

KINESSO

Electronic Retail Sector Report

UNITED KINGDOM, SEPTEMBER 2024

We are KINESSO

Allow us to introduce ourselves.

We are KINESSO, IPG Mediabrands' award-winning, tech-driven performance marketing agency.

Amid rapid change in the performance marketing world, we give brands the clarity and confidence needed to take action

In this report, we'll provide an overview of performance intelligence across the insurance sector, demonstrating which brands are winning when it comes to generating crucial visibility in search, attracting attention with biddable media and engaging audiences through quality content.

As the research shows, there's a massive opportunity for brands in this sector to optimise their performance marketing in a joined up way to drive sustainable profitable growth.

About the report

This report is your snapshot of what's happening across digital channels in the UK electronic retail sector, showcasing how brands are approaching digital, and demonstrating the size of the opportunity available.

We have focused on the three core elements that are the foundations of effective performance marketing:

Experience

How brands are removing friction from the customer journey.

Media

How effective brands are at using media to direct attention.

Content

How effective brands are at engaging that attention with content.

Using a mix of proprietary technology, data sources and insight, we're going to reveal which brands are leading the way in the market, explain why those brands are performing as well as they are, and showcase where the golden opportunities are for competitors.



We've identified a vertical where some brands are dominating overall search visibility, despite spending a fraction of what many of their competitors are spending on overall marketing budgets.

We've also uncovered significant gaps in digital proficiency that, if addressed, could have a sizeable impact on ROI.

Overview

Analysing the core performance marketing channels, we've reviewed the leading brands in the electronic retail market to understand how and why these brands are dominating the market.

Using illustrative examples, we'll deliver insights to help increase performance across these channels, to help you drive **new leads to your brand**.

Topics covered

Upfront Industry
Insights

Delving into
Experience

Assessing the
Media

Reviewing the
Content



62%

Of UK see cheap prices as a key driver to choosing a retailer



71%

Competitor web traffic is through mobile device



48%

Competitor media spend is invested into social media ads



89%

Competitor social ad spend is invested into Facebook, Instagram and YouTube

Content

01

Upfront industry insights

- Market research
- Trending on social
- Social brand mentions
- Audience analysis
- Search opportunity
- Traffic analysis

02

Delving into Experience

- Organic search
- Website proficiency
- Tech SEO DXA
- User experience

03

Assessing the Media

- Paid search
- Media spend

04

Reviewing the Content

- Ad creative
- Web content relevancy
- Social account analysis

05

Key takeaways

SECTION 01

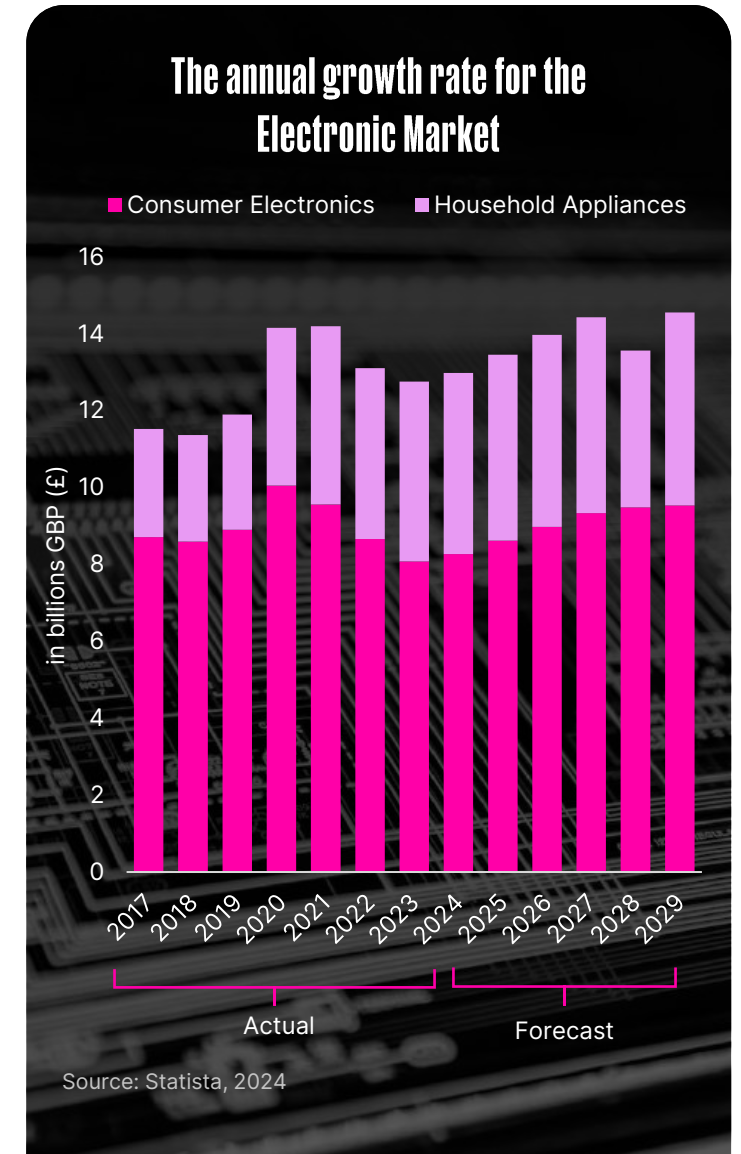
Upfront Industry Insights

Market Research

Market research into the electronic retail industry helps set the scene on what is happening, using these insights we can be ahead of the curve when planning future marketing strategies.

TOP INSIGHTS ACROSS MARKET RESEARCH WERE:

1. Annual growth rate is expected to rise over the next few years, **64% of overall revenue is made up by Consumer Electronics** sales.
2. There has been an increase in consumers purchasing second-hand or refurbished electronics rather than new products. Brands can leverage this trend by catering to this audience's needs and offering more second-hand or refurbished items on their websites.
3. Increasing financial pressure has led consumers to modify their purchasing habits, favouring more affordable electrical options. Discounted products during promotional events are particularly appealing to consumers.

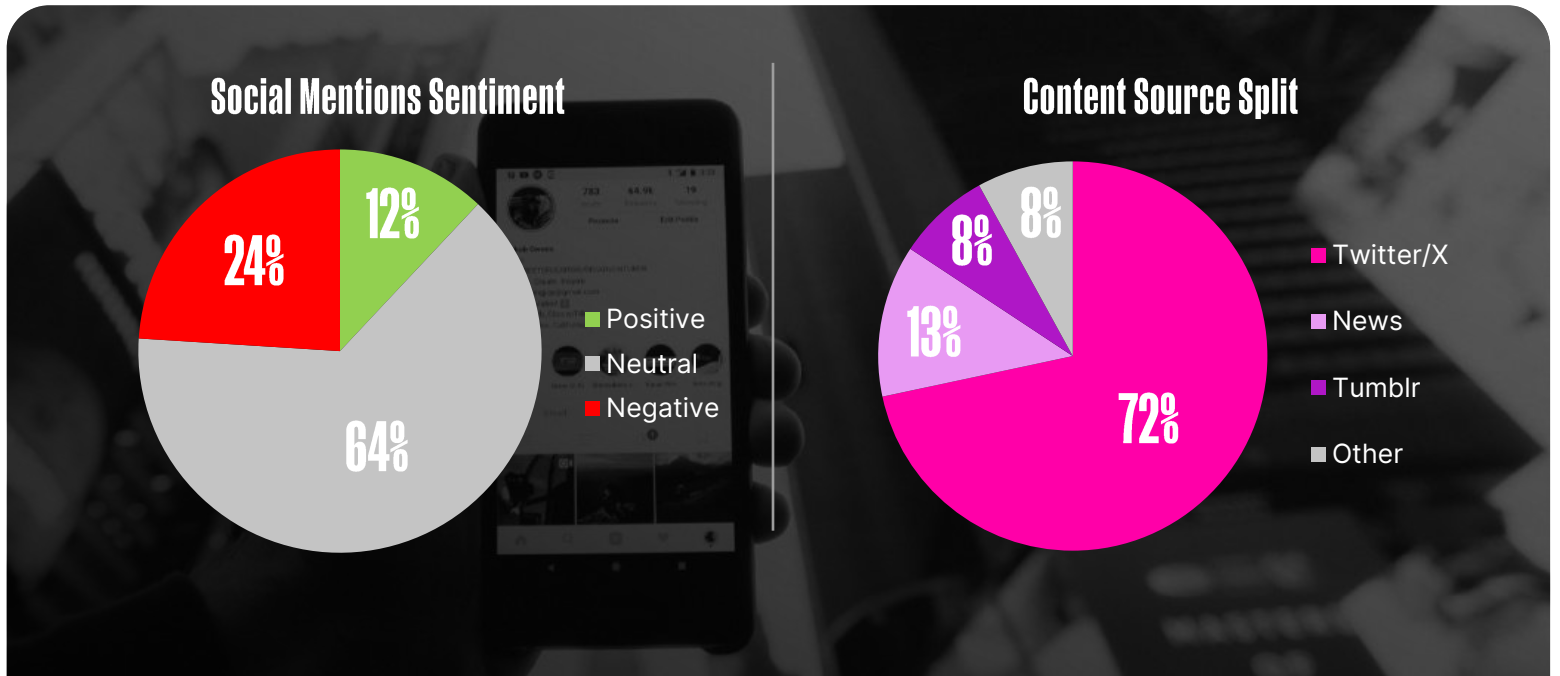
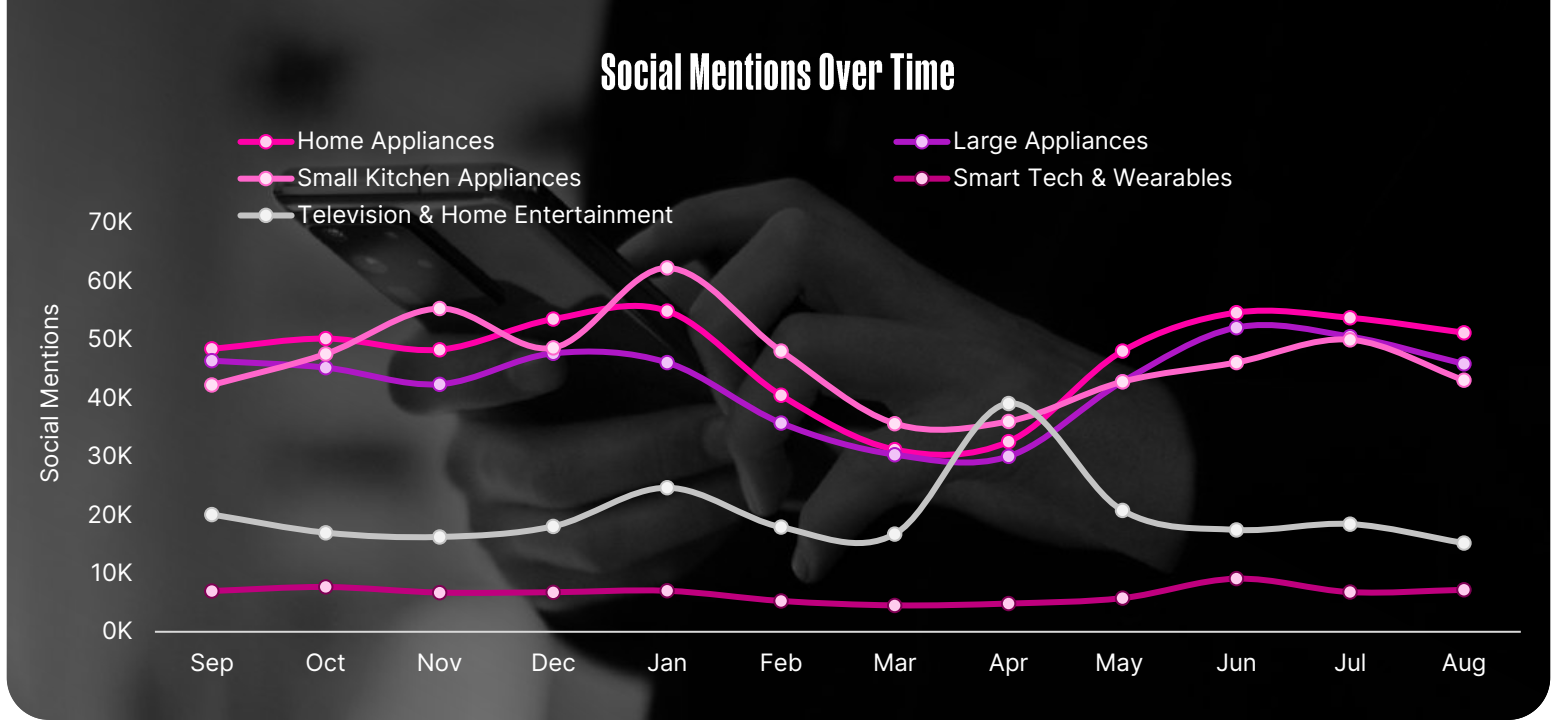


