

# Selling Across Channels:

How a Multichannel Strategy Boosts Sales and Increases Brand Recognition



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# Intro:

Multichannel marketing is the strategy of selling your products across multiple channels—whether they be your website, online marketplaces, social media, or physical retailers. Listing products on multiple platforms allows you to meet customers where they shop and reach a wider customer base.

For ecommerce merchants, implementing a multichannel strategy is important to stay competitive.

Offering your products where customers are already shopping, rather than doing the hard work of bringing them to you makes the buying process more convenient for you and your customers. This ebook will walk you through the most important things to consider when planning and implementing an effective multichannel strategy.

# Why You Should Expand Into New Ecommerce Sales Channels

## Benefits of Multichannel Selling

Incorporating more selling channels into your ecommerce strategy is an easy way to grow your customer base and revenue streams. Not all customers have the same shopping behavior. While you may have a local market or niche customer base, it can require a lot of marketing resources and investment to take your products nationally or internationally. One of the easiest ways to find more customers is to reach them where they shop—instead of just bringing them to you. Selling your products through additional marketplaces such as Walmart, eBay, Amazon, Newegg, etc. can increase your product sales and drive long-term customers back to your website for future purchases.

## New Customers

When you increase your online presence, your customer base grows. You may start off with a loyal group of customers that shop from your online store, but it can be difficult to branch into new markets. This is a major benefit of adding marketplaces like Amazon.

## Revenue Growth

Diversifying the selling channels you sell on leads to new customers, and in turn an increase in revenue growth. Stitchlabs found that **retailers who sell through a single branded ecommerce site like Shopify or BigCommerce saw a 38% revenue growth after adding a marketplace, such as Amazon or eBay**. And selling on a secondary marketplace can increase revenue by 120%.

## Expanded Brand Recognition

An optimized marketplace listing can be one of the most effective brand advertisements. Because multichannel selling reaches more people than selling on your website alone, branding plays an integral part in sales growth. Effectively building product value and brand recognition doesn't require a costly advertising budget. When customers shop around for the best prices and shipping options, they can easily learn brand value organically. Marketplace features such as Amazon reviews also provide firsthand customer experiences that can influence more customers to buy your items. These can also increase your page rank.

## **Lower Barrier to Entry than Brick-and-Mortar**

A retailer's growth prior to the ecommerce boom was restricted to either opening additional physical store locations or having your items sold in department stores. While it can be hard to carve out a path on various online marketplaces, listing your items on different marketplaces is simple and typically very cost-efficient.

And unlike brick-and-mortar, you can maintain and ship your inventory from a localized source.

ShipStation allows you to view all orders from any selling channel or order source and ship them as soon as any customer anywhere places it. Instead of shipping within a single channel's interface or copy/pasting shipping information into a carrier's website, bring all of your orders into one place to quickly and efficiently ship them in bulk.

**ShipStation allows you to view all orders from any selling channel or order source and ship as soon as it's ready.**

# Challenges of Multichannel Selling

Managing multiple selling channels is time-consuming. The more selling channels you sell on, the more challenging it can be to manage the sales and inventory between each. Focusing on extending your reach through multiple marketplaces and websites can make meaningful growth more difficult. If processing time falls behind, this can be detrimental—particularly on marketplaces like Amazon that have strict guidelines around how quickly you have to pack and ship orders. Making sure you have an appropriately staffed team, and effective workflows and inventory management can ease the stresses caused by a rapid influx in orders.

## Varied Shipping Expectations

As mentioned above, multichannel sellers have orders that take priority over others. Your own website is largely dictated by broad trends or your own metrics.

As you incorporate more selling channels into your portfolio, you inherit their seller guidelines and restrictions too. As we so often do, look at Amazon, for example.

They have grown to where they are because sellers are expected to ship orders out within two business days of the order being placed. Prime orders can be even more restrictive. Failure to meet these guidelines can negatively impact your seller rating.

