



Essential Ecommerce KPIs for the Digital Shelf

TAKE YOUR ECOMMERCE GROWTH TO THE NEXT LEVEL

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The Journey Toward Digital Maturity

If your brand had to pick just one ecommerce key performance indicator (KPI) for the digital shelf, which would you choose?

Ecommerce KPIs are essential for measuring your digital shelf performance and informing decision-making. But it's one thing to understand the importance of KPIs — tracking the right KPIs is another thing entirely.

Because not all the data is necessary, using too many KPIs can distract you from the critical ones and confuse your decisions. While successful brands must measure and monitor more than just one, knowing which to pick is vital for reaching digital shelf maturity.

Learn how to define KPIs, understand how they're different from metrics, and discover the three most critical ecommerce KPIs you need to track for digital shelf success.

What Are Ecommerce KPIs — And How Are They Different From Metrics?

KPIs and metrics are quantifiable or measurable values you can use to track progress and evaluate performance. But they're not the same.

One common analogy for KPIs and metrics: KPIs are the main characters in a story, while metrics are the side characters in a story. Both are important, but you can't tell a story without a main character.

Daniella Alscher from tech marketplace G2 puts it this way: “Each character is part of that story and is there for a reason. But some of those characters only appear on a page, others show up in every chapter, and then there are those characters — the main characters — that a story can't be told without. Those main characters are the KPIs of your business' story. Other characters are the metrics, which are there to assist the storytelling and support your main characters.”



Break It Down: Ecommerce Strategy and Tactics?

Richard Hatheway, growth marketing strategist and senior consultant at Dell Technologies, emphasizes that **“KPIs are strategic and metrics are tactical.”**

KPIs	Metrics
<p>KPIs reflect your business goals or objectives and how successful your business is towards achieving those goals or objectives.</p> <p>A typical example of KPIs is conversion rates, which is critical for almost all types of companies.</p>	<p>Metrics are used to track the performance of specific activities or certain aspects of your business.</p> <p>Think about open rates in email marketing or click-through rates in paid advertising — they’re all metrics.</p>

Put It to Work: You may use several different metrics to measure how well your business activities are implemented, but you may want to focus on some KPIs only when it comes to making decisions.





3 Essential Ecommerce KPIs for Digital Shelf

1. Product Availability

On the digital shelf, product availability refers to your stock levels and if your SKUs are available on-shelf during peak retail periods. Product availability dramatically impacts all of your upper-, mid-, and lower-funnel marketing investments.

How? If a shopper can't add your product to their cart when they need it, those investments benefit your next available competition.

According to a 2018 report from the [Grocery Manufacturers Association](#), stockouts may cost brands up to \$22 billion in sales. Unavailable or out-of-stock products are also frequently among the most common customer complaints.

If that doesn't convince you, then check out [McKinsey's](#) 2020 survey on U.S. consumer sentiment during the coronavirus crisis. The survey found that 42% of consumers try new brands just because products are in stock.

Accurate stock level monitoring is essential. It helps you predict demand and ensure you have enough products to fulfill your customers' needs.

If availability monitoring doesn't alert you when stockouts occur or your products are delisted, you'll face the loss of new customers and recurring sales — not to mention reduced customer satisfaction and lower loyalty levels.

Consider using digital shelf analytics to get [real-time, accurate insights](#) into buy box and product availability to improve availability. Then, use those insights, plus data on consumer trends and seasonality, to forecast demand. In doing so, you can determine how much inventory you'll need and by when.

Stockouts may cost brands up to

\$22 BILLION in sales.



42% of consumers

try new brands just because products are in stock

SOURCE: GROCERY MANUFACTURERS ASSOCIATION

2. Share of Search and Share of Voice

Share of search refers to the total organic searches made for your brand, divided by the total searches for all brands in that category. Share of search is essential because it tells how your search rankings compare to other competitors and how easy your products are for consumers to discover.

Using this information, you can identify search terms that your consumers may use during the search and discovery stage and add them to your product detail page (PDP).

Rob Gonzalez, co-founder and CMO at Salsify, clarifies that “share of search doesn’t translate across all customer experiences like Instagram, Shopify, and Instacart given their shop-from-your-purchases behavior.”

If you’re selling on Amazon, you should also pay attention to another ecommerce KPI: share of voice. Amazon share of voice indicates your brand’s share of products displayed in the search results for a search term.

According to ReviewBox’s report about share of voice on the digital shelf, many factors contribute to a larger share of voice, but the most important ones are high-quality PDPs and extensive customer reviews. Hence, you should optimize your PDPs as much as possible.

How to Optimize Your PDPs

- **Give detailed information:** Provide enough information about your products like sizes, colors, materials, and technical specifications. Include relevant search terms and product descriptions to improve search engine optimization (SEO) for your PDPs.
- **Leverage enhanced content:** Use enhanced content like compelling images, videos, comparison charts, 360-degree image spins, and other engaging content to give consumers a comprehensive view of your products.
- **Promote the voice of your customer:** Display trust badges, customer reviews, and ratings to build credibility with consumers.

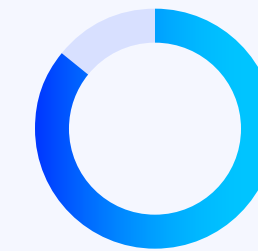
3. Conversion Rate

Conversion rate refers to the percentage of shoppers who complete a transaction on your PDPs. Conversion rate is the top KPI for the digital shelf as it “impacts just about every other metric that matters,” says Gonzalez.

To improve the conversion rate for your digital shelf, you can start with optimizing your PDPs by following the tips above.

Why? Because according to the Salsify “2021 Consumer Research” report, 86% of consumers rely on digital information when shopping. The Nielsen Brandbank “Take Control and Win on the Digital Shelf” report found that the highest conversion rates of 40% were seen on PDPs which use up to three additional images and video.

You’ll never be wrong to offer your shoppers the best product experience.



86% of consumers

rely on digital information while shopping.

SOURCE: SALSIFY



conversion rates of 40%

the highest conversion rates of 40% were seen on PDPs which use up to three additional images and video.

SOURCE: THE NIELSEN BRANDBANK

Reach Your Digital Shelf Goals

Availability, share of search, share of voice, and conversion rate are the most critical ecommerce KPIs you should track to measure your digital shelf success. Collecting that data and turning it into actionable insights will help you make better decisions, grow your business, and reach your goals.

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