

10 BEST PRACTICES FOR ECOMMERCE CHECKOUT



A Multichannel Merchant eCommerce Special Report
By K.M. Pellegrino

With all of eCommerce’s phenomenal growth and continually advancing sophistication, cart abandonment rates have remained surprisingly high. The average abandonment rate has exceeded 68% each year since 2011, according to industry studies data aggregated by the Baymard Institute. While market research firm eMarketer projects retail eCommerce sales to reach \$3.578 trillion by the year 2019, BI Intelligence estimates approximately \$4 trillion in revenue will be lost to abandoned carts.

Research consistently confirms that most abandonment occurs because of glitches or frustrations encountered during the checkout process. For instance, a 2014 survey by Visual Website Optimizer found 28% of abandoners citing unexpected shipping costs at checkout, followed by being required to create an account (23%), card security concerns (13%), complicated checkout (12%) and inability to find a coupon code (8%). Another 16% said they were visiting just to research.

Checkout analytics firm Formisimo reports that just 44% of shoppers who get as far as viewing a checkout form start filling it out, and only 12% actually complete it. Overall, the average conversion rate for eCommerce sites is 2% to 3%.

Impediments to conversion are by no means limited to startups or small retailers. A Baymard checkout usability study found that the 100 top-grossing sites frequently fall short when it comes to following core best practices.

But here’s the good news: It’s those fundamentals, not flashy technical capabilities, that determine abandon and conversion rates. Once identified, common consumer turnoffs can be remedied. In fact, BI Intelligence calculated that about 63% of the revenue being lost to cart abandonment is potentially recoverable through improved checkout processes and remarketing strategies.

While retailers should analyze their own checkout analytics to pinpoint where and why their prospects are abandoning—and continue to test and hone all aspects of the process—experience and data-based analyses have resulted in industry consensus on many best practices. Here’s a summary of experts’ key recommendations.



10 checkout best practices

1. Minimize the steps and time required: In various surveys, roughly a quarter of online shoppers cite time constraints as the reason for abandons. Baymard reports that the average number of checkout steps is five, but experts agree that less is more in this case. Some say three should be the goal, particularly for returning customers. Number the steps or provide other indicators that the customer is progressing toward completing the order. On the same principle, ask for simple information first (name, address, email) and credit card specifics last.

With time in mind, also be aware that optimizing checkout-page load times still pays. For example, Econsultancy noted that in one client test, an agency found that introducing a two-second loading delay in the first checkout page caused conversions to drop 60% versus load time-optimized first pages.

2. Make registration optional: Requiring site registration increases abandons. Many consumers resent having to create and save another password and give out their email addresses. Provide a “guest checkout” option as well as the registration option. To capture an email for remarketing and ongoing marketing, Rejoiner suggests trying incentives like free shipping or a discount earlier in the process. If you do require account creation, assure customers that you won’t misuse their email for excessive marketing, or share or sell their information.

3. Avoid shipping sticker shock: Most surveys show that shipping costs perceived as too high, especially when they are first seen at the end of the buying process, are the leading culprit in abandonment. Studies by Worldpay, UPS and comScore, and Econsultancy found shipping costs to be responsible for 56%, 60% and 75% of cart abandons, respectively.

Offering free shipping, or at least free shipping with minimum cart amounts, are the options of choice. Still, as many as half of consumers report abandoning when their totals don’t qualify for free shipping. The takeaway: Avoid unpleasant surprises by making shipping costs clear early in the process. Some recommend providing shipping estimates as each purchase is added or deleted from a cart, rather than waiting until the shopper has a final total and is poised to pay.

Other best practices: Provide clear, detailed information on shipping options, delivery times and tracking. Offer the ability to add a new shipping address or one that’s different from the billing address. Save the customer’s personal shipping address book.



4. Don't ask for extraneous or redundant

information: Don't risk driving off prospects by testing their patience or raising privacy concerns with requests (or worse, demands) for information that's useful for your company's marketing operations but not required for the actual transaction. Once consumers are loyal customers, there are a variety of techniques for persuading them to provide more in-depth information.

Symphony Commerce recommends exposing only four form fields (asking just for email, name, address and credit card number), and if more are really necessary, revealing the fields a few at a time as checkout progresses. If you do ask for information like a phone number, explain why in the text near the field, and seriously consider making it optional.

Shoppers should not see fields that are irrelevant to them. They should not be asked to enter any information more than once, or enter information that should already be saved in the system through a previous account setup. An auto-fill function that lets users select an address after typing a few characters or words is strongly recommended, particularly with mobile shopping in mind.



5. Keep the process logical and linear: If shoppers are directed to a separate page for a substep (providing a preferred shipping address or creating an account, for instance), don't redirect them back to a previous page/checkout step; instead, direct them to the next step, advises Baymard.