### **Maintaining Brand Consistency**

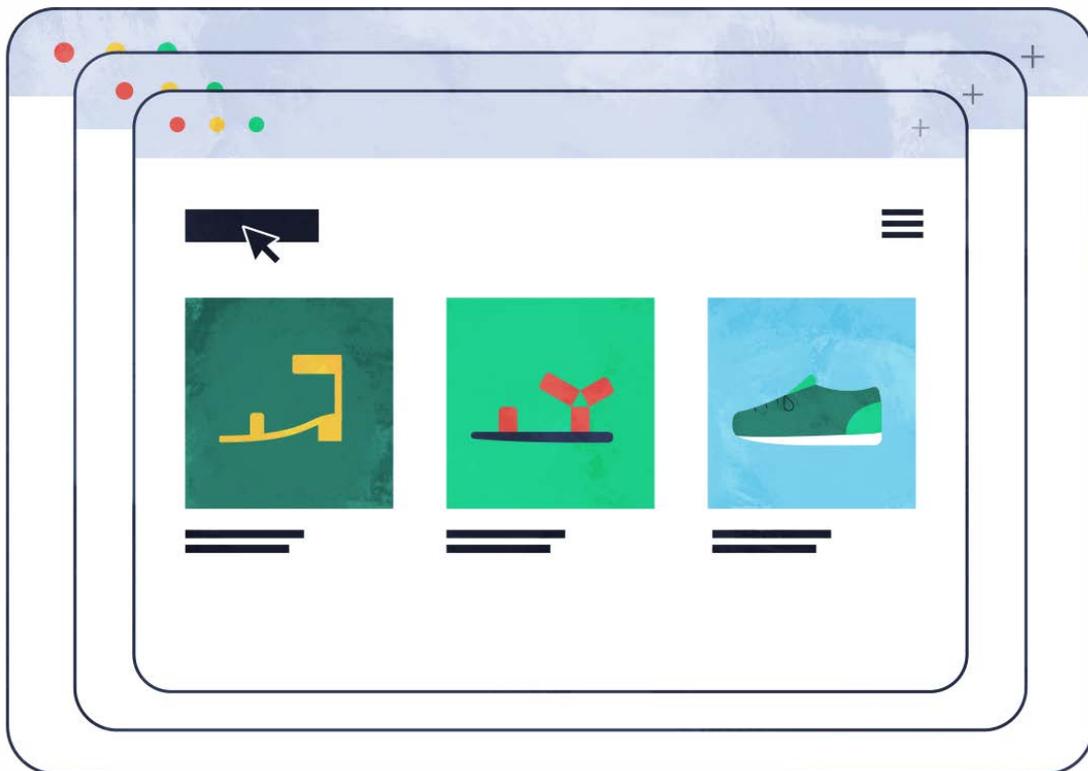
Different selling channels have different guidelines that can come at a cost. For instance, selling channels can have strict guidelines on how to list products. Furthermore, pricing strategies that you or your marketplace account managers come up with to be competitive, can lower brand reception.

