Shopping Carts Optimized

How a few tweaks led to 12% more revenue across an entire e-commerce website

STRACT 8 4

Whether your company offers 10 or 10,000 products online, the shopping cart can be one of the most mysterious and difficult areas of your Website to optimize. How many shopping carts steps are optimal for conversion? What information should be required of customers? In this transcript of the web clinic, Dr. Flint McGlaughlin, Managing Director, MECLABS, teaches the answers to these and more...



MarketingExperiments.com







Presenters
Dr. Flint McGlaughlin
Tony Doty
Adam Lapp

Writers Austin McCraw Daniel Burstein Joelle Parra

Technical Production Joelle Parra Nicole Evans Cliff Rainer

ContributorsMECLABS Conversion Group

Shopping Carts Optimized

How a few tweaks led to 12% more revenue across an entire e-commerce website

Dr. Flint McGlaughlin: Good afternoon here we go again after ten years of research in clinics and yet another one is in front of us, this one is entitled "Shopping Carts Optimized" and with the very precise grammatical sub-header, how a few tweaks led to 12% more revenue across an entire Website. I want to say before we begin that we are going to be touching something that is particularly difficult. We are going to talk about a challenge that has plagued more e-commerce and subscription and even lead generation based B2B sites who involve or use some form of cart than almost any other kind of challenge we have seen, because you know some people don't get to one point or another but almost every site involves people trying to affect the purchase or move through a shopping cart. In the process we have spent so much money to get them there; it becomes a tragedy when we lose them at that final juncture in the thought or the cognitive process. What can we do? I remember looking at a retailer who broke 6000 transactions a day to their cart. They said it takes \$22 to get someone in the cart and were losing 50% of those once they arrive. What do we do to stop it? and that was beginning of some of our most statistics shopping cart research. I remember the first experiment yielded 6000 saved carts and from there we kept building and learning and discovering how to optimize in the cart process.

We are going to be looking at some of that today. If you are wanting to give us feedback you could do so using #webclinic and then we are, I will be joined by Adam Lapp, our Senior Optimization Manager, and Tony Doty, another Research Manager on our group. Both of them have had extensive experience in this area and we will be gaining insights from them. Not only do we talk about this process, but also as we start doing live optimization of existing carts. Towards the end of the clinic today, we will be looking at carts that you have submitted and will be analyzing those carts in real-time.

EXPERIMENT: Background and design

Dr. Flint McGlaughlin: For now let's look at test protocol 1368 in our research library...





Experiment ID: (Protected)

Location: Marketing Experiments Research Library

Test Protocol Number: TP1368

Research Notes:

Background: B2C company offering package vacations. In this test we focused on improving the checkout process.

Goal: To increase cart completions

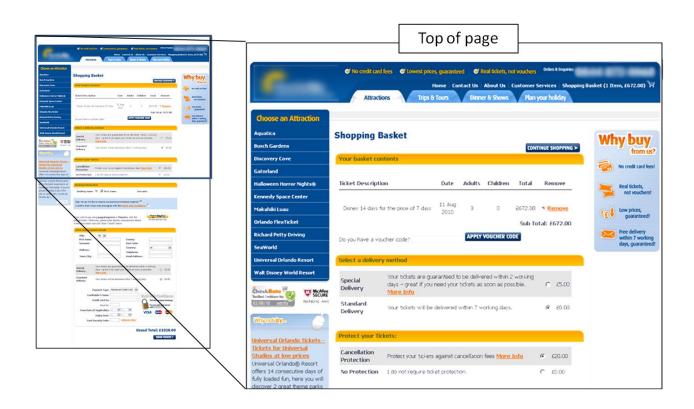
Primary research question: Which cart page will generate the highest completion rate?

Approach: A/B split test (variable cluster)

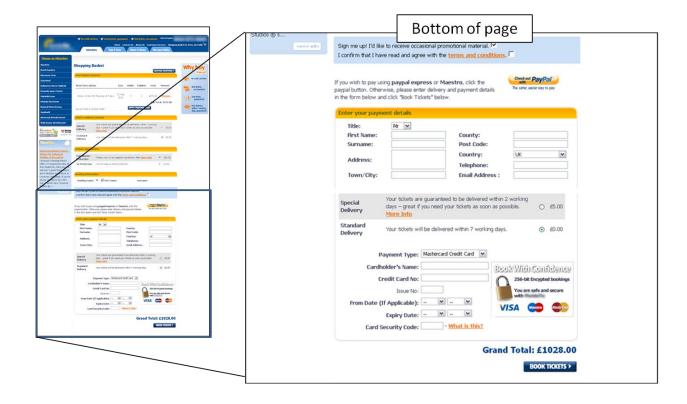
Dr. Flint McGlaughlin: This was a B2C company offering a packaged vacations and the goal was to increase the number of people who complete their, the shopping cart process and of course the primary research question was, "Which cart page, which design would generate the highest completion rate?" So let's a look a bit at the control and take close attention because I am going to ask you to help improve it in a just moment.