To avoid shoppers leaving checkout to find coupons, don't prompt that thought by providing a coupon field. Drive those who do have a coupon to use a link that takes them to a coupon field. Do, however, provide prominent links or back buttons to return to shopping.

6. Hone labels, instructions and error handling:

Provide unambiguous labels next to form fields, and supplement these with "What's this?" links or brief, small-type explanations. Don't assume that labels or instructions wording are clear or obvious. In place of vague words like "continue" and "back," Baymard recommends phrases like "shop more" and "check out now." Testing and analyzing the experiences of real shoppers on your site will reveal a form's clarity and usability flaws.

7. Excel at error handling: The importance of handling order form input errors effectively cannot be overstated. Errors occurring in the payment step, in particular, can wreak havoc on conversion rates—especially when the error messages or pop-ups don't help the shopper quickly fix the problem, points out Rejoiner.

It's best to address each error and offer precise instructions for correction as shoppers progress through the form, using inline validation and displaying adaptable error messages dynamically next to the line, rather than highlight multiple mistakes in the form at the end, according to Symphony Commerce. And Baymard co-founder Christian Holst stresses that eliminating ambiguity is crucial: For instance, instead of an "invalid phone number" message, provide the user with the actual validation rule, such as "phone number can only contain 10 digits."

8. Enable editing during checkout: Make it easy and intuitive to change size or color choices or quantities, as well as easy to remove items.

9. Provide key options and assistance: Offer multiple payment options. Provide email and phone contacts, and visible order-assistance tools like FAQs, live chat, email support and toll-free numbers. Make gift options clear and easy to use. Show thumbnail photos of each item in the basket.

10. Make shopping and ordering easy on mobile, and across all devices and browsers: According to Shopify, mobile accounted for 50% of all eCommerce traffic, and one-third of all eCommerce sales, in 2014 (up from 12% in 2012 and 2% in 2013). However, Monetate and others have reported that mobile shoppers' conversion rates and average order value are a bit lower than desktop users'. In no small part, that's because many retailers aren't yet providing an optimal mobile checkout experience.

In short, it's becoming increasingly crucial to ensure that the shopping and checkout navigation are seamless regardless of the device or screen size being used. Based on its research, Bizrate Insights recommends weekly tests of a site's checkout process on all major browsers, operating systems and device combinations. Trustpilot advises avoiding browser-specific details in designing sites, and using responsive design to ensure automatic resizing and reformatting for various screen sizes.

Establishing trust through security and transparency

With consumers routinely comparing shopping sites, and news of hacking and personal information theft on the rise, eCommerce conversion rates and sales performance hinge more than ever on providing a technically secure infrastructure and also establishing trust through fair, transparent business practices.

Not surprisingly, concerns about personal data security and pricing are very much on the minds of most online shoppers. Fully 92% have concerns when shopping on new or unknown websites, and 83% worry about their identity being stolen through an online purchase, according to McAfee Security and Verisign, respectively. Meanwhile, BizRate found that 45% of shoppers view price as the most important factor in their buying decisions, and Worldpay found 36% saying that they had abandoned carts because they found a better price elsewhere.

On the security front, investing in technology to protect customers and earn their trust is a critical success factor for any eCommerce website. Effective implementation of SSL certificates—the data files (or small pieces of code) that enable secure connections between a web server and browser—and correct placement and use of trust marks, are proven tools in establishing consumer trust.

FULLY 92% HAVE CONCERNS WHEN SHOPPING ON NEW OR UNKNOWN WEBSITES, AND 83% WORRY ABOUT THEIR IDENTITY BEING STOLEN THROUGH AN ONLINE PURCHASE

The Baymard Institute, for example, has documented that while relatively few shoppers understand the technical aspects of online security, including the fundamental role of SSL certificates (such as SSL badges and trust marks on payment pages near credit card fields and other key areas of the site) enhances a sense of trust and safety.

Symantec, the leading provider of SSL certificates globally (it secures more than one million web servers), provides the Norton Secured Seal as the visible-to-the-consumer symbol signifying that a site is protected by a Symantec SSL certificate. According to Symantec (which also offers the Norton-brand security software products for consumers), its SSL certificates, unlike some others, are fully authenticated by official Certificate Authorities, or CAs, which must follow rigorous validation procedures and checks before issuing an SSL certificate.



Other trust-building policies and practices

To further assure consumers, Symantec also offers Norton Shopping Guarantee, which e-tailers can highlight through a variety of graphical elements throughout a site. Norton Shopping Guarantee provides a three-part promise to prospects and customers. It includes reimbursement for up to \$10,000 of costs attributable to any identity theft occurring online or offline within 30 days of a purchase from an Norton Shopping Guarantee endorsed merchant. It also includes a 30-day guarantee of the purchase item's terms of sale, up to \$1,000, and a lowest-price guarantee (if the same online store's published price drops within 30 days of purchase, customers can request a refund for the difference, up to \$100).

