



**SALSIFY
TRANSFORMERS
SUMMIT**

5/23/18

LESSONS IN LEADERSHIP & LEVERAGE

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Important disclosures can be found in Appendix



CLEVELAND RESEARCH COMPANY

HELP YOU ESTABLISH A
COMPETITIVE EDGE IN YOUR
"MOMENT OF TRUTH" DECISIONS

RESEARCH-DRIVEN PERSPECTIVE

ROUNDTABLES WITH PEERS

eCOMMERCE SUMMIT
SAN DIEGO, SEPTEMBER 13TH

1-ON-1 ENGAGEMENT

**JOIN MORE THAN 250+ BRANDS BY
BECOMING A COUNCIL MEMBER**



**YOU'RE
NEXT, CEO**



**MAKING
ALTERNATIVES**



WILL YOU BE THE NEXT CEO?



KEY TRAITS OF THE MODERN CEO

Harvard Business Review

TECHNOLOGY SKILLS

TEAM & RELATIONSHIP BUILDING

CHANGE MANAGEMENT

COMMUNICATION SKILLS

STRATEGIC FORESIGHT

**SOUND
FAMILIAR?**

WHAT DEFINES YOUR TIME AS ECOMMERCE LEADERS?

RAPIDLY CHANGING
TECHNOLOGY-DRIVEN
DISRUPTING STATUS QUO



- EXPERIENCED
- VISIONARY
- EVANGELIST
- BRIDGE



WHAT DOES THE COMPETITION LOOK LIKE?

85%

of companies now have a mid-to-senior level executive leading eCommerce for their organizations

STAND OUT BY
**OPERATING
EFFECTIVELY**

ANNUAL ECOMMERCE TEAM BENCHMARK

COMPANIES BENCHMARKED

144

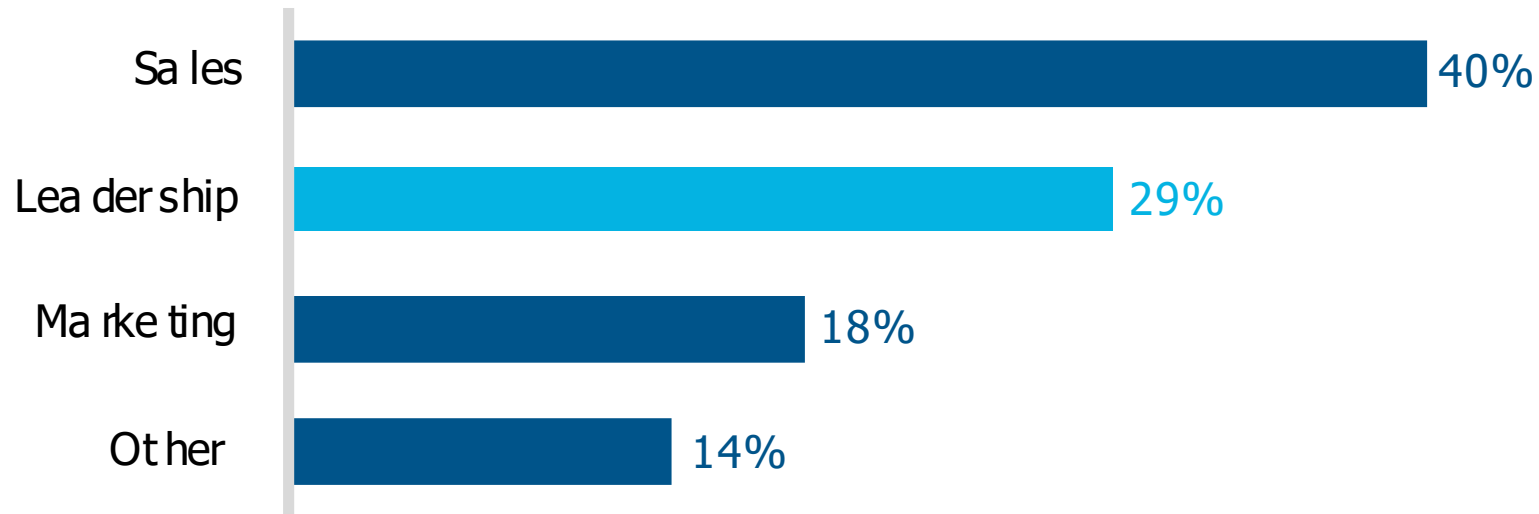
ORGANIZATIONAL STRUCTURE, HIRING
PLANS, TEAMWORK

***WHAT DOES GOOD
LOOK LIKE?***

ALIGNMENT WITH THE TOP

CLEVELAND RESEARCH ANNUAL TEAM BENCHMARK

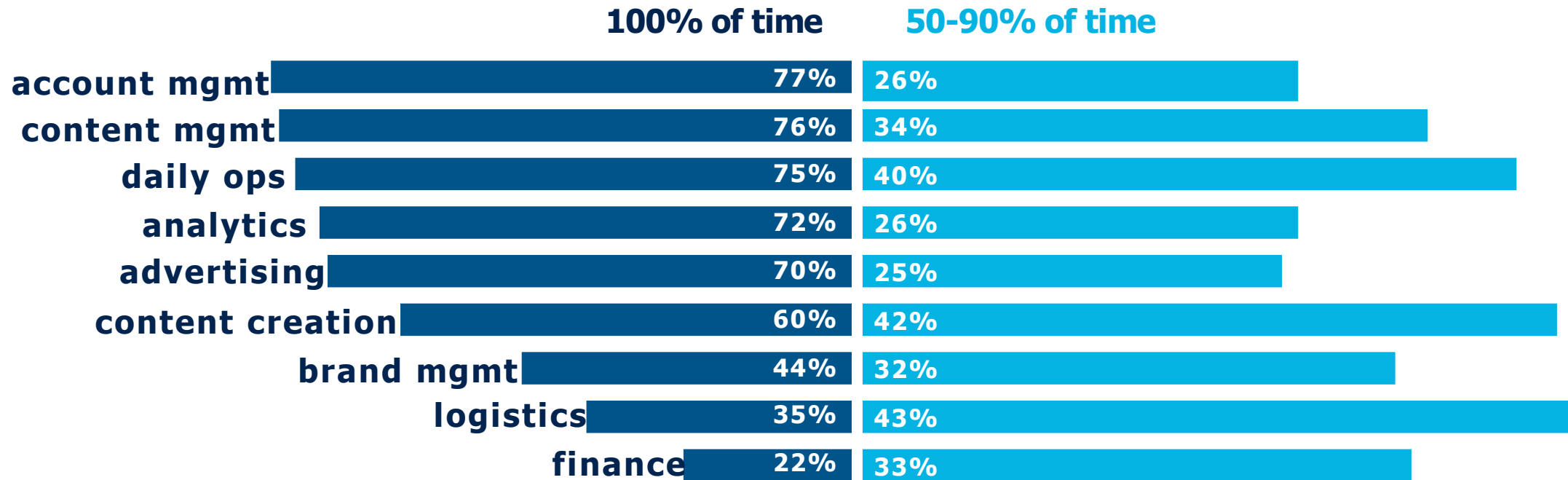
Who does the eCommerce team report to?



