

7 Burgeoning Retail Strategies to Overcome a Bottom Line Growth Plateau



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Your bottom line looks strong.

Your business is on solid ground.

After subtracting expenses from revenues, you're in the black.

You're doing great.

There's just one problem.

It looked like that last year, too.

As college football coach Lou Holtz once said: "You're either growing or you're dying."

It might not raise any alarm bells when your bottom line remains black, but innovators understand that a plateau in growth is an early warning sign.

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Consider the example of Lego: In 1990, Lego was a world-famous toy manufacturer. But stagnant growth proved a problem, thanks to its underperforming Lego theme parks.

This was an early warning sign.

By 1998, the company was in the red. 2004 brought its largest ever loss. But rather than sticking to the old formula, Lego reorganized, sold off its theme park liabilities, and refocused its efforts on building toys customers would want. In 2013, Lego was the largest toy company in the world.

If Lego never learned how to adapt to its market or embrace growth, it would still be a wooden toy shop in Denmark.



When you see stagnant growth on your bottom line, consider it a red flag:

Something needs to change.

Staying Stagnant Is Falling Behind

Why do you have to grow?

Couldn't a business with a steady bottom line survive indefinitely?

In a static world, that would be true.

But you live in a dynamic business environment. Businesses around you will grow and improve as well. Markets change. Customer demand ebbs and flows.

If the water continues to rise, *treading water is simply not good enough.*

Consider: **Growth means competition.** Your competition is looking to grow, too. If you don't try to grow your bottom line, you'll eventually be eclipsed by those companies that do. The way you plan to grow is also important.

[Deloitte's 2019 survey](#) of midmarket technology trends found that midmarket businesses were keenly focused on seizing opportunities for technology-driven growth, with 43% spending more than 5% of revenue on technology. This represents a 15% increase in tech investment since 2016.

If the majority of your competition is growing and seizing new tech opportunities, you have to also work hard to stay on the cutting edge.





The Impact of DSC Case Study

When Unilever purchased Dollar Shave Club (DSC) in one decisive move, it immediately gained ground on competitor Procter & Gamble in the U.S. shaving cartridge market. Failure to embrace DSC's innovations would have meant losing out on that market share.

Sticking just to examples in the shaving vertical, the power of DTC companies to have an impact on huge legacy brands continues.

Dollar Shave Club represents the first in a long line of industry disruptors using innovative models like subscription services and clever marketing campaigns to build a huge following. Other brands like Harry's and Billie, a razor brand for women, have followed suit. In fact, Procter & Gamble's first acquisition of 2020 was Billie, for an undisclosed amount.

Growth means innovation. At a fundamental level, growth requires some sort of expansion or change in your business and making strategic investments in bleeding edge technology.



The Amazon Case Study

When Amazon purchased Whole Foods in a \$14 billion deal, Amazon was already an established behemoth in the industry.

Just as it wasn't content to sell books and compete with Barnes and Noble over a decade ago, Amazon's continual growth keeps it a step ahead.

Part of that growth is due to understanding what consumers want and creating an experience that sets a new industry standard. For example, after years of making 2-day shipping the norm for Prime members, in April of 2019, Amazon announced they would be rolling out 1-day shipping. This move will no doubt have a ripple effect across all ecommerce as customer expectations change.

As a leader in your organization, you have your sights set on aggressive goals. You have a vision of long-term growth that means looking beyond today and into the trends of tomorrow.

But you're not alone.



Answering a Simple Question: What Else Could You Be Doing?

When Jeff Bezos first started Amazon, he tightened his focus to the products that he believed would sell best worldwide: CDs, computer hardware, software, videos, and books.

The company started in Bezos' garage—utilizing a dropshipping-type structure—until the growth justified office space in Seattle. In the **last quarter of 2019**, Amazon reached a market capitalization of over \$1 trillion. (In March 2020, the market capitalization is closer to \$950 billion.)

One step at a time, courageously.

Though Amazon started with a limited structure, its famous “A to Z” logo highlights the long-term mindset developed by Jeff Bezos: He adopted the Latin motto *gradatim ferociter*, or “one step at a time, courageously.”

