



# RESILIENCE: SURFING MARKET WAVES IN THE FACE OF ECONOMIC ADVERSITY





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## EXECUTIVE SUMMARY



The last few years have been a time of both growth and upheaval within the ecommerce industry. Consumer behaviour has evolved, and for retailers, both the level of competition and opportunities to scale have never been greater. Now is the time online retailers need to fortify their market position to secure their long-term success.

In times of economic uncertainty, how should retailers respond? This whitepaper explore what resilience means in a business sense. The key is not to pull back on digital innovation during times of economic adversity, but rather to ensure you have the right tech stack to carry you through. A future-fit ecommerce strategy will enable you to respond to the ever-changing landscape and to not only survive, but thrive, regardless of the challenges that come your way.



BigCommerce (Nasdaq: BIGC) is a leading open software-as-a-service (SaaS) ecommerce platform that empowers merchants of all sizes to build, innovate and grow their businesses online. BigCommerce provides merchants sophisticated enterprise-grade functionality, customization and performance with simplicity and ease-of-use. Tens of thousands of B2C and B2B companies across 150 countries and numerous industries use BigCommerce to create beautiful, engaging online stores, including Ben & Jerry's, Molton Brown, S.C. Johnson, Skullcandy, Solo Stove, Ted Baker and Vodafone. Headquartered in Austin, BigCommerce has offices in London, Kyiv, San Francisco, and Sydney.

Learn more: [bigcommerce.com.au](https://bigcommerce.com.au)

*"Customer needs and wants are not stagnant, nor should your business model be."*

**SHANNON INGREY,**  
**VICE PRESIDENT &**  
**GENERAL MANAGER,**  
**APAC, BIGCOMMERCE**



88%

79%

55%

48%

31%

13%

10%

8%

5%

Free shipping

Discounts

Loyalty offers

Faster or more  
reliable shipping  
options

Sizing guides

Virtual reality  
try-onsPersonal-  
isationGift wrapping  
options

Other

## What would prompt you to increase your online shopping?

Source: Power Retail Switched On Trajectory Report #41

### RESILIENCE:

## Surfing market waves in the face of economic adversity

Online retailers are in the eye of the storm. The pandemic pushed people online like never before, meaning retailers had to manage both sides of an online boom. Opportunities were enormous, but inventory management, fulfilment and heightened levels of competition in the market were major challenges. Equally, the current economic climate has put enormous pressure on both consumers and retailers alike. The flip side of this is that industry leaders who are well-positioned for the current landscape will come out the other end stronger than ever before. But how do you plan for what's next when what's next is unpredictability, volatility and economic uncertainty?

'Today, resilience for retailers means remaining agile and adaptable. Retailers face a number of challenges, including supply chain disruptions, shifting economic conditions, and market limitations,' says **SHANNON INGREY, VICE PRESIDENT & GENERAL MANAGER, APAC, AT BIGCOMMERCE.**



'It's paramount to have processes in place that are strong enough to withstand these conditions while also addressing constantly evolving customer needs. Retailers need to be agile enough to quickly adjust to market changes, and build a strong sense of identity that will attract intended audiences and evolve alongside them.'



*"Don't forget to listen and don't be afraid to fail."*

**SHANNON INGREY,**  
**VICE PRESIDENT &**  
**GENERAL MANAGER**  
**APAC, BIGCOMMERCE**





# THE CONSUMER EXPERIENCE

Many retailers spent the last few years trying to adapt to the shifting landscape, which meant they were always at least one, if not many, steps behind. The companies that thrived during this period did what they had always been doing: putting the customer at the centre of everything.

‘The customer experience is what drives success, so it’s critical to pay attention to your market,’ Ingrey says. ‘Don’t forget to listen and don’t be afraid to fail. Customer needs and wants are not stagnant, nor should your business model be.’

Ingrey says that it’s important to be mindful of macroeconomic trends. ‘It’s crucial for retailers to look into how they can minimise additional costs incurred by customers, like shipping fees, as part of their customer experience moving forward.’

