

A man with dark hair and a light beard, wearing a pink button-down shirt, is looking down at a tablet computer he is holding with both hands. He is smiling slightly. The background is a blurred retail environment with a staircase, other people, and various items on display.

magnolia®

 commercetools

Reimagining Content & Commerce

Providing Digital Experiences
for Tomorrow's Customers

Executive Summary

Customers are demanding, well-connected and informed. Thus, brands and merchants must increasingly focus on providing their customers and prospects an entertaining, inspiring and efficient shopping experience or risk losing business. The reality is that as long as brands like Amazon exist, it will continue to be difficult, if not impossible, to compete in terms of convenience. Instead, brands must differentiate themselves by using experience-led commerce to enhance customer sales.

A fundamental building block for these shopping experiences is to merge editorial content with commerce elements. As many companies are already equipped with suitable teams and technology, the goal is to build bridges in smart ways, both with regard to their organizational structure and the technologies they use.

There are two strategies to integrate commerce and content management systems: In the first scenario, the commerce solution is the leading system and the CMS is providing the necessary content to enhance certain parts of the commerce site. In the second scenario, the CMS solution takes the lead and the commerce software provides catalogue data and commerce functionalities.

This white paper will outline the necessary steps for implementing a sustainable content commerce strategy and support brands and merchants to opt for a suitable integration approach.

The evolution of customer experience

There was a time when companies mass-manufactured their products and sold them to an audience not used to choosing from a wide selection. About a century later, the situation has changed completely. Due to an exploding number of businesses using the Internet as a marketing and distribution platform, modern customers are faced with a sheer insurmountable variety of products. The shift towards commerce has been accelerated due to the increase in companies forced to do operations remotely, and the speed at which many have had to leave behind their on-premises systems and move to the cloud to facilitate those remote operations.

What's more, the market has become more transparent, so customers are well-informed about products' features, prices and availability.

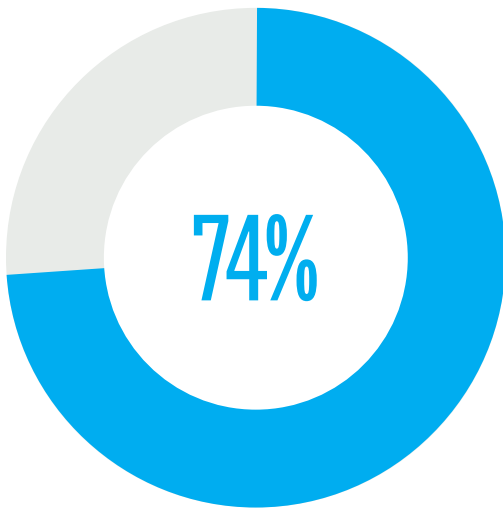
In effect, the power has shifted – away from manufacturers or merchants towards customers. Especially in the digital world, where competitors are virtually only one click away, merchants need to find strategies to target and engage their audience to grow and sustain their business.

As a result, companies have been striving to improve the overall customer experience and invest in measures to deliver the degree of service which they had promised in their marketing campaigns in the first place. Customer experience is pivotal for companies, as [Forrester points out](#) that customer experience leaders are able to quickly grow revenue, reduce risk and charge more for their products compared to CX laggards.

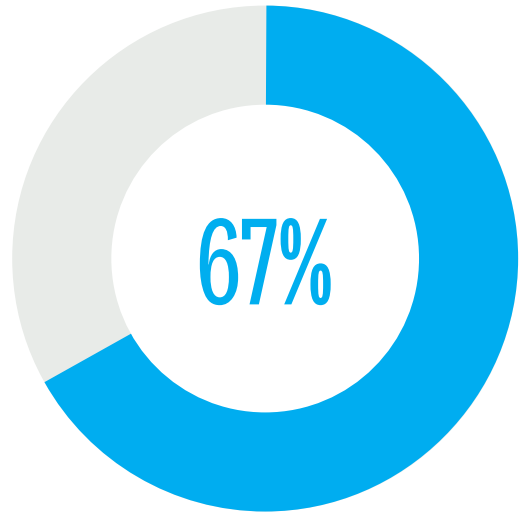
Placing more emphasis on creating a positive customer experience can yield greater customer retention, higher cross-sell and upsell potential and reduce the costs associated with serving customers.

