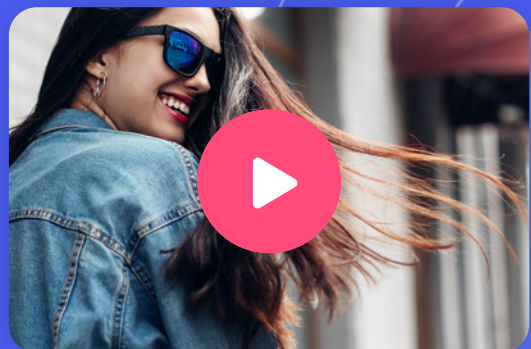


The Bazaarvoice channel mix study

Discover how a PESO framework can help balance paid, earned, shared, and owned efforts to win the digital shelf



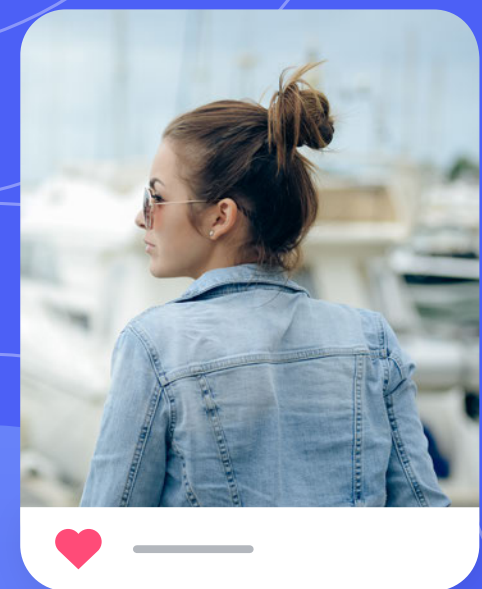
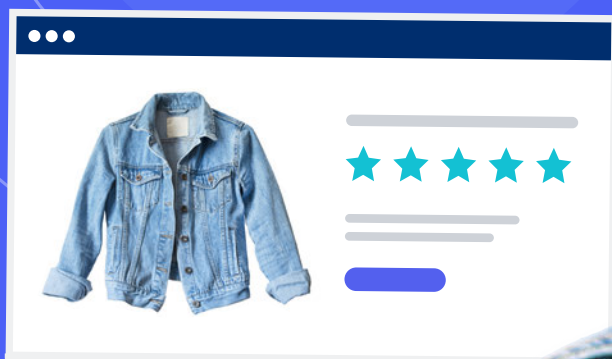
PAID



EARNED



OWNED



SHARED



bazaarvoice™



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Introduction

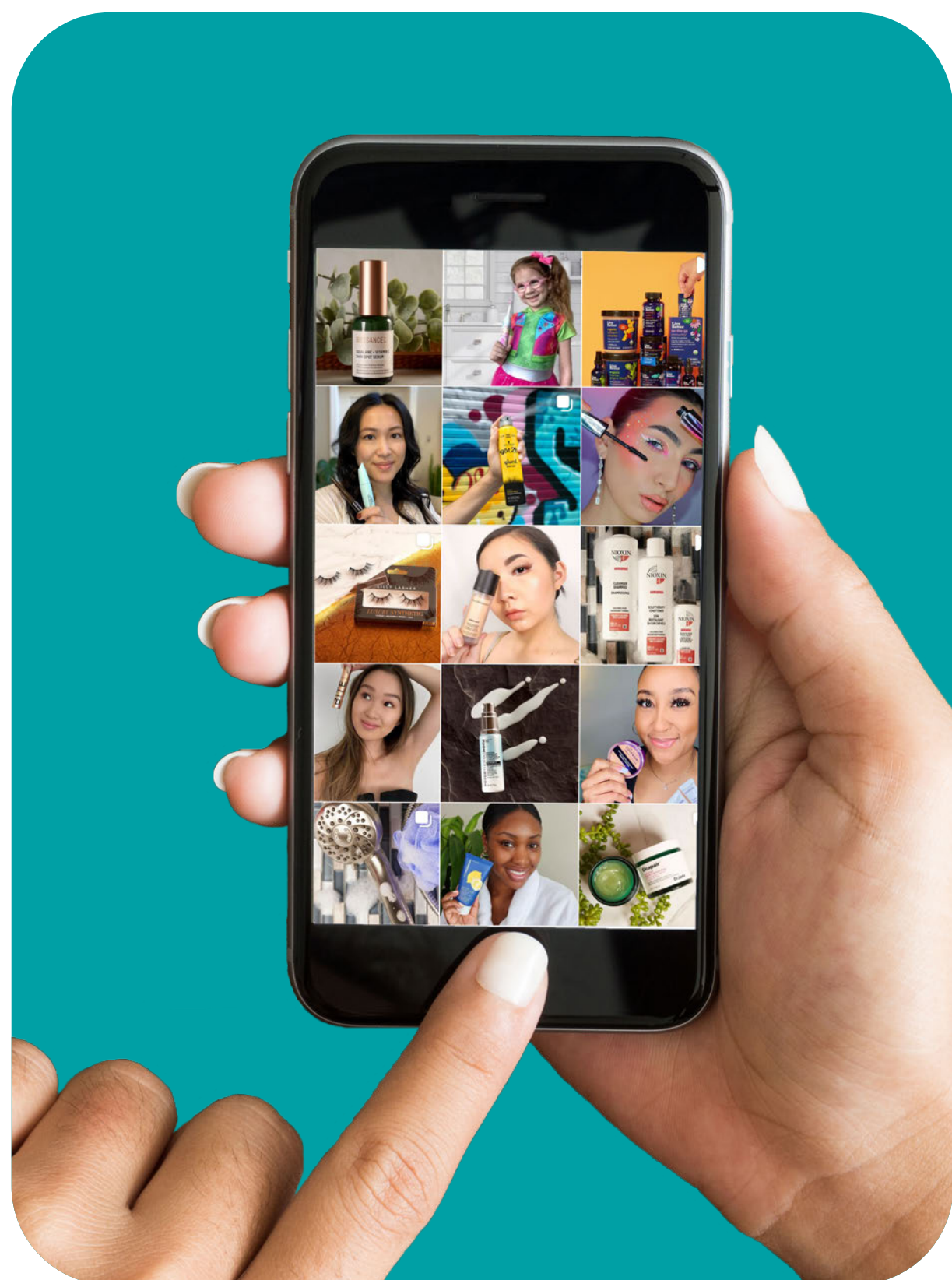
Commerce today happens wherever and whenever brands and shoppers find each other. And with instant and always-on connectivity, commerce is everywhere—always at our fingertips, online and offline.

