing
- Shoes
- Men's Clothing
- Baby
- Appliances
- Furniture

74%

Amazon's Market Share

What Percent of Product-Related Search Is On Amazon?

Closest wins!!

54%: Product Search – & Valuable Intel – Shifting to Amazon

Share of Product Searches

54% amazon
54%
46% Google
46%

2015

2018

Vox

Amazon made a skin care line based on what users search for

When it comes to face products, shoppers often search for ingredients, not brands

9

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Optimizing Digital Paths to Purchase

Differing Economies and
Differing Customer Journeys

Striving for Data Accuracy, Breadth & Granularity

Accuracy

Make confident decisions with unrivaled accuracy

100M Devices

5B Clicks Per Day

14 Months Ave Tenure

Breadth

Unlock consumer behavior and competitive insights across the entire web

800+ Websites

150+ Marketplaces

188 Countries

Granularity
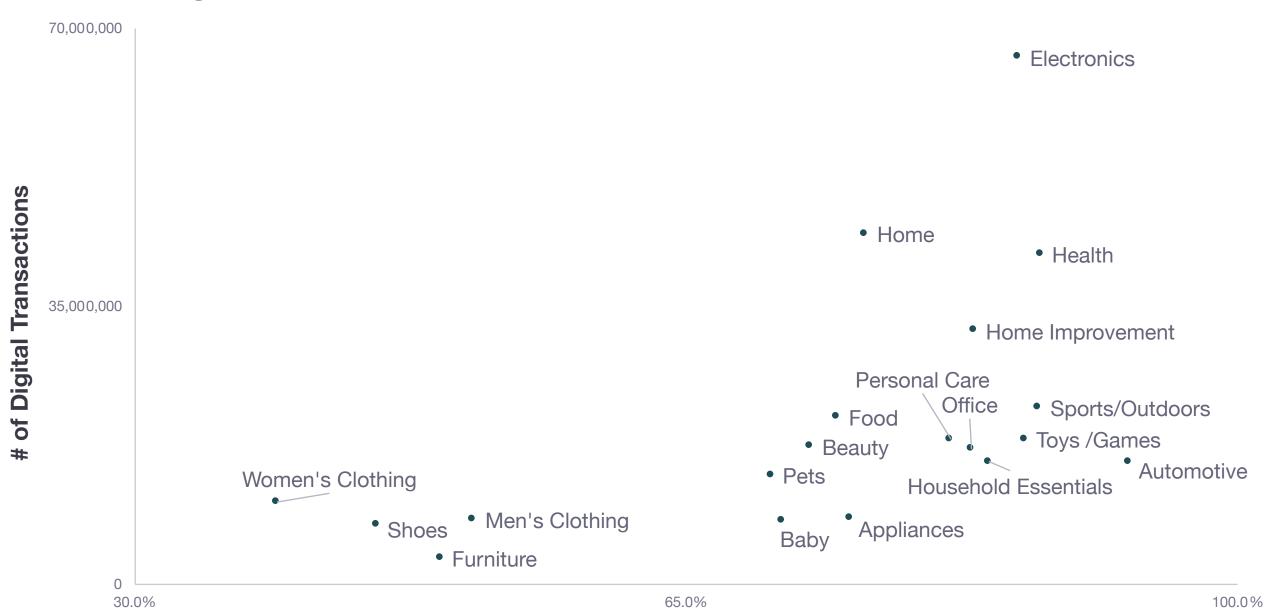
Get as precise and as granular as your business needs