### **Narrower Profit Margins**

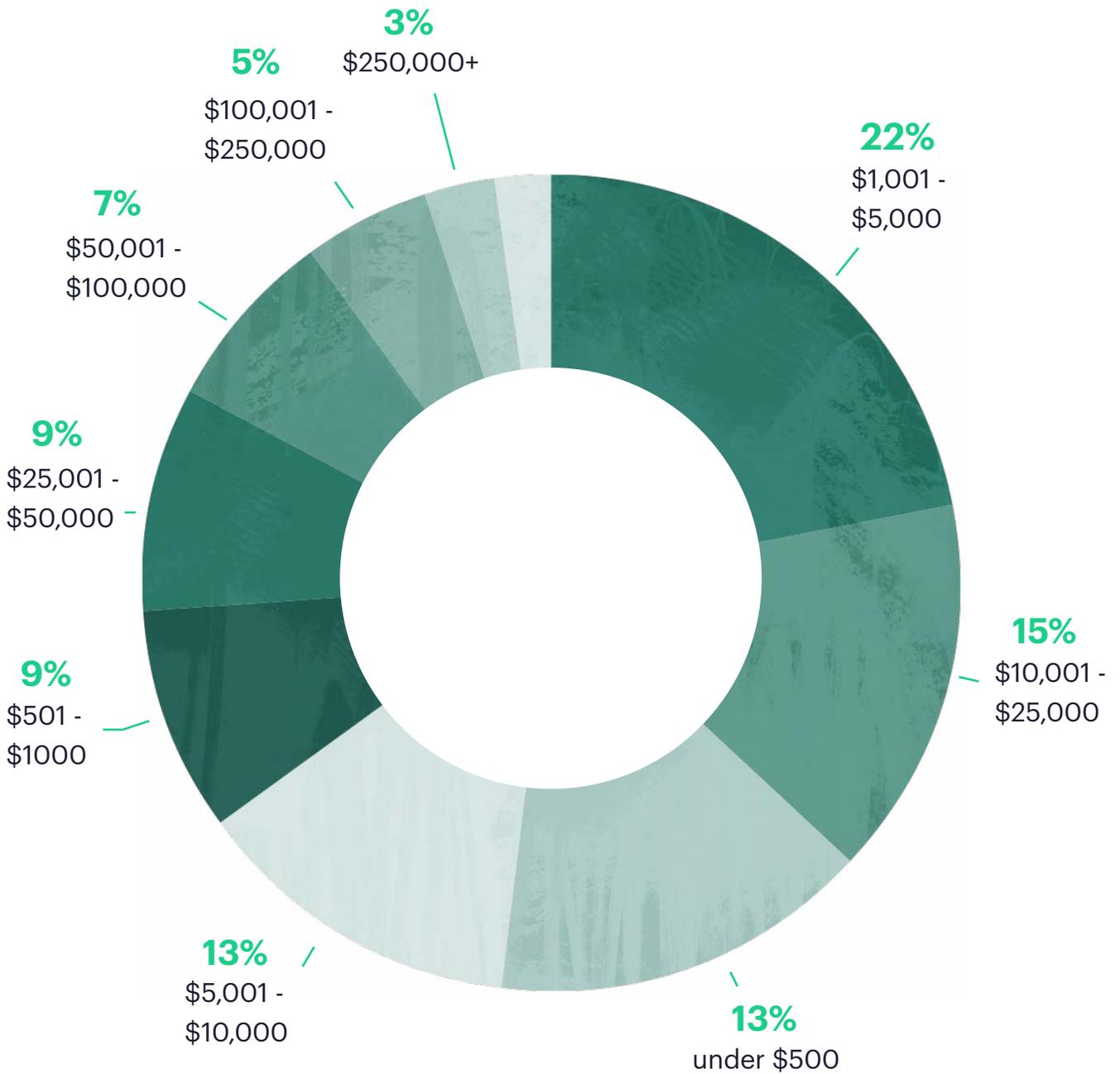
A common issue that ecommerce merchants run into is that offering competitive pricing on marketplaces and having to lower shipping costs for consumers lowers an item's profit margin.

# Selling on a secondary marketplace can increase revenue by 120%.

Stich Labs, "Fueling Growth Through Multichannel Selling", 2020



# Average Monthly Sales for Amazon Sellers



# How to Implement a Multichannel Selling Strategy

Once you've decided you want to implement a multichannel strategy, choosing which channels are best for your business is the next step. Selecting the right channels will require some time and research, but access to the best resources and audience for your business will pay off. To begin your search for the best selling channels, consider already existing features of your business:

## **Business model**

Your business model is important when considering where you want to sell. Do you warehouse and ship your own inventory? Do you dropship or use 3PL? If you store and fulfill your own products, then you have more flexibility in where you decide to sell. If you're using a third-party fulfillment provider to manage inventory and ship products, check to see if they are able to handle orders from multiple channels and if they are able to meet various fulfillment/shipping standards set by the channels you choose.

## **Pricing**

Some marketplaces and selling channels charge merchants a fee for selling products on their platform. See if your existing prices will still be profitable after these fees. If not, will raising the price to accommodate for any fees be reasonable for your target customer base? If you're selling on a marketplace, look into competitors' pricing on that marketplace. If your products are not the lowest price, how can you communicate their elevated value through messaging and branding?

## **Product**

What kind of products do you sell? Some marketplaces or selling channels specialize in specific niche products. If you sell unique, homemade products, a marketplace like Etsy may be the most relevant. If you're selling a commodity, consider broader platforms

like Amazon. Do some research to see which niche marketplaces make the most sense for your products.

