

MARKETING

## Seller recommendations possible key to improving ecommerce conversions

April 2, 2021



*Many consumers appreciate the option of choosing between in-person shopping and ecommerce platforms. Image credit: Getty*

By LUXURY DAILY NEWS SERVICE

While online shopping continues growing rapidly, retailers should incorporate seller recommendations for more efficient retargeting campaigns, according to a new study.

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According to the study "Consumer Search and Purchase: An Empirical Investigation of Retargeting Based on Consumer Online Behaviors," which will be published in the April edition of the INFORMS journal Marketing Science, up to 98 percent of online visitors search for products but never convert into a purchase. Display ads featuring seller recommendations were most effective in improving conversion rates.

The report was authored by researchers from The Wharton School at the University of Pennsylvania; Washington University in St. Louis; the University of California and Fudan University in Shanghai, China. Researchers evaluated consumer data from more than 100,000 consumers who shopped on Taobao.com.

### Retargeting efforts

Marketers will often retarget online shoppers, showing them display ads from products they viewed across other sites. However, the effectiveness of retargeting may vary.

The study compared two marketing strategies: sharing discounts through the retargeted display ads or providing seller recommendations around a specific product without discounts.

"We have found that while both strategies help increase the conversion rate, the seller recommendations were more effective than coupons," said the authors in a statement. "This told us that providing consumers with the sellers' information that is most relevant to them may be a more effective way to tap the power of retargeting."

Consumers who conducted more searches also had purchase rates.

Shoppers are also looking for discounts and product recommendations through text messaging marketing, according to the 2021 SMS Marketing Consumer Trends Report from text messaging platform Attentive.

After discounts, shoppers are most enthusiastic about receiving loyalty benefits, product updates and exclusive

content via text. Product alerts and recommendations as well as store event updates can also be popular ([see story](#)).

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