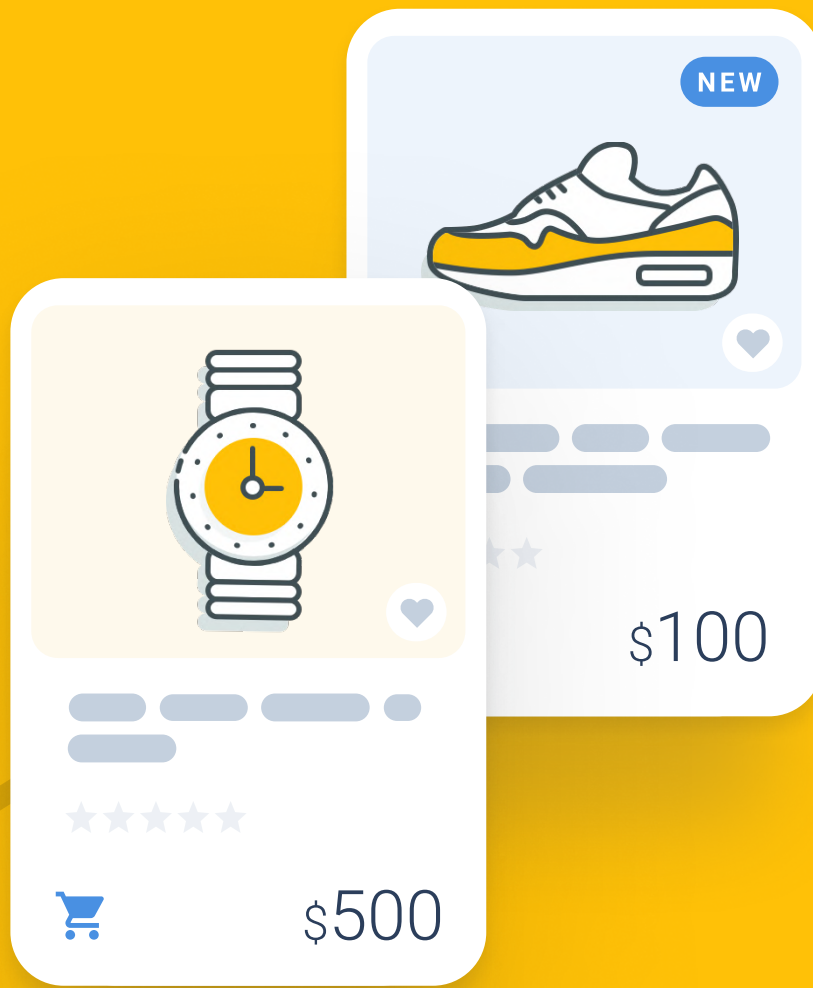


Oribi



# 2020

## eCommerce

Benchmark Report

Rapid innovations and new technologies are paving the way for new products, new markets, and new business dimensions online. Competition in eCommerce is ever rising and it's the right customer data that will separate the winners from the has-beens.

With the following insights, you'll get a sense of where your eCommerce business stands and how to optimize it. Unlike other benchmarks that are based on surveys, Oribi's eCommerce Benchmark Report looks into the real behavior of millions of users.

The Oribi team has aggregated and analyzed the data of over **5.2M** visitors, buying **22,459** products in **204 online shops**, conducted between October and December 2019, to give you a clear picture of sales and consumer behavior in 4 different industries: Fashion, Lifestyle, Medical, and Wholesale.

## Read on to find out:

- How many website visitors end up buying?
- Where do online stores get their traffic from?
- Which days are strongest for driving sales?
- How does mobile usage influence the behavior of consumers?
- What is considered a good visit-to-purchase rate?



**5.2M**  
Visitors



**204**  
Online Stores



**22,459**  
Products Purchased

## HOW MANY VISITORS TO THE ONLINE STORE END UP BUYING?

Out of the total number of unique visitors to an online store, the conversion rate for making a purchase is 2.2%. It means that out of 1,000 visitors to your site, 22 will end up buying something. This is your main metric for evaluating your visitor quality and website flow.

### Conversion rates differ by industry:



**2.8%**  
Lifestyle



**2%**  
Fashion



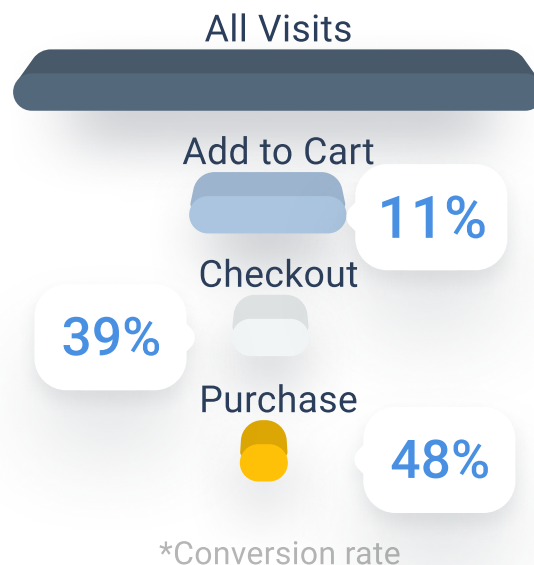
**1.9%**  
Medical



**0.8%**  
Wholesale

### Google paid has the highest conversion rate

While only a few visitors will actually end up buying something in your store, many more will start the buying process. The key to optimizing the conversion rate is understanding the sales funnel and learning when visitors usually drop out. The sales funnel illustrates the path your customers take to make a purchase. Ideally, that path looks something like this: a consumer visits your store, adds items to their cart, goes to “Check-out”, and then completes the purchase.



In reality, most online shoppers don't behave like this. Data shows that **11% of visitors** add an item to their cart. Out of these, only **39% proceed** to checkout and **48% of those complete** the checkout and purchase a product. Cart abandonment is a known issue for every online shop. It is mainly a consequence of how consumers browse online stores – window shopping, price comparison, or saving items for later.

Complicated checkout processes (e.g. several steps, consumers need to create an account), unexpected extra costs (shipping, tax, etc.), or technical problems interrupt the sales flow and prevent prospects from buying.

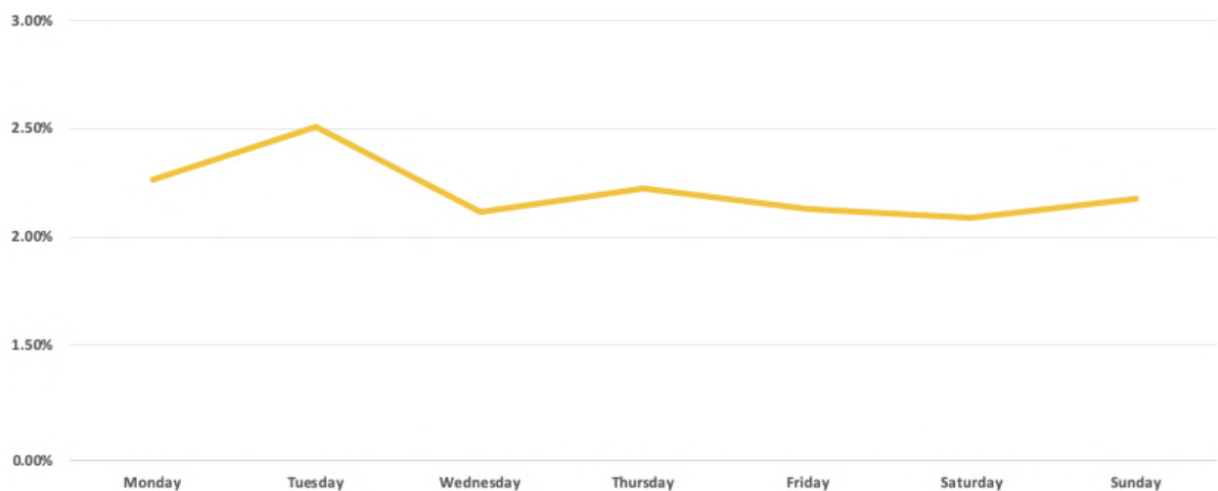
The purchase conversion rate changes between visitors coming from different channels and platforms, as well as according to the store's average product cost. This report includes these benchmarks as well.