Amazon's growth over the years has fundamentally transformed its initial model:

- In 1998, it opened a music store with hundreds of thousands of titles; in 1999, it purchased Weathervane in an initial attempt to break into the publishing business
- After the dot-com bust, Amazon expanded its offerings to include clothing retail from brands like The Gap
- In 2004, the company allied with the NBA and purchased a Chinese ecommerce site
- In 2008, Amazon purchased Audible.com to become a leader in audiobook products
- In 2017, it purchased Whole Foods in a monumental \$13.4 billion deal to expand into grocery offerings
- In 2019, it offered 1-day shipping as the new standard for Amazon Prime customers
- In 2020, Amazon was voted as America's favorite company



And that's just a small sample of Amazon's ambition.

During that time, Toys 'R' Us—one of the most popular stores of the 80s and 90s, according to CNBC—started to rack up debt in the 2000s as it struggled to maintain growth in a changing digital environment.

Eventually, the competition proved too much. Toys 'R' Us declared bankruptcy.

What's the difference between Amazon and Toys 'R' Us?

One key difference that every brand executive should note: Amazon isn't afraid to cast a wide net. It recognizes that growth isn't only linear.

If it were, Amazon would still be stuck selling books while another retail outlet offered the comprehensive online shopping that today's consumers demand.

Growth is more than one variable increasing on your balance sheet. It's also about the expansion of potential.

Some growth requires not only that you find new customers to sell to, but that you change what it is that your company sells—or even how it sells it. That's how Amazon went from a small-time bookseller to the world's top retail site.

And it's how you'll find new opportunities for your business.



7 Retail Strategies & Trends to Help New Retailers to Grow

Growth is about more than mindset. It's also about the specific technological and marketing trends that make it possible for today's retailers to expand the way they do business.

Here are seven strategies you should keep in mind when you've noticed a plateau:

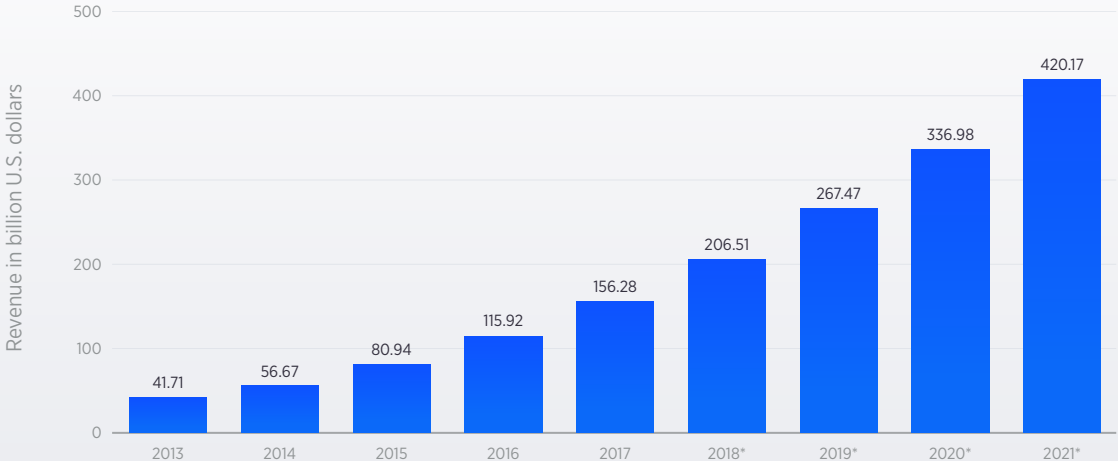
1 Mobile Optimization

Mobile traffic now constitutes over half of the Internet's total traffic, according to Statista. If you fear trading water with your desktop-optimized site, here's your fair warning:

Mobile use is a rising tide.

In fact, for the first time ever, on Cyber Monday 2019, more than half of ecommerce site visits came from mobile devices, and revenue from smartphone sales alone reached \$2 billion.

