



*3M is a diversified technology company serving customers and communities with innovative products and services. Each of their six businesses has earned leading global market positions.*

## EXECUTIVE SUMMARY

3M is one of the largest and most innovative companies in the world. Founded in 1902, they currently operate in 65 countries around the globe and generate over \$30B in revenues.

## CHALLENGE

Reduce abandonment rates, increase order values and conversion rates, while directly aligning the Shop3M site redesign with the 3M.com site. Another crucial goal was improving the customer experience.

## SOLUTION

Shop3M was due for a change in both look and functionality. Baynote was one of the solutions architected into the new look and feel with recommendations placed on the home page, category and subcategory pages and product detail pages.

## RESULTS

Baynote was a key factor in driving conversion rates up by 11% and average order values up by 8.5%.

From the invention of masking tape to health care products, transportation solutions to Post-its®, 3M is known for its constant stream of innovative products. Their products reach millions of people around the world every day and customers are assured of quality, value and service. Both 3M.com and Shop3M.com are focused on providing an excellent online customer experience. The ultimate goal? To enable consumers to find what they are looking for and where to purchase it quickly and easily whether through a direct channel or a directed channel.

## CHALLENGE

With thousands of SKUs and hundreds of distribution channels, Shop3M.com is focused on providing consumers an alternate channel for purchasing products. When 3M launches new products, they make sure that the 3M and Shop3M sites have the quality content that consumers find engaging, that leads them to purchase 3M products, and that allows 3M to capture valuable insight into product popularity, trends and complementary products.

Raj Rao is the Vice President of eTransformation at 3M and Christopher Murray is the Operations Manager for Shop3M.com. Together, they track five critical metrics: traffic growth, conversion growth, attach rate, abandonment rate, and average order value (AOV). The company's aim is to increase customer engagement and improve each of these metrics on Shop3M.com. When they decided to redesign the Shop3M.com site

it meant trying a number of things at once such as ratings and reviews, chat and personalization. In Rao's words, "We don't buy technology here. We invest in technology. The difference is that one is based on a quest of hope, and the other is based in ROI". So, when they set out to drive a new era of innovation on the site, 3M took a calculated risk, based on solution cost, time to market and the probability that the solution would deliver significant improvement in their top metrics.

*Shop3M aims to increase customer engagement and improve each of these metrics:*

- *Traffic growth*
- *Conversion rate*
- *Attach rate*
- *Abandonment rate*
- *Average order value*

lowed the Shop3M team to watch the behavior of visitors to this zone on the home page. The next step was to inject Baynote recommendations throughout the site on category and subcategory pages as well as product detail pages.

Since conversion and customer engagement were key metrics of the Shop3M team, delivering the right recommendation at the right time on the right page has made a big impact. Nine months after implementation, 3M is experiencing a 62% increase in revenue on the site across all metrics. While this growth is not attributable solely to Baynote, the ability to personalize across all of these touch points has rendered impressive gains.

**62%** *increase in revenue on the site across all metrics just nine months after implementation.*

## SOLUTION

Having come from a limited commerce environment with a little hand merchandising thrown in, the Shop3M team selected Baynote in January of 2011 and were up and running eight weeks later. According to Christopher Murray, "Baynote's speed to execution was phenomenal. It was one of the fastest implementations we've ever seen around here."

Shop3M started by using Baynote Personalized Recommendations in a landing zone on the site's home page. This al-

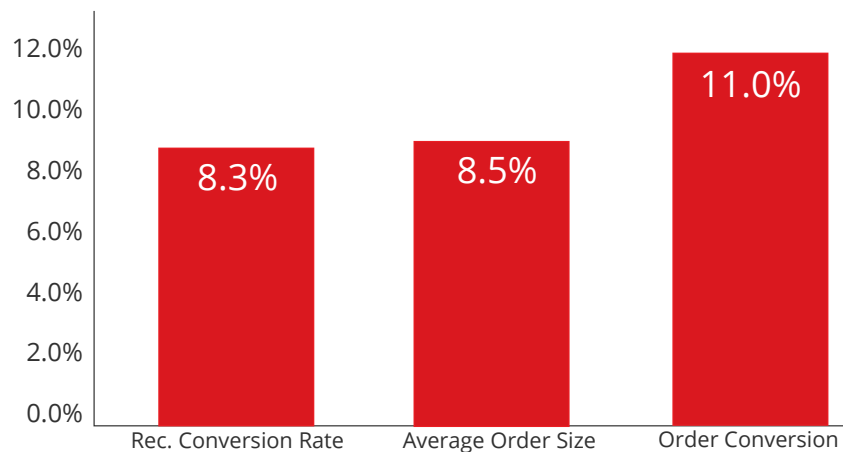
Yet, the purpose of the 3M site is not only to drive revenue. Shop3M is a tool for the company to generate leads, introduce new products, sell long tail items and gain valuable customer insight. Raj Rao said, "As far as launching a new product, we have to make sure that the product is available to display in the 3M Store which means you need really high quality content to entice someone to make a purchase. Baynote gives us the ability to push this along as well as provides us insight into adjacency." Using Baynote, Rao and his team are able to advise distributors on the right inventory mix and what complementary products they should order.

*“ Baynote's speed to execution was phenomenal. It was one of the fastest implementations we've ever seen around here. ”*

## RESULTS

3M's goal is to improve life for its customers, to be relevant to every business and do it in a manner that enables operational excellence and innovation. Choosing Baynote empowered the Shop3M team to do just that. Christopher Murray said, "We wanted to be able to test the technology without making a large capital investment. Baynote has been flexible and a very good partner for us to work with." And with a double digit improvement in conversions, coupled with an 8.5% lift in average order value, Baynote has met just about every metric established by the Shop3M team.

### Rate of Improvement with Baynote





Where does it all go from here? Rao stated, "As far as personalization is concerned, we absolutely want to look at not only visitor behavior but visitor identity as well. That's my vision." He added that the notion of omni-channel is quite simple. It means regardless of how a customer chooses to engage with their brand, 3M will strive to deliver a consistent message, drive deeper engagement and integrate technologies as needed to bring them as close as possible to the customer: an innovative strategy, for a truly innovative company.

#### About Baynote

Baynote is a leading provider of personalized customer experience solutions for multi-channel retailers. Using Baynote's patented approach, retailers personalize the shopping experience "in the moment" across touch points, increasing consumer engagement, conversions and order values. For more information about Baynote, visit <http://www.baynote.com>.

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