



# Shopify Analytics

Your guide to ecommerce success



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# Introduction

Every Shopify merchant shares a common goal: to grow their ecommerce store. Whether you're a newcomer just beginning your journey, or an experienced salesperson with an established business, the pursuit of expansion is constant.

Online forums buzz with questions like, "How can I grow my online store?" and "How can I boost sales?" However, the answers to these questions often sound quite familiar: Try email and social media marketing, invest in paid ads, and focus on SEO.

Yes, you should certainly explore these strategies. Chances are, you've already dipped your toes into some or all of these tactics, and you might have witnessed positive results (or perhaps you haven't seen the success you hoped for).

This ebook on Shopify Analytics also belongs to the group of resources you'll discover online, which recommends these tried-and-tested methods. However, it goes a step further. It not only advises you to implement these strategies but also shows you how to execute them effectively — leveraging the power of data.

# What is Shopify Analytics?

Shopify Analytics is all about gaining valuable insights into your ecommerce store's performance through data analysis. It provides a variety of KPIs that you can use to monitor and evaluate how your online store is doing. These insights derived from data help you make informed decisions.

## Why do you need Shopify Analytics for ecommerce growth?

Shopify Analytics helps you stand out from the crowd and drive more sales. Here's a quick comparison of common Shopify strategies and how data analysis will help you boost their performance.

Common Shopify strategy	When data is not leveraged	When it's data-driven
<b>Email marketing</b>	Create an email campaign and send it to all customers and prospects.	Segment customers by region, age, purchase trends, etc., and create personalized email campaigns for each segment.

## SEO

Optimize the website and local SEO, and create and post content on all social media platforms like Facebook, Twitter, and Instagram.

Analyze the traffic sources and only optimize the top-performing platforms.

## Abandoned cart recovery emails

Send the same emails with the exact offers for all abandoned cart users.

Split abandoned checkouts into multiple groups by reason, location, product category, etc., and send personalized recovery emails to each group with custom offers.

## Who can dive into Shopify Analytics?

Shopify Analytics is fundamentally rooted in data, and it's open to all Shopify merchants. However, if you're just starting out and have limited data, it's crucial to focus on generating a considerable amount of traffic and sales. This data will serve as the foundation for your journey into analytics.

To help you prepare for this, we've compiled a set of best practices for your Shopify store, before you delve into the world of Shopify Analytics.

# Best practices for your Shopify store

You will need to ensure the conditions below are met, before diving into Shopify Analytics.

- Your Shopify website is user-friendly
- You're targeting the right audience
- Your Shopify store is optimized for mobile and desktop
- Your product page is well-designed, and the checkout flow is smooth
- Above all, your products' quality is top-notch

Once these conditions are met, you can get into monitoring Shopify KPIs.

## Popular Shopify KPIs

Below are the most popular and influential Shopify KPIs. From tracking your sales revenue and understanding customer behavior to optimizing order fulfillment and monitoring product performance, these KPIs are the vital metrics that can transform your ecommerce business.

- **Total sales:** Total revenue generated from all sales on your Shopify store.
- **Average order value:** The average amount of money a customer spends in a single transaction on your store.
- **Total discount:** The total value of discounts applied to orders.
- **Total refund:** The total amount refunded to customers due to product returns or dissatisfaction.

- **Fulfillment %:** The percentage of orders that have been successfully processed and shipped.
- **Returning customers %:** The percentage of customers who make repeat purchases.
- **Most selling product:** The product with the highest number of units sold.
- **Average shipping hours:** The average time it takes to process and ship orders.
- **Average shipping cost:** The average shipping expense incurred per order.
- **Shipment delivery %:** The percentage of orders that are successfully delivered to customers.

## Key areas to focus on for increased Shopify sales

The key to increasing your Shopify sales lies in four essential areas. You can approach these areas one step at a time, focusing on each one before moving on to the next. We've provided an example or use case for each area to help you gain a deeper understanding and develop strategies for your business.

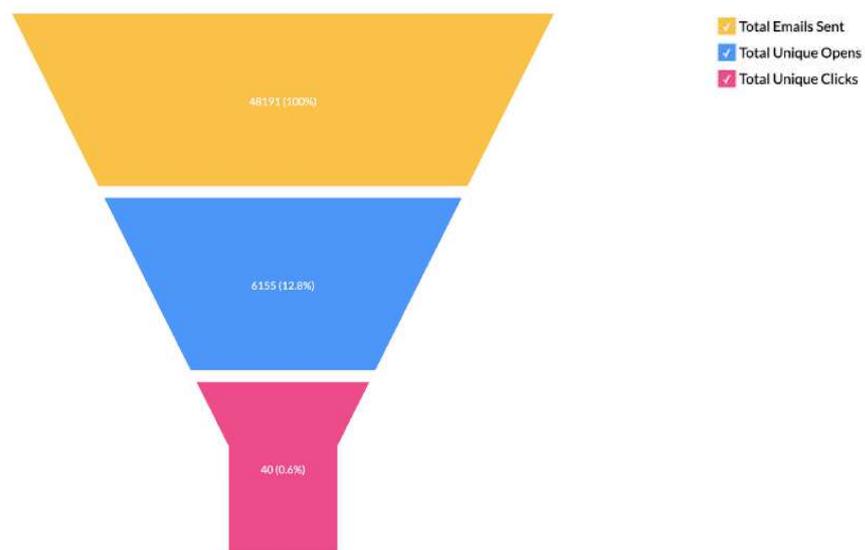
### Marketing

Marketing serves as the gateway to your online business. Regardless of how fantastic your products may be, without effective marketing, you won't achieve the sales you're aiming for.