**Center of
Excellence
Reporting to
Leadership**

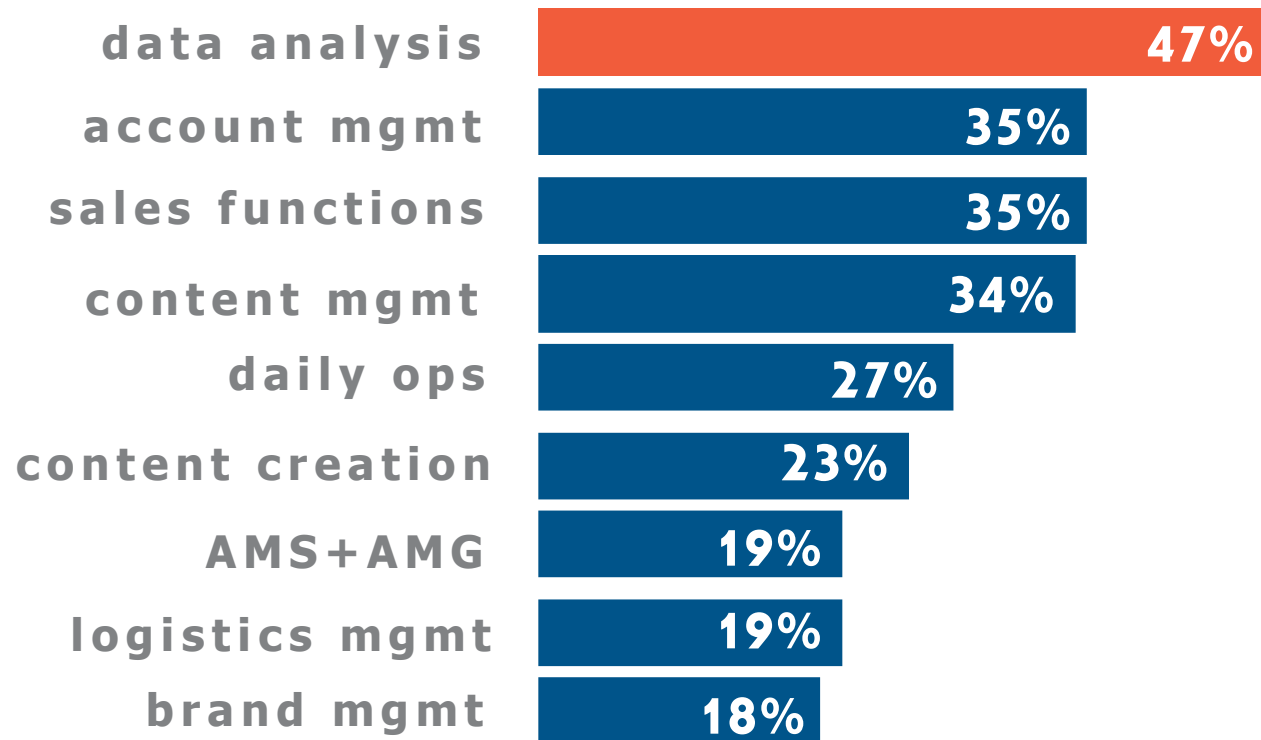
BENCHMARK FOR ROLE IDENTIFICATION

EMPLOYEES WITH eCOMMERCE RESPONSIBILITIES

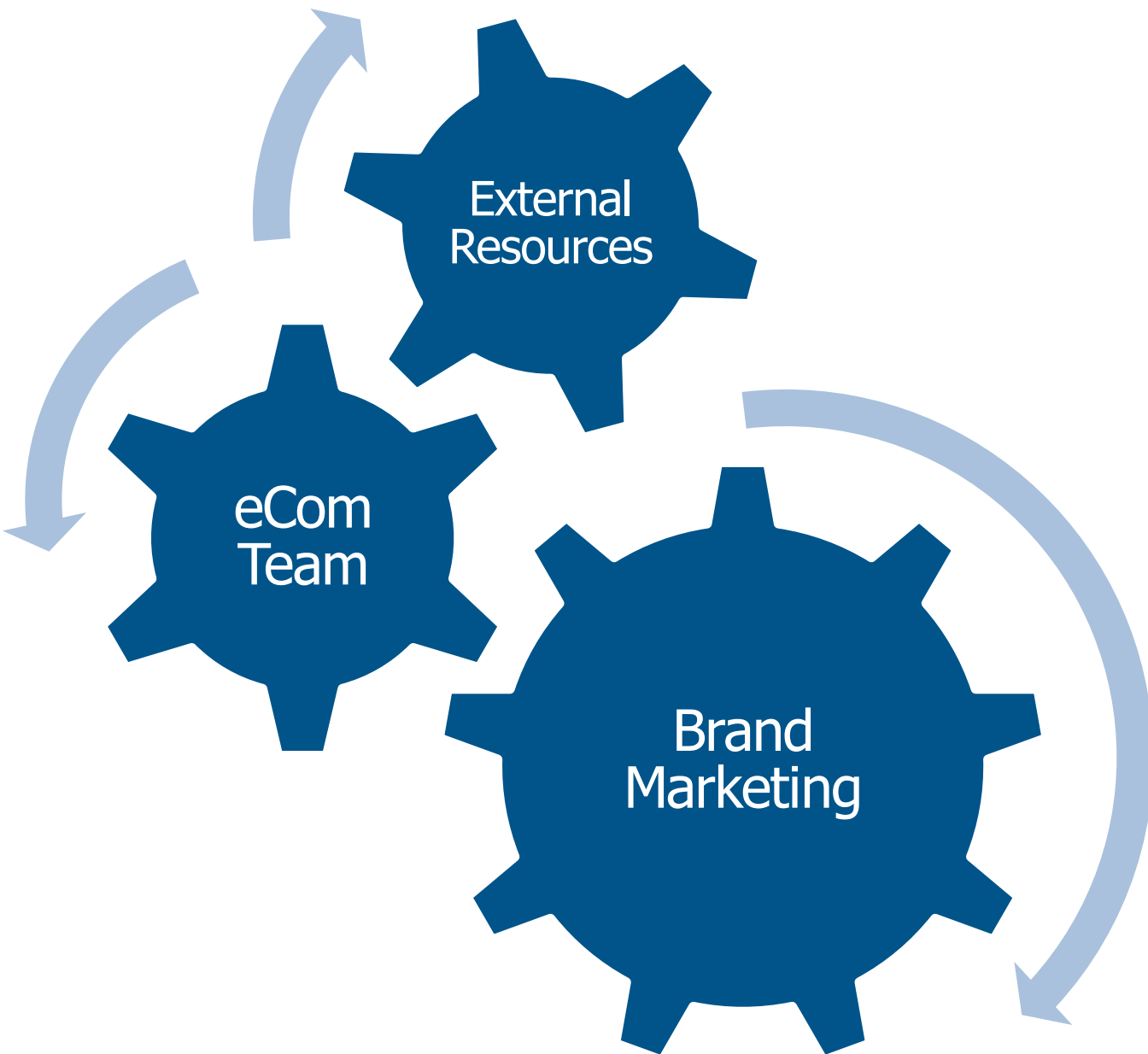


What roles are you planning to hire this year?

% of companies



**BRANDS
LOOKING TO
LEVERAGE
DATA**



SOLVE CONTENT

Brand teams might not know eCommerce optimization, but eCommerce teams are typically under-resourced...

**ONLY 16%
UTILIZE THIS
COMBINATION**

TAKE CONTROL OVER YOUR CONTENT



rich moisture

delicately scented for
normal to dry skin

About Baby Dove Rich Moisture

Give your baby tip-toe moisturizing care with the Baby Dove Rich Moisture line of products. These products feature hypoallergenic formulas and fragrances specially designed for babies' delicate skin. From baby bathing bars to baby lotions, they help keep your little one's skin clean, soft and healthy-looking.

