

## Mobilising faster, more profitable online growth

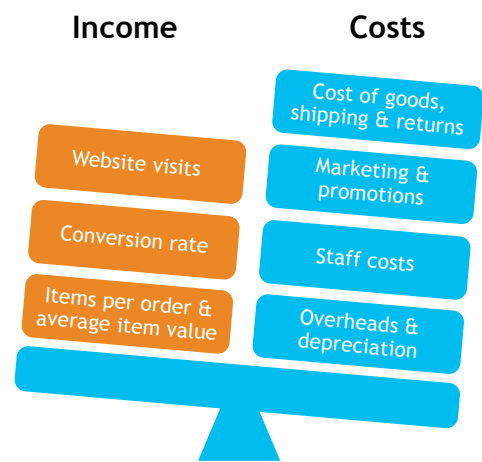


Ecommerce is probably the fastest growing part of your business. In fact in the current environment it may be the only channel generating growth for you.

However, growth rates for online sales are no longer the 50%+ they were a few years ago. This is due to increased competition, the maturity of the market and the economic slowdown; therefore it is time for ecommerce to be overhauled, old strategies renewed and new plans for growth created.

Online is now a key touchpoint for your customers and a fundamental part of their multi-channel behaviour.

It is time for online sales to start becoming the long promised profit generating powerhouse.



*Logan Tod & Co Clients do not let the drive for growth drag down margins because they are focused on driving profitable growth*

### The five questions you should be able to answer if you are really going to drive profitable growth

Driving growth is not simply about pushing conversion rates by making changes to page design and checkout flows; these are good tactics but are not enough.

A business needs a clearly defined process to diagnose online performance, and then create a management framework that aligns people, processes and technology with the growth agenda.

Logan Tod & Co has worked on over 50 different ecommerce sites and, based upon this experience, our consultants have come up with five questions that senior managers need to be able to answer if they are to drive profitable growth in a tough environment:

#### Q1: How much does a 10% increase in visitor numbers increase profit?

A profit model for the ecommerce business is required to show exactly what it contributes to the bottom line, and the impact of different marketing strategies. Linking consumer behaviour directly to growth and profit ensures the strategies that truly drive growth and profit are followed.

#### Q2: Does everybody who works on the website know what the KPIs are?

Basic objectives like visits, conversion rates and sales are not enough; fully thought out objectives, that focus the attention of the management and site editors on profitable growth, are needed.

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## Q3: Is accurate performance data used to make operational decisions?

Ecommerce above almost all other business disciplines is numerically driven; performance data is easy to capture and should be used to drive decision-making throughout the organisation.

## Q4: What is the number one barrier your team faces in delivering improved performance?

Following the crowd and investing in the latest online 'facebook fad' is not the route to improved performance.

The key is to understand the real constraints that are preventing profitable growth and fix them in a disciplined, logical, cost effective manner.

## Q5: When did you last see the minutes of the optimisation team meeting?

Improving performance requires continual focus and attention, a discipline that most ecommerce units lack. Creating a profit driven development and optimisation process ensures progress towards the real goal - increasing profit.

**If you cannot answer all these questions then it is unlikely that your online business is following a path that will lead to sustained profitable growth.**

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Logan Tod & Co delivers assured revenue and gross profit improvements in the online B2C sales channel for leading retail and consumer brands.

By identifying and quantifying the true online business constraints for clients' businesses we can create and deliver improvement programmes which accelerate growth and increase profit.

These programmes are based upon the experience the team has gained working on more than 50 ecommerce sites for over 30 clients over the last six years.

For more information, or to discuss how we can help drive your online business, contact Mike Williams

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