Trending on Social

Understanding what your customers are discussing online is key when building future marketing strategies. Using these insights, we can create topical content that speaks to your audience.

ACROSS OUR RESEARCH WE FOUND:

1. Television & Home Entertainment social mentions see a notable spike in April, further research to understand what influenced this trend can help inform future marketing strategies.
2. Mentions relating to recipe hacks using air fryers and competitions/giveaways of electronic goods contributed to the **12%** of positive social mentions.
3. Social mentions around the UK population facing financial challenges and electricity price rises, contributed to the **24%** negative sentiment.

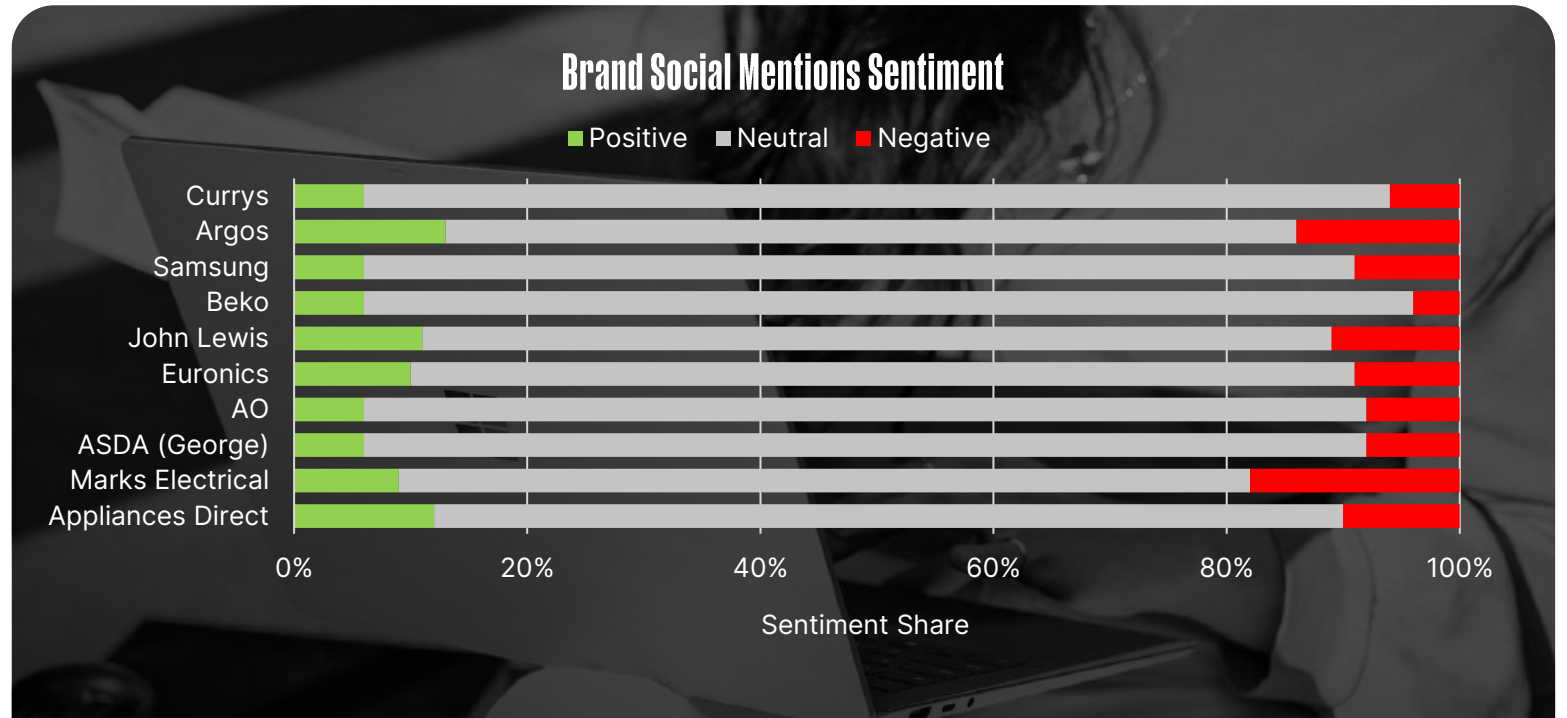
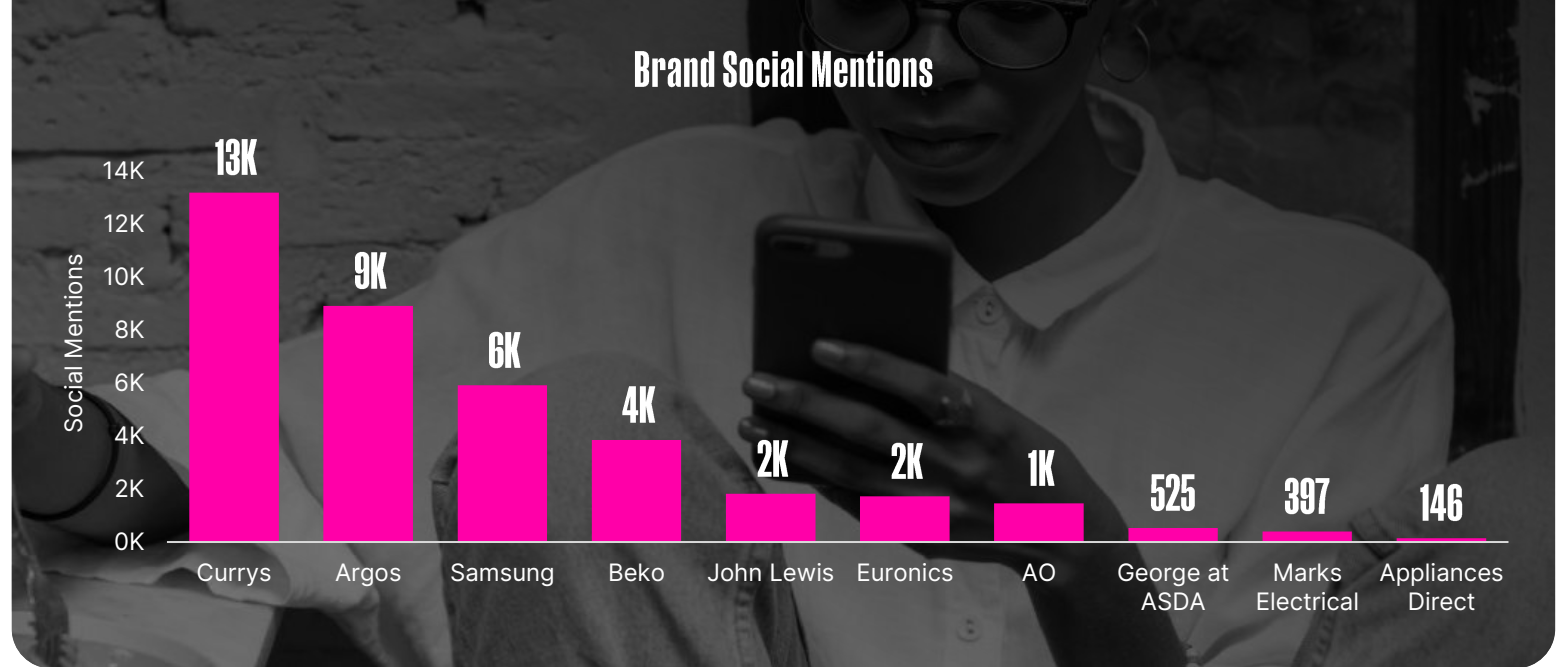


Social Brand Mentions

Using social networks to market your company; whether through social marketing campaigns or being active across customer feedback is important when looking to build positive brand awareness.

THROUGH BRAND SOCIAL LISTENING WE FOUND:

1. Currys took the largest share of social mentions with **35%**, followed by Argos (**23%**) and Samsung (**16%**). Mentions for Currys were mainly driven by product recommendations and deals/discounts that consumers discovered and re-shared on socials.
2. Marks Electrical, Argos and John Lewis saw the largest negative sentiment, with **18%**, **14%** and **11%** respectively, primarily due to service complaints regarding delivery complications and consumer dissatisfaction expressed on social media.
3. Argos received the highest volume of positive mentions with **13%**, mainly due to the shopping deals the brand had to offer through the festive period like Boxing Day and New Year's Day sale.