Engaging consumers by pushing messages through advertising no longer works. And as shoppers embrace the return to more personal, conversational experiences, brands must connect their paid, earned, shared, and owned content efforts into a cohesive content strategy that nurtures these human-to-human connections.

The one constant across it all? The voice of the customer is key.

But are brands keeping pace with these shopper demands?

We surveyed over 400 brands and retailers from six countries (UK, US, Canada, Germany, France, and Australia) to find out¹. The report explores how brands and retailers are increasingly evaluating their channel mix, especially as a recession looms. As businesses focus on maximizing ROI and ROAS (return on advertising spend), optimizing their channel and content mix with a balance of paid and organic will become absolutely business-critical.



For years, brands have always leaned on paid channels to amplify branded content, tactics, and offers. In fact, more than \$700B was spent on paid advertising alone in 2022. Now we are seeing a rebalancing to optimize the MMM (marketing mix modeling) as consumers are yearning for organic content from other shoppers i.e. earned and shared content and channels. As Bazaarvoice's CMO, I too am hunting for the perfect mix.

Zarina Stanford | CMO at Bazaarvoice

Most content teams (and budgets) are siloed

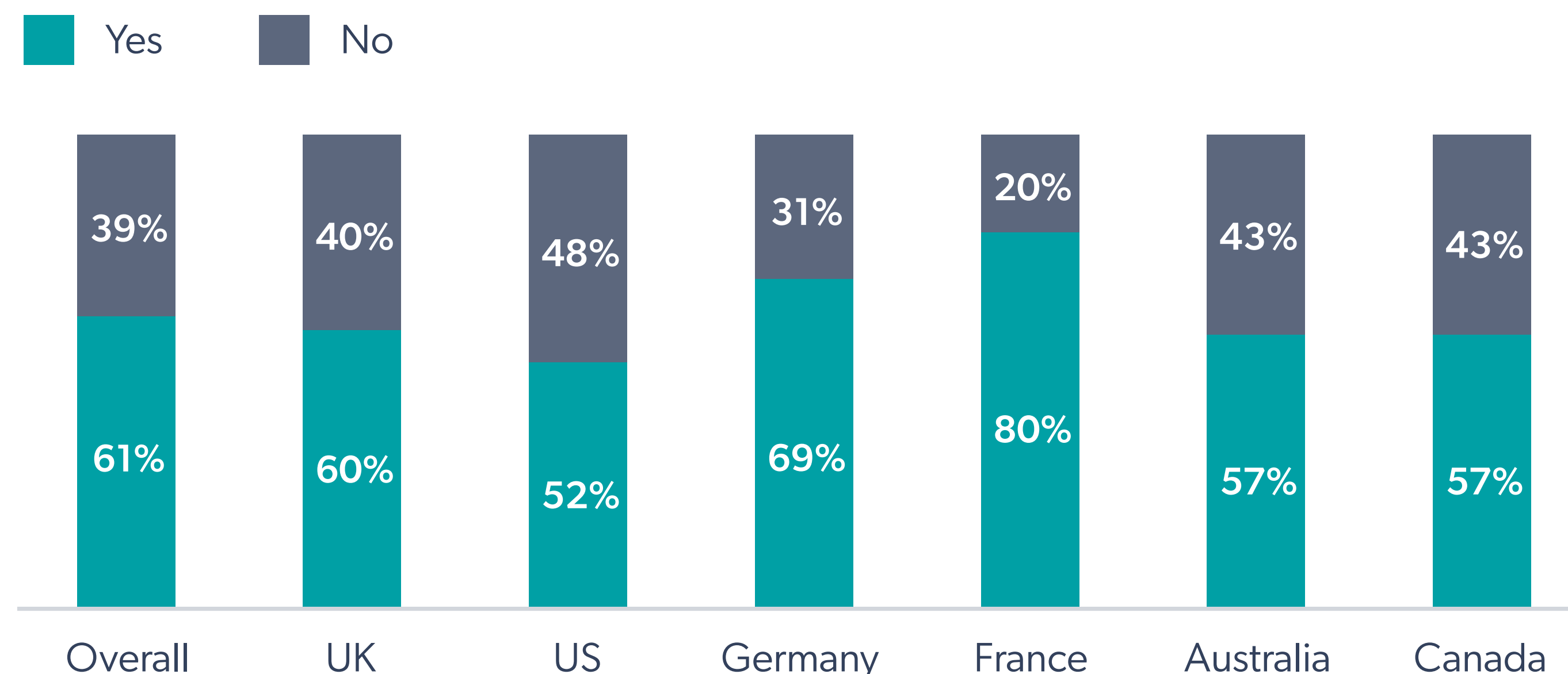
Content is king AND queen. Yet, many brands and retailers still don't have a holistic, company-wide content strategy, with most survey respondents identifying their content teams as siloed.

61% of respondents said their e-commerce, content, and social resources sit on different teams. While 70% of these teams report they are fully aligned on content production, the remaining 30% are only somewhat or not aligned on content efforts. And only 17% of brands and retailers have a centralized budget that does not divide paid, earned, shared, and owned (PESO) content.

Content alignment also varies significantly by region.