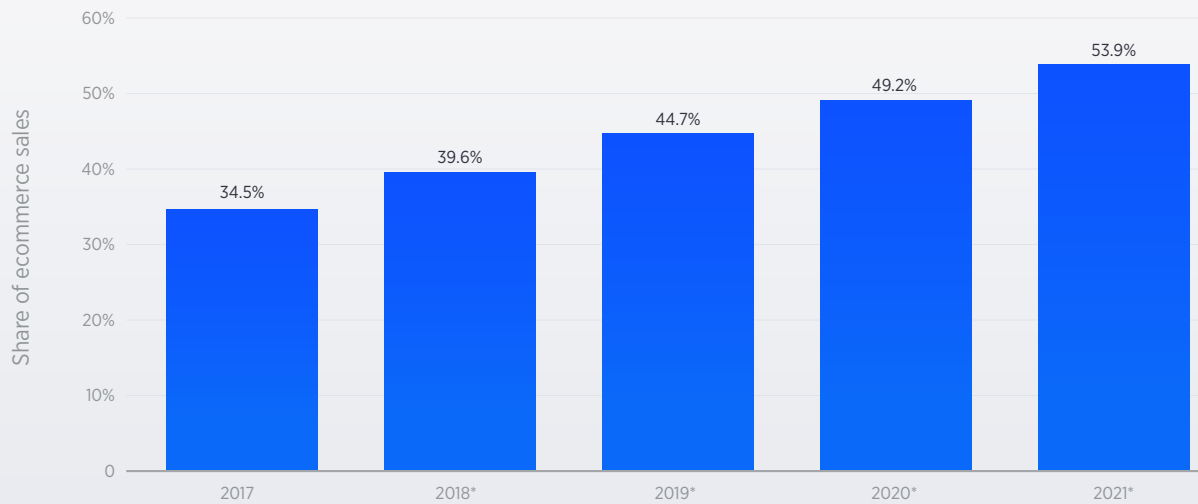
How Often B2C Marketers Use Data for Content Distribution



By 2021, Statista expects total mobile commerce to more than double from the 2018 estimates.



U.S. mobile retail commerce sales as percentage of retail ecommerce sales from 2017 to 2021



But optimizing for mobile isn't what it once was.

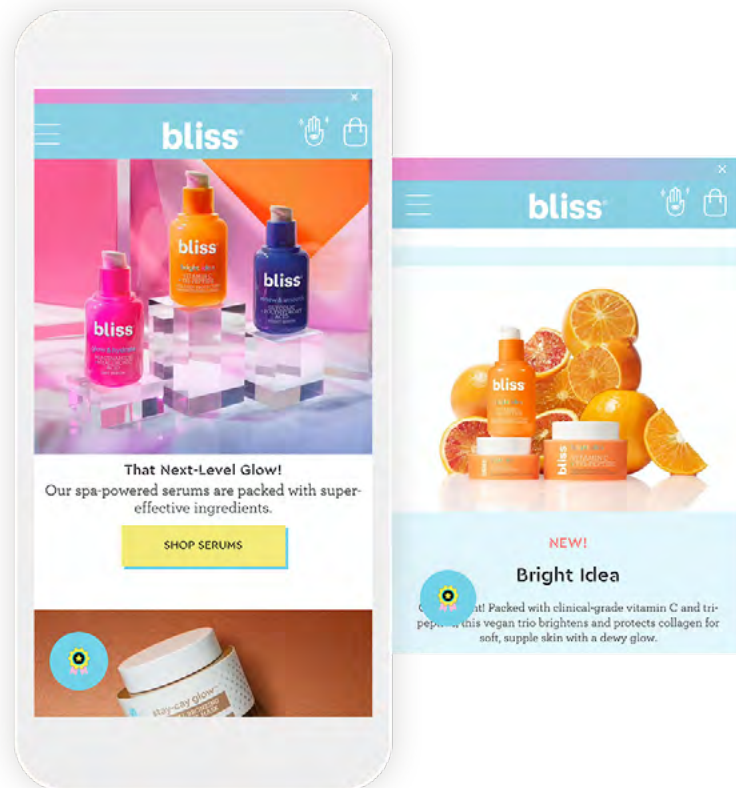
You can no longer justify creating a mobile responsive site and nothing else as your strategy to win mobile dollars.

Customers want a simple mobile experience — including quick load times, little navigation, fast checkout — all while still having a mobile experience that keeps them away from a commodity shopping site (i.e. Amazon.)

Mobile Optimization Needs

- ▶ **Quick load times:** AMP, Akamai image manager, as few additional apps as possible
- ▶ **Little navigation:** Product page search optimization and on-page checkout
- ▶ **Fast checkout:** Digital wallets and auto-fill capabilities
- ▶ **Mobile UX and design:** Engaging content experiences to keep customers on site, and away from competitors or Amazon

Consider the approach **Bliss Cosmetics** has taken. Their mobile engagement efforts include a hamburger menu, bright and vivid colors, playful photography, and visual elements that highlight the cosmetics experience as well as the products themselves:



The bottom line: No retailer can afford to put off comprehensive mobile optimization any longer.

2 Omni-Channel Management

Growth isn't only about finding new customers. You need a system that operates at peak efficiency, leveraging an ERP, a PIM, or OMS.

