

How to increase your online sales by powering up conversion rates

A Guide for SMEs

In partnership with





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# Introduction

Irish retailers are increasingly offering their products and services online and this trend has accelerated due to impact of Covid. Our **.IE Tipping Point** report shows that 55% of SMEs invested in their online presence in 2021, up from 21% in 2020. Of those who invested, 78% say they are busier than or as busy as before the Covid crisis, up from 46% in 2020. This all points to a recognition by SMEs that consumers will increasingly use online for shopping and for research before they go in store.

We felt it was timely to offer insights on how to turn website visitors into paying customers, a process known as Conversion Rate Optimisation (CRO). We invited leading digital expert Ger Keohane of **StudioForty9** to share his expertise and recommendations on best practice in this area. What follows is a detailed breakdown of the steps an SME can take to increase conversion rates.





# Getting started

# The E-commerce Maturity Model

StudioForty9 uses the concept of an "E-commerce Maturity Model" as a framework to identify where a merchant is in their overall e-commerce journey and to highlight the next areas to focus on.

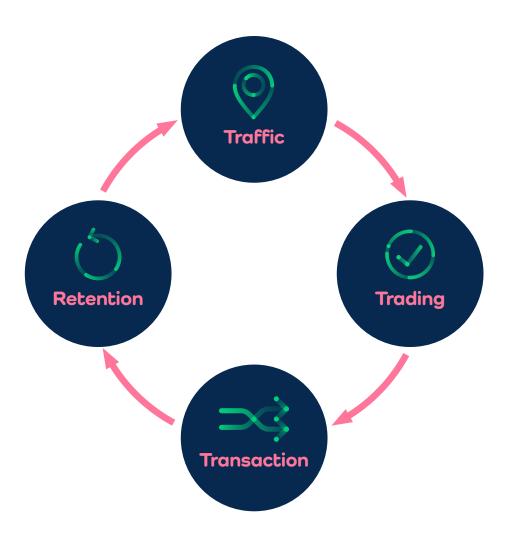
As a merchant when you initially have an e-commerce site your main concern is how to get people to the site. This focuses on "Traffic".

Once you have people visiting the site on a regular basis, you begin to realise that you need to work on how they use the site, how they discover products, how you merchandise your products and outline your services and other offerings alongside your products. This focuses on "Trading".

Later, when you increase the number of people arriving on the site and more orders are being placed, you will start to become concerned about how you handle the order processing, delivery options and customer service queries. This is a focus on the "Transaction" and operation of the site.

Finally, to complete the circle, you will become increasingly concerned about "Retention" – how to encourage your customers to return to the site and to become ambassadors for your business.

This maturity model is not a hard and fast set of rules. In fact, many merchants will incorporate elements of each area at different stages of their journey. Nonetheless, there is a natural rhythm to it and it is a useful way to think about your overall e-commerce business and where to focus your efforts as you make plans and set targets. This e-book covers the themes of Traffic, Trading and Transaction.



# **Traffic**

Traffic is the process of getting visitors to your site. Sources of traffic include social media, email, organic search, and so forth. These are your channels, and when it comes to conversion rates not all channels are equal.

When you start thinking about how to improve the conversion rate of your site, one of the first things you should review is the nature and quality of the traffic you are currently bringing to your site.



# The characteristics of traffic channels

You might think "surely a visitor is a visitor?" However, if you stop to consider, you will see that different channels have different characteristics in terms of buyer intent.

For example, imagine you need a shirt. You like the Gant brand, so you fire up Google and type "buy a gant shirt" or "gant shirts ireland". Whether you click on a Google Ad (Paid Search Channel) or you hit one of the top ranked links in the search results (Organic Search channel) - your intent to buy is high. Many visitors coming from Google are actively looking for the product on your site.

On the other hand, imagine you are scrolling through Facebook. You see a boosted post about Gant shirts. You are not actively looking to buy, but you like Gant shirts, so you click the link and go through to the website (Social Channel), and have a guick look at what is on offer. Your intent to purchase is not high. Visitors coming from social are usually in the middle of catching up on news or entertainment and not looking for a product right then.

Every traffic channel has different characteristics and different benefits. It is not the case that you should stop using one just because of 'intent' - but you should review your conversion rates on the various channels to see whether you can double down on investment in one grea to gather more high-intent and high-converting traffic to your site.

# Conversion rates of channels

We completed a survey of 15 Irish e-commerce sites trading between 01 May 2020 and 30 April 2021. These are all retail e-commerce sites and span the full range of sectors from fashion to furniture.

Please note that these results would be unduly affected by the Covid-19 lockdown in Ireland, so if you are comparing your conversion rate figures to these, be sure to take that into account.

Channel	Conversion Rate
Organic Search	2.44%
Paid Search	2.51%
Direct	2.64%
Social	0.93%
Email	2.91%
Referral	6.79%

# **Email channel**

Email can have a very good conversion rate because you are reaching out to your own customer base - people who already know you and your product and are interested in buying from you. You can also send them product offerings and promotions based on their interests, and this effort to show the right person the right thing accounts for part of the success of email.

When it comes to improving your overall conversion rate, an excellent place to start is to focus on improving your approach to email marketing. This can include looking at layout, quality content, images, calls to action, email subject lines and frequency.

# Referral channel

Referral is when a visitor arrives on your site from another site. The traffic from the referral channel is usually low, but can be very good quality. Usually where there is a high conversion rate, it is because these visitors are coming from sites that recommend your store for a product, or that price-compare your products against other stores. Therefore, the visitor is not only 'highintent' but is also a 'warm prospect' as your site has effectively been recommended.

If you want to focus on this area, see what you can do to incentivise other businesses to recommend your products. Try to ensure that your site is listed by price comparison or voucher listing sites - these are often the sorts of sites that drive the best referring traffic to merchants.

# Word of warning

It is a common mistake when setting up Google Analytics, to forget to exclude a payment gateway as a referrer. If your visitor has to leave your site to go to PayPal to make payment and then returns to your site, that is also counted as a referral. You need to 'exclude' these payment gateway related domains as referrals to get a true picture of the value of your referral channel. If your conversion rate for referral is suspiciously high - this is probably the reason.