Audience Analysis

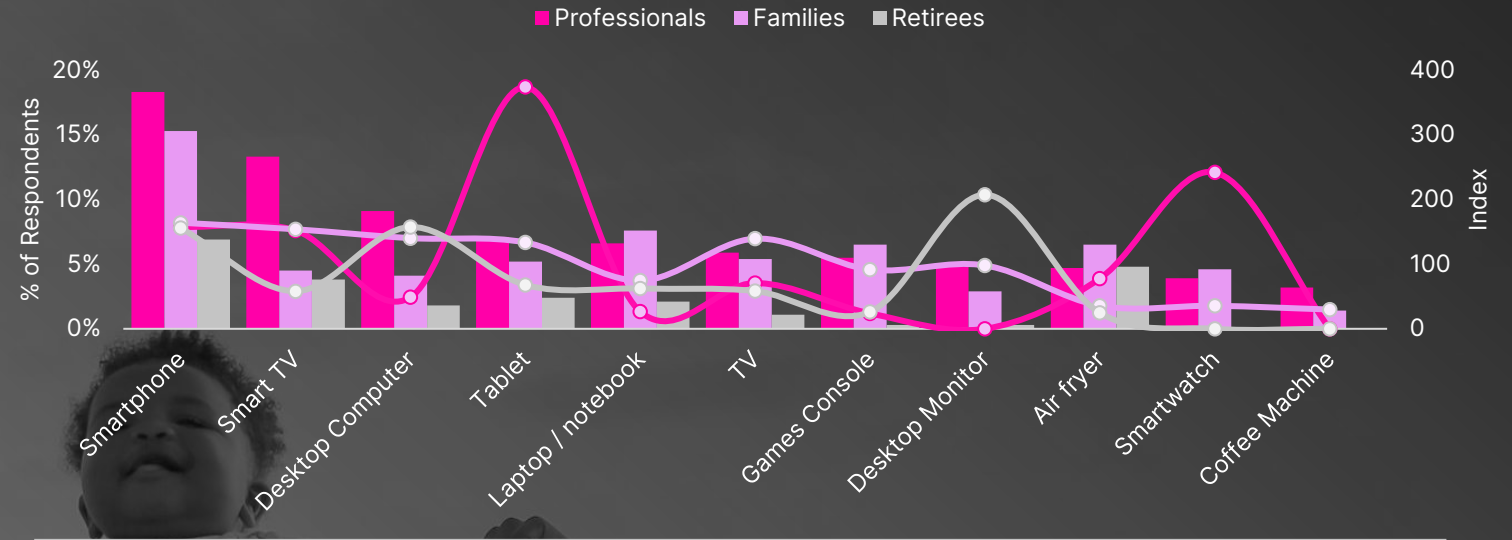
Using audience research we can look to understand the consumer; discovering their behaviours, views and habits. This research can help your brand target it's audience with ease.

By segmenting our audience into groups based on their lifestyle we can find nuances that will help you understand each group singularly.

TOP INSIGHTS ACROSS OUR AUDIENCES ARE:

1. Professionals see product quality as an important factor and uses social platforms to conduct product research. Brands can resonate with this audience through visual ad formats through channels such as Instagram and TikTok.
2. Families are more price conscious, looking for the best deals whilst they support brands that have a loyalty/reward programme.
3. Retirees tend to discover brands through TV ads and support brands that listen to their feedback. The best platform to reach them on socials is Facebook.

Electronic Planning to Purchase



Professionals

BRAND RELATIONSHIP



Brand Discovery

Search Engines
33% | 103i



Brand Actions

Listen to feedback
51% | 121i



Brand Advocacy

High quality product
45% | 104i

CONSUMER BEHAVIOUR



Product Research

Social Networks
40% | 136i



Describe Me Statements

Confident with new technology
54% | 119i



Most Used Social Media

Instagram
50% | 179i

Families

BRAND RELATIONSHIP



Brand Discovery

Search Engines
35% | 108i



Brand Actions

Make you feel valued
44% | 99i



Brand Advocacy

Rewards (discounts)
45% | 97i

CONSUMER BEHAVIOUR



Product Research

Social Networks
38% | 131i



Describe Me Statements

Looks for the best deals
52% | 93i



Most Used Social Media

Facebook
47% | 167i

Retirees

BRAND RELATIONSHIP



Brand Discovery

Ads seen on TV
47% | 150i



Brand Actions

Listen to feedback
61% | 114i



Brand Advocacy

Great customer service
56% | 132i

CONSUMER BEHAVIOUR



Product Research

Search Engines
76% | 123i



Describe Me Statements

Uses loyalty programmes
74% | 130i



Most Used Social Media

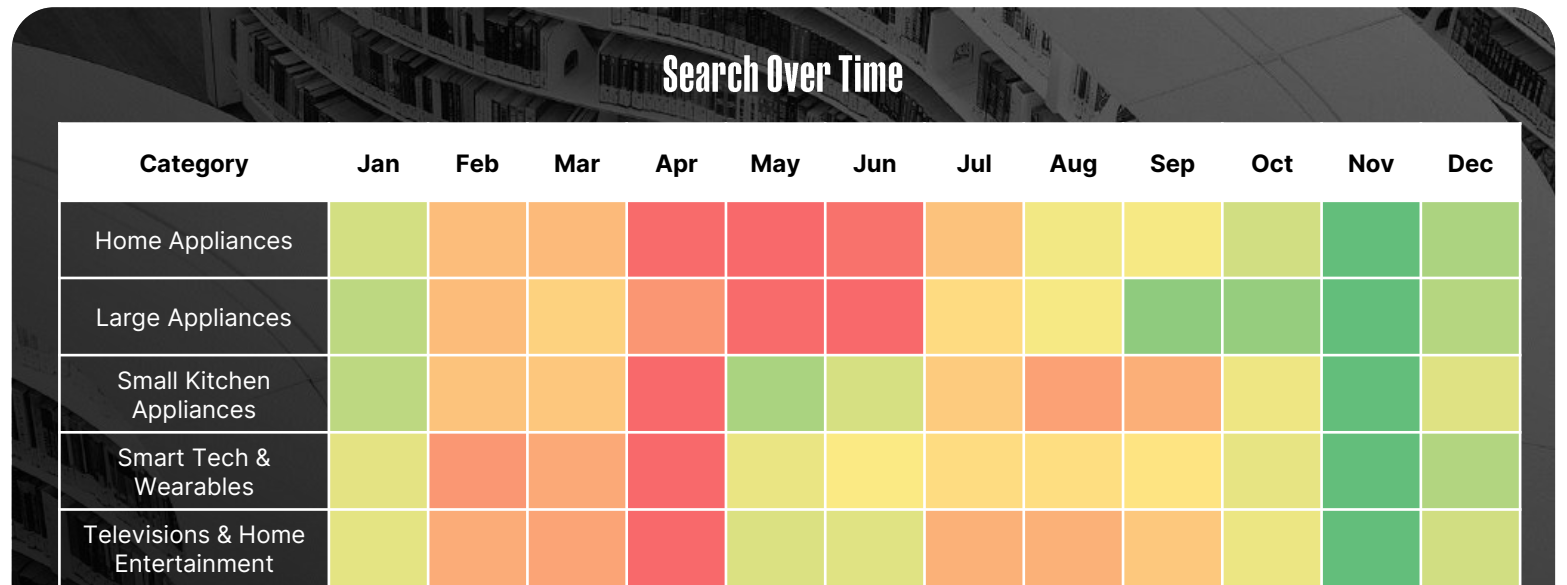
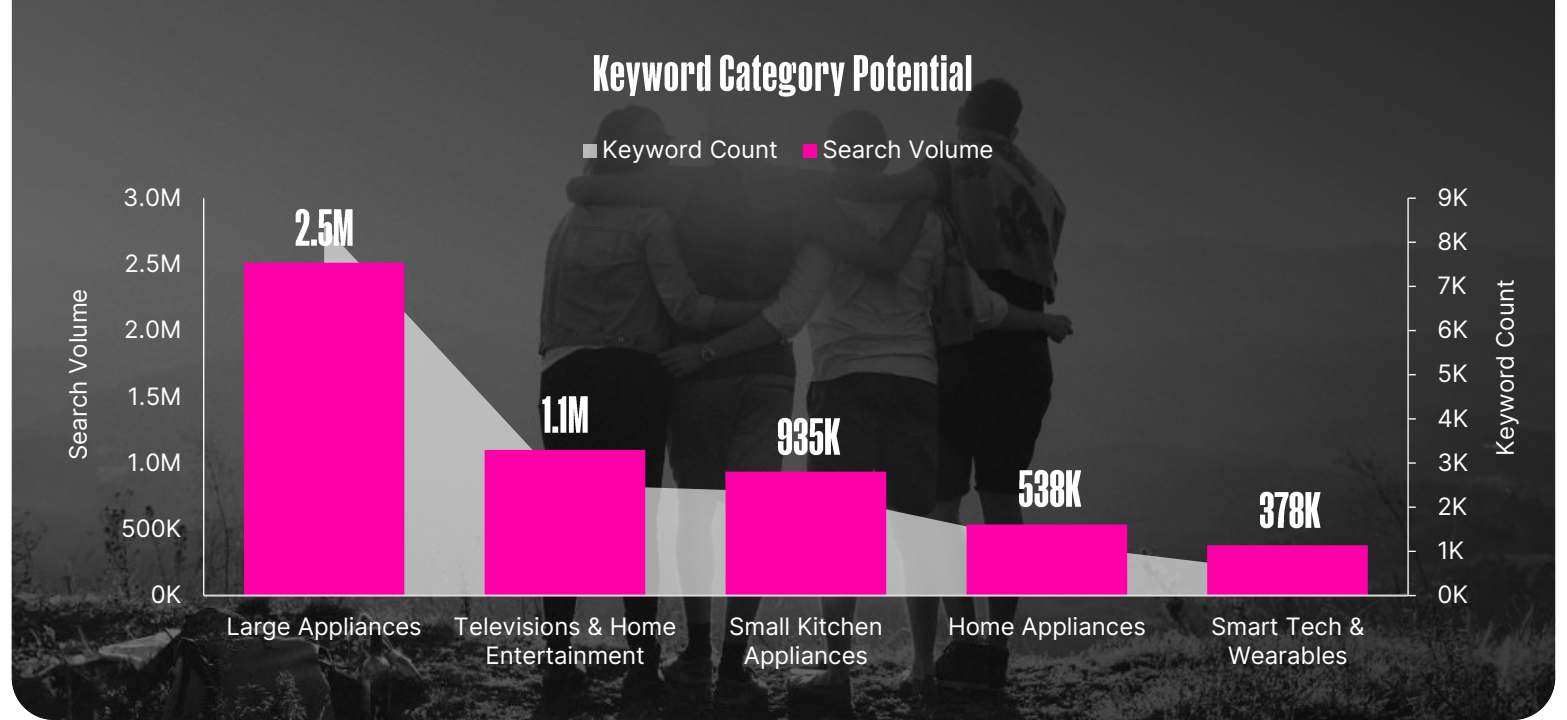
Facebook
38% | 135i

Search Opportunity

Using keyword research, we can analyse the opportunity across electronic retail products, giving us an idea of the potential web traffic available in this industry.