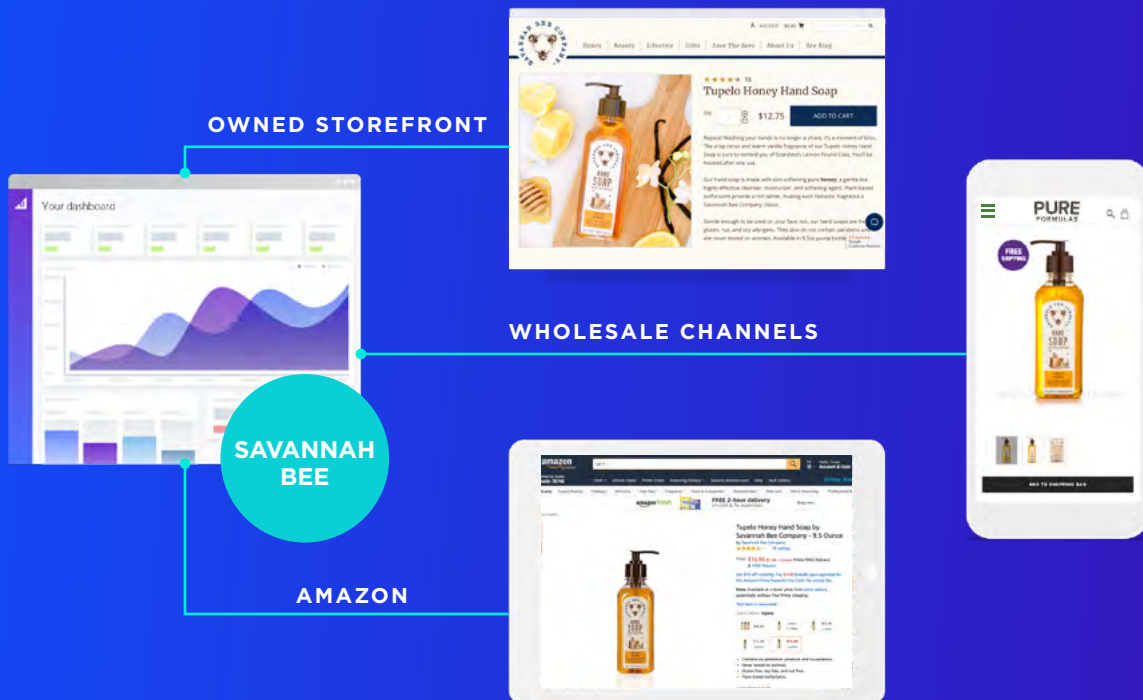
Enter Omni-Channel Management.

It's not difficult to see how this might help you expand your business.

When BigCommerce worked with **Savannah Bee**, a seller of artisanal honey and related merchandise, the challenge was to create a site that could create a seamless brand experience across channels. The brand sells their products in 13 retail stores, through over 2,000 retailers including Krogers and Whole Foods, on their own website, and on Amazon.

As Andrea Burg, Ecommerce Manager at Savannah Bee explains: "We sell on Amazon and I recently created our Amazon storefront. Another part of BigCommerce that is super helpful and useful to us is the ability to list our products directly to Amazon."

Thanks to the BigCommerce dashboard, Savannah Bee can now oversee and manage all of their sales from a single, efficient, organized place.



As you think about Omni-Channel Management, consider the following questions:

WHERE DO YOUR CUSTOMERS FIND YOU?

Large retailers like Walmart and Costco are most popular with customers when it comes to clothing and apparel, with 47% of customers reported having shopped there. In beauty and personal care, the largest group focused on retailers like Amazon and Etsy (29%). What channels in your industry deserve greater focus in your Omni-Channel strategy?

IS YOUR ONLINE PRESENCE SATISFACTORY?

Amazon Prime's great innovation is eliminating the need to pay for shipping, which was rated the highest among personal annoyances of the online shopper (58%). There may be other variables you haven't explored: Delivery times, complicated ordering systems, or not enough images of the products themselves.

Omni-Channel Management can make life easier—and it can have a major positive impact on the overall customer experience, too.

3 Personalized Experience

Offer a great product but not a personalized experience? Your competition will be glad to fill that gap for you.

So how do you make your product or platform more personal? There are a few channels you should optimize:

- ▶ **Recommendations:** Offer recommended products based on a user's search or purchase history on your site
- ▶ **Social features:** Include product recommendations based on social likes and shares
- ▶ **Location or segment:** Merge data with personalization to offer recommended products based on past purchases from a similar demographic

How can you achieve greater personalization without spending your way into oblivion?

