The Ecommerce Customer Experience
Understanding and Optimizing Customer Satisfaction for Your Ecommerce Site

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1. Introduction

The online and offline customer experience varies greatly. In a physical store, customers use physical cues to assess the professionalism and competency of an establishment. As you walk into a local electronics store, it’s easy to evaluate professionalism by how the employees are dressed, how you’re greeted, and the organization and cleanliness of the store. The transaction process is familiar and you walk out of the store with your purchase instantly. You instinctively know that if you have an issue with the purchase, you can return to this location to seek remedy.

For an ecommerce merchant, these cues are absent. The design, language, processes, and content determine how a potential buyer perceives and ultimately interacts with a business. For many consumers, trusting an online merchant with payment information, to deliver the product on time, and to provide service after the sale are potential impediments to the buying process. The transaction process behind the transaction is veiled and often unclear to the average user, plus online shopping layers in added concerns about privacy and security further heightening the perceived risk.

A positive customer experience leads to more sales and good word of mouth. A negative experience not only diminishes the potential for future sales, but can also lead to negative word of mouth that hinders new customer acquisition. Even though technology has made building an ecommerce empire easier than ever, ignoring the emotional and logical cues that buyers need to feel secure and confident making an online transaction can impede the growth of the best business models. This document offers context around the importance of ecommerce customer experience and guidance on how to evaluate and improve the experience for your customers.
2. Why Focus on Customer Experience?

Wanting to avoid the weekly trip to the grocery store, Michael Aldrich pioneered electronic commerce in 1979 by successfully connecting his television to a processing center via a phone line. By the 1990s, the technology to support online shopping matured and is expected to grow to $327 billion by 2016.¹ The new, tech-savvy consumer presents a unique set of challenges to ecommerce merchants:

- **Less quality time:** A web site must meet the need of its users and convince them to take action – in seconds. Recent research shows that while per visit revenue for ecommerce sites is increasing, the time spent on the site has decreased to about two and three-quarters minutes.² This puts even more pressure on ecommerce merchants to demonstrate value, communicate trust, and motivate action.

- **Increased competition:** As ecommerce revenues grow, the number of players seeking a piece of the pie is slated to rise. The increased competition will force ecommerce shops to differentiate on more than just their product line or pricing. In surveys, 86% of shoppers are willing to pay more for a product or service for a better experience.³ The new ecommerce shop must focus on creating an appropriate experience for customers at each stage of the buying cycle. For example, the customer experience of an apparel merchant will be dramatically different than that of an auto parts retailer.

- **Speed of technology:** Technology is empowering the modern consumer. In the 90s, the only place for online shopping was the desktop computer. Today, consumers are connected to millions of shopping choices and mediums including PCs, tablets, and smartphones. As competition grows, customers expect seamless shopping experiences between online and offline channels. The proliferation of devices and the rise of alternate engagement platforms via social media and shopping apps offer merchants more opportunities to engage buyers while introducing added design and performance requirements to keep up.
3. Elements of a Good Customer Experience

3.1 SITE PERFORMANCE

The primary indicator of site performance is page load time. For each second your page takes to load, customer satisfaction drops 7%. The majority of users expect your site to load in less than three seconds. However, recent research puts average load time for the top 2000 websites at ten seconds. Nearly a third of dissatisfied customers cite slow loading pages as the reason for dissatisfaction.

Some factors that contribute to slow loading pages:

- Uncompressed image and video files
- Third-party scripts for social media, analytics, advertisements, location data, and live chat scripts
- Inadequate storage and content delivery mechanisms
- Integration with payment portals, forums, or other add-ons
- Latency between server requests over long distances

If your page loads just a blink of the eye, about 250 milliseconds, slower than your competitor, you could lose the sale.

3.2 MOBILE READY

Mobile ecommerce sales have nearly doubled over the last two years seeing 81% growth in 2012 and expected to rise another 55% in 2013. An ecommerce operator without a defined mobile strategy risks losing a competitive advantage. Mobile strategy should include optimizing your site and transaction processes for multiple devices and evaluating your backend systems to ensure mobile accessibility and speed.

3.2.1 HOW MOBILE-READY IS YOUR SITE?

- Does your website display the same across all devices? A home page designed for a desktop, could cause excessive scrolling on the part of smartphone or tablet user viewing on a significantly smaller screen.