In fact, recent research shows that 70% of consumers say that it is delivery charges that prevent them from purchasing online.<sup>1</sup> In contrast, a massive 88% said that free shipping would encourage them to increase their online shopping spend.<sup>2</sup>

Furthermore, an enormous 96% of Australian online shoppers actually say that high shipping costs are likely or very likely to lead to them abandoning their shopping cart.<sup>3</sup> Communicating the cost of shipping is also likely or very likely to lead to cart abandonment for 85% of consumers. Shipping costs and lack of transparency around these costs come in higher in terms of reasons for cart abandonment than the speed of delivery itself.<sup>4</sup>

## When considering delivery, how likely are you to abandon a cart based on the following?



<sup>1</sup><https://powerretail.com.au/product/trajectory-report-41/> <sup>2</sup><https://powerretail.com.au/product/trajectory-report-41/>  
<sup>3</sup><https://powerretail.com.au/product/trajectory-report-43/> <sup>4</sup><https://powerretail.com.au/product/trajectory-report-43/>

# B LOYALTY AND RETENTION

***‘Customer lifetime value should be at the heart of your business strategy for an ecommerce business to grow organically and sustainably,’ Ingrey says. ‘Retailers looking to build a long term business should remain laser-focused on building a loyal customer base returning for repeat purchases. This could be through providing loyalty programs, providing loyal customers with access to exclusive sales, or offering a discount for returning customers.’***

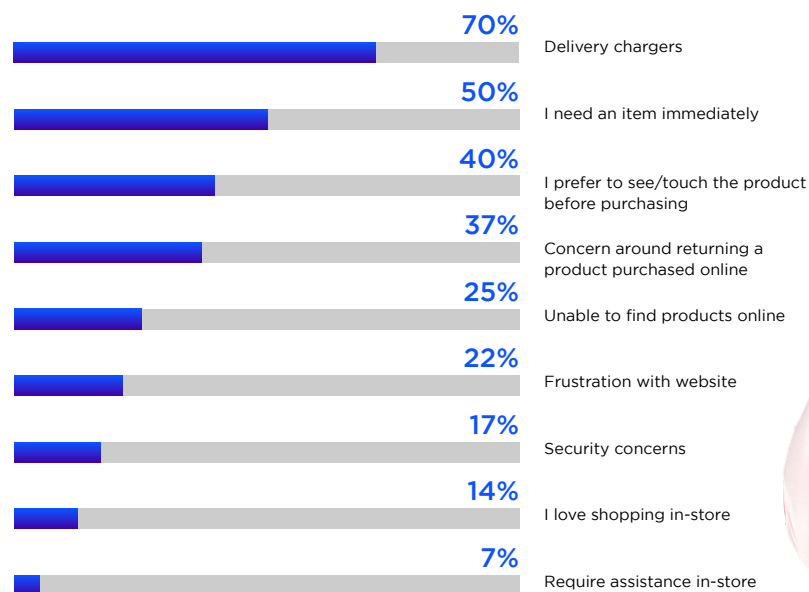
In fact, the majority of shoppers (55%) say loyalty offers would be an incentive to shop online even more.<sup>5</sup>

Research shows that personalisation also drives loyalty. A study from Google and Storyline Strategies found that 72% of consumers are more likely to be loyal to a brand if they offer a personalised experience with additional rewards and benefits.

With pandemic pressures, inflation and the cost of living rising, shoppers are becoming increasingly purpose-driven and selective with their purchases. As an example, the majority (60%) of consumers say they have had their online purchase influenced by a company’s sustainability practice.<sup>6</sup>

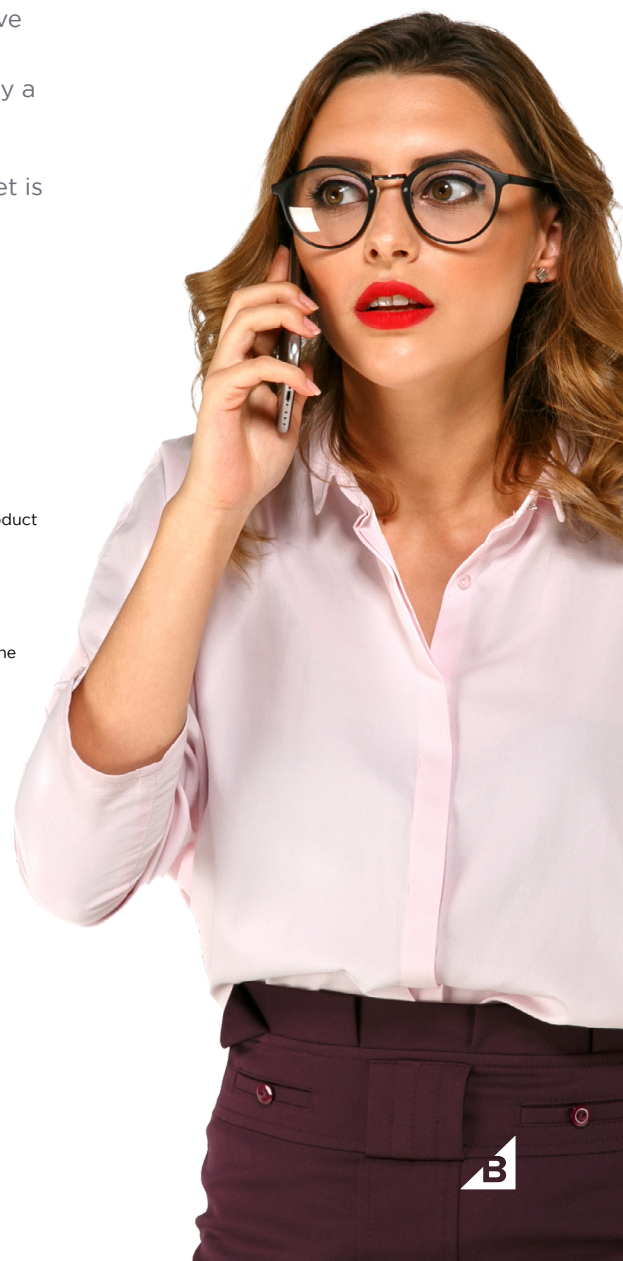
Understanding what is important to your particular target market is what is vital here.