Baby Dove Wash, Rich Moisture, 20 oz Baby Dove



17 customer reviews

Amazon's Choice

for "baby dove soap"



[View larger](#)

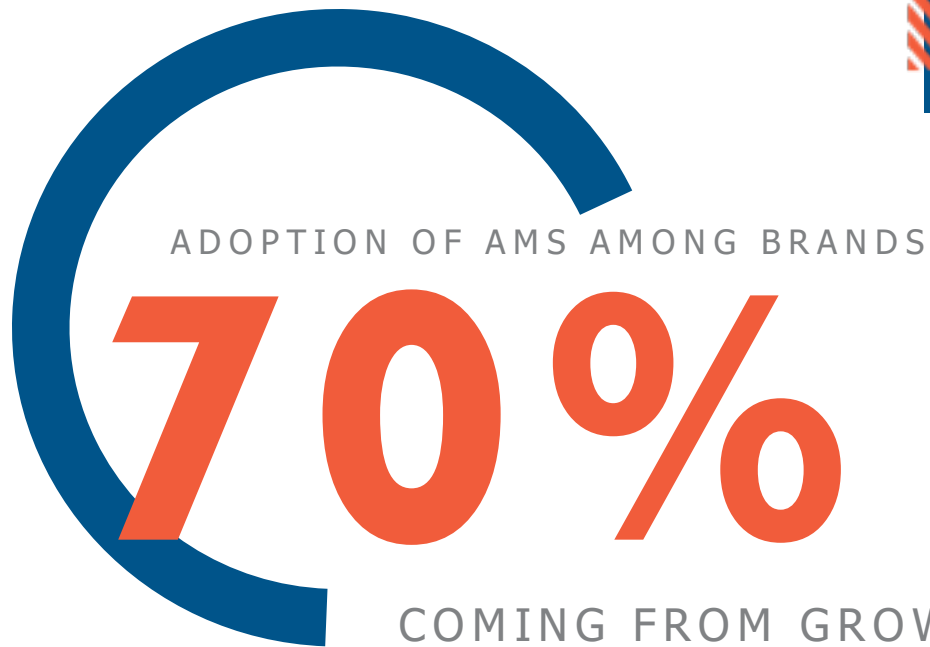
At a Glance:

- Hypoallergenic, pH-neutral, and tear-free.
- Ophthalmologist, dermatologist, and pediatrician tested.
- Rich, creamy lather leaves skin feeling clean and soft.
- Mild, nourishing formula is gentle enough for daily cleansing.
- Delicate fragrance specially developed for babies' skin.

About the product

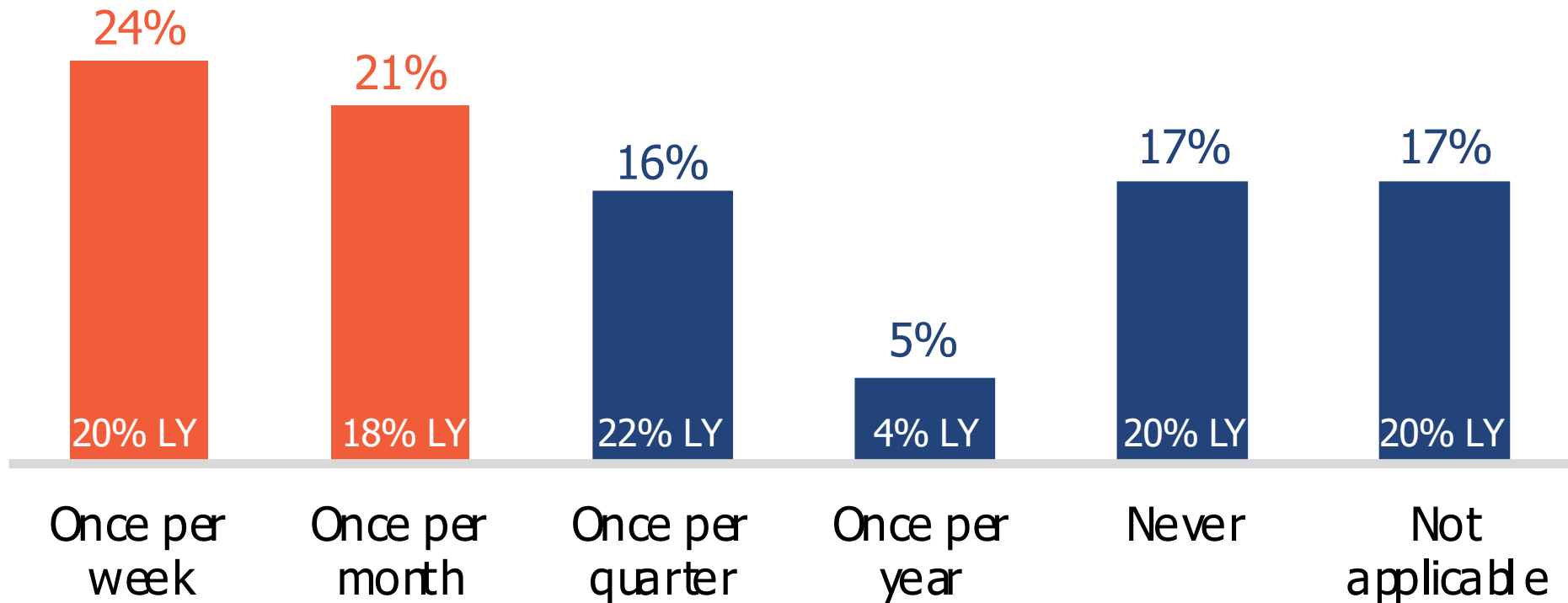
- Tear Free, Hypoallergenic, pH neutral
- Our most caring and safety-tested formula is ophthalmologist, dermatologist and pediatrician tested
- Tear free formula helps baby's skin retain it's natural moisture
- Rich, creamy lather leaves skin feeling clean and soft. Specially formulated with a delicate fragrance.
- Our caring formulas are created without dyes, parabens or phthalates

