MULT CHANNEL MERCHANT

ECOMMERCE SPECIAL REPORT

How to Have a Seamless Experience In the Shopping Cart

By Daniela Forte, Multichannel Merchant

s a consumer navigates her way through the purchase journey to the checkout area of a website, retailers are this close to closing the deal. This is why it's imperative that they provide a seamless experience at this crucial point in the buying process.

Yet each year, online retailers are losing enormous amounts of revenue due to shopping cart abandonment. When a consumer drops out, does it mean they're never coming back? Not necessarily, but retailers have to do all they can to ensure that each shopper doesn't forget the cart and the relationship is kept alive.

"The beauty of online shopping is no lines, so the shopping cart experience needs to be quicker than, say, a three-person line at checkout, and today this is not the case," said Mark Sieczkowski, Senior Product Manager for Vertex.

Sieczkowski said Amazon has the quick checkout process with its Buy Now button, but the user profile needs to be set up first. He added that seamless one-click buying is critical to a good user experience.

"Retailers need to replace the shopping cart with alternative solutions that allows buyers to purchase without the heavy checkout process," said Sieczkowski. "Full potential shopping carts should have one-click strategies and confirmation by text or email. Consumers shouldn't need to wait for onscreen confirmation that an order has been placed."

Phil Minix, Executive Vice President of cowboy-



themed apparel and accessories seller Rod's Western Palace, said one of the biggest trends he's seeing is a reduction in checkout steps.

"We really believed the one-page experience would drive a nice conversion increase, but it went the other way," said Minix. "We continue to think about adding ways to checkout and create an account more quickly with things like Amazon Pay."

Minix said the company added PayPal payment in 2017. They immediately saw an adoption of 20% using PayPal and it has remained at that level.

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Shopping Cart Abandonment: How to Stop It

Sieczkowski said the key isn't capturing the abandoned cart information since this is typically an easy solution for most retailers.

"With online orders, retailers need to capture the abandonment rate and also the canceled order rate in the same session," said Sieczkowski. "These orders should also count as cart abandonment."

Respondents to the 2018 MCM Outlook Survey ranked marketing to shopping cart abandoners as a 6.5 out of 10 in terms of its importance as an ecommerce strategy. The survey found that 61.8% of respondents said they send cart recovery emails to customers.

The top three ways respondents market to shopping cart abandoners were retargeted ads (60%), pop-up windows (36.4%) and live chat (42.4%). Among ecommerce respondents, the average cart abandonment rate was 31.5%.

A survey by RetailMeNot found that 75% of Americans have abandoned an online shopping cart due to issues with costs at checkout.

According to FitSmallBusiness.com, \$4 trillion in merchandise was abandoned in shopping carts in 2017. Some of the top reasons included high extra costs; forced account creation; a long, complicated checkout process; website errors; and lack of transparency.

"Users expect a web page to load in two seconds or less," said Yana Yelina, a technology writer for Oxgile in an article for Multichannel Merchant. "Consequently, a slow website may lead to a 75% abandon-

ment rate while decreasing customer loyalty twofold, and 64% of shoppers won't return if an e-store takes too long to load."

A survey by ContentSquare found that cost tops the list of reasons for cart abandonment. with 74% of consumers citing it as the biggest obstacle to convert.

Other reasons for cart abandonment cited by consumers in the ContentSquare survey:

Macy's Brings Mobile Checkout to Bricks and Mortar

In March, Macy's launched checkout in its mobile app in order to speed up the in-store process, with plans to roll it out nationwide by the end of 2018. First tested in Macy's Woodbridge, N.J. store, it leverages the app's in-store mode to power the selfservice feature. To use this service, customers have to download the Macy's app and join the free wifi network.

Customers can browse the assortment, scan items they want to purchase using their phone camera and the app's built-in scanner. The app lets them apply relevant offers and rewards to eligible purchases.

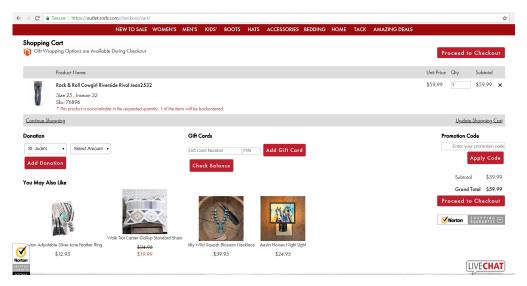
To purchase, shoppers can pay for items using the app via a pre-registered credit card. They then head to a mobile checkout counter near the exit where associates verify the purchase, remove security tags and bag items.

Most items are available for mobile checkout with the exception of certain product categories such as leased departments or fine jewelry where associate checkout is required.

Bloomingdale's will soon begin testing mobile checkout at its SoHo location in New York.

- 8.9% cited "too many options" as their main reason, even when they've loaded up a cart.
- 8% cited transactions that take too long
- 7.3% said that a poor user experience causes them to bail out on a purchase

Providing free shipping is a surefire way to prevent cart abandonment. A 2017 study by Shopify found that 93% of consumers are motivated to buy more products if free shipping is offered.



Making the Shopping Cart User-Friendly

Research from ContentSquare found that 81% of U.S. consumers aged 18-65 have abandoned an online cart at least once. Those aged 25-34 had the biggest tendency toward cart abandonment (21% of all shoppers in this range), followed by shoppers aged 35-44 (20%) and those aged 45-54 (13%).

The survey found that the apparel category had the highest rate of cart abandonment at checkout (40% of purchases), followed by technology (18%) and housewares (16%).

