



The State of Shopify Report 2021

The 14 Things Top Shopify Stores Need
to Know to Grow in 2021 and Beyond
(Plus Advice From 13 Experts).

In partnership with:



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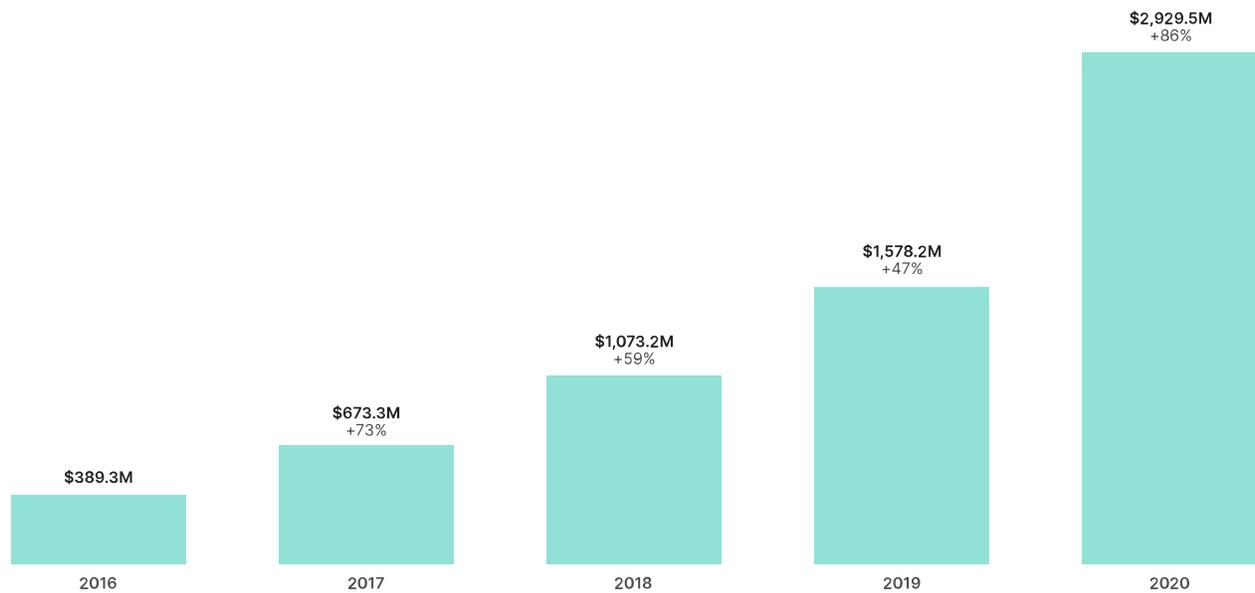
There's **never been a better time** to be in the ecommerce industry.
Or start a Shopify store.

...because ecommerce is absolutely exploding.

With a boost from a global pandemic, Shopify's **revenue was up 86%**
from 2019 to 2020.

Strong Consistent Revenue Growth

When Our Merchants Succeed, Shopify Benefits



Source: [Shopify](#)

Nearly half a billion ([457M](#)) consumers bought from a Shopify store last year.

And Shopify entrepreneurs made their **first sale every 28 seconds**.





Harley Finkelstein  @harleyf · Jan 27 ...

In 2020, an entrepreneur on [@Shopify](#) made their first sale every 28 seconds vs every 52 seconds in 2019. Everyday we are empowering the rebels.

 14

 37

 464



Crazy.

But that doesn't mean it's easy to build a successful business.

That's why we partnered with ecommerce giants like ShipBob, Loox, Gorgias, and Smile.io to bring you this beast of a report.

Because we want to give you the playbook to grow your Shopify store in 2021.

It's packed with:

- 7 trends you need to know about
- 4 tips to help you increase conversion
- 3 secrets to help you drive sales (and repeat purchases)
- Benchmarks to keep you on track
- Advice from 13 experts

...and that's just the beginning.

But before you panic about how much there is to do, start with 1 thing.

Because if you can take 1 thing you learn from this and apply it to your business, it'll be worth it.

And you'll be on your way to building a successful Shopify store.

The state of Shopify report at a glance

If Spark Notes was always your go-to, this section is for you.

These are the stats you need to know from the entire report.

...but Spoiler Alert: sometimes there's more to the numbers. So if something catches your eye, make sure you get the full story.

The ecommerce trends you need to know about

- **84% of consumers** have shopped online since the pandemic, compared to 65% who have shopped in-store.
- **54% of consumers** shifted more of their spending to online shopping since the pandemic was declared, compared to earlier this year.
- Young consumers led the trend, with **67% shifting more of their spending** to online shopping compared to earlier this year, ahead of older age groups.
- **50% of consumers** look for independently owned businesses to support.
- **65% of consumers** say they support small businesses.

The conversion rate stats you need to see

- The median conversion rate for Shopify merchants is 1.12%.
- Average conversion rates by campaign type
 - **Popups:** 4.6%
 - **Bar campaigns:** 0.9%
 - **Spin to win campaigns:** 15.6%
- Average popup conversion rates by trigger type
 - **Automatic trigger:** 3.5%
 - **Scroll:** 4.2%
 - **Exit intent:** 6.9%
 - **Tabs:** 23.6%
- Free shipping can help you increase your conversion rate by 3x.
- Free 2-day shipping can help you increase your AOV by a whopping 97% and reduce cart abandonment by 18%.
- Distributing your inventory can reduce shipping costs by 25%, and add 13% cost savings to a business' bottom line.
- 25% of responses to Loox's review requests include photos.
- Merchants realize as much as a 28% conversion rate with chats or SMS messages replied to in less than 10 minutes.

Why you need to lean into channels you own

- For every email you capture, you can expect to drive \$33 in sales.
- Email marketing benchmarks
 - **Average open rate:** 28.5%
 - **Average click rate:** 5.2%
 - **Average unsubscribe rate:** 0.6%
 - **Average revenue per email:** \$581.72
- Loyal customers are 9x more likely to convert compared to a first-time shopper.
- Loyalty members have an average repeat purchase rate that's 2.5x higher than non-members.



7 ecommerce trends you need to know about

There's no question. 2020 changed the ecommerce industry (and the way we shop) forever.

So we dug into [Shopify's Future of Commerce report](#) and asked ShipBob what they've seen on the shipping and logistics side to give you 7 trends to know about in 2021 and beyond.

Because the more you know about what they've uncovered in the last year, the better informed (and prepared) you'll be to make this your biggest and best year ever.

What Shopify learned from 1 million merchants

Shopify surveyed thousands of consumers and dug into data from 1 million merchants to get a full picture of the future of commerce.

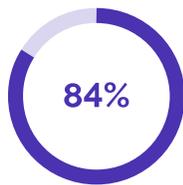
And guess what. The future has never been brighter.

Here's what we learned from [their report](#).



1. The COVID-19 pandemic sped up (and shaped) the future of ecommerce

84% of consumers shopped online since the pandemic while only 65% have shopped in store.

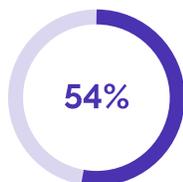


Of consumers have shopped online since the pandemic, compared to **65%** who have shopped in-store.

Source: [Shopify](#)

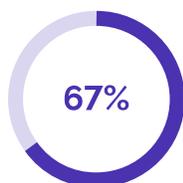
2. Younger consumers are leading the charge

67% of these younger consumers (below 35) have shifted more of their spending to online shopping. Compared to the 54% average across consumers.



Over half of customers shifted more of their spending to online shopping since the pandemic was declared, compared to earlier this year.

Source: [Shopify](#)



Young customers led the trend, with **67%** shifting more of their spending to online shopping compared to earlier this year, ahead of older age groups (**57%** for consumers 35-54, and **41%** for 55+).

Source: [Shopify](#)

3. And there are 3 main things this group values

This group of younger consumers has different motivations than other generations.

The top 3 factors that influence a purchasing decision are:



Discover and shop
via social media



Prefer to shop for sustainable
and green products



Shop to have
an impact

4. But everyone wants to shop small

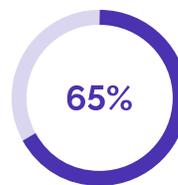
It's not just younger consumers that want to shop to make an impact.

Shopify found that 50% of consumers look for independently owned businesses to support and 65% support small businesses.



Of consumers look for
independently owned
business support.

Source: [Shopify](#)



Of consumers say
they support **small**
businesses.

Source: [Shopify](#)

Which means the fact that your brand is a small business is your superpower.
So you should be leaning into your story every chance you have.



““

“Don’t forget to tell your brand story. People connect with stories. Share when, why and how you do what you do. Focus on the emotions of those experiences so you can relate to your audience and make that connection.”

Vivian Kaye | Founder & CEO, KinkyCurlyYaki



““

“The reality is so many newer brands focus on appearing bigger than they really are in hopes to appear more legitimate. The honest truth? Customers LOVE supporting smaller brands, and you should be authentically you. Tell your brand story on your About Us page. Let your customers know who you are and why you started this brand.”