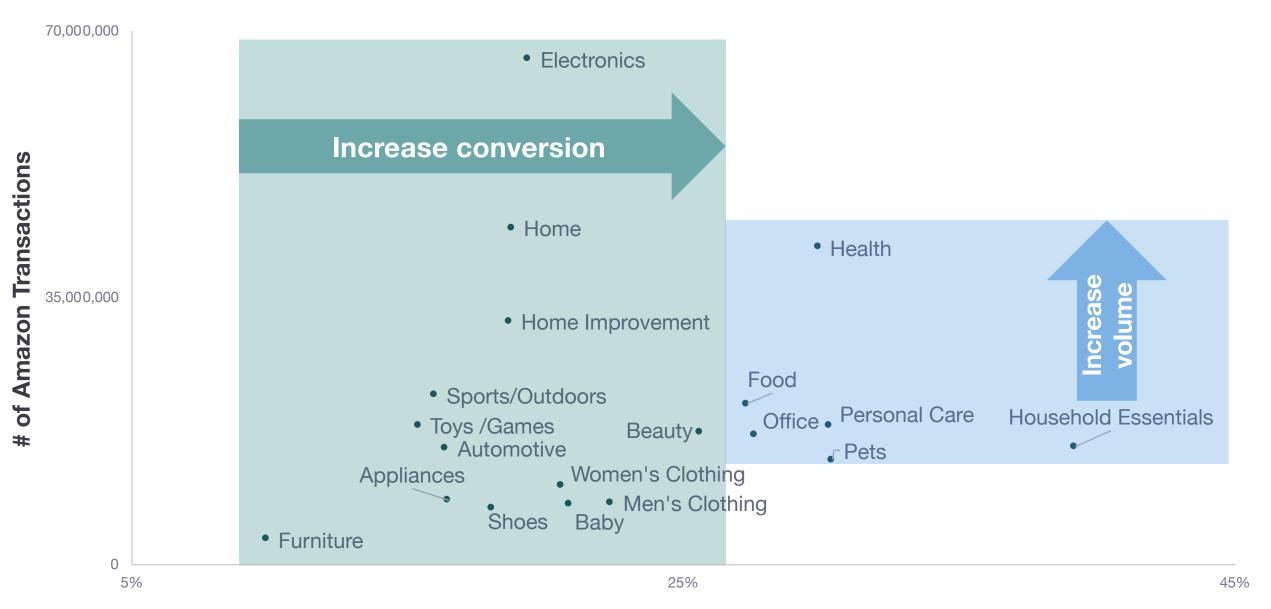**1M** Brands

1,615 Categories

300M Shopping Events

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Overview of the eCommerce Landscape

Mapping the eCommerce Space

# of Digital Transactions (y-axis)

70,000,000

35,000,000

0

Amazon's Market Share (x-axis)

30.0%   65.0%   100.0%

Electronics

Home

Health

Home Improvement

Personal Care

Office

Sports/Outdoors

Food

Toys /Games

Beauty

Automotive

Pets

Household Essentials

Women's Clothing

Shoes

Men's Clothing

Baby

Appliances

Furniture

Identifying Amazon's Opportunities

# of Amazon Transactions (y-axis)

70,000,000

35,000,000

0

Amazon's Conversion Rate (x-axis)

5% — 25% — 45%

Increase conversion

Increase volume

- Electronics
- Home
- Health
- Home Improvement
- Food
- Sports/Outdoors
- Office
- Personal Care
- Toys /Games
- Beauty
- Household Essentials
- Automotive
- Pets
- Appliances
- Women's Clothing
- Shoes
- Baby
- Men's Clothing
- Furniture

Amazon Driving Industry Growth & CPG Transformation

	Q1 YOY Growth (# of transactions)	Q1 YOY Growth (%)	Top Percentage Gainers
Total market (all digital transactions)	+9.5 million	+1.9%	• Food (+11.4%) • Household essentials (+10.1%)
Amazon	+9.1 million	+2.4%	• Food (+10.4%) • Household essentials (+10.0%)

Amazon's conversion rate in household essentials rose from 29% to 39%
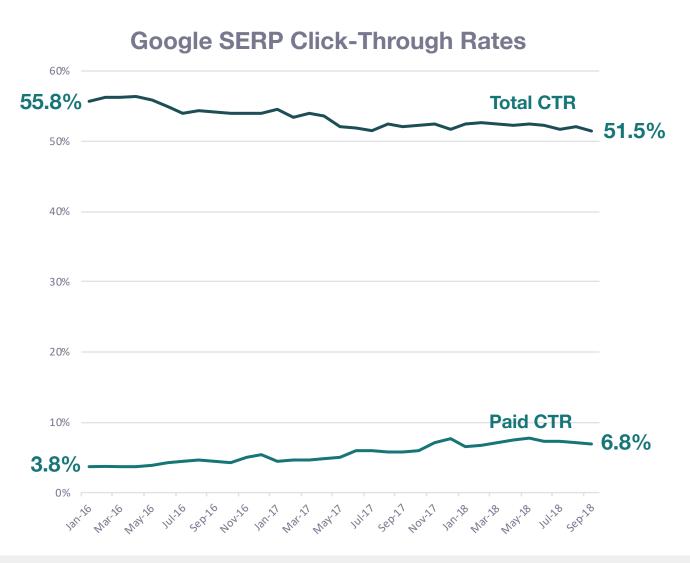
A Selective Look at Successful & Struggling Brands

