



The Role of On-Site Search in a Changing Ecommerce Industry

How Brands, Retailers, and Marketplaces Are Leveraging New Search Technology to Deliver Personalization at Scale



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Executive Summary

When consumers engage with an Ecommerce website, many of them go straight for the search bar to find the products they need. This is one of the most basic steps in the customer’s journey toward a purchase; but for the retailer, it is a crucial moment that could make or break the sale.

Consumers are now accustomed to Ecommerce websites that deliver relevant search results in a matter of milliseconds. They also expect websites to know them—including their needs and intent—the moment they log on. As such, brand manufacturers, multi-brand retailers, and marketplace organizations must integrate advanced on-site search features into their websites to meet and exceed customer expectations.

This report explores how organizations in the Ecommerce space are currently using on-site search to deliver results for customers. Based on a survey of 200 retail leaders from the United States, Canada, Australia, and New Zealand, the report also outlines what steps organizations need to take in this space to optimize their search capabilities, engage in searchandising, and deliver AI-enhanced personalization at scale.

About the Respondents

The WBR Insights research team surveyed 200 respondents from companies headquartered in the U.S., Canada, Australia, and New Zealand to generate the results featured in this report. The companies represented are brand manufacturers, multi-brand retailers, and marketplace organizations. All the respondents are involved in the management of their companies' on-site search and discovery features.

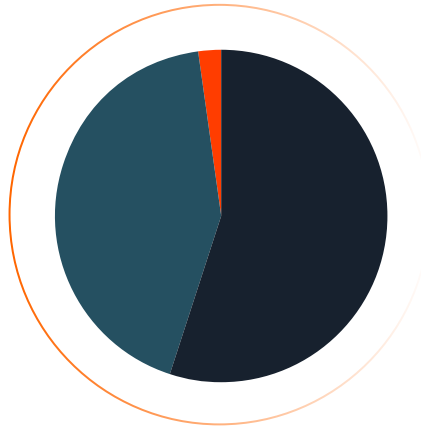
In which country is your headquarters located?

- 44% Australia
- 39% United States
- 11% Canada
- 6% New Zealand

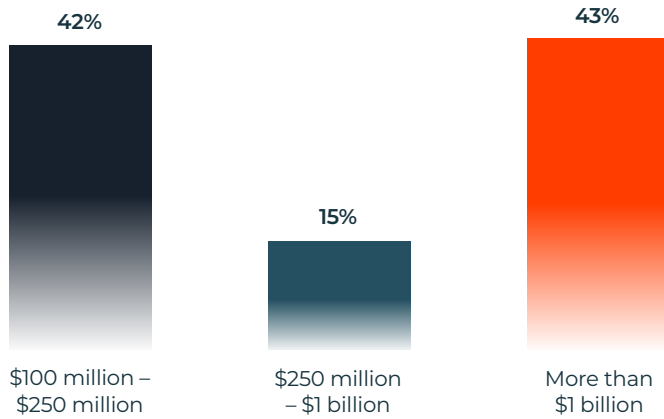


What type of company do you represent?

- 55% Multi-brand retailer
- 43% Brand manufacturer
- 2% Marketplace

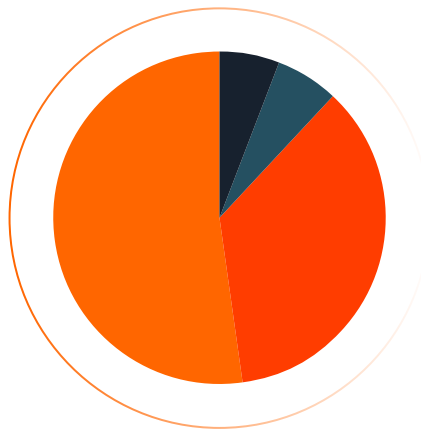


What is your company's annual revenue?



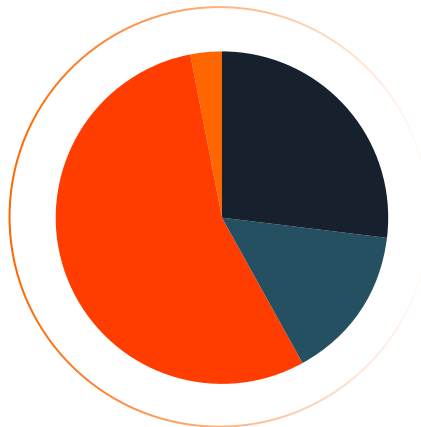
What is your seniority?

- 6% C-Suite
- 6% Vice President
- 36% Head
- 52% Director



What is your role?