Kelly Vaughn | Founder & CEO, The Taproom



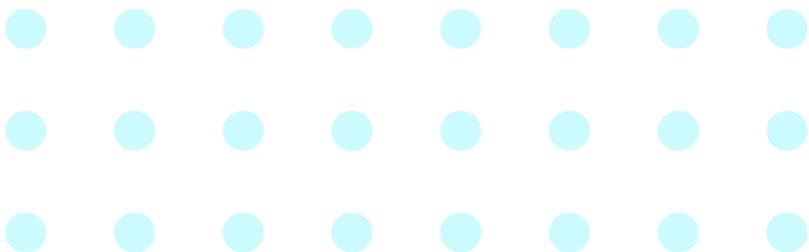
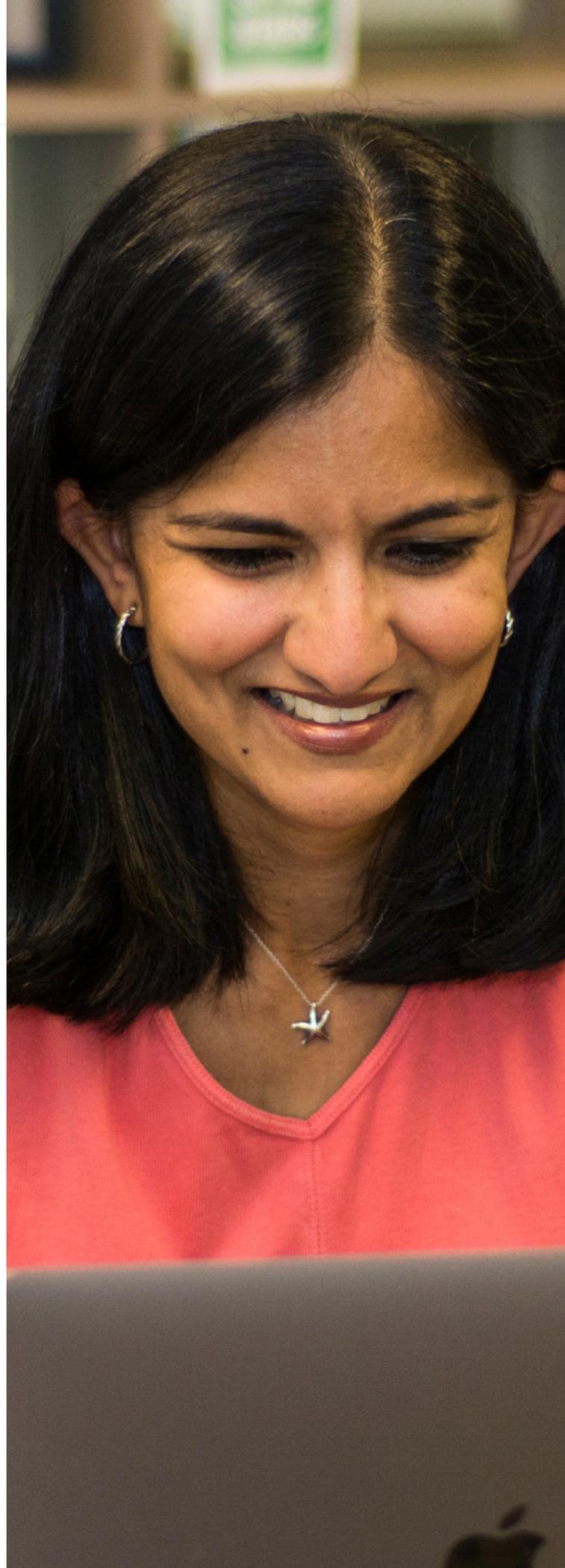
Shipping and fulfillment trends from millions of orders

Brought to you by  ShipBob

Logistics isn't the trendiest or sexiest part of running a Shopify store, but it's become more important than ever in the last year.

From supply chain disruptions due to the COVID-19 pandemic, to the media-coined 'Shipagedon' that hit around the holidays, there's a lot we can learn.

And luckily ShipBob aggregates data across tens of millions of shipments for thousands of ecommerce businesses. Here's what they've seen.



5.

Stores are splitting inventory to combat shipping delays

One of the biggest trends we saw in 2020 was the decision for stores to split inventory across multiple fulfillment centers.

As fulfillment centers shut down because of natural disasters and the pandemic, the real value became clear.

ShipBob customers who distributed their inventory were able to route a majority of orders to alternative fulfillment centers that held their inventory and were able to fulfill those orders on time.

In 2021, this has continued to play out with winter storms and other harsh weather conditions that left Texas-based facilities without power, caused carriers to cancel pickups, and prevented employees from showing up to work.

On top of that, multiple fulfillment centers allow brands and customers to save money on shipping and receive their orders faster.

Anybody can ship in 2 days from one fulfillment center via expedited air, but the costs are high, so there can be major hits to margin and profitability. By distributing inventory, brands are able to use a mix of both ground and air shipping to bring inexpensive 2-day shipping to their consumers.

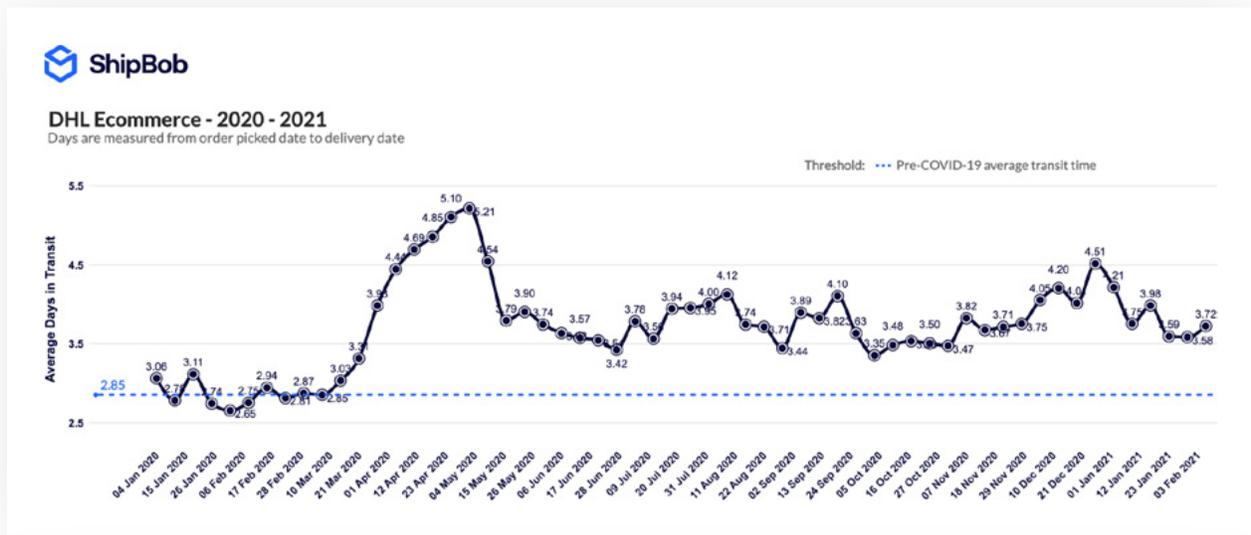
6.

Carriers are getting back to pre-COVID delivery times

Remember Shipaggedon? Carriers were experiencing major delays on top of slower-than-normal shipping times thanks to the insane volume over the holidays.

The [shipping carrier transit data](#) below shows time-in-transit averages for the four leading carriers in the US throughout all of 2020 up until early 2021, compared to pre-COVID average transit times (shown via the dotted blue line).

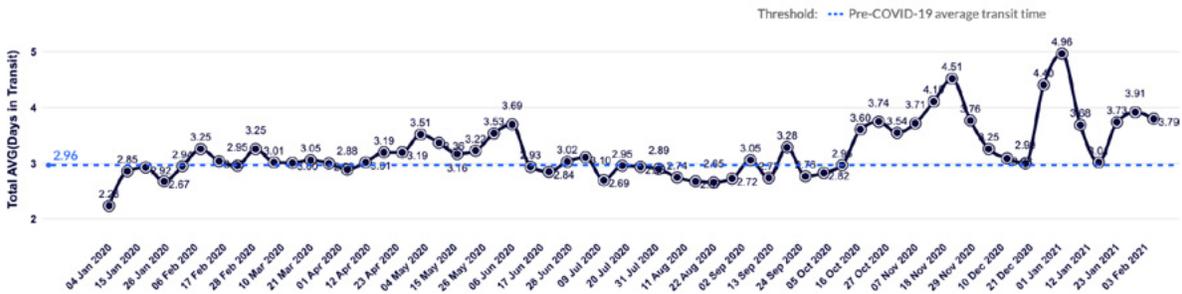
And luckily most carriers have achieved their pre-COVID levels, even amid the continued pandemic.





