The state of site search
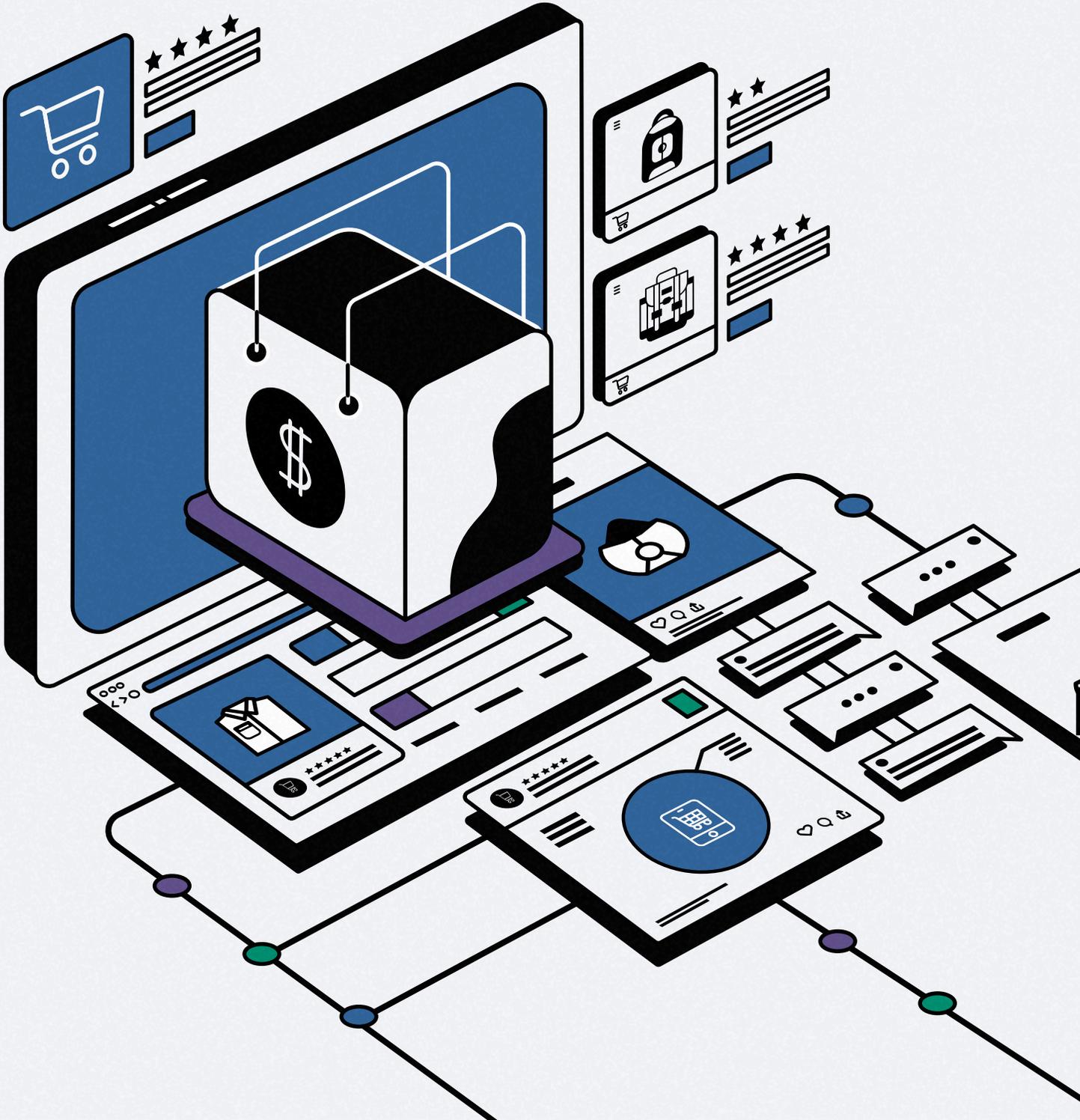
# The customer journey is taking place online

For today's consumers, more and more of the customer journey is taking place online.

Yet according to new findings, brands, retailers and their agency partners report deficiencies when it comes to creating an effective on-site experience. As companies attempt to move customers through every phase of the customer journey, their own websites remain tough nuts to crack.

Indeed, most brands concede that, in terms of product discovery and overall ease of use, their site experiences are at best imperfect. Not only can this cause customers to abandon the e-commerce funnel before the conversion stage, but companies can find themselves unable to collect crucial CRM data — and insights into customer intent — that would help them target and engage customers.