# **Direct channel**

This is when a customer types your site URL into the browser and arrives 'direct' to your store. This will only happen for visitors who know you or who have previously visited your store.

A simple way to promote visits on this channel is to ensure that your URL is clearly promoted on all off-line marketing, shopping bags, receipts, in-store posters etc.

# Hooking channels together

A powerful approach to digital marketing is to look at how you can hook your channels together.

For example, Facebook is good at getting exposure and 'fast momentary' interest from a targeted audience, but not so good at converting. Email on the other hand, is great at converting but only works when people have agreed and signed up to it.

If you hook the two together by converting your Facebook visitor's fleeting attention into a sign-up for email marketing, and then use email to promote your business to that user, you have created a wide funnel of potential prospects that you can now market to in a very focused way via email, which is high converting.

This sort of hooking together of channels can turn your low-intent traffic into high-intent traffic at a later point. Thinking about your marketing not just in terms of immediate conversion, but in terms of prospecting and nurturing for later conversions will pay dividends for your business.

# **Trading**

Trading is anything related to how you sell your products to your visitors, and it covers the portion of the buying journey between a visitor arriving on a site and going to the checkout



If you have read articles related to Conversion Rate Optimisation (CRO), trading is the part of the journey they focus on most. Many e-commerce managers will have come across the ideas of A/B testing. But testing the colour of Add to Cart buttons is only scratching the surface of what is involved in optimising conversion rates. In reality, a well-traded website leans more heavily on old-fashioned retail nous than it does on more technically sophisticated approaches to testing.

We break trading into the following key areas:

Consideration Discoveru Intent the customer the customer the customer **TRADING** browses to find decides on the decides to buy products correct product the product from you

Each of these areas need careful work and maintenance to ensure you optimise your conversion rates.

# **Discovery**

If you were involved in e-commerce ten years ago, you will no doubt remember the mantra of 'three clicks to the cart' and the fact that most e-commerce sites should present the product on its own on a single page, with almost nothing on that page except the checkout button.

The physical equivalent would be to put a single product on a pedestal, in an empty room with only one entrance from the street and one exit to the till.

In reality, in retail, a lot of effort goes into merchandising a store. Organisation of products into aisles and on shelves; placing the most important or profitmaking products at eye level on the shelves; messaging in-store to indicate the sections or departments of a store; putting impulse-buy products at the checkout and so forth.

Merchandising an e-commerce store is very similar, with the added advantage that you often know something about the customer and can personalise the experience for them.

When it comes to Discovery don't forget that a customer can't convert if they cannot find the product they are looking for or which you should be recommending to them.

#### Browsability - site architecture

Site architecture is how you set up your navigation bars and menus on your site.

An important first step is to set up the navigation so that customers can find a product and see the full range of products.

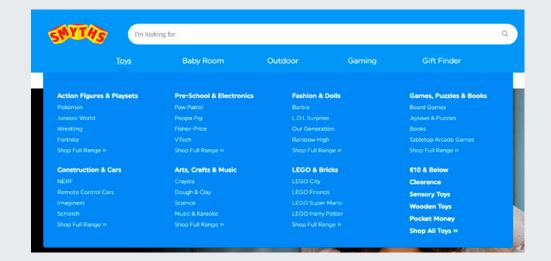
This means working on the site architecture to create the categories and subcategories of your catalogue that work best for your product range and your customer.

Many users will look to discover products and understand your product range by browsing the navigation menu on your site. Designing the menu so that it covers the full range, without bamboozling your customers is a challenge. You will need to take some time to understand whether your customers browse very specifically by product category, or by their own intent, or even a combination.

In other words, the question can be whether you should set up your navigation as follows:

- ► Tous > Indoor Tous > Lego > 6-8 Year Old
- Gifting by Age > 6-8 Year Old > Indoor Toys > Lego

A good approach is to analyse what sort of customers you have. For example, parents looking for a specifically requested tou versus adults looking for gift ideas for children. Then try to think like these customers - what will they look for in the navigation menu when they arrive, and what else should you be showing them so they can see a full set of choices without overwhelming them.



#### Smyths Toys do a good job here:

- 1 They reduce their entire catalogue to 5 headings this brings simplicity
- 2 They reduce their entire catalogue to 5 headings this brings simplicity
- 3 They list the most important 4 areas of each subsection simplicity and merchandising
- 4 They provide a 'Shop Full Range' option indicating that their range for that section is much larger and can be easily browsed
- 5 They then list some important areas such as €10 & Below/Sensory Toys - simplicity, merchandising and utility

## Browsability - Filters

Once the customer has landed in approximately the right part of your site, the next thing they want to do is to find whether you have exactly the product they are looking for. They then want to filter your range of products by key information.

This is particularly important if your product categories are each several pages long. Customers will not page through your site to find what they are looking for, they will want to use filters to narrow the range.

Analysing how your customer will want to filter through your catalogue will take some thought, but it is very important to present your customers with good filtering options. Typically this will be size or colour, but it will of course also extend to product specific attributes such as "Gluten Free", or "Width: 200cms", or "Grape: Cabernet Sauvignon".

Keep in mind that customers filter not only to find the right products in your product listing pages, but also to avoid going in and out of product detail pages to see whether products have the right attributes. Customers will quickly lose patience if they have to go through to a product page to find out whether the size they need is available, or if the product has the required energy rating or ingredient profile. So help them narrow down the product options by putting useful filters in front of them.

We have read in Trustpilot reviews of one site that customers ended up buying from the site for the simple reason that it was the only one which allowed them to filter products by the specific width they needed - so don't underestimate the power of a good filtering approach.

# **Browsability - Search**

Search is a key method for ensuring that customers convert on a site. Anecdotally, in the region of 15% of visitors to a site will make at least one search while visiting, and sessions that include a search convert 3 times higher than sessions that do not.

Therefore, you should encourage your visitors to use search on the basis that the more people who search, the better your chance of converting them. You should put your search feature front and centre, making it easy to spot, whether your customer is on mobile or desktop.