© 2019 Jumpshot, Inc.   Source: Jumpshot Insights; U.S. data; full-year 2018.   16
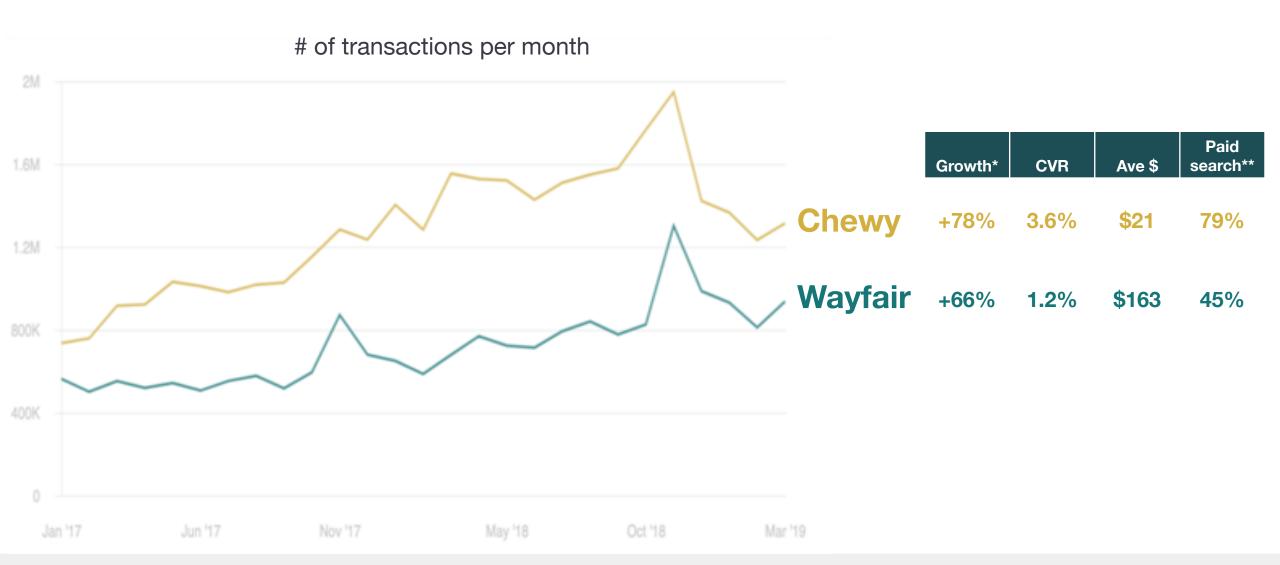
The Customer Journey

Consumers (& Google) "Getting Better" At Search

The "New Search"

↑ Local:
near me, wait times

↑ Personal:
for me, should I, do I need,
can I, can I buy

↑ Immediate
open now, same day shipping,
today, tonight

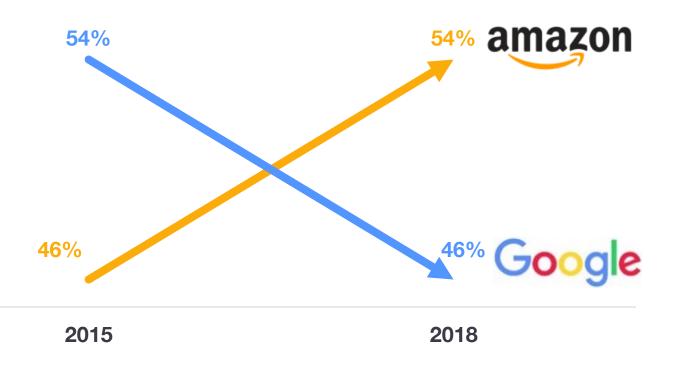**↑ Conversational**
natural language, asking
questions

