



2022

THE ULTIMATE PLAYBOOK

FOR SCALING YOUR
ECOMMERCE STORE





In just a few short years, ecommerce has taken the world by storm. And despite the decline from the peak pandemic days of 2020, the world of online shopping continues to gain ground.

In fact, the global ecommerce market is set to hit \$5.4 trillion in 2022.

But world events like the pandemic have changed the face of ecommerce for good. From managing volatile supply chains to vying for customers amid increasingly stiff competition, marketplace sellers and high-growth brands have had to constantly adjust their strategies in order to stay ahead.

So if you've made it this far, congrats! The road has been anything but smooth.

Of course, none of that is going to stop you. Like any ambitious entrepreneur, you're probably already onto the next item of business:

Growing your store in 2022 and beyond.

In this playbook, we'll dig into some of the **latest and most impactful shifts in the ecommerce market** and unpack how these factors could impact your store this year. We'll also reveal **some of the core ways to scale your store** so that you can build the business and life you deserve.



The scoop on scaling your store

- Ecommerce in 2022: How have things changed?
- How to successfully scale your store in 2022 and beyond
- Make this year your best yet

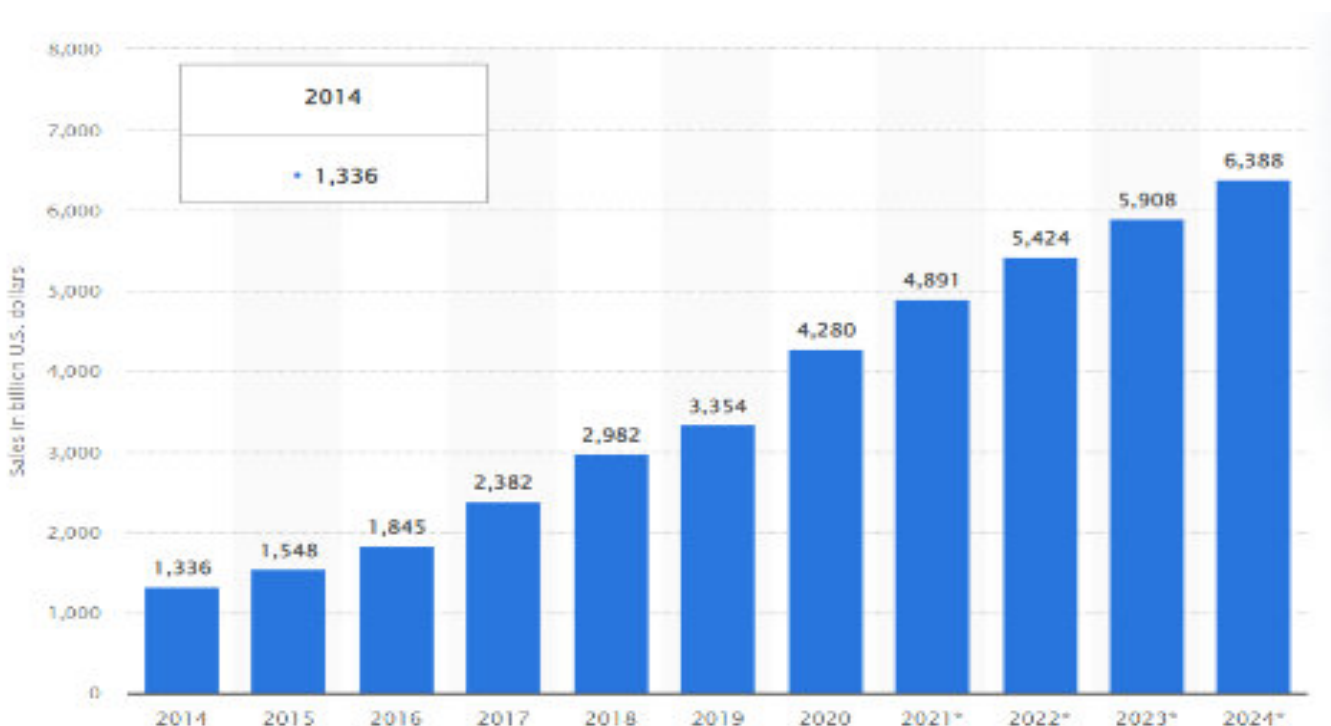
Need help taking your store to the next level

[Let Sellers Signals lead the way.](#)

Ecommerce in 2022: How have things changed?