You should also make some effort to ensure that your search works well and to understand how search works on your website. Your customers will expect it to work just as well as Google does. Internet users see a search box nowadays and expect the programming behind it to read minds as well as Google does. This is not going to be the case on your website. Nevertheless, it is more than likely that your onsite search facility will allow you to do some basic optimisations such as:

#### 1. Create synonyms for

- Popular brand names: e.g. setting **hoovers** to be a synonym for vacuum cleaners so that people looking for a hoover will find the right set of products.
- Common misspellings.
- 2. Create redirects for popular searches it is possible that customers will search for an item that you have as a specific category page, product page or landing page. Cut to the chase and redirect the search to go directly to the page they are looking for.
- 3. Review search reports watch what people search for and give them what they want. Many e-commerce platforms report on searches and you should keep an eye on these to improve your customer's experience. Check what customers are searching for and what sort of results theu see when they make that search. If you don't like the results neither will uour visitors.
- 4. Searches with no results again this will be in the search reports on your site. In particular, you should keep an eye on any search terms that are popular, but which yield no results. It may be that you don't sell the brand the customers are looking for but you could redirect them to a similar brand
- 5. Search full site where available you should configure your search to include your content pages, category pages and blog. Don't forget that some customers might be looking for your opening hours and not a product.

It is worth auditing your site search to check where it is currently not up to scratch and then checking whether you can make any of these changes with the tools that are already at your disposal. Monitor your search reports on a monthly basis, and adjust how your search tool behaves. This will pay dividends over months and years.

In addition, there are many third-party search services which will integrate with your site and provide additional search functionality. While these are likely to provide you with additional benefits and sales, most of them will be reasonably expensive and will require work and input from you. There is no silver bullet - it is important to learn how to work on improving the search results on your site.

# Merchandising product listings and search pages

While it is not strictly speaking a conversion optimisation technique, you should keep in mind that, depending on your platform, your product listings and search results pages can be merchandised to present the best range of products first.

As with anything, the first items presented are considered the most important and most relevant by a visitor. Think of merchandising your product listings pages as being equally important as merchandising your shelves in store.

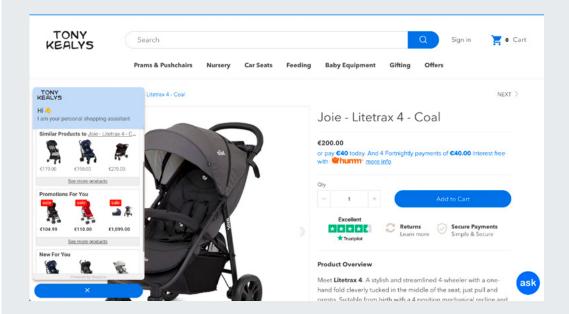
The newest, most relevant, most in stock, highest margin, most attractive products should be pushed towards the top of a product collection page or search results page so that customers can find these products with the least amount of effort.

# Cross-sell and upsell

There is no doubt that making every effort to put the right product in front of the right customer at the right time has a high chance of leading to a sale. The auestion is how best to achieve that.

The challenge is to merchandise your products so that you can display a wider range of the products of interest to a customer. This will allow you to upsell a customer to a better product in a higher price bracket, or cross-sell products that customers will need with the product they are currently browsing.

Many e-commerce platforms come with a facility to specify related products. However, for time poor e-commerce managers, it can be worth considering services like Shopbox, Salesfire or Nosto which will identify an upsell or cross-sell based on machine learning or rules set by the merchant.



Shopbox is used on TonyKealys.ie to automatically identify and recommend similar products. Customers can click through to dive deeper into similar products, promoted products and new products. This gives customers the opportunity to browse a range of products and can have the effect of upselling the customer.

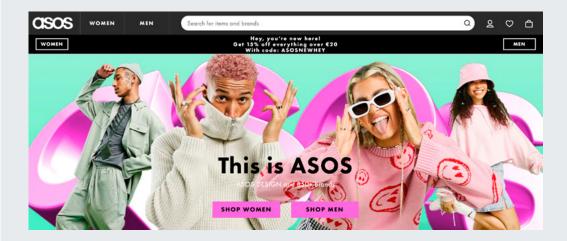
#### Personalisation

Personalisation, a buzzword in e-commerce but not always so easy to achieve, is also about putting the right products in front of a customer at the right time.

More advanced personalisation can be complex to achieve as it is limited to what you can learn about your customer in the short space of time theu are on your site, or what you know about them or customers like them from previous visits. As outlined in the previous section, there are tools which use AI and machine learning to identify what a customer may be looking for based on other people who browsed similar products and what actions they took to develop a set of recommendations.

However, personalisation can also be more simple and low-tech. For example, a simple "Welcome back" message presenting the customer with the products they were browsing the last time they were on the site. Another tactic is a "Still interested in these?" message on the cart when a customer is ready to check out which encourages impulse purchases. This works really well in tandem with a "Spend just €x more for free delivery" message.

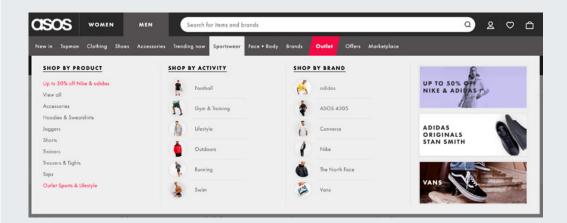
One of my favourite approaches to 'low tech' personalisation is to put a simple-to-answer question to your customer up front and then shape the presentation of your site and product range based on their answer.



ASOS provides a very good example of this sort of low-tech but very simple and effective personalisation. The homepage makes the customer choose between "Shop Women" and "Shop Men" to move forward.

From that point on, the customer's experience is tailored. Depending on their choice, the ongoing experience will either cater to men or women, the navigation, the advertising, the categorisation and merchandising are all tailored.

Customers will not need to use additional filters to indicate that they are shopping menswear. They will not see a mix of womens and mens Calls to Action in the mega-menu and on landing pages. When they return to the site they will be directed to the Men's section immediately.