## ON WHICH DAY ARE VISITORS MOST LIKELY TO BUY?

Traffic, and along with it the conversion rate of Visit-to-Purchase, changes depending on the day of the week and whether it is a weekend or a weekday.

Sales By Day Of The Week

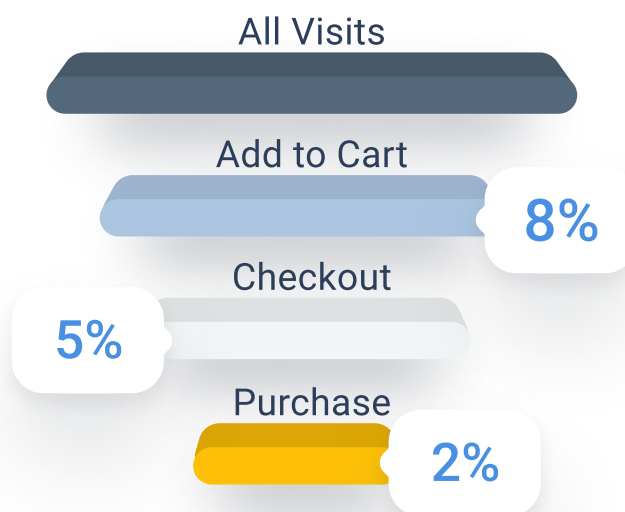


As the week progresses, fewer visitors buy. While the average conversion rates **on Tuesdays are around 2.5%, they drop to 2.1% on weekends**. This means that, while 25 out of 1000 visitors will end up buying something on a Tuesday, only 21 out of 1000 will buy something on the weekend.

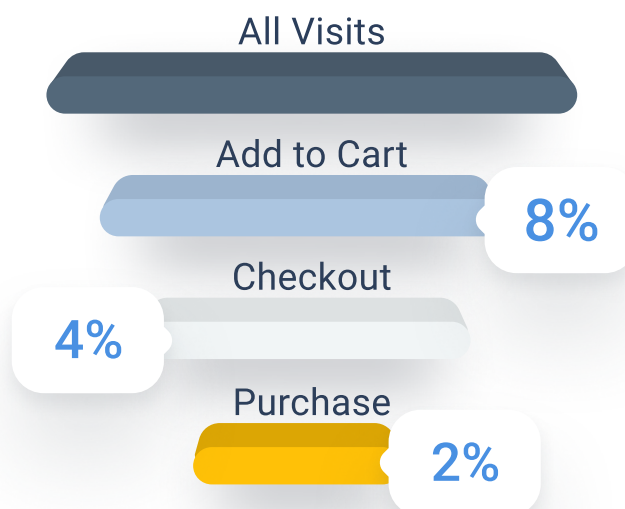
## Consumers shop more in the beginning of the week. Tuesday is the strongest day.

Consumers tend to buy most right after the weekend. Both the traffic and the Visit-to-Purchase conversion rates are highest on Mondays and Tuesdays, which leads to the highest number of sales.

### Weekdays

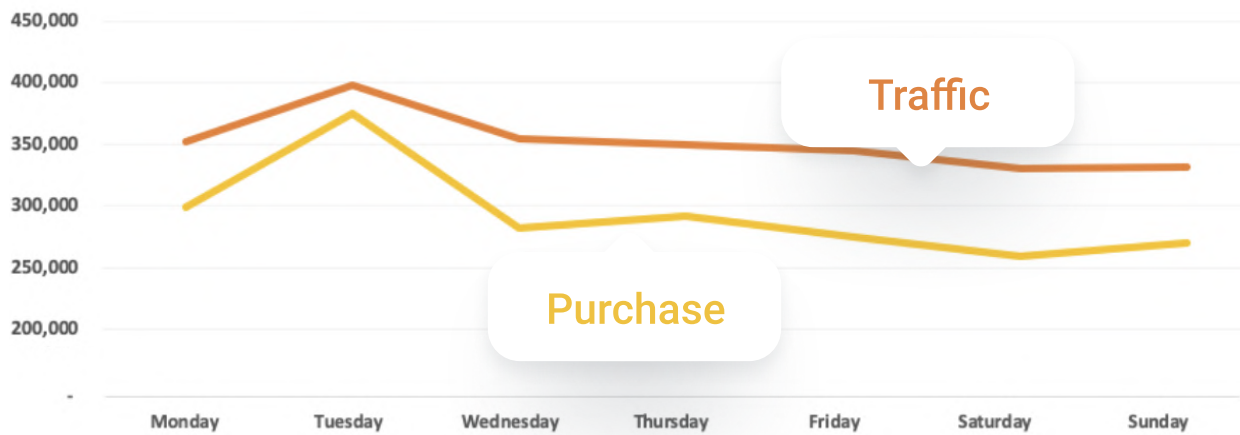


### Weekends



% of all visits

## In correlation with sales, traffic peaks in the beginning of the week.



In general, traffic behaves similarly to the conversion rate. On Tuesdays, the average traffic to an online store is 14% higher than on other weekdays. However, checkout abandonment is 10% higher than average on Tuesdays.