- 27% Ecommerce
- 15% Online Merchandising
- 55% Marketing
- 3% Omnichannel



Key Insights

AMONG THE RESPONDENTS: | 🔍

- 80% consider their on-site search somewhat important (58%) or very important (22%) to their overall Ecommerce customer experience.
- 88% are somewhat confident (52%) or very confident (26%) in the quality of their websites' current on-site search.
- 56% claim their customers are somewhat often (44%) or very often (12%) frustrated by their search providers' slow query response times.
- Over one-third claim their customers have trouble finding products or information on their website somewhat often (29%) or very often (8%).
- Only 43% consider their on-site search a revenue driver.
- 40% consider product listing pages and 22% consider category pages among their most important website features.
- 46% currently provide personalized search capabilities, personalized ranking capabilities, and personalized experiences to users who return to their websites. Among only these respondents, 40% claim their search is bundled with their Ecommerce platform.
- 39% say they index new product information overnight, but most do so every four hours (15%), every 12 hours (25%), or every 12 hours or more (18%).
- 55% say they plan to invest 11% to 20% of their Ecommerce website budget into on-site search optimization over the next 12 months.
- 61% do not use any form of artificial intelligence (AI) as part of their on-site search technology, but 50% claim they are working on this capability.
- Those that don't currently use AI are concerned about costs (39%) or that AI will slow down search queries (39%).
- 41% say their executives view their website as difficult to manage, but they believe it delivers great results; 9% claim it is difficult to manage and delivers poor results.
- The top features they would like to see integrated into their on-site search capability are personalization (48%), recommendations (47%), and "searchandising" (45%).
- 44% claim their VP or Chief Marketing Officer (CMO) owns their budgets for search, but 38% claim their VP of Ecommerce both owns their budget for search and makes the final decision about search vendors.

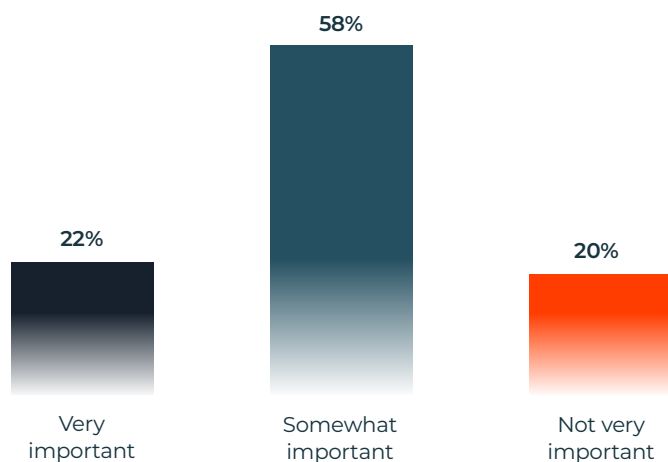


Ecommerce Businesses Struggle to Prioritize On-Site Search

Most consumers expect a seamless experience when they visit an Ecommerce website. They expect to be able to search for the products they want based on key terms, sort their results based on factors like price and average customer reviews, then purchase with the click of a button. Any barriers to this process can lead to the loss of a sale or an abandoned shopping cart.

A robust on-site search system is now an essential part of a company's Ecommerce strategy. Without fast, accurate, and intelligent search features, Ecommerce companies run the risk of losing business to competitors, including industry giants like Amazon.

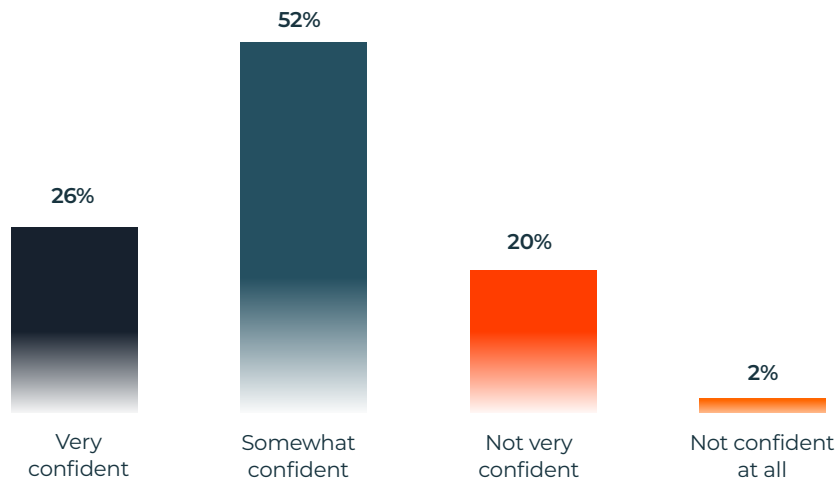
How important is on-site search and discovery in your overall Ecommerce customer experience?



Based on the results of this study, most Ecommerce companies recognize how important on-site search is to the digital side of their businesses. Most of the respondents (80%) consider on-site search and discovery either somewhat important (58%) or very important (22%).

These respondents understand that maximizing on-site search performance plays a direct role in the customer experience and can significantly impact their sales.

How confident are you in the quality of your website's current on-site search?