Today's Artificial Intelligence (AI) technology makes it possible. Consider [Natori](#), a leading fashion brand, that integrated an AI technology known as Albert. By feeding in different content (images, videos, and social media copy) Albert could help determine the best platforms for each piece of content. Albert helped Natori increase social media revenue by 76% within six months.



AI is also being leveraged to gather information about visitors to then provide personalized experiences. Humans value experiences and products that have been tailored to them. Implementing personalized digital experiences on-site or in marketing efforts has been shown to have a positive effect on growth, with [one study](#) finding it led to a 25% revenue lift for some merchants.

4 Experience-Driven Shopping and CX

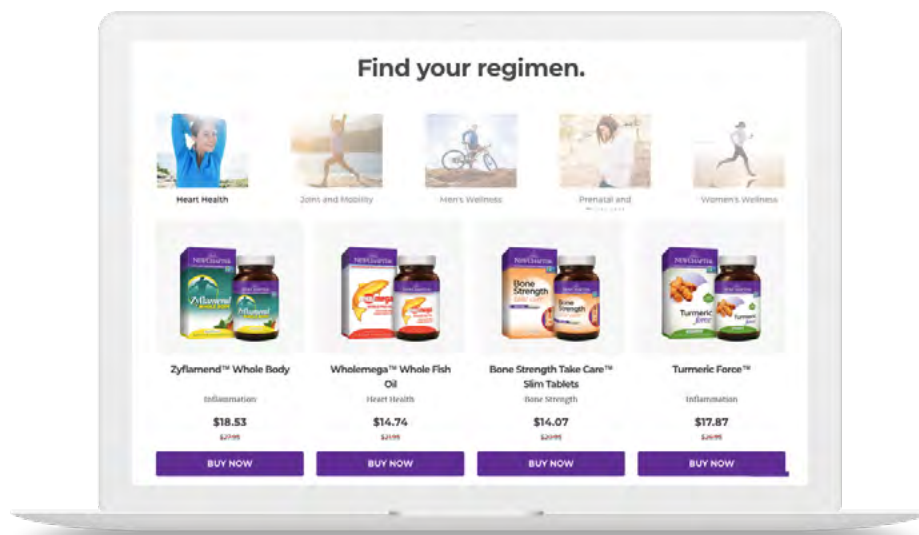
As competition continues to increase, what is setting some sites apart from others?

Brands that are offering a better experience through every customer interaction are successfully cracking into even heavily established industries.

[New Chapter](#), a supplement company purchased by industry giant Procter & Gamble, learned how to thrive by building true experiences on the page that bring consumers down a funnel. Their secret: A website that's optimized for experience-driven shopping journeys.

Thanks to a product discovery process that leans on the consumer's needs, New Chapter has made it easy for shoppers to quickly find and purchase the ideal product.

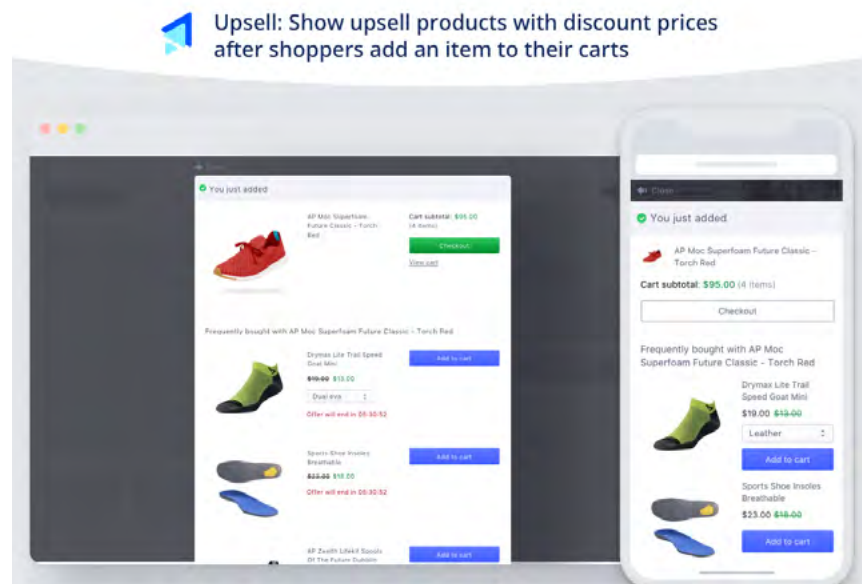
Especially for digitally native vertical brands, experience-driven shopping presents a huge opportunity.