At a moment when the customer journey is becoming overwhelmingly digital — and increasingly omnichannel — solving those challenges has never been more urgent.

27% | Proficient **56% |** Mostly omnichannel **15% |** Fully omnichannel

3% | Fully single-channel
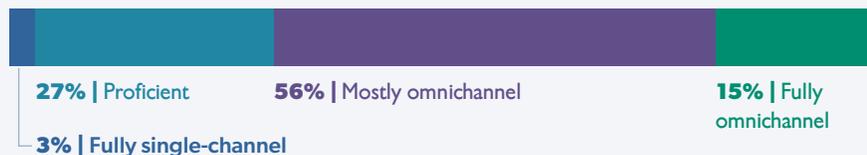
Q. When it comes to the overall customer journey, what best describes your (or your primary client's) omnichannel approach?

"For all customers, it's gone from, 'I'm going out shopping,' to 'I'm always shopping,' said Rob Smolarski, vp of e-commerce at the agency Reprise Digital. "We have our devices, and we're always connected, and we're always searching."

On a more granular level, differences abound between digitally native DTC brands — which have generally been more effective at mastering on-site product search — and CPG brands, which have historically been more reliant on third parties and resellers, and are only now feeling the imperative to improve the direct-to-consumer e-commerce experience.

But brands of all stripes are finally beginning to prioritize every aspect of the online customer journey, including the off-site and on-site research phases.

"There have been dramatic changes in the retail landscape in recent years, and we needed to move quickly to harness the change in consumer behavior," said Chiara Klamp, head of global omnichannel at Dutch denim brand G-Star RAW, which recently revamped its site search features. "We need to ensure that our customers are able to interact with our brand in the most seamless and frictionless way."

Companies — both CPG and DTC — are making greater efforts to improve their e-commerce experiences, both to boost conversions and to collect a richer pool of data. To make these changes, they're prioritizing better infrastructure, greater internal expertise and new technologies.

In the following guide, based on research into 55 brands and agencies with expertise in search and e-commerce, we'll explore the tools and tactics that professionals are using to tackle e-commerce and search analytics — with a particular focus on the on-site experience — in a rapidly changing era.

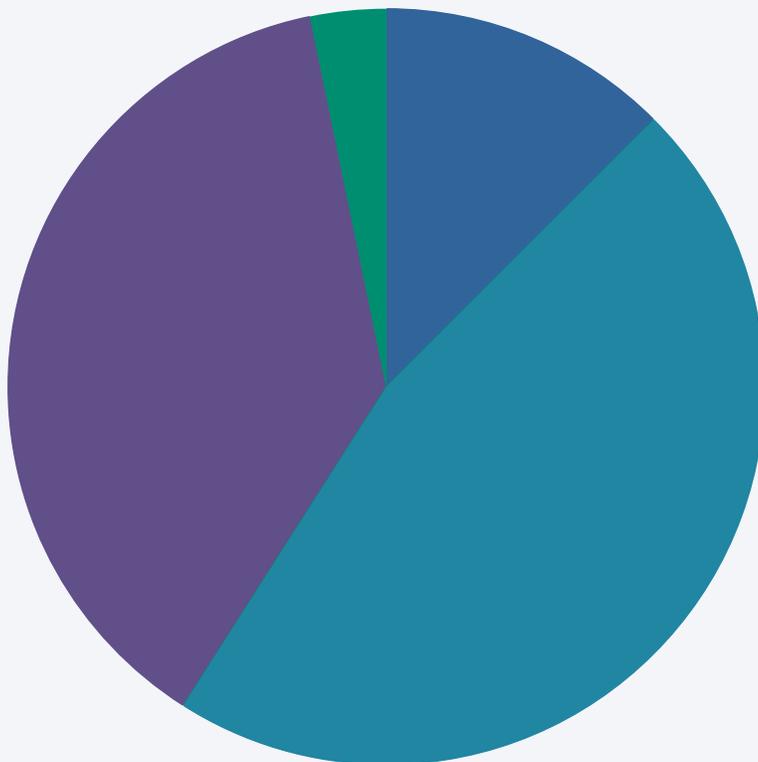# Customers and brands are struggling with on-site search

For brands and retailers, a hefty plurality of product research now takes place on-site. Off-site search engines, social media and third-party retail sites all take a back seat. Indeed, the results on this point were clear: 43 percent of practitioners said most pre-conversion product research took place on the company's own website — significantly more than any other channel.