EXPERIMENT: Control



Dr. Flint McGlaughlin: What you are seeing in the main part of the screen on the right is the top part of the cart. What you are seeing in just a moment would be the bottom half of the cart, but look very closely at the top half. Today I think Adam I was the phone with two groups asking for help and research with their carts both in e-commerce. One had just spent extensive amount of time optimizing their cart, they have gone through two years of testing, yet they still felt that they were leaking in the process. I see it over and over across the net. The question is "What would you do to improve this cart?" Let's take a look at the bottom half of the page.



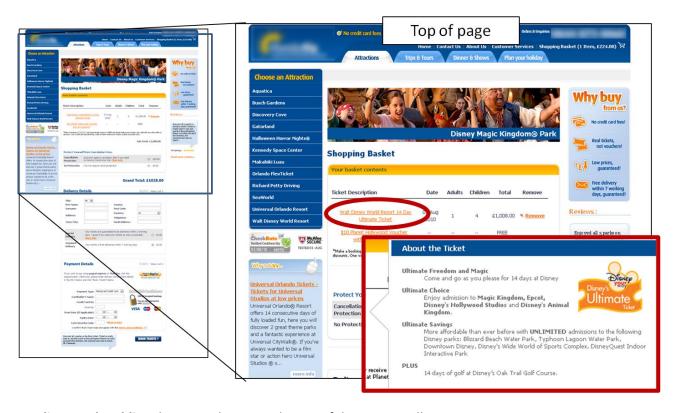
Dr. Flint McGlaughlin: So now you see the bottom half of the cart, pay close attention to the form design, to the images, to the graphics and before you start doing your best to improve this cart, bear in the mind that its above average already and it's reduced as many steps as they felt possible. It's done the same thing with form fields. It's featured a single primary column in keeping with our research findings as a kind of best approach and they have utilized third-party anxiety relievers with some of those important images in the bottom right of the page.

This is a group that paid attention to the things we taught here in the past and they have done all that they could to optimize their existing carts, but I would ask you as our experts to use Twitter for just a moment and tell us what you would do to improve this cart. You can also use Q&A feature in the go-to-meeting and that will allow you also to give us your feedback. #webclinic, so you can use that or you can use the Q&A feature and let me see the Q&A if I could. All right and I am going to just kind of look at your responses, tell us how to make this better. All right there is no guarantee, the better business logo should be there, make it more attractive to look at, I could move the SSLS to the right column, is the nav in the left side asked Jan. Jan you are on here so frequently it's good to have you back. Show a picture of the... I couldn't see it, it moved too fast of they have in the shopping basket, "Remove the yellow colors" says Sean, "The multipage form would have been nice' says Brandon, "Remove some of the white space" says Marcello, "Hyperlink to the item' says another. Testimonials on the right side" says Stephen, "move or add third party anxiety image above the fold" says Gary, these are all suggestions from the audience.



Now bear in mind that this cart has been optimized time and time again, bear in mind also the enormous impact and this is very important, the enormous impact on revenue that a lift in the cart will have. Please note there is a difference between getting a 10% improvement on the home page and 10% improvement on the cart. A 10% improvement on the home page might get more click-through, but it doesn't necessarily yield 10% more in sales, but 10% more in the cart, 10% more completion at the cart level, is direct to the revenue line. So it's really important that we consider the leaks on the bottom side of the funnel, as having a special priority when we are trying to optimize those maximum revenue. When working with the group we prepared a new design and again this is advance work. Some of you have been through a lot of our training and you have been in many of our clinics and certification classes and you have learned to see these pages and see some of the changes that we made, these is particularly challenging. Let's look at the treatment.

EXPERIMENT: Treatment



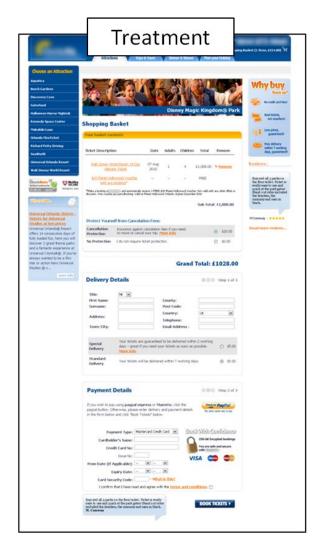
Dr. Flint McGlaughlin: There is a change to the top of the page, I will give you just a moment to review that' we will talk about it in just a bit.





Dr. Flint McGlaughlin: Here is a close-up of the bottom of the page and here is a list of some of the changes. We removed the graphical bars; never give them fences to climb over. We added critical images, we added pop-up product description, we added testimonials and we added step indicators to help them understand where they are at in the process.