"We're planning to triple our AMS spend this year because it's delivering the best ROAS across all options"



COMING FROM GROWING BUDGETS, TRADITIONAL MEDIUMS, OTHER SEARCH SPEND

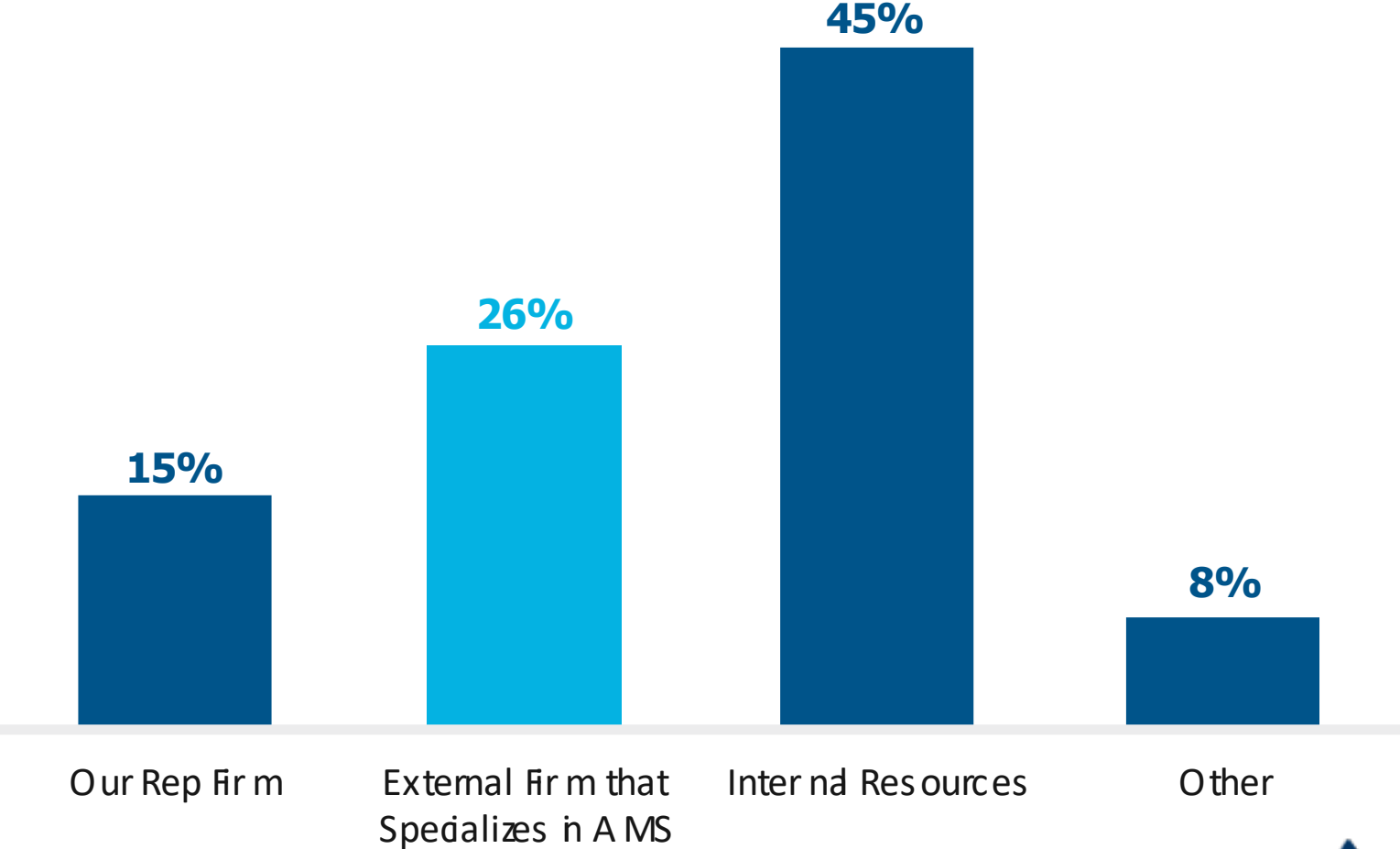
HOW OFTEN ARE AMAZON & DIGITAL MARKETING TEAMS MEETING?