Setting a new standard for digital experience

It is generally accepted that content drives commerce. Consider these statistics:



74% of companies state that content marketing increases their lead quantity and quality.



67% of the typical B2B buyer's journey is now done digitally, and 9 out of 10 B2B buyers say online content has a moderate to major effect on their purchasing decisions.

But what evidence is there that content-commerce initiatives actually translate into higher sales? Some companies across the B2C and B2B sectors have managed to track the results of how changes in content management led to positive effects in revenue.

Success stories

Glossier.

Content inspires product creation and launches

Skincare company Glossier is an interesting example of how its blog, “Into the Gloss”, led to the launch of a small collection of skincare products. Glossier continues to use content to inspire product launches. Founder Emily Weiss started the process by asking readers what properties their dream cleanser would have. The team then pored through the 381 responses to distill what readers were looking for. This method helped create a cleanser, several serums and a sunscreen.

The company also found that people who read “Into the Gloss” were 40% more likely to purchase products than people who only visited Glossier. It therefore turned its attention to building better connections between its content and product businesses. To continue driving growth, the company uses customer data platform segment’s cross-domain analytics tool to connect the many customer journeys around and across its web properties.

xerox

Content marketing boosts pipeline revenue

Xerox started a campaign to connect and engage its top 30 accounts and partnered with Forbes to create a magazine offering relevant, valuable business tips to Xerox’s target audience. Over 70% of the targeted companies interacted with Xerox’s microsite and the company saw a 300-400% increase in readership compared to past email campaigns. More importantly, Xerox generated 20,000 new contacts and over 1,000 scheduled appointments through the campaign, which earned the company \$1.3 billion in pipeline revenue.



Riedel: Content and commerce cohesiveness lead to reduced friction

Riedel revamped its digital presence and began a digital transformation to serve its customers in over 125 countries better. Catering to a global audience meant variations in the content delivered to each region, including translations and localization. Having content stored in a central hub helped tremendously. They combined that with a streamlined shopping experience that took country-specific requirements for taxes, shipping and local regulations into account to provide an engaging customer experience without issues.



Salling Group: Award-winning retail solution

Salling Group, Denmark's largest retailer, has grown throughout its over 100 years of existence to become a complex multi-entity corporation.

To strengthen their omnichannel experience, Salling Group required technology that would serve their customers across all digital channels. After replacing their monolithic platform with a new tech stack from Magnolia and commercetools, time-to-market for their new web shops were brought down to a 2-month lead time and operation costs were lowered by 75%. It also enabled each brand to customize their online shop and content, while still working under the same digital platform. Additionally, release cycles increased from once every other week to multiple times per day. With these improvements, Salling Group has been awarded the [best European connected retail solution](#); and they are just getting started.

Types of content

Blogs have become the mainstay of featuring unique branded content, as these figures show:

Small businesses with blogs get 126% more lead growth than those without. After reading recommendations on a blog, 61% of US online consumers made a purchase.

B2B businesses that use blogging as part of their marketing strategy get 67% more leads. Other more visual and interactive content also give added push to commerce initiatives.

Vanity Planet: The power of photos



Customers have to see the product in their life, not just on a model. This is one reason that organic, Instagram-style, user-generated content (UGC) photos increase conversion rates by 25% over professional photos.

Vanity Planet takes content that its customers create (e.g. photos or videos) and features it on its site or social media channels, for instance using the #VPBeauty hashtag when posting images to Instagram. Apart from being visually appealing, this encourages customers to post on Instagram and tag their brand.

For Vanity Planet, this led to a 24% increase in checkouts. The checkout rate of its most popular item rose from 6.6% to 8.1%, which added up to an extra \$8,900 in sales over 10 days.