The ecommerce industry has always been a master shapeshifter, evolving with the times in order to fulfill consumers' wants and needs. But over the last two years, ecommerce has evolved so rapidly, some areas are practically unrecognizable.

Let's take a closer look at some of the key shifts that have changed the ecommerce game in recent times.



Mass expansion across niches

Given the explosive growth in the last 20 months, virtually no ecommerce niche has been left untouched. Even traditionally in-store markets like produce have grown, with [20-30% of grocers](#) joining the ecommerce revolution during the pandemic. 🥦

Whether it's buying household essentials or shopping for a new outfit, today's consumers have never been more comfortable going online to find the goods they need. Even after the market correction following the height of the pandemic, online sales show no signs of receding to pre-pandemic levels — meaning more opportunities for sellers ready to capitalize on that growth.

More competition when selling online

Now, the not-so-good news. As more brands take their business online, the competition is rising. How much, exactly?

Well, to give you an idea, Amazon had 1.9 million active sellers in 2021, with up to 800,000 new sellers jumping on board every year, and [approximately 2,000 new sellers](#) joining the marketplace every day.

With competition that steep, it's no longer enough to simply list products and run ads. If you really want to position your store at the head of the pack, you'll need to add value with your items, run timely offers, and consistently run well-optimized [marketing campaigns](#) focused on building a brand customers can stay loyal to.

Rising costs and stockouts

With out-of-stock messages [up 169%](#) on Cyber Monday 2021, it's hard not to notice how shipping delays, truck driver shortages, and 'The Great Resignation' are affecting supply chains worldwide.

Not only is it becoming increasingly difficult to stay in stock, you'll also have to pay a premium to get your inventory on time. For example, in the UK alone, freight costs [rose 4X](#) following Brexit and COVID-19.

Shipping delays and cost spikes are creating a situation where money speaks...loudly. Brands with enough liquid capital to create a tightly sealed supply chain are winning. By getting the right products to the right customers at the right time, these sellers have a major leg up on customer satisfaction and will have an easier time protecting their margins.

Social commerce is on the rise

Social media has long been a place people go to hang out with friends and let off steam.

But in recent years, it's also become a place for consumers to shop for pretty much anything and everything. Today, the current global value of social commerce is tipped to explode from nearly \$475 billion in 2020 [to \\$3.37 trillion in 2028](#).

Brands that [embrace social shopping](#) are not only giving shoppers another way to buy items easily, they're also helping to diversify their income streams and turn social media clicks into near-instant sales.

Subscriptions are gaining steam

Racking up an impressive [41% growth rate](#) during the pandemic, subscriptions have gone from underdog to rising star. And it's easy to see why.

Subscriptions [bring convenience](#), variety, and excitement to shoppers' lives, while reinforcing cash flow with consistent revenue for sellers. It's a clear win-win that many brands are sure to take advantage of as we move further into the 2020s.

Digital transformation is no longer optional

From apps that allow shoppers to track multiple product deliveries to easy one-click checkouts, savvy ecommerce brands are actively investing in customer experience.

Because no matter which way you cut it, ecommerce is a buyer's market.

Shoppers aren't afraid to take their business elsewhere if the price or service is better. Today, increased competition paired with dwindling consumer loyalty means the fight is on to keep shoppers engaged and happy.



Efficiency wins the day (and the sales)

To offset the many challenges of selling post-pandemic, many brands have invested in better marketing optimization, software systems, and backend processes — and their results have improved as a byproduct.