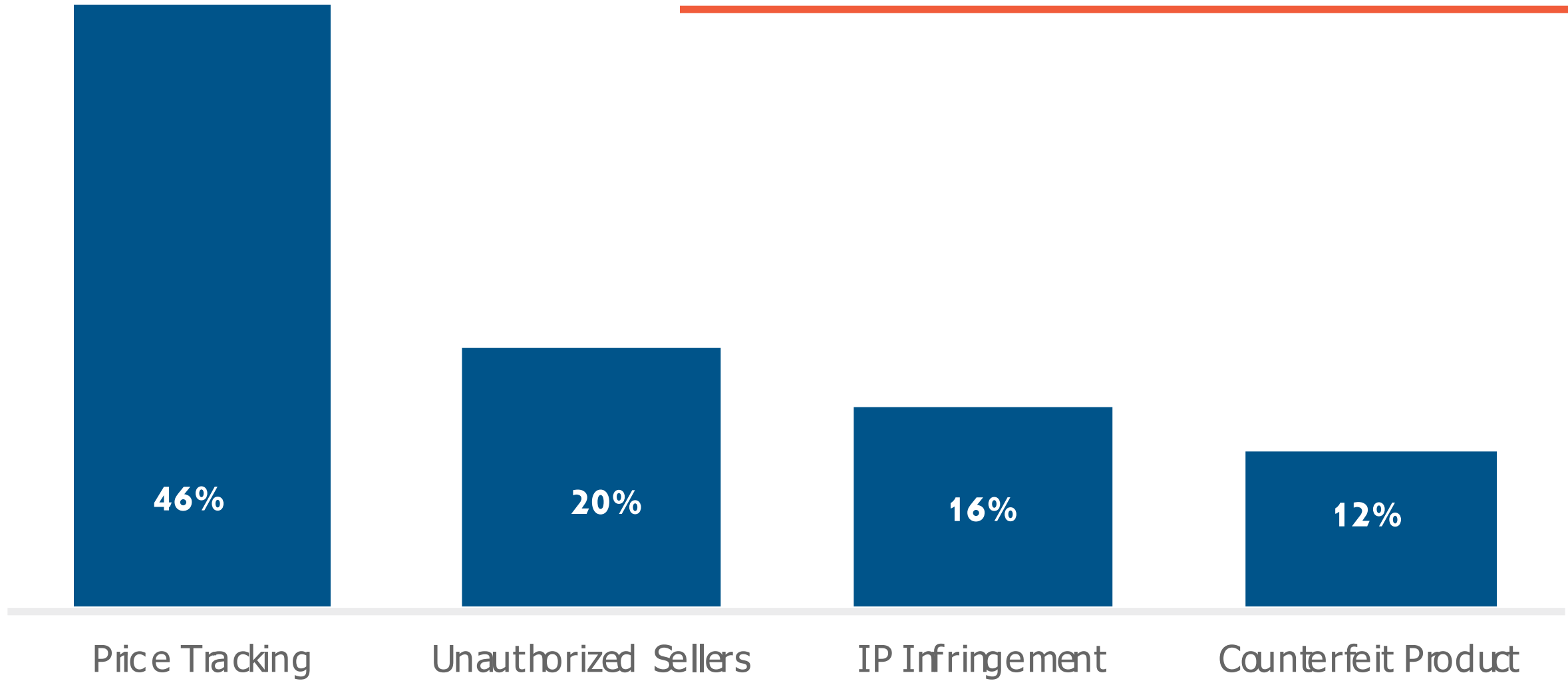
Who manages your Amazon AMS campaigns?

EXCEL ON AMS

EXTERNAL SPECIALISTS ARE DEVELOPING LEADS OVER INTERNAL RESOURCES AND IN MANY CASES EXISTING REP FIRMS



MAKE IT EASIER ON YOURSELF BY LEVERAGING TECH TOOLS



CEO

eCommerce Leader

Sales

Marketing

Supply
Chain

Packaging

Product
Dev.

Brand
Mgmt.

External

Content

AMS

Market-
place
Tools

Other



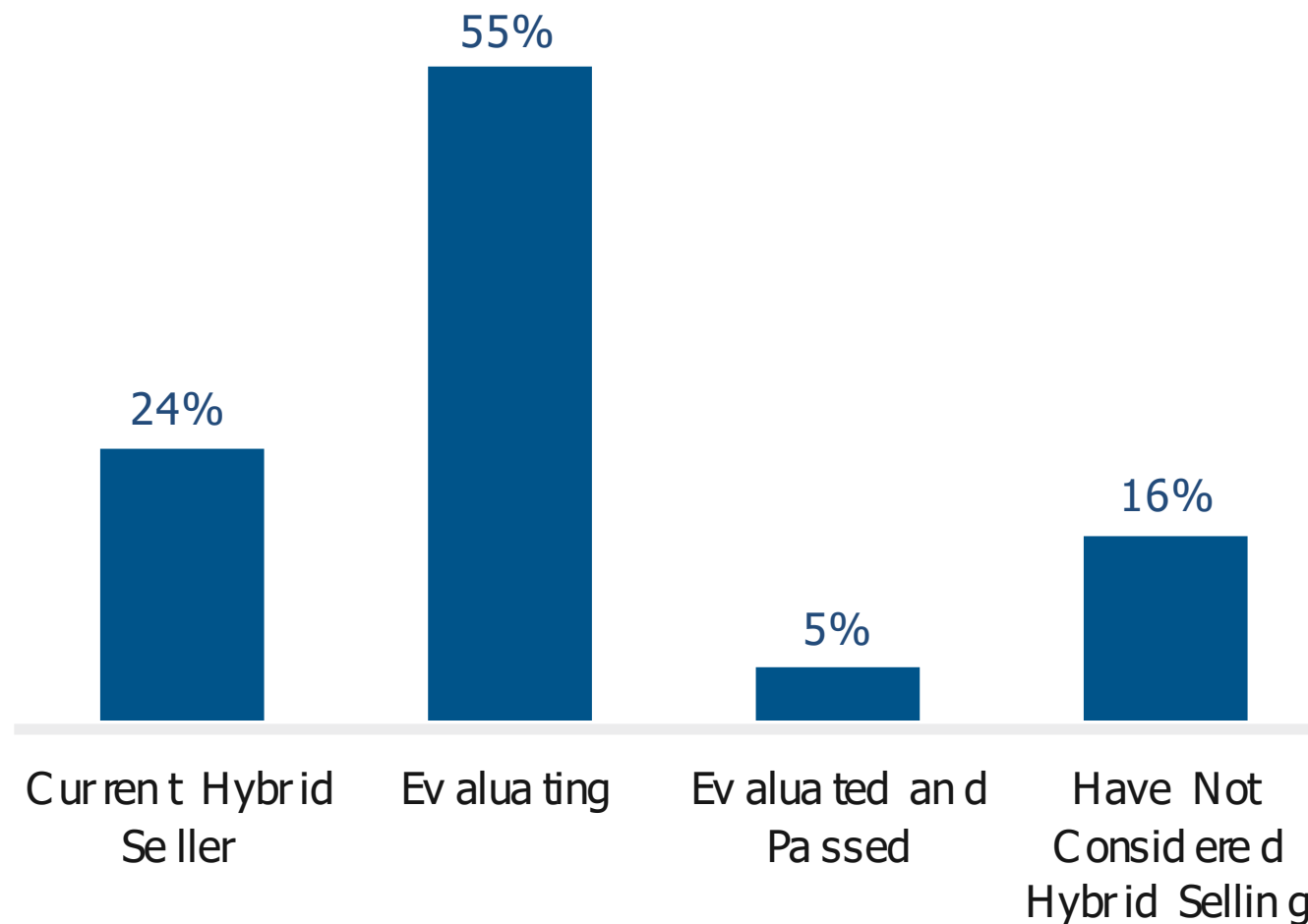
IS HYBRID OPTIONAL?