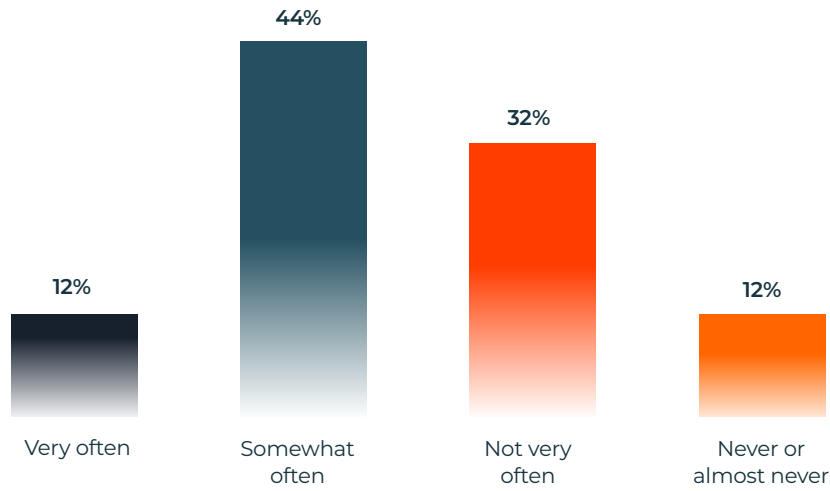


Most of the respondents (78%) are also at least somewhat confident in the quality of their website's current on-site search features. They believe their search programs are at least sufficient in helping customers find what they need when they shop online.

Nonetheless, almost one-quarter of the respondents (22%) are not very confident or not confident at all in their on-site search capabilities. Likely, these respondents have witnessed firsthand how their search programs have caused issues for customers. Slow query times, poor keyword matching, and a lack of personalization can make it difficult for users to find the products they like—it can even cause frustration.

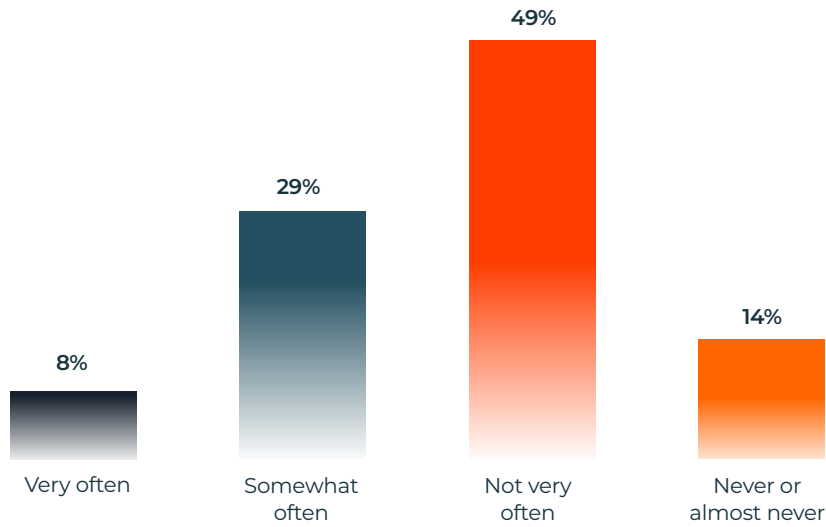


How often are you or your customers frustrated by your search provider's slow query response times (i.e., the time it takes for a query to yield results)?



Indeed, although most of the respondents are confident in their on-site search capabilities, 56% admit that their customers are frustrated by their search provider's slow query response times at least somewhat often. Slow search speeds can cause customers to abandon the website in favor of others that perform faster. It can significantly impact their experience and make them think twice about revisiting the Ecommerce website in the future.

How often do your customers or users have trouble finding products or information on your website?



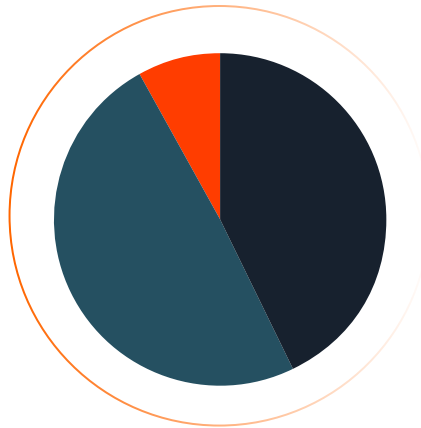
Furthermore, over one-third of the respondents (37%) say their customers or users have trouble finding products or information on their websites at least somewhat often. Another 49% say this does occur, but not very often.

Some organizations may be reluctant to invest in their websites and their search capabilities because they seem secondary to other parts of the business, such as product development or marketing. However, ensuring users can find the products and information they need is one of the most important aspects of running a digital retail operation.



Do you consider your on-site search a revenue driver, or do you consider it part of your website's infrastructure?

- **43%** Our on-site search is a revenue driver.
- **49%** Our on-site search is infrastructure.
- **8%** I'm not sure.



For example, only 43% of the respondents believe their on-site search capabilities are revenue drivers. Almost half of the respondents (49%) consider on-site search “infrastructure.” For context, this suggests they view their on-site search features in a similar way to how they view the software, servers, and network equipment they use to maintain their websites.

This result is significant. It implies that **57% of Ecommerce companies are not convinced that search is a conversion opportunity at all.**

When the data is broken out by region, there are also some clear differences in how companies in North America and the Australia/New Zealand region view on-site search. Namely, only 37% of respondents from Australia/New Zealand view on-site search as a revenue driver while almost half (49%) of North American companies view it as a revenue driver. This could imply that North American companies are benefiting from more advanced search technology and are seeing tangible business results because of it.

