

What Turns Consumers Off When Shopping Online

2017.09.25

Source: National Jeweler

Stockholm--A Stockholm-headquartered company considered to be PayPal's Swedish rival published a study this past summer on what consumers love and hate about online shopping.

"Emotional eCommerce" is a research report that combines a survey of 2,000 consumers of all ages in the U.K. conducted in June by Klarna U.K. with research from professors in the School of Psychology and Clinical Language Sciences at the University of Reading (England).

The report focuses mainly on what happens at the point of sale that makes a shopper abandon her or his digital cart, and what "nudges" retailers can provide to push the sale through

According to what retailers interviewed for National Jeweler's have said so far, a very small percentage of fine jewelry sales are made online. Consumers, they say, mostly use their site for browsing and come into the store when they are ready to buy.

But, for those transactions that do take place on the internet, the Klarna report provides some key points about the dislikes of online shoppers.

Let's examine a few of them below.

1) A difficult check-out process

According to the report, transaction inconveniences--like having to enter a lot of personal data, register as buyer, or technical glitches--are often the No. 1 factor that makes shoppers abandon online purchases.

The study states: "Complex processes, such as registering for a site, are more likely to lead to abandonment for consumers, particularly if they are under 'cognitive-load,' e.g., later in the day, when they are tired, drinking or commuting."

Where possible, retailers should simplify the checkout process. They should not ask for more information than they absolutely need. In instances where simplification is not possible, Klarna suggested adding an incentive for registering, such as free shipping or a discount.

The study also emphasized the importance of having one-click payments in place, meaning building a website that stores customers' information so they don't have to reenter their name, address, credit card number, etc. every time they shop.

2) Not knowing how much they are spending

Cost, not surprisingly, is a big factor in the decision-making process for millennials, many of whom are more cash-strapped than members of older generations.

The findings of the study "debunk the myth that items added to a basket show a clear intention to purchase." Unlike in-store shopping, online shoppers, particularly millennials, are very likely to put items in their virtual cart just to review costs.

In addition, more than three-quarters of millennials often use their basket as a “wish list,” compared with only 29 percent of those over 55 who do the same. And 74 percent of millennials admit to “buzz browsing,” adding items to a basket for the thrill of it, with no intention of buying them.

(Because of this, the study states, retailers should never expect their online conversation rate to reach 100 percent.)

Retailers can cut down on the number of shoppers who abandon their carts at checkout time by providing cost updates, i.e., making it so that the basket has the running total on it and stays visible throughout the shopping experience.

The study also emphasizes the importance of offering deferred payments, e.g., financing, to online shoppers, particularly those making high-dollar purchases.

3) An ugly website

Visual attractiveness and consistent presentation can help boost purchasing while the opposite can bring it down.

Specifically, the study recommends websites have high symmetry, low complexity, use a blue hue and be of medium brightness and medium to high saturation. The checkout page should be visually similar to the rest of the website because, if it's not, it might cause the shopper to think twice about their purchase.

Websites also need to have a social presence, meaning it has to make shoppers feel like they are part of a community. The study recommends having online ratings, reviews and recommendations, particularly at checkout.

A PDF of the full report is available from Klarna.com.

JE is NOW Online !!