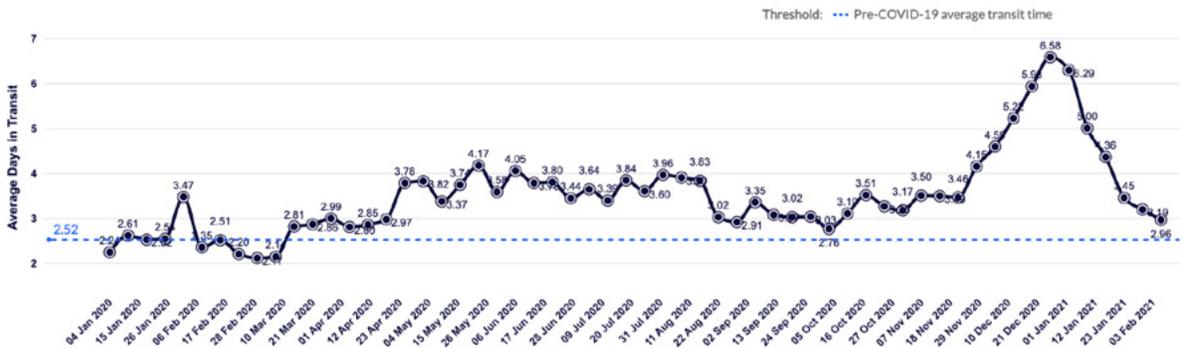
UPS Standard - Ground - 2020 - 2021

Days are measured from order picked date to delivery date



USPS - 2020 - 2021

Days are measured from order picked date to delivery date

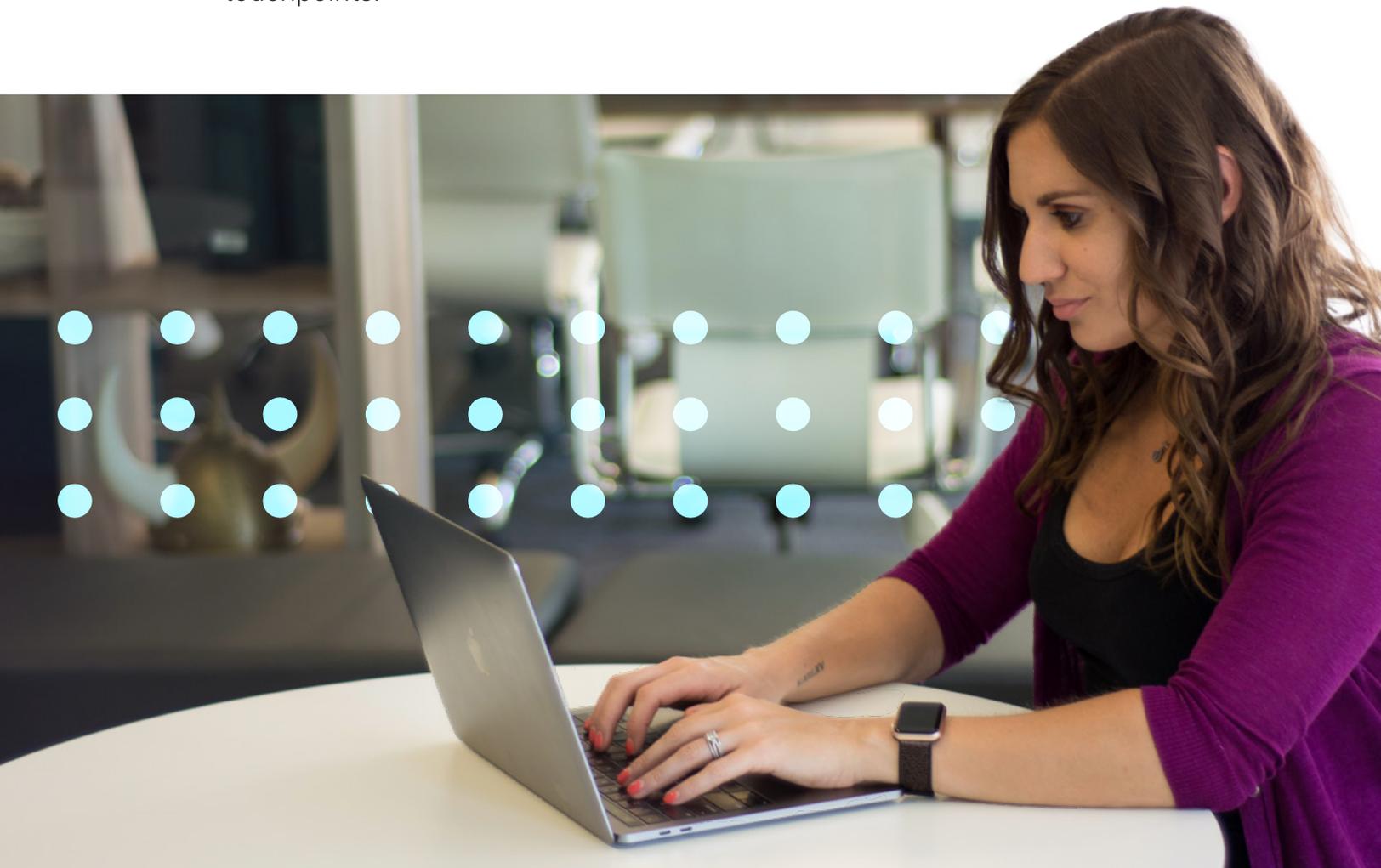


7. It's still incredibly important to keep customers in the loop

Consumers understand that carriers have been completely overwhelmed throughout the pandemic, but continuing to be up front and doing what you can to keep them in the loop will go a long way.

Here are a few things you should do to improve the customer experience:

- Look at [shipping carrier transit data](#) provided by ShipBob (and updated weekly) to understand carrier performance and share it with customers.
- Cut out certain services or carriers that aren't meeting expectations or able to keep up.
- Include potential shipping delays that are outside your control on your website, your order confirmation page, your confirmation email, and other important touchpoints.



Key takeaways to help you grow in 2021 and beyond

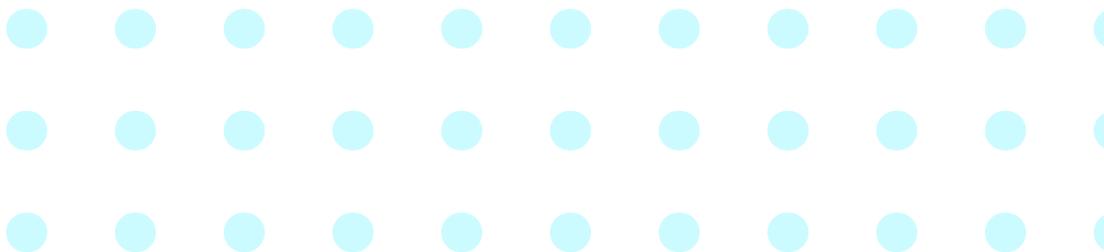
To build a successful business, you should always be looking for the trends that are happening in your industry.

Luckily, ecommerce has never been a more promising industry to be in.

But here are a handful of things to remember thanks to Shopify and ShipBob:

- Younger consumers are leading the charge spending more online. And they care about supporting mission-driven businesses.
- Remember that consumers want to support small businesses – lean into that.
- If your inventory is in 1 location, it might be worth splitting it into multiple locations to reduce your shipping costs and transit times.
- Even though carriers are getting back to pre-COVID shipping times, it's still important to set the right expectations and keep your customers in the loop.

So as you're thinking about ways to continue growing in 2021 and beyond, keep each of these things in mind. And remember to tell your story every chance you get.



How to increase conversion for your Shopify store with these 4 tips

The median conversion rate for Shopify merchants is **1.12%**.

Which means for every 100 visitors to your store, you should expect ~1 person to make a purchase.

Just think about how you shop online. How many times have you landed on a store and decided immediately it wasn't for you?

And your visitors are no different. They expect to be hooked early on. If they're not, they're quick to move onto the next thing – just like you.

Now before you panic, you should know that minor improvements to your conversion rate can have a HUGE impact on your bottom line.

Which is exactly what we want to cover in this section: how to increase your conversion rate to get more sales for your store.

But before we dive in, there are 4 main categories that influence your conversion rate:

- **User experience:** the core experience of your website. This includes the page layout, website structure, site speed and more.
- **Content:** the copy, imagery and overall content displayed across your website.
- **Onsite campaigns:** the calls to action and displays you show to website visitors. This includes your buttons, forms, popups, onsite displays and more.
- **Offers:** the hook to convert your website visitors into customers.

1. Offer free shipping

Brought to you by  ShipBob

Think about it. How many times have you decided not to make a purchase because the store didn't offer free shipping? Probably more times than you can count...

And you're not alone. Actually, [68% of online shoppers in the US](#) admitted that at least half the time, they **won't make a purchase without free shipping**.

And the perfect place to call out free shipping is with a free shipping bar at the top of your site. You know, something like this:



Free shipping every day at \$60 (Continental US only)

...it's actually [the only message that matters](#) at the top of your store.

Because free shipping can help you [increase your conversion rate by 3x](#).

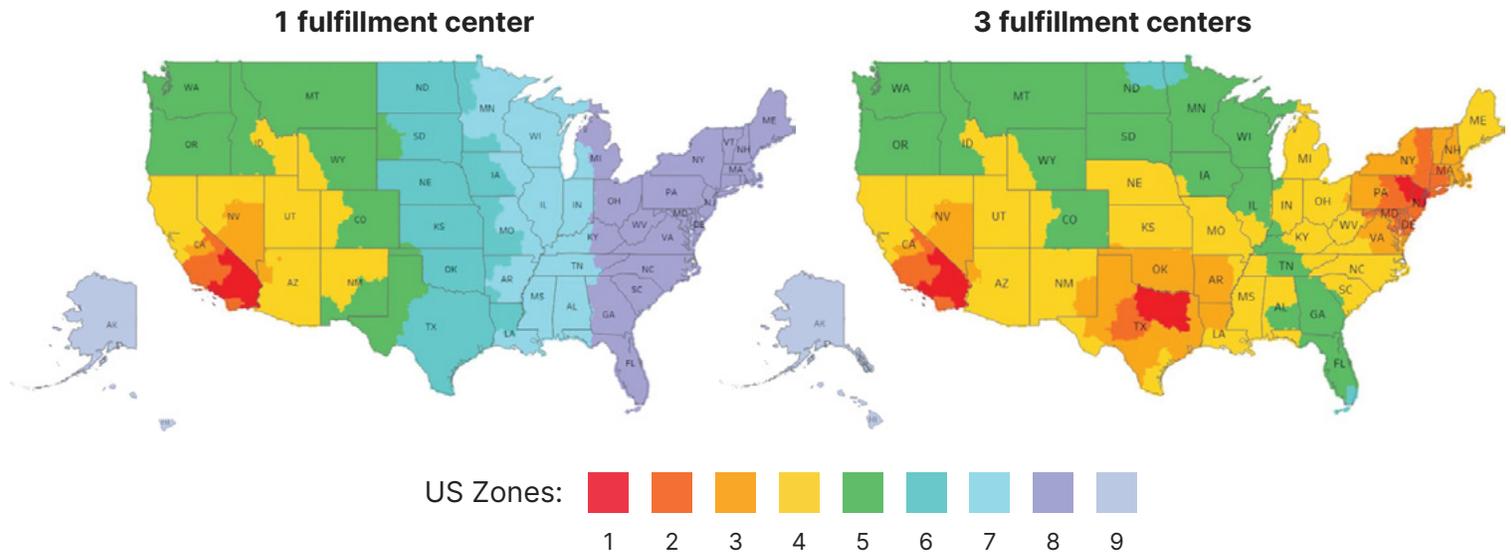
And free 2-day shipping can help you [increase your AOV by a whopping 97%](#).
It can also help you [reduce cart abandonment by 18%](#).