Businesses in France are most likely to have their content and social resources sit in different teams (80%), while those in the U.S. are least likely (52%). 84% of U.S. and 80% of German companies were most likely to say their e-commerce, content, and social teams were fully aligned on planning and executing content — while those in Australia were least likely (56%).

Q. DO YOUR E-COMMERCE, CONTENT AND SOCIAL RESOURCES SIT IN DIFFERENT TEAMS?



The PESO model blends four media types — paid, earned, shared, and owned — into an integrated and measurable communications strategy. It integrates:

- **Paid:** Advertising content and channels you pay for
- **Earned:** Non-paid content created from publicity
- **Shared:** Organic user-generated content created by customers
- **Owned:** Content and channels you create, own, and manage



Asked which elements could be better aligned, 100% of U.S. respondents said their content strategy could be better aligned. Many also reported their teams could be more aligned on content planning (57%) and business reporting (43%).

Canadians were most likely to say teams needed better alignment on objectives (71%), Germans were more likely than other countries to say goals (40%), KPIs (80%) and content planning (60%), the French were more likely to say budget (46%), and Australians the most likely to say same reporting lines (17%).

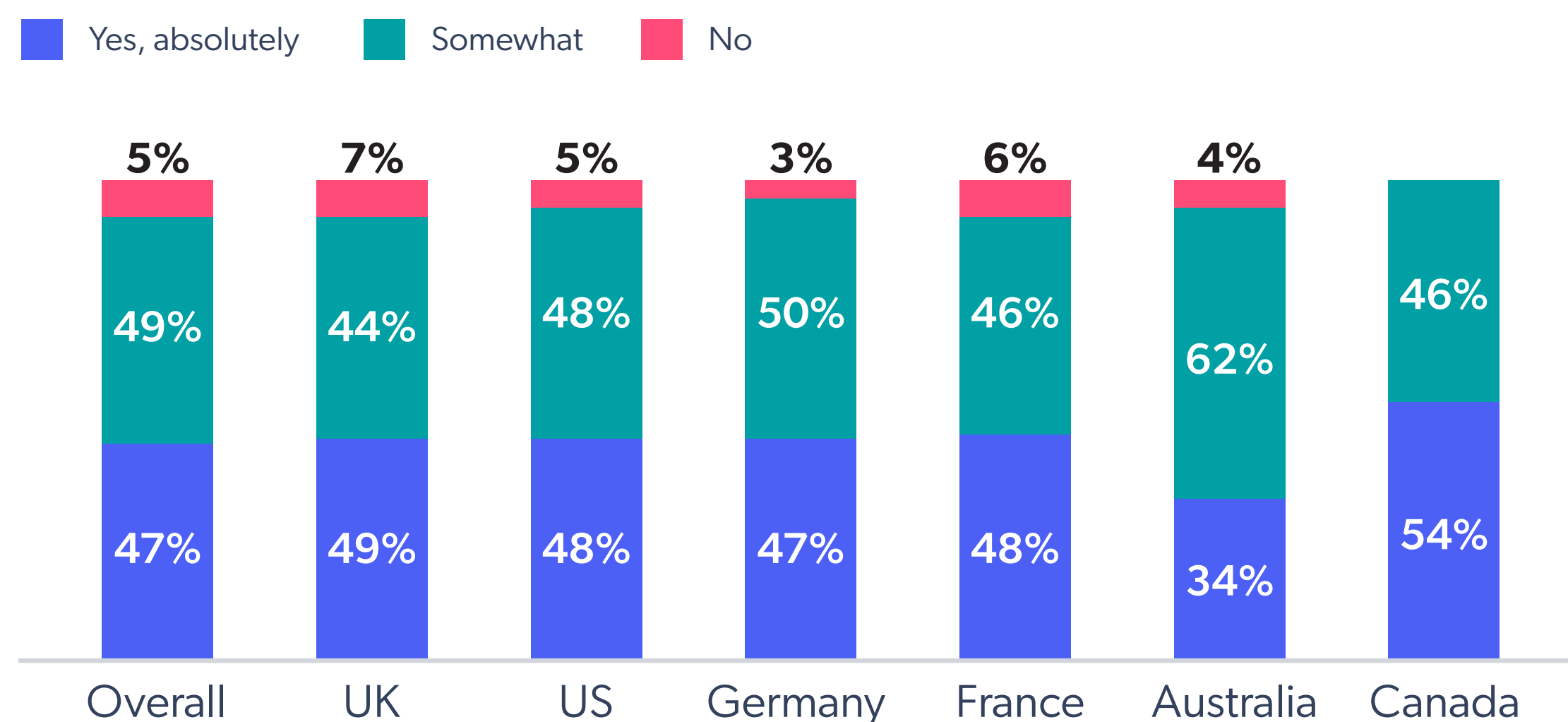
The siloed approach to content planning and execution makes it unnecessarily challenging for brands to keep up with content demand. Overall, only 22% of our survey respondents said they keep up with demand for fresh content and minimum retail requirements.

Paid media faces headwinds

Thanks to deprecation of cookies and other third-party identifiers, paid media is getting less effective, harder to manage, and trickier to measure. 47% of survey respondents can measure the success of their paid advertising activities, while 48% reported they could “somewhat” measure their paid performance. 5% said they could not gauge the success of their paid advertising at all.