This could be because they have grown accustomed to suboptimal search capabilities and they consider maintaining them a necessary cost of business. It could also be that they haven't made on-site search a priority at all at their organizations.

Optimized on-site search can increase conversions on Ecommerce websites, lead to more impulse purchases, and reduce instances of site or cart abandonment. According to Accenture, conversion rates through site search can be up to 50% higher than conversion rates for the average visitor, as long as search is optimized.¹ On-site search must be prioritized as part of an overarching Ecommerce strategy, alongside operations like marketing and customer service.

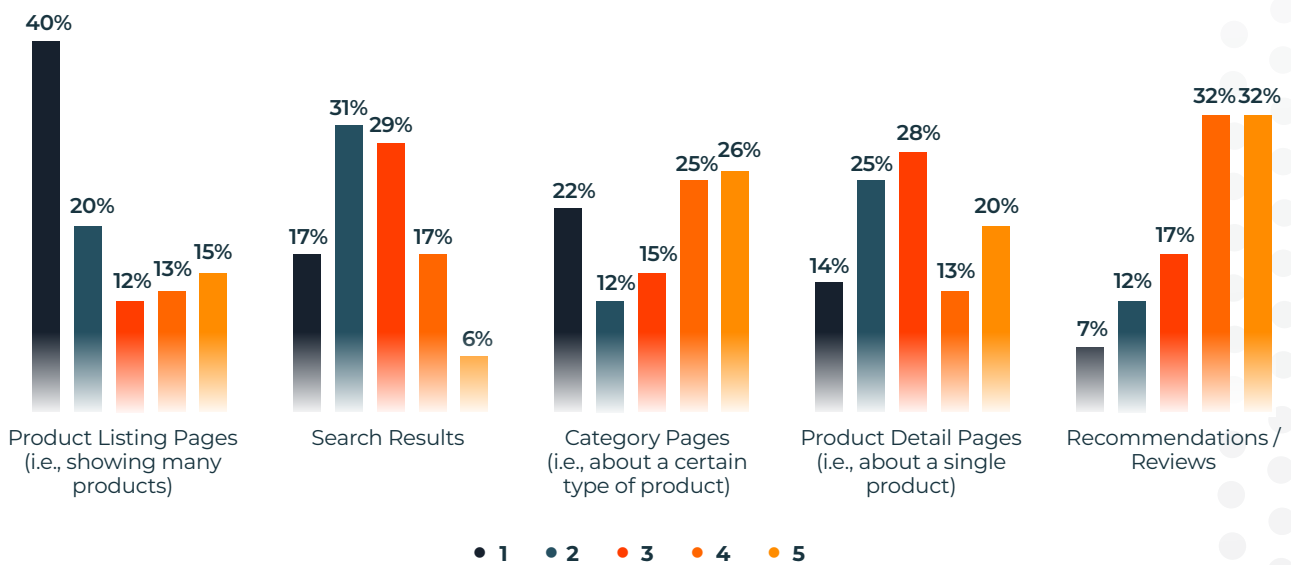
¹ Lewis, Phil. “Ecommerce site search best practices.” Accenture. January 7th, 2020.
<https://www.accenture.com/us-en/blogs/search-and-content-analytics-blog/e-commerce-site-search-best-practices>

Most Organizations Are Using or Working Toward Personalization and Indexing Features

Once on-site search is prioritized, doing so opens a realm of new possibilities for the organization's Ecommerce function. Search features like instant AI-based search, fast querying, and better ranking become possible. On-site search platforms like the one offered by Search.io provide a turnkey solution for deploying these features at scale.

These types of platforms also make it easier to create, scale, and maintain essential website features that most consumers have grown to expect.

Please rank the following website features in terms of their importance to your Ecommerce site performance, "1" being "most important" and "5" being "least important."



For example, 40% of the respondents say product listing pages are the most important feature of their Ecommerce websites. These pages are crucial in providing users with information about featured products and encouraging them to purchase. They must be designed to be simple to read, understand, and interact with.

Notably, more respondents overall felt that search results were important to their performance compared to category pages. This could relate to the fact that dynamic category or collections pages can be driven by search.

Can you currently provide personalized search capabilities, personalized ranking capabilities, and personalized experiences to users who return to your website?

- **46%** Yes
- **33%** No, but we are working on this capability.
- **21%** No, and we are not working on this capability.