How to reduce shipping costs for your business

Shipping carriers use [zones](#) to determine pricing. So if Zone 1 is where a product is shipping from, the closer the destination is to Zone 8, the more expensive it'll be.

Which means that if you have more than 1 shipping location spread out across the country, you can drastically reduce your shipping costs.

Just take a look at this chart that shows 1 vs. 3 fulfillment centers:



The ShipBob team has found that distributing your inventory can [reduce shipping costs by 25%](#), and add [13% cost savings](#) to a business' bottom line.

To reduce shipping costs, you can:

- Analyze historical order and zip code data to reevaluate your optimal fulfillment locations (ShipBob can help you do this!).
- Decide if a more central warehouse location would benefit your business if you're often shipping from one side of the country to the other.
- Calculate what your shipping costs would be if you went from one fulfillment center to two (or two to three, and so on) by experimenting with different locations, and how those would be offset by the additional transportation and warehousing costs you would incur.

It's clear that free shipping has a major impact on conversion. So if you're not already offering free shipping, you should be thinking about what you can do to change that.

2. Ask for reviews (they've never been more important)

Brought to you by 

Shopping online is insanely convenient, but you miss out on seeing and touching a product in person before you buy.

So after you look through all the photos and glance at the product description, what's the first thing you do?

You probably look through the reviews. And that's exactly what your customers are doing, too.

Reviews have the power to make your visitors think, "OMG I NEED this!!" or "Ehhh this isn't for me."

Because your visitors don't really want to know what you have to say about your own product...

They want to know what your customers think.

Which is why **product reviews aren't optional...they're a must-have.**

But how important are they really? According to [recent research](#), **72% of customers won't take any action until they've read reviews.**

But before you start questioning how many reviews you'll actually be able to get, you should know that **when a product gets at least 5 reviews, it's [270% more likely to be purchased](#)** than if it didn't have any reviews.

I promise you can get 5 reviews.

But instead of the standard, text-based reviews, you should think about how you can help your visitors envision your products in their daily lives.

And like their words, their photos are more powerful than yours. Of course you need amazing product photos, but people want to see what your products look like in the hands of real customers.

Which is why reviews with photos can have a huge impact on your conversion rate.

Just ask the Loox team. For every review request they send out to a customer (on behalf of a Shopify brand, of course!), at least 25% of the responses include photos.

These types of reviews are user-generated content (UGC) for your store.

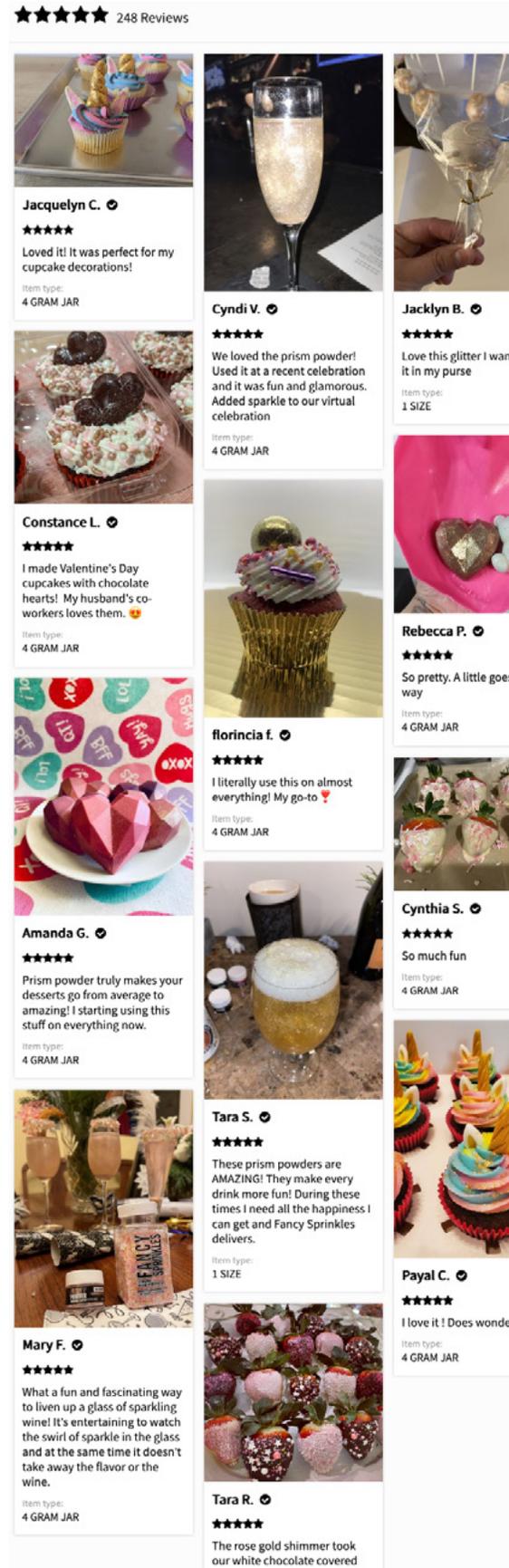
I mean, just take a look at this example →

These reviews show prospective customers what it would be like to actually have your product. Which makes the buying decision SO much easier.

So if you're not already collecting reviews, start there. And if you are, do you ask for photos? Think about taking it a step further to get that UGC and social proof you can use over and over again in your marketing.

Source: [fancysprinkles.com](https://www.fancysprinkles.com)

★★★★★ 248 Reviews



Jacquelyn C. ★★★★★
Loved it! It was perfect for my cupcake decorations!
Item type: 4 GRAM JAR

Cyndi V. ★★★★★
We loved the prism powder! Used it at a recent celebration and it was fun and glamorous. Added sparkle to our virtual celebration
Item type: 4 GRAM JAR

Jacklyn B. ★★★★★
Love this glitter I want it in my purse
Item type: 1 SIZE

Constance L. ★★★★★
I made Valentine's Day cupcakes with chocolate hearts! My husband's co-workers loves them. 🍷
Item type: 4 GRAM JAR

Rebecca P. ★★★★★
So pretty. A little goes a long way
Item type: 4 GRAM JAR

florincia f. ★★★★★
I literally use this on almost everything! My go-to 🍷
Item type: 4 GRAM JAR

Amanda G. ★★★★★
Prism powder truly makes your desserts go from average to amazing! I starting using this stuff on everything now.
Item type: 4 GRAM JAR

Cynthia S. ★★★★★
So much fun
Item type: 4 GRAM JAR

Tara S. ★★★★★
These prism powders are AMAZING! They make every drink more fun! During these times I need all the happiness I can get and Fancy Sprinkles delivers.
Item type: 1 SIZE

Mary F. ★★★★★
What a fun and fascinating way to liven up a glass of sparkling wine! It's entertaining to watch the swirl of sparkle in the glass and at the same time it doesn't take away the flavor or the wine.
Item type: 4 GRAM JAR

Payal C. ★★★★★
I love it! Does wonders
Item type: 4 GRAM JAR

Tara R. ★★★★★
The rose gold shimmer took our white chocolate covered

3. **Make sure your customer support is top notch**

Brought to you by  **gorgias**

Working with more than 5,500 ecommerce merchants, we've seen just how many businesses underestimate the power of amazing customer service.

With increased customer expectations and steeper competition in the ecommerce space, delivering an exceptional customer experience is not just critical for loyalty and retention, but it can be a massive competitive advantage for your business.

Why customer support is crucial for your store

Customers have higher expectations than ever.

They're smarter, more educated, and more aware of their needs. They want to be welcomed, heard, understood and appreciated.

So if they come to you with a question (like, when should I expect to get my order?), they want it to be answered immediately.

Which means if your customers are on all channels, you should provide customer service in all of those places too. Otherwise, they might not come back.

Bad customer service leads to high abandoned cart rates and churn

A great ecommerce business doesn't put customers on hold or take hours to respond to simple emails or social media posts.

Because even just 1 experience like this can create doubt and leave a bad impression of your store. Which means visitors will leave without purchasing and your customers might not come back.

And when you make customer experience a priority, the results speak for themselves: lower churn, higher AOV (average order value) and LTV (lifetime value).

Customer service helps drive sales and conversions

Customer support isn't just about answering questions anymore. Thousands of our merchants generate sales opportunities (like upsells) with stellar customer support.

We've also seen merchants realize as much as a **28% conversion rate** with chats or SMS messages replied to in less than 10 minutes.

So if you're not focused on providing amazing support to your prospects and customers, it's time to change that. You need to build trust from the very beginning.

And that starts with answering questions and making it clear that you're there to help.



4. Capture the traffic coming to your store

You already know that about 1.12% of the people coming to your store are going to make a purchase...

But you shouldn't expect people who are coming to your store for the first time to make a purchase immediately.

Which is why it's so important to capture their email addresses while they're still on your site.

So you can build a relationship with them over time by telling your story, sharing your why, and explaining what's in it for them.

And popups are the best way to capture those emails.