Operational upgrades have helped some of the leading brands become more productive, efficient, and cash positive. Great ingredients to have if your goal is to scale faster and capture more profits in the process.

It's going to be another big year for ecommerce. Make sure you're tracking the right metrics with a little [help from Sellers Signals](#).





In 2022, the future is finally here.

For years, retail experts and brand owners sang the same tune: “Ecommerce is the future”.

And while the stellar growth seen in 2020 didn’t completely carry over to 2021, the last two years have only confirmed this mantra, while forcing growing brands headfirst into the future.

With a smart strategy and a little hard work, forward-looking sellers were able to build more resilience, security, and revenue into their stores. And despite the many challenges, the future is extremely bright. 🧐

Brands have leapt from surviving to thriving

While some brands went into survival mode at the start of the pandemic, many have now found their stride, proving the adage that crisis brings both change and opportunity.

As a result of the sudden upheaval prompted by COVID-19, many ecommerce businesses have:

- Built measures to cope with supply chain disruptions
- Diversified their product catalogs
- Taken their brand global

Consider Amazon itself as an example. Refusing to be caught out by shipping dramas, [the mega marketplace is now hiring planes](#) and ships to control its supply chain with greater accuracy.

But innovation isn’t a luxury that only the multi-billion dollar brands can afford. Sellers of all sizes are actively finding ways to make their businesses more agile and



Shoppers will continue cozying up to online

The high street is shrinking every year, but consumer demand shows no sign of slowing.

In fact, there are 11,000 fewer high street stores than there were 10 years ago — and that's just in the UK. On the flip side, global demand for goods hit \$5.6 trillion in 2021's third quarter, the highest rate recorded as of last November. A large part of that demand was made up of the whopping 2.14 billion people predicted to purchase items online last year.

Regardless of any short-term market corrections, it's clear that brands no longer have to “sell” ecommerce to shoppers. The stage is now set for massive growth in 2022 and beyond.





How to successfully scale your store in 2022 and beyond

If you're here, you've already proven you have what it takes to achieve massive ecommerce success in 2022.

All you need in your corner is a multifaceted approach to managing your store, combining strategy with creative projects, the right data, and gold old-fashioned grit to go after your goals.

Let's break down the action steps to help you reach a whole new level this year.





Tactic #1: Start with clear goals

To kickstart your 2022 growth journey, get clear about what you want to achieve and by when.

Define what success will look like for your business and for each key category, then create an action plan to achieve it.

Some vital areas to plan for include:

- Revenue
- Profit margins
- Return rate
- Customer satisfaction

For example, you can ask yourself:

- What percentage increase do we want to see in revenue growth in Q1, Q2, Q3, and Q4?
- What are the average profit margins for our products right now and how can we improve them?
- Which products have the highest margins and how can we optimize or replicate these results with other products?
- Which items have the highest return rates and what are the most common reasons for returns?
- What suggestions have customers made for how we can improve our store?

Tactic #2: Use the right KPIs to track your results

Once you've set out precise goals for your brand, set up Key Performance Indicators (KPIs) to track your results throughout the year.

The right KPIs will shine a light on your store's true performance so you can stay on target, double down on what's working, and fill any important gaps in the business.

To get an accurate reading in less time, try using a business analytics tool to automatically help monitor each KPI for you. At SellersFunding, our simple and visual Sellers Signals dashboard allows you to track core KPIs such as your business valuation, profitability, user feedback, and much more, so that you know your actions are bringing in the results you need. 📊

It's also important to note that no two stores are created equal. The KPIs most important to your brand will depend on your unique business and goals. But to get you started, here are some of the most commonly tracked KPIs for ecommerce brands.

