THE ART AND SCIENCE OF

CROSS SELLING

A GUIDE FOR E-COMMERCE

WHAT EVEN IS CROSS-SELLING?

"Cross-selling is the practice of selling or suggesting related or complementary products to a prospect or customer. "

investopedia.com

35%

Amazon attributes up to 35% of its revenue to cross-selling – both the "Frequently Bought Together" and "Customers Who Bought This Item Also Bought" sections promote products related to the item that you are currently viewing on the site.

SOURCE: WWW.FORBES.COM

1 MORE COMPLICATED THAN IT SEEMS

For online store owners or the E-Commerce executives, cross selling is both an art and a science.
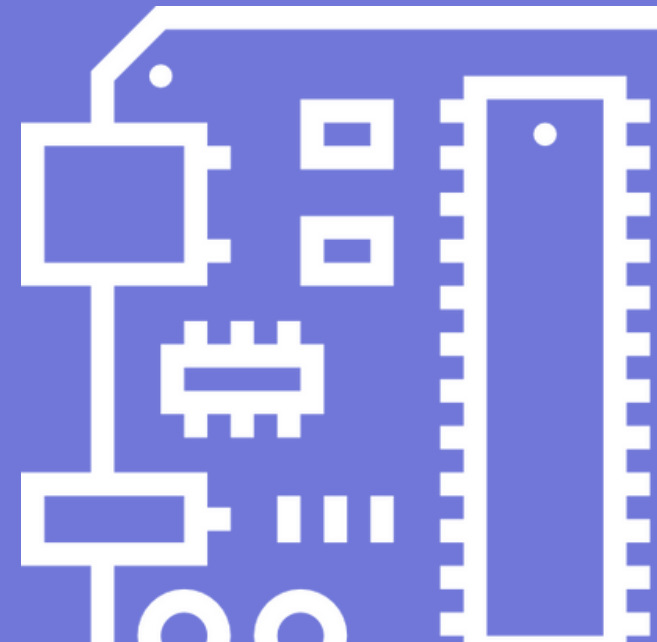
2 PHYSICAL RETAIL

In the physical retail environment, most of the cross selling happens with the help of the sales rep.

3 ONLINE RETAIL

Online store environment lacks the important sales rep figure. This in turn makes the eCommerce person turn to marketing technology and his/her own senses in order to come up with successful cross selling techniques.

4 NOT ALL PRODUCT ARE IMPULSE ITEMS

Candy is an impulse buying product and you could always have room for the second or even the third candy. But when the product is a medium to high priced item, it gets hard to cross sell to a shopper who has already spent a few bucks on a recently purchased item.

ASPECTS OF A SUCCESSFUL CROSS SELLING OFFER

- Knowing what the shopper is about to purchase
- Understanding his/her needs
- Having a sense of shopper's price elasticity level
- Knowing about complementary items (i.e. A goes well with B, C is a cross selling item for D)

5 DIFFICULTY OF PROCESSING ONLINE DATA

During online shopping, there is no sales rep who could profile the shopper instantaneously. That is why processing shopper data in real time becomes hard.

6 REAL TIME DATA ANALYSIS

Real time data analysis coupled with human intelligence could as well translate into cross sales.

"REAL TIME DATA ANALYSIS COUPLED WITH HUMAN INTELLIGENCE CAN BRING CROSS SALES."

7 AUTOMATIC CROSS-SELLING DECISIONS

When a visitor views a certain product page, the process starts. That particular product certainly has a cross selling item and it's for the 'engine' to decide which products out of this cross selling portfolio go well with the viewed item.
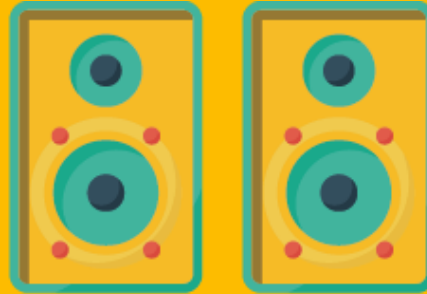
8 LET THE ALGORITHM DO ITS MAGIC

The engine uses clickstream data and transactional information to make this predictive decision. Certain information such as price, brand choice, previous transactions finds its way in the '*predictive personalization algorithm*'.

1100
0110
1110

9 HAPPY ONLINE SHOPPERS HAPPY STORE OWNERS

If the '*human knowledge*' also supports the algorithm as to which categories are complementary, then the cross selling offer can be improved. By this way, the art and science is combined to develop a successful cross selling offer on E-Commerce sites.