43% Company's own site
24% Another e-commerce site (e.g., Amazon)
19% Social media
14% Off-site search engine
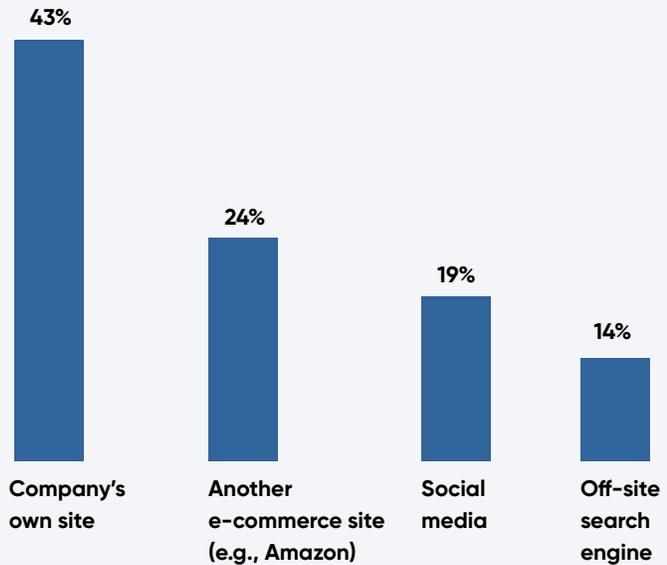
Q. Pre-conversion, what is the most widely used platform for customer research into your (or your primary client's) products?

On-site search is now a crucial part of the customer journey — and closer to the top of the funnel than it's ever been. Yet for many practitioners, the on-site experience they've provided their customers has been flawed up to this point. Indeed, only 41 percent of our survey respondents reported that their website search experience was good or excellent.

Indeed, 59 percent of respondents claimed that their site search experience is poor or fair. Only 3 percent said it was excellent.

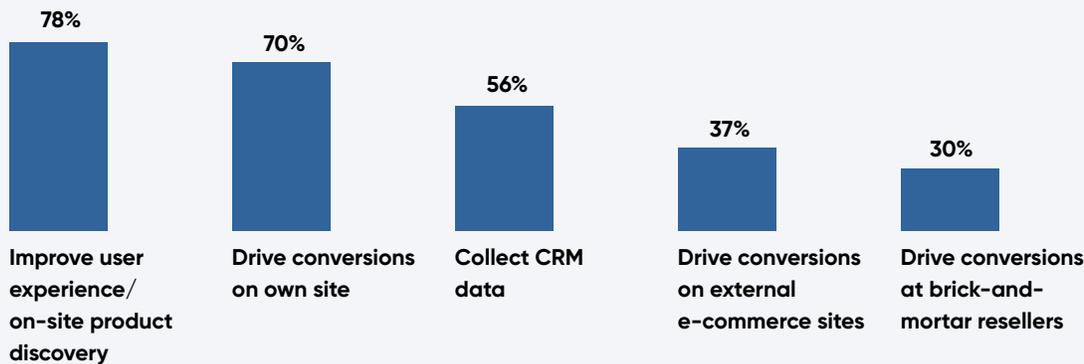**Poor: 15%**　　**Fair: 44%**　　**Good: 38%**　　**Excellent: 3%**

Q. In terms of product discovery and overall ease of use, how would you rate the search experience when it comes to your (or your primary client's) own website?

Improving on-site search is all about sales, customer experience and data

It's clear that brands and retailers recognize they have a site search problem — and many are working to address it. Their reasons are varied, but three objectives sit atop the list: customer experience, conversions and data.

78% Improve user experience/ on-site product discovery

70% Drive conversions on own site

56% Collect CRM data

37% Drive conversions on external e-commerce sites

30% Drive conversions at brick-and-mortar resellers

Q. What best describes your goals when it comes to improving the on-site search experience? Select all that apply.

Ultimately, brands understand that improving the on-site search experience will ultimately yield positive benefits for customers and for their own businesses. And experts have observed that many are already taking steps to make these improvements.

"What I've noticed over the past 60-some odd months is that there's been a meaningful increase in the amount of job postings for directors of e-commerce brands," said Smolarski, at Reprise Digital.

"They're making strategies and improving the entire process end to end, ultimately with the goal of capturing more sales, understanding lifetime value and then improving it."