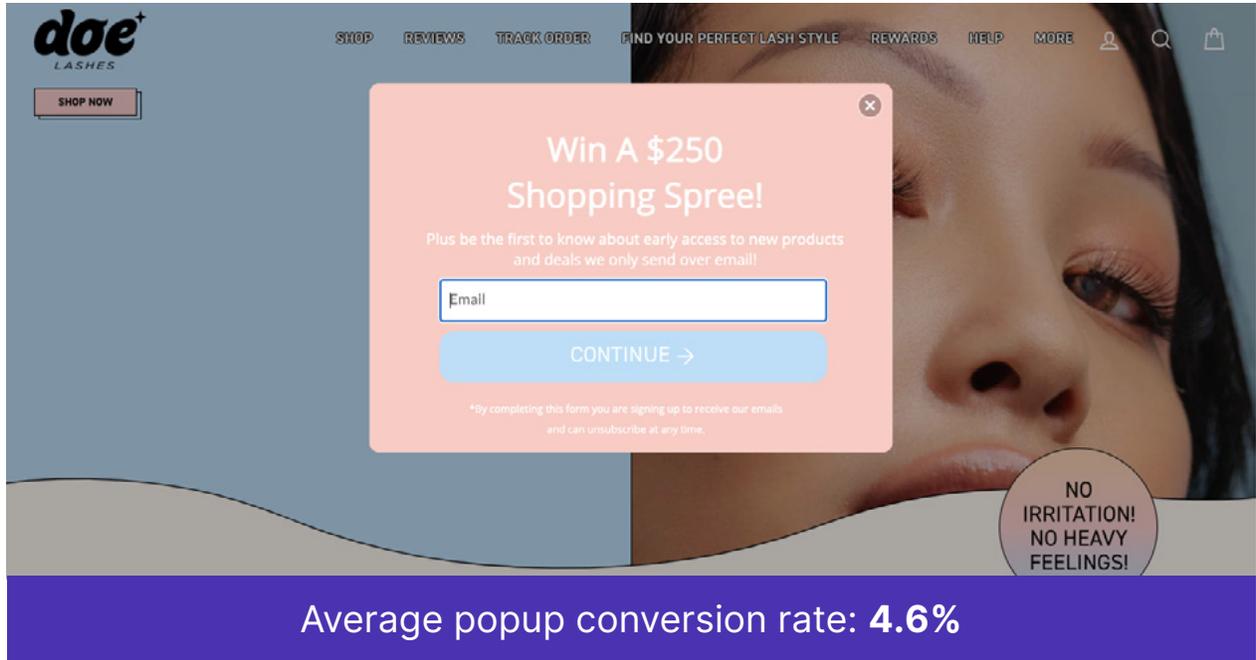
Not to mention the fact that we've found that for every email you capture, you can expect to **drive \$33 in sales**. Which means the bigger your list is, the more \$\$ you should expect to make with email.

4 of the most popular campaign types and the benchmarks you need to know

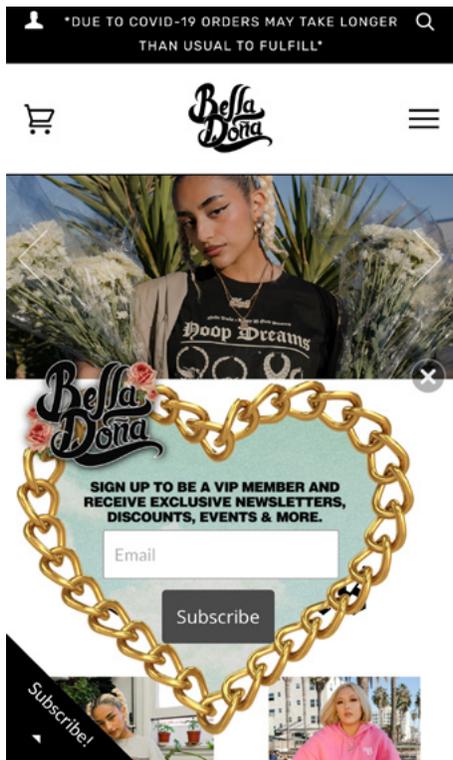
You've probably seen thousands of popups as you've browsed other Shopify stores.

But when it comes to launching your own campaigns, you should be familiar with the results you should expect to see with 4 of the most popular campaign types.

A **popup** is the most popular display type for email signups.



The screenshot shows a website for 'doe+ LASHES'. A central popup is displayed with the following text: 'Win A \$250 Shopping Spree!', 'Plus be the first to know about early access to new products and deals we only send over email!', an 'Email' input field, and a 'CONTINUE →' button. Below the button, it says '*By completing this form you are signing up to receive our emails and can unsubscribe at any time.' In the bottom right corner of the website, there is a circular badge that says 'NO IRRITATION! NO HEAVY FEELINGS!'. At the bottom of the image, a purple banner contains the text 'Average popup conversion rate: 4.6%'.

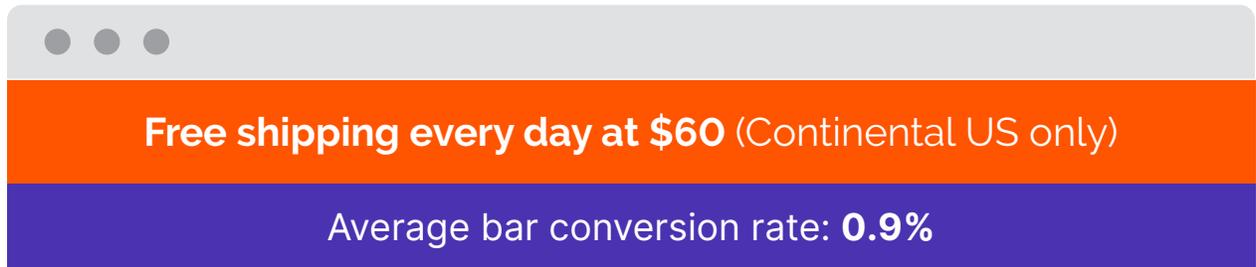


The screenshot shows a website for 'Bella Donna'. At the top, a black banner reads '*DUE TO COVID-19 ORDERS MAY TAKE LONGER THAN USUAL TO FULFILL*'. Below the navigation bar, there is a large image of a woman wearing a 'Hoop Dreams' t-shirt. A flyout is positioned at the bottom of the screen, featuring a gold chain graphic. The flyout text includes: 'SIGN UP TO BE A VIP MEMBER AND RECEIVE EXCLUSIVE NEWSLETTERS, DISCOUNTS, EVENTS & MORE.', an 'Email' input field, and a 'Subscribe' button. At the bottom left, there is a 'Subscribe!' button with a small image of a woman.

A **flyout** is a little more subtle than a popup, appearing at the bottom of the screen. And it's the perfect option for mobile campaigns.

Average flyout conversion rate: **6.0%**
(slightly higher than your standard popup)

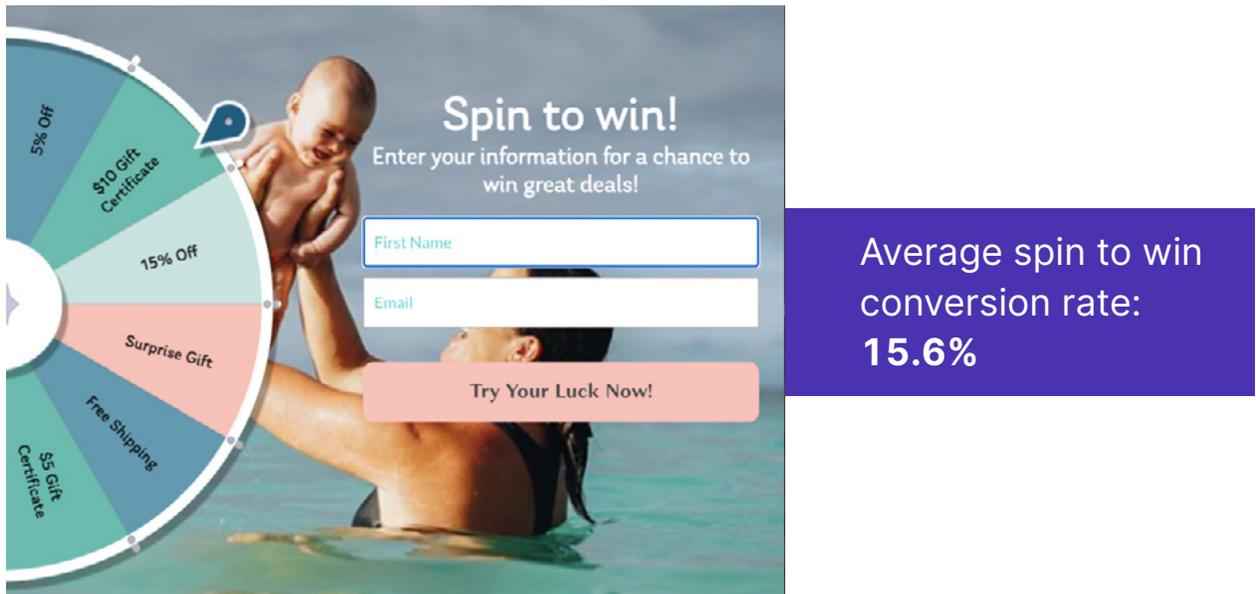
A **bar** campaign is even more subtle than a flyout and often doesn't include a form, which means conversion is much, much lower (they're perfect for callouts like free shipping, though!).



Free shipping every day at \$60 (Continental US only)

Average bar conversion rate: **0.9%**

A **spin to win** campaign is the perfect way to gamify collecting emails. Because they're a much more interactive display type, they convert really well (who doesn't love to win things?!). But they're not for everyone...



Spin to win!
Enter your information for a chance to win great deals!

5% Off
\$10 Gift Certificate
15% Off
Surprise Gift
Free Shipping
\$5 Gift Certificate

First Name
Email

Try Your Luck Now!

Average spin to win conversion rate: **15.6%**

How to choose your offer: what will convert best?

And while the type of display you choose has a big impact on conversion rate, your offer is even more important.

Your offer = what you're giving visitors in return for their email address (or any other information you're asking for).

- **Join our list:** Convert 1% (ex: Join our list to be the first to know about new products and promotions)
- **Coupon campaign:** Convert 5% (ex: Join our list to get 15% off your first purchase)
- **Enter to win:** Convert 10% (ex: Join our list to have a shot at winning a \$50 gift card)

Across millions of online shoppers, we've seen these results consistently.

So choose your display type and offer carefully to grow your list (and get more sales).

But it doesn't end there...

