Capturing the digital customer
Simplify the shopping maze to win more sales

While the thrill of the hunt may satisfy some bargain-savvy eCommerce shoppers, others value a streamlined shopping experience that gets them through the online checkout process as quickly as possible. If these consumers don't find the specific item they are looking for immediately, they often abandon the quest altogether.

In fact, online shopping cart abandonment rates have run in the 60-percent range over the last few years.[1] At the same time, the notion of just what the shopping cart means is changing too. While some abandoned carts reflect consumer dissatisfaction with the purchase process, others may signal that consumers plan to return to purchase on another device or even in store.

Analytics is helping retailers analyze the eCommerce journey for customers. Refining the purchase path is essential for engaging — and ultimately converting — shoppers as they explore purchase possibilities both in and outside of the store.

Lost in the maze
For one major retailer, the gap between visitors to the site and completed purchases was widening. Despite investing millions of dollars in enhancements to its mobile and web presence, a growing number of consumers were losing interest in following the digital maze required to locate and purchase the products they were seeking. As a result, the retailer was having an increasingly difficult time converting online customer visits into sales.

"We were constantly making changes to our website and offering special online promotions, but we found that some changes were having an opposite impact on sales than we were expecting," the company's director of marketing explained. "It seemed like one step forward often meant taking two steps backward."

How could the retailer improve its digital shopping experience, convert online browsing into increased sales, and hit its performance goals?

Clearing the path
The first step in learning how to enhance the digital experience was not only to determine what was lacking, but also what was getting in the way of the customer journey. With Deloitte's help, the retailer analyzed its customer data against industry benchmarks to identify where customers were leaving the funnel and to pinpoint reasons for the fracture.

As the retailer soon discovered, most of its online customers were looking for a direct route to the products they want to buy; in most cases, they would spend no more than one minute trying to locate a particular item.

Impacts from transformation:
- Higher conversion rates
- Increased mobile sales
- Greater return on digital investment

[1] eMarketer, "Retailers Rethink Shopping Cart Abandonment," http://www.emarketer.com/Article/Retailers-Rethink-Shopping-Cart-Abandonment/1009645, February 4, 2013.

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While shoppers in brick-and-mortar stores might be willing to take the escalator to housewares to buy a new mixer, or browse the racks for a new pair of jeans, online shoppers behave much differently. A typical mobile shopper knows exactly what he is looking for, and if required to navigate through many "aisles" or take extra steps online, he may abandon the product search altogether — leaving for another website or possibly even finding a physical store.

Working with Deloitte, the retailer had the confidence to evaluate the changes that had been made to its website and identify which changes worked, which ones were not so effective, and why. Here are a few of the lessons they learned:

1. **Less is more.** One new navigation feature increased the number of clicks required to get to a desired product. As a result, the number of guests who moved on to the next step declined by 6% after the launch of the feature, resulting in lost orders and a lower conversion rate.

2. **Direct shoppers to in-stock products.** On the other hand, a daily deal offer that prioritized available products over sold out items resulted in an increase in sales of approximately 80 new orders per week.

3. **Certain site features lead to more sales.** Customers who have the option to continue shopping or search for additional products once they put an item into a shopping cart are two to three times more likely to convert.

Bringing it home

In recognizing the value of a streamlined shopping experience the retailer was able to simplify the customer's digital experience, reduce points of fracture, and increase conversions. The company learned that fewer clicks resulted in more sales — that the easier it is for customers to find a particular product, the more likely they will make a purchase.

Repairing the fractures in the digital shopping experience and guiding the customer through the purchasing funnel more effectively has resulted in improved results for this major retailer:

• **Higher conversion rates.** More visitors to the site are now completing their purchases when they add two or more products to their carts; the major retailer's results are now in line with the industry benchmarks with a 50% improvement over previous performance.

• **Increased sales.** When comparing results of a three-day Labor Day weekend sale year-over-year, home page views increased by 80% and total site revenue more than doubled. The pages where actions were taken to reduce fractures were three times more productive.

• **Greater return on digital investments.** The retailer can now predict the site features that meet predetermined objectives, and invest time and money where it will have the most impact.

As further enhancements to the retailer's digital site are proposed, analytics will be used to determine whether or not certain enhancements will have the desired effect on the customer's digital journey before they are implemented, helping to increase investment and improve returns quickly.

"With a mobile marketplace that represents almost $600 billion in business a year — and growing — every incremental increase in conversion rates represents significant sales growth," said the company's Director of Marketing. "By relying on Deloitte to help us get inside eCommerce data to streamline the customer journey, we can build a more dynamic, engaging digital experience for our customers. And allocating resources more effectively means earning a higher return on our digital investment and increasing sales."

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