Home Depot: The power of video



Case studies show that intelligent video content is a highly effective way to raise consumer interest, leading to higher profits. For example, Home Depot's online outlet blinds.com got a 68% increase in orders and a 92% jump in overall profits after launching a video marketing strategy.

Other research reveals that:

- **eCommerce** stores that use video content have a 80% higher conversion rate than those that do not.
- **73% of customers** are more likely to purchase when shown informational video content.
- A **1% budget increase** on active video marketing translates into a monthly average of \$13,000 for a company.

The growth of social commerce

With the popularity of mobile technology and social media channels such as Instagram and TikTok, consumers have come to expect and prefer engaging visual content when shopping online or following news and events. It's no surprise that brands are starting to use visual content at the core of their commerce and marketing strategies.

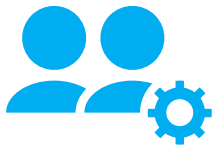
As of December 2021, [Instagram boasts an astounding 2 billion monthly active users](#), roughly a quarter of the planet. Yet, platforms like TikTok are followed closely behind with 596 million downloads in 2021 alone, showcasing the appetite that users have for social media content.

Such content have a tremendous impact on commerce as well: Many shoppers are heavily influenced by influencers who frequent these platforms when it comes to purchasing products. [One-third of shoppers rely on input from social media influencers](#) to learn more about products before deciding on whether or not to make a purchase.

Social media has also provided the opportunity for new types of social commerce. Customers can now enjoy a frictionless shopping experience with platforms like Instagram introducing Instagram Shop, which allows users to seamlessly browse and purchase products without leaving the app. Content creators can also tag their products during their Instagram Live sessions to drive more buyers to their stores.

The evolution of headless commerce with content

Brands and merchants are challenged by the connection of content and commerce mainly on the organizational and technological levels.



Finding the right team setup

Companies employ different teams for either content or commerce topics. According to an Acquia study, almost 60% of the surveyed companies have separate marketing and commerce teams, with information largely contained in information silos. Their success is usually evaluated based on different KPIs. The content team is concerned with the development and distribution of various media formats and aims at achieving a perfect amount of stickiness for their assets. The commerce people concentrate on things such as product imports and a secure ordering processes and are evaluated regarding turnover and conversion rates.

This two-part structure also affects the use of technology. In regard to Conway's Law, the software used in a company reflects its organizational structure. Strict division of labor often results in strict division of technological systems with few interfaces between them.

As a consequence, it is not surprising to find manifestations of the 'two-site syndrome'. Important measures here are to enhance team collaboration and establish a set of shared KPIs.



Deciding on the right integration approach

The next step is to integrate the commerce platform and content management system. Content and commerce come together to bring the customer from product discovery and research, all the way to the buying and checkout process.

The content management system takes care of where and how editorial information is presented and managed from a business and its products, while the commerce platform handles product information, pricing and how customers are able to move forward in selecting and purchasing the products.

Multiple smaller steps (such as search and filtering, viewing product variations and managing the shopping cart) and the finer details (such as checking product availability, applying coupon codes and fast and secure payment methods) throughout the buying process make tight integration between commerce and content important.

Combining these two systems can usually be done with the help of a digital experience platform (DXP). However, even when using a DXP to blend content and commerce, companies have the freedom to select the best of breed systems to use that are highly flexible to work with, scalable and maintainable.



Commerce-first approach

Going for commerce-first means placing the commerce system at the core of the content strategy and benefiting from its complex transaction logic (e.g. prices, taxes, shipping) and extensive product catalogs. In this scenario, the CMS operates in the background and feeds content pieces to the commerce system.

On various parts of the commerce site, brands and merchants integrate various pieces of editorial content which best support the products in the respective context. The site structure as well as the user interaction follow the standards of a retail website. So rather than completely turning one's webstore upside down, this method aims at selectively enhancing certain aspects of the original store's pages or creating new ones, such as dedicated landing pages.