- ❑ **Gross Profit Margin:** Allows you to assess your store's financial health by highlighting how much cash you have once you've paid for the fixed and variable costs associated with making your goods.
- ❑ **Inventory Levels:** Keeps you informed on how much stock you have on-hand.
- ❑ **Average Order Value (AOV):** Measures how much money customers spend per basket on average. For best results, keep an eye on your Lifetime Revenue Per Customer and Cost Per Conversion to get the full picture of your store's performance.
- ❑ **Return Rate:** Lets you know how many products are being sent back from shoppers compared to the total amount of goods sold.
- ❑ **Customer Lifetime Value (CLV):** Helps you understand how much net profit each shopper brings to your business while they are your customer.
- ❑ **Churn rate:** The number of customers that have exited your business.
- ❑ **Customer Acquisition Cost (CAC):** Helps you understand what it costs to secure a new customer.
- ❑ **Cart Abandonment Rate (CAR):** Lets you know how many shoppers were ready to buy but got cold feet so that you can assess how much money is being left on the table.

Tactic #3: Plan for uncertainty

If there's anything we've learned throughout the pandemic it's that a stress-tested strategy is key.

You'll want to start the year with a solid recovery plan that will help your brand get back up and running quickly if — or more likely, when — disaster strikes.

Take time to research and really get to know the potential risks and challenges in your niche and in the ecommerce community at large. Then create a step-by-step process for solving it.

For example, if shipping is a major problem, you could:

- Create a strategy to source locally
- Split manufacturing into countries that have better shipping times
- Secure backup freight forwarders just in case

Remember, healthy cash flow often comes to the rescue in a crisis — so be sure to account for an extra cushion of capital in your plan.



Tactic #4: Diversify your sales channels and shipping options

The buzz about omnichannel is real. So much so, in fact, that some shoppers are even switching between platforms for the same transaction.

If you're thinking about taking an omnichannel approach this year, there couldn't be a better time. Start by conducting an analysis of your store's customers to understand where your shoppers like to purchase their products. Then, integrate your sales channels to provide customers with a seamless experience no matter where they choose to start and end their shopping journey.

Don't forget to level up your shipping options too. Provide shoppers with multiple ways to receive and return products to help maintain customer satisfaction across the board.

Tactic #5: Experiment with subscriptions

Subscriptions offer a great way for ecommerce brands to add value to shoppers' lives, whether it's taking a mundane task like ordering essentials off your customer's plate or sparking a little joy with unique and unexpected monthly gifts.

Make sure you actively promote your subscription offers and incentivize signups with things like:

- Free trials
- Discount coupons
- Prize drops
- And more

Even if your core product doesn't lend itself to the subscription model, with a little creativity, you might be surprised at the ways you can take advantage of [subscription boxes](#) as a way to help boost your AOV.



Pro tip: Multiple store setups and subscriptions can rack the bills up fast. If budget is an issue, try cherry-picking only the most popular channels to get started on.



Tactic #6: Dive into social selling

Just because social selling is “in”, doesn’t mean it’s a fad. The numbers on this one are clear. Social selling is a great way to build trust and scale your store long-term.

But to stand out from the crowd, you’ll need to focus on your business as a brand. If you haven’t already, now is the time to invest in building a look, feel, and unique voice on social media.

Here are some key steps to take:

- Conduct market research to uncover which social channels your customers most like to shop on.
- Utilize social listening tools to uncover how your shoppers think and speak, as well as their current wants and needs
- Integrate the messaging (and even exact phrases) from your social listening research into your copy and ads.
- Use influencers to deepen audience trust and [promote your latest offers](#).
- Offer customer service through your social platforms.

Tactic #7. Personalize your store

Customer support has always mattered. But now more than ever, customers expect to be treated as individuals from the moment they enter your store.

Rather than pushing generic offers, why not enlist the help of a smart personalization tool to automatically match your suggestions to your visitor’s past and present actions?

Personalization has been shown to bring [10-15% higher](#) conversion rates, 20% higher customer satisfaction rates, and some major customer loyalty perks too. So don’t be afraid to experiment and find a personalization program that can bring steady ROI [as you grow](#).

