

Forum:[Hack Forums](#)

Thread: [\[GUIDE\] Increase Your Average Order Value For More Profits!](#)

Mr.Motivation - February 9, 2019, 2:58 am

Increase Your Average Order Value For More Profits!

Customer acquisition costs are getting higher and higher due to competition so to keep up with the ad costs you will need to increase customers average order value and get the most out of every customer, this is a must have strategy for every e-commerce business for example dropshipping stores.

The one who can spend the most on ads will win that market always!

Increasing average order value you will need to cross-sell, upsell and downsell effectively.

Upselling:

Up-selling is a marketing technique where you try to convince a customer to purchase a more expensive product instead of original product or to buy both, the original product which they were buying in the first place AND also the upsell product.

Example:

Have you ever been to McDonald's and ordered a 300ml Coke, only to hear that for 30 cents more you could get a 500ml Coke instead? That is up-selling. What about when you order a cheeseburger and they ask if you want some fries along with it? Up-selling too.

Cross-selling:

Cross-selling is where you try to get customer buy related products along with the first product they are buying, while upselling usually is upgrading the first product to more expensive one.

Example:

Suppose you sell web design services. Many clients will not know how to promote or search engine optimize their websites, so you could cross-sell these consulting services (either by providing them yourself, or by creating a partnership with a company that will provide them for you).

Down-selling:

If your customer decides to back off from buying the product they were first buying then you could offer cheaper version or related product instead.

The main goal here is to acquire the customer even if you would just break even or even make a slight loss but customer is always a customer and you can do follow up emails to sell other products. (Getting customer without profit doesn't equal failure)

Example:

Car dealers down-sell all the time. If you enter a dealership looking for a BMW and get scared with the price, the salesman will certainly bring up many other options that cost a lot less. That is down-selling.

If you don't implement up-selling, cross-selling or down-selling you are most likely leaving money on the table!

Shaggy - February 9, 2019, 3:40 am

Can you give me more info/tips and tricks about Cross Selling?

Mr.Motivation - February 9, 2019, 3:42 am

(Feb 9, 2019 04:40 AM)Casanova Wrote: [\[CITE\]](#) Can you give me more info/tips and tricks about Cross Selling?

Yes sure! Do you have any specific questions in mind?

One more example of cross selling would be:

If you sell jeans for example you could cross sell nice belt to go with it, it has to be related and compliment the other product.

Shaggy - February 9, 2019, 3:44 am

(Feb 9, 2019 04:42 AM)Himmayn Wrote: [\[CITE\]](#) Yes sure! Do you have any specific questions in mind?

One more example of cross selling would be:

If you sell jeans for example you could cross sell nice belt to go with it, it has to be related and compliment the other product.

But in this one for example would you offer a discount on the belt? or just an add-on option without any discount?

Mr.Motivation - February 9, 2019, 3:46 am

(Feb 9, 2019 04:44 AM)Casanova Wrote: [\[CITE\]](#) But in this one for example would you offer a discount on the belt? or just an add-on option without any discount?

You can choose the offer you create for your customers but it can be without discount yes.

Here is example how amazon does their cross-selling:

I searched for gopro and it gives me option to add 2 more products to cart which are related to gopro

Shaggy - February 9, 2019, 3:51 am

How many percent this kind of style sell? For example the actual chance a customer will buy both or more? And what's your price range for it for them to buy those 2

Mr.Motivation - February 9, 2019, 3:56 am

(Feb 9, 2019 04:51 AM)Casanova Wrote: [\[CITE\]](#) How many percent this kind of style sell? For example the actual chance a customer will buy both or more? And what's your price range for it for them to buy those 2

Conversion rates are based on many many variables, for example in one case 20% of people bought the cross-sell but it's impossible me to tell you certain percentage which will convert.

it doesn't hurt to have cross-selling in place because if you don't have any you have 0% chance to get cross-sell, so just implementing this to your store increases your chances and average order value instantly and forgot to mention that really good rule to cross-selling is to have those products which you cross-sell cheaper than the original product they are buying so then it's easier to add to cart the cheaper item when you're already buying something more expensive.

Like you can see from the amazon cross-sell that the items are way less in price than gopro so it's not big obstacle for me to add them into my cart when gopro which im buying is £348.70 and the cross sell products are £49.00 and £17.99

Shaggy - February 9, 2019, 4:00 am

Thank you for your insight. I will try this at once in my physical store. I'm thinking of making a banner/poster when buying a certain item. It will look good with this Item + I'll offer a discount so people that come in will notice it

Mr.Motivation - February 21, 2019, 2:23 am

(Feb 9, 2019 05:00 AM)Casanova Wrote: [\[CITE\]](#) Thank you for your insight. I will try this at once in my physical store. I'm thinking of making a banner/poster when buying a certain item. It will look good with this Item + I'll offer a discount so people that come in will notice it

Did you find any way to implement up-sells in to your physical store? :)
would like to hear more about it