## **Customer Base/Target Audience**

Different customer segments prefer to shop in different ways. Do some research to see how your target customers like to shop. Some customers prefer to buy directly from a social post over searching for something on Amazon. Also consider any new markets you'd like to break into. A multichannel approach can be great for exploring new audiences and expanding your customer base.

## **Brand**

Creating brand consistency can be a challenge when selling across multiple channels. If your brand is essential to creating value for your business and products, it is important to make sure any selling channels you choose can accommodate your brand elements. These include colors, logos, imagery, as well as the voice and tone of your messaging. Any product descriptions should reflect your brand's voice and tone, and include any relevant specifications and product information. You want the reliability of your brand to be recognizable to new and returning customers.

## **Business goals**

Consider what your business goals are for your multichannel strategy. Are you looking to expand your user base, reach more of your customers, or just offer more optionality for your existing customers?

When choosing selling channels, consider your business growth needs. If you're wanting to hit certain targets, use these targets as a guide for your selection process. If you are profit-oriented, consider where you can realistically get the most traffic. Evaluate any fees associated with certain channels and see if you can meet profit goals with these fees.

## **Marketplaces vs. Branded Ecommerce Platforms**

In addition to having your own physical and ecommerce store, there are several types of online marketplaces and platforms where you can sell your products to people who otherwise might not find you.

But not every channel is a good fit for every business. For example, to provide a streamlined customer experience, many of these marketplaces will prioritize their own branding over yours.

That can be difficult if your strategy relies on having a recognizable brand. And many online sales channels charge fees for product listings and or sales commissions.

But the benefit of featuring your products on these websites can certainly outweigh any downsides, especially if your goal is to sell a high volume of products or cater to a niche market. These marketplaces are designed to streamline the process for sellers and to potentially reach a large customer base.

And while there are a variety of options for merchants to choose from, not every marketplace or channel is right for everyone. Here's a breakdown of how you can narrow your focus on the right channels for you and your retail business:

## **Marketplaces**

Marketplaces are a third-party site that includes product listings from many sellers across product categories. Examples include Amazon, eBay, Walmart, and Etsy.

# What are the benefits of selling on a marketplace?

## **It's convenient to get started and maintain**

An online marketplace is a great option for sellers, especially new ones. Because these sites are established it can save a retailer a lot of time and allow them to avoid building a website from scratch.

## **Access a wider audience**

Sites like Amazon and eBay are trusted and well established. Consumers are comfortable making purchases and are accustomed to going there instead of somewhere new to find products.

As many marketplaces are already household names, they have millions of shoppers who are searching for products like yours. It doesn't require much effort to get your products in front of potential customers.

# What are the disadvantages of selling in a marketplace?

## Competing Brands

There many sellers on marketplaces who will most likely offer competing products that target the same customers. In a crowded marketplace, your products might not necessarily stand out. Depending on the intensity of your competition you may not get the exposure or easy sale that you're hoping for.

## Little Brand Recognition

It's common for many people who shop on marketplaces to assume they are buying straight from that marketplace. They will most likely remember the marketplace, not your brand the next time they decide to again. Oftentimes there is little customization offered to a brand. This can make it difficult to build brand awareness and recognition.

## Which Marketplace is Right for You?



Huge existing audience: Amazon has 150 million Prime members, alone.

Brand recognition and trustworthiness: Amazon is one of the most highly recognized brands in the world. It is the first stop for many consumers on their buying journey. It has a valuable reputation due to fast shipping and free and easy returns.



Auction-style selling: eBay offers the option for merchants to sell their products via auction-style selling. Select a starting price and eBay users can then bid on the product until the auction is over. Once it's over, you can sell to the person with the highest bid price.