Look for personalization tools that can help you with:

- Relevant product recommendations
- Timely offers
- Split testing

Tactic #8: Time product launches around key holidays

Want to get the most out of your product development and marketing budgets?

Tie your product launches to key shopping holidays. This will help you take advantage of the increased footfall on your site, plus any marketplaces you sell on, without needing to invest the time and money in aggressively marketing your products. And you don't have to reinvent the wheel every time either. Sometimes a simple discount or limited-time bundle for your new or top-performing products can be just the thing to exponentially grow your sales. Just keep an eye on your margins and marketing costs to ensure your cost per conversion is viable.

For example, if you have a skincare brand you could create the ultimate bundle for glass skin at a 40% discount to attract shoppers.

- Use this breakdown to help plan your next holiday launch:
- Create a holiday calendar to stay organized.
- Map out the holidays you want to celebrate for the upcoming year.
- Pinpoint what's been trending in recent years for each holiday.
- Begin product creation 90-120 days before the holiday.
- Blend the new offers into your holiday marketing campaigns.
- Consider reinvesting the extra profits into your next holiday launch.
- Rinse and repeat. 😊



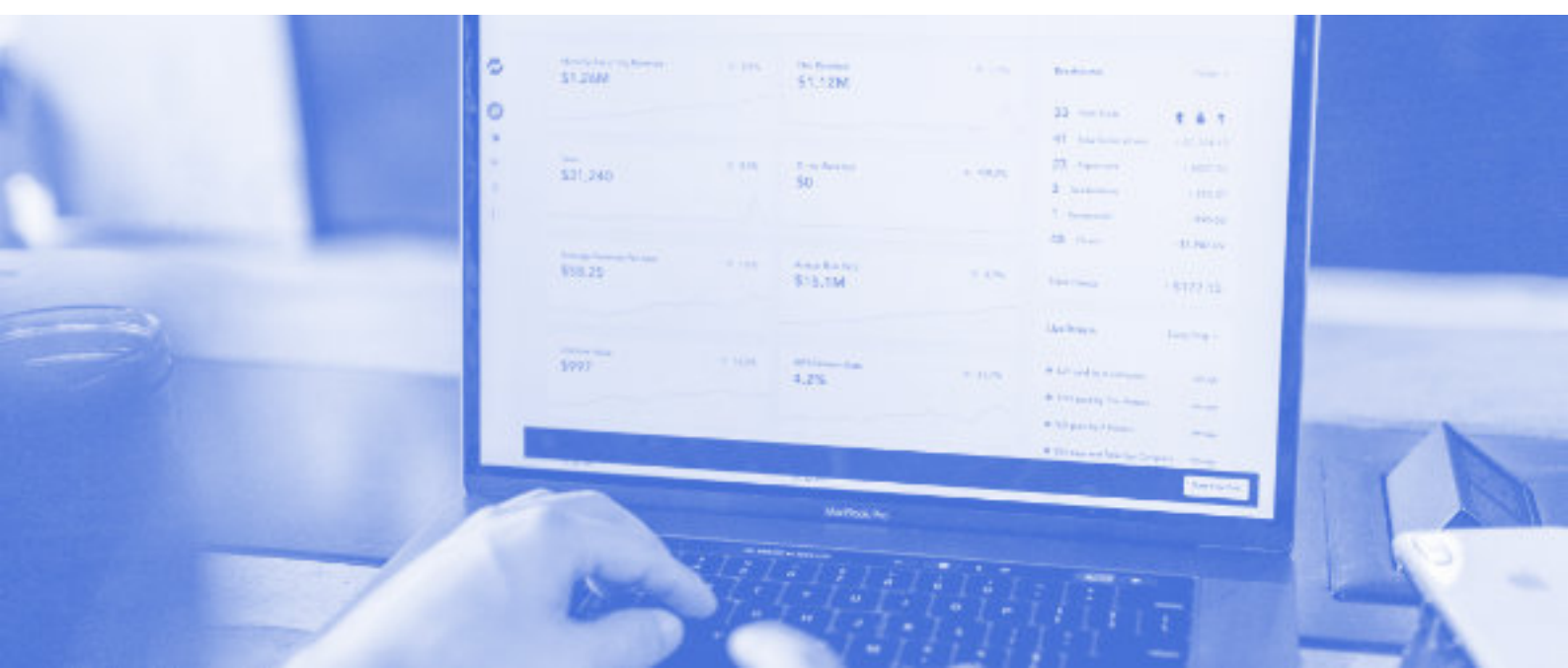
Tactic #9. Make conversion rate optimization a priority