# Consideration

At this stage, the customer will be deciding whether the products they find on your site will meet their needs. The key goal for securing a conversion at this point in the process is to leave the customer with little or no doubt that the product they are looking at is right for them.

# Merchandising the product

It goes without saying that your product detail pages need to be well merchandised. Your customer is at a physical remove and trying to figure out, through a digital medium, whether what you have is what they need.

You will need to think about the questions your customer will be asking at this stage. What does this top look like from behind? What size is this bag in real life? Will these jeans fit me? How wide and deep is this machine? Can I fit this product into my car? What does this dress look like on?

#### Quality product photography

The importance of product photography for your conversion rate and the success of your store cannot be stressed often enough.

It is not sufficient to just have a photo of the product. The photograph needs to be extremely well taken, well lit and sharp. I have seen sites which were built on the exact same platform, selling the same product, with the same general offering, but one site had out-of-focus photography and the other had completely sharp, well taken product photos. The site with the high quality photos had a far better conversion rate.

#### Number and types of photographs

You will need to show the product from multiple angles and ideally show the product in use. If the product is clothing, for example, you will need to show what the product looks like on a model and where possible indicate the measurements of the model and the size of product s/he is wearing. If the product is a sofa, show that sofa in a room.

Naturally, not all products will need multiple photographs. If you are selling a consumer product such as Coca-Cola it is likely that one photo will do, but generally you should expect to supply four photos per product - one model or lifestule photo, one front-on, one from behind and one detail or angled shot.

#### The right model and styling

It is very important to consider the model you use for your photography and how you style that model. Remember that a lot of retail is experiential and aspirational, so you will need to choose a model that meets the expectations of your customers. I have heard a large retailer explain how they dramatically increased their conversion rate of the same product just by changing the models they used from "traditional clean cut" to "modern edgy".



The photos above show the same pair of Levi's 501 high-waist straight jeans, three ways. The styling and model reflects what each business believes about their brand values and customers. What appeals to your customer will depend on your business and brand and it is important for your conversion rate that you take time to understand how your brand is expressed in your product photography.

Recently, during lock-down many retailers couldn't organise photo-shoots or models and they resorted to taking selfies modelling their own stock. Those retailers had great success selling the product they modelled themselves. This is an extension of using the right model for the right customer. It is indicative of how these customers were able to relate 100% to the model, in many cases a retailer they knew, and they could completely understand what the product looked like, having seen it on the retailer.

#### Zoom, format and consistency

When commissioning product photography, you should also consider the end use. The product photos will need to be large enough to show detail. Your customer will want to be able to zoom into a product to see the details - the stitching on a shoe or the control panel on a washing machine.

Typically, photos on a website work best when they are square. However, if many of your customers are on mobile, it is likely that a portrait photo (tall and narrow) will work best for them - this is especially true of fashion where you will often want to show a full-length photo of a model wearing the item.

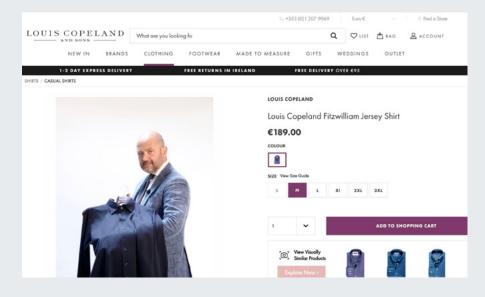
Photography should be consistent. Consider, for example, how your photos will look on a product listing page:



The Occasion Wear Shoes collection page on McElhinneys.ie is a great example of clean, uncluttered and consistent product presentation.

#### Product video

Where possible, in particular if you are shooting your own product photography, you should also take the time to shoot a short product video to show how it looks on a model, or how certain features of the product function.



The product page video on LouisCopeland.ie is particularly effective. The video above plays on the product page and is essentially a sales pitch. The salesman explains the benefits of a 'Jersey Shirt' and allows the customers to get a sense of the physical item.

The video both promotes the shirt and reasons for buying. It also positions the Louis Copeland team as product experts who are concerned about customer satisfaction and service.

#### Product description, specifications and details

Where possible you should write or adjust the product description for your own site. This is important for search engine optimisation, where your unique content or styling of the content will allow your site to stand out from the crowd in Google search. If you have content from the product supplier, consider changing a few words, or re-writing a sentence or two to make the text somewhat different from your competitors who are probably using the same supplied content.

Product specifications are extremely important for products that have any technical features, and also important for customers who need to understand how the product was made, or what was used in the manufacturing process.

Details of the dimensions of the product, the materials used, the features of the product will all need to be included on the product detail page.

Any "how-to's" in terms of typical 'how to use' questions should also be included on the product detail page.

You need to ensure that you are answering any questions your customers may have so that they are left in no doubt that they have found the correct product.

It's a good idea to get your sales team involved in the merchandising of product pages, as those team members are close to the coalface and familiar with the questions customers have and any doubts they may have which need to be addressed.

#### Persuasive features - USPs

Most products have some USP (unique selling proposition) or something that makes them stand out. It is worthwhile taking the time to highlight something special about the product.

This is not just to inform the customer, but also to persuade them that the product is worth buying. As a retailer, you know what it means to a customer to let them know that the product looks good on, or would be your choice if you were buying that sort of product.

Some positive comments highlighted, such as a short tick-list of features on the product page will help the customer in their purchasing decision.

#### Customer reviews

Reviews from customers who have purchased and used the product are extremely valuable and will have a significant impact on conversion rate.

The statistics are a little hard to pin down but a figure that crops up regularly is that over 90% of customers will read a review before making a purchase. The important point is to ensure that they don't leave your site to find that review. Product pages with reviews are 3.5 times more likely to convert than pages without reviews (Bazaarvoice 2018).

Reviews can sometimes be a two-edged sword, but assuming you are confident in the stock you carry and your buying decisions, then encouraging reviews from customers should be a priority.

Aside from making the customer feel positive about the product, reviews from previous customers will also help answer customer questions or use cases you may not have considered.

To gather these reviews you should email your customers for feedback a number of days after they have received their order, and guide their review by asking about pertinent features such as the fit and the quality of the material.