Amitai Sasson, Vice President of Marketing and Technology for overstockart.com, said the company is using an abandoned cart recovery email series and retargeting on Facebook to try and bring them back to the cart.

Minix said Rod's Western Palace has have been bringing customers back through a cart abandonment email series. They have also added browsing abandonment emails in the last six months.

One of the biggest challenges retailers face is making the cart and checkout as friction-free as possible. This is why they are adding multiple payment options and making sure the cart is visible at all points along the shopping journey.

Sasson said overstockart.com recently did a complete overhaul of its shopping cart, using a conversion rate optimization specialist and making sure the focus was on getting to checkout.

"We wanted to make sure the checkout button was front and center" said Sasson.

Sasson added they provide customers with a free shipping offer along with the option to frame art that was unframed, and let them know when the item will arrive.

Sasson said one of the challenges with overstockart. com's shopping cart was managing the contents.

"You want to make sure that they have the items saved as long as possible so you can retarget them and try to recover their cart even if they are on a different device," said Sasson.

Sasson said he's seeing more merchants use a "save for later" option on their ecommerce site, allowing shoppers to set items aside in a separate collection while they buy what they want on a particular visit.

Sieczkowski said with mobile being such a fast-growing shopping channel, usability is critical in the cart process.

"If a consumer cannot easily navigate the user experience, not only will they not complete the process but

Understanding Users Increased Checkout Conversions for L'Occitane

International skincare retailer L'Occitane noticed differences in checkout page conversion in different markets. For instance, in Russia and China the abandonment rate was higher. The company then set out to determine what was causing the discrepancies.

Working with ContentSquare, L'Occitane conducted a step-bystep analysis of the checkout process. Using a snippet of code and advanced data metrics, it was able to view checkout activity and behavior at a granular level from any country or custom segment.

Using behavioral metrics, L'Occitane was able to identify checkout issues specific to each market. For example, it found that in Russia, which had the lowest conversion rate, shoppers hesitated 13 seconds longer on the delivery page than on the international average. It was because they were spending time trying to locate the address modification button, a function used more often by Russians than by consumers in other countries.

Russian users engage more with the main navigation menu than shoppers in other countries, with the call center contact being clicked 2.52 times more frequently. Despite this, L'Occitane's menu bar containing important shipping information was placed low on the page with only 30% of Russian users scrolling far enough to view it, according to ContentSquare.

Once L'Occitane understood the behavior of their international users and made targeted, data-drive user experience improvements, it saw an overall 15% lift in conversion rates in Russia.



they are more than likely will never visit the merchant's site again," he said.

"There are so many aspects of the shopping cart and checkout that play into the purchase - ease, speed, trust, etc.," said Minix.

Rod's Western Palace has made several changes to its cart page but no changes to checkout in the past five years. When viewing the cart shoppers can now donate to their favorite charities and view product recommendations; buttons have also been redesigned.

"We implemented a one-page checkout experience from our former five-step experience about two years ago and it was a disaster," said Minix. "We pulled it out

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after about three weeks with a 20% decline in conversion."

Minix explained that Rod's Western Palace went back to its original five-step check-out process, which is native to the Magento version it uses for its site.

"We don't know for sure why it failed, but we hypothesize that the one-page experience didn't give the customer a chance to review everything before pressing the 'place order'

button," he said. "We feel people wanted a chance to enter everything and then see everything one final time before they clicked submit on the order."

Minix said this demonstrated how sensitive customers can be to changes in a checkout process.

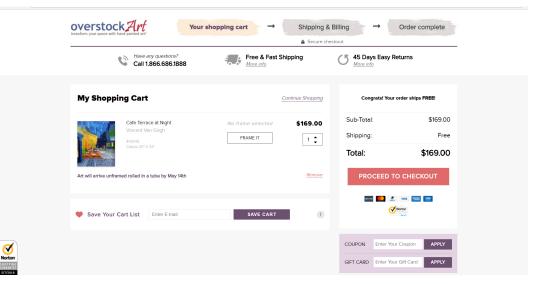
The Mobile Shopping Cart Experience

Sasson said overstockart.com is performing a conversion rate optimization update on its mobile cart. He said mobile conversion rates for overstockart.com have been about half that of desktop.

"We have seen more and more traffic on mobile and consequently more sales coming from mobile," said Sasson. "We are trying to make our mobile experience more seamless by adding PayPal Express checkout and also making the mobile cart more user friendly."

Sasson added quick checkout features like PayPal Express are an important feature for mobile users, and for that reason a growing trend among ecommerce merchants.

According to Business Insider, it's getting much easier to shop on mobile in response to the growing de-



mand and usage. Social media sites, payment processors, card networks and retailers are presenting customers with options like on-site buy buttons, one-click checkout, financing services and unified offline-to-online commerce experiences.

Sieczkowski predicted more ecommerce merchants will have payment methods like Apple or Google tied to mobile devices, without a cart even being required – just click and their card is charged.

"Desktop shopping is quickly becoming a thing of the past," said Sieczkowski. "We are all mobile and I want to order from the beach and airport, the plane, wherever I may be. The challenges of the mobile cart are ease of use and quick checkout."

He added that mobile cart is still changing, but "headless" or no-cart options will drive mobile shopping.

Minix said Rod's Western Palace has a responsive site, making the checkout process seamless across mobile and desktop.

"Mobile has increased dramatically for us over the last several years both in terms of traffic and conversions," he said. "We are at over 50% of traffic on mobile and over 30% of revenue."



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