SEARCH OPPORTUNITY FINDINGS INCLUDED:

1. Large Appliances holds the largest monthly search demand (over **45%**), this category includes keywords such as 'fridge freezer', 'tumble dryer' and 'dishwasher' (**over 65K monthly searches**).
2. With over **1M search volume** Televisions & Home Entertainment is another product category with huge potential for growth. Keyword opportunities cover commercial and informational terms for products such as TVs and Sound Systems.
3. All selected categories experience peak search demand during the holiday months, coinciding with the end-of-year shopping season.

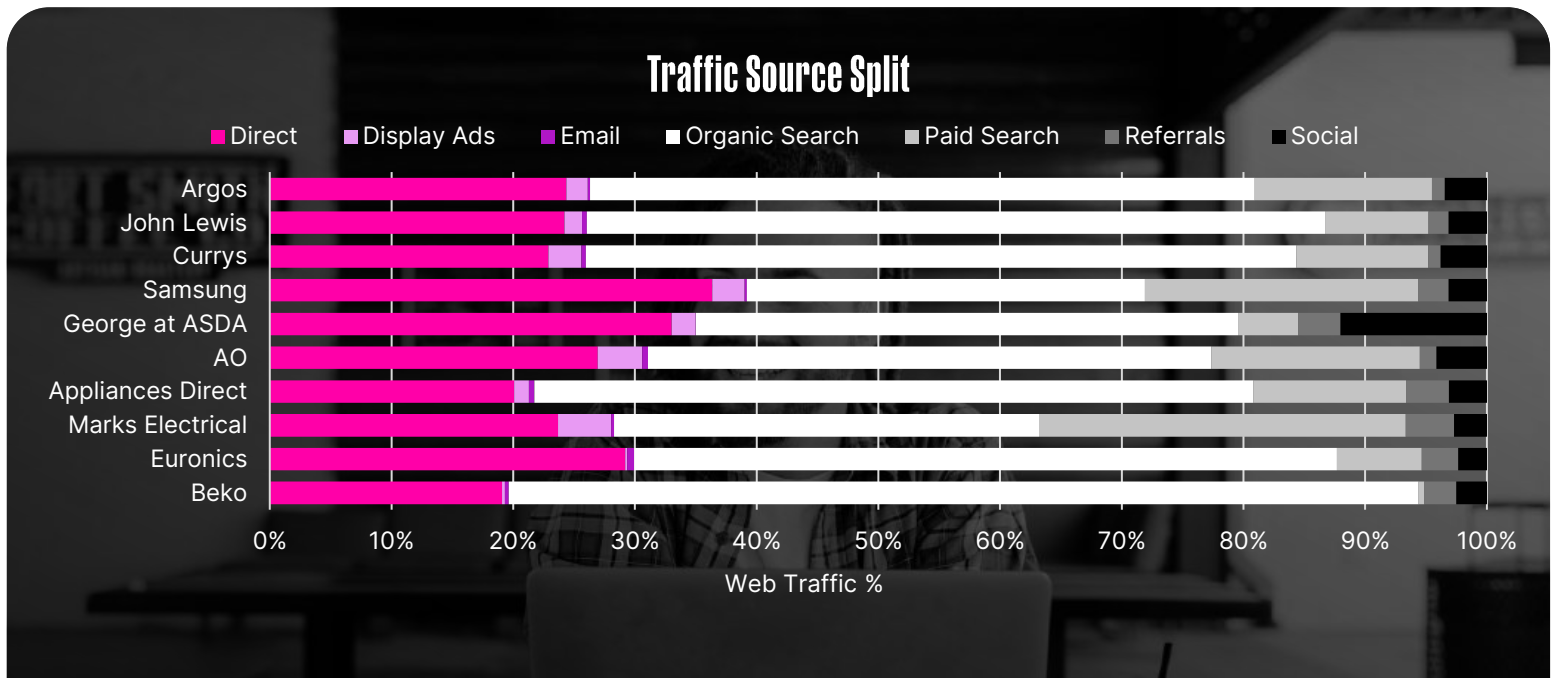
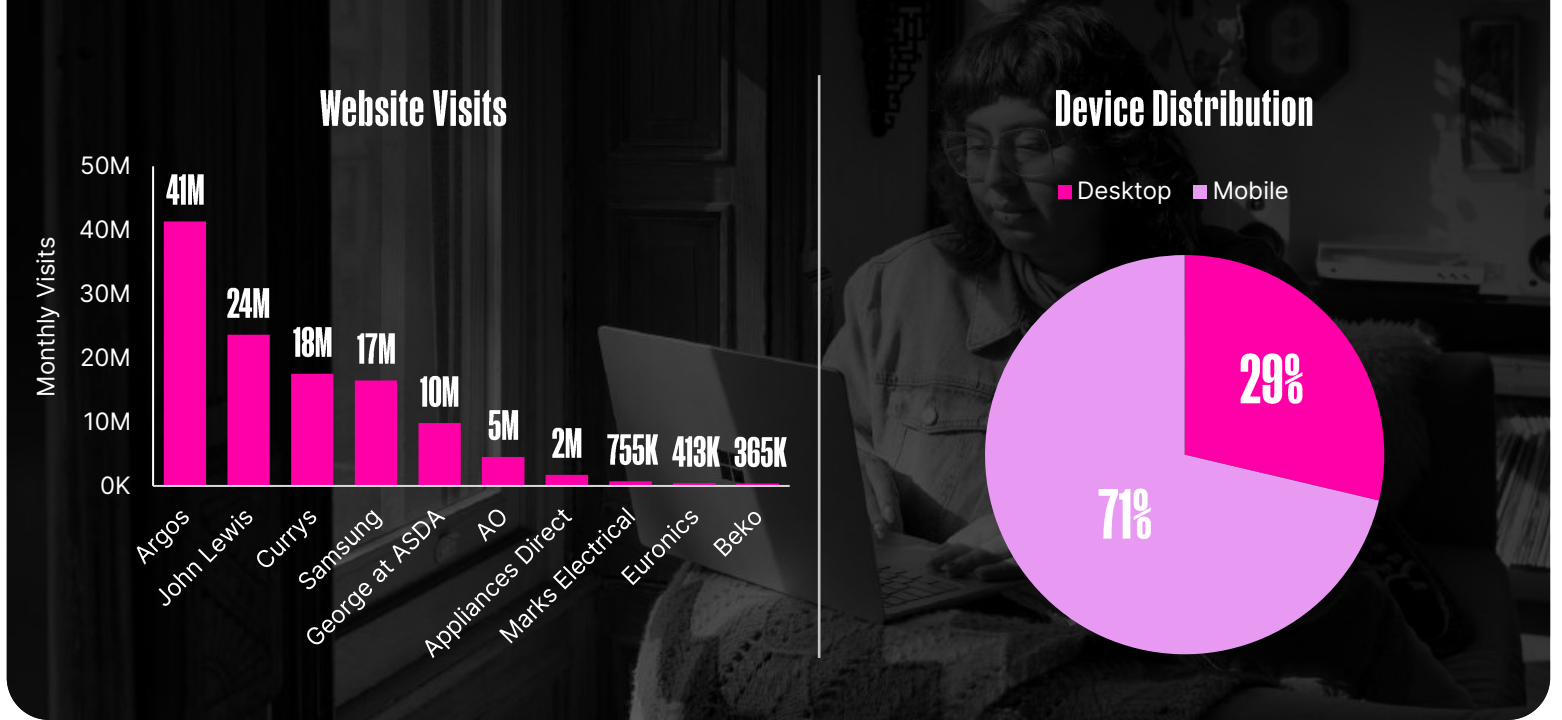


Traffic Analysis

Using traffic analysis across leading sites we can start to understand which channels drive high traffic to site. This will help influence where is best to focus energy for new website leads.

TRAFFIC ANALYSIS DATA SHOWED US:

1. Argos dominate monthly visits with **41M monthly website visits**, other high-street retailers such as John Lewis and Currys also see significant monthly web traffic. Demonstrating leading brands are well-established online
2. **71% of competitor web traffic comes through mobile**, proving a mobile friendly website is key within this industry.
3. Organic search stands out, driving large web traffic (**>50% of competitor web traffic**) across the competitive set. Focus on your website's organic performance will help your brand attract valuable traffic to site.



