

Special Report

Derek Gehl's Top eCommerce Trends for 2009

We all know 2009 will be a tough year for the economy. Businesses everywhere will suffer everywhere, whether they are online and offline.

Like you, I have been looking for ways to improve my business, to cut my costs and to make sure I am positioned for success as things improve. One of the best things I did recently was attend an online webinar where Derek Gehl shared his *Top eCommerce Trends for 2009*.

1. U.S. retail eCommerce sales were up 7% in 2008 (to \$137 billion, according to eMarketer).

The Top 5 Reasons People Shop Online are . . .

- a. Saving time (88%)
- b. Locating hard-to-find products (84%)
- c. Greater selection (83%)
- d. Avoiding the mall crowds (83%)
- e. Saving money (80%)

(source: e-Tailing Group's Mindset of the Multi-Channel Shopper Holiday Survey" as reported in Retailer Daily, October 2008)

2. The best way to make money online in 2009 will be to **solve a problem in a NICHE market**.
 - a. Information (eBooks, software)
 - b. Physical products -- create your own or use drop shipping
 - c. Recommend affiliate products
 - d. Generate leads for your service business
3. Expect **fewer big product launches** in the internet marketing niche as consumers become more sophisticated. Big launches may still work in other niches.
4. Expect to offer **MORE** for **FREE** to build relationships.
 - a. What stops people from buying online? 78% say it is the high cost of shipping.
 - b. What encourages people to buy online?
 - c. 95% say Free shipping.
5. Make sure your **policies and offers** are CLEAR. People will not buy if they do not trust you or if they are unsure of what you are offering.
 - a. Add disclaimers, Terms and Agreements and other clarifying documents to your website.
 - b. Make sure your sales pages and land pages carefully reflect your offers and policies.
6. **Email Marketing** - done well is still very effective.

- a. 65% of online buyers made another purchase based on automated follow-up recommendations from websites they bought from, according to a 2008 Razorfish Consumer Experience Report.
 - b. Spam is decreasing but you should expect competition from many more effective email marketers. You must be better at standing out from the competition in the Inbox!
 - d. **Testing is critical.** Email marketers who test their campaigns are twice as likely to get conversion rates of 3% or more. But only 40% of marketers test.
 - e. Shorter, more concise email promotions will be more effective.
 - f. The quality of your list is more important than its size.
 - g. Real relationship building is key.
7. **Search Engine trends** show that Google's market share will continue to increase, compared with Yahoo, MSN and others.
- a. A top spot in Google will dramatically decrease your pay-per-click costs.
 - b. Most sites do not optimize for the right keywords, which results in lost sales, according to The ClickZ Network.
 - c. Be sure to check out Google's new search-based Keyword Research Tool, <http://www.google.com/sktool/#>. It will help you identify new keyword opportunities and analyze your website and AdWords account.
 - d. It will also show you the number of monthly searches for keywords, the level of competition for various keywords and an estimated cost per click to score in the top 3 spots.
8. Getting a top spot with Google will be easier with Pay-Per-Click if you know what you're doing and have a "high **quality score**." I'll talk more about this and other topics in this newsletter in future issues.
9. **Geo-targeting** will become even more important for local businesses in 2009. So make sure you include your geographical location in your keywords.
10. **Social marketing** will have a bigger effect on consumer decisions. 49% of consumers have made a purchase based on recommendations on sites like Facebook. 76% think their brands should have a presence on sites like Facebook, but only 25% of online retailers have done so up to this point.
- a. Find out where your customers hang out.
 - b. Many people are signing up for RSS feeds or visiting sites or blogs marked most popular or most emailed.
 - c. **Blogs** are up 20 percent and great for building relationships.
11. **Video is huge!** 94% of people watch video online with some level of frequency. You can use online video for:
- a. Selling your products
 - b. Traffic generation - Google loves video
 - c. Content marketing - create how-to videos related to your product
 - d. Viral marketing - to spread the word about your business and products like wildfire.

12. Finally, the recession and layoffs will mean **big opportunities** for online businesses. There will be great interest in starting online businesses and you could benefit. It will also bring out the "snake-oil salesman."