WHAT DOES THE DATA SAY?

79%

of companies are currently hybrid sellers or evaluating becoming a hybrid seller



WHAT HURDLES EXIST?



SUPPLY CHAIN CAPABILITIES



CHANNEL MANAGEMENT



ADDITIONAL HEADCOUNT

Many manufacturers are moving slowly due to these challenges...**AND** many feel this is optional

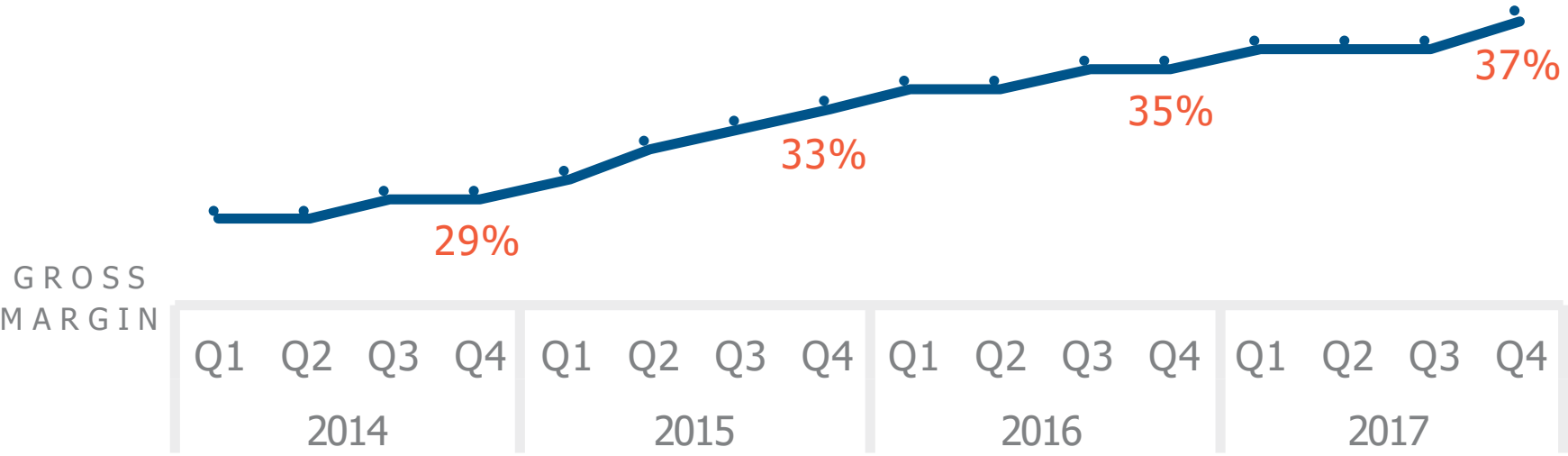
FORCES ACTING ON SUPPLIERS

Amazon's focus on profitability has meaningfully increased in the last 12-18 months...

CRaP



#1 Best Seller

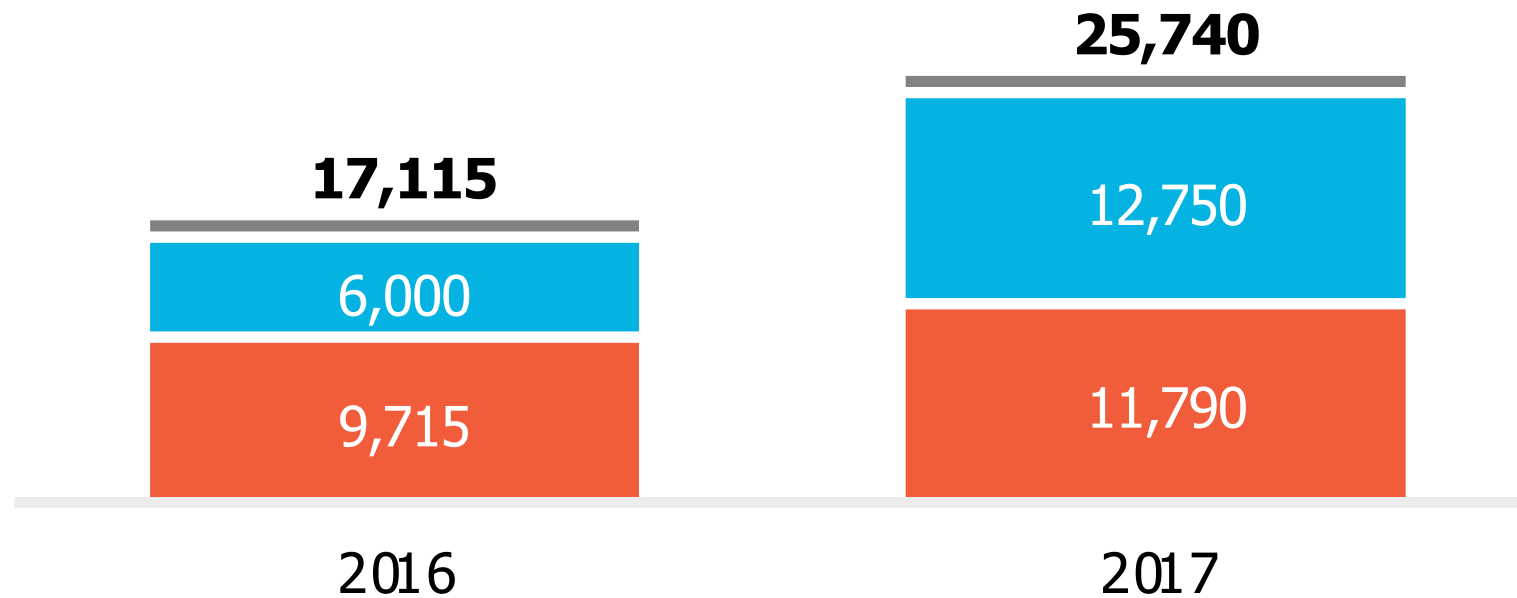


Source: Amazon quarterly results; <http://1000logos.net/nike-logo/>; <https://medium.com/the-mission/behind-the-scram-what-does-it-take-to-be-a-best-selling-author-3-and-5-minutes-ec05cee1749a>

DEMAND OUTPACING SUPPLY

Amazon Fulfillment Center Build Out (Square Feet in 000's)

■ Small Items ■ Large Items ■ Unknown



SO WHAT?