SECTION 02

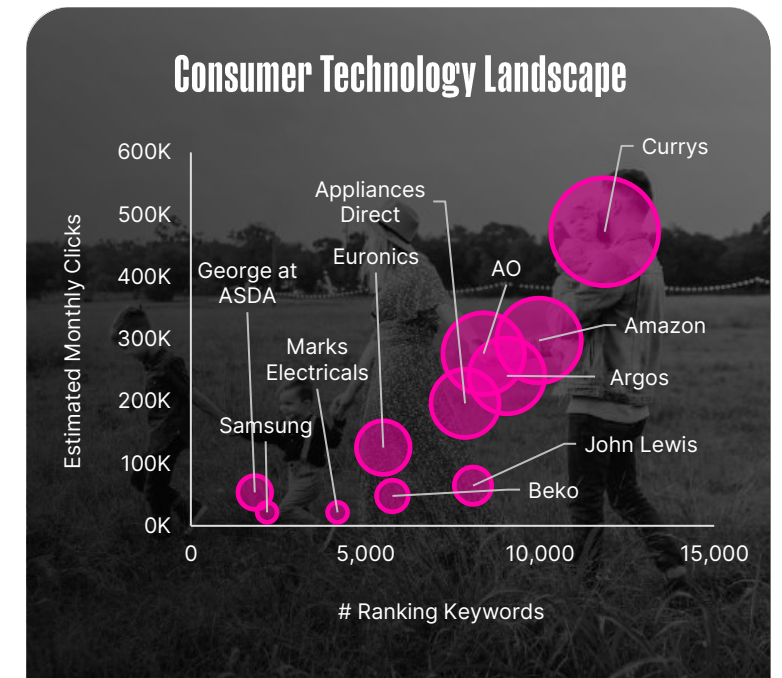
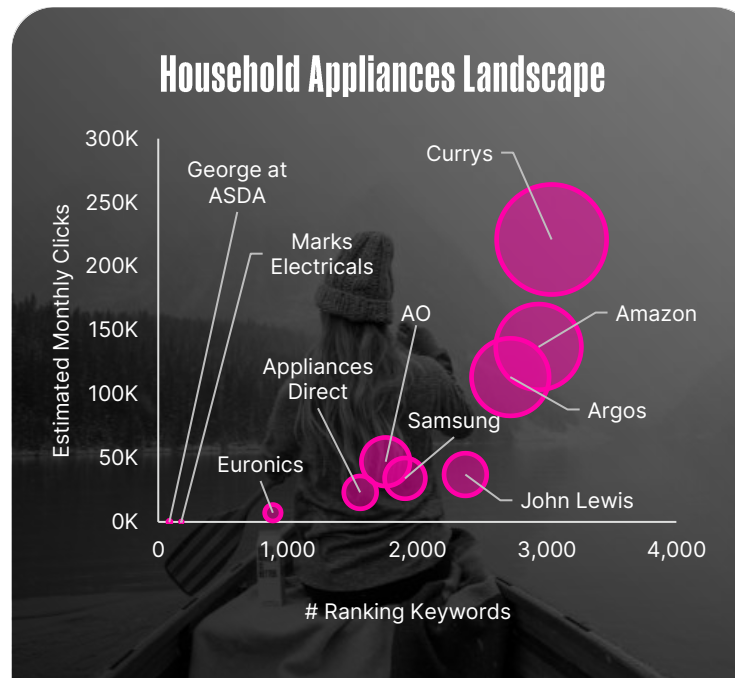
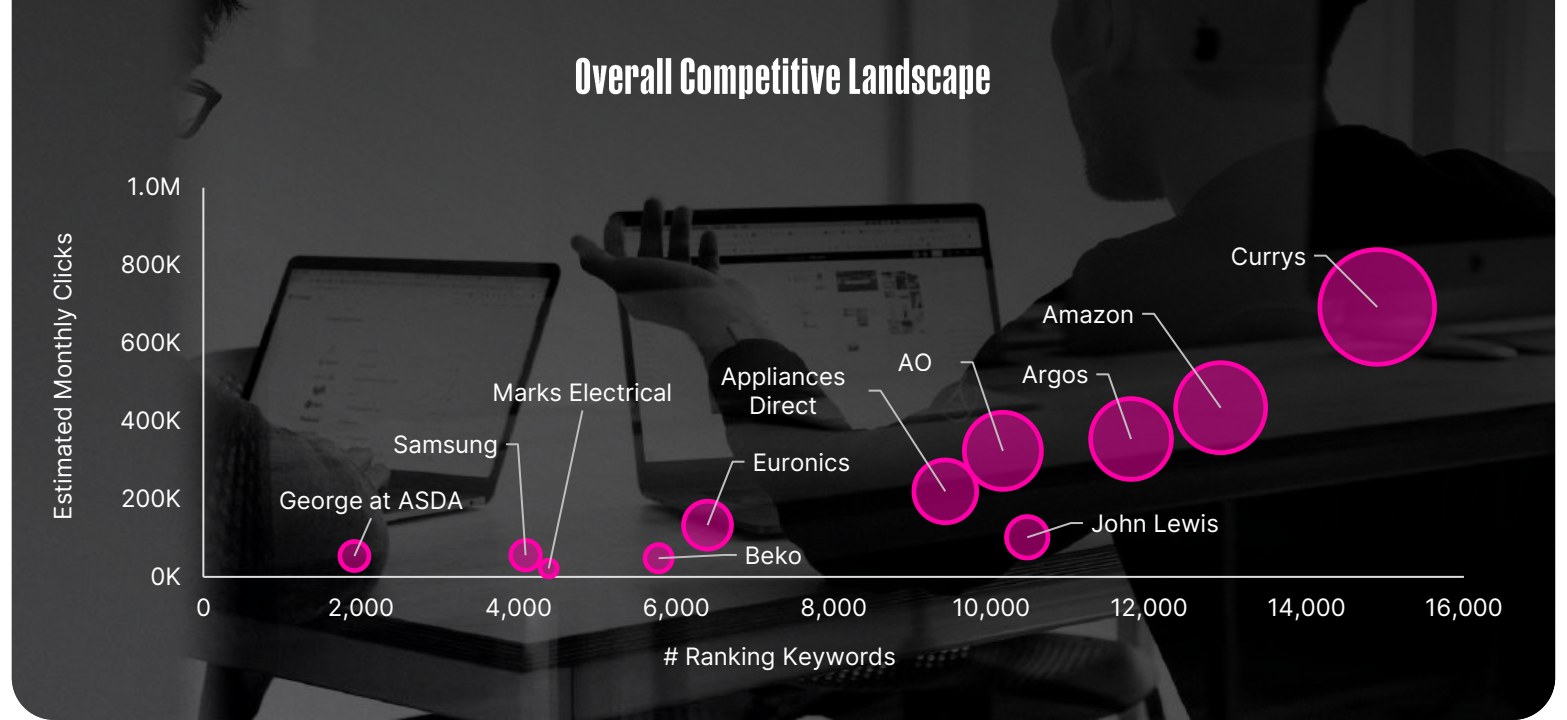
Delving into Experience

Organic Search

Using Google organic ranking we have collated competitive landscapes to show what websites currently lead within the market.

ACROSS OUR ORGANIC LANDSCAPING, WE FOUND:

1. Retailers such as Currys, Amazon, Argos and AO receives a large share of estimated monthly clicks, ranking for a large portion of the keyword set. With leading brands having well-established domains, it is essential to identify pockets of opportunity that align best with your brand's products/services.
2. Focusing in on Household Appliances, retailers Currys, Amazon and Argos dominate the search landscape. **Currys achieve over 220K monthly clicks from over 3K ranking keywords.**
3. Compared to Household Appliances, Consumer Tech search landscape is a lot more competitive. Outside of Currys dominant visibility numbers, a cluster of brands like Amazon, AO, Argos and Appliances Direct see significant organic visibility.

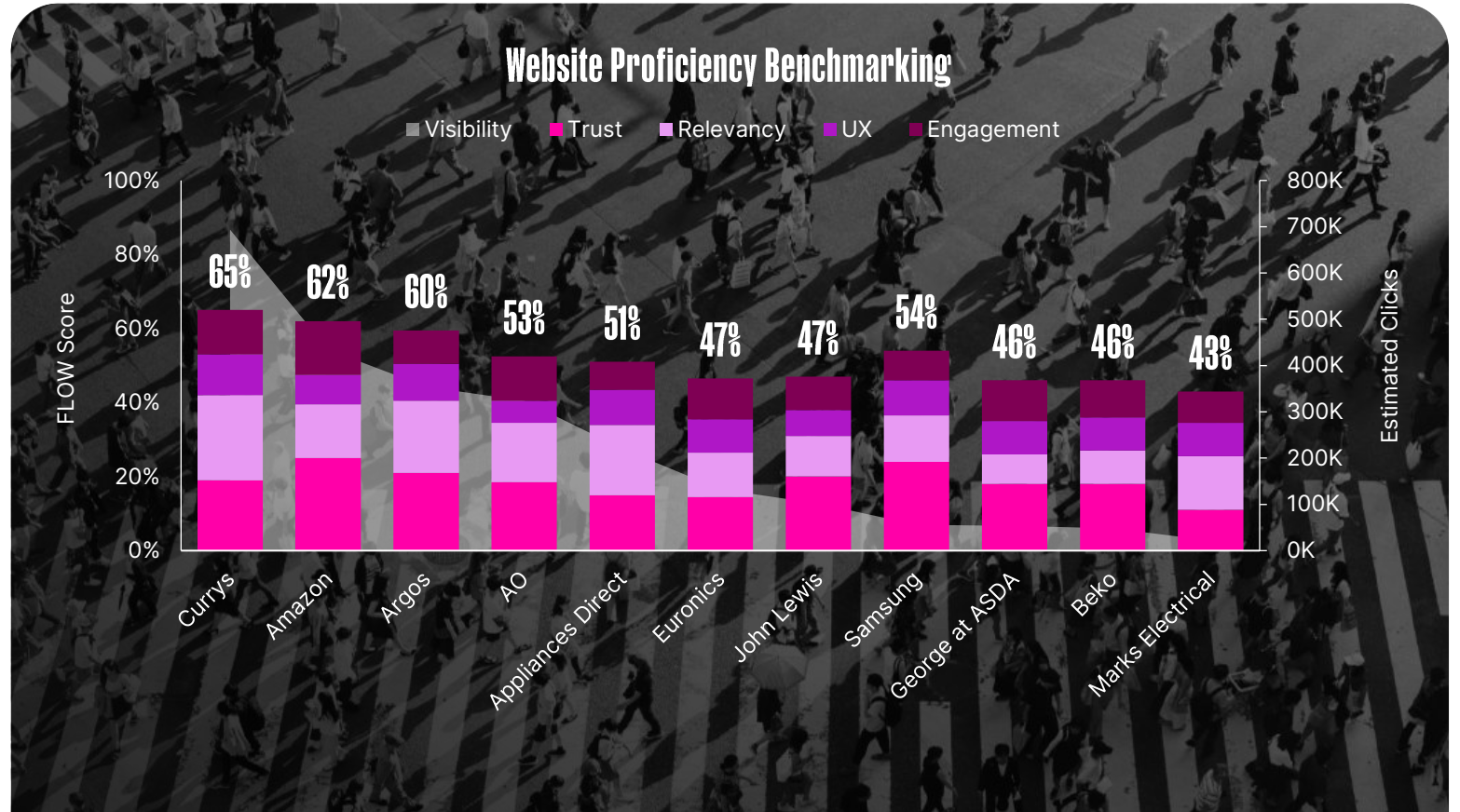


Website Proficiency

Using our in-house proficiency tool we have assessed leading brand websites across four key ranking factors; Trust, Content relevancy, User experience and Engagement. By performing well across each of these metrics your website will in-turn improve ranking potential.

THROUGH OUR RESEARCH WE FOUND:

1. Trust and content relevancy stands out as the key factors behind these website's high performance. Increasing content relevancy and building authority in this market will help your domain's ranking performance for valuable keyword opportunities.
2. With high brand awareness and domain ratings across our competitive set, we can see the electronic retail search market is a highly competitive space, lead by being well-established brands online.

