MELBOURNE IT

THE PERFECT
E-RETAIL SITE

By Melbourne IT Enterprise Services

THE PERFECT
E-RETAIL SITE

Delivering an exceptional user experience is crucial to increasing conversion rates. Consumers are increasingly attracted to websites that deliver information and services as quickly as possible, making a fast-loading website a genuine competitive advantage.

In the current Internet era, delivering a positive experience relies on mastering situational performance, optimising performance to meet the limitations of the user's connection or device, and delivering rich media that engages, informs and excites.

The perfect eRetail site delivers what customers want, when they want and how they want it. By meeting this need, businesses can improve their conversion rate, attract traffic from their competitors and encourage customers to come back time and time again.

BOOSTING CONVERSION RATES

Although providing customers with product or service information is a vital goal of every eRetail website, the ultimate aim is to convert visitors into paying customers.

MASTERING THE BASICS

Many of the most important factors in eRetail site success are relatively straightforward, focused less on technology, and more on the service business provided by a business.

The key reasons for abandoning online purchases are unexpected delivery costs (70%) and lack of information about the product, service or delivery (56%). Other reasons for abandonment are connected to customer service, such as wanting to ask a question / not finding the answer (37%) and difficulty of getting any help on the website (30%)[i].

Any successful eRetail website will use technology intelligently to resolve these issues and lower the barriers to purchase. This also includes simple factors like the visual appearance of the site. It is worth remembering that in a global marketplace, a fully accessible website could be a significant competitive advantage for the often under-served disabled community.

THE KEY REASONS FOR ABANDONING ONLINE PURCHASES

70% unexpected delivery costs

56% lack of information

37% want to ask question / not find the answer

30% difficult getting any help
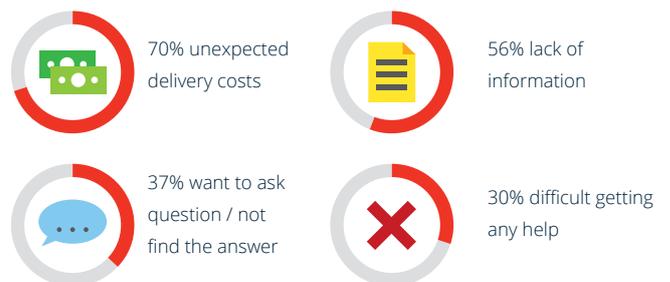
"The literature provides sound empirical support for our general hypothesis that web design cues effectively enhance consumers' initial trust towards unfamiliar online vendors."

– The Effect of Website Design Dimensions on Initial Trust: A Synthesis of the Empirical Literature, Karimov et al[ii].

DELIVERING THE RIGHT INFORMATION EVERY TIME

The always-on nature of the Internet demands that a website must be available 24x7x365, and that it delivers the products, services and information that customers demand quickly and consistently. In order to do so, information must not only be available on the website, but must also be easily accessible.

DESIGN

The user interface (UX) of a successful site extends far beyond simple colour and branding choices. Of far greater importance is the navigation options provided that will help your clients find the information they need in the least amount of clicks. The less friction involved in finding product information, the easier it becomes to close a sale. The second most common reason given for abandoning a sale is the inability to find specific information about a product, service or the associated delivery costs[iii].

An effective eRetail site is like a living organism, undergoing constant refinement to improve conversion rates a little at a time. A/B split testing is now an essential part of the ongoing design process as developers trial interface tweaks designed to boost sales. Among the factors to consider include:
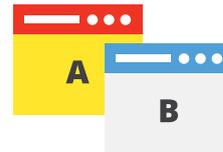
Page elements and placement – as with navigation, the easier it is to find relevant information, the greater the likelihood of shoppers finding what they need and completing their sale.

Choice of colour – colour psychology research reveals colour preference differences between genders for instance[iv], so it is important to choose schemes that align with your target market.

Button design – some tests suggest that simple changes, like the colour of action buttons, can boost conversion rates by as much as 21%[v].