Marketing for an ecommerce store encompasses a wide range of activities, including SEO, email and social media marketing, paid ads, branding, and much more. In this ebook, we'll demonstrate how you can enhance one marketing activity through data analysis.

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#### Campaign Conversion Funnel



**Tip:** Zoho Analytics offers seamless integration with Shopify and Klaviyo. You can even blend this data to get a unified view of your campaign's performance.

Now, looking at the funnel above, you'll notice that your emails have an impressive open rate of 12.8%. However, you've only received a total of 40 clicks across all your campaigns, which translates to a mere 0.6% click-through rate.

It appears like there's room for improvement in your email campaigns to resonate with your audience better.

**Here are a few tips to boost your email campaign's conversion rate:**

- Make it personal. Emails with ultra-relevant content and personalized offers convert more.
- Revisit content and design for clarity.
- Ensure offer codes and links embedded in the emails are working.

By applying these strategies, you can assess the effectiveness of your other marketing activities, and optimize them for improved performance.

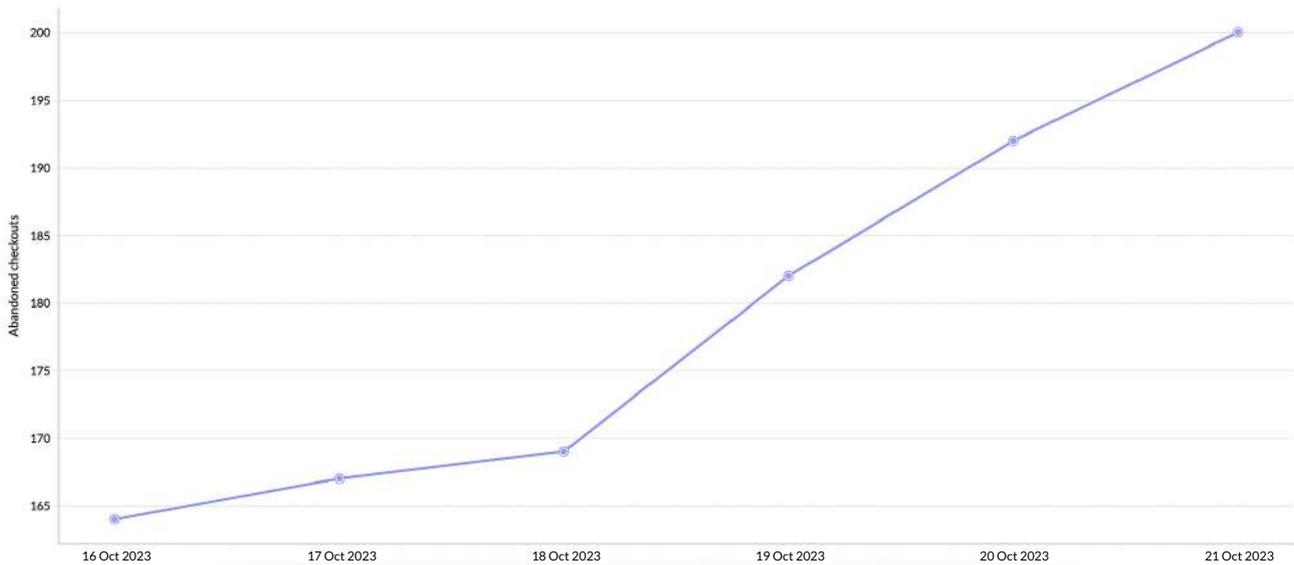
## Conversion

Once visitors arrive at your online store, the goal is to turn them into customers. However, many ecommerce stores grapple with the issue of cart abandonment.

But what exactly is cart abandonment? It occurs when customers add products to their cart but fail to complete their purchase.

Imagine the scenario below as your cart abandonment report, where you can see the number of abandoned carts steadily increasing.

#### Abandoned checkout trend



#### Tips to boost your cart recovery rate:

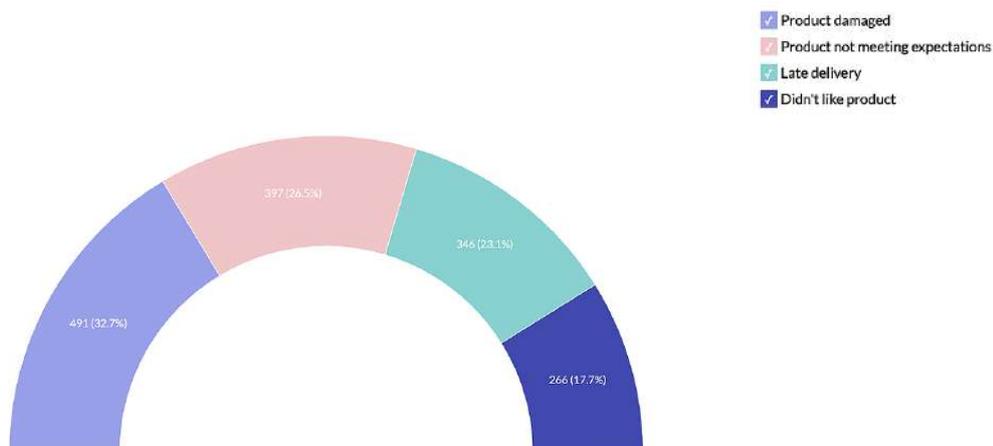
- Drill down into the report based on different parameters and split these abandoned checkouts into multiple groups, such as location, product category, and so on.
- Send personalized recovery emails to each group with custom offers.

