



How to organise / structure an e-commerce team

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1. e-Commerce team structure: Background

The ABC team are continuing to develop and evolve their e-commerce capability and success. With now some early wins in building revenues and a more established position online, there is an opportunity to review the existing e-Commerce team and skills and define the team shape and objectives for the next wave of growth and development.

With this in mind, this note sets out a potential team shape for implementation start fiscal 2013.

But before describing that there is a brief review of what the business goals are and what roadblocks and challenges the e-Commerce team must manage in order to be able to build and deliver the desired online success.

Vision//structure/goals/roadblocks

(i) Vision:

- to build online revenues to [£ m] by end 2015

(ii) Structure:

For 2013

- to develop the e-commerce team into a measurably effective unit with clear KPI which can be monitored to show milestone progress and revenue development
- to place greater emphasis on the key stages of the e-commerce value chain and to appoint managers to take responsibility for each of those key stages
- to be evolutionary and embrace the skills and expertise which already exists within the e-commerce team today
- to be supportive of the people and respect their individual worth and contributions

By 2015

- to move over time to implement a multi-channel strategy and develop the team which can deliver a fully integrated customer experience. The aim is that the company markets and presents itself with one voice, one coherent and consistent product and marketing presentation and champions and enables customers to interact in store, online or by phone with ease.

1. e-Commerce team structure: Background (cont'd)

(iii) Key 2013 goals:

- drive revenue to [£ m]
- build an online presence which people talk about with passion and enthusiasm and are proud to recommend to friends and colleagues
- work with IT to provide a seamless, easy, scalable and highly functional e-comm technology platform
- ability to respond in real time to customer needs
- develop effective cross-functional support with other departments

(iv) Key constraints/roadblocks today in the company:

- Site IT does not work well today (eg site performs slowly /products disappear)
- (the platform is being relaunched in September '13 but meantime there are long delays in any interim tactical improvement plans and lack of appropriately skilled IT resources)
- salary levels for key individuals in the e-Commerce team are bottom quartile
- (this impacts quality of hire and ability of people who do join to be able to hit the ground running, they need to be trained up which delays their impact and contribution)
- a lack of understanding generally across the business about the breadth and complexity of building a successful e-commerce business, about the different skills required starting with: customer acquisition, IT site build, user optimisation, online branding /marketing, content/ editorial, online merchandising and IA, transaction and payment management, sales conversion, customer service, CRM and then through to fulfilment and returns.
- a prioritisation of work across different departments which can often mean significant delays or lack of attention to the Online business.

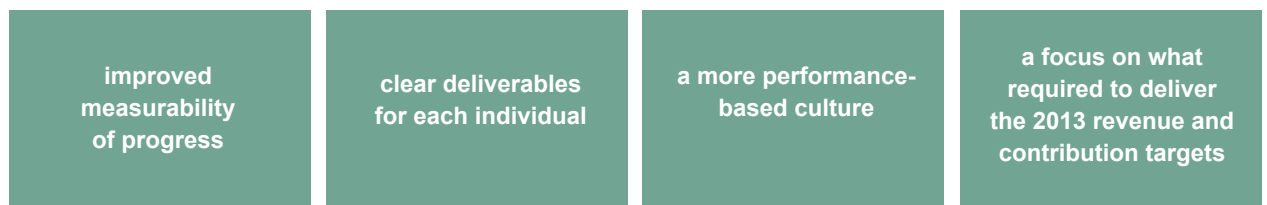
As a final comment before introducing the 2013 structure, it is worth emphasising that it is recognised that organisation structures need to be fluid and evolving. One of the key drivers will be to work around the skills and expertise of the people already in the e-commerce team. Another will be the continuing fast pace of change in the e-commerce world which is identifying new skill /new value-added areas which may need to be embraced and incorporated.

There is a brief section at the end of this note which anticipates potential additional changes required for 2014 and beyond.

2. Proposed 2013 team structure

This proposed team structure is designed to drive the next stage of e-commerce revenue growth. And it is set against the backcloth of the constraints and roadblocks described above.

Specific structure goals:



There will be 5 key reports to the Head of e-Commerce

- (i) **Customer Acquisition Manager**
- (ii) **Customer Conversion Manager**
- (iii) **Customer Retention Manager**
- (iv) **Content / Category Manager**
- (v) **Programme / Ops Manager**



(i) The Customer Acquisition Manager

(get 'em to visit! / footfall)



Key responsibilities:

- responsible for all the key ways to drive potential customers to the online buying experience.
- will include Paid Search (PPC), Search Engine Optimisation (SEO),
- will also include the establishment of key traffic-driving partnerships online
- consideration of selected Affiliates
- social media engagement
- advertising both online and offline eg drive to store and web site print campaign to create awareness /promote key seasonal merchandise and multi-channel customer opportunity

Who reports in

- online marketing exec (general marketing)
- online marketing exec (online partnerships)
- Search PPC/ SEO person
- Social Media? (currently sits in Marketing)

Success metrics for this role:

- # unique visitors
- # uniques by source eg number from partnerships /number from Search /number from Social Media
- cost of paid search /customer acquired
- click through rates on advertising
- tracked advertising click-throughs to purchase consideration

(ii) The Customer Conversion Manager

(get 'em to buy)



Key responsibilities

- responsible for number of visitors who complete and purchase online
- optimising the user experience to continue to improve dwell time on site and bag/ basket completion
- working with Site Analytics to identify what working online and what not
- establishing an ongoing and weekly agenda of site improvements that need to be addressed with clear recommendations as to requirements
- working with Creative Dept. and /or the site Design agency to identify issues that require minor redesigns eg move click button to different part of page
- working with Web Master /IT resource to implement changes
- carry out these tactical Design /IT changes and ensure that job gets done very quickly
- identifying new functional tools that will strengthen customer engagement