## What prevents you from buying online?



Source: Power Retail Switched On Trajectory Report #41

*Business resilience isn't about creating a business model that is solid in order to withstand whatever is thrown at it. It's about creating a business model that is fluid and malleable, able to reshape and respond to the environment it's in.*



<sup>5</sup><https://powerretail.com.au/product/trajectory-report-41/> <sup>6</sup><https://powerretail.com.au/product/trajectory-report-47/>  
<sup>7</sup><https://www.gartner.com/en/documents/3986490>



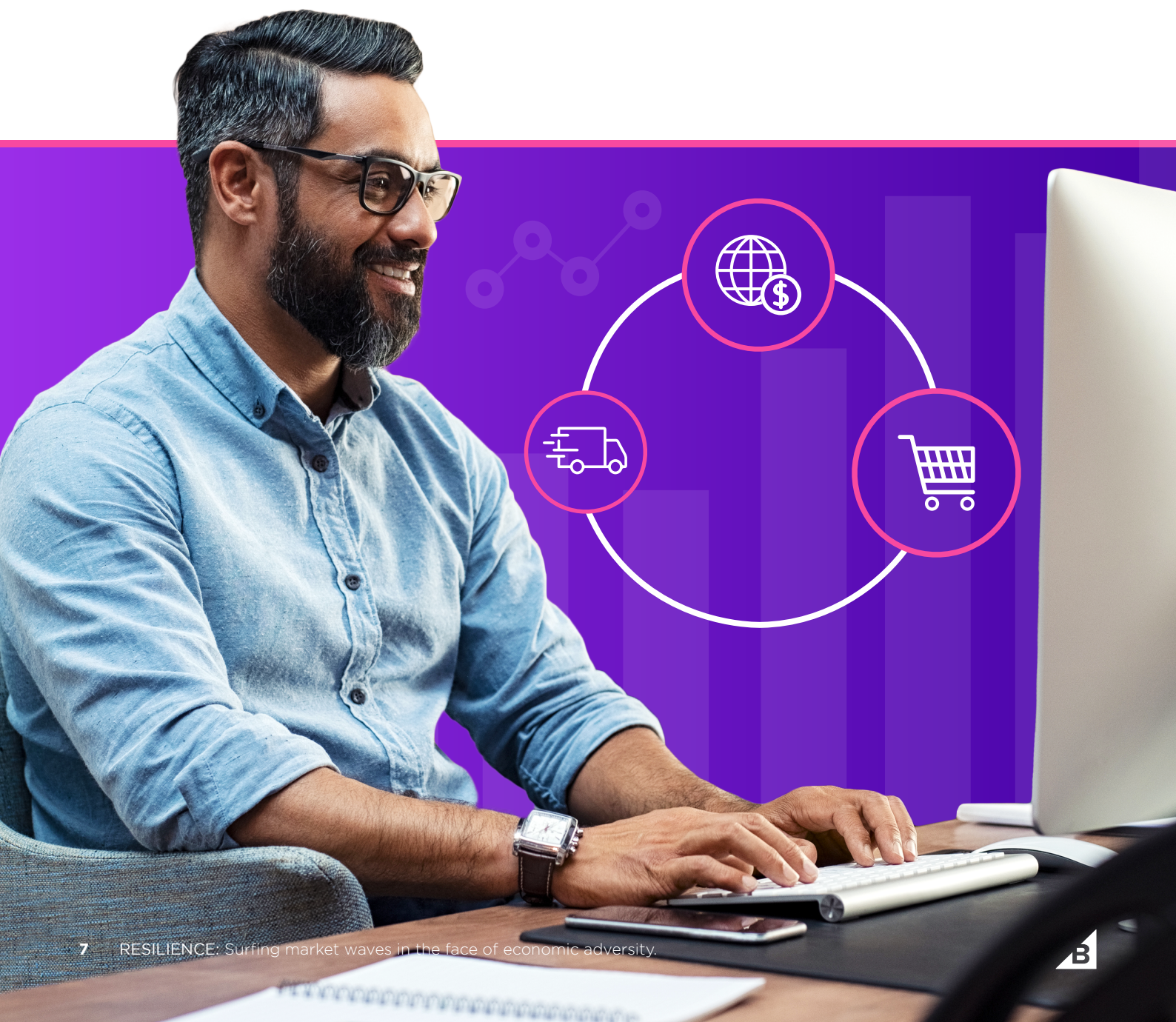


# COMPOSABLE COMMERCE

If we learnt anything from the last few years, it's that the ability to respond quickly is key. This is where composable commerce comes in. Coined in a 2020 report by Gartner,<sup>7</sup> composable commerce is a modular digital commerce approach that allows businesses to customise their tech stacks by choosing best-in-breed solutions to suit their unique business requirements. Headless architecture allows retail businesses to adjust any front-end content that will impact the user experience, without the need to make any significant changes behind the scenes.

'Having a composable commerce solution allows retailers to be more agile and rapidly respond to changing business requirements. You can pick and choose a selection of best-in-breed solutions to assemble a customised tech stack that will create unique commerce experiences tailored exactly to what your customers want,' Ingrey explains.

'As a modular-based system, a composable commerce solution is fully customisable and can be deployed and interchanged independently. This means online retailers have the option to address only the area of functionality in question without risk of impacting other business capabilities in your ecosystem.'





# COMPOSABLE COMMERCE

Again, the focus here isn't about reacting just to external events, but to shift and evolve in line with customer expectations (thereby gaining a bigger market share). 'Being flexible and adaptable means having the ability to remain relevant and provide a consistent experience with your target market.'