# Sizing information

If you sell apparel online, you will understand how important it is to give the customer information on sizing to ensure they get the right fit. Sizing information and directions not only help the customer feel comfortable about their buying decision (am I a size 38 or a 40 in this?), but also help reduce your returns rate.

At a minimum you should offer the customer a size chart which gives measurements against the sizes offered on the product page or conversions from EU to UK sizing for example, and any feedback from customers is worth including with the product, such as 'fits true to size'.

# Intent

Now that the customer is ready to buy the product, it is important to ensure that they buy from **you**.

Obviously, if the customer is already on your site that is a good thing but remember conversion rates online are really low. Just ensuring your customer can find the right product and make a decision to buy it does not seal the deal there and then. In fact, a typical customer will visit your site multiple times, and will also visit other sites before deciding where to buy.

To ensure that customers convert on your site, you need to present and underscore your **offer** and your **service** and encourage the customer to act now.

Remember, at this stage in their purchase journey the customer knows what they want, and their concerns will be:

- 1. Is this the best price I can get, should I look elsewhere for this product?
- 2. Can I trust this site or retailer with my details?
- 3. Will the item arrive on time/fast?
- 4. Will the item arrive in the right condition?
- 5. What happens if I want to change my mind?

# Price check and promotions

Highlight any relevant promotions or price offers your business has. For example, if you compete on price, you should let the customer know: **We won't be beaten on price!** – in other words, look no further!

Obviously, if your product is on sale you should indicate the sale and savings. This may seem obvious but not all e-commerce platforms show the discount and savings on the product page. So where a saving applies, it is really important to highlight the value you are offering via site-wide banners or call to action messages on the product listing and product detail pages.

If you can make a bundle offer, which combines other cross-sell items for a better-bundled price, now is the time to make that clear. In particular, if a customer has to purchase a number of items together there can be multiple benefits of buying from one single site – passing a free shipping threshold, and getting all products delivered at the same time.

The same idea applies for tiered pricing, multi-buy offers or mix n' match offers. Ensure correct labelling of your products with the applicable promotions to encourage the sale.

#### Stock levels

With a view to ensuring the conversion, it is worth highlighting that the product is **In Stock** for delivery. In particular, with recent issues in supply chains, customers will be more likely to purchase from a site that indicates explicitly that the stock is available if they order now.

If your stock holding is shallow and is spread around your stores, it is also worth showing your customers the location where the stock is available – they may be willing to go in-store or use click & collect if you offer it.

If your stock is shallow but you regularly restock, consider using an "Email me when this product is back in stock". You have done all the work, and it would be a pity to lose a sale while waiting for product to come back in stock.

# Urgency

Stock does not last forever! If your product is nearly out of stock, and you want to secure a sale, be frank with your message and notify your customer that the item is moving fast and that they should act now to order one of the final units of stock. This urgent message is a great persuader.

If your product is on sale, but your sale is due to finish soon, point this out on the product page to create a sense of urgency.

## Your delivery service

Most functionality around delivery will be handled in the checkout, which we will deal with again in the **Transaction** section. However, you do not want your customer to be left wondering at the **Trading** stage whether or not you deliver to their area, and how long the delivery will take to arrive.

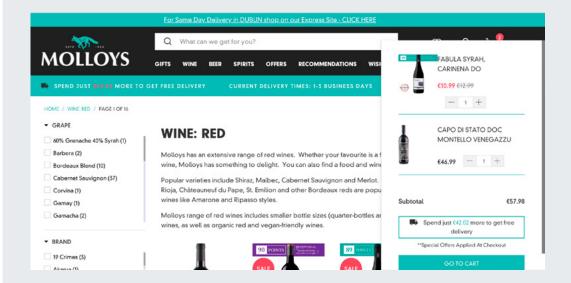
Your customer sees delivery as an integral part of your service offering online. If there is an issue with delivery they will not blame your delivery service provider, they will blame you. Your customers don't care what the courier situation is at the moment, they want to know what your delivery times are and that they can rely on this information. As many as 65% of customers will check for delivery information before they add to cart.

Don't be shy to announce good figures or stats that you have. We all know that we are not perfect all of the time, but if 95% of your orders arrive on time, you should say it. If next day delivery is achieved for 85% of orders, then say it. If 95% of your customers are satisfied with the speed and accuracy of delivery, then gather that information and show it on your product page.

In all cases, ensure that delivery information is extremely easy to find. Dedicate a page to delivery information – what you have done to make sure orders arrive in one piece and on time, where you deliver to and the typical cost of delivery.

# Free delivery offer

A free delivery offer is an extremely powerful incentive, both to encourage a purchase from your site, and to increase average order value. Offering free delivery if orders exceed a certain threshold can encourage sales of multiple items.



Molloys.ie shows a free delivery calculator on the mini-cart: "Spend just €42.02 more...". The site also indicates this message in the site USP Bar just under the main navigation. It also has a Same Day to Dublin delivery service advertised across the top of the site.

#### Setting the threshold

As a side-note, with respect to your free delivery threshold, the point of this offer is to make more conversions and increase revenue per sale.

If all of your customers can access the free shipping threshold it may not be doing any actual work for you. So it is worth testing the point at which a customer is either more likely to convert or is willing to spend a little more to avail of free delivery.

The best place to start is with your median order value – not your average order value – and to pin your free delivery price at about €10 above that median order value. Then run some tests to see what impact the different free delivery thresholds had on conversion rate and average order value.

#### Returns

Customers will also want to know what options are available to them should they change their mind. You should make it clear what your customers' entitlements are with regard to returns and indicate how your returns process works.

Not everybody has a super slick returns process, so don't worry if at this stage in your e-commerce journey your returns process is unsophisticated. For customers, your returns process plays a part in de-risking their purchase. The point is to remove any doubt or questions from the customer's mind at this point in their journey so you must explain how you operate returns.

If you take returns in-store, that is a decent offering, let customers know it.

Of course, if you have completely free returns and a hassle free returns policy then you should make the most of that in your messaging on your product pages and throughout your site.