## Customer satisfaction

Closing a sale is just the beginning. One of the reasons consumers love online shopping is the ability to return their order if it doesn't meet their expectations. For any ecommerce business, handling returns is inevitable.

Yes, you need to ensure your customers are satisfied. Consider the report below, which shows the reasons for order cancellations in your online store.

### Cancellation Reasons



As highlighted in the report, approximately 55% of cancellations are linked to shipping issues, such as late delivery and damaged products.

## Tips to enhance customer satisfaction:

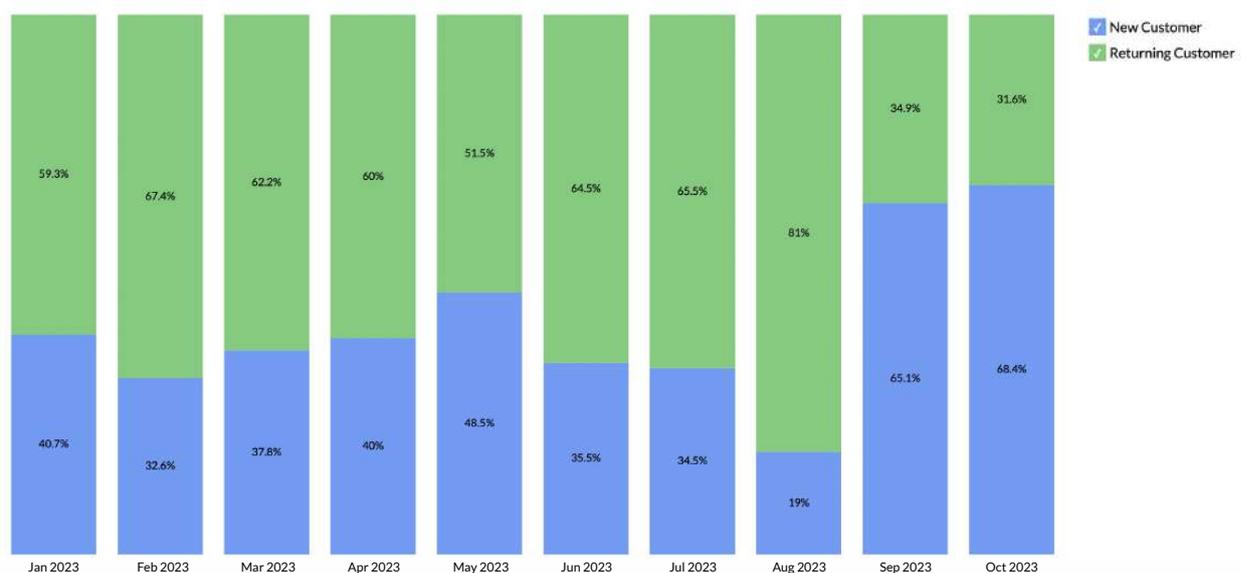
- Talk to your shipping vendor or service, and take the necessary action to deliver faster.
- Improve your packaging to avoid damage during shipping.

## Customer retention

You've attracted visitors, made sales, and satisfied your customers, but will they return to shop with you in the future? That's the essence of customer retention.

The following report illustrates the monthly trend of first-time versus returning customers:

New vs returning customers



This report reveals a declining percentage of returning customers, with most of your sales originating from new customers. This suggests that your current orders heavily rely on your efforts to attract new customers.

**Tips to increase customer retention:**

- Create a customer loyalty program and let customers earn loyalty points every time they place an order.
- Offer special discounts for returning customers.
- Start a referral program and allow your customers to do the heavy lifting—that of acquiring new customers.
- Best of all, improve customer experience by analyzing customer feedback and taking action.

# Marketing strategies to consider

Data plays a pivotal role in enhancing your marketing strategies. Let's delve into the three essential components of data-driven Shopify marketing: product, place, and personalization.

## Product: product bundling strategy

Product bundling is a widely-used marketing strategy where two or more products are combined and offered as a value-packed bundle. You can gain insights into your customers' buying behavior and make informed decisions about product bundling with your sales data.

Here's how data can help you identify products for bundling:

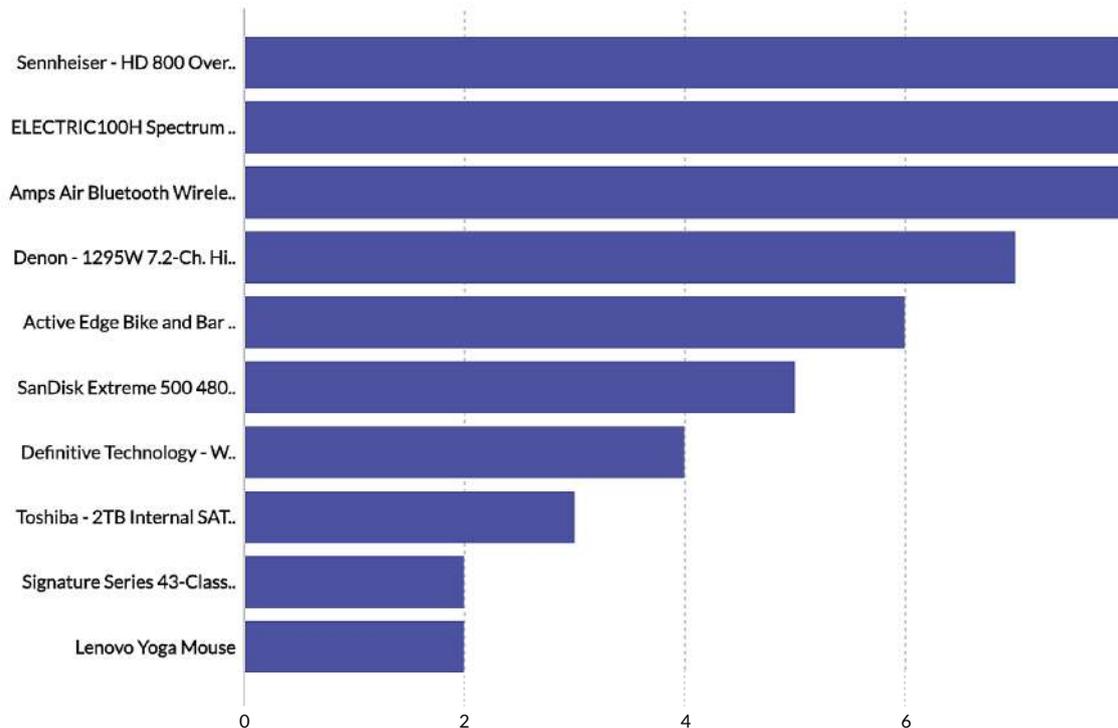
- **Frequently bought together:** Identify if certain products are frequently purchased together. For instance, if customers often buy a mobile phone and a case together, you can offer them as a bundled deal.
- **Combine best- and worst-selling products:** If some products aren't meeting their expected sales, you can bundle them with your best-selling items to create appealing combinations.

## Orders by Products

Orders placed by top products

Orders Count:

Top 10



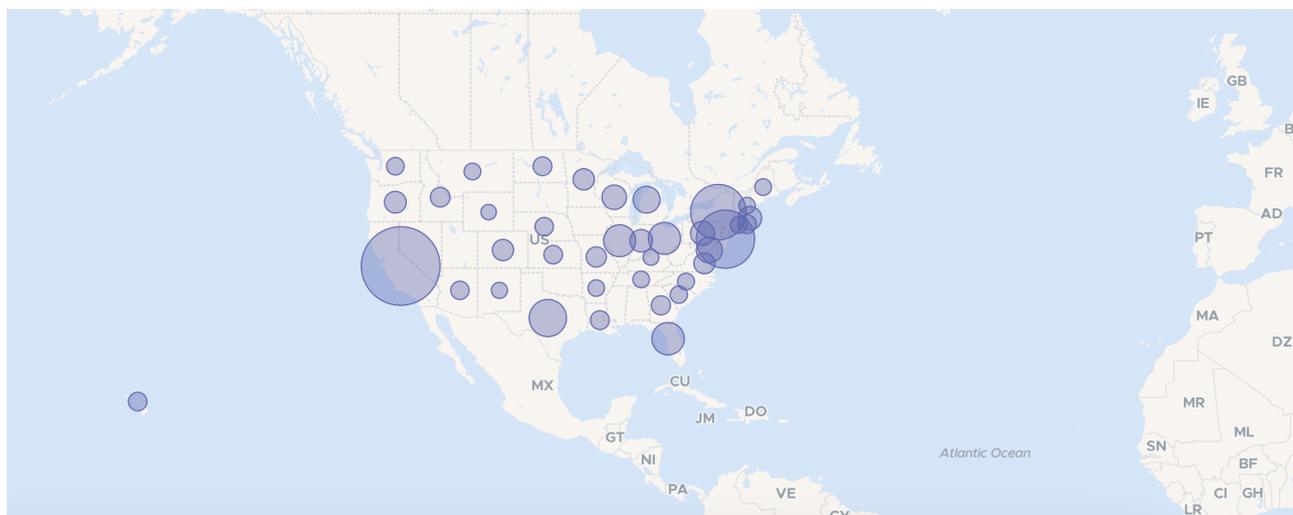
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- Showing bundles when visitors shop for individual products
- Offering limited-time deals for bundles to drive immediate sales
- Offering exclusive discounts, like free shipping

## Place: regional marketing strategy

A tailored approach to reaching customers in specific geographic regions can significantly boost your sales. This strategy is especially valuable if your business has a target audience in different regions.

Consider this sample geo-map of sales by location:



From the map, it's evident that this Shopify store generates more sales in California, New York, and New Jersey. With this data in hand, you can craft a regional marketing strategy using the following steps:

**Create regional/localized content:** Instead of using generic or standard messaging, use the language and tone that resonates with your target audience. Including local traditions and cultural references in your content can help you connect with your audience.