- Are your images and video files displaying properly? Images and video intended for larger screens often don’t display well or function properly on mobile devices.

- Are form entry areas and touch targets apparent? Space out text entry fields, buttons, and other action points to accommodate finger tapping as opposed to a cursor clicking. Consider replacing text with icons to reduce screen text.

- Do you rely on pop-ups for newsletter registration, surveys, or specials? Navigating multiple browser pages or tabs isn’t as easy on a mobile device. If these elements are critical, consider incorporating them into on-page content.

- Have you incorporated mobile-specific features to your site? Mobile offers extra features like click-to-call and navigation options for brick and mortar locations.

84% of US adults experience difficulty completing mobile transactions.
3.3 SITE USABILITY

A multi-platform accessible, high-performing site can still fail if the site design is difficult to navigate or has elements that don’t work. Ecommerce shops left an estimated $44 billion on the table because of shopping cart errors, broken links, and other transaction problems.11 Improvements in usability, like upgrading navigation and information flow, can deliver up to 83% return on investment.12

3.3.1 COMMON WEBSITE USABILITY ISSUES

Inconsistent design: When a page looks different than other pages on a site, users could spend more time figuring out if they arrived on the right page instead of digesting product offerings.

Broken elements: Whether it’s a broken link or a video that doesn’t play, having functionality on your site that doesn’t work causes users to lose confidence in a business.

Confusing text: Headings and lists should be arranged so that users can quickly scan for pertinent information. The words used to describe products, communicate specials, or guide users through the checkout process must be free of jargon, unfamiliar acronyms, and bad grammar for maximum clarity.

Poor site organization: In order to build navigation and links to support users, the ecommerce operator must understand the logical process users employ to make purchase decisions. Implementing user testing and reviewing analytics can help identify barriers or gaps in the purchase path.

Large online and offline retailer, Nordstrom’s, recently invested millions into usability and site upgrades yielding a 37% growth in ecommerce channel sales.13
4. Building Your Customer Experience Strategy

As you design or redesign your site experience use these high-level action steps to guide you through the process:

Where are we today?
- Gather existing customer feedback or conduct surveys of users
- Review performance and analytics reports
- Perform a competitive audit of other sites in your sector
- Audit your site’s content, page flow, navigation and other elements of usability

Where do we want to be?
- Determine how your overall brand strategy, goals for your ecommerce site, and customer experience goals tie together
- Create business and user requirements documents
- Define and prioritize your ideal customer experience

How do we get there?
- Develop a roadmap based on your ideal customer experience
- Begin developing user personas and user flows
- Identify technology or talent needed to achieve goals

Are we there yet?
- Detail success metrics and reporting
- Document strategy review targets

Experience Design in Action at Rackspace

We’ve spent much time and energy infusing principles of customer experience into our main website as well as into the design of our control panel and support structure. At Rackspace, we designed our customer experience around these four principles:

1. It’s not good enough to just design great products. Products need to reflect the values embodied by our employees — simple and intuitive.

2. User interfaces (not just technology, but all touch points) need to be consistent with the Rackspace brand. This is about fundamental experiences, not just appearance. Before we worry too much about look and feel, we must consider whether we’re designing the right product and how well it is designed.

3. Interactions with employees and the product need to be part of a coherent experience. In other words, the interactions themselves need to be perceived as supportive.

4. When we design systems, we must think of them not just as pieces of software, but also as a whole chain of cause and effect moments that makes up an experience, which can include user, employee, and electronic (automated) actions.

For a deeper look into how we approach experience design, read Experience Design at Rackspace from Rackspace VP of Experience Design, Harry Max.
5. Summary

We’ve presented some high-level elements to get you thinking about the customer experience on your retail website. Determining which steps to take next is highly dependent on the type of user experience strategy you’ve set forth and the current state of your site’s architecture. Often the biggest barrier to improving the quality of the customer experience is lack of infrastructure capacity and IT expertise to speed up page loads or deliver content over distance. Need help meeting the infrastructure requirements of creating your ideal user experience? Contact our Ecommerce Hosting team to evaluate your IT needs and find out how Rackspace can help you extend your IT capabilities to achieve your ideal customer experience.

6. References:

3. Harris Interactive Customer Experience Impact (CEO) Survey, September 2011
About Rackspace

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