Continuous testing and refinement is also vital to remaining agile. Business resilience isn't about creating a business model that is solid in order to withstand whatever is thrown at it. It's about creating a business model that is fluid and malleable, able to reshape and respond to the environment it's in.

'The size and age of a retailer will determine exactly what is needed to future-proof their ecommerce strategy. For an established multichannel retailer, existing legacy systems may not suffice today's or the future markets, and adopting new ecommerce systems will be crucial to remaining agile to meet customer needs,' says Ingrey.

There's obviously not a one-size-fits-all approach to business adaptability, though there are some key considerations that retailers should keep in mind whether they are an established multichannel retailer or a relatively new pureplay business, according to BigCommerce:

- ▲ Retailers must ensure the ecommerce platform they use can easily integrate with any existing systems.
- ▲ Open-source software gives retailers full control over the source code to customise every aspect of their site. However, they will need extensive coding experience and the budget to account for programming costs. Alternatively, software-as-a-service (SaaS) platform customisation is more limited, meaning they don't have as much freedom to customise their site. The happy medium is in an open SaaS platform like BigCommerce, where retailers get all the benefits of SaaS in addition to the flexibility and functionality of open source.
- ▲ It's important to ensure ecommerce platforms can grow with retailers. When retailers are just starting out, they might not need a host with high-traffic capabilities. However, if they're focused on growth, these platforms will enable them to scale rapidly.





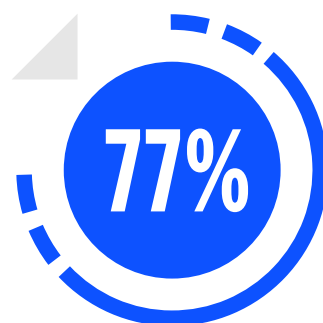


# STRATEGIES TO FUTURE - PROOF YOUR BUSINESS

The path to purchase is no longer linear, and retailers with an outdated purchase funnel at the centre of their strategy need to reassess.