**Saturdays and Sundays bring 35% less traffic than weekdays for most online stores.**

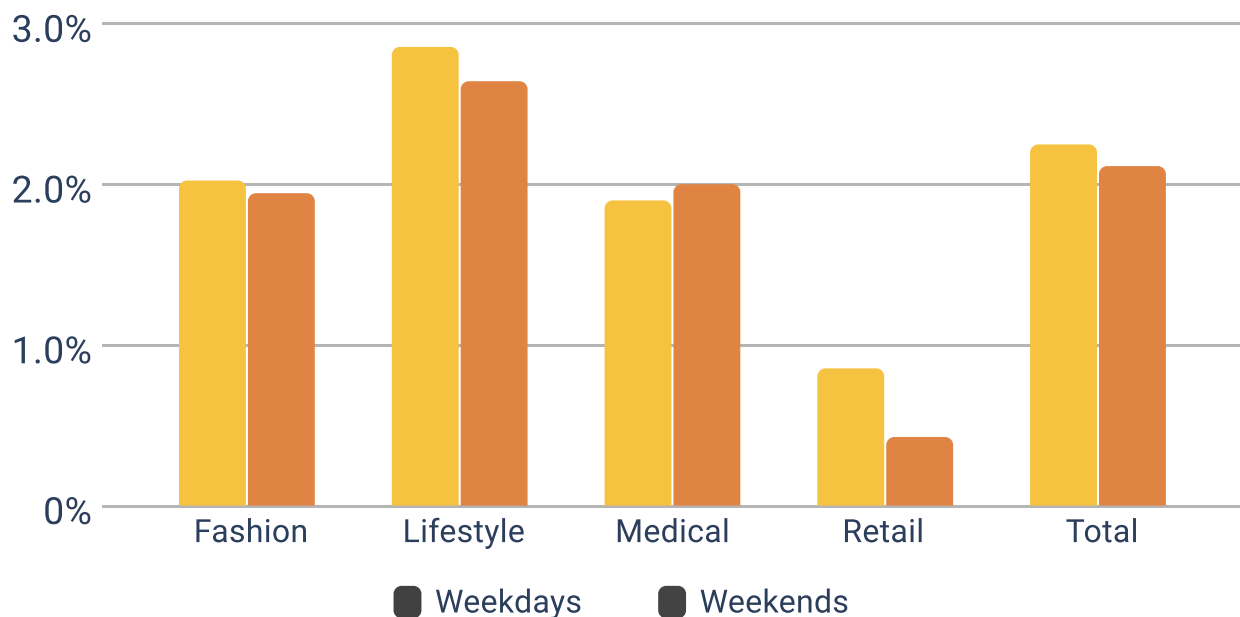
Even though the conversion rate does not differ between weekdays and weekends, the total number of conversions will probably be lower on weekends due to the drop in traffic.



### INDUSTRY CHECK

**Medical** is the only industry that sees slightly higher conversion rates on weekends as opposed to weekdays.

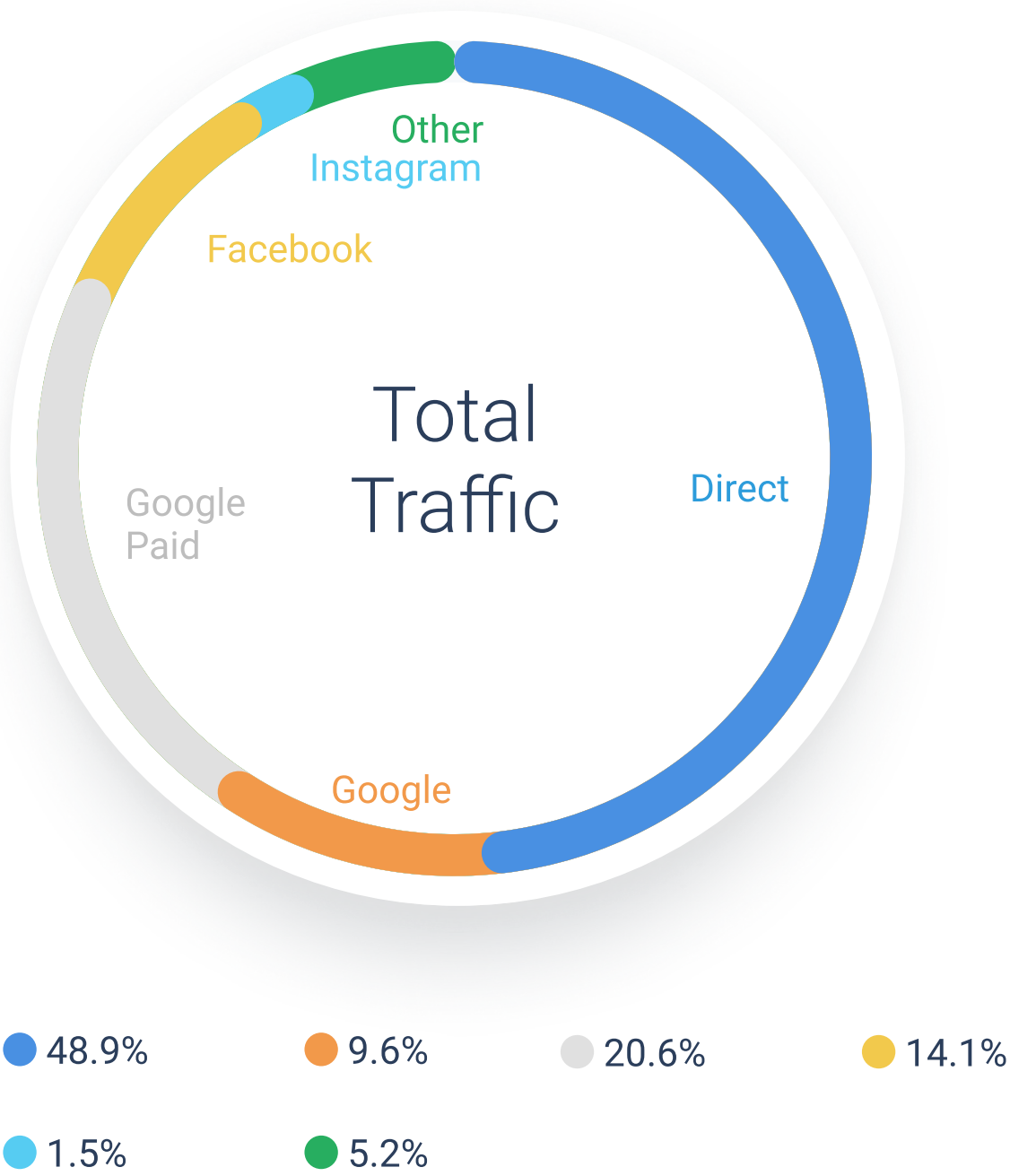
Conversion Rate By Industry



## Instagram, Facebook, Google, or your email newsletter?

With a variety of channels, allocating the monthly budget becomes a challenge. The Oribi team has also taken a look into the top channels for eCommerce and pinpointed the top performers - not only in terms of traffic, but also purchases. The following stats are based on **First-Touch Attribution**, meaning that the first marketing channel this visitor arrived from will be credited.

For example, if a certain visitor entered the store for the first time after viewing a Facebook ad, didn't buy anything, and then entered again a few days later via Google organic and purchased, the purchase will be attributed to Facebook. This model credits a purchase to the marketing effort that drove the customer to the online store for the first time.





### INDUSTRY CHECK

**Medical** in particular drives conversions through paid search and direct. Social channels appear to be less important for this industry..