Smolarski pointed out that, when it comes to larger legacy companies in particular, these e-commerce improvements take place more granularly, on the sites of their individual brands.

"Small, medium and large brands are making investments in the talent to tell them what needs to be done, and how to do it — somebody that's running the show for their DTC [sites]," said Smolarski.

Smolarski also said that the influx of new e-commerce shoppers prompted by the COVID-19 pandemic may be hastening this trend.

"A lot of times prior to the pandemic, the director of e-commerce would meet the CEO, and that would be the last time they saw each other," Smolarski said. "Now the CEO is in the director of e-commerce's office on a daily basis. There's definitely been a shift. This has accelerated so much, and it's now become priority one."

So what improvements are brands aiming to make, exactly? It's worth diving deeper into their stated goals.

First and foremost, brands say their motivation for improving the on-site search experience is to grant customers a smoother experience and an easier time discovering products. It's proof that brands are intent on turning their own website experiences into a critical phase in the customer journey — not just a platform to scoop up bottom-of-the-funnel conversions once the customer has scoured other areas of the web for information.

Brands also explicitly state that their efforts to improve on-site search entail driving on-site conversion. Additionally, 37 percent

of respondents say that on site search improvements will drive off-site e-commerce, and 30 percent say they it will drive conversion at brick-and-mortar resellers.

Ultimately, as the customer journey becomes increasingly omnichannel, brands are treating their own websites as an increasingly crucial tool for pulling shoppers through every phase of the funnel, from discovery to sale.
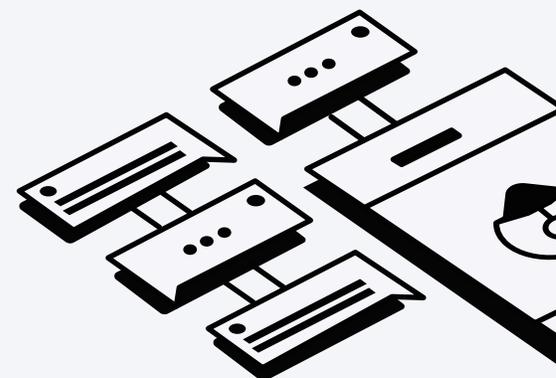
# CRM data is an increasingly critical consideration

Apart from user experience and conversions, it's notable that collecting CRM data is one of only three goals that a majority of respondents selected. Indeed, it points to the fact that brands and marketers, increasingly, are treating on-site search as a means of collecting critical customer data.

Experts say that on-site search data is in a different class from data collected on any other platform. It goes straight into the brand's CRM, and tells a unique story about customers' relationships with the brand's specific products and offerings. Brands own this data outright, and can use it to gain a three-dimensional-understanding of customer intent and preference throughout the e-commerce journey. Moreover, they can use it to

bolster hyper-personalized ad targeting and product recommendations.

"More and more, brands and retailers in general are leveraging their own data that they're collecting with their customers who are on their sites," said Smolarski, at Reprise Digital. "With the cookie-less internet, and with the acceleration of e-commerce, now there's more emphasis on it."

In practice, though, many brands are still finding it difficult to measure on-site search data. Indeed, fewer than half of brands and agencies evaluated themselves as proficient or very proficient when it came to using on-site search data to measure customer intent.

40% | Somewhat proficient

28% | Proficient

20% | Very proficient

12% | Not at all proficient
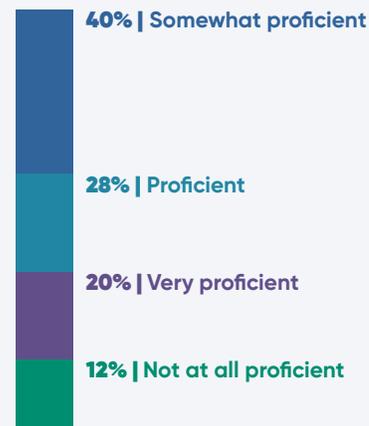
Q. How proficient is your team when it comes to analyzing and understanding customer intent based on search data?

Not surprisingly, some brands say they're still more likely to prize off-site search data as a means of analyzing data and targeting customers. But notably, this is not the case for more digitally native DTC brands.