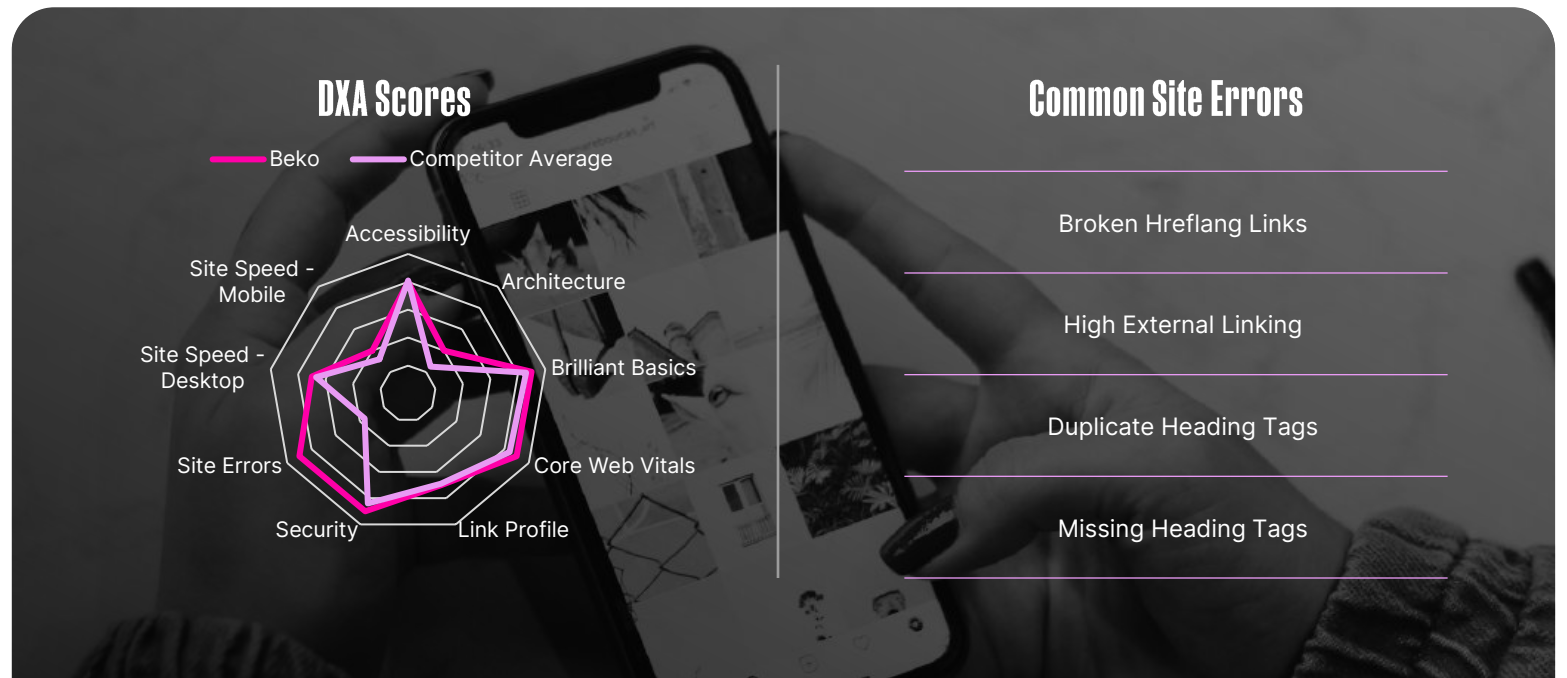
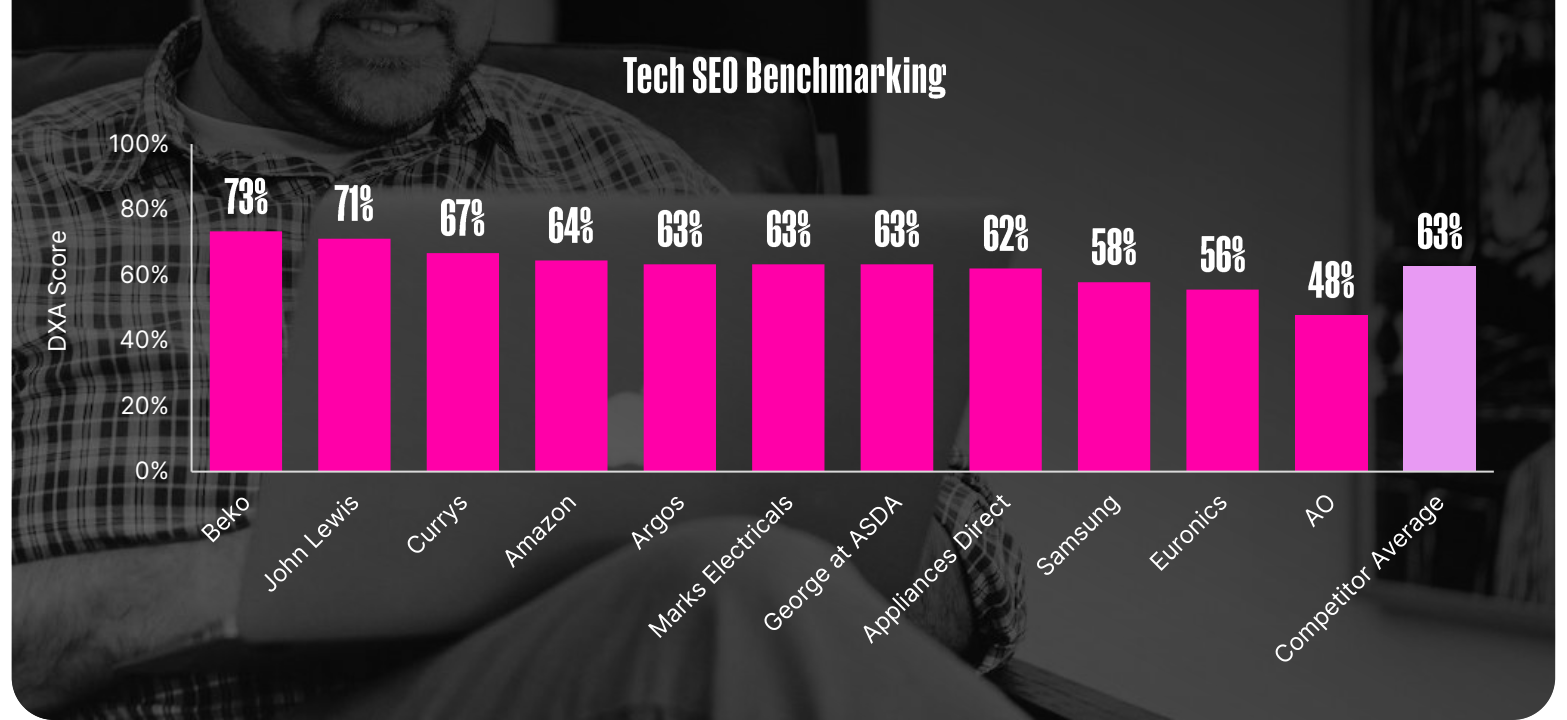


Tech SEO DXA

Assessing the competitive set through our in-house digital experience audit we can look to identify how each site performs from a tech SEO point-of-view.

TOP INSIGHTS FROM OUR DXA DATA WERE:

1. Beko and John Lewis score well across our tech SEO DXA, performing well against metrics such as; core web vitals, site errors and security.
2. The **average DXA score across our competitive set is 63%**, with accessibility, brilliant basics and site security being three areas competitors score well in.
3. Areas where these sites need improvement are architecture, site errors and site speed; by fixing these tech issues, sites can increase their organic ranking potential.
4. Common site errors across this brand list include; broken Hreflang links, high external linking and heading tag errors.

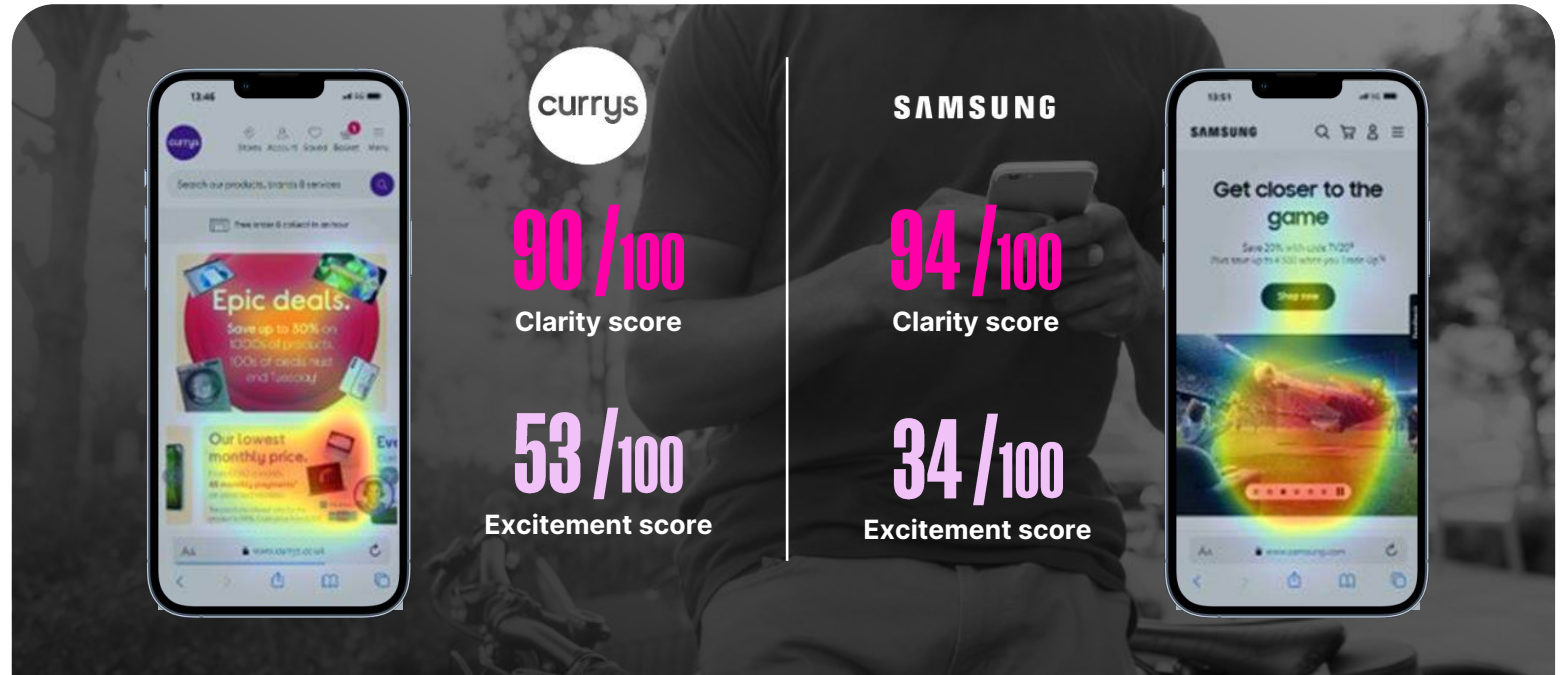
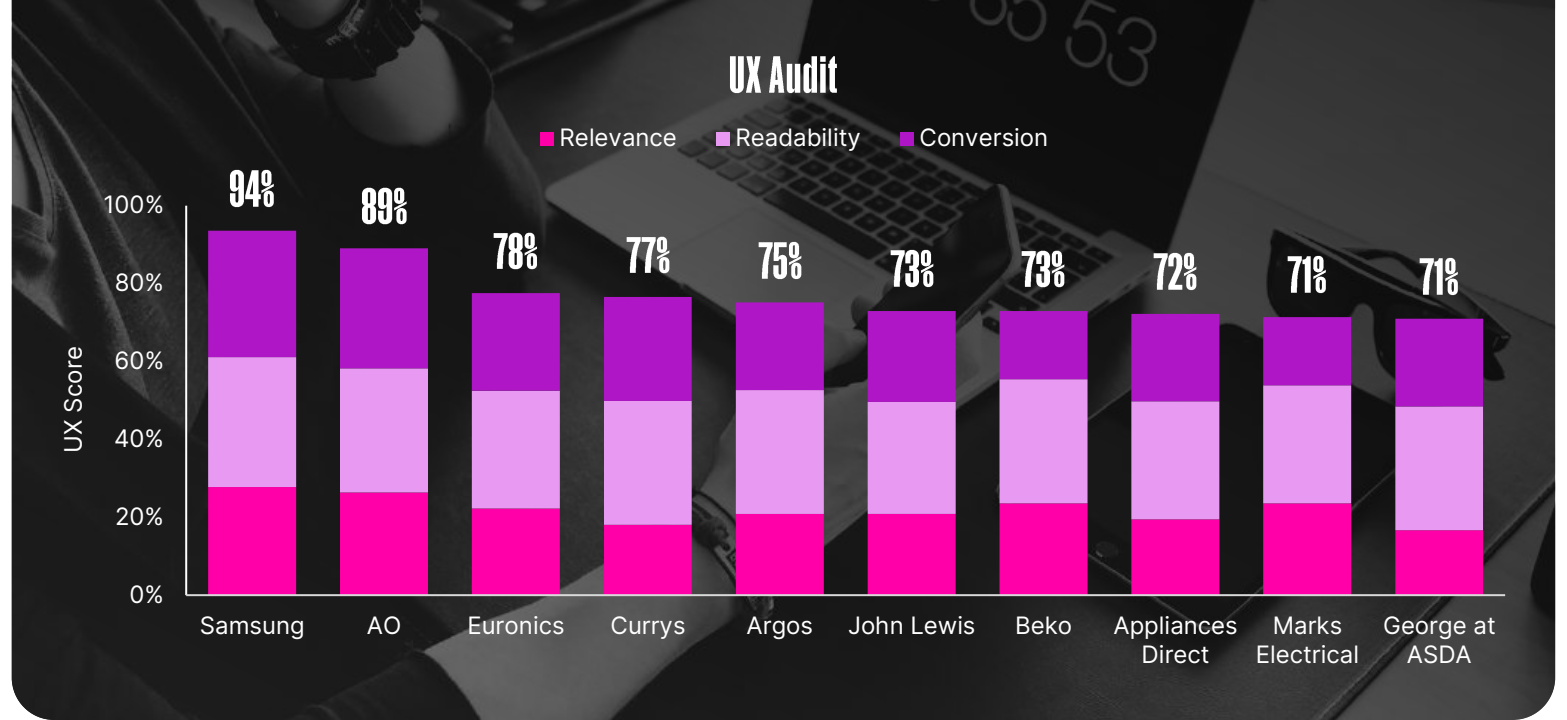