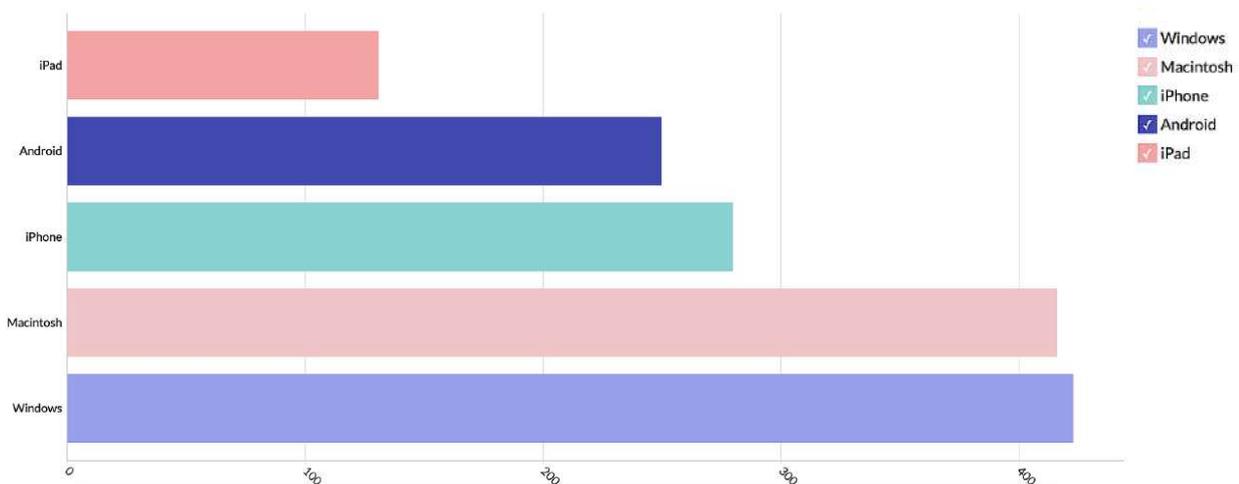
- **Leverage regional SEO:** Optimize your website for regional search terms—for example, brands that are particularly popular in California.
- **Run regional ads:** You can use traditional advertising methods, such as TV ads and billboards, or online ads, such as search ads and social media ads, targeting these regions.

## Personalization: personalized marketing strategy

Customized marketing campaigns and personalized experiences have the potential to boost customer satisfaction, loyalty, and sales.

For example, if most of your customers belong to a specific age category, you can create personalized emails, product bundles, and social media posts that truly connect with them.

Similarly, if more customers access your website from mobile devices or tablets rather than desktops, you must ensure that your website is fully responsive. To identify where to focus your efforts, refer to the below 'Accesses From Devices' sample report, like the one below:



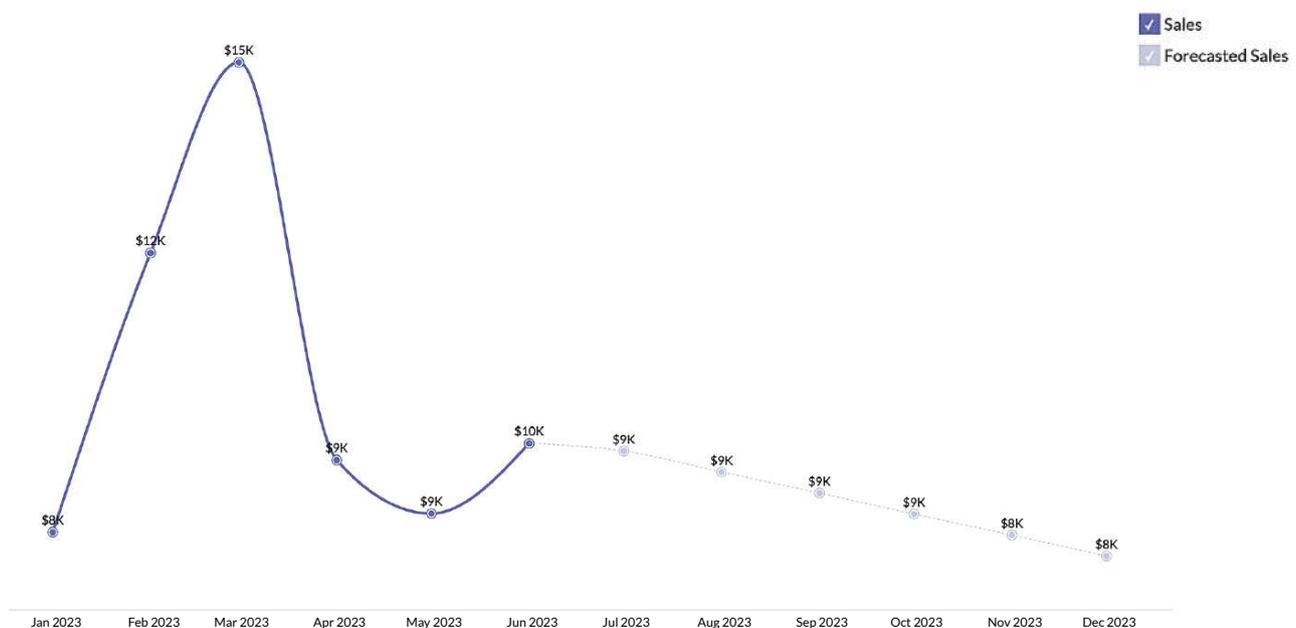
Now that you have a clear understanding of the key areas to focus on and the marketing strategies to work on, it's time to track the essential sales reports that will keep you updated on your performance and help you optimize your strategies.