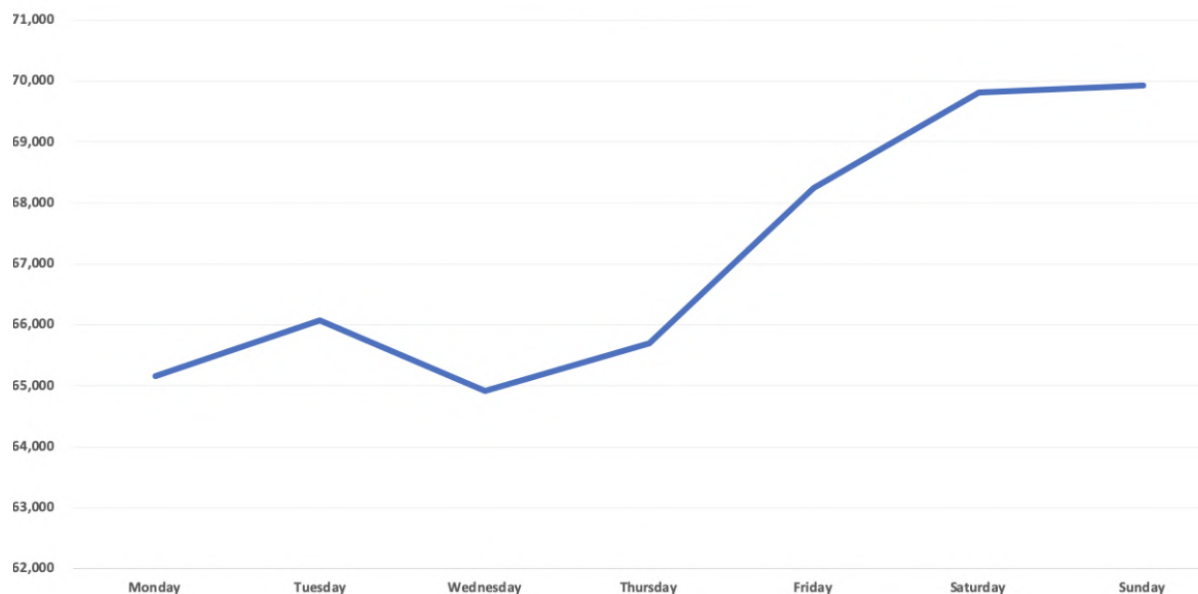
Almost **50%** of traffic is **driven directly** to online stores. Direct traffic can be the result of users who enter the site directly, through email marketing, or via links from mobile apps (to name just a few). In most cases, these are users who already know the store/brand well or were exposed to it on a different platform.

Consumers who arrive through Direct usually bring a strong brand awareness for the store, are often loyal customers who return regularly to purchase, or are visitors who have been retargeted by email marketing, such as cart abandonment strategies or discounts.

Other main channels are Google paid (Adwords, display ads, and YouTube ads), Google organic, Facebook, and Instagram. It's interesting to see that even with the rise of Instagram during the last couple of years, the traffic coming from

Google paid is higher, meaning that a larger portion of the marketing budget is allocated to Google. Another surprising finding is that Instagram (organic and paid) is responsible for less than **2%** of traffic, even for fashion stores.

## Social Traffic



## Social traffic awakens on weekends

Social traffic is opposite of the general trend. On weekends, traffic from Facebook and Instagram is up by 25%. As the traffic rises, so does the intent of visitors who come from these channels. While on weekdays 1.3% of visitors coming from a social channel end up buying, the rate **increases to 1.7% during the weekend.**



### INDUSTRY CHECK

For **Lifestyle**, Social Media brings more high quality traffic with 10% of visitors adding items to their cart, as opposed to Direct and Google (organic) with 7% of visitors.

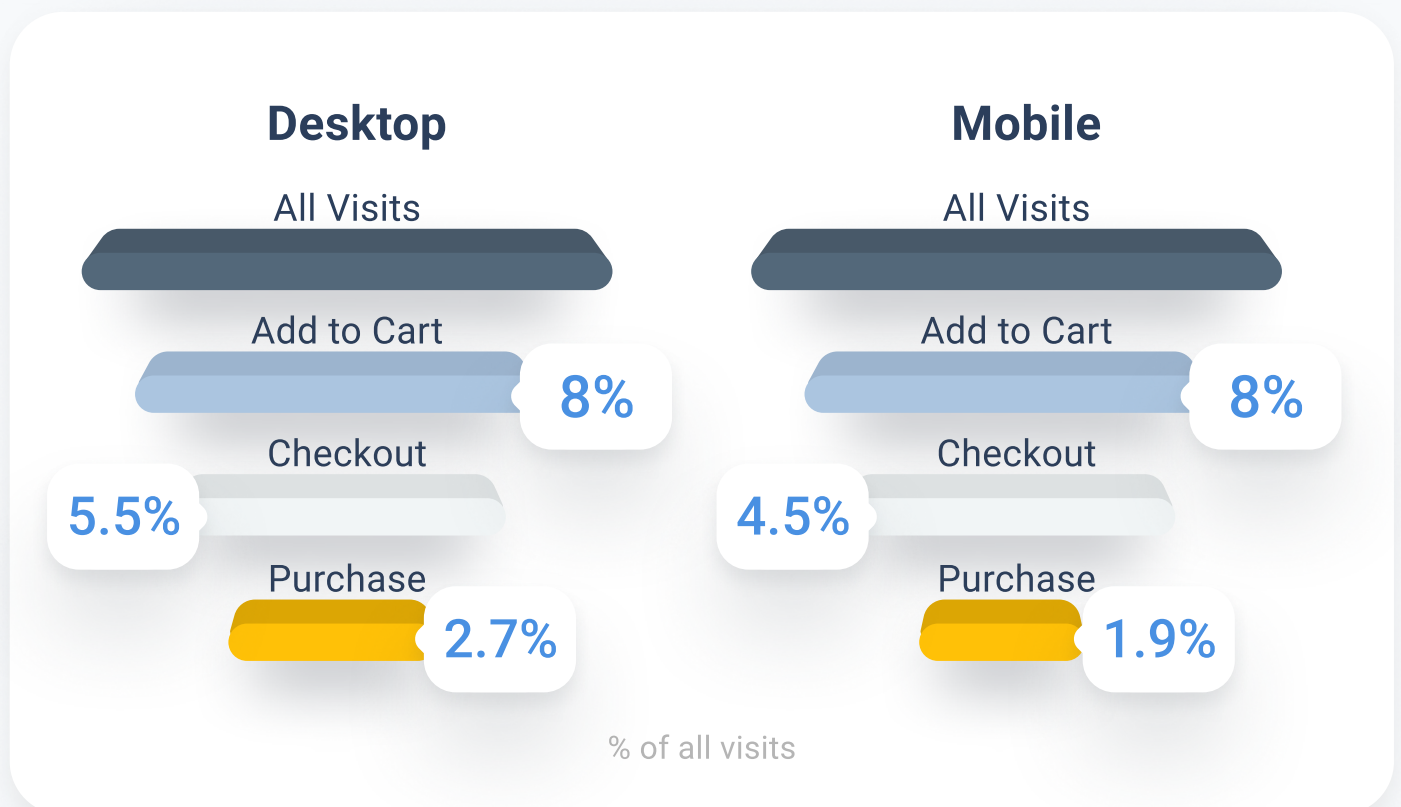
Channels	Conversion Rate
Google (paid)	2.7%
Direct	2.5%
Google (organic)	2.1%
Facebook	1.5%
Instagram	0.8%

## Google paid has the highest conversion rate

Bringing traffic is only part of the hard work. Converting visitors into buyers is the key to building a successful store. Visitors from different channels behave differently as they come with different intent. While visitors from Google (organic or paid) arrive at your store after actively searching for something, visitors from social media usually have a much lower intent. The following benchmark will help you measure the quality of your traffic by different channels. If it's below the average, try to test different targeting or messaging techniques. Out of the main channels, Google paid has the highest conversion rate of visitors to buyers with 2.7%. Direct traffic, by nature, brings highly engaged consumers, with a conversion rate of 2.5%. Facebook converts only 1.5% of the visitors it brings and Instagram shows the lowest conversion rate at 0.8%.