Think about it: There may be something about CX in your market that rubs customers the wrong way. Here are a few suggestions for fixing that:

MAKE UPSELLING FUN.

Upselling adds value; it's not a sneaky, underhanded tactic designed to take advantage of the customer. Upselling products at discounted prices gives the customer an experience they wouldn't have otherwise had:



GIVE CUSTOMERS A REASON TO LOG IN.

Tracking orders, redeeming store credit, curating wishlists—all of these activities give shoppers a reason to come back again and again. Invest in the experience. Don't just expect some customers to return; give them a reason to want to return.

SURPRISE AND DELIGHT.

Walker data predicts CX will be the premier differentiator for online retail brands in 2020. Today, customers seek out brands that go above and beyond with a stellar customer experience. Make sure that you're delivering delightful experiences across all touchpoints and monitoring CX performance through indicators like Net Promoter Score surveys at all times.



5 Refining Your Content Strategy

Are you churning out content and hoping the right audience discovers your brand?

“Winging it” is never a good idea—especially for enterprise-level brands. That’s an easy way to squander a huge chunk of your marketing budget for minimal ROI.

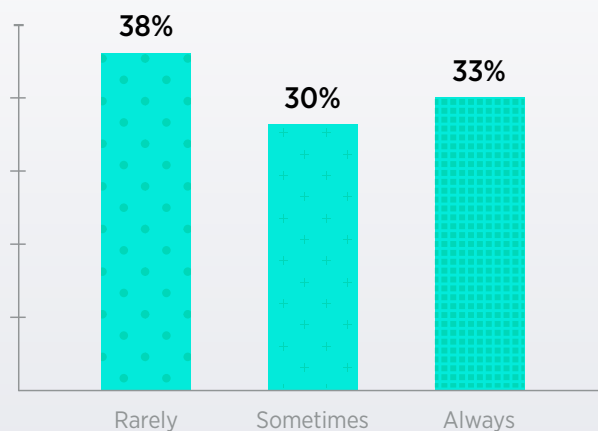
But solid content does matter. In their [2020 Content Marketing Report](#), the Content Marketing Institute reports that 75% of businesses they surveyed found their content marketing efforts to be successful in the previous year.

The problem is: Many marketing departments aren’t taking the time to document and set goals for their content marketing efforts. [Recent data](#) shows that 4 out of 10 B2C content marketers don’t have an editorial calendar. Additionally, 38% of those surveyed said they rarely use data to validate the effectiveness of their content marketing strategy.

And this has to change.

As growing brands make larger investments in content, that money needs to be spent wisely. That happens with a documented strategy, benchmarks for gauging success, and a customer feedback loop that informs the direction content takes.

How Often B2C Marketers Use Data for Content Distribution



But that's not all.

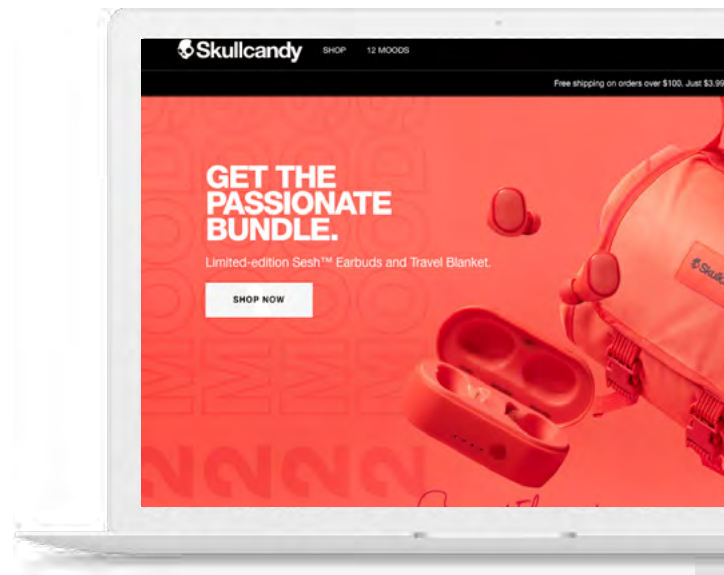
Refining your content strategy so it speaks directly to your target audience—and only to them—can breathe fresh life into your content marketing efforts as well.