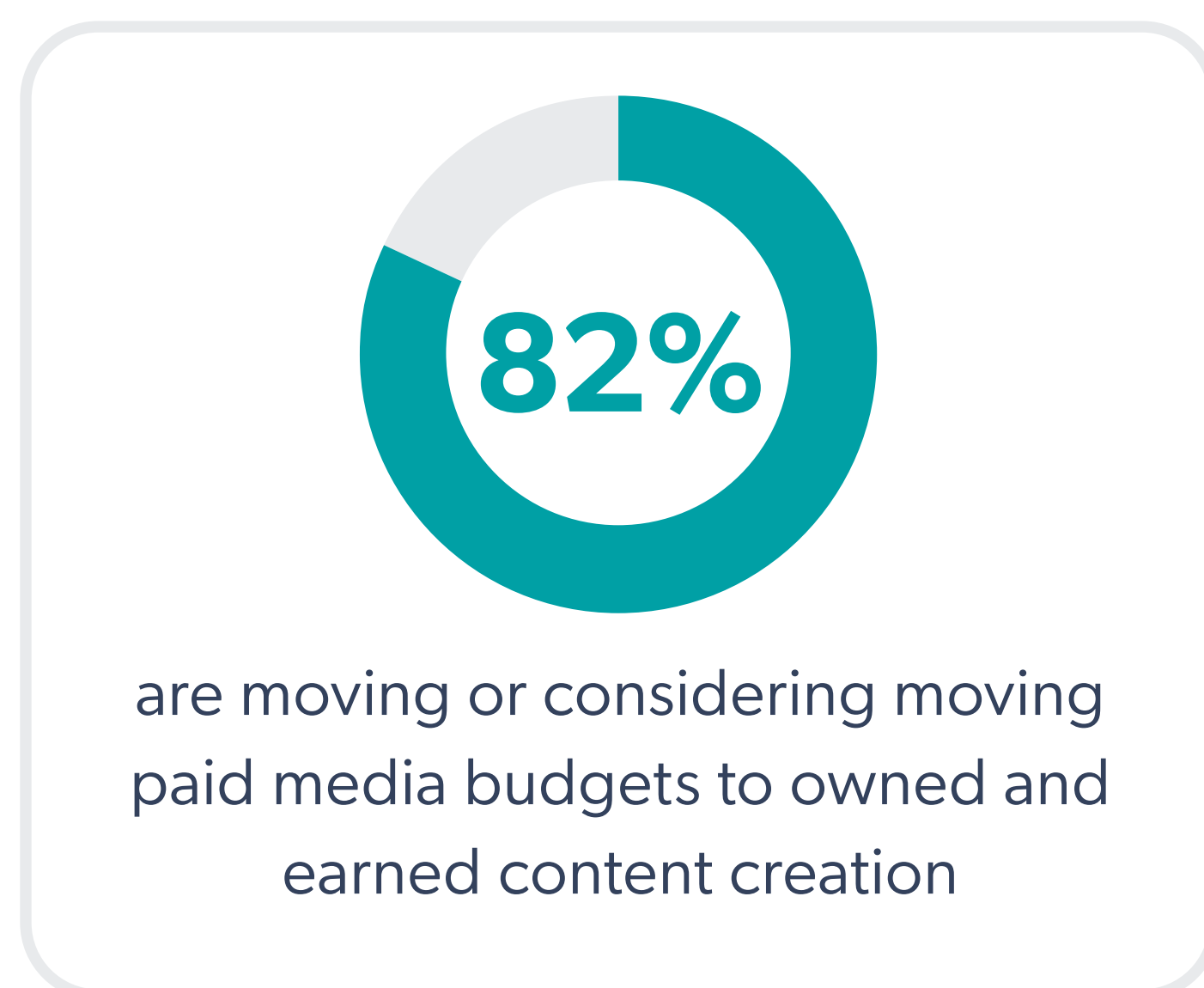
Australian businesses were least confident in their paid measurement capabilities, with only 34% responding they can absolutely gauge success. Canada topped the scale with 54% of brands and retailers fully confident in measuring paid activity.

Q. CAN YOU GAUGE HOW SUCCESSFUL YOUR PAID ADVERTISING IS?



With over half of our respondents feeling less confident in measuring paid performance, paid advertising initiatives may be on the chopping block.

82% of respondents are moving or considering moving paid media budgets to owned and earned content creation. And this chunk of change could be significant — 4% of respondents would consider moving 6%-10% of their paid budget, and another 47% plan to re-allocate more than 10%.



SEO drives earned content performance

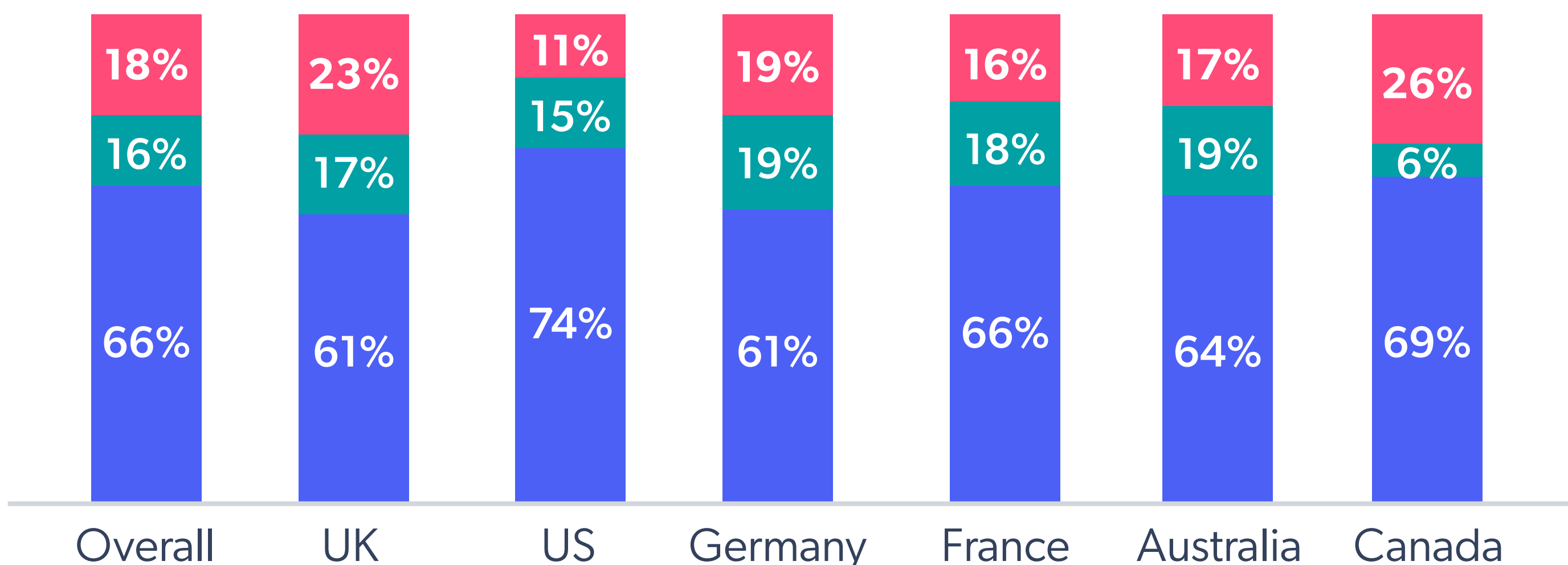
When it comes to earned content, search engine optimization (SEO) offers one of the strongest returns on investment — up to 12:1². Optimizing your product pages for search can reduce the cost of customer acquisition by 87%³. Not only does SEO bring more traffic to your website, but an effective SEO strategy can also improve conversions and drive revenue across channels.