Every on-screen factor plays a part in convincing visitors to trust your business, whether they realise it or not. Knowing this, developers and marketers can create and test scenarios to make more compelling visual designs.

"80-90 percent of end-user response time is spent on the frontend. Start there."
– Steve Souder, web performance optimization expert[vi].

TEXT AND
CONTENT

The visual appearance of an effective eRetail site needs to be complemented by top-quality content that encourages buyer trust and helps to demonstrate industry understanding. High bandwidth broadband connectivity means that shoppers expect larger, higher resolution product images for instance, so that they can see exactly what they are buying.

Product copy also plays a massive role in accurately describing the benefits of not only the products in question, but in dealing with your business. The text on a website also needs to be tweaked and tested regularly to improve performance and to identify and correct errors.

BE THE FRIST

74% of web users take notice of spelling and grammar on websites.

59% will not shop with websites that bear obvious grammatical errors in their copy[vii].

But successful copy is more than an exercise in accurate proofreading. In addition to helpful product descriptions, calls-to-action (CTA) need to be tested and optimised to increase conversions. Varying the language used on buttons and other CTAs can dramatically improve click-through rates – some tests report increases of up to 211% simply by changing "Test it out" to "See demo"[viii]. As with design, continuous testing and improvement are essential to ensure conversion rates continue to improve, giving your eRetail site a competitive edge in the busy online marketplace.
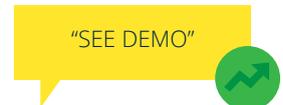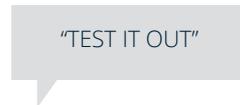
"TEST IT OUT"

"SEE DEMO"

Some tests report increases of up to 211% simply by changing "Test it out" to "See demo".

TECHNOLOGY

The actual website design must also be supported by high performance technology to ensure the most efficient delivery. Key factors to consider include:

Scalable architecture to cope with peaks in demand – cloud platforms provide a pay-as-you-use model to ensure access to the resources required to meet changing levels of demand without incurring the cost of maintaining onsite redundant capacity.


Advanced caching and Content Delivery Networks (CDN) that can deliver pages and rich media more quickly, reducing load times, network latency issues and end user frustration.

Responsive design techniques, such as HTML5 and AJAX, that create a consistent user experience across all devices and that properly account for the display, processing and bandwidth limits of each.

Technology plays a critical role in closing deals online, therefore under-investment or poor purchasing decisions could be extremely costly in the long run. The average Australian broadband connection remains slightly higher than the global average at 6.9Mpbs, which is distinctly mid-table when compared to other Asia-Pacific nations, and a long way behind South Korea's 25.3Mbps average[ix]. Consequently, businesses need to do whatever they can to improve content delivery speeds, or risk losing customers to better performing competitors.

6.9Mpbs   25.3Mpbs
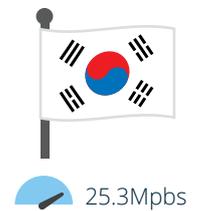
"Every 100ms delay costs Amazon 1% of sales"
– Greg Linden, Senior Manager & Principal at Amazon[x].

SITUATIONAL PERFORMANCE

In order to ensure that sufficient resources are being allocated to the website, or that automatic quota adjustments are being performed efficiently, frequent testing of the website is a must. Automated testing tools can help give a useful median value for key page loading times, and help reduce some of the burden associated with running tests against multiple browsers, devices and bandwidths.

Situational performance takes this one step further, collecting data from genuine website user sessions. Often this data reveals hidden disparities between the automated testing and the very real experiences of website visitors. It will also help to identify functions and pages that need to be optimised or re-engineered to improve performance.

American retail giant Walmart reports that improving page load speed by as little as 100ms resulted in a 1% incremental increase in online revenue[xi].This speed increase is so small that you could literally blink and miss it (some estimates suggest it takes 400 milliseconds to blink[xii]), but meeting customer demands for enhanced page loading speeds had a direct impact on profitability.