Modern commerce systems often feature a basic, built-in CMS which enables merchants to implement some of these elements.

However, when it comes to a complex channel structure, a hierarchical editorial workflow and features such as real-time visitor analysis and personalized content, a dedicated professional CMS becomes mandatory.

- **Home pages:** The stores' homepages are the place which lend themselves best for additional content. Store owners typically feature products with high-resolution images, video footage or copy drawing the customers' attention to the various parts of the digital offering. In case the software platform is prepared for personalization, this is mostly the place to address the customers personally and show a customized product selection.
- **Category pages:** When customers dive into specific categories, they can be targeted more specifically. Typically, these pages are supported by inspiring copy and images describing the choice of products that are presented to the customer. In case these products need more explanation, category pages are also an ideal entry point for buyer's guides. In the CMS, merchants could compile media-rich microsites, questionnaires and comparison tables and make them accessible via the store front.
- **Product pages:** On the detail pages, there is ample opportunity for brands and merchants to let the product appear in the best possible light with inspiring copy, high-quality image and video content or even 360° views.
- **Custom landing pages:** These pages are primarily used as target sites in e-mail or search engine marketing campaigns. They are dedicated to a certain topic and contain a few content elements as well as clear call-to-action messaging. Usually, they are created to draw attention to seasonal offerings or special events.

Who this approach is perfect for:

This approach is ideal for brands and merchants who already have a successful online presence and aim at improving the overall digital experience. Digital offerings in the fashion and accessories industries can hugely benefit from the additional selling potential of high quality media content; consumer electronics retailers will find that their customers benefit from informative buyer's guides when it comes to demanding or complex products.



Content-first approach

Deciding on the headless CMS as the leading system is the basis for a completely opposite integration strategy. Here, flexible layout systems enable on-the-fly content combination and easy publishing with the help of easy-to-use tools. Brands and merchants opting for this method primarily maintain content and add commerce elements.

For one-product stores and subscription models, it is more relevant to focus on storytelling and inspiring customers than maintaining a complex commerce site. In these cases, it is more intuitive to give the CMS the lead, benefit from its content assembly capabilities and intersperse the content with a few commerce elements.

Professional online magazines or blogs aiming at selling relevant products which complement the articles they publish would use a commerce integration to display product information and transaction elements like a 'Buy Now' button or a shopping cart feature. Especially in the context of lean-back commerce, where customers enjoy their favorite magazine on their tablets, such a seamless integration results in a much better customer experience.

Brands, especially in the fashion vertical, who aim at creating and delivering the desired brand experience and control every aspect of it, are likely to opt for this approach as well. Publishing content such as magazine-like editorial, image-rich lookbooks or interviews with brand advocates, they can benefit greatly from a content-first strategy.

Who this approach is perfect for:

A content-first scenario is the best choice for business models which either require very limited commerce capability or are so individualized that standard commerce processes are not sufficient. If there are only a few products on sale – think designer furniture – it makes no sense to provide large-scale search functionalities. The same holds true for publishers wanting to connect their magazine articles to suitable products in an elegant, non-intrusive way. Industries such as travel or ticket sales, on the other hand, usually require a non-standard checkout, so it's advisable to let the CMS take the lead and implement a custom order process.



Getting up and running: Headless and API-first

The decision of which system takes the lead will be dependent on the nature of the business and the size and scale of its commerce operations. In any scenario, the commerce platform and CMS will need to be connected, both with each other and with other software used within a business ecosystem – typically using APIs.

While many software vendors use APIs, not all software is made the same. The best and more modern software are API-first, meaning they were built with APIs in mind from inception. So, they were designed for ease of integration with other software as a primary consideration. Using modern API-first software is important in making development and maintenance easy.

Another common trait of software built for modern digital needs is being 'headless'. Headless is a term used to describe a decoupled frontend (what the customers of a business see and interact with) and backend (where product information, editorial content, pricing and customer data, and more are stored).