According to our survey, 66% of companies have made SEO/organic search a critical part of their content strategy, but the numbers vary across geographies. Brands and retailers in the U.S. are most likely to say they make SEO/organic search a critical part of their content strategy (74%), while those in Germany and the U.K. are least likely (61% for both).



Q. IS SEO A CRITICAL PART OF YOUR CONTENT STRATEGY?

■ Yes, absolutely ■ Somewhat ■ No



What does social commerce have to do with SEO improvements?

Fresh content from reputable sources is a major component of Google's ranking criteria. One of the best ways to add this content to your product pages is through user-generated content, like product reviews and Q&As.

Google recognizes that when it comes to products or services, customers are the experts. The search engine considers product pages with **authentic customer reviews** to be authoritative sources — and rewards them in the rankings.

Customers also naturally include valuable keywords in their content, boosting your page's potential to rank as search engines crawl the new content.

Leading businesses are embracing shared content

Brands and retailers increasingly recognize the importance of shared content, often curated through social media. 62% of our respondents said they have a robust strategy in place around social commerce, and another 25% are currently working on it.

Nearly a third (29%) of shoppers turn to social platforms to research products⁴, and 74% report that shopper photos increase their likelihood of buying. 50% of consumers say these shopper photos make them more confident in a purchase than the brand's professional photos⁵.

Your social media channels and the social content you bring to your brand sites (and other experiences) are increasingly important throughout the many stages consumers move through as they make purchase decisions:

Show me.

Use content that shows what a product looks like in real life. Feature helpful product photos and videos that showcase sizing and fit.

Convince me.

Consumers want to see products in context, from consumers they can relate to. For example, how would this coat look on a small frame?

Inspire me.

Shoppers might not know what they're looking for. Social media content can inspire shoppers to buy things they didn't know existed.

But it's not just social content that convinces consumers to buy — other user-generated content like reviews, Q&A, and quotes also play an important part. 78% of people say product reviews from other customers are the most influential factor in their purchase decisions⁵.

Given its ability to attract and convert shoppers, 86% of our survey respondents believe that more authentic user-generated content in their paid and owned media would improve the performance of their ads and content.

The economy is driving budget cuts

With today's economic uncertainty, brands and retailers are expected to do more with less. 61% of respondents said the recession would impact their budget, and another 20% are unsure. Of these, 81% expect to reduce their marketing budget, and 34% expect to reduce their team's headcount.

As a result, ROI is under increased scrutiny. 73% of survey respondents are focused on improving their marketing dollars' ROI, and another 17% plan to.

These budget cuts come at a time when consumers are demanding ever more content. Companies have increasing content needs to support personalization initiatives, as well as ongoing product page search engine optimization programs. Shoppers also consume content in many channels and prefer different kinds of content at different stages of the buyer's journey.

The result is you have to acquire more content, and you have to do it at a lower cost. The only way to make it happen is through extreme efficiency — **you need to be able to build and scale reusable, fit-for-purpose content that drives ROI.**

The 'AND' approach to channel and content mix

While paid and owned efforts are expensive and resource-intensive, adding more earned and shared content to your mix brings efficiencies to your production — and drives results.

Unfortunately, many marketers are getting tripped up by channel bias. We naturally focus on the things we have the most control over and the things we're investing in most. For brands, that's typically owned content promoted via paid advertising.

This focus on creating and promoting owned content comes largely at the expense of shared and earned content. This approach is the complete opposite of what customers want. 36% of the 8,000+ shoppers surveyed in our 2022 Bazaarvoice Shoppers Experience Index said brand advertisements do nothing for them when making a purchase decision. Shoppers spend their time in earned and shared channels. 69% of shoppers have been inspired by social media to make a purchase through another channel⁵.

The Channel Bias

To better meet consumer demand under economic pressures, brands should think more holistically about a cohesive channel mix that shifts the mix toward shared and earned channels. We call it the 'AND' strategy. It's not one type of channel over another. This strategy ditches the channel bias and requires a re-balancing of paid, earned, shared, AND owned channels according to shopper preferences.

Consumers are

2.4x

more likely to say UGC is more authentic than branded content



It's time to rethink the MMM (marketing mix modeling), as consumers are yearning for organic content from other shoppers on social channels that they're more comfortable using. Marketers need to rebalance the paid, earned, shared, and owned (PESO) channels.