The 4 trigger types you can choose from (and how they convert)

Once you've chosen your display type and offer, it's time to think about when your popup is going to load. This is called your trigger.

A popup that has an automatic trigger will display after a visitor has been on your store for a certain length of time, let's say 5 seconds.

Average automatic trigger conversion rate: **3.5%**

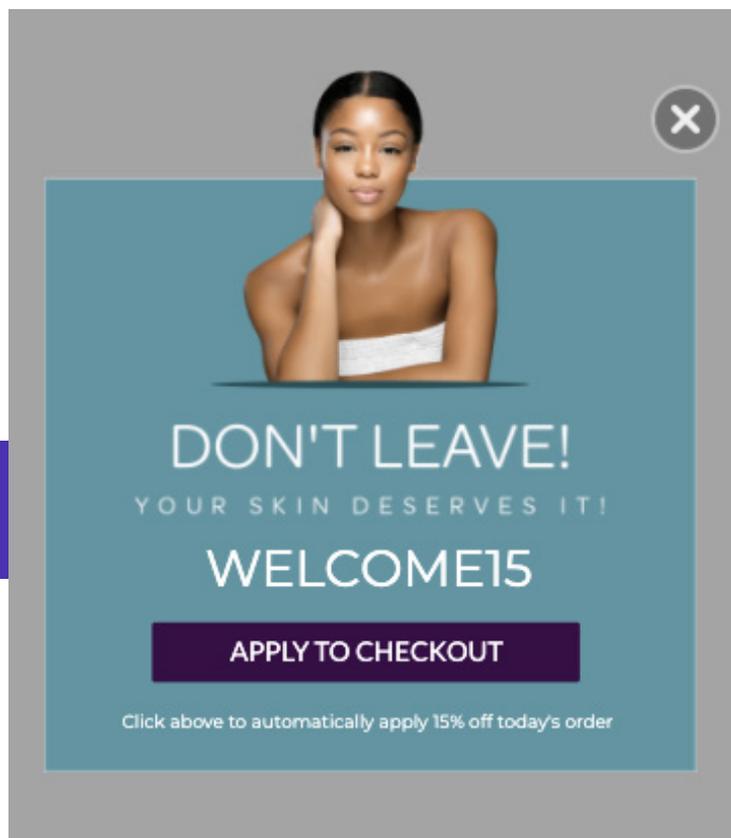
But a popup that displays after someone has scrolled a certain percentage of a page, say 75%, should be expected to convert at a slightly higher rate.

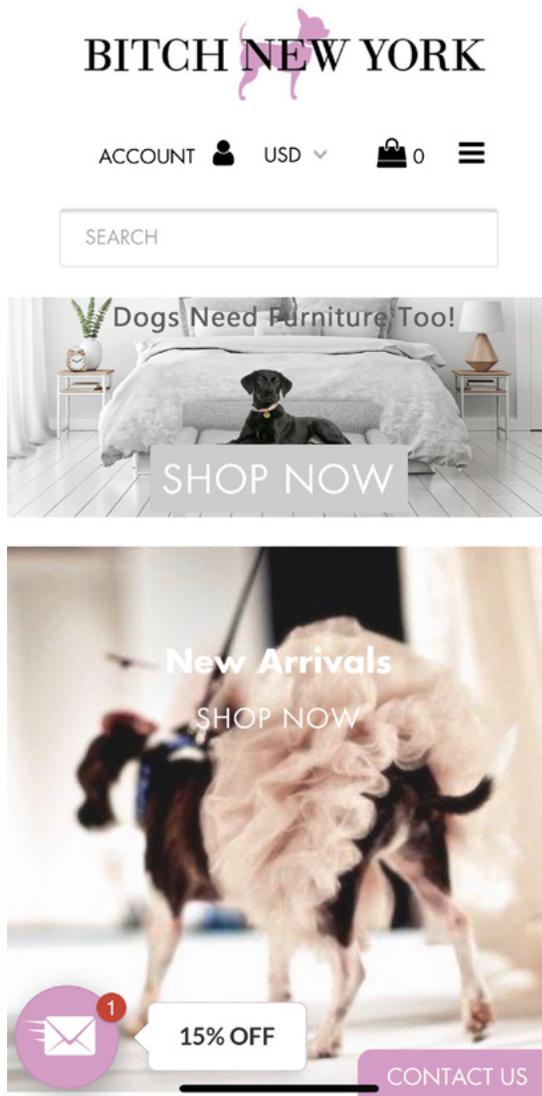
Average scroll trigger conversion rate: **4.2%**

And you can also trigger a popup when someone is about to leave your store (exit intent). By tracking cursor movement, Privy can detect when someone is about to click the dreaded close button.

That would look something like this →

Average exit intent conversion rate: **6.9%**





The last trigger type you should know about is a tab (you'll see a tab in the bottom left corner in the example on the left).

A tab allows your visitors to trigger the popup. Which means the intent is much higher.

And you can have popups that show automatically and also have a tab. So if someone isn't ready to give you their email after 5 seconds on your site, they're able to pull it back up once they've poked around a little more.

Average tab conversion rate: **23.6%**

So when you're thinking about converting the traffic that's already coming to your store, remember that your campaign type, offer, and trigger will all have an impact on your conversion rate.

Key takeaways to increase conversion for your store

Remember that even slight improvements to your conversion rate have the potential to drive major revenue for your store.

And there are so many different ways to have an impact.

- Offer free shipping
- Ask for reviews
- Make sure you have stellar support
- Collect emails for the traffic you're already getting

And that's just the beginning. But if you take the time to start with just 1 of these things, you (and your customers) will notice the difference.



How to drive sales (and repeat purchases) with channels YOU own

When it comes to the different marketing channels you have at your disposal, it has never been more important to build a direct relationship with your customers.

Email and text allow you to do just that.

And when we asked experts for their #1 piece of advice, these owned channels came up over and over again.



“

“In the constantly shifting landscape of privacy and social media algorithm changes, the ONLY thing brands can count on is building direct relationships that they own. This is the critical piece of growing a thriving ecommerce brand. You pay to drive traffic to your store. You know that only 1-3% converts. So you need to build email and text based relationships with prospects to nurture them back to the site.

Building a customer list is controlling your own destiny. There's so much magic (and revenue) you can unlock through email and text if you get in the habit early.”

Ben Jabbawy | Founder & CEO, Privy

So if you're not already doubling (and tripling) down on channels YOU own, it's time to start.

...and this includes retention plays (like rewards/loyalty programs) to keep your customers coming back again and again.

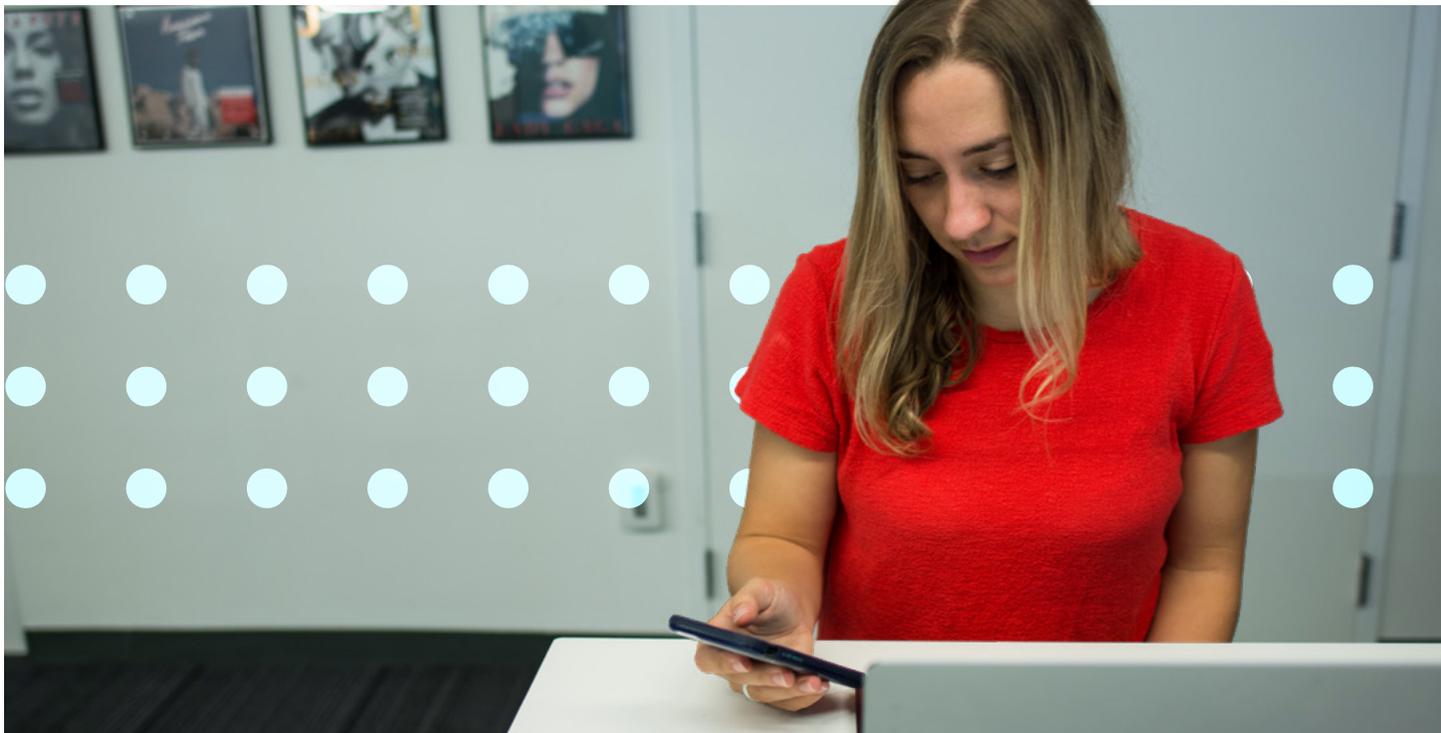
The power of email marketing (and why it should be your #1 channel)

So we've already talked about how you can build your email list by capturing the traffic you already have coming to your store...