#### Guarantees

If you offer guarantees or warranties for your products, or if your products come with warranties, it is a great benefit for the customer and one that will de-risk their purchase and give them comfort, and will in turn help your conversion rate, in particular for big ticket items.

## Trust and security

It is important to foster customer trust and a sense of security throughout your site.

At a minimum, all e-commerce sites require SSL certificates, which means that you will, at the very least, be able to tell your customers that the exchange of information is encrypted and protected. It will be beneficial to you to point this out in the design of your site, cart and checkout.

Furthermore, keep in mind that you are asking your customers to entrust you with their personal data and that they will be sharing credit card or payment information on your site or related payment services.

This is sensitive information and you should acknowledge this responsibility clearly and ensure that your Privacy and Data Protection Policies are easy to find, easy to read and give your customers comfort that you will take every reasonable measure to take care of their data.

With respect to GDPR, you are obliged to facilitate your customers with access to their data and their 'Right to Be Forgotten'. Make this easy to find on your website.

It is also an obligation to facilitate your customers with the management of how you track their use of your site via cookies. Make it easy to use and 'non-tricku'.

Finally, ensure that the main contact details for your business and your e-commerce operation are easy to find. Include a dedicated phone number, an email address and a postal address.

Don't underestimate how frequently customers will check the bottom of the site or the **contact us** page to see where a business operates from before they make a purchase. Sometimes they will even look up the address on Google Maps to make sure you exist. There is no harm in eliminating any doubt by providing photographs of your premises and a link to Google maps.

All of these are simple steps that show an effort to be transparent, responsible and contactable. Where a customer has any doubts with respect to your business or the security of their transaction make sure you dispel them by showing the measures you have taken to facilitate a secure transaction and the seriousness with which you take the stewardship of their personal data.

#### Customer live chat.

Live chat is widely seen on e-commerce sites these days, and with good reason. Statistics reported by live chat companies claim that 53% of customers prefer to use online chat instead of phoning for support. Where a customer engages with live chat there is a 10% increase in Average Order Value and a 40% increase in conversion rate.

Live chat software is reasonably priced and is easy to install on your site, so if you do not have it already, the cost and obstacles to setup are low. If you do install live chat, keep a note of when you started, and check to see the impact on revenue and conversion rates so you can measure your ROI (return on investment).

The bigger challenge for live chat is staffing it. You need knowledgeable and articulate staff who can be put in a customer-facing role, but the bigger problem will be the hours your customers are actually shopping online. A review of Google Analytics will show you when your customers are most active on your site. Unfortunately, it is likely that quite a lot of your customers are shopping in the evenings - after the kids are in bed, when the working day is over and people have a chance to relax and look up things they are planning to buu.

It would be well worth experimenting with the hours that you operate your live chat to see the impact of bringing them in line with the times when your customers are most active on your store.

If this is not possible, at the very least use a live chat system that will 'take a message' and be sure to come back to your customer promptly. If somebody takes the time to leave a message on live chat, they are a very warm prospect.



# Taking it further with video

If you believe in live chat - and you should - there are also some options to go a step further by using live and recorded video chat, using your in-store staff as sales people to demonstrate and show products and engage your customers to make the sale online.

There are many options available, but two are highlighted below:

- 1. Hero (www.usehero.com/) a virtual shopping app which connects your customers to in-store staff who can act as a type of personal shopper.
- 2. VideoAsk (www.videoask.com/) a souped up contact form system that allows you to engage your customers by video and allows them to record video in response. This can be great where your customers may want to show you a room they need a sofa for, or a set of clothes they need to accessorise. It also allows you to respond with video which can be a really practical and engaging experience for your customers.

These video experiences work extremely well on mobile devices and are a great way to get close to your customers using tools (mobiles) and communication methods (Facetime/ video calls) that are now more popular than ever.

# Customer experience and user experience

User Experience (UX) is extremely important.

Many companies talk about striving for 'excellent' customer experience, without really understanding what is involved. Striving for excellence is of course a good thing, but you should understand that there is a **minimum expected level** of user experience that must be provided from the outset.

This minimum expected level is reasonably easy to achieve but if you fall below expectations it will damage your conversion rate.

# UX and design - stick to the basics at the start

You can't play jazz piano until you've learned your scales. In the same way, before you try to go off-piste with your UX approach, be sure to stick to standard UX conventions unless you have an excellent reason for diverging from the norm.

Most customers have learned the conventions of e-commerce UX and they will have expectations around how to use your site. Customers expect to see an invitation to Add to Cart in the form of something that looks like a button. They expect the Cart/Checkout icon to be in the top right corner of the site. They expect to be able to search your site, and they expect the search bar to be at the top of the page. They expect to be able to contact you, and to find those contact details near the top right or in the footer of the page.

These are conventions for a reason. E-commerce UX is well understood and embedded in customers, so provide an experience that adheres to the standard norms.

# **Testing changes**

Nevertheless, as an ambitious e-commerce business, you will want to stand out from the competition, and offer new features and functionalities that may diverge from the standard offerings.

Be aware that when you do diverge you are almost certainly introducing something that will be unexpected for a customer. Anything unexpected can have a high probability of causing confusion or friction. Confusion and friction are the **enemies** of conversion.

Be sure to test any changes you make as you make them. There are plenty of A/B testing tools on the market that allow you test two different versions of design or UX flow. This ensures you validate that planned improvements will result in a better conversion rate for your business. Be diligent in how you use them, test your changes, be sure to allow enough time to see how they perform.

#### Mobile

Let's just remind ourselves again. Mobile is critical. That is obvious, but we need to keep saying it because as the operators of an e-commerce site, you are most likely to look at the site on desktop. This distances you from how the largest percentage of your customer population are actually seeing and using your site.

Of all of the conversion **sinks** on your website, mobile is probably the worst. This makes it the area that is most important to work on. It will take time and continuous effort to optimise your mobile site for conversion rates.

You should get into the habit of continuously reviewing your site on mobile to spot issues and opportunities.

If you are like most merchants, over 70% of your visitors are arriving on mobile devices. But they are also probably converting at a rate that is far lower than your desktop visitors.