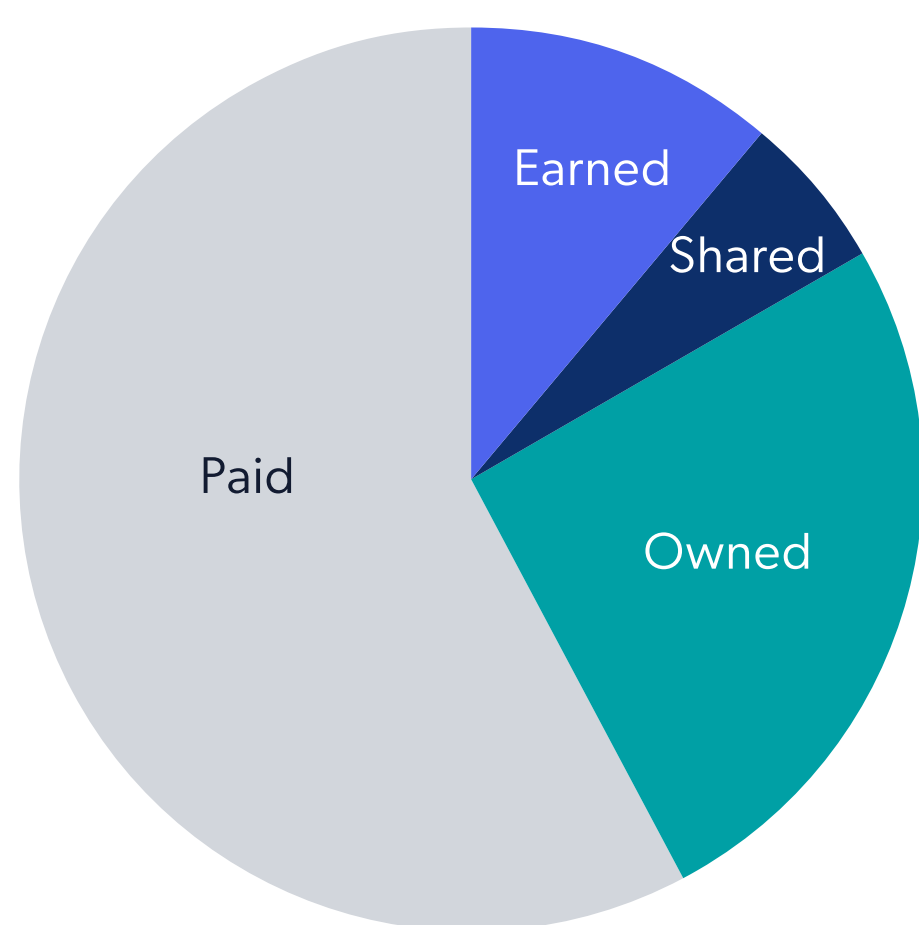
Zarina Stanford
CMO at Bazaarvoice

As you focus more on earned and shared channels, there are implications for your content strategy too:

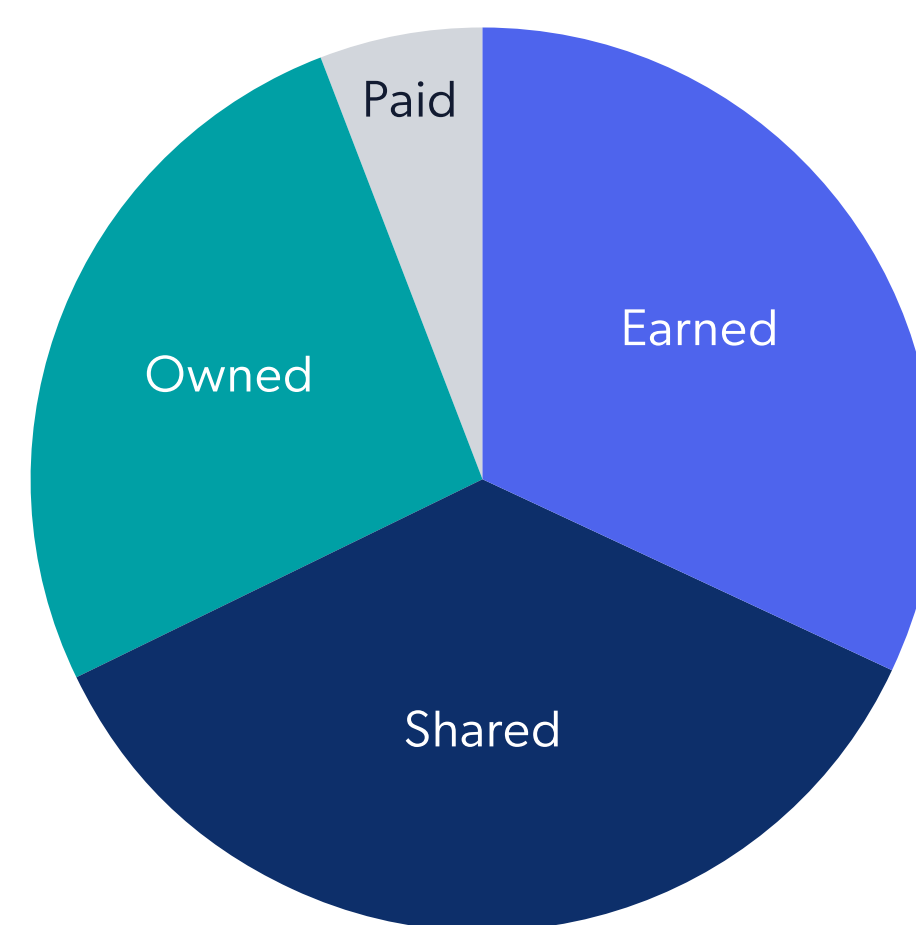
- **Content recency:** What is the most cost-effective way to create high-quality content and keep it fresh? Especially when you consider that typically branded content takes over eight weeks from design to production.
- **Scale:** How can you scale to meet the appetite of the shoppers consuming fresh content at an astronomical pace?
- **Authenticity:** How do you ensure all your content is authentic and trustworthy?