## HOW DO BUYING PATTERNS CHANGE WHEN BROWSING FROM MOBILE?

**While the same amount of visitors start the checkout process, mobile visitors are less likely to complete it.**



As with most website flows, visitors to an online store are more likely to complete the funnel when they browse from desktop. This can be seen across industries and product values. While this is a well known fact, let's dive into the interesting part: how much more likely are these visitors to purchase on desktop vs. on mobile?

The conversion rate from visitors to buyers on desktop is 2.7% while for mobile visitors it's only 1.9%. This means that a 'desktop visitor' is 50% more valuable. While the rate of people adding items to their cart does not differ between desktop and mobile, the rest of the funnel shows bigger gaps. Fewer visitors pass from the 'add to cart' stage to checkout, and out of the ones who do, even fewer complete the checkout process.

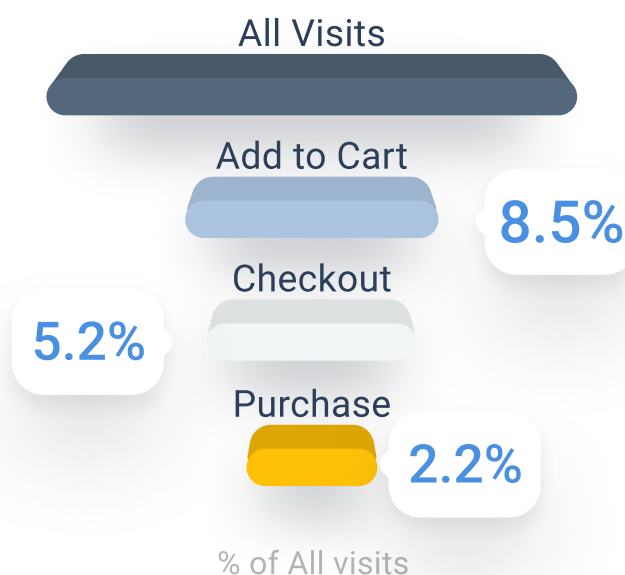
# HOW DOES PRODUCT VALUE INFLUENCE CONSUMER BEHAVIOR?

Does the conversion rate change with the product value? The Oribi team has looked at three different categories: lower-priced products - below \$100; medium-priced products - between \$100 and \$500; and high-end products - over \$500.

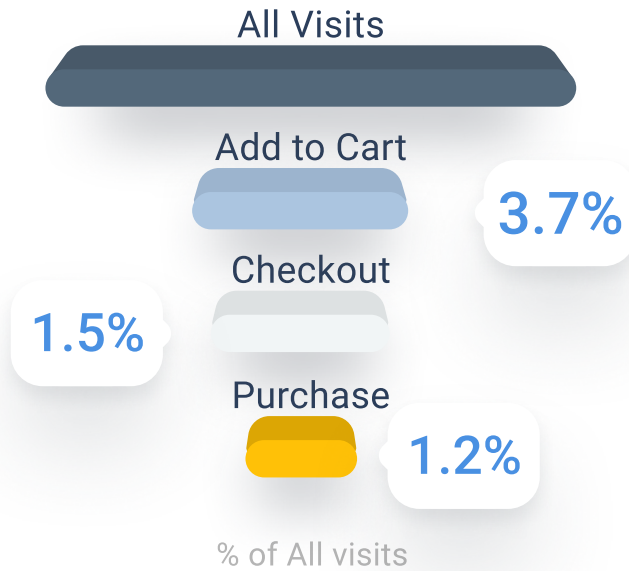
## Visitors are much more likely to start the buying process of lower priced products

It doesn't come as a surprise that visitors are more likely to buy cheaper products - but by how much more? For low-priced products, about 2.3% of the website visitors end up buying. For products above \$100, the conversion rate is around 1.4%. It's interesting to see that the **behavior of visitors who buy in the \$100 range is very similar to visitors who buy products that cost over \$500**. The main difference here is in the percentage of visitors who start the buying process and add products to their cart. The lower conversion rate for Add to Cart signals that consumers of high-end products are more likely to give it a second thought.

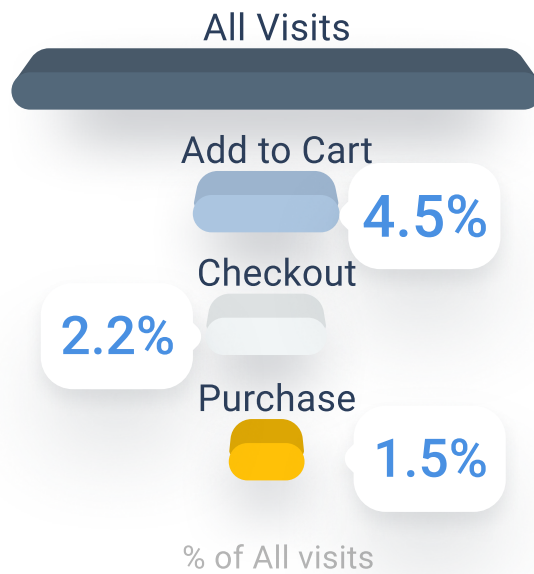
### Up to \$100



## \$100-\$500



## Over \$500

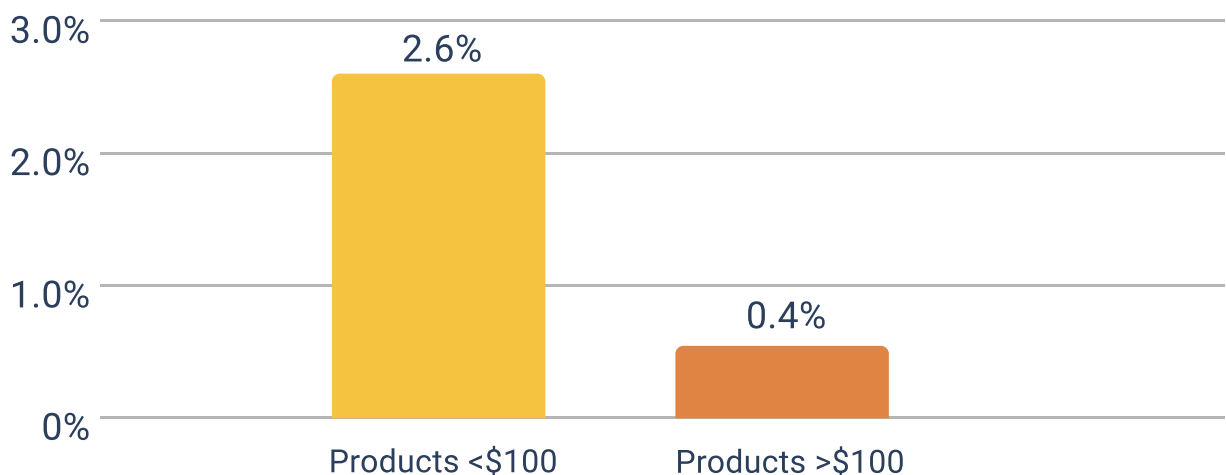


## Social media converts best for lower-priced products

Visitors coming from social channels have a very different mindset than users conducting a search query. When we compared the conversion rate of visitors to buyers by channel, Facebook and Instagram were at the bottom of the chart with a conversion rate far below the average. It's intriguing to see that there's a **huge gap in the conversion rate of visitors coming from social** according to the product price. For 'cheap' products, the conversion rate is 2.6%, which is above average. For more 'expensive' products (> \$100) the conversion rate drops to 0.4%!