#### Why don't customers convert as well on mobile?

There are some legitimate reasons that customers on mobile are not converting:

- 1. The nature of the traffic you will have a lot of people coming from social media apps for example, who convert poorly anyway.
- 2. Many customers discover on mobile, but then move to desktop to buy the item.
- 3. A higher proportion of visitors who are looking for your phone number to ring your customer service, or looking for your store opening hours or directions to your stores while they are on the way.

There are some legitimate reasons for a lower conversion rate on mobile, but a good part of the reason is also probably because:

- 1. Your mobile site is possibly harder to navigate than your desktop site, the mega-menu, filters and search bar are generally harder to use on mobile devices
- 2. Your product page layout may be letting you down can the user zoom properly on an image, can they open size guides, or get delivery information.
- 3. Your checkout is harder to manage on mobile devices.

Space is limited on mobile so you have to be very clever and inventive about how to use the space to have maximum impact. A common problem is the Buy button being at the top which involves quite a lot of scrolling. This can be fixed by having a sticky Add to Cart button. This remains static within the top or bottom navigation meaning it is right in front of the customer when they are ready to purchase. Another tactic is to offer a button just beneath product images that links to frequently asked questions – this could be in the form of a question mark.



# Site Speed

A key aspect of your customer's experience will be the speed of your site.

Everyone knows how frustrating slow sites are and how they can make customers jump off early. So 'perceived site speed' is important, that is the perception or 'feeling' of a fast or slow website.

Additionally, we also have to be aware of the fact that most customers are using sites on mobile devices, which can have both poor internet connections and poor processing power on the device. These are issues outside our control but which we need to be mindful of.

On top of this, site performance is becoming even more important as Google prepares to use its Core Web Vitals results as part of its algorithm for deciding on the rank your site will get on search engine results pages. Slow sites will affect your SEO performance.

# **Core Web Vitals**

Field Data Passes Core Web Vitals Assessment









(Loading)

LCF

Largest Contentful Paint

(Interactivity)

FID

First Input Delay

(Visual Stability)

CLS

Cumulative Layout Shift







Now more than ever site speed and performance is at the forefront of everyone's mind. At the same time, faster sites are becoming more challenging and costly to build.

Why is that? Well, it is like the old story about how people thought they would have time on their hands with the invention of the washing machine, and it later became clear they just made more time to do other things.

E-commerce managers want to track customers as much as they can and are adding more and more third party javascript tags and pixels to facilitate this. Each of these have some impact on site performance. Customers are demanding better and larger photography, so images are getting larger and higher quality. Graphic designers are producing larger banners, more calls-to-action and lifestyle images on the site. Everybody expects the same frontend to operate on both desktop and mobile, which is often resolved by adding more code to each page so that it works for all devices. Every week there are new services that can be "simply added" to your website for product recommendations, for A/B testing, for chat, for search. All of these have an impact on your site performance.

# How to protect it

Site speed comes down to two things:

- 1. A balancing act how useful is a given feature versus the impact it will have on the performance of your site.
- **2.** A managing act if the feature is needed can the technical team minimise the impact on performance.

To begin with, ask your technical team to report on site speed on a regular basis. In particular, keep an eye on **Core Web Vitals**, which reports on how performance affects customer experience.

Understand that improving performance will involve compromise, either removing bloat (often features and functionality) or using budget to implement a feature while reducing its impact on speed.

A good development team will be familiar with the options in terms of removing unnecessary code, or loading it only when necessary. Unfortunately some of these techniques are not cheap to implement.

You will need to work on this on a continuous basis, and there will be compromises ahead. But remember, the goal is better conversion and greater earnings on an ongoing and incremental basis. A discipline of keeping site performance in check will pay dividends in the long-run even if the immediate work and sacrifice (of features) seems like a big ask.



# **Transaction**

In the E-commerce Maturity Model, **Transaction** goes from the checkout to the point at which you try to retain a customer, and includes things like:



TRANSACTION		
٦	Checkout	Order processing (and amendments) and fulfillment
3	Communications to customer	Reviews and feedback

You could argue that all of these have an impact on conversion – the better they are the more likely the customer is to come back to you again in the future.

However, for the purposes of this e-book we will focus on the checkout and fulfilment experience.

# Checkout

The key things to get right in the checkout is simplicity and accuracy.

This is far easier said than done.

The modern checkout is doing a huge amount of work, between figuring out fulfilment options for home delivery and click & collect with differing outcomes expected depending on product stock levels. Added to this are payment gateway options, tax recalculations, shipping calculations and collecting lots of customer information.

Needless to say, the checkout is also the point in the transaction at which the customer is most nervous and most ready to abandon ship. Indeed, upwards of 75% of your customers may enter the checkout without completing the order. Everything that happens in the checkout will be scrutinised by customers who can become confused by any sort of issue or mis-step.

#### **UX recommendations**

Where possible, you should aim to implement at least the following UX recommendations on your checkout:

- Reduce the overall noise in the checkout by rationalising the header and footer areas to include only the items necessary for the checkout. Remove the main navigation, search and other features.
- 2. Present the bill show the customer what they are ordering, which options, how many of each line item, the cost of the items, any discounts and the total cost of the order. You would be surprised how often a customer abandons checkout because they were unsure of what exactly they were buying and at what cost.
- 3. Offer help include a contact phone number or a live chat service to help answer any queries.
- 4. Collect only the information you need try to reduce the number of fields a customer has to fill out to get through the checkout.
- 5. Give the customer comfort around security and trust include a security notice, SSL cert notice, a trustmark or Trustpilot rating.
- 6. Delivery offer if applicable, indicate any benefits around free shipping or fast delivery service offering.
- 7. Express checkout if you offer this, put it at the front of your checkout.
- 8. Email address collect this as early as possible so that you can send out abandoned cart emails to bring the customer back on track.

# **Payment options**

The payment options you offer are important for conversion for a number of reasons that boil down to trust and convenience.

#### PayPal

The question of whether to offer PayPal is one we are regularly asked.