When it comes to content strategy and budgets, many marketers have a content bias towards branded content. Activating user-generated content as part of your content supply chain addresses these needs for content recency, scale, and authenticity.

BRAND INVESTMENT



SHOPPER PREFERENCE



Considerations

Content recency

Scale

Quality

Authenticity



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The Content Bias

A digital content supply chain approach allows you to shift your marketing strategy from content creation to content collection, curation, and distribution — to gain economies of scale. You'll end up with authentic, user-generated content that consumers prefer.



Populate rich PDPs with branded and organic content

An 'AND' content strategy, powered by an efficient content supply chain, not only helps you deliver on consumer demands within budget — it's also key to winning the digital shelf.

The popularity of social is impacting our commerce experiences off of social. Optimize your digital shelf to grow wherever your customers are, including all the channels and touchpoints where people discover, learn, and buy from your brand online.

The convergence of paid, earned, shared, and owned content (and how shoppers interact with that content) is giving rise to the **rich product detail page (PDP) — a shopping experience that flips the traditional e-commerce experience on its head.**

The rich PDP aids shoppers in buying decisions

Unlike the traditional product page that begins with a product and surrounds it with supporting content, the rich PDP begins with images and other user-generated content, which serve as a gateway for learning about products.

Since research is a key factor in a shopper's journey, it's important to facilitate learning through your content. 74% of online shoppers conduct research before making a purchase, 59% in-store shoppers show the same behavior⁴.

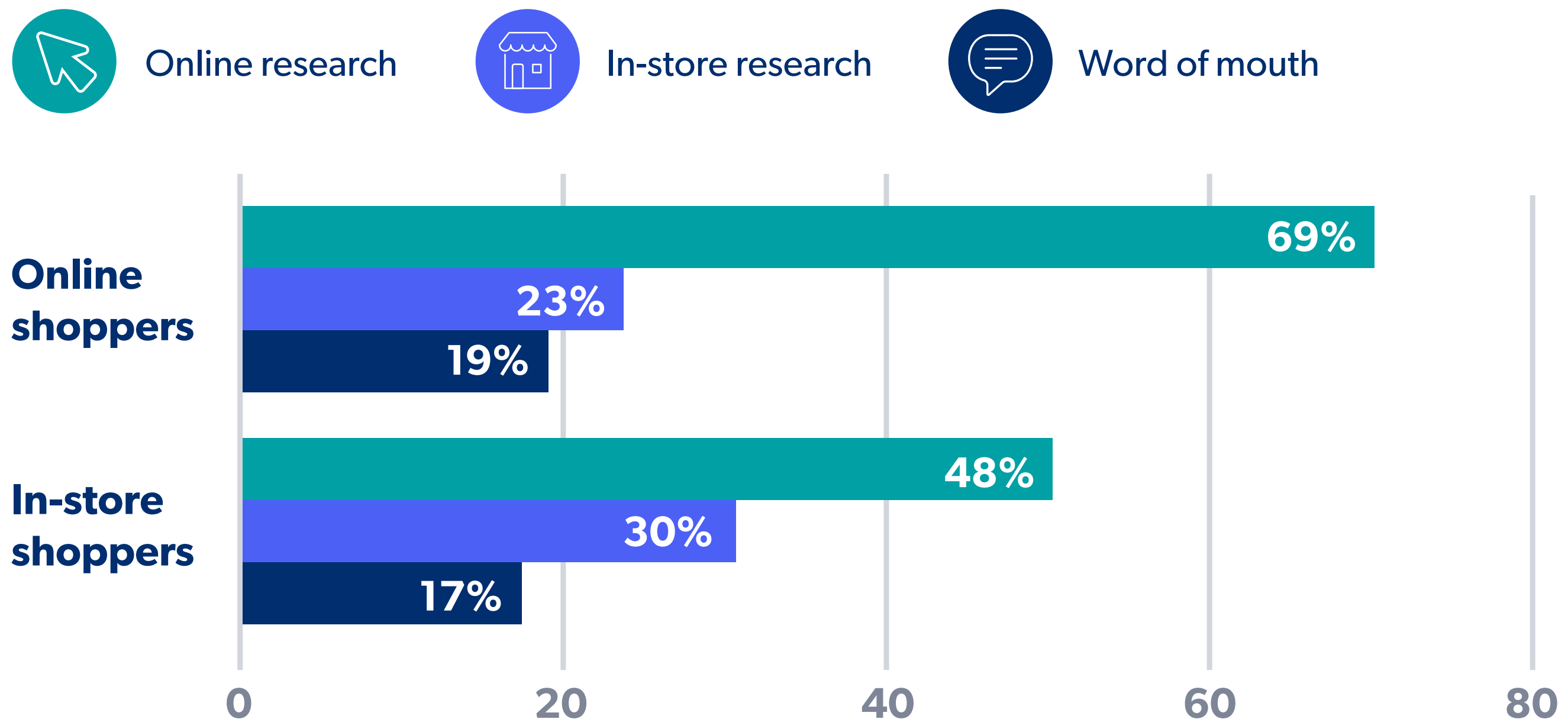
Online shoppers primarily conduct this research through:

- Web browser searches (64%)
- Brand websites (60%)
- Retailer websites (55%)

55% of in-store shoppers also conduct research through web browser searches⁴.

User-generated content, like reviews and shopper photos, plays a key role in the research process for online and in-store shoppers. From images and videos to ratings and reviews, user-generated content represents some of the top things shoppers look for to make confident purchases.

SHOPPER RESEARCH BEHAVIOR PRIOR TO PURCHASING



Shoppers' research preferences

When shoppers interact with relevant user-generated content, brands and retailers see up to a 145% lift in conversion, increased revenue per visitor, and increased average order values⁴.

Balancing and organizing your various types of content into rich PDPs allows them to serve as one central repository to efficiently populate all of your touchpoints — social, search, web, apps, syndication, and in-store displays — with content that drives conversions.