User Experience

To measure user experience, we look at three key aspects; relevance (how relevant the website is), readability (how clear and concise the website is) and conversion (how simple is the conversion process).

THROUGH OUR USER EXPERIENCE AUDIT, WE FOUND:

1. Across the board, competitor brands scored well, receiving an **average score of 77%**. Samsung's website stood out as the best performing from a user experience point-of-view, the website is clear and engaging, making the user's journey effortless.
2. Using AI eye-tracking technology we assessed Currys and Samsung's main webpages. With an optimum score of 70 we can see that clarity is the key focus for retailers in this market.
3. With online sales making up a large portion of electronic retail revenue, a clear and enticing website that centres around your product range is key.



SECTION 03

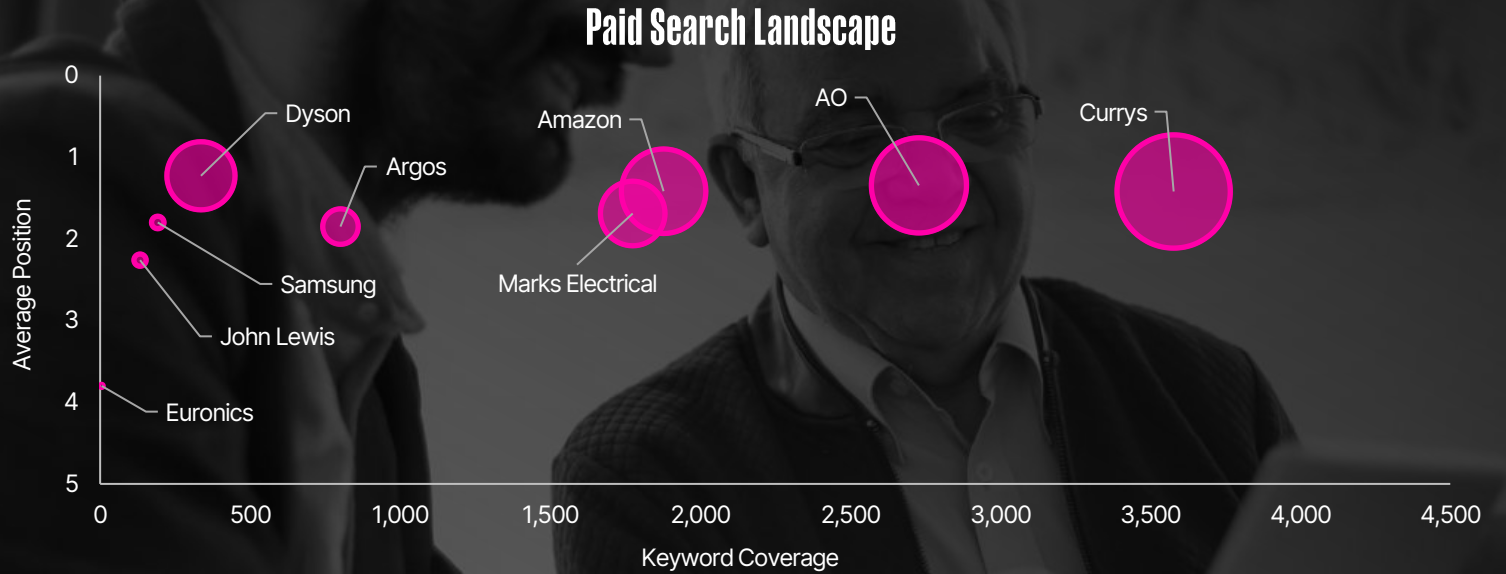
Assessing the Media

Paid Search

When organic ranking is proving elusive, paid search is a shortcut to driving traffic to your site. Using our electronic retail keyword set we have gathered paid search activity across a snapshot period, identifying who the big spenders are in the market.

ACROSS OUR PAID SEARCH ANALYSIS, TOP FINDINGS ARE:

1. Currys are seen to be covering **16% of our keyword set** with paid search activity. This is estimated to return around **26K monthly clicks**.
2. Highest spenders across this landscape are Currys, Amazon and Dyson. Despite low keyword coverage, Dyson sees the 4th highest estimated traffic (**approx. 10K clicks**) this is due to their PPC activity against high search volume keywords such as 'air purifier' and 'vacuum cleaner'.
3. Analysing estimated traffic by day helps us to see when each brand is most active across a week. Thursday stands out as the most popular day for bidding. Learning from competitor PPC activity can help us to understand the weekdays with high ROI.



Note: Samsung, Beko and Appliances Direct were not active across our snapshot analysis.

Paid Search Activity by Day

Brand	Mon	Tues	Wed	Thu	Fri	Sat	Sun
Currys	Green	Red	Yellow	Orange	Red	Green	Green
Dyson	Red	Yellow	Green	Green	Orange	Yellow	Green
Amazon	Red	Green	Yellow	Orange	Orange	Orange	Green
Marks Electrical	Orange	Green	Red	Green	Orange	Green	Yellow
John Lewis	Green	Orange	Yellow	Orange	Red	Yellow	Yellow
AO	Red	Orange	Yellow	Green	Red	Green	Yellow
Argos	Orange	Yellow	Yellow	Green	Red	Yellow	Green
Samsung	Green	Red	Green	Yellow	Red	Yellow	Yellow
Euronics	Yellow	Green	Red	Green	Red	Yellow	Red
Average	Orange	Orange	Yellow	Green ↑	Red ↓	Green	Green

SECTION 04



Reviewing the Content

Ad Creative

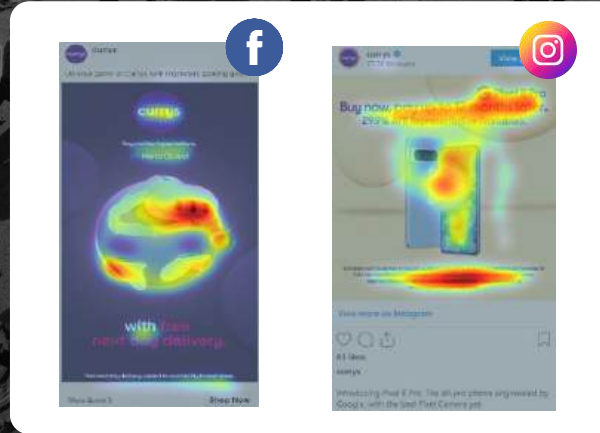
Research into competitor advertising helps you to understand what creative and messaging captures the consumer's attention.

ASSESSING AD CREATIVE, WE FOUND:

1. Using AI eye-tracking technology we can see how successful an advert is at directing your attention to key information. The social creatives from Marks Electrical are good examples for brands to use as reference, effectively highlighting the core message by using contrasting colours.
2. From the ads by Marks Electrical, we can see they often include their brand mascot, helping increase brand recognition. This strategy not only draws audience attention but also effectively integrates the mascot with promoted products, helping to facilitate the purchase journey.
3. Based on the heatmaps from Currys ads, audience attention is effectively directed towards key areas, emphasising the product imagery and message, thereby enhancing purchase intent. The ad design is effective and serve as good examples for brands to learn from when selecting the right ad creatives.

Ad Creative & Messaging

currys



Clarity score is high however, the excitement score is slightly lacking, especially for the Instagram ad due to the amount of text involved, making it difficult for viewers to focus on the key points, such as the CTA.

The use of branding colours in the Facebook ad makes it easier for viewers to associate the ad with the brand.

56%

Avg. Excitement

89%

Avg. Clarity

Ad Creative & Messaging

ME Marks Electrical



Impressive scores across both clarity and excitement for the two ads. From the heatmaps, we can see the focus is placed in the right areas of the advert.

The messaging is concise, using larger text to ensure viewers can easily grasp the core message. Additionally, the inclusion of the brand's mascot introduces a playful element to the ad.