As Facebook and Instagram ads are on the rise, a new category of online shopping has emerged. Instead of intentional buying which used to be the primary buying pattern, today there are many more window shoppers - with Facebook leading the trend. You yourself might have come across a Facebook ad about an item you never intended to buy (and probably don't need), and ended up buying it. I sure have, many times :) The 'online window shopping' works very well for low-cost products and has a minor impact on high-end products.

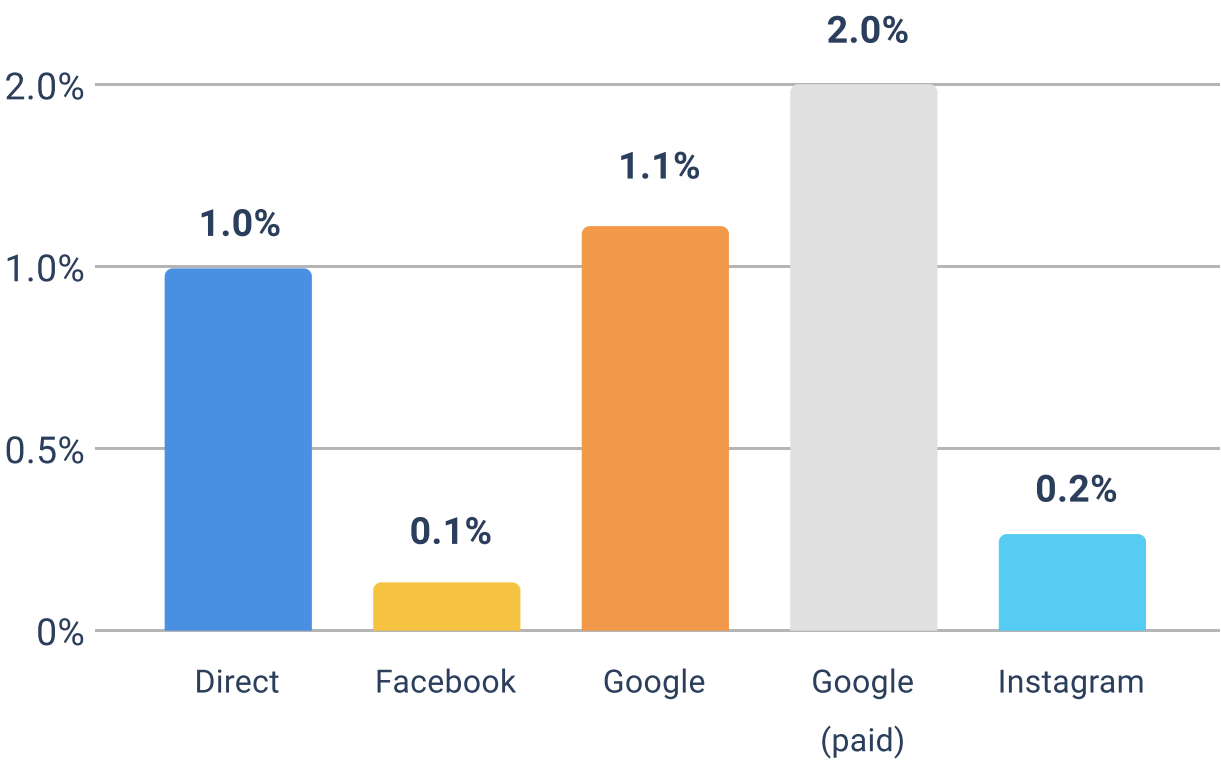
Conversion Rate from Social Media



# Google Paid Is The Leading Channel For High-End Products

Following the low conversion rate of social media for high-end products, it only makes sense that Google paid has the highest conversion rate as it represents the opposite user flow - people who come with a very specific intent. If you were to buy a new TV, expensive headphones, or a new bicycle, you would probably look for a specific brand and model. Google ads gives the best answer there.

Conversion Rate For High-End Products By Channel





### INDUSTRY CHECK

In the **Fashion** industry, all pricing categories behave almost the same and the average conversion rate is **2%** for both low-cost and high-cost items. Visitors are much more likely to add 'cheap' items to their carts, but less likely to complete the checkout process. For 'expensive' fashion items which cost **over \$100**, it seems the visitors already know the brand, so when they pick an item, they're much more likely to buy it.

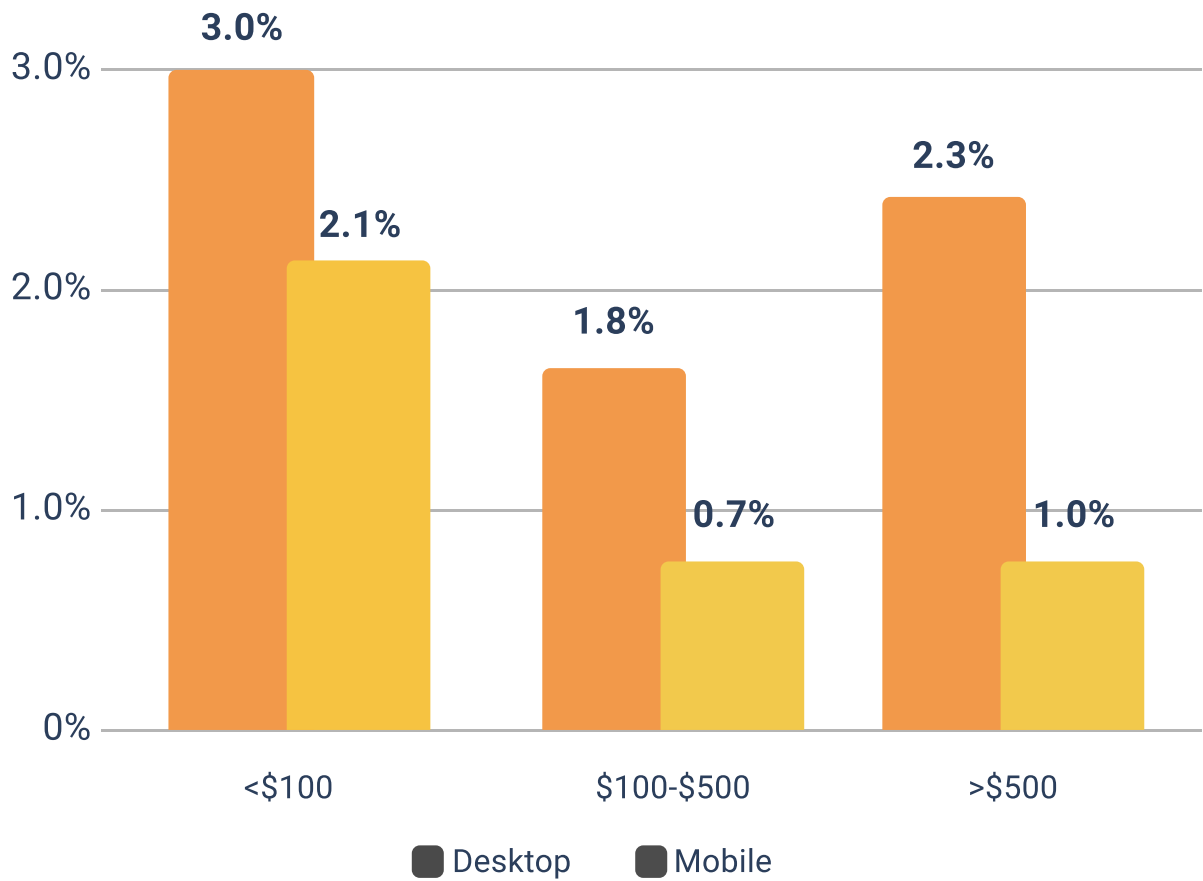
## Consumers prefer to buy from desktop across all product values

Completing the buying process for a high-end product is not trivial -- not on the technical side, of course, but rather on the psychological side. Browsing from desktop makes things easier...