You can see this approach work to perfection in the case of **Skullcandy**, a brand that shifted its content focus to exactly what their customers were after: Amazing audio-centric material that spotlights fresh artists and makers.

By eliminating the noise and focusing exclusively on high quality, relevant material for customers in the market for audio gear, Skullcandy put the interests of potential buyers front and center.

And it worked: The new website launch resulted in double-digit improvements in each part of the purchase funnel, according to Kinsey Butler, SkullCandy's Manager of Ecommerce Strategy.

So how can you tweak your approach to content to achieve the same end goal? Simply put, your content has to match your customer segment.



LET CUSTOMER INTERESTS INFORM YOUR CONTENT STRATEGY.

Use surveys and customer feedback loops to find out what your target demographic needs (and wants) to learn from you. Make this an ongoing process so you're always giving your audience a voice and keeping a finger on the pulse of their interests.

DOCUMENT YOUR APPROACH.

Your content marketing efforts need to be informed by a data-backed strategy. Use benchmarks to gauge content performance. Write down your objectives and goals, plan content ahead of schedule, and outsource content creation if needed to keep up with publishing at your desired cadence. Just remember to keep your focus on *quality* rather than *quantity*.

6 Localizing Your Appeal

Today's retail shopper might access world-famous websites and applications on their smartphone, but that doesn't mean localization has lost its appeal.

You don't have to travel to Europe to discover the latest trends or create a new product page for every specific city in which you hope to make sales. But localization is a vital trend.

If you want to grow, try incorporating the following strategies:

- **Create local and regional “collections.”** [Tyler's](#), for example, is a Texas-centered brand with ambition beyond the region. But Tyler's never lost touch with its Texas roots, creating regional category pages and highlighting Texas-specific products on its home page.
- **Make localization personal.** Do you have brick-and-mortar locations in specific regions, or perhaps products designed especially for certain markets? Don't bury them. Make localization personal with social media posts that feature visual evidence of your commitment to specific regions.
- **Localize your advertising campaigns.** [NaturallyCurly](#) used this to ingenious effect when it created a “Frizz Forecast” ad campaign that allowed users to enter in their local zip code to find out if frizzy hair was in the cards.

Localization is about more than taking your existing keywords and slapping a city in front of them. It's about making a commitment to include specific regions in your marketing and making a more expansive market a priority for overcoming your bottom line growth plateau.

7 Influencer Marketing

When [Woolrich](#) needed a partner for its Fall/Winter campaign, it reached out to Lauryn Hill. The “American Soul” campaign combined Hill’s unique and soulful appeal with the customer segment and message Woolrich wanted to get across:

Why bring in an influencer like Lauryn Hill? It’s not the specific influencer that matters here; it comes down to strategic growth. Busting a bottom line growth plateau means exploring new avenues and customer segments you previously haven’t considered. Bringing an influencer on board gives you the reach to accomplish that.

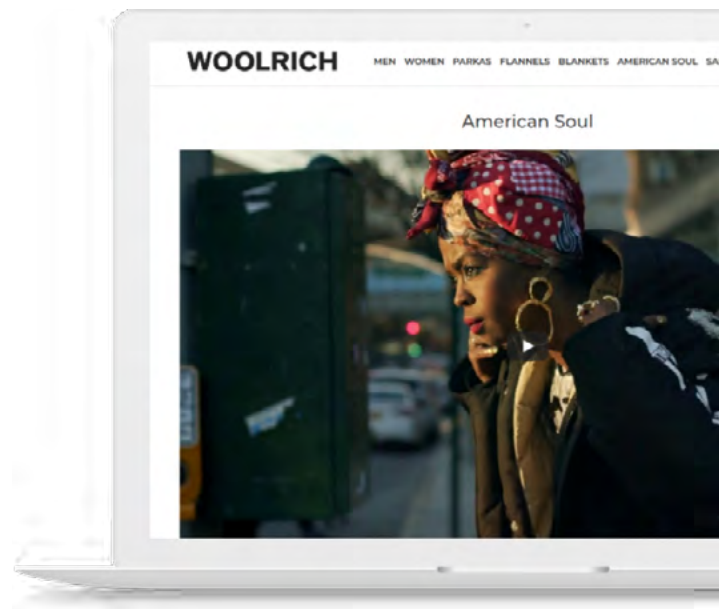
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As the [Harvard Business Review](#) put it:

“[Influencers] already have the trust of thousands, if not millions, of your target customers. So why not weave your brand into their story, rather than telling yours from scratch?”