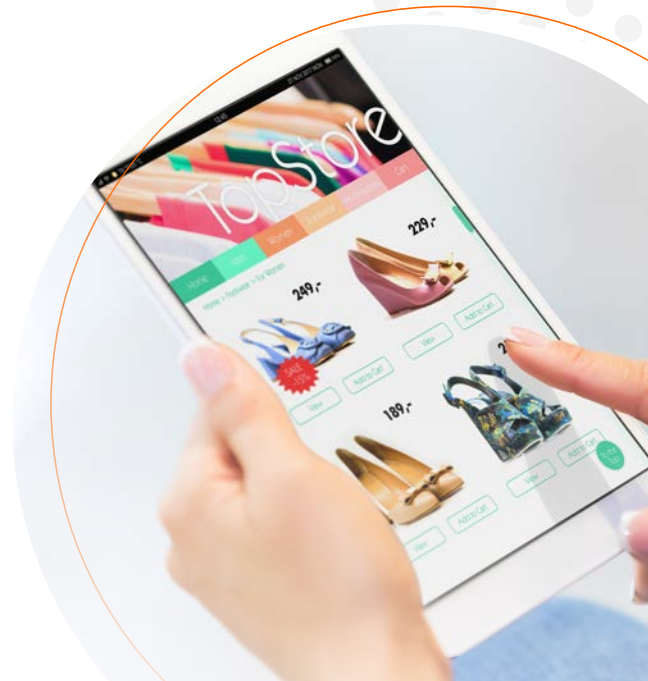


For example, if a user clicks on a banner for a specific category, a search query runs in the background to populate the results with all other items included in that category. Category pages themselves depend on search. In this sense, the respondents who consider category pages important may also want to prioritize working with a better search provider.

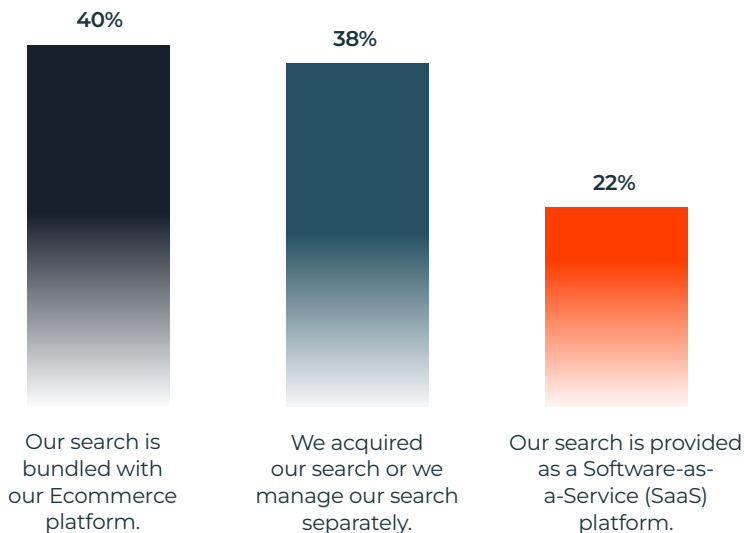
Other features, including category pages, can also be improved through the deployment of an on-site search platform. Through instant indexing and hosted services, companies can eliminate time-consuming tasks associated with search maintenance and ensure category pages are both up-to-date and indexed in real-time.

Most importantly, search platforms enable Ecommerce sites to deliver personalized search features at scale. Many retail companies struggle with personalization due to issues like poor data management and governance, compliance challenges, or a lack of analytics tools. However, personalization can't be successful with data alone. In fact, personalization is most successful when it's built upon a strong user experience.

Currently, only 46% of the respondents can provide personalized search and ranking experiences to users who return to their websites. About one-third of the respondents (33%) are working toward this capability and 21% are not.



Since you said “Yes,” which of the following best describes your current search service?



Those respondents who can currently deliver personalization are using a mix of search services to do so. Some (40%) are using personalization features that are bundled with their current Ecommerce platforms. These types of services are often adequate for small-to-mid-sized businesses, but they can be difficult to scale to the enterprise level.

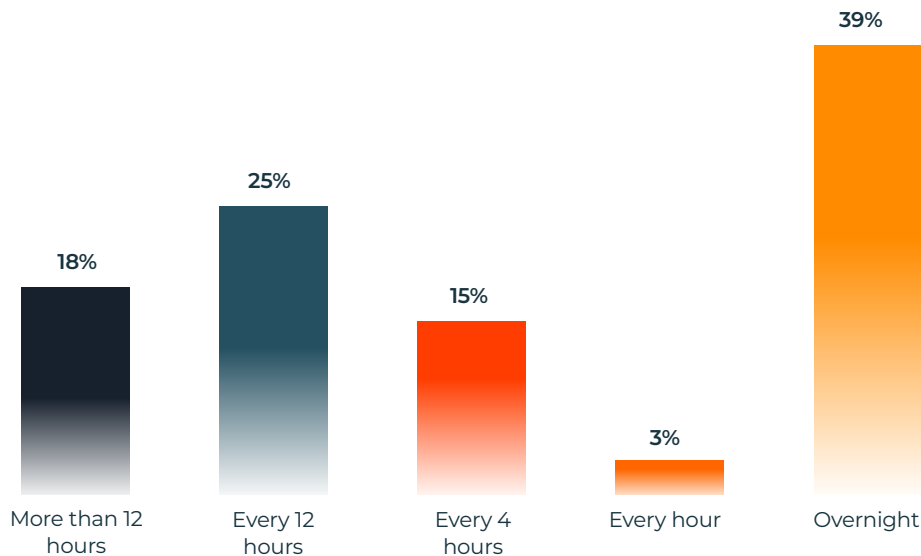
Only 22% of the respondents are using a SaaS platform for their search features. These types of turnkey solutions are often the simplest and most cost-effective means of obtaining advanced on-site search capabilities. They are also scalable, requiring little effort to implement at the enterprise level.