But to actually make money with email, you need to be committed to sending emails regularly.

Because in an ideal world, email would **drive 30% (or more!) of your store's revenue.**

And I promise once you start seeing the results from email, you'll be hooked. But before you start sending one-off emails, make sure you have these types of emails up and running.



Set up your automated emails first

Imagine if there were emails that could make you \$\$ while you sleep. Well, that's exactly why automated emails are so powerful.

No matter how busy you are or what you're working on, your automated emails are working for you.

It's seriously like having an extra employee for your business.

But a lot of ecommerce founders skip right to newsletters. And while newsletters are amazing (and a critical part of your email marketing strategy), you shouldn't skip ahead.

Make sure you have:

- **A welcome series:** to nurture the people on your list and introduce them to your story and your why
- **An abandoned cart series:** to recover carts that don't end up converting (you can actually save 3-4% of them for every email in this series)
- **An order follow-up series:** to keep customers engaged and excited about their orders

Then you can start sending newsletters

Once your automated emails are on, then it's time to get in a regular cadence with your one-off sends (newsletters).

You should be sending at least 1 email to your list (outside of your automated emails) every single month. Ideally, you send an email every week, but you can work up to that cadence over time.

But what exactly should your newsletters be about?

The short answer is: anything. But here are a handful of ideas to get you started:

- Announcements
- New content
- Promos
- Holidays
- Reviews

The easiest way to get inspiration for your own emails is to find other brands that are doing an amazing job with their own emails. The most important thing you can do is get into a rhythm and stick to it. And once you start seeing sales after you hit send, it'll be easier and easier to prioritize.

The email marketing benchmarks you need to know

When it comes to sending your newsletters, it's helpful to have an idea of what you should be shooting for when it comes to metrics like open rate, click rate, unsubscribes, and the \$\$ you should be bringing in with every email you send.

That's why we took a look at our own data to bring you the email marketing benchmarks you need to know about.

- **Average open rate: 28.5%**
- **Average click rate: 5.2%**
- **Average unsubscribe rate: 0.6%**
- **Average revenue per email: \$581.72**

Imagine if you sent 1 email every week and averaged \$582 per email. That's an extra **\$2,328 every single month**. Which means it's an **extra \$27,936 per year**.

...and that's not including your automated emails.

That's the power of building an email list and turning it into a dedicated program.

The rise of text marketing: why you should be paying attention



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“The advice I find myself giving to any brand owner who will listen is to start an SMS program. Our clients at Common Thread Collective see SMS drive conversion rates double or triple that of even the most mature email program.”

Mandi Moshay | Director of Retention, Common Thread Collective

Your customers are on their phones constantly.

And research shows that only [11% of businesses](#) are sending texts today. Which means text marketing is still in the very early stages...

Just take a look at your most recent texts – it’s probably a combination of your family and friends.

Now compare that with your personal email. I don’t know about you, but I have way more emails from businesses than I do from actual people.

But it turns out your customers and subscribers actually want to get texts from you...

In fact, [75% of consumers](#) said they want to receive text messages from brands.

But before going any further, let’s dive into some of the key numbers.

Looking at the numbers...

- Consumers are 134% more likely to [respond to a text than an email](#).
- Text marketing has 98% open rates. Your messages are getting read almost every time.
- [90% of SMS messages](#) are read within 3 minutes.

But it's not a competition between email and text...

At the end of the day, they should be used together to have the biggest impact.



“

The best two channels for brands to be able to control their destiny (to some degree), are email marketing and SMS (text message marketing).

SMS is complementary to email and it's for customers who want an even more personal connection with a brand.

In my opinion, it's best to position SMS as an exclusive club and a way to get "VIP access." It's perfect for making a customer feel special and they get the news before anyone else.”

Chase Dimond | Partner, Boundless Labs

The secret to turning customers into superfans

Brought to you by  smile.io

The biggest advocates for your store spend **3x more on every order** than the people who don't feel a connection with you or your business.

Not to mention these **loyal customers are 9x more likely to convert compared to a first-time shopper.**

So it's safe to say that investing in these longer term relationships can have a HUGE impact on your revenue.

But how exactly can you turn one-time buyers into your #1 fans?

The most important thing to remember is that your customers want to support real people. Just think about the businesses you tell your friends about...

Of course the products have to be good, but you probably also feel a connection with the actual people behind the business.

So what should you do after that first sale? You need to motivate these customers to engage with you. Because loyalty members have an **average repeat purchase rate that's 2.5x higher than non-members.**

Rewards for things like:



Social
engagement



Leaving product
reviews



Or even joining
your mailing list

Can be all the motivation these 1-time purchasers need to come back again. Because if you can show that there's real value in it for them, why wouldn't they come to you first?

After a while, they see the value they get from being part of your community, earning and redeeming rewards, and engaging with your business, as second-nature and they'll be sharing your store with anyone who will listen.

Key takeaways to help you make the most of your owned channels

If you're still not convinced that owned channels like email and text are worth the investment, I'll leave you with one more piece of expert advice.



The most important tip I have to give for ecommerce brands is to focus your efforts on the marketing methods that you own.

With email marketing, SMS, push notifications and to a certain extent Messenger, no one can ever take these marketing methods away from you. You are in full control and your customer list will provide your business with a solid foundation to grow that is largely immune to outside forces.”



Steve Chou | Founder, My Wife Quit Her Job

So if you aren't investing in owned channels and finding ways to incentivize repeat purchases from your best customers, there's so much you can be doing to move the needle. Don't let the fate of your business rest in anyone else's hands. You started your own business to be in full control. It's time to take it.

What's your #1 piece of advice for small ecommerce businesses?

Experts share the most powerful things you can do to grow your store

You have a lot on your plate running your business.

And one of the best things you can do is to learn from experts (and other founders) who are growing their own stores every single day.

Because you can steal what's working for them...

But you can also learn from their mistakes.

That's why we asked ecommerce gurus for their **#1 piece of advice** for small ecommerce businesses.

Here's what they had to say.

Stay focused and remember the basics.

As a small business, it's really easy to get distracted by shiny objects.

And it's amazing to get inspiration from other brands that are bigger than yours, but you need to nail the basics first and foremost.

So before you run another test or launch another product, make sure you understand the basics of ecommerce, marketing, and your business.

Just ask Kurt Elster, Jason Wong, and Lucas Walker.

What makes a 7-figure ecommerce business.



I see small stores chasing page speed scores, must-have apps, and other shiny distractions when they still haven't quite figured out their product-market fit, positioning, messaging, merchandising, profitability, copywriting, content, or customer support.

Every one of those things is more important to the long term success of an ecommerce business than any part of its tech stack or design. My number one tip: say no to distractions, focus your resources, and nail those fundamentals. It will pay dividends as you grow. That focus is what separates the also-ran businesses from the seven-figure businesses.”

Kurt Elster

Shopify expert, host of The Unofficial Shopify Podcast, and CEO & Co-founder of Etherscycle



Everything adds up... don't make this mistake.



Usually I'll recommend different marketing strategies to acquire customers, but I'm going to take a step back here to talk about finances. I can go on and on about growth, but if your financials aren't taken care of, it'll be difficult for the company to grow, or even survive.

Pay attention to the fundamentals: your payroll, inventory cost, marketing expense, and the small things like apps, hosting, transaction costs, everything adds up. Many merchants make the mistake of looking only at their dashboard or even the Shopify metrics app and think that they're more profitable than they actually are. Once you get a hold of these expenses, make it your north star to minimize them through negotiating with the vendors or increase your prices to cover it."

Jason Wong

Managing Partner, [Wonghaus Ventures](#)



Set your sights on this major milestone.



Get to a million as fast as you can. It can be a million units shipped, a million dollars sold, or even a million podcast downloads. Once you get there, you'll have a business.

I lost way too much time and sales switching apps, trying to be perfect, or have the same system that a big merchant was following.”

Lucas Walker

Founder, Rolled Up



Master the art of advertising

You can have the most incredible product and store, but if you don't get any traffic, you're not going to have a sustainable business.

That's why so many Shopify stores rely on paid ads to get traffic.

So Savannah Sanchez breaks down how to create awesome ads (and why UGC is so important).

Nik Sharma shares how you can actually get that traffic to convert once they've landed on your site.

Kaleigh Moore has a tip about influencers.

And Ezra Firestone explains the 1 thing that will help you win.

How to create amazing ads that convert.



No matter what platform you're on for paid social, UGC (or user generated content) videos drive more engagement for your creative. In this day and age, UGC should be at the forefront of your creative strategy.

Getting great video content for ads doesn't mean that you need to have a big production shoot. Creating engaging video can be as simple as picking up your iPhone, filming some quick UGC of an unboxing experience or a product explainer video.

When designing for mobile, there are a couple of key things to keep in mind.