Conversion rate optimization (CRO) is a powerful and essential task if you want to go from good to great in your ecommerce growth.

CRO helps you find what shoppers respond to best in things like design, web copy, and user experience. But it's important to note that CRO is a constant journey. For each growth level you hit, new goals will surface. A willingness to test, fail, and test again until you reach your goals is key to making it worth your while.

To get started on your CRO:

- Use heatmaps to understand where, when and with which products shoppers are engaging most.
- Conduct split tests on product pages and your home pages.
- Use Google Analytics and other conversion tracking tools to monitor the results of any changes you make.
- Test page elements like videos, customer reviews, customer purchase alerts, and images.
- Split test your abandoned cart email sequences to see which set generates the best sales.





Tactic #10. Diversify your sources of traffic

To protect your store from sudden drops in traffic, it's vital to mix up your marketing channels.

Branching out from your mainstay channels will give your store more opportunities to connect with people who are a good fit for your brand, but simply don't know about it yet.

- Take a look at where your shoppers are spending time online and ask yourself:
- What is our target customer interested in on this social platform?
- What is the best way to communicate with shoppers here?
- How can we bring something fresh to this specific social or marketing channel?

Tactic #11. Fortify your cash flow

Ever hear about brands doing millions in sales in their first year and wonder how the heck they did it? We'll let you in on a (not-so-secret) secret.

It's all about leverage.

When you have extra cash on hand, you have the flexibility to get ahead with inventory, jump on the latest advertising deals, improve product development and explode your growth in a much shorter time frame.

- And while traditional banks and SBA loans often don't fit the bill for sellers, the good news is it's now much easier to secure external working capital and create the financial space you need to grow your brand.
- Often a fair and flexible working capital solution will be your best shot. But if you're one of the many FBA sellers tired of having to rely on Amazon's rigid payment schedule, you can also look into a daily advance to help you access your payouts earlier.
- Did you know that thousands of ecommerce sellers on Amazon, Walmart, and more, have used SellersFunding to help take their business to the next level? Learn more about our many flexible funding options.



Make this year your best yet

The last couple of years have been challenging to say the least. So if you're excited for what 2022 holds (and you should be!), know that despite the many ups and downs in recent ecommerce history — all signs point to an increase in growth opportunities for brands that are well-positioned to scale.

With the right preparation and mindset, you can take your store to a whole new level this year and emerge from the early 2020s stronger than ever.

And if you're looking for a simple, visual data platform to help take the guesswork out of your store's performance, SellersFunding has your back. You can try our Sellers Signals platform for free to see all your latest data in real-time. Simply connect to your marketplace accounts and your KPIs will instantly calculate in an easy-to-visualize dashboard.

Remember, the best time to get started on your ecommerce goals is now. So put pen to paper and map out how you're going to crush your 2022 growth goals. We know you can do it.

Now get out there and make it happen!

Ready. Set. Scale.

**Grow your ecommerce brand with
SellersFunding!**



About SellersFunding

Ecommerce is booming, and traditional banks and funding partners are still catching up.

At SellersFunding, we're changing the way eCommerce sellers scale their business by providing them with fast, flexible funding options they can't find anywhere else.

[Reach out today to learn more about how we can help you scale.](#)



See how SellersFunding can help you scale