When researchers broke the results to this question out by region, it was also evident that North American respondents are using SaaS platforms for on-site search far more than those in Australia/New Zealand. Specifically, only about 16% of Australia/New Zealand respondents are using a SaaS platform for on-site search compared to about 28% of North American respondents.

This could indicate that the North American respondents simply have more SaaS options to choose from because the on-site search industry has better penetration there. But because SaaS platforms can be used globally, Australia/New Zealand respondents could be missing an opportunity to significantly improve their on-site search capabilities.

Ecommerce Organizations Struggle to Achieve Real-Time Indexing

As you acquire new product information (e.g., variants, pricing) that you want to launch on your website, how often do you index so that any changes of this kind are visible?



Search platforms can also improve the speed at which new information is added to the website and synchronized with search. Instant indexing is important because of the speed at which product information, varieties, pricing, and inventory change. Companies can lose sales opportunities if their search index is slow to recognize changes on their site. Unfortunately, many Ecommerce organizations struggle with search indexing that takes too long to catch up with their content updates.

This type of crawl-based indexing can impede retailers' ability to sell products once they've been added to their websites. It can also lead to issues when product prices change or if new variants of products are introduced.

For Ecommerce businesses, API-based indexing is highly recommended to capture data across multiple systems — PIM, inventory, CRM, etc. API indexing is both more comprehensive and instant than crawler-based solutions.

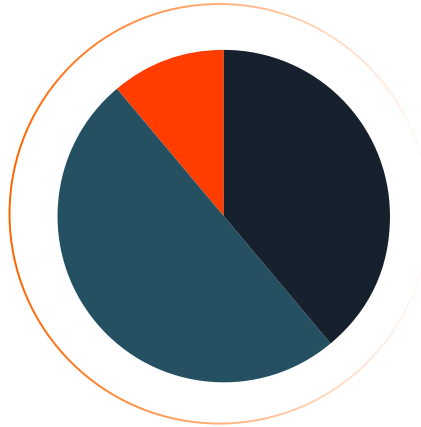
Currently, only 3% of the respondents say they index new product information every hour. Meanwhile, 39% do so overnight, so that it is visible the next day, and 18% take more than 12 hours to do so.



Concerns About Cost and Speed Inhibit AI Ambitions

Do you currently use any form of artificial intelligence (AI) as part of your on-site search technology?

- **39%** Yes
- **50%** No, but we are working on this capability.
- **11%** No, and we are not working on this capability.



Similarly, most of the respondents are not currently taking advantage of the most advanced search technologies to deliver better, faster results for their customers. Only 39% of the respondents are currently using AI as part of their on-site search technology. Nonetheless, half of the respondents say they are working on AI as a capability.

AI-based search technology enables Ecommerce businesses to deliver relevant search results in milliseconds without the need for special plug-ins or complex search rules. AI can also help users find the products they need faster, without having to make as many queries as they would otherwise.

Since you said, “No,” which of the following are your top-two biggest impediments to deploying additional search capabilities?



The two biggest impediments to organizations' aspirations for this type of advanced search capability are cost concerns (39%) and a concern that AI will slow down search queries for users (39%).

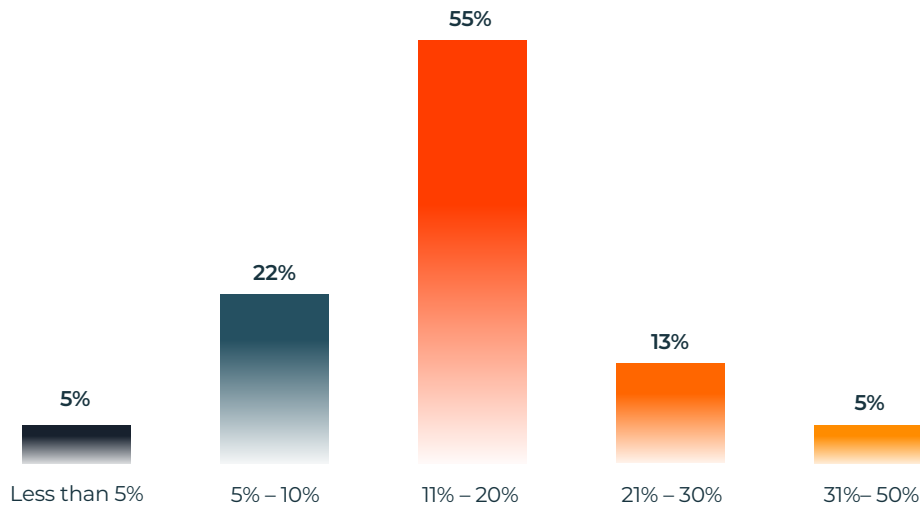
Although these concerns may have been warranted in the past, AI-based search technology, such as the Neuralsearch® technology offered by Search.io, is now affordable and easy to implement. It's also significantly faster than previous iterations of AI-based search technology.