Google SERP Click-Through Rates

55.8% — Total CTR — **51.5%**

3.8% — Paid CTR — **6.8%**

Chewy & Wayfair Have Both Bought Growth

of transactions per month

	Growth*	CVR	Ave $	Paid search**
Chewy	+78%	3.6%	$21	79%
Wayfair	+66%	1.2%	$163	45%

* From Jan 2017 to March 2018
** % of search traffic that is paid

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Product Search – & Valuable Intel – Shifting to Amazon

Share of Product Searches

54% **amazon**
54%
46% **Google**
46%

2015

2018

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Amazon Sponsored Search Has Surged in Views and Sales

Amazon Pageviews and Conversions from Sponsored Search by Quarter

■ Pageviews ○— Conversions

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The Utilitarian Economy	The Branded Economy
Basic Customer Journeys	Multi-Phase Journeys
Amazon-driven	Google-enabled

The Utilitarian Economy Yields Basic Customer Journeys
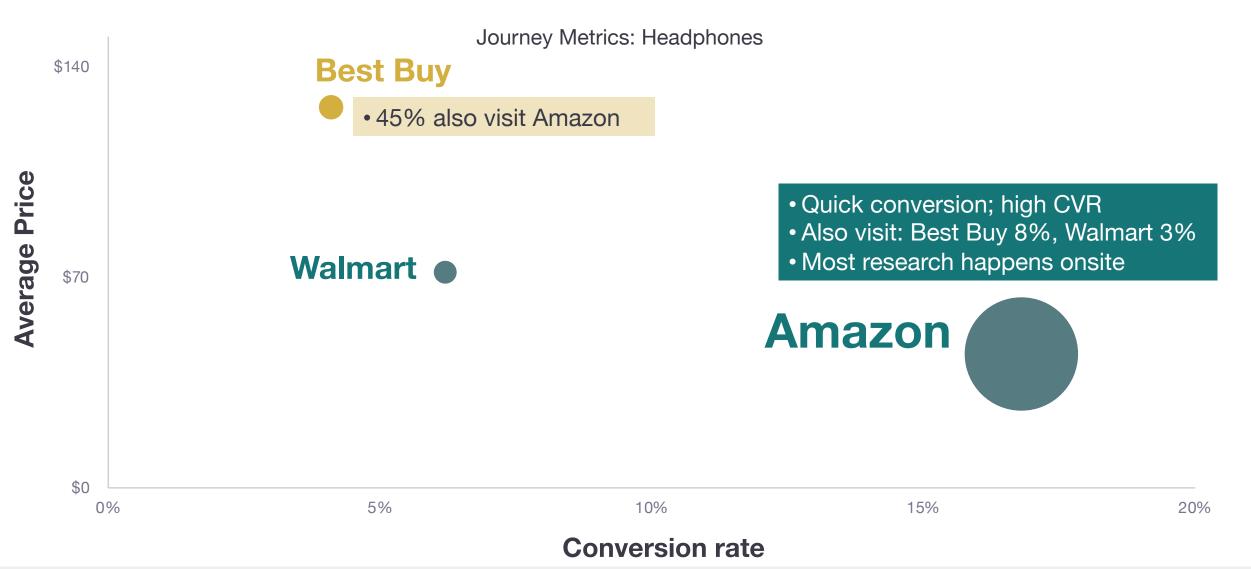
Product characteristics