And we know influencer marketing works: In a 2019 survey by [Influencer Marketing Hub](#) of 800 marketing professionals, 92% considered influencer marketing to be effective, and 63% planned to increase the budget spent towards it in the coming year.

So how can a company find the right influencers? Ninja Outreach offers a tool for outreach to influencers that helps eliminate guesswork when it comes to both finding influencers and analyzing their potential impact on your bottom line.



How Other Retailers Have Overcome a Growth Plateau

It's clear that growing as a retail website isn't only about building sales. It's also about expanding and improving the underlying strategies and assumptions that drive your business.

But what if your bottom line growth has plateaued? What kinds of elements should you also consider?

In the case of Monique Elliot's tenure at GE Industrial Solutions, stagnant growth came from a familiar recipe of two ingredients: Success and complacency. Their once-strong ecommerce platform catered to brick-and-mortar distributors with a "closed, authenticated" strategy that succeeded at first. But as Elliot says, "Over the course of the next 15 years, we didn't put a lot of investment into the platform."

Over time, competitors added features to their ecommerce platform that eventually outpaced the features at GE Industrial Solutions.

Their response was to integrate an Omni-Channel approach and upgrade the platform to become more customer-centric. But even more important, Elliot says, was the change in mindset. Rather than a single performance upgrade, the company came to call the new platform a "product." And like any product, constant improvement and innovation would be required to keep pace with the competition.

The road wasn't always smooth. "Flash Friday sales" failed. As it turned out, GE's customers weren't all that interested in purchasing circuit breakers the way some people might purchase shoes online.

But growth is never that easy. It requires lessons, sometimes earned by experience, and adaptations in mindset along the way.



Key Mindsets for Beating a Stagnant Bottom Line

Why bother growing when you're already a success?

Because it beats the alternative.

Stagnant growth is a problem most businesses (including yours) will have to deal with.

According to the [Harvard Business Review](#), 87% of large, leading businesses faced a growth plateau, or “stall point,” at one point in its development. In some cases, companies like Toys ‘R’ Us never recover from it.

But a stagnant bottom line doesn't have to be a death sentence. It can also be a reminder that it's time to update your retail strategies and embrace new trends. It may also point to one more fundamental problem: Your mindset.

Here are some key ways to change that as you address your stagnant bottom line:

1. Recognize that growth requires change.

Some of today's top brands still exist because they were willing to throw out an old formula and adapt to the market. The famous jeweler Tiffany and Co. started out in the business of “stationery and fancy goods.”

In 1862, it was in the business of supplying the Union Army with swords. Not all growth is vertical. Sometimes you have to move sideways before you can move forward.

2. Be willing to throw out a viable formula if it no longer serves your growth.

It's tempting to stick to a proven formula when it's brought in consistent revenue.

Monique Elliot recognized in her time at GE that when competition moves and you don't, refusal to grow means that you're losing ground. Elliot was willing to re-work a proven platform because it no longer delivered the results the enterprise needed—and that shift in mindset ultimately resulted in major growth.



3. Stay adaptable during the ebbs and flows of business.

A lull may not be under your control, but your company's mindset should always remain adaptable.

After 9/11, Delta Airlines suffered a tremendous slowdown in business that brought it to the brink of disaster. By 2005, the company had filed for bankruptcy. But Delta didn't give up, negotiating pay cuts with pilots and a debt restructuring plan that kept the company alive. As the airline business recovered, Delta came out of bankruptcy and persisted in its growth, acquiring Northwest Airlines and Alaska Airlines en route to new heights in revenue.

The lesson: Staying agile and flexible can help you overcome the dips that are part of any retail business journey.

4. Change your attitude.

Confidence, innovation, ambition, and a constant desire to improve. None of these variables show up on the bottom line. But they can make all the difference.

Mitchell Harper, author of *Sane: How to Build Your Business Rapidly Without Going Insane* put it this way: "The only way to build a great company is to start with your own mindset, psychology and self-belief." Even for large enterprises, change and growth always start from within.

A plateauing bottom line doesn't have to be scary. But you shouldn't ignore it, either. The next time you see your bottom line taper off into a plateau, ask yourself what you can do better. Your business will thank you for it.





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Our platform allows you to launch fast and operate your growing business with top performance and speed. We give you the flexibility to innovate with endless opportunities to create game-changing digital experiences. Finally, we'll grow with your business—wherever you choose to sell.

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