A decoupled frontend and backend, or being 'headless', brings a myriad of benefits that increase the flexibility, agility and scalability of a business' operations. Since their decoupled nature allows them to be updated independently of each other, the speed of development and content updates can be increased, while eliminating the need for downtime (typically in the form of 'down for maintenance' for users) when changes are deployed.

With headless architecture underpinning both your commerce and content management systems, you can push new features, content and information as soon as they are ready. This allows businesses to leverage their software to their fullest, creating full-fledged, on-brand customer experiences across all channels, both online and offline.

Merging content and commerce is the best choice for innovative retailers

Retailers are facing exciting challenges with the acceleration of digital shopping. Customers are increasingly turning to brands and merchants who combine information, inspiration and entertainment in a way that makes their offers essential to people's lives. It is no longer enough to focus on delivering separate, good-quality jigsaw pieces – the whole picture is more important and longer-lasting.

However, the wheel does not have to be reinvented. In many companies, the elements of a modern, sustainable content-commerce-strategy already exist. The key is to adapt one's organizational structure and enable a creative and productive coworking atmosphere and therefore allow editorial content and commerce elements to merge.

When considering the technical basis for their content strategy, merchants should rely on solutions that allow for seamless and effective integration of content and commerce elements.

For both commerce and content management systems, this means:

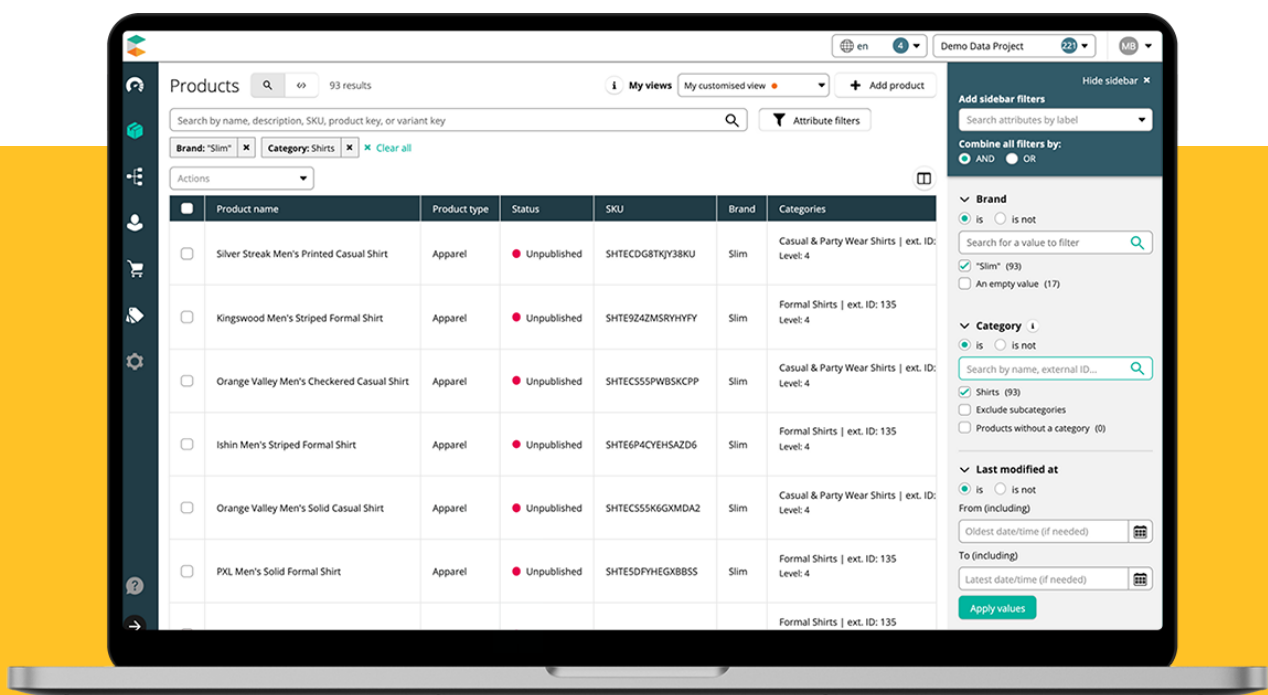
- **Ease of integration:** The solution needs to be able to integrate with a wide range of third-party solutions. Ideally, it can be easily connected to already existing software solutions so, for instance, a business with an existing CMS does not need to completely overhaul their infrastructure to integrate a new commerce platform.
- **Customizability:** A content commerce strategy can only be successful when the underlying technology does not limit retailers' creativity, but on the contrary enables them to put their unique shopping experiences into practice. A modern commerce solution needs to reflect this, for instance by means of well-documented, powerful APIs that allow for high levels of customisation.
- **Scalability:** When merchants are present on multiple retail channels and produce content that has the potential to go viral, they need a solution which scales automatically without creating any extra costs when the number of visitor interactions grow.
- **Ease of use:** Creating pages and managing content should be as simple as using a smartphone app. Your CMS should have built-in tools that are easy to learn, but flexible enough to let your team be creative.
- **Effective personalization:** Deliver the right content to the right audience in a practical and scalable way. Your CMS should allow you to manage your personalized campaigns, seasonal promotions and special offers more efficiently.
- **Omnichannel and headless:** Are you able to manage content from any source and publish to any frontend format and go headless? Use your CMS as a content hub to cover any structured content creation task that you have, such as your store's catalogue.

