Checking In On Checking Out

HOW ECOMMERCE MARKETERS ARE BOOSTING CHECKOUT CONVERSION

By **Daniela Forte,** Multichannel Merchant

When a consumer gets to the checkout section of your website, you're this close to closing the deal. That is why it's important to provide a seamless experience at this point in the customer's path to purchase. However, each year online retailers are losing an enormous amount of revenue as a result of shopping cart abandonment.

When a consumer drops out of a sale, does it mean they are never coming back? Not necessarily. But you will want to do everything you can to ensure the consumer has not forgotten you and that the relationship isn't entirely lost.

In this report we will examine when, where and why shoppers are dropping out of the purchase process and how to prevent it.

Amy Larson, vice president of ecommerce and marketing for Glasses.com said most people will abandon cart when they are in the checkout phase.

Making the Checkout Process User-Friendly

Is your shopping cart user friendly? If it isn't, consumers will easily leave your site without making a purchase.
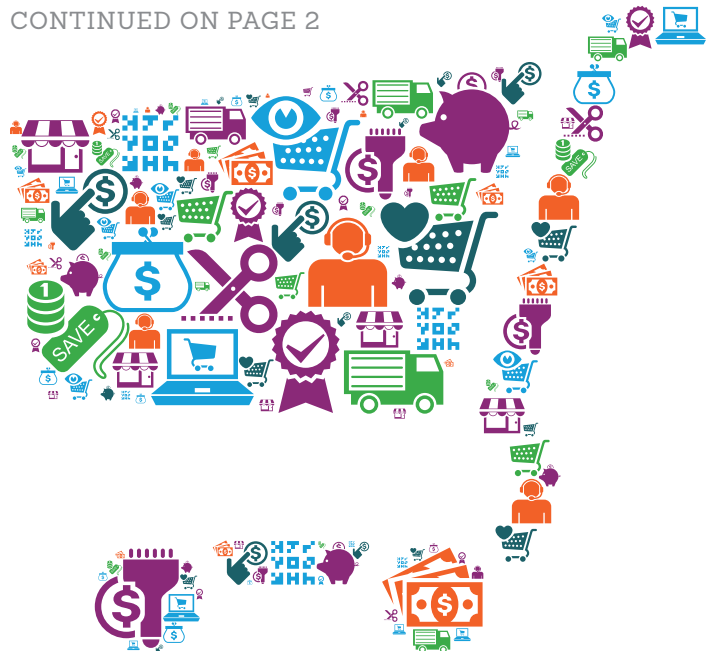
Making the user design process an easy one is important in order to get your customers to buy.

For Rod's Western Palace, the shopping cart is the most important and most difficult component in ecommerce checkout from a technical standpoint, according to Phil Minix, executive vice president for the company.

Rod's Western Palace provides a four-step checkout process where the consumer is presented with a different screen for each step.

"We mulled it over to see if we should get to a one-page checkout or maybe two," said Minix. "Cart abandonment is still high for everyone, and you can never drive it down to a low number because people use it as a scratch pad."

Lauren Freedman, president of the e-tailing group, Inc., said retailers can make the shopping cart experience easier for consumers is by providing clear information, inventory transparency and shop with confidence messaging, such as information about your return policy and your phone number.

Keep your customers from leaving, Freedman said, by providing them with a stepped flow, pre-populated information and express checkout options.

Freedman said retailers today are continually challenged with finding ways to make conversions go up, which means making abandonment go down.

Freedman said there is more information to convey and as things get more sophisticated, retailers have to figure out where they can put it. Another challenge is compatibility with mobile.

"If you are designing mobile first, you have to decide

How Cultures for Health Nurtures Its Browsers Back to Buy

Cultures for Health, a real food merchant, brought its customers back to purchase after the company implemented a shopping cart abandonment solution.

The company worked with Listrak as its email service provider to help them reach back to nearly 40% of its 55+% of shoppers who abandon an online cart without purchasing.
The revenue recouped comprises nearly 10% of the merchant's total email revenue.

Cultures for Health used Listrak's Browse and Abandon Nurture campaign, which is set up like a traditional browse and abandon campaign, with three emails, each featuring personalized product recommendations.

Within the Browse and Abandon Nurture campaign, the first email was sent 12 hours after abandonment, the second email was sent four days later and email three was eight days post abandonment.

None of the emails offered a promotion or discount to get the browser to convert, but all the emails featured recommended products based on each individual recipient's browse and purchase history.

The three messages produce more than 54% of the revenue Culture for Health's three-message shopping cart abandonment series produces.

During the course of three-message browse and abandon campaign, the merchant sent two Nurture emails – in lieu of any broadcast campaign the subscriber would otherwise be receiving – that feature personalized product recommendations, including the products recently browsed and abandoned.