■ **DTCs** ■ **CPGs**

86%

55%

45%

14%

On-site search   **Search engines**
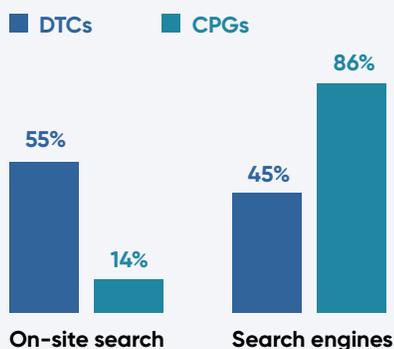
Q. Which of the following provides the richest and most actionable data when it comes to analyzing customer intent and targeting users?

The results illustrate that brands that were born and bred with a digital-first mindset recognize the value of on-site data, and rely on it more. There are reasons for this.

"For legacy brands that have leaned heavily on their relationships with retailers and joint business planning, it's all been about sell-through in stores," explained Smolarski, at Reprise Digital. "But many of these brands, which have now seen a huge organic influx of shoppers on their DTC sites, are beginning to change their tactics and revise their assumptions.

This brings up a key point: While CPG and DTC brands have wildly divergent histories when it comes to on-site customer experience, CPGs are beginning to take great pains to improve the on-site experience — in large part to collect better data.
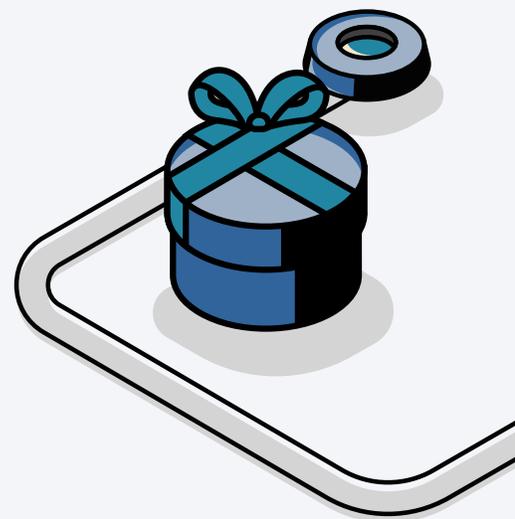
DTCs are still ahead of CPGs when it comes to on-site search — but the differences are eroding

Some of the biggest differences between how DTC and CPG brands have approached on-site search can be tied to their respective histories with customer engagement. For top-of-the-funnel exposure, CPG brands have historically relied on traditional media.

And for conversions, they've relied upon a wide variety of resellers. Even when using search for lower-funnel tactics, CPGs have more frequently relied on search engines and — to an extent — third-party retail sites like Amazon. In other words, it's not hard to see why CPG brands are much newer to scaling their e-retail and direct e-commerce experiences.

DTC brands, meanwhile, have been selling directly to shoppers for many years. Not surprisingly, they've come a bit further when it comes to building robust on-site search experiences. Moreover, many have

mastered the art of leveraging SEO, social, paid search and paid social tactics — not to mention organic search and influencers — to drive customers to their own platforms. In other words, for many DTC brands the funnel has often been digital from start to finish.

But it's also worth noting that, while many DTCs boast extremely effective product search features, that doesn't mean their overall site search experiences are flawless. Many DTCs are still missing the true intent behind customers' searches. But on the whole, DTC brands' reliance on both search engines and on-site customer search data has created a more direct feedback loop, and therefore a more direct path to acquiring customer information through transactions or opt-ins to loyalty and rewards programs.

Now, let's take another look at a previously-discussed survey question — which illustrated that 59 percent of brands rated their on-site search experience as poor or fair — but this time we'll separately assess how CPG and DTC brands responded.

It's painfully clear that some of the most glaring deficiencies in on-site search are coming from CPG brands where zero percent rated these experiences as excellent — 78 percent of CPG brands rated their on-site search experiences as fair or poor. It's clear that CPG brands are well aware of these deficiencies.

DTC brands however, who have focused on their e-commerce and website experiences for decades, rate their on-site product search experiences more favorably. More than half rate them good or excellent, while 9 percent rate them as poor.