81%

Avg. Excitement

79%

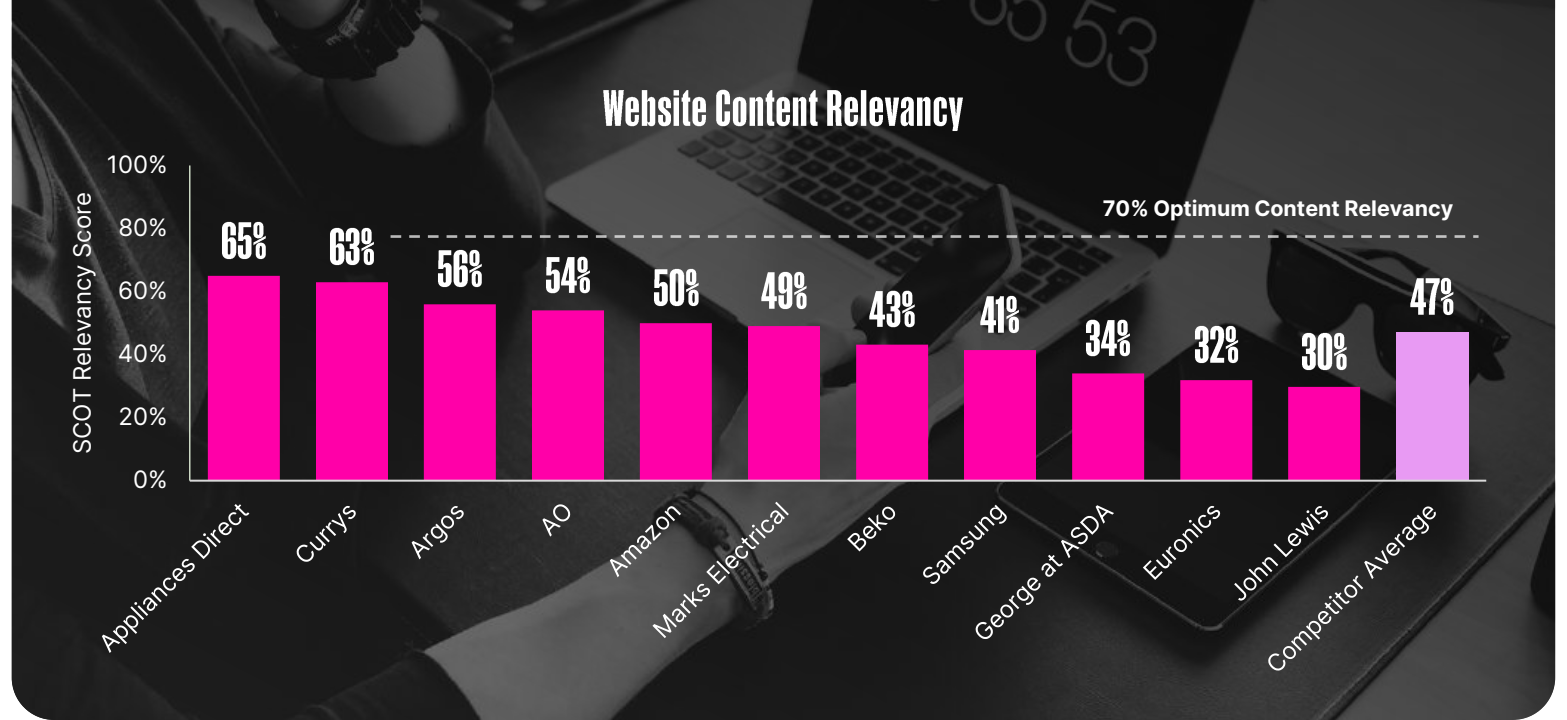
Avg. Clarity

Web content relevancy

Content relevancy is key to your website performance, helping you to rank organically and increase user engagement. Using our in-house content relevancy tool we have assessed leading brands against our keyword set.

THROUGH OUR RESEARCH, TOP INSIGHTS WERE:

1. With an optimum relevancy score of 70%, leading brands such as Appliances Direct and Currys perform very well against our keyword set. With a **competitor average of 47%**, some brands in our competitor set will fall behind on relevancy due to their product range not covering our full keyword set.
2. Curry's Fridge-Freezers page is one of their highest performing webpages. Averaging **position 5 across 442 keywords**, this is estimated to return **41K monthly clicks**.
3. One of Appliances Direct's top performing webpages is their 'induction hob' listing page, this page **ranks for 65 keywords**; on average **position 3**, achieving **12K monthly clicks**.

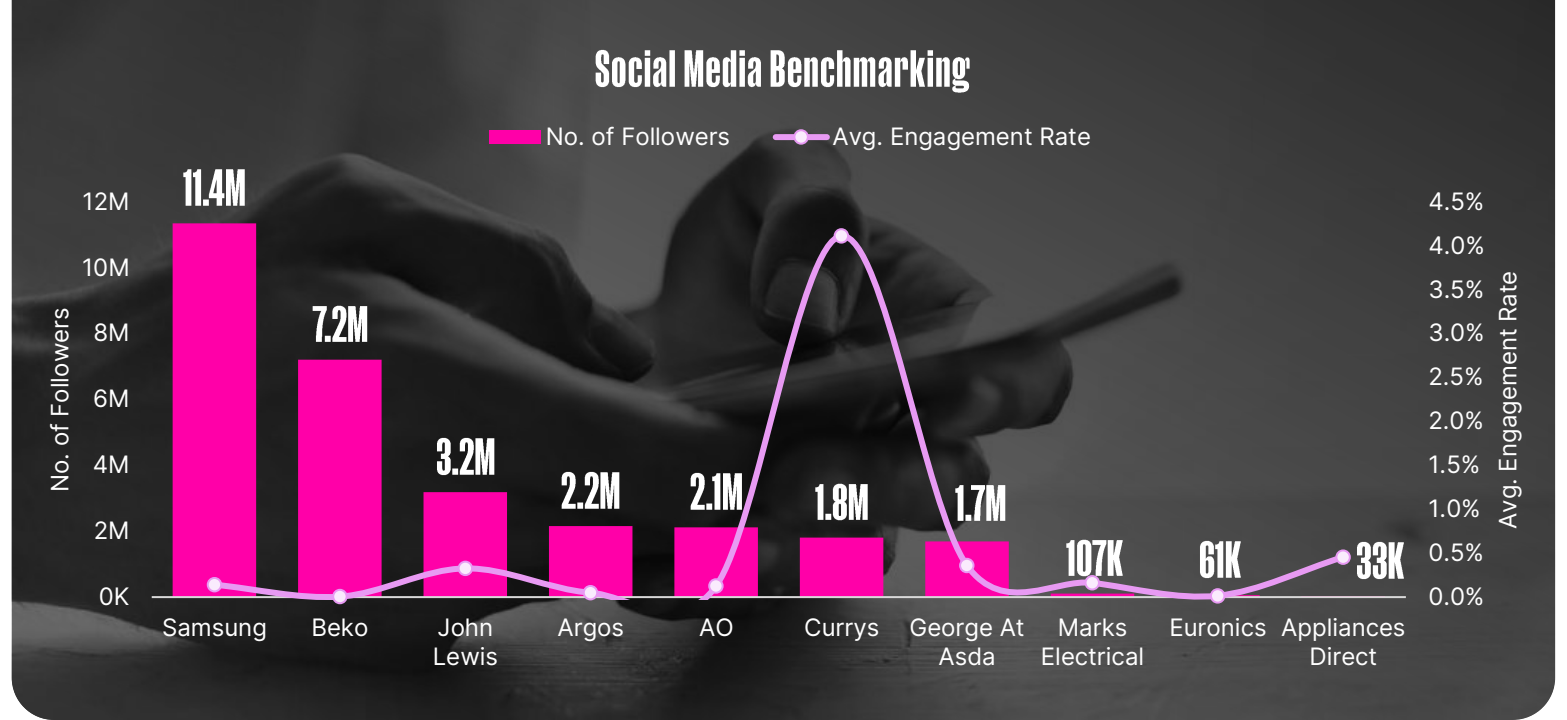



Social Account Analysis

Analysing our competitor's social media accounts, we have looked at how successful each brand is organically. Analysing the marketing strategy of leading brands can help us understand what works best for consumers.

SOME OF THE TOP INSIGHTS WERE:

1. Beko and John Lewis takes the lead with the highest social media follower base and a large proportion of it comes from Facebook, with Beko at **99%** and John Lewis at **46%**.
2. Facebook has become oversaturated, with over **64%** of followers across our competitor set coming through Facebook. With this in mind, brands should look to platforms such as TikTok and Instagram to grow their follower base and enhance brand recognition.
3. Currys and John Lewis see some of the highest engagement rate from our competitor set. Some of their most engaging posts consist of giveaways/competitions and promoting products through relatable content. This strategy helps garner audience attention and helps the user resonate with your brand.






currys

393K
Reactions, Comments & Shares

484%
Engagement rate



JOHN LEWIS & PARTNERS

24K
Reactions, Comments & Shares

2.3%
Engagement rate

Key Takeaways

Experience

- Currys are currently a dominant force in the electrical retail search market. This performance is due to their website proficiency across; content relevancy, trust & authority, user experience and on-site engagement.
- With well-established, household names leading this search market, it is essential to identify pockets of opportunity that align best with your brand's products/services.
- As electronic retail websites are a shopfront for your products, a clear, enticing site that centres around your product range is key. Making the user's journey as simple and pleasant as possible will help you keep consumers on-site, increasing conversion potential.

Media

- Electronic retail search landscape is highly competitive, with this in mind paid search can be a shortcut to driving traffic to your site. Using PPC activity to drive traffic where organic ranking is proving elusive.
- Social and TV competitor media spend (**42% and 26% respectively**) demonstrates these channels as key focuses for this industry. Learning from this media activity informs us to where leading brands see high ROI.
- Of social media investment across our competitors; Facebook, Instagram and YouTube see highest media spend (**89% collectively**).

Content

- The relevancy of your on-site content to keyword opportunities plays a big part in how well your website can perform organically. Creating and optimising content on your website to align with your targeted keywords will in-turn improve ranking performance.
- Advertising creative in this market will sit alongside many competitor brands, this makes it important for you to capture attention and entice the user to engage through your ad content.
- Social media is a great way to engage with your audience in this market, using these platforms to build brand awareness and connect with consumers of your products.

Get in touch

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About KINESSO

When it comes to tech-driven performance marketing, we do things a little differently. We're part of the world's largest performance marketing network, with over 6000 colleagues in 60 countries around the world, coming together to make experience, media and content work for your audiences.

We give brands the clarity and confidence to take action.

When consumers can do what they want, find what they want and get what they want, that's when things flow. Our approach to flow is designed to understand why consumers behave in the ways that they do, how and why they engage with brands and products and, crucially, how we can make that experience better.

When we do that, we can direct the attention of audiences to what is important to them, focus their engagement with content that meets their needs, and eliminate those sources of fiction that harm the customer journey.



KINESSO



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FRESH FOR EVERYONE™

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Thank you