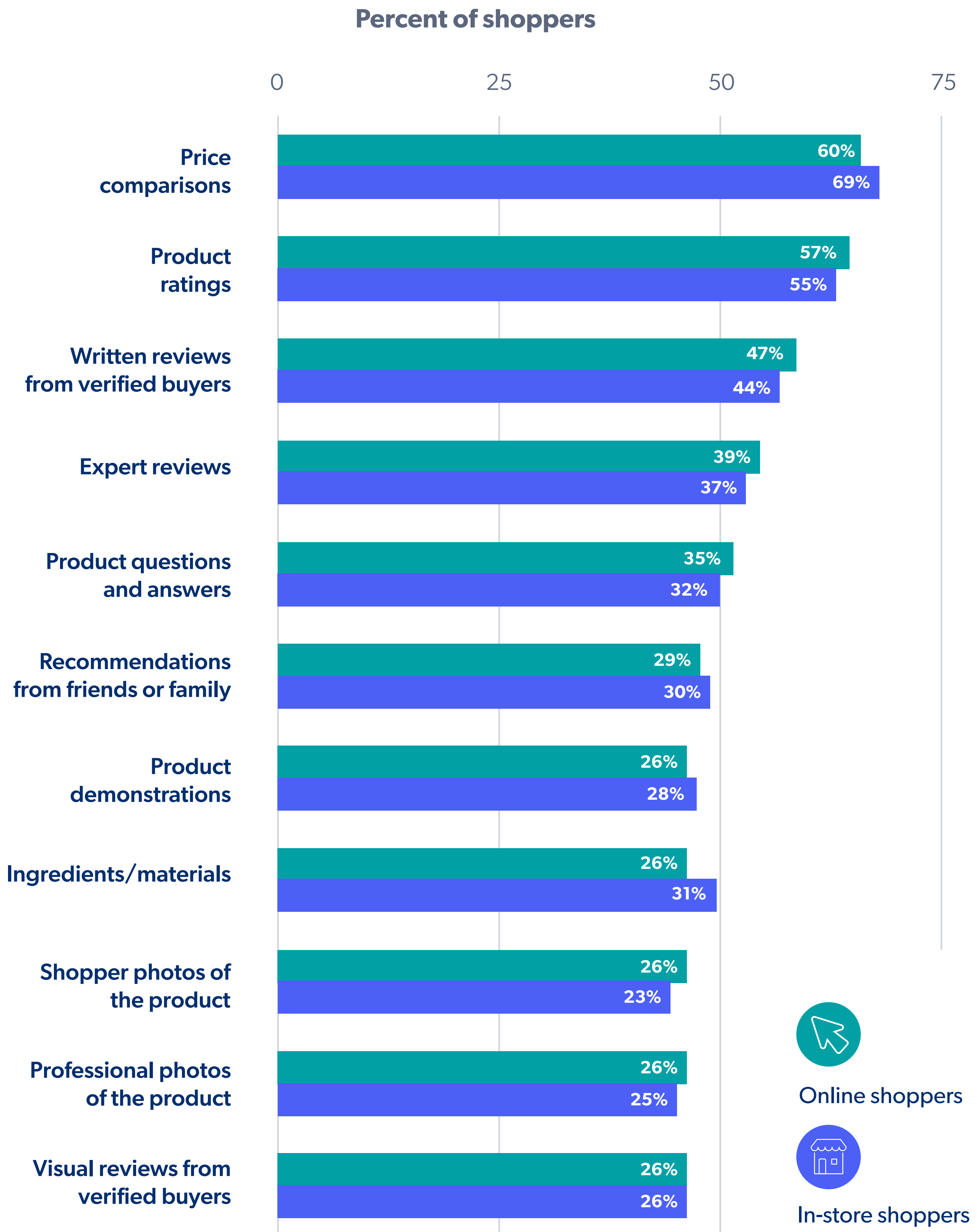
This is how you will win the shelf (both digital and IRL).



Wherever you are and whatever your industry, balancing the content and channel mix is key. Let us help you find your bazaar voice. #findyourbazaarvoice.

Zarina Stanford | CMO at Bazaarvoice

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Five recommendations for crafting the optimal channel mix

1. Assess your internal channel and content biases

Assess the current landscape. Pinpoint the channel mix and content strategy imbalances. Ascertain the greatest possibilities and calculate the probable return on investment and the content production cost savings if a different mix of media and channels were leveraged.

2. Tune to the watering holes your shoppers flock to

To understand the wants and needs of your customers, observe the channels they frequently visit. Create content that resonates with them and make sure to be in the right place, at the right time, with the right context to reach them.

3. Scale impact by aligning your channel mix to shopper preference

Grasp the inclinations of your customers and modify your channel blend suitably. Make the most of the channels your customers use and respect frequently.

4. Establish your AND strategy

Brands should center their efforts around an AND approach, with a strong focus on both earned and shared media. It is essential to move away from prioritizing paid channels and ensure that paid, earned, shared, and owned (PESO) channels are properly balanced to maximize your reach.

5. Prepare for the convergence of commerce and marketing

Go beyond small step-level changes in organizational design and transform to accelerated growth. To grow quickly, organizations need to break down boundaries, streamline processes, and work collaboratively. With the customer journey rapidly evolving, you must come together as a unified, ROI and customer experience-optimized team.

Supercharge your commerce engine with Bazaarvoice

Collect, display, and distribute authentic, user-generated content at scale to drive brand and pipeline growth while reducing your operating costs and enjoying greater ROI.

[Learn more](#)

References

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Thousands of the world's leading brands and retailers trust Bazaarvoice technology, services, and expertise to drive revenue, extend reach, gain actionable insights, and create loyal advocates. Bazaarvoice's extensive global retail, social, and search syndication network, product-passionate community, and enterprise-level technology provide the tools brands and retailers need to create smarter shopper experiences across the entire customer journey.

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Making shopping smarter.