■ CPGs   ■ DTCs

33% · 9% · Poor
44% · 38% · Fair
22% · 48% · Good
0% · 5% · Excellent

Q. In terms of product discovery and overall ease of use, how would you rate the search experience when it comes to your (or your primary client's) own website?
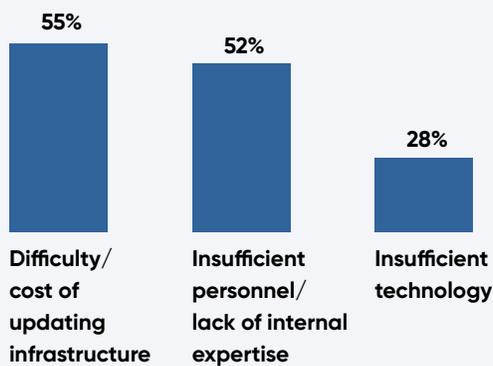
"Search is a huge focus for L'Oreal as a whole," said Grace Edinger, who, as director of digital product management at the L'Oreal brand Kiehl's, led an overhaul of the brand's on-site search features. "At most companies, it's hard to get upper management to buy into the importance of search strategy as a way for consumers to discover the business.

"L'Oreal is totally different," Edinger continued. "Everyone from the CMO team to the global president of L'Oreal is always talking about how to get a greater share of voice. Our goal in person is to have a consultation with the customer so we can really understand what the customer's needs are and make a recommendation based on that.

"It's a real relationship of trust," she said. "Obviously that's a little more difficult online, so we try to bring that experience to our customers digitally as well, and we want to be a trusted resource."

Companies are still overcoming roadblocks to improvement

In the quest to improve on-site customer experience — and to get better at collecting on-site search data — brands across the board tell us that they need to solve specific challenges.

55% Difficulty/ cost of updating infrastructure

52% Insufficient personnel/ lack of internal expertise

28% Insufficient technology

Q. What are your greatest roadblocks when it comes to improving the on-site search experience?

While companies recognize the need to improve their search experiences, many still say that infrastructure, personnel challenges and technology deficiencies post major roadblocks. Simply put, they've yet to be convinced that they can find the right partners to make such an infrastructure lift manageable, and to help educate those in their organizations who will be tasked with implementing the changes.

"It really takes the right leadership and digital transformation being prioritized, not just on paper or in a slide deck that you're going to show the board, but actually putting the dollars in," said Smolarski, at Reprise Digital. "Having the right leadership that is driving digital transformation and really coming up with a clear strategy on what it could actually look like is the biggest hurdle."

Natural Language Search

It's worth noting that more than a quarter of respondents specifically site insufficient technology as an obstacle to improving the on-site customer experience. In particular, many cite a low degree of implementation when it comes to natural language processing — a tool that many experts say dramatically improves the on-site search experience, and also helps brands collect better data about customer intent.

As just one example, a natural language search tool will understand the intent of the actual search query. Most search is based on keywords. So, if a shopper typed in the word "jeans" they'd see every product with "jeans" as part of the title or description including jean jackets, jean hats, and bluejeans. Natural language search gives the ability for a searcher to ask "high rise dark denim jeans with no rips" and receive the exact products matching that query in the results. These longer tail queries are the new expectation of shoppers who use search platforms like Google, Apple and Amazon, and ultimately shorten the click path to purchase.

But as of yet, natural language utilization is at a bit of a low ebb for brands and retailers.

41% To no extent

21% To a small extent

14% To some extent

3% To a large extent

21% Don't know
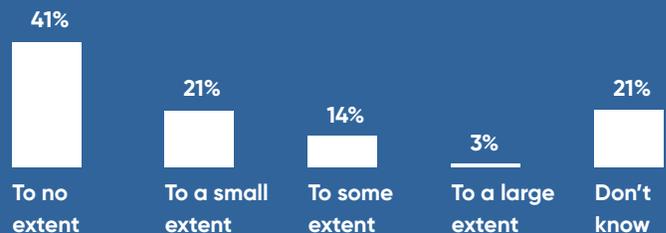
Q . To what extent does your organization use natural language processing to analyze customer intent?

Many experts believe this should change. Natural language search not only ushers shoppers through the product discovery and conversion phases with minimal human involvement, but it automatically provides companies with crucial data to predict customer intent and guide the purchase journey.

Ultimately, whatever roadblocks companies may face, they need to take greater steps to improve search experience — and back-end search analytics — across all platforms. It's the key to driving e-retail conversions and understanding customer intent, and therefore the key to omnichannel personalization and targeting.

To achieve the improvements they need, and capture the outcomes they've highlighted in our research, brands and agencies must forge partnerships that will help them conquer infrastructure lift. It's through those partnerships that they will be able to educate their teams, fill in their technological gaps and identify the right tools to master the on-site experience for customers — all while fueling sales and securing customer loyalty.

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