Who reports in

- Site designer
- UX
- Analytics

Success metrics for this role:

(should show increasing progress and upward trends to at least match best practice benchmarks in the sector)

- % conversion ratio (visitors: sales)
- ave. basket size
- UX positive comment trends
- reduced bounce rate
- reduced checkout uncompleted baskets rate

(iii) The Customer Retention Manager

(get 'em to come back)



Key responsibilities:

- responsible for driving customer lifetime value
- this involves identifying key means to build relationships with existing customers
- and encourage /drive repeat purchase
- will require the establishment /further development of an online customer database with their email addresses
- regularly cleansed to ensure up-to-date
- a programme of outbound marketing to target customers with differentiated communications to reflect eg active vs lapsed, UK vs overseas, hi income vs mid income etc
- development of other tools to encourage repeat purchasing eg ABC Club, My ABC online, loyalty incentives, privileged invitations etc
- this may also involve social media activity

Who reports in

- CRM /database
- email marketing

Success metrics for this role:

- # of repeat purchasers
- size of eg "loyalty club"
- ave. basket size of repeat purchasers
- customer life time value of this group eg top 1000 by estimated value

(iv) The Content / Category Manager (get 'em engaged)



Key responsibilities

- responsible for the Product /Copy /Editorial and Photographic content on the site
- a major role in charge of the way the site looks and feels
- quality of photography and image resolution
- the copy descriptions
- signage
- overall online merchandising and design lay-out
- Information Architecture to optimise visual presentation
- definition of key product categories
- ensuring each category is easily found by site visitors and provides a compelling experience
- product and information hierarchy
- working with Customer Conversion Manager to identify which products /categories working best and identifying opportunities for improvement
- provision of content /copy for distribution by Marketing to social media sites

Who reports in

- Product /Category execs
- Visual Merchandising
- Editorial copy editor
- editorial /copy exec
- Studio team :photography + styling

Success metrics for this role:

- % customers surveyed rating site look and feel
- positive sentiment trends through social media comment
- timely upload of new photography and product detail
- % visitors moving from product to checkout pages
- 0 site glitches /bugs in terms of product presentation /product availability
- key social media site # of interactions /positive comments to distributed copy /content

(v) The Programme / Ops Manager (make it happen!)



Key responsibilities

- responsible for the delivery of the key major change programs for the e-Commerce team
- specific charge to deliver the new site relaunch for September 2013
- extensive and ongoing interface with IT, the technology partner as well as coordinating with other key ABC departments eg IT and also Marketing to ensure appropriate levels of support and publicity
- site pre-launch testing and QA
- this role will also be responsible for the key Phase 2 post launch bug fix and site management to ensure the site works as planned
- this person will also take on-going responsibility for site IT liaising with the IT team but dealing with and taking responsibility for tactical IT issues which affect the day-to-day working of the site and liaising with IT resources to ensure issues are resolved immediately
- and the role will have an overall Operations responsibility that extends specifically through to Fulfilment and ensuring that ABC Logistics is managing effectively timely delivery and returns management
- this will likely lead to the setting up of a Fulfilment Steering Cmttee that this person will chair and which will involve input and participation from IT and Logistics

Who report in

- Project exec
- Web Master
- + tactical IT web development (to be confirmed)

Key success metrics

- delivery of 2013 site relaunch
- on time in full on budget (“OTIFOB”)
- 0 bugs by end of 2013
- 24/7 real time resolution of site technical issues
- 24/7 real time capability to update /change content and tactical IA
- establishment of Fulfilment Steering Cmttee
- size of returns
- % deliveries completed on time

3. Team gaps 2013/2014

The team structure just described will provide a natural evolution for the existing team. It will also provide a step-up challenge for the existing staff as their roles now become more focussed and there is greater emphasis on KPI/ key deliverables and measures of success.

This approach will provide greater clarity on what is working and contributing to revenue growth and profit development, and which areas are not. So it should enable a stronger drive to ROI.

However, as mentioned, e-Commerce is evolving fast and there are three particular areas which may need to be provided for with specialist skills brought in:

Mobile is becoming more and more critical as a necessary communications channel. And Mobile is also expected to become a critical way for people to search, browse and buy.

At present, Mobile is an area which ABC is not proactively exploring. It does require specialist skills and know-how. For example the online site needs to be reconfigured so it works and is user-friendly on each of the main Mobile OS and handsets. Key apps should be developed and maintained which allow instant access to rich content, click and reserve and easy buy. Mobile resource(s) could form part of the 2013 recruitment plan for the e-Commerce team.

Social Media is becoming an increasing driver of site traffic and an increasing influence on Brand perception. This is another area that will quickly need more specialist attention and resource.

At present it sits within the Marketing department and functions alongside PR. But there is a case to say this function should be more firmly rooted in the e-Commerce group given how much social media activity that is now taking place online and on Mobile and how important it is becoming

Lastly IT: online is of course very closely aligned and dependent upon scalable, Agile, real time /fast response technology that can enable ABC to quickly adapt to changing customer needs and expectations

This note does not suggest that IT should now be part of the e-Commerce team. But it does suggest that there should be resource in IT which is dedicated to supporting the e-commerce platform and enabling quick changes to be made.

A Web Master could for example still be a part of the IT team but might need to sit day-to-day with e-Commerce and share responsibility for the ongoing and tactical changes to improve the whole web site experience.

In addition, the 2013 plan in the short term places significant dependence on the IT Partner to build, deliver and be available to upgrade the web site on a continuing basis. This places some risk on the business and it's recommended that some IT web development resource be established in-house that can more efficiently "partner" so that future risk is managed and there is greater capability in the ABC team to take ownership of the online environment and its reliability.