'Consumers value personalisation and ease of use with their shopping experiences. They want to be engaged, they want options to suit the various lifestyles that have emerged since the onset of the COVID-19 pandemic. What they use in their everyday life, they expect when making a purchase. For retailers, it's crucial to focus on this customer experience and provide more pathways to purchase so they can essentially choose their own adventure. This includes providing options for click-and-collect purchases, and investing in social commerce capabilities so shoppers can seamlessly shop for a product they stumble across as they're on platforms like Instagram and Facebook,' says Ingrey.

As an example of this in action, 77% say they are likely or highly likely to abandon cart if their preferred payment option isn't available at checkout.<sup>8</sup> This shows that online retailers are no longer just selling a product, they are selling the whole experience, which means everything from navigation to payments to delivery needs to be considered.



## BIGCOMMERCE'S TOP FIVE TIPS FOR ECOMMERCE RESILIENCE

1. **Understand** that you cannot protect your business 100% from external influences but you can build your ecommerce strategy to be more resilient against any fluctuations.
2. **Bridge your offline and online offerings** to give your customers more flexibility when it comes to choosing how they want to interact with your brand.
3. **Invest in technology** that will provide you with actionable insights so you can dive into the 'why'.
4. **Agility is key:** build an adjustable tech stack that is flexible enough to create the customer-focused experiences your shoppers want.
5. **Be transparent:** Communication is key to building trust with your customers. When retailers and merchants are under immense pressure to meet customer demands, communicating clearly can minimise any tension and keep a healthy engagement with customers.



## CASE STUDY

# A SOLID FOUNDATION FOR FOUR PILLARS GIN



## THE WHY

Award winning Four Pillars Gin didn't initially have a website. Its Pozible campaign stood in as a proxy for its digital presence, building awareness of the brand. It graduated to a more traditional ecommerce platform but learnt (the hard way) why planning for growth is important.

"The content management system morphed into a Frankenstein kind of thing that connected into a stack of disaster on the back end where fulfilment and shipping were affected," Matt Jones, Four Pillars Co-Founder and Brand Director explains. "We worked that way for five years without getting our arms around just how big the opportunity was in the digital space."

This is what is at the heart of resilient retail, ensuring you have a solid base for whatever comes next, rather than 'Frankensteining' your way through and encountering the pitfalls that come with not being able to adapt quickly.





## CASE STUDY

# A SOLID FOUNDATION FOR FOUR PILLARS GIN



## THE HOW

Four Pillars realised its ad hoc type approach was prohibiting its growth and decided on a full website overhaul. They needed a seamless and intuitive ecommerce experience to meet (and exceed) customer expectations.

"Our goal was to find the right partner to help us strike the perfect balance between brand experience, storytelling and world-class, future-proof, scalable ecommerce. We wanted to build on top of a platform that looked absolutely like Four Pillars' brand experience rather than something that had more of a templated feel to it," Jones explains.

Four Pillars opted for a headless solution and in doing so became one of the first companies in Australia to use a BigCommerce headless implementation, alongside a headless WordPress implementation with a Javascript (VueJS) front end layer on top of both.

"We are using this structure to get the best of both platforms – using Wordpress for a rich custom content experience, and BigCommerce for an efficient transactional ecommerce experience," says Paul Green, Four Pillars Website and Ecommerce Manager.

"The separation of the display layer also gives us the flexibility to create a brand experience which fits with our other brand assets and real-world, in-person customer experiences at our tasting labs and distilleries."

"The key thing we're getting from BigCommerce is the flexibility from its open APIs. It gives us the ability to build what we have with WordPress and extrapolate from it to do more innovative things that we probably wouldn't be able to do with just an ordinary, more rigid platform," Green said.

*The digital evolution of Four Pillars Gin is the perfect example of retail resilience in action, and why a future-proof, scalable solution should be at the heart of everything.*



## THE WHAT

Four Pillars traffic **grew by 22%**, **conversion rate increased by 79%** and **transactions experienced a 152% boost**.

The new headless tech stack is also highly scalable, processing an ever-increasing order volume as the company has grown.

"For us to do what we do, ecommerce has to be simple and effortless and that's what we really valued in the shift," Jones says. "Our headless website has not only improved the experience for our customers, but there's been a level of simplicity that as we look to do things to incentivise and enhance the shopping experience, it hasn't been burdensome."

Now, Four Pillars can continue to do what it does best, crafting world-class gin and building customer relationships. Its ecommerce website will continue to do what it does best, supporting the Four Pillars story.



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