While we see that across the board, for products of different costs, desktop converts better than mobile, for high-end products the gap is much bigger, with desktop visitors about 2.5% more likely to buy.

Keeping in mind that 75% of the traffic for these products comes from mobile, this is one of the **most exciting - and promising - optimization opportunities** found in this report.

## Visitor-to-purchase Conversion Rate By Product Value

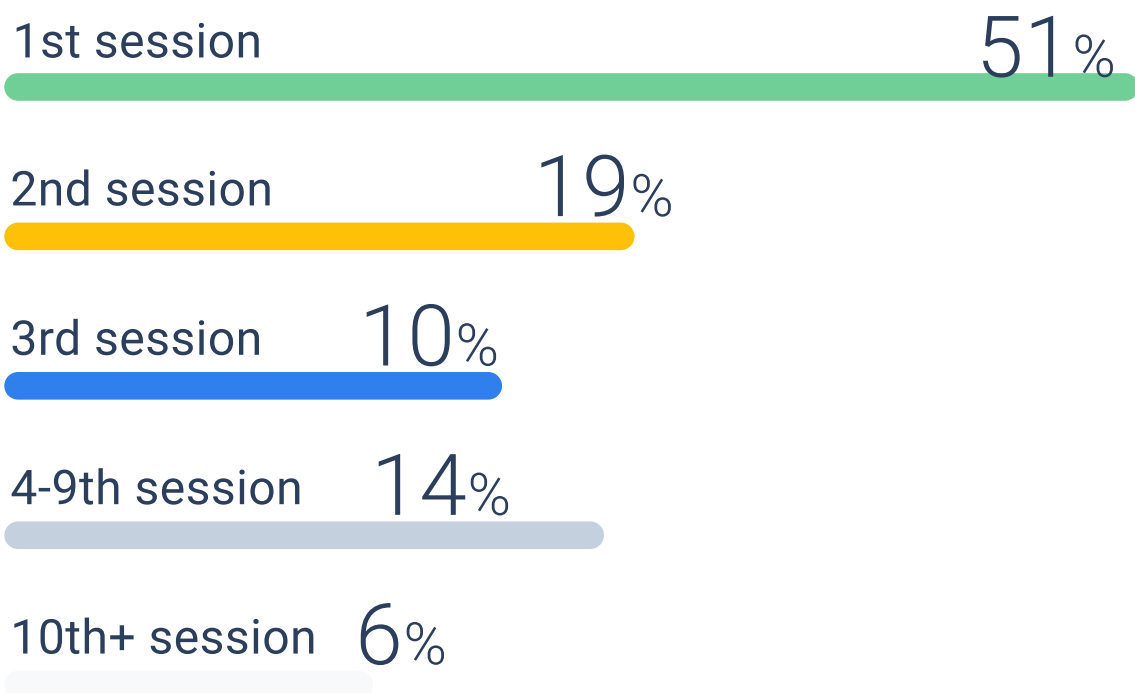


## HOW MANY VISITS TO THE SITE DOES IT TAKE FOR A VISITOR TO BUY?

It's a well known fact that visiting a website once is not enough for some visitors. Many need to know the brand first, some think twice about whether to buy or not, and others might like your store but don't need anything at the moment. But...how many times do they need to visit your site before buying? 1? 5? 10? More?

This section deals with the first purchase your visitors each made (rather than those of returning clients). How many visits does it take to make that first purchase?

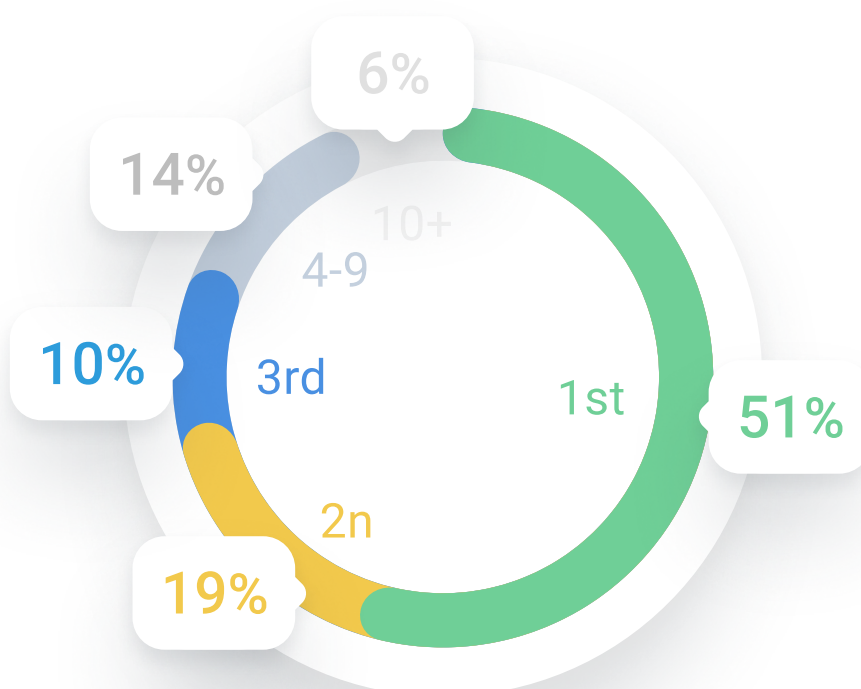
### Purchases by Session



# 51% OF THE VISITORS PURCHASE ON THEIR FIRST VISIT

**Good news!** More than half of the visitors don't need too much convincing. 51% of online shoppers buy something the first time they're in the store. This means that it's important to guide visitors into your sales funnel early. **Strong Calls to Action and compelling offers can help convert first-time visitors into customers.** Almost 20% will buy on the second visit, 10% on the third, and the rest (20%) will need to visit your store more than 4 times, sometimes even 10 or more times, before they make their first purchase.