## Essential sales reports you should be tracking

Sales reports offer valuable insights for tracking and optimizing your Shopify store's performance. Shopify provides a large amount of data, and your goal is to extract meaningful insights from the data clutter.

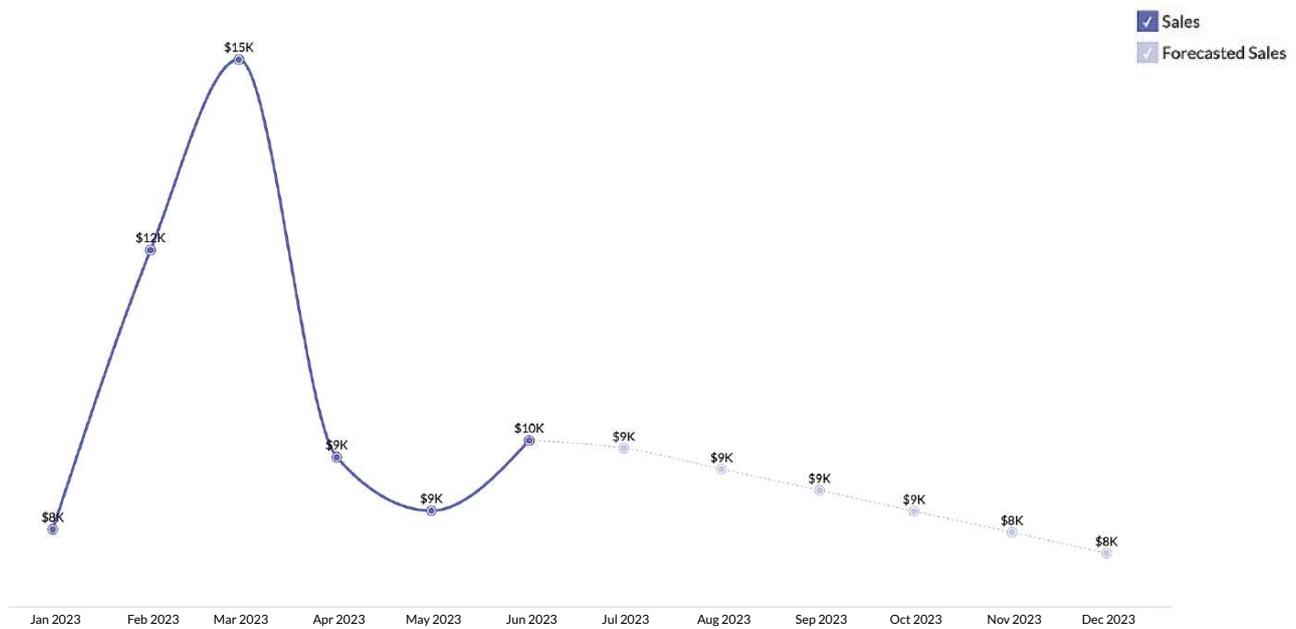
Here are the eight essential sales reports you should keep an eye on:

- **Monthly sales trend:** The monthly sales trend report allows you to compare the current month's sales with those of the previous month. This helps you understand sales patterns, validate sales strategies, and challenge commonly held assumptions.



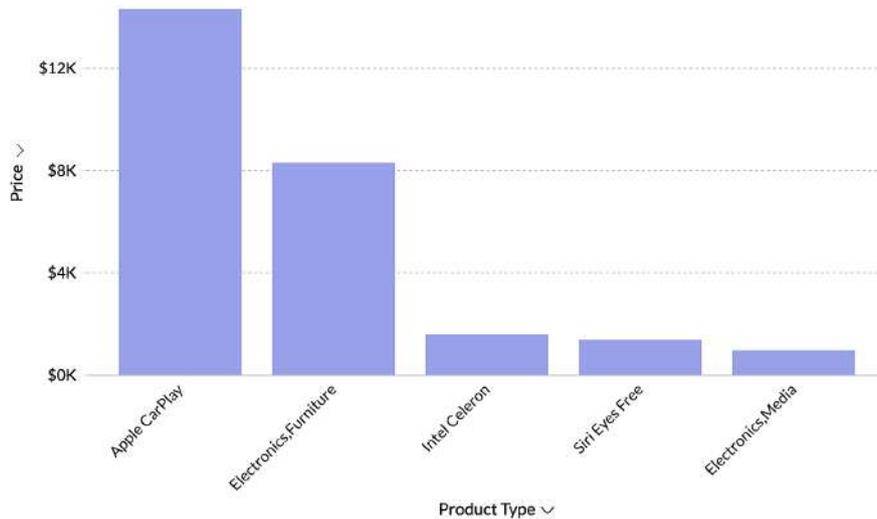
It's also a valuable tool for sales forecasting, helping you allocate resources, set realistic targets, manage inventory, and plan your course of action.

- **Sales by source:** An online store attracts visitors from a variety of sources, including social media, affiliate programs, search engines, and more. As an ecommerce store owner, you might wonder where to invest your time and money.