Most importantly, organizations are no longer required to develop an AI capability internally to deploy one on their website. Instead, they can use a turnkey solution that understands the meaning and intent behind search queries, delivering results almost instantly, without the need to write rules.



Organizations Are Allocating Ecommerce Budgets for On-Site Search

How much of your Ecommerce website budget do you plan to invest in on-site search optimization over the next 12 months?



Most of the organizations surveyed indicate that they are working toward these types of capabilities, and a significant number are allocating the budget to do so. A majority of the respondents are dedicating 11% or more of their Ecommerce website budget to on-site search optimization in the next 12 months.

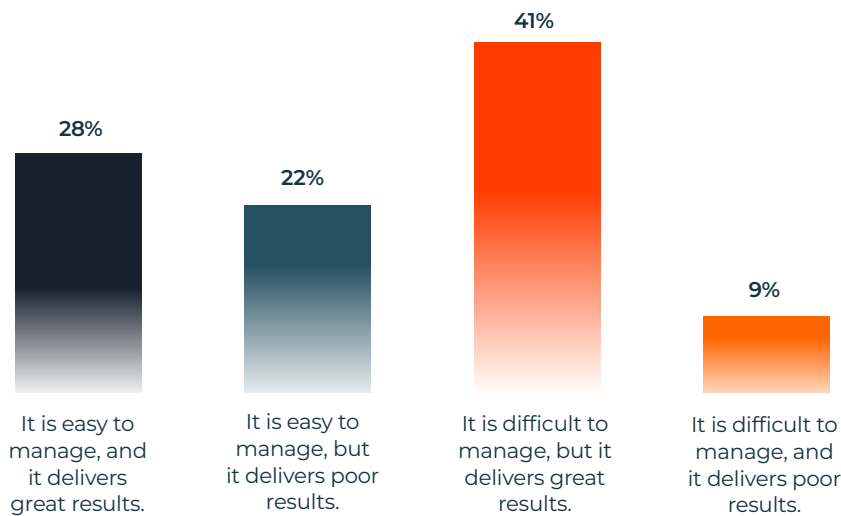
Although most of the respondents are allocating a relatively modest budget to on-site search, even a small investment into new technological capabilities could significantly improve the user experience. Over the next year, AI-based search will become a competitive differentiator for brand manufacturers and multi-brand retailers engaged in the Ecommerce space.

Websites Deliver Results But Are Difficult to Manage

A search platform promises to deliver a better user experience by delivering personalization at scale and making it easy for customers to find the products they want at lightning speed. However, they are also designed for retailers.

Most Ecommerce websites contain large quantities of content and data, making them difficult to manage. Any solutions that help to improve back-end management of these types of websites could ensure content is always up-to-date and even free up time for more strategic tasks.

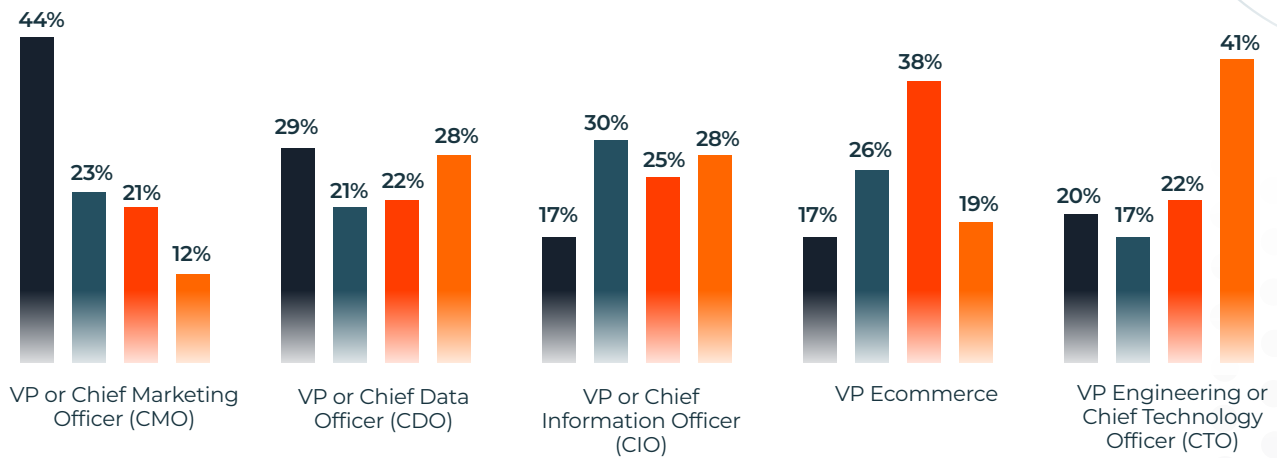
Which of the following best describes how you and your executives view your website?



Half of the respondents say executives at their organizations believe their websites are difficult to manage, indicating that they face barriers when making significant changes. However, most of the respondents (69%) say their websites deliver “great results,” regardless of how difficult they are to manage.

These executives understand the importance of their websites and they can see the value they deliver the business, but they also struggle with them in the meantime. This indicates that executives may be hesitant to initiate new features as well. This could be due to costs, concerns about complexity, or simply a desire not to administer change when operations are running relatively smoothly.