DON'T SELL

RELY ON OTHERS

TAKE CONTROL

THINK BIG, START SMALL

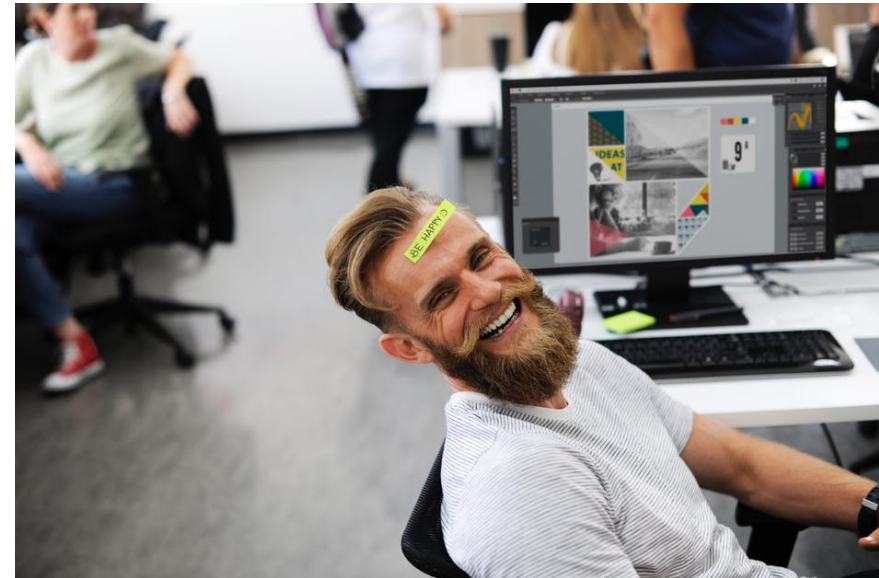
SUBSET OF PORTFOLIO

NEW PRODUCTS

CRaP ASINS

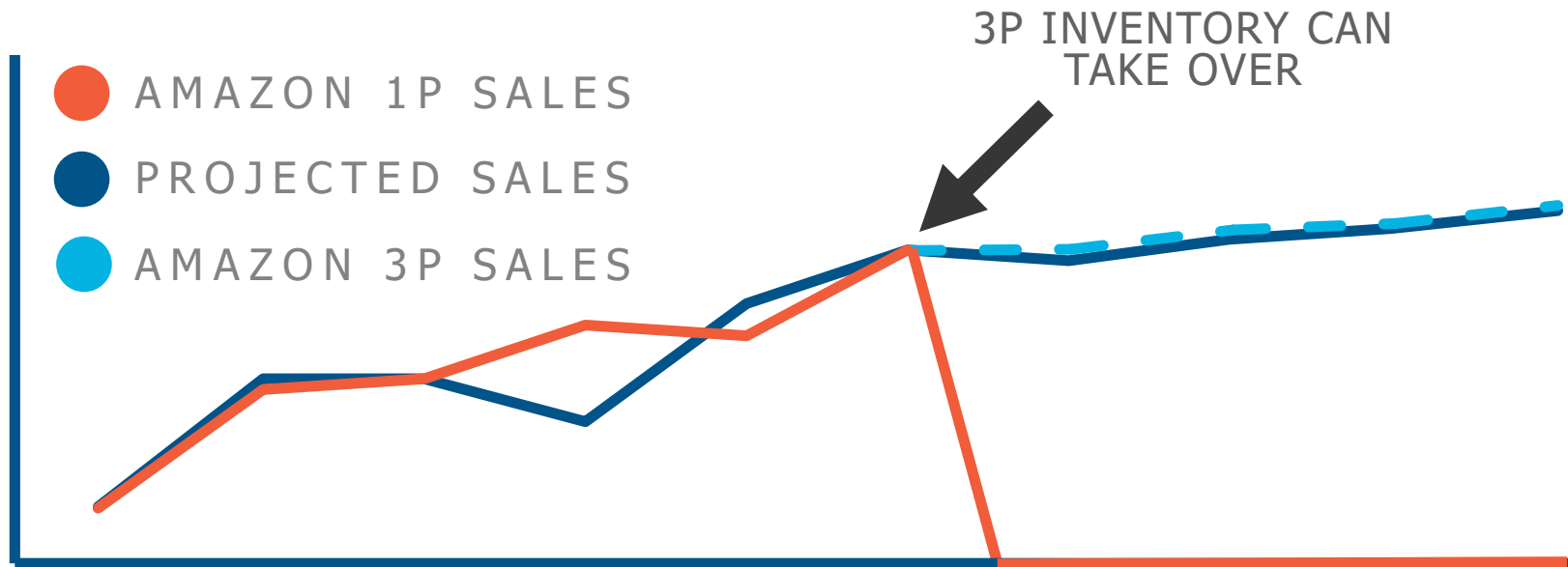
**SENSE OF
URGENCY**

TYPICAL REACTIONS?