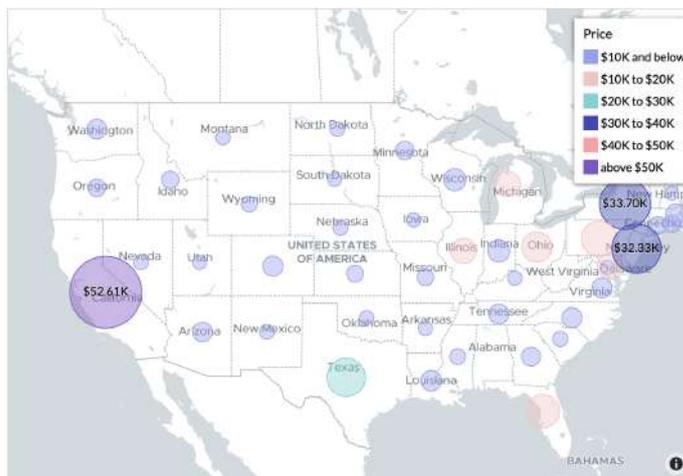


The sales by source report provides insights into the top-performing channels and guides your business efforts in the right direction.

- Sales By Product Category:** Analyzing the performance of product categories can impact marketing decisions, stocking choices, and more. If you're a dropshipper, this report can help you identify the types of product categories worth considering for investment.



- Sales by region:** A geo map can visually highlight sales hotspots by analyzing the size of the sales bubbles. For example, if New York emerges as a sales hotspot, you might tailor your marketing campaigns to resonate with the regional culture.

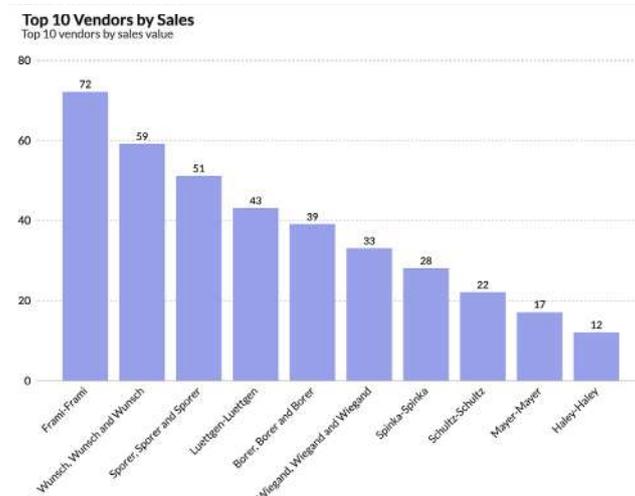


- Monthly Average Order Value:** The monthly AOV report reveals the average order value spent by customers each month. An increasing AOV trend indicates improved business performance, as customers are placing orders for higher amounts compared to previous months.

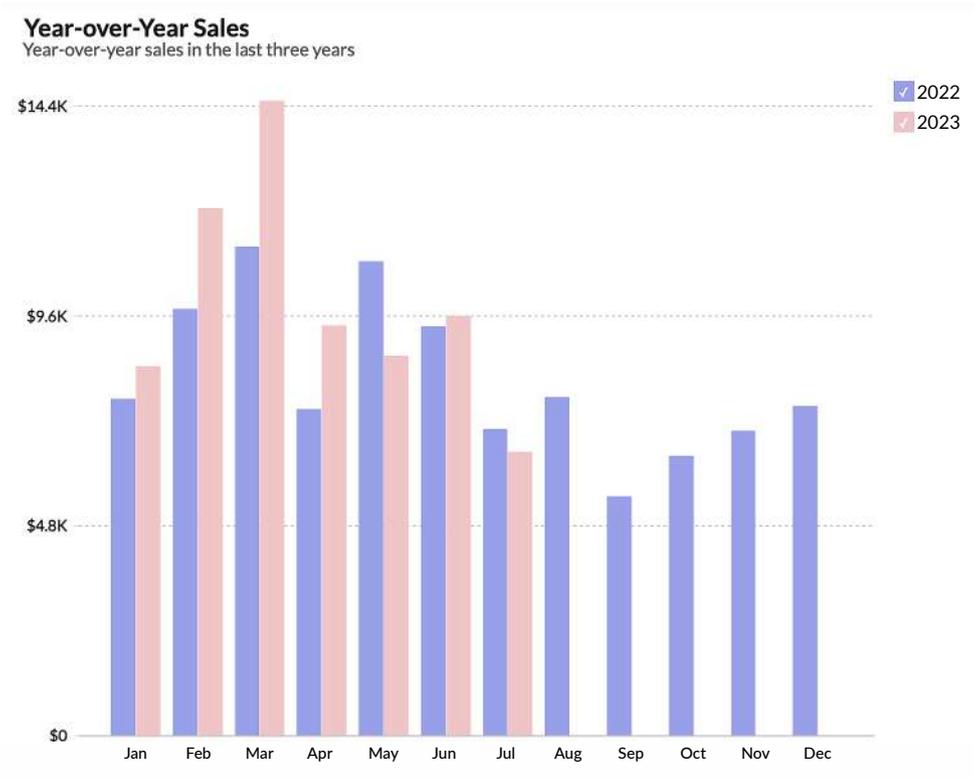


You can also use this data to forecast AOV for upcoming months and devise strategies accordingly.

- Sales By Vendors:** As a Shopify merchant, you may often source products from multiple vendors. The 'Sales By Vendors' report identifies the top vendors whose products contribute to the majority of sales in your store.