Introducing commercetools:

the world's leading commerce platform built on modern MACH principles (Microservice-based, API-first, Cloud-native and Headless)



commercetools is a next-generation software technology that offers a true cloud commerce platform, providing the building blocks for the new digital commerce age. Our leading-edge API approach helps retailers create brand value by empowering commerce teams to design unique and engaging digital commerce experiences everywhere – today and in the future. Our agile, componentized architecture improves profitability by significantly reducing development time and resources required to migrate to modern commerce technology and meet new customer demands. It is the perfect starting point for customized microservices.

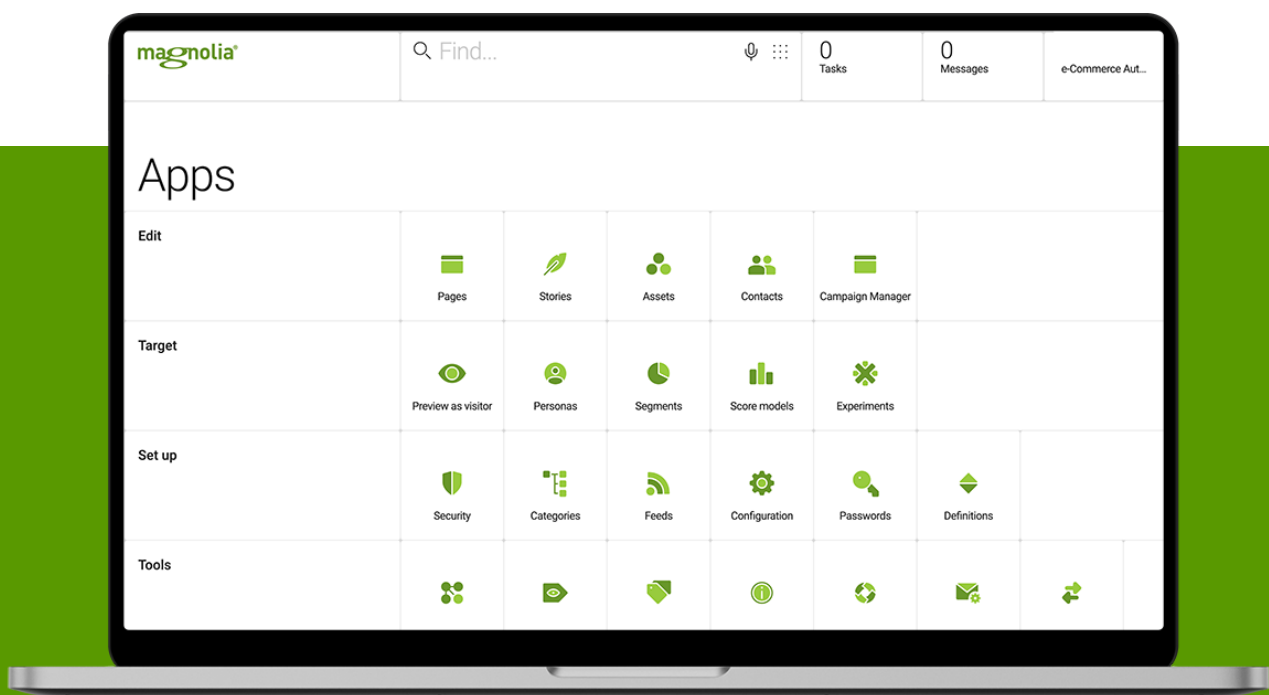


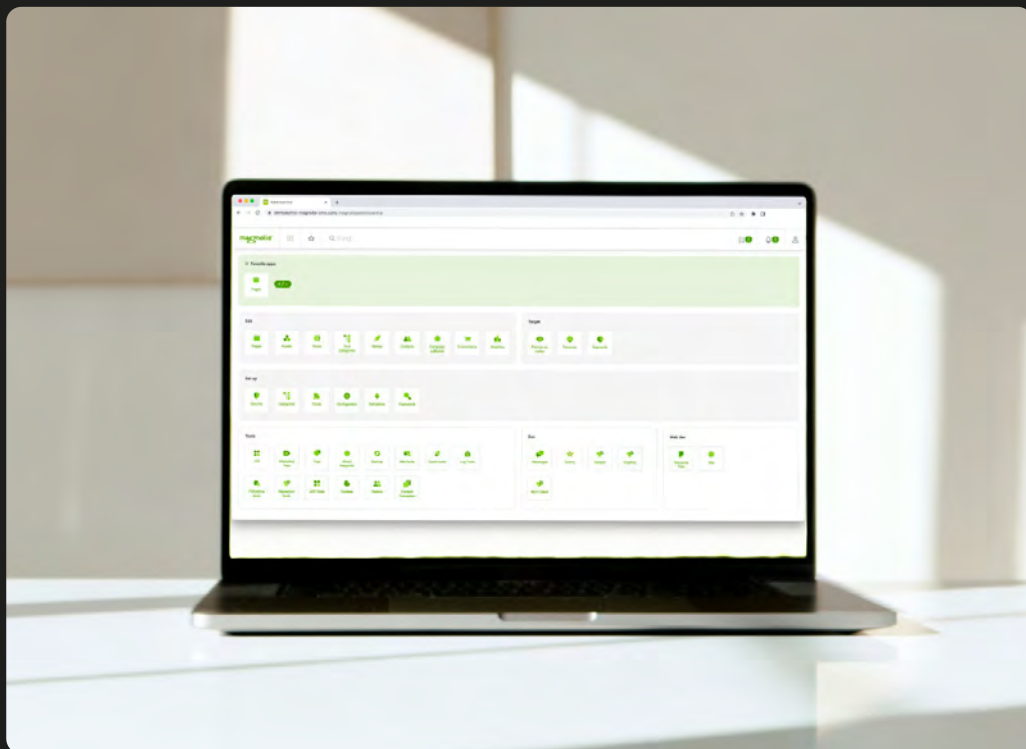
Introducing Magnolia:

the world's leading composable Digital Experience Platform



Founded in 1997 with a vision to create the first truly open content management system, Magnolia is now the world's leading composable Digital Experience Platform. We help clients succeed by giving them the flexibility they need to make truly differentiated customer experiences. Thanks to our open architecture and headless approach that works for developers and marketers alike, Magnolia is now the DXP of choice for a new wave of companies in industries ranging from automotive to telecommunications. We've been pioneering composable DXP solutions for more than a decade, and with a track record of 100% project success, our customers know they can trust us to help them stay ahead of the pack.






Get in touch


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