For merchants, Norton Shopping Guarantee comes with an ROI guarantee that promises 20x ROI pricing. That's a \$20 return for every dollar spent.

As one example, Symantec cites an A/B test run by Michigan-based e-tailer NorthlineExpress.com, in which half of visitors to its site were exposed to Norton Shopping Guarantee, and half were not. The company began displaying Norton Shopping Guarantee on every page of its site (Symantec's recommended best practice) after its web developer and usability specialist, Heather Marra, confirmed that the program had delivered a 6.1% lift in conversion and a \$20 lift in average order value—adding a projected six figures in added annual revenue, and 100% monthly payback within one day.

Clear communication

Beyond being upfront about shipping costs and options, an item's in- or out-of-stock status should be shown on the product page or indicated when the shopper puts an item in the cart.

Prominently display a solid, clearly worded returns policy on your site. Feature strong customer testimonials on the path to checkout. Also make customer reviews readily accessible all the way through to the transaction process—particularly around the order summary and checkout page—so that shoppers can consult them to allay any last-minute doubts about a product's value or second thoughts prompted by seeing the order total. Access to product warranties should also be offered at junctures when shoppers are likely to experience purchase anxiety.

Recovering revenue

Even with disciplined implementation of checkout best practices and reinforcing confidence with trust marks and shopper guarantees, some cart abandonment is inevitable. However, here too lies major opportunity—if you follow the best practice of saving carts.

Three-quarters of shoppers who abandon say that they intend to return to the site or visit the retailer's physical store to purchase, and 54% of shoppers will purchase products left in their carts if those are offered again at a discounted price, according to SeeWhy and Visual Website Optimizer research.

That proven level of consumer interest in specific products is also why, by all accounts, using email remarketing is extremely effective. In 2014, Listrak reported that abandoned cart email campaigns produced open rates that were double the average, click rates that were four times the average, and conversion rates more than five times the average. Numerous studies also report that remarketing email campaigns result in elevated average order values.

Usable emails are not always captured during site visits, of course. But exposing site visitors to retargeting ads—on their social media pages, for example—can also be very effective, according to MGR Consulting Group. That can be particularly true when a price discount or coupon is offered.

Maximizing incremental sales

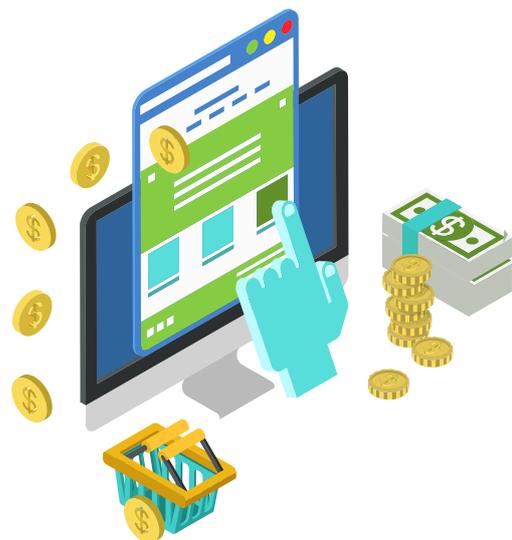
Abandonment aside, the checkout should also be viewed as an important opportunity to generate incremental revenue. Two solid strategies:

Use a recommendation engine. Remind shoppers of accessories and related items often purchased.

Test and analyze to determine where and when upselling works best, without alienating shoppers.

Use the monetary amount in the cart as one metric in guiding cross-selling and upselling efforts.

By using all these best practices, you are sure to improve your customers' online experience and see a boost in your revenue.



Article originally appeared in: **Multichannel Merchant**



For inquiries on Norton Shopping Guarantee

1-855-822-2827

www.nortonshoppingguarantee.com/merchants

For specific country offices
and contact numbers, please
visit our website. For product
information in the U.S.,

Call: 1-866-893-6565

or 1-520-477-3111

Symantec Corporation

350 Ellis Street

Mountain View

CA 94043 USA

www.symantec.com

No part of the contents of this white paper may be reproduced or transmitted in any form or by any means without the written permission of the publisher.

Copyright © 2016 Symantec Corporation. All rights reserved. Symantec, the Symantec Logo, the Checkmark Circle Logo and the Norton Secured Logo are trademarks or registered trademarks of Symantec Corporation or its affiliates in the U.S. and other countries. Other names may be trademarks of their respective owners.