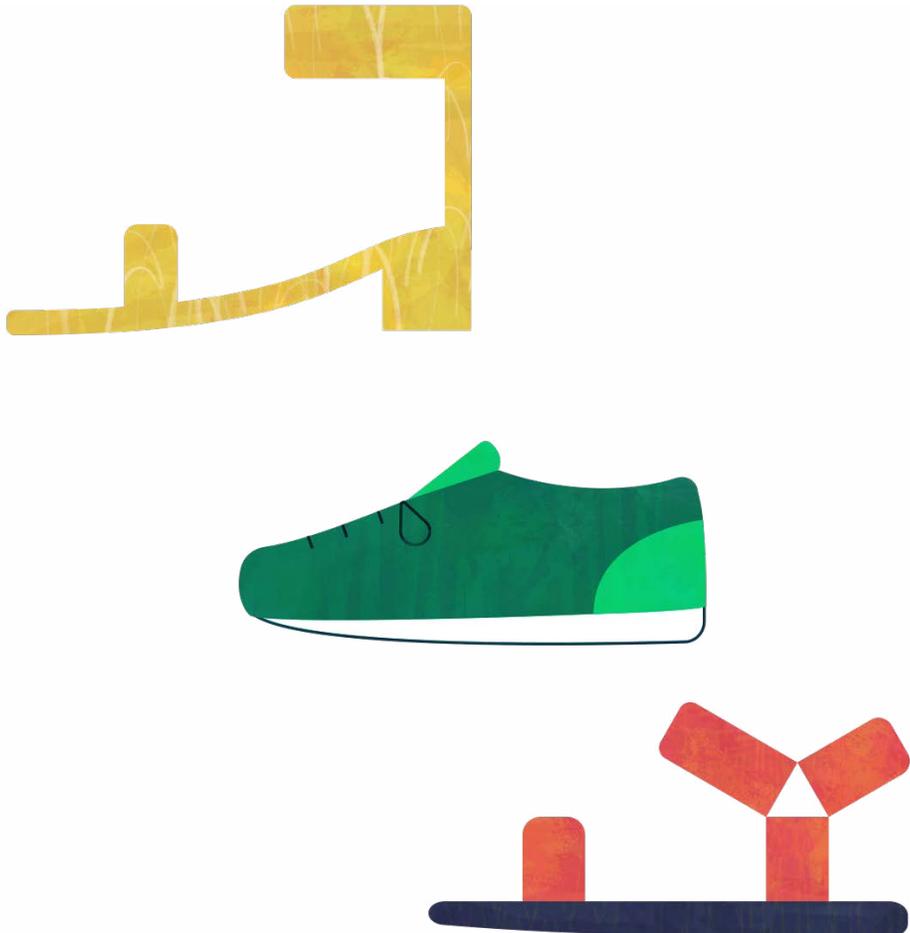
Scale and customer reach: The Walmart Marketplace has over 110 million visitors each month.

Walmart is focused on value: To sell on the Walmart Marketplace, your business must apply and be approved. Their market is focused first and foremost on low prices.

# Etsy

Niche market for artisan goods and handmade items.

Built-in customer base: Etsy has a strong, existing customer base so you can spend less time and money bringing your audience to the platform.



## **Branded Ecommerce Platforms:**

Branded ecommerce platforms, often referred to as shopping carts, are an independent ecommerce website that a seller runs, where buyers purchase goods directly from the website belonging to the business. Many are built using platforms like Shopify, BigCommerce, and WooCommerce.

# **What Are the Benefits of a Branded Ecommerce Platform?**

## **Maintain Strong Brand Consistency**

When you build your own website with a branded ecommerce website, you have total control over what it looks like, what it says, and how it works. This provides a great opportunity to showcase your unique brand.

Some platforms even offer flexibility over design, pre-built templates, and integrations with other systems.

## **Maintain Your Customer Base**

Having your own store allows you to get direct access to your customers. You can target people who visit your site with ads, market to those who have already purchased from you and stay connected with them.

# **What Are the Disadvantages of Selling on a Branded Ecommerce Platform?**

## **Time-consuming to set up**

There are many components and steps for creating your own site even with templates and do it yourself tools. Some sites help streamline and take care of these time-consuming tasks, but there will be work involved to set up and maintain the site.

## **Customers have to find a way to reach you**

Potential customers won't just navigate to your site. A lot of marketing work needs to be done in order to get people to your site. But once you're able to get customers to your site you then need to convert them into paying customers.

Having a great website, messaging, and experience will help convert them into repeat customers.