PayPal is more expensive than many alternatives, and many merchants don't like how their policies often favour the customer in disputes. However, that is also part of their strength. Customers know that PayPal is a secure approach to making payments, and in particular, if they are unhappy with the transaction for any reason they have recourse through PayPal.

That being the case, if you have a new brand, a new online business, or you are trying to enter new markets (like the UK), it is important to offer customers the option of paying through PauPal. We have seen cases where a brand unknown to customers in the UK has nearly 50% of payments made via PayPal as opposed to their standard credit card checkout.

## Express checkouts and wallets

The ultimate in convenience at the checkout, is express checkout via PayPal, Apple Pay, Google Wallet, ShopPay or similar.

Customers familiar with these services will opt to pay this way because they will not need to enter billing, shipping or credit card details.

This is good for the merchant in a number of ways. It really breaks down the challenges of getting through the checkout process, in particular on mobile, and we've often heard customers say they had the order bought and paid for before they even knew it.

If you consider that 75% of customers get lost in a standard checkout, you can imagine the potential for improving conversion rates by offering express payment options that bypass some of the obstacles and friction inherent in traditional checkouts.

However, the lustre can be dimmed a little because the cost of this convenience to the customer is sometimes an additional percentage fee on the sale for the merchant, or challenges around how to implement custom checkout features for things like click & collect or abandoned cart workflows.



# Spread payments

Spread payments offer convenience to customers, by allowing them to delay payment in full for an item and spread the cost of a purchase over a number of months.

Humm by Flexifi and Klarna are two well-known players in this space.

The cost of convenience is borne by the merchant who typically covers the cost of the credit accessed by their customer.

Nevertheless, it is popular among customers and can be persuasive in making a sale for larger ticket items or aspirational items.

# **Abandoned cart emails**

It is inevitable that there will be abandoned carts - some estimates suggest up to 70% of carts are abandoned. The important thing is to follow up and nudge the customer to complete the order.

There is a balance between being helpful (sending reminder emails) and becoming a nuisance (sending too many reminder emails), which could have a negative impact on your brand.

Develop good email content including subject line, the item(s) abandoned with price and product specifications and expected delivery if the order is completed today. Other tactics could include a price discount if the order is completed or a discount on the next order placed.



# **Fulfilment**

## Delivery

As mentioned earlier, the question of when exactly an order will be delivered, who is delivering the order, and how much the delivery will cost is very important to the customer and will influence their buying decision.

It is important to live up to earlier promises made about your delivery offer during the checkout. In particular, the cost should be accurate and a full range of options should be clearly outlined.

#### Speed of delivery

At the checkout, make it clear how quickly the order will be delivered. If time is a factor, urgency can play a role in ensuring a conversion by encouraging the customer to order before 1pm for next day delivery, for example.

Don't underestimate the inclination of a customer to abandon during checkout, so provide relevant, succinct information at each step of the process.

If you can offer same day, next day or express delivery you should make an effort to do so and leverage this fact to improve conversion rates.

Depending on the nature of your product, you might find that your customers are willing to pay an additional cost for a faster delivery service. As long as there is a fallback rate at a standard cost, customers are quite willing to consider upgrading their delivery service for additional benefits such as speed.

If you are able to offer these services at no additional cost to your customer, you will find that this level of delivery offering is extremely compelling for customers and will improve the conversion rate as long as the message is clearly communicated.

## Date selection or out of hours delivery

Similar to express delivery, offering customers the choice of when they will take receipt of their order is extremely convenient.

Many people are either not at home to take delivery until certain times, or they do not want delivery of an order until a specific date, so giving your customer the convenience of selecting a Saturday or evening delivery, or selecting their preferred delivery date will help to ensure they order from your site.

#### **Delivery cost calculation**

The cost of delivery needs to be calculated accurately at the checkout. This is not always as easy as it may seem. For example, for several years the Shopify checkout categorised Northern Ireland as UK, and charged international UK delivery rates on packages destined for Belfast.

Needless to say, any customers affected by this issue were inclined to abandon with haste.

It is also critical to ensure that your free delivery offer works correctly during the checkout process. This is more about the accuracy of the functionality of your platform than it is about the offering you have.

#### **Delivery services**

Some customers have strong opinions about certain courier services. Where you have incurred additional cost for a reputable courier, you should not be shy to point out the quality of your delivery service at the checkout.

If customers are very price sensitive, offer other courier services that have fewer features (tracking, SMS communications, insurance, etc) but are cheaper, and allow them to decide which service or level of quality they are happy to pay for.

# Final thoughts

In this e-book, we have focussed on how to improve conversion rates within the Traffic, Trading and Transaction elements of the E-Commerce Maturity Model.

The key thing with e-commerce is to continuously work on your conversion rates in a step-by-step manner. It is an incremental process and each small success will create a pathway for continued and bigger success.



# Unlock the power of the internet with a trusted Irish .ie online identity

# It's uniquely Irish

The official Internet country code for Ireland is .ie and is the only online address that is Irish. A .ie tells the global community that you are Irish and tells the Irish community that you are local. You can even register an Irish language name if required, fadas and all.

# It's more likely to be available

There is a wider choice of available **.ie** domain names compared to .com, as significantly more of those names are already registered.

# It lets your customers find you online

.ie addresses rank higher than .com addresses on Irish based search engines like Google.ie. Irish consumers are more likely to click on local website addresses.

#### It's trusted

.....

Every .ie applicant's identity is checked and validated at the point of registration.

Consumers will have confidence in your business as .ie is a well-established and trusted domain. 77% of Irish consumers prefer a .ie website when buying online, instead of a .com.<sup>1</sup>

# It's the preferred online address for business in Ireland

91% of Irish consumers associate **.ie** websites with Irish businesses over other websites like .com.<sup>1</sup> The **.ie** domain accounts for the majority of hosted domains in Ireland.<sup>2</sup>

# It protects your brand

Securing your .ie online address strengthens your brand and protects your online identity. All .ie domains are registered on a first-come, first-served basis.

- <sup>1</sup> .IE Consumer Trust 2020
- <sup>2</sup> .IE Domain Profile Report



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