Among the following options, who owns your company's budget for search, and who makes the final decision about selecting an on-site search vendor (where one or more roles may do either or both)?

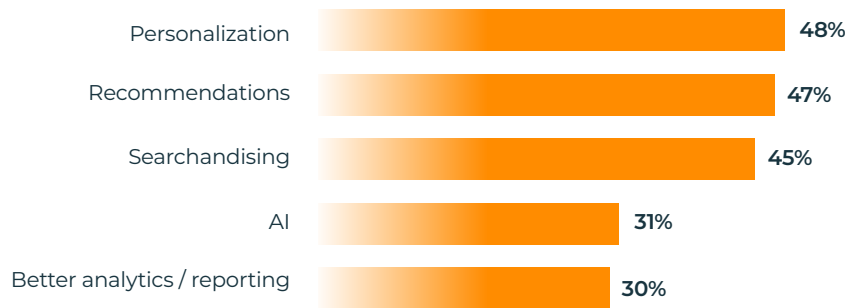


- Owns budget for search
- Makes the final decision about search vendors
- Both owns budget for search and makes the final decision about search vendors
- Neither of these apply

This hesitance could also be because there is no clear consensus about which executives own the budget for new search features and which executives should make the final decision about search vendors.

Almost half of the respondents (44%) say their VP or Chief Marketing Officer owns the budget for search. Over one-third (38%) say their VP of Ecommerce both owns the budget for search and makes the final decision about search vendors. However, The remaining respondents are split between data executives, information executives, and technology executives over who takes ownership of which responsibility.

What are the top features you would like to see implemented on your site search?



Nonetheless, the respondents have specific ideas of what types of features they'd like to see implemented. In each case, about half of the respondents say personalization (48%), recommendations (47%), and searchandising (45%) are the top features they'd like to see implemented on their site search.

While we showed the majority of respondents have some level of personalization already (see page 12), it's not nearly as mature as they would like. Personalization, including search personalization, will still be a major focus of Ecommerce companies in 2022 and 2023.

Searchandising refers to the process of curating search results that drive sales and conversions in Ecommerce environments. Companies can use the capability strategically to feature products that align with their business needs, specific campaigns, or their KPIs. With flexible searchandising solutions, brand manufacturers and multi-brand retailers can even cater search results to the immediate needs of the business almost instantly.

Advanced deployments of this capability also leverage data to refine search results. AI-based applications can detect and understand user intent, shopping trends, and other factors, then integrate them into search results.



In verbal responses, the respondents say they are also interested in other capabilities, most of which they hope will also support their search features.

“Our buyer-centric approach will be given an AI upgrade to support more intelligent search features,” says a C-level marketing executive at an Australian multi-brand retailer.

“We’d like to include intelligence-based recommendations for our customers from the search function itself,” says a VP of online merchandising from a Canadian multi-brand retailer. “This will assist in personalization.”

Indeed, recommendations and personalization were repeating themes among the responses.

“Search and recommend are important features we would develop with our personalization feature,” says an Ecommerce department head at an Australian multi-brand retailer. “This will provide valuable experiences to customers who visit our website.”

Meanwhile, an Ecommerce director from a multi-brand retailer in the United States says searchandising is an improvement they are looking for, specifically. “Items with the highest stock will be displayed first along with the products searched so that customers have alternatives available too and don’t have to renavigate search for them again.”

Overcoming Barriers to Advanced On-Site Search

The results of this study indicate that multi-brand retailers, brand manufacturers, and marketplace organizations have made significant progress in their on-site search capabilities. However, there is also evidence that they could be doing more.

Most of the respondents believe their websites are important and deliver value, but half say they struggle to manage them. There is also a clear indication that many respondents aren't satisfied with the time it takes for customers to receive results after a query.

Thankfully, organizations in this space have an opportunity to improve their on-site search capabilities. They can also do so quickly, affordably, and at scale, and they've indicated that they are allocating a significant amount of their Ecommerce budget for search.

Using a comprehensive on-site search solution, these Ecommerce leaders can gain turnkey access to advanced features like searchandising, fast indexing, and intelligent query understanding. Consumers now expect these capabilities on the sites they frequent. Organizations that deploy them will have an advantage over competitors when it comes to personalization and the customer experience.



Key Suggestions

- **Prioritize on-site search as a key element in your Ecommerce strategy.** Although most organizations agree that their websites are important and deliver value, many still consider their search capability a piece of infrastructure instead of a revenue driver.
- **Deploy a search solution that delivers query responses in milliseconds or less.** Most of the organizations believe their customers get frustrated with slow query times at least somewhat often.
- **Prioritize personalized search capabilities, ranking capabilities, and experiences for your customers.** Consider adopting an AI-based search solution if you don't already have one. You can now acquire an AI-based search solution through a turnkey API.
- If your executives struggle with the backend of your current search tools, **search for a tool that is easier for users to engage with**, even if they don't have a technical background.
- **Make searchandising a part of your Ecommerce strategy if it isn't already.** You can use advanced on-site search solutions to curate search results that are personalized and catered to your strategic needs.



About the Authors



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