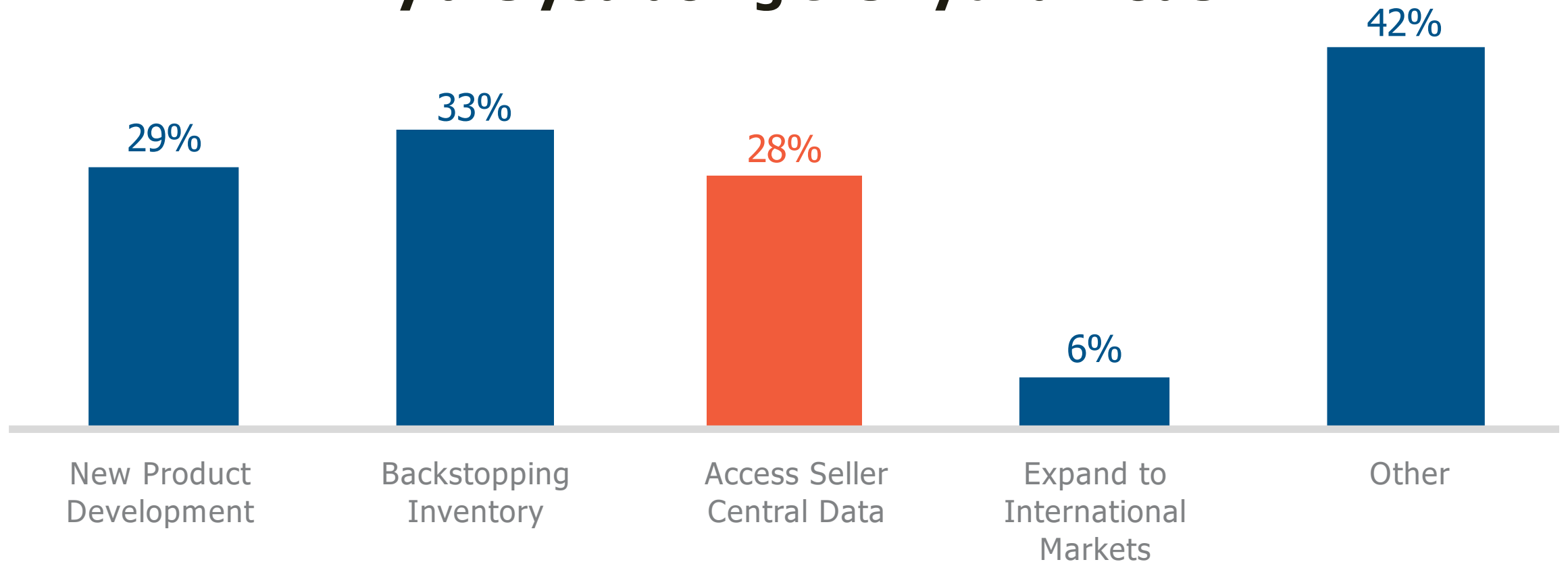
APPROACHING AMAZON

INVENTORY BACKSTOP HELPS NEW PRODUCTS, SEASONAL PRODUCTS...



WHAT DOES THE DATA SAY?

Why are you doing the hybrid model?



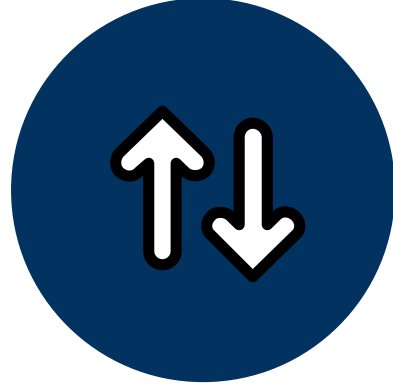
SUPPLY CHAIN OPTIONS FOR THE HYBRID MODEL



FBA



DROP SHIP



3PL

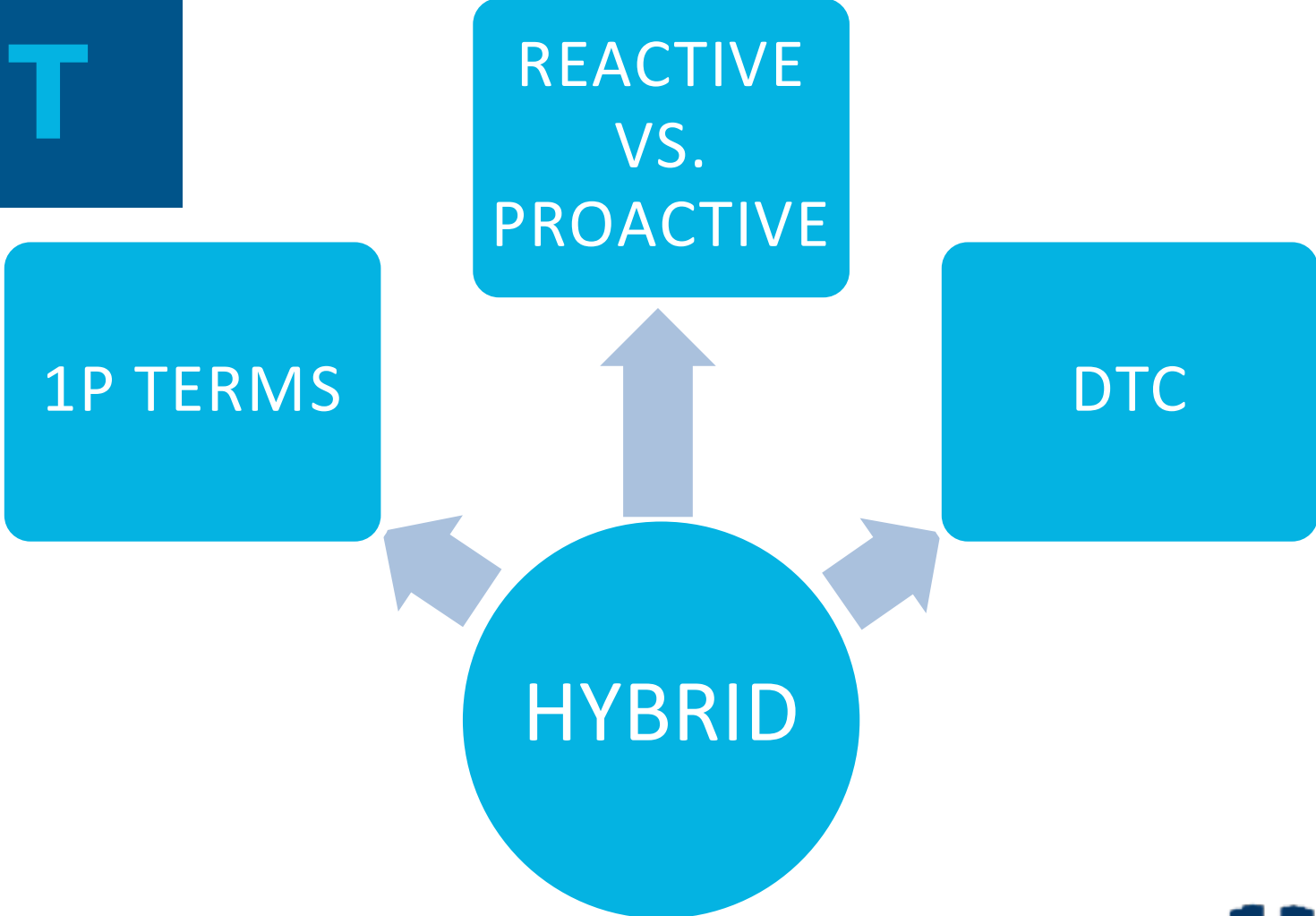


**EXISTING
CUSTOMER**



3P SELLER

STRATEGIC FORESIGHT





THANK YOU



Appendix

***Disclosures:** It is the policy of Cleveland Research Company to comply fully with the antitrust laws set forth by the United State Federal Government and various state laws. Our research is intended to be utilized as a resource in accordance with those established antitrust laws and regulations. The information transmitted is intended only for the person or entity to which it is addressed. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any computer.*