- Utilitarian

- Low price

- Low research

- Low involvement

- Indistinct brands

- Few product returns

"Basic" customer journey

- High conversion rate

- Low time to conversion

- Minimal cross-visitation

- Search skews onsite

- Direct journey w/few "side trips"
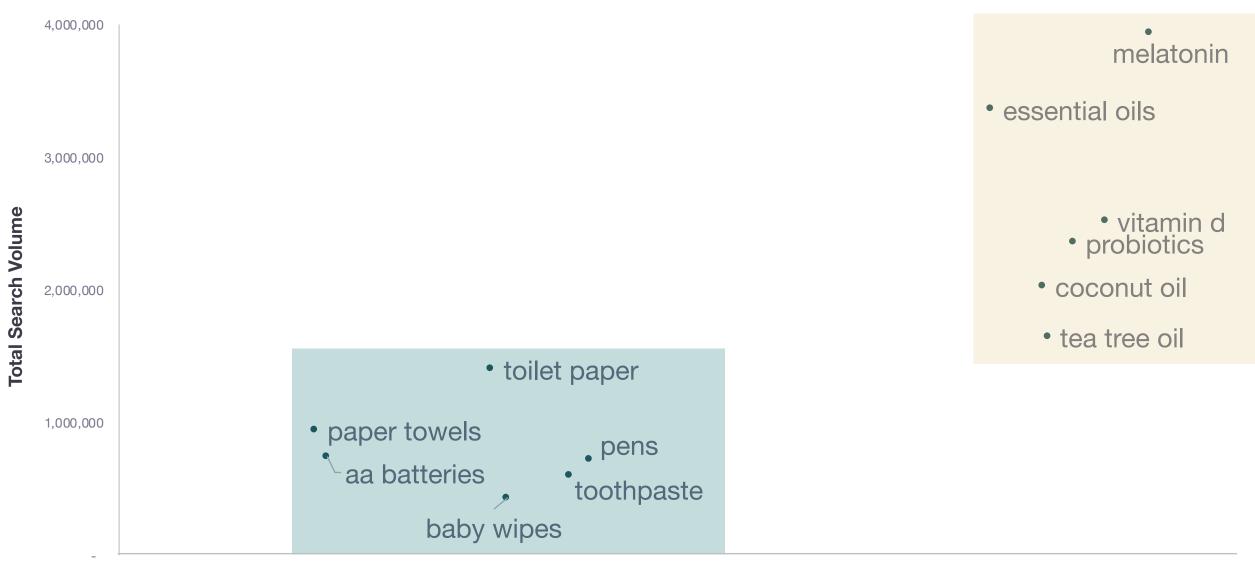
- Amazon/marketplace dominated

Most Headphone Journeys Start – and end – on Amazon

Journey Metrics: Headphones

Average Price (y-axis)

$140
$70
$0

Conversion rate (x-axis)

0%   5%   10%   15%   20%

Best Buy
• 45% also visit Amazon

Walmart

• Quick conversion; high CVR
• Also visit: Best Buy 8%, Walmart 3%
• Most research happens onsite

Amazon

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Apparel Searches Reflect Two Journeys

Major fashion brands would be in far upper right (example -- Nike: 11 million Google vs. 260K Amazon)

Total Search Volume

3,000,000

2,000,000

1,000,000

-

• Crocs

• suits

• jewelry

socks

earrings

slippers

sweaters for women

mens underwear

womens tops

Ugg slippers

100% Amazon / 0% Google

50/50

100% Google / 0% Amazon

CPG Search Skews Amazon; Health Search Skews Google

Total Search Volume

4,000,000

melatonin

essential oils

3,000,000

vitamin d
probiotics

2,000,000

coconut oil

tea tree oil

toilet paper

1,000,000

paper towels

pens

aa batteries

toothpaste

baby wipes

-

**100% Amazon /
0% Google**

50/50

**100% Google /
0% Amazon**

Summing Up

- Digital knowledge is digital power -- you must see the full journey, including transactions and search across sites

- Choose your economy -- utilitarian or branded -- and optimize accordingly (some, like Nike, can do both)

- Identify opportunities to work with (or against) Amazon -- particularly where Amazon is less dominant

- Still, realize a customer's journey to Amazon is usually a one-way trip

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Every search. Every click. Every buy.
On every site.

Jumpshot delivers digital intelligence from within the Internet's most valuable walled gardens.

Our real-time, anonymized global panel tracks 5B actions a day across 100 million devices to deliver insights into online consumer behavior. Clients include:

Google   CONDÉ NAST   KANTAR

Group Discussion

Brands	**Retailers**	**Market Research**	**Publishers/Ad Tech**
Optimize marketing efforts as you learn how to reach audiences like never before	Increase sales by discovering how your competitors and vendors are performing	Give clients a comprehensive understanding of their market with unprecedented detail: brand performance, consumer activities and much more	Show the true value of advertising on your site, and how to reach users best by understanding their browsing habits

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