"Two hundred fifty milliseconds, either slower or faster, is close to the magic number now for competitive advantage on the Web."
– Harry Shum, a computer scientist and speed specialist at Microsoft[xiii].

OPTIMISED PERFORMANCE

Both code and technology must be harmonised in order to deliver the best possible user experience. Building on the infrastructure suggested above, the website code and page design need to be optimised to ensure that everything executes as efficiently as possible.

Although bandwidth has increased exponentially, images and artwork still needs to be optimised for efficient download to the user's browser, or page-loading times will be impacted. An increasing demand for rich content like video further complicates issues, requiring larger amounts of data to be delivered as quickly as possible to the user's browser. Although the average broadband speed in Australia is said to be 6.9Mbps, there will always be a significant number of users receiving much less.

The design process needs to include extensive testing and refinement cycles to ensure that media, code and other digital assets are executed and delivered as quickly as possible. In 2010, the average webpage was just 700kb in size, but by 2014 they had grown to 1900kb – an increase of 270% in just five years[xiv].

2010
700kb

2014
1900kb

DYNAMIC CONTENT

Advances in technology coupled with the explosion of social media means that online shoppers now expect a personalised experience. Generalised special offers and price reductions are relatively effective at boosting conversion rates in the short term, even if they do eat into profit margins. Far more effective (and less costly) is the use of targeted offers that are tailored to the specific needs and interests of the visitor.

Obviously this requires additional resources – first to serve the actual page, and second to draw the information required for personalisation from backend data stores. Each call back to the datacentre adds to the time taken to render a page.

Content delivery network and caching provisions need to take the backend database into consideration when serving pages to clients. Traditional CDN networks have been found to blindly redirect user requests to sub-optimal webservers, failing to deliver the performance improvements expected. It is important to choose a CDN service provider who works closely with ISPs to accurately route user requests to their closest (geographically) server, delivering significant page load time improvements by reducing internal traffic by up to 30%[xv].

Hi, John
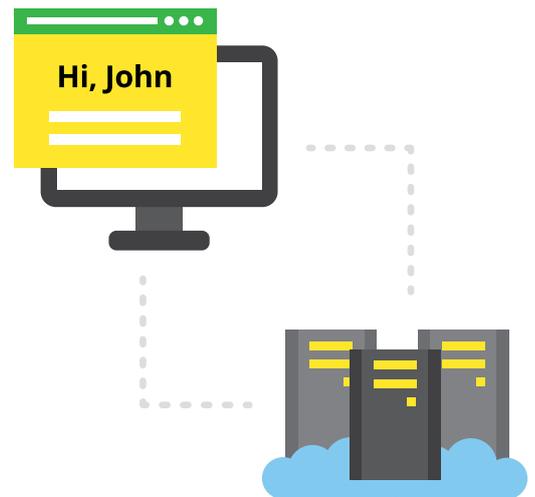
"The type of experience you want to deliver should be profitable to your organization. Delivering an exceptional experience isn't always cheap and while your experience should always be focused on the customer, it should also be focused on improving the bottom line. After you've identified your priorities, ensure that by elevating your customer's experience you'll realize additional revenue and profit."-
– LiorArussy, President of customer experience specialist Strativity Group[xvi].

KEY TAKEAWAYS

The reality is that the magic formula for the perfect eRetail site does not exist. If it did, there would be no competition online, nor any need to improve conversion rates.

Instead the perfect eRetail site is a careful combination of design, technology and high quality content. Perhaps more importantly still, this content needs to be delivered as quickly as possible to the user's browser. The rise of the mobile Internet has changed the eRetail landscape, with customers demanding the same high quality, rich media experience in the same timeframes, despite the bandwidth and processing limitations of their smartphones and tablets. This then presents a dichotomy – delivering more with less.