The first email in the browse and abandon campaign was sent two days after the browse and abandon message one and the second email was sent two days after browse and abandonment message two.

Cultures for Health produced an additional 60.39% in conversions by adding two nurturing emails that keep recently browsed products in front of the abandoner rather than sending broadcast emails with irrelevant products. The two nurture messages accounts for 37.65% of the total browse and abandon nurture campaign revenue.

"When our account manager suggested a Browse and Abandon Nurture campaign, it made great sense and we were expecting it to increase Browse and Abandon campaign revenue by 25% or 30%," said Julie Feickert, owner and founder of Cultures for Health. "The fact that it is actually increasing revenue by more than 60% is phenomenal."
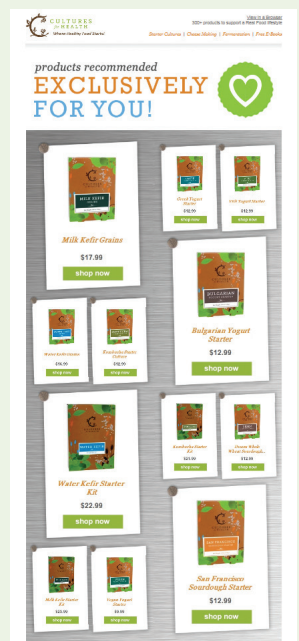
what really matters, what you are going to keep and what is going to go," said Freedman.

Larson said Glasses.com's checkout process is quite a bit more complicated because the company needs to collect prescription information.

"We've spent a lot of time testing that, because it is a daunting task for customers," said Larson. "We've really done a lot of testing to determine the right place to request that information."

Larson said the challenge of requesting the information too early is it becomes too daunting for consumers because they aren't really invested in the process. If they ask for the information too late, the consumer is concerned about providing their payment information.

"For us if you have gone through the process, we request the prescription information between payment and shipping request," said Larson. "After they enter the address and before they entered payment."

Larson said Glasses.com has an accordion-style checkout. The company sees that helps and alleviates those concerns with optimization.

"One of the things we have made a conscious decision not to do is address standardization, instead we do it on the backend, so we are still standardizing addresses, but it is not facing customers," said Larson.

Larson said they ask customers to create an account, which helps Glasses.com track lifetime value for the customer. Once the customer has created an account, they can retrieve the previously used address information.

"With prescription information, we allow them to use previously used prescription information so they don't have to fill it in again," said Larson.

Winning Your Customers Back

Your customers have abandoned their cart, so now what? Not all is lost, there are plenty of ways to win the customer back after they left your site.

Larson said Glasses.com, does abandoned cart campaigns and retargeting in display remarketing. The in-home trial the company offers to consumers has been important for that.

"We can say, those glasses in your cart, you can try them for free," said Larson.

Larson said the company does a lot of personalization,

GameStop Brings Mobile Shopping Cart to Brick and Mortar

GameStop announced at the National Retail Federation's 104th Annual Convention & Expo that it plans to use the Microsoft Azure cloud platform to continue to enhance the in-store engagement of its customers in interactive, informative and entertaining ways.

GameStop will be one of the first retailers to use Azure to stream video game and promotional content direct to customer and store associate mobile devices. As a result, customers will be able to view on their smartphones and Windows tablets content from GameStop's catalog of video games, providing a digitally immersive shopping experience within the physical store.

GameStop's store associates will be able to access individual information for those customers who have opted in to receive and share information as part of the GTI app, empowering the associate to provide a personalized shopping experience based on the customer's unique shopping history.

During an interview with Multichannel Merchant at the Expo, Charlie Larkin, Senior Director, Technology Innovation, at GameStop, described gaming as a content experience, and said a lot of research on gaming is done on mobile devices.

"What we wanted to do is take that research and make it even better in store," Larkin said. "We took all these assets we built for our online and mobile properties and we exposed it in a way that can be used in the store in a fun and entertaining way, and can also immerse the customer with that content experience."

But even more interesting is how GameStop is bringing the mobile shopping cart to the brick and mortar environment. The GameStop app offers an in-store mobile shopping cart that can be used by the customer to facilitate a faster checkout.

"So as you're building up your shopping cart, employees can at the same time see that and be able to download it right to the POS," Larkin said. "So as you are building your cart up we can have the product ready for you and make the checkout more seamless and convenient."

Brendan O'Meara, Senior Director of Worldwide Retail and Consumer Goods, Microsoft Corp., told Multichannel Merchant he referred to the shopping cart as an "omnibasket," which is facilitated via Azure in-store beacons.