## Which marketplace is right for you?



**Robust selling channel:** Shopify is a widely trusted ecommerce selling platform. Set up your own store to sell from directly. Their platform allows you to sell on your website, in-person (through a point-of-sale system), and on multiple selling platforms. Shopify has integrations with other marketplaces like Amazon and eBay to make online selling simple.

**“Buy Button”:** The Shopify Buy Button allows you to include links to specific products in your store anywhere you choose on your website, including your blog. This makes the purchase process more convenient for customers.



**Multichannel Integrations:** BigCommerce has a wide range of integrations with various selling channels, including marketplaces like Amazon and eBay, and social media channels like Instagram and Facebook. These integrations make the multichannel selling process easier to manage.



**WordPress platform:** WooCommerce gives you the ability to build your online store on the WordPress platform. Using WordPress may make the store more accessible and user-friendly for businesses that already use WordPress for their website.

Understand your target market before expanding into other selling channels. Once you do, you can better evaluate which selling channel will fit your target customers and their buying habits. Selecting the right selling channels will be integral to the success of your multichannel strategy.

And remember: Many of these common platforms can integrate with your ShipStation account to easily set up order import and fulfillment.

# Best Practices from ChannelAdvisor

## **Marketplaces have changed.**

The entire landscape has undergone a massive transformation in recent years. There are now well over 100 marketplace options for brands and retailers, each with its own set of rules, requirements and built-in audiences. With billions of product listings competing for the attention of hundreds of millions of consumers, the stakes are higher than ever.

It's no longer enough to simply list products. Any marketplace merchant that wants to maximize opportunities on these channels must first master a mountain of mission-critical steps. From competitive advertising to automated pricing to fast fulfillment, there is a lot to consider.

# Best Practice #1

## Synchronized Inventory

If you sell products on more than one channel, you've likely run into one of the most frustrating problems a seller or customer can encounter—overselling. This happens when a product sells out on one marketplace, but its inventory count fails to update in time across your other selling channels. Completing a purchase only to discover the product is actually out of stock will leave customers with a bad impression of your brand.

Using a trusted inventory management solution is the easiest way to synchronize product quantities across multiple marketplaces. In addition to preventing overselling, the right solution should also make it easier to expand into future channels as your operations grow.

## **Best Practice #2**

### **Optimized Product Content**

The difference is optimized product content.

It's not just what you list that matters, but how your listings are structured. Product titles, images, descriptions, keywords and categories are often what compel consumers to make purchases. The more convincing the content you use to promote your products, the more likely a listing will be to rise to the top of search results and drive more purchases.

A growing number of retailers and brands are relying on robust data feeds to ensure product information not only meets the unique standards of each marketplace, but it also needs to be attractive and specific.

## Best Practice #3

### Structured Pricing Strategies

Now that shoppers are acutely aware of the wide range of options for purchasing the same product at different prices, it's no longer your item details and imagery alone that capture attention.

Having a structured pricing strategy is essential to marketplace success. Two of the most critical elements to include in your strategy are:

**Automated Repricing:** A necessity for competing on any major marketplace. Whether you want to adjust pricing based on the competition or guarantee more Buy Box wins without sacrificing margin, repricing tools will ensure those changes are made in real time. The key is to use a system or tool that aligns your competitive prices across channels so you can keep your pricing consistent across marketplaces.

**Velocity Pricing:** Another key strategy that permits you to automatically adjust product prices according to sales trends. You simply set your criteria and then watch as prices are automatically adjusted up or down based on the latest sales data. If sales dip, so will the price. When orders occur with more frequency, the cost of that item rises once again. Whether you want to extract more margin on fast-selling products or lower prices when sales start to slow, velocity pricing is a strong strategy to have.

Implementing both pricing tactics is encouraged for maximum impact.

**Having a structured pricing strategy is essential to marketplace success.**



## Best Practice #4

### Engage With Customers

Taking measures to create more meaningful interactions with consumers on ecommerce marketplaces can have a direct impact on sales and revenue. **An estimated 54% of consumers make decisions based not on customer service, not product price or features.**

Providing an exceptional customer experience does more than elevate your brand's reputation. It's also a great way to capture repeat purchases. On marketplaces, this takes many different forms, including:

**Proactively monitoring reviews:** How you address one consumer's needs can influence the buying decisions of thousands of others. While this best practice is often lower on the priority list, being proactive about soliciting, monitoring and responding to reviews can lead to tremendous results.