No. Of Visits Before The First Purchase

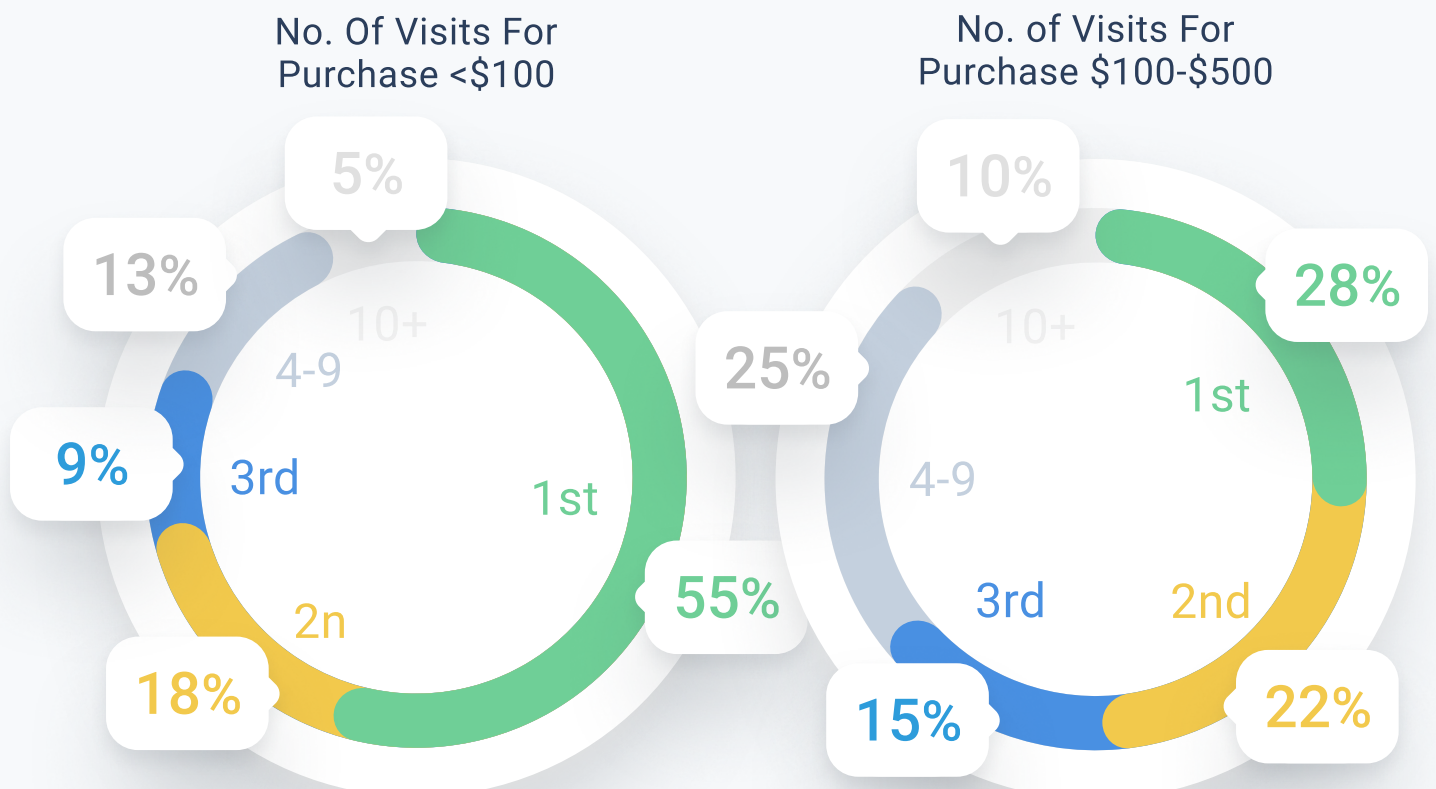


## Multiple channels - Do you need to attract returning visitors using different marketing channels?

50% of the visitors who purchase on your site do it on their first visit. But...50% need more visits to convert. And, in most cases, visitors who came to your website just once and didn't buy, might have converted if you'd been able to bring them back to the store. There are lots of advanced methods for bringing users back to your website - retargeting, email marketing, targeting the same audience on multiple channels, and more. Let's see how it works:

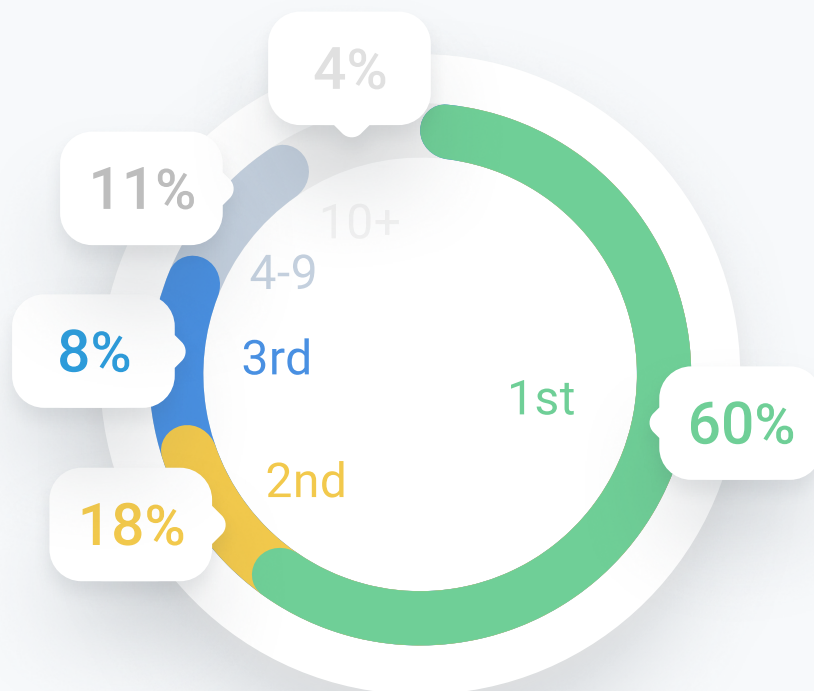
out of the 50% of visitors who didn't purchase on the first visit, 40% arrived to the online store from different channels. For example, visitors who searched for something on Google, got to the store, didn't buy, were retargeted on Facebook, entered the store, and then purchased. So, out of the overall number of buyers, 20% were attracted to the website using different channels before performing their first purchase.

## When it comes to high end products, people need much more visits to the site.



When I bought my first Mac, I walked into the Apple store at least 5 times within 3 days until I made the final decision. It seems that the same pattern goes for online products as well. While for products that cost under \$100, 55% of the visitors buy on the first visit, for online stores whose average product cost is over \$100, only 28% of the visitors convert on their first visit - meaning that you need to have a better nurturing strategy and invest more in retargeting.

### No. Of Visits For Purchase >\$500



Surprisingly, a different trend is found for very high-end products that cost over \$500. It seems that people who enter these websites know very well what they're looking for and probably searched specifically for it.

## CONCLUSION

1. The average visit-to-purchase conversion rate **strongly depends on the industry**, with Lifestyle showing the highest and Wholesale the lowest conversion rate. Across industries, **Tuesday** is the **top converting day**, while weekends convert lowest.
2. Everything is turning to mobile. The majority of visitors are browsing from a mobile device today. However, many checkout processes are not fully optimized for mobile, yet. Most customers still prefer to complete the purchase from desktop. **Optimizing your store for mobile devices is a huge opportunity to drive sales.**
3. **Google paid** campaigns show the highest conversion rate across all channels. Facebook and Instagram bring much less intentful online shoppers.
4. Most customers need **multiple visits** before buying a product between \$100 and \$500, while for cheaper (<\$100) or more expensive (>\$500) products, the majority buy on the first visit.

