

LAMB

AGENCY



Shopify Unite 2018

Product announcements

OVERVIEW

There were some very interesting product launches for 2018.

Shopify is definitely looking at the future with forward thinking improvements to:

- Augmented reality
- Improved POS sophistication (with hardware)
- Seamless multi-channel updates

The more practical improvements focused on international support and their ecommerce incentive systems.



Greg with Shopify CEO Tobias Lütke.

FUTURE TECHNOLOGY

Augmented Reality

Prior to Unite, we were unconvinced that Virtual Reality or Augmented reality could practically be used within the Shopify ecosystem. But after a short demo, our minds have changed!

Shopify demoed an exciting application for Augmented Reality that allow you to place a 3D rendered product on to a flat-lay type setup. The most obvious use case for eCommerce is laying out clothing to see if they match. This could also be great for getting a sense of the size of the physical object.

A very exciting development that will see many new ideas!

Seamless multi-channel updates

Shopify are looking at how to make the online and offline experience more fluid for returns and exchanges for customers using Shopify POS.

So if a customer wants to return an item online that has been purchase offline, they want to make this simple.

FUTURE TECHNOLOGY

POS hardware

Shopify is looking at a future where hardware is part of their solution platform. Later in 2018 they will be releasing a new Tap & Chip Reader to the North American market. Built by Shopify, the Tap & Chip Reader is a wireless device that can process contactless payments from credit cards and mobile wallets.

No news yet on when this could be released to Australia.



NEW FEATURES

In our experience, a large majority of our Australian clients are using the platform to cultivate international markets. So there are a number of interesting updates for those merchants!

There were a range of interesting product features from technical, hardware and transactions.

The most interesting additions for Australian merchants related to:

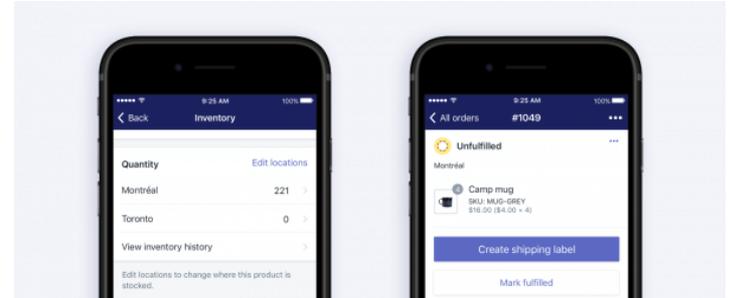
- Multi-currency payments
- Multiple inventory locations
- New promotion structures (BOGO, volume discount)
- Localised payment methods

MULTIPLE INVENTORY LOCATIONS

The ability for Shopify to only store a single inventory value has been a common pain point for larger retailers we have been working with, particularly those interested in Click-n-Collect capabilities, or more complicated inventory arrangements that included reserve stock. The new functionality will allow for inventory of up to 6 locations to be included out of the box for Shopify Plus clients.

Benefits

- Ability for the website to show stock based on a store location.
- Simplified implementation of Click n Collect

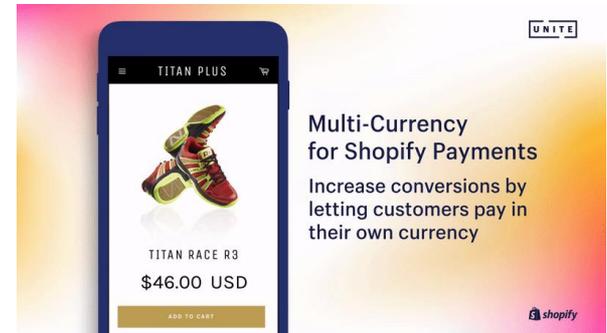


MULTI-CURRENCY PAYMENTS

“Grow locally by acting locally” is the theme of multi-currency payments. Previously payments had been fixed to one currency per store. Now that will change. Shopify will have a built in geo-location capability that will automatically detect and select the local payment currency. This eliminates a common friction point when purchasing internationally, and provides customers with a greater sense of pricing confidence when making purchases.

Benefits

- Reduced friction when purchasing internationally
- Reduction in reporting inconsistencies due to currency conversion.



NEW PROMOTION STRUCTURES

Promotion structures improve that all important average order value. Buy one get one free (BOGO) and volume discounts have previously relied on the installation of additional plugins, this update brings them natively into Shopify.

Benefits

- Reduced reliance on 3rd party plugins, native support
- Improved purchasing incentives to increase average order value



PROMOTION EXAMPLES

Example promotions	Example bulk discounts
Buy X, get a second product or collection for free, or % discount: Buy 1 shoe, get socks 50% off	Offer a % discount based on quantity or cart value: Buy 2 or more socks, get 20% off
Specify single or multiple products or collections for X and Y: Buy any product, get 50% off shirts and pants	Offer \$ discounts based on quantity or cart value: Spend \$100 or more, get \$25 off
Customize details down to the product variant: Buy 1 medium red sweatshirt, get 1 t-shirt free	Offer free shipping based on quantity or cart value: Free shipping when you buy 3 or more products

LOCALISED PAYMENT METHODS

Did you know that in Germany, credit cards make up just 22% of online transactions?

Most retailers we work with in Australia are oriented towards credit payments for online transactions. However, around the world different countries have different payment method biases. Previously those payment systems have been out of reach.

Shopify is focusing it's attention on extending the most popular payments methods to all Shopify Payments customers.

Benefits

- More inclusive payment methods for international customers.
- Automatically select the best payment method based on a customer's location
- Increase international conversion rates

Launch date; TBC

SUMMARY

These changes will make a big difference to international commerce for Australian merchants.

The improvement to the incentive system(BOGO) is an immediate bonus that will enhance the selling capability of the website.

However, we believe that multiple location inventory is a game changer for larger retail brands online. This will make the biggest difference to clients we work with day to day.