"As often is the case, GameStop is really on the leading edge of something, but frankly, I think this is really intuitive from a consumer perspective," O'Meara said. "This is how you want the [omnichannel customer] experience to work. Outside of maybe a little bit of messaging that comes from beacons there's not really a full interactive experience to be exploited in retail the way that GameStop is doing it here. —*Tim Parry*

showing the actual frames the consumer has chosen in the cart.

According to the 2015 MCM Outlook Survey, 66.7% of retailers said triggered emails like abandon cart emails are sent to consumers, which was below transactional (82.2%) and promotion/marketing (91.1%) emails. Survey results also revealed that 47.1% of retailers will market with retargeting ads.

Following up with a targeted email can offer retailers extremely high open and click-through rates compared to standard marketing efforts. Abandon cart emails should be sent 24 hours after the shopper has abandoned the cart as a reminder of the items they left.

Testing emails is important. For example, try pairing your test emails with offers to incentivize consumers to complete a larger transaction.

It's not just about sending an email, it's also what message you convey in the retargeting email. For example, if a consumer who lives in a warm-weather climate looked at items for a cold-weather climate, the retailer may send a reminder email about the shopper's cart contents and incorporate cold weather items and vice versa.

It is important to win over cart abandoners with personalized targeted email offers with other product recommendations that will help consumers reach the free shipping threshold.

Freedman said when it comes to making a purchase it is always about shipping, which no one wants to pay for.

"Fifty-six percent of people say it's about shipping, and 45% of people said my order value wasn't large enough for free shipping," said Freedman referring to a UPS study.

Building Trust with Your Customers

Trust in any relationship is important, especially between you and the consumer. For many purchasing online may still be a weary concept especially when consumers have to provide personal information in order to make a purchase.

If you don't promise a level of trust in your checkout process and on your site overall, it is more than likely that you could lose a sale.

Freedman said to gain trust from your customers, you will want to incorporate trust mark symbols, alternative payment options and merchandise guarantees.

"Make it a no-risk proposition," said Freedman. "Some people will put price-matching in there."

Larson said they highlight their guarantees in the checkout process and attempt to make the process as painless as possible.

"We break down our guarantees very specifically," Larson said. "We have outstanding customer service, we provide our phone number, we want to leverage both."

Larson said it is important for people to have access to a person with whatever concern they have. Consumers are getting comfortable with technology taking care of it, but they still want a person, because that's what they are used to.

For smaller businesses and even large ones, providing real-time contact information, an email address and an online chat capability will not only gain trust from your customers, but you will also maintain a long-lasting relationship with them.

The Checkout Process on Multiple Devices

The checkout process isn't just coming from a desktop anymore. Today's shoppers are viewing your site and your shopping cart from multiple devices and retailers are aggressively trying to figure out how to make the user experience a seamless one.

It is imperative that whatever device consumers are checking out with on your site, you provide the same experience to ensure that they don't abandon their cart.

Larson said at Glasses.com, one of the challenges is its in-home trial option, where consumers are able to try a pair of glasses for 15 days, and if they don't like them, it can be sent back.

"We always tried to walk a delicate balance on who we are pushing for the in-home trial. It's a costly program, we try not to have 100% go through it," said Larson. "Given the limited amount of real estate on the phone, it's a much more linear process. On a desktop site, you can merchandise that offer in a subtle way, it's there for people who need it."

Larson said Glasses.com does see an increase in take rate of the in-home trial on the mobile device vs. the desktop.

"We're still trying to find the best way to present things for the customer and business," said Larson.

"There are a lot of things to come. We just launched our new mobile site in April, and there are a lot of optimization options coming."

Jim Davidson, head of research for Bronto Software, said during IRCE 2015, the for retailers that feel the pressure about wearables and how people are shopping in their store, there are a lot of other practical ways to help consumers shop. One way is to look at the shopping cart.

In a study by Bronto Software, they found that 73% of online shoppers are using the shopping cart to store items. When they dug a bit further, they found that 40% are using the cart to view items later in a store or on a different device.

Davidson said that consumers are finding ways they want to shop, and it's not even by creating something new or revolutionary, but it may be things that you as a retailer are already doing that can really help.

It's changing the conversation away from cart abandonment or "they are never coming back" to how can we help you keep shopping whether it is in the store or coming back to the site on a mobile device.

Davidson said one disconnect he often sees in the cart experience on a mobile device is when a customer goes into an actual shopping cart, they change the color and quantity and the size and see a lot of information about the order total.

Davidson said you view that same cart on the mobile device and you might see the color of the product, but you lose a lot of those functional tools of customizing that order.

"If you imagine someone going into the store and viewing it on a different device later, [consumers] wants to have all those tools," said Davidson. "You may lose a sale if you aren't ensuring you got just mobile optimization, but you're bringing those functional elements as well."