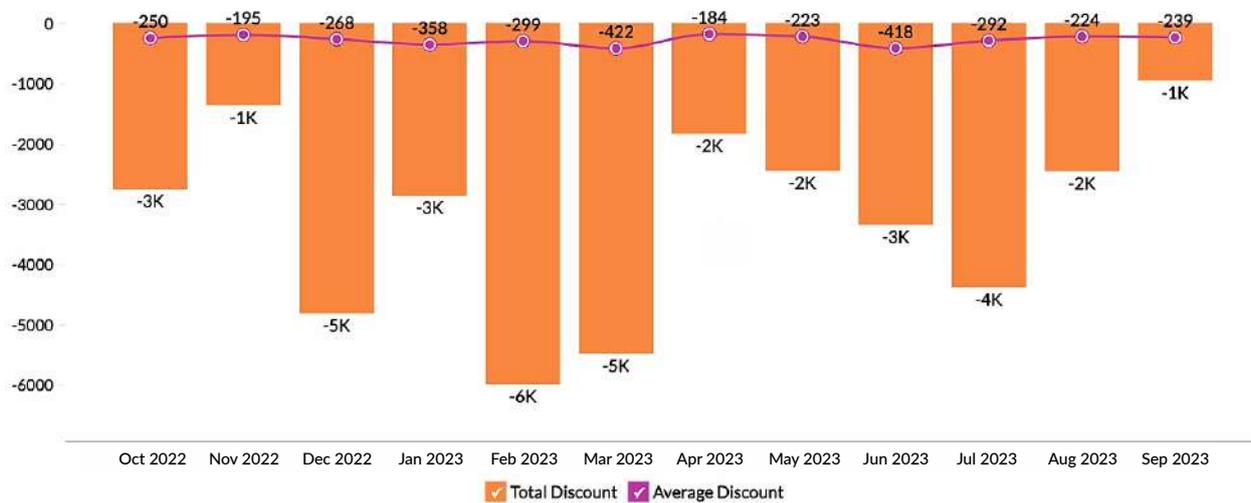


- **Year-over-Year Sales:** Comparing year-over-year sales helps you understand your business's growth over the years and identify trends in seasonality. This insight is invaluable for making informed decisions.



For example, suppose you usually experience a sales spike in a particular month each year, and it doesn't happen as expected this year. In that case, you'll need to analyze the situation and re-evaluate your sales strategies, considering factors like new competitors.

- **Overall Discounts Monthly Trend:** To attract more customers and increase order conversions, you may offer amount-off discounts. Tracking the discounts used by customers every month is essential for a better understanding of customer behavior and to optimize your discount strategies.



These reports will be your compass for navigating the complex e-commerce landscape and help you fine-tune your strategies and drive your Shopify store toward greater success.

# Advanced Shopify Analytics with Zoho Analytics

Shopify offers basic analytics for starters, but for high-growth businesses, deeper insights are often needed to drive and sustain sales. Thankfully, advanced analytics apps like Zoho Analytics deliver a wide range of prebuilt Shopify reports and unlimited custom reporting capabilities.

With Shopify reporting from Zoho Analytics, you get:

- 100+ ready-made Shopify reports and dashboards
- Sales, order, inventory, customer, and shipment analytics
- 50+ visualizations for Shopify reporting
- AI-powered Shopify Analytics
- Scheduling emails and smart alerts

You can also install Zoho Advanced Analytics, a Shopify-certified analytics app, by starting your 15-day free trial and exploring Shopify sales reporting on your own.

## Customer case study

Let's look at a case study of a Shopify store that identified issues early on and saved both time and money by using Zoho Analytics.

## Background

Ecom Ventures is a B2C brand factory that runs ecommerce stores and directly sells to customers in all major product categories, including skin care, accessories, and much more.

## Challenges

- Import and blend data from multiple applications
- Analyze and create insightful departmental and organization-wide reports
- Enable secured sharing of reports with user-based permissions

Since implementing Zoho Analytics, they've:

- **Increased productivity:** From 2-5 days per week spent on analytics to just a few minutes
- **Increased accountability:** Leads to the right action by the right team.
- **Gauged pulse of the company:** Enable end-to-end business performance tracking.
- **Collaborated effectively:** Easy sharing of dashboards across locations and devices.



**Juan Martitegui**

Co-Founder, Ecom Ventures

"For me, Zoho Analytics is a complete BI solution to look into and diagnose my business very quickly, that too in an ever-changing e-commerce environment. This solution helps us to look at trends and detect things early, saving us a lot of time and money.

In fact, in the recent COVID-19 times, we were able to calculate the amount of returns we would get by looking into insights and optimizing orders from our suppliers accordingly."

# Conclusion

In this ebook, we've covered the essential Shopify KPIs, focus areas, marketing strategies, and sales reports to track. From understanding your customers' behavior to optimizing marketing strategies and ensuring a smooth order fulfillment process, data can be your supporting force.

And, [Shopify Analytics](#) can help you use the data efficiently.

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Dive into Shopify Analytics and boost your online store's sales with Zoho Analytics.

Sign up for a [15-day trial with Zoho Analytics](#), connect your Shopify store, and start analyzing your business performance. It only takes a few minutes to complete the setup, and you can start deriving insights right away with the pre-generated reports and dashboards.

In addition, you can also install [Zoho Advanced Analytics app](#) from the Shopify app store and assess your store performance right within your Shopify portal.



Want to experience the power of Zoho Analytics live?  
Register for a [personalized demo](#).

Have questions or need clarification? Write to [support@zohoanalytics.com](mailto:support@zohoanalytics.com)