The 2 most important questions to ask yourself when creating a mobile ad are:

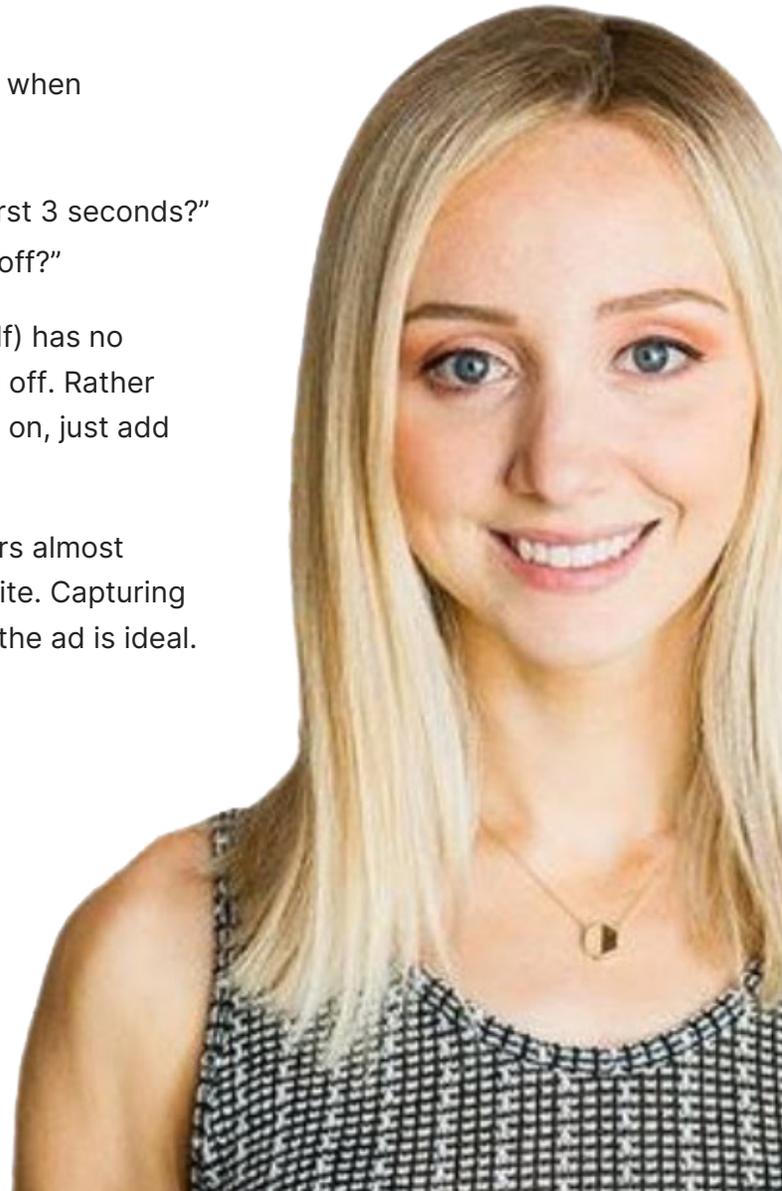
- "How can I capture someone within the first 3 seconds?"
- "Does my ad make sense with the sound off?"

I've seen ads where the viewer (including myself) has no idea what's going on when they have the sound off. Rather than expecting every viewer to turn their sound on, just add captions.

Your number one goal should be to intrigue users almost instantly so they swipe up or click to your website. Capturing their attention within the first three seconds of the ad is ideal.

Savannah Sanchez

Founder, The Social Savannah



Spend less to acquire new customers with this hack.



The number one thing brands can and should do, that requires low lift and can be done very cheap, is build landing pages. When you run acquisition campaigns, you're so focused on making sure you get a high click through rate (CTR) and a low cost per click (CPC), but many forget the importance of what happens after the click itself, the digital experience you lead them to.

Most brands just run ads from Facebook to their site's homepage, which is usually never optimized to drive conversion. Or, they send people to the product page, but forget to properly educate consumers on why they should become a part of this brand's ecosystem and become a customer.

It's so easy to do with a simple landing page that answers the following questions:

Why should I buy it?

- What is it?
- How does it work?
- How does it compare?
- Social proof

If you do this, you'll not only see an increase in your customer lifetime value (LTV), but also a significant decrease in your customer acquisition costs (CAC).

[You can see examples of good landing pages here.](#)

Nik Sharma

CEO, Sharma Brands



Test out this opportunity to get sales.

“

I think right now small ecommerce brands need to think strategically about how they can leverage influencers.

These creators have engaged audiences and huge amounts of trust with their audiences, which is ripe for product recommendations that drive sales. Even if it's a micro-influencer, these partnerships can have huge ROI."

Kaleigh Moore

Ecommerce Writer



Deliver on this 1 thing to build trust.



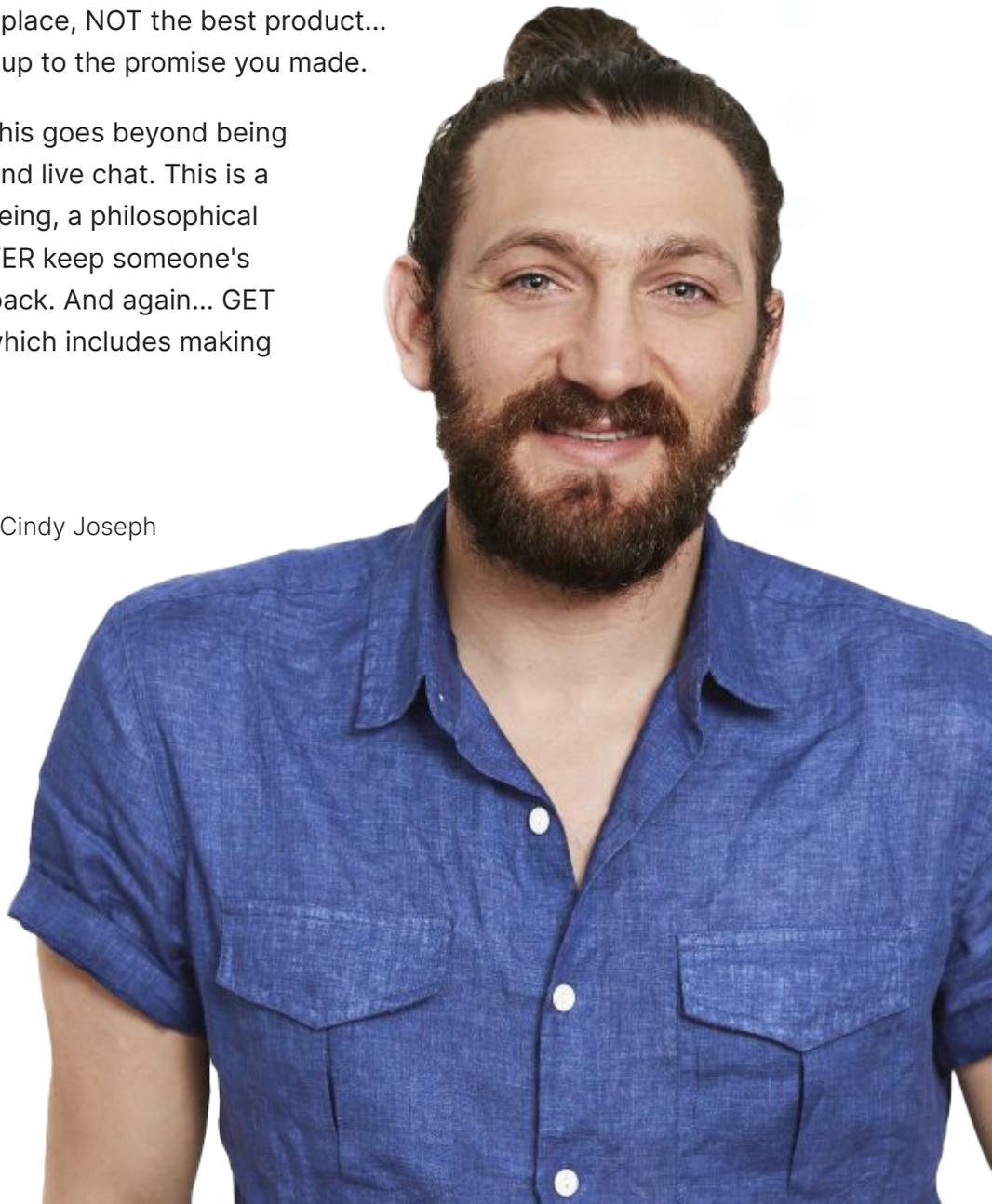
Get good at advertising. Ensure you have a TRULY great product. It doesn't have to be unique, but it has to be great. The best promise wins in the marketplace, NOT the best product... but the product has to live up to the promise you made.

Focus on stellar support. This goes beyond being available by phone, email and live chat. This is a business ethos, a way of being, a philosophical approach to business. NEVER keep someone's money when they want it back. And again... GET GOOD AT ADVERTISING (which includes making creative)."

Ezra Firestone

Co-founder & CEO, Boom! By Cindy Joseph

BOOM!
BY CINDY JOSEPH





[Privy](#) is an email marketing platform with the tools & coaching to grow from \$0 to \$1 million in sales. Grow your email list and drive more sales with Privy's website conversion, email marketing, and text messaging tools.

With 18,500+ five-star reviews on the Shopify App Store, Privy is the #1 sales app on Shopify that's helped generate over \$5.5B for their customers. Join the 600,000 others and create your free account to start generating results today.



[Gorgias](#) is the leading customer support helpdesk built for ecommerce merchants. Connect with customers across all channels, automate up to 30% of your support, and stop switching tabs - Gorgias has all the Shopify and customer info you need in a single dashboard.

Gorgias is offering 1-month free to Privy readers. [Book a 20 minute consult here.](#)



[Smile.io](#) is the world's largest loyalty platform, providing easy-to-use reward programs that help scaling ecommerce brands transform one-time sales into repeat, loyal customers.

Over 60,000 brands use Smile points, referral, and VIP programs to maximize their acquisition efforts and turn transactional purchases into passionate brand advocates that can't help but come back again and again.



ShipBob is a tech-enabled 3PL that lets you outsource the entire fulfillment process. We don't just store your inventory and pack and ship orders — we provide best-in-class technology, integrations, and data.

Learn more about ShipBob [here](#) or request pricing [here.](#)



The [Loox app](#) enables high-growth Shopify stores to leverage the power of happy customers across the buyer journey. With social proof-driven tools for generating product reviews and referrals, Loox helps online stores boost site traffic, improve trust and retention, and increase revenue. Over 100,000 merchants, from Jungalow to Blendjet, use Loox to turn each customer purchase into sales-driving customer content.