**Strengthening return policies:** While many consumers avoid sellers with strict return policies, the opposite is true of the more generous ones: 96% will continue to buy products from a brand after having a positive return experience defined by hassle-free policies, free return shipping and automatic refunds.

## Best Practice #5

### Comprehensive Advertising

Visibility is a big challenge every experienced ecommerce business has faced. Until you develop a solid digital marketing strategy, standing out on marketplaces will remain an uphill battle. Without the right ads, your listings may never rise to the top of search results or reach the right customers. Marketplace success starts when your listings land in front of the right customers at just the right time.

The best way to achieve this begins with making the most of the advertising opportunities offered by each marketplace. In leveraging the full range of marketing options on Amazon and other marketplaces, successful sellers understand it's not a one-and-done process. They continually monitor campaigns and make adjustments using a wide array of advanced strategies: targeting competitor ASINS, mining keywords, setting up budget notifications during peak sales days and more.

## Best Practice #6

### Ongoing Growth

Amazon may be the go-to marketplace for many ecommerce consumers, but it is not your only avenue for growth. Diversifying with multiple marketplaces can open your business up to millions more purchase-ready shoppers around the world.

If you're serious about growing an ecommerce business, marketplace expansion is a must. Different consumer needs are met on different marketplaces, and having a presence across channels helps you reach customers more effectively. Determine which marketplaces are the best fits for your product catalog, even if that means moving beyond the marketplace giants.

The key to success is streamlined growth. Before expanding to new marketplaces, have a process in place to keep marketplace management from becoming overwhelming. For most ecommerce companies, the easiest solution is relying on one centralized platform that's built to integrate with dozens of different channels.

## Taking the Next Step

Selling across multiple marketplaces can completely transform your business. However, to be successful you have to stand out from the crowd. Fortunately, following these six proven practices should allow you to connect with more customers, optimize operations and, ultimately, grow sales like never before.



# Conclusion

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To compete in today's ecommerce market, simply having products on your website may not be enough. You can't wait for customers to come to you. You need to be where they are, and that means you have to be a multichannel seller.

With numerous selling channel options out there, having a presence on more than one channel will increase visibility and drive traffic to your site.

## About ChannelAdvisor

This content was contributed by our solution partner ChannelAdvisor. ChannelAdvisor's Starter Edition and Enterprise solutions help thousands of brands and retailers connect with customers around the world.

ChannelAdvisor Starter Edition helps streamline your inventory management in a single, proven solution. Starter Edition also helps reduce the time it takes to get up and running on new sites by automatically synchronizing with your existing product listings. Starter Edition works seamlessly with Shipstation to help you grow your selling efforts with Amazon, eBay and Shopify in the United States.

ChannelAdvisor Enterprise helps brands and retailers better manage their digital marketing, marketplaces, and fulfillment strategies globally - all within a single platform. Named the #1 Channel Management Provider to the Internet Retailer Top 1000, ChannelAdvisor provides everything a brand or retailer needs to connect with more consumers and increase sales across hundreds of channels around the world.

## About ShipStation

Every day, tens of thousands of e-commerce retailers rely on ShipStation to solve the day-to-day challenges of importing orders and processing shipments. The trusted leader in shipping software since its founding in 2011, ShipStation helps online sellers scale their businesses and deliver exceptional customer experiences, with an intuitive online solution that allows them to efficiently ship orders—wherever they sell and however they ship.

The multi-channel and multi-carrier platform offers the most integrations of any e-commerce solution, with more than 300 partnerships with leading shopping carts, marketplaces, carriers and fulfillment services, including FedEx, USPS, UPS, Amazon, Shopify, and BigCommerce. ShipStation is headquartered in Austin, TX and is a wholly-owned subsidiary of Stamps.com (Nasdaq: STMP). For more information, visit [shipstation.com](http://shipstation.com)