To cope, businesses will need to optimise their existing website to streamline delivery to both desktop and mobile. By using advanced services like the Akamai Content Delivery Network, assets can be accessed even more quickly and efficiently to help create the experience customers demand. Without content co-location and rich media pre-fetching, delays in accessing data, along with numerous calls for dynamic data, will slow the browsing experience – the kiss of death for a speed-obsessed customer base.

The perfect eRetail site is actually a commitment to continuous improvement, first by reaching the nominal sub-2 second page loading target, and then a series of incremental improvements that make the browsing process more enjoyable. Visual appeal, powerful copy and speedy page delivery all need to be combined to create an effective eRetail site that converts visitors into paying customers.

SOURCES

i. Connecting with Customers,LivePerson - http://info.liveperson.com/rs/liveperson/images/LivePerson_Connecting_With_Customers_Report_UK.pdf

ii. The Effect of Website Design Dimensions on Initial Trust: A Synthesis of the Empirical Literature, Karimov et al. - http://www.csulb.edu/web/journals/jecr/issues/20114/Paper4.pdf

iii. Connecting with Customers, LivePerson–Ibid.

iv. Colour Assignment research – Joe Hallock - http://www.joehallock.com/edu/COM498/preferences.html

v. The Button Color A/B Test: Red Beats Green – Hubspot - http://blog.hubspot.com/blog/tabid/6307/bid/20566/The-Button-Color-A-B-Test-Red-Beats-Green.aspx

vi. How To Deliver Fast, Engaging Responsive Web Design – Akamai - http://www.akamai.com/dl/akamai/wp_responsive_web_design.pdf

vii. Poor grammar on websites scares 59% away – Global Lingo - http://realbusiness.co.uk/article/24623-poor-grammar-on-websites-scares-59-away

viii. The A/B Test That Improved Call-to-Action CTR by 211% - Hubspot - http://blog.hubspot.com/marketing/call-to-action-ab-testing-ht

ix. Akamai's State of the Internet Q3 2014 – Akamai - http://www.akamai.com/dl/akamai/akamai-soti-q314-infographic.pdf

x. Make Data Useful – Greg Linden, Amazon - http://www.gduchamp.com/media/StanfordDataMining.2006-11-28.pdf

xi. Real User Monitoring presentation delivered by Aaron Kulick, Senior Software Engineer at Walmart- http://i.minus.com/1426420836/VoRaa3iK8L12tMNdkh2pPQ/dFl2cjrORw3Jx/SF%20%20SV%20Web%20Performance%20Group%20-%2020120216.ppt

xii. For Impatient Web Users, an Eye Blink Is Just Too Long to Wait – Steve Lohr, New York Times - http://www.nytimes.com/2012/03/01/technology/impatient-web-users-flee-slow-loading-sites.html?pagewanted=all

xiii. Ibid.

xiv. http archive statistics comparing November 2010 and November 2015 - http://httparchive.org/compare.php?&r1=Nov%2015%202010&s1=All&r2=Sep%201%202012&s2=All

xv. Pushing CDN-ISP Collaboration to the Limit – Benjamin Frank et al. - http://www.akamai.com/dl/technical_publications/Akamai_Tech_Pub_CDN-ISP_Collaboration.pdf

xvi. The top 10 customer experience questions – Tech Target - http://searchcrm.techtarget.com/feature/The-top-10-customer-experience-questions

ABOUT MELBOURNE IT

Melbourne IT Enterprise Services designs, builds and manages cloud solutions for Australia's leading enterprises. Its expert staff help solve business challenges and build cultures that enable organisations to use technology investments efficiently and improve long-term value. With more than 15 years' experience in delivering managed outcomes to Australian enterprises, Melbourne IT has been long associated with enabling success. Its certified cloud, consulting, and security experts repeatedly deliver results. This is why many of the brands you already know and trust, rely on Melbourne IT.

THE RIGHT SOLUTION IS MELBOURNE IT

melbourneitenterprise.com.au

1800 664 222   corporate.sales@melbourneit.com.au