Dr. Flint McGlaughlin: So let's look at the control and the treatment side by side. There you see the left side is the control, the right side is the treatment, the changes are not that dramatic but they are very important. Remember we do not optimize websites or shopping carts, you are optimizing thought sequences. Every one of those orange bars serve as barriers in the thought sequence. The value of looking at a web page is only that it gives you a way to see into the mind of the prospects and get some sense as to what their thought journey or their thought sequence would be like as they interact with the symbols on the page. I am a philosopher by training and I have discovered how important it is to pay attention to the page and to think of it only as symbols so that you can get deeply into the intellectual process that unfolds the journey as they move through the site itself. They experience something as a reaction to what they see in the page. If all you do is try to fix what they see on the page instead of trying to fix or guide the reaction you can't get an optimum result.

EXPERIMENT: Treatment



12% Increase in Total Revenue

The Treatment generated 6.25% more conversions than the Control

Subscription path	CTR	Rel. diff	Stat. Conf
Control	22.63%	-	-
T1 – Single column, dropdown	24.04%	6.25%	95%



What you need to understand: The new shopping cart outperformed the control by 6%, leading to a total revenue increase of 12% as the change was implemented across the entire Website.

Dr. Flint McGlaughlin: So in this first step, we have made just subtle changes to an already advanced cart and here is the result, 12% increase in total revenue already. So the new shopping cart outperformed the control by 6% leading to a total revenue increase of 12% as the change is implemented across the entire website. That's a dramatic lift in revenue off the same spin, what is that do to your margins? So it's not just an increase in top-line, but it has to be an increase in margins, because whatever the marketing cost was, associated with getting those people this far and so they don't have to increase now, to experience 12% more efficiency.

Optimizing the Entire Funnel



1. Shopping carts are not just a utility. They are the strategic means by which you (the marketer) maintain the forward momentum generated in the conversion process.



Dr. Flint McGlaughlin: So that leaves us to ask some critical questions and to consider some key principles and the first of these is this, "Shopping carts are not just a utility", a very important statement. They are the strategic means by which you as the marketer maintain the forward momentum generated in the conversion process. I like everything about that statement and I don't think I have formulated it, I just think I talked it through with some of our leaders as we were preparing for this. First of all in the past we have viewed the shopping cart as utility, it's an exercise people go through after they have made the buying decision. In the early days of the net, we paid very little attention to the cart. I remember how atrocious Paypal was, when it was first launched. It had strategic positioning and from that they could optimize the experience and eventually they had changed it and improved it, they could improve it still again, but the "Thank you" in the old days was very simple, okay we have got the sale now let's get them to this process quick. Quick however means let's get the money in the bank quick, it didn't mean that it was easy or quick to move through the cart. I was reminiscing with the heads of one the largest media companies in the world about three weeks ago, because we have done research with them I don't know seven to ten years ago, probably about seven years ago and we talked about their earliest carts, because they just lost a new cart and then in the new cart, they are through the process rapidly, but I reminded them that when we first began research with them seven or eight years ago, the cart took 18 pages before you completed it. No one was excited about an 18-page cart as a problem, you don't know how much the net is changed or how much our optimization IQ has increased over time.

Today we pay attention to that we try to the shorten the cart, we try to make it simple, we have learned that, but there are still major mistakes that we are making and that second sentence in the key principle is very important. It says that "Carts are strategic means for you to maintain or even increase the forward momentum and that forward momentum is generated before they get to the cart in the conversion process itself." You need to think in terms of momentum, which leads me to a question. Let's suppose you are attending this clinic now and you know your cart needs an improvement, by the way if you are attending this clinic and down in the side right now, you have this deep insecurity about your existing cart, in fact you maybe starting to twitch as I speak, because you have known for a long time that your cart is sub part. You might be encouraged to know that we rarely see a cart on the Internet that has been fully optimized and that right now the standard is below standard, the standard itself is sub par. If we were grading you on a curve you might be doing okay. The problem is the customer is not grading you on a curve, the customer expects the experience to be as painless as possible and we are making some big mistakes.

So let's suppose that you have optimized your, some of your key landing pages, you may have optimized your home page but you have known all along that you have got to get that cart and you are finally at the place where you got the budget set aside, you got through the Christmas rush and you got several months ahead and you are going to do something about that cart, where do you begin? What guides your decision process? What is the methodology that you employ to make certain that the design of the cart is right? Can you use the C equals 4m plus 3V plus (i minus f) minus 2a formulation that we use in our conversion heuristic, is there a better heuristic? I want to get, I want to back up even before that



and just say "How do I even think about my cart?" and to do that I would like to start with one consideration... Do you optimize for design?

What Do You Optimize for in a Shopping Cart?



Dr. Flint McGlaughlin: In the second stage of the net's evolving we went from optimizing you know, really just getting a website remember just getting a website up was a big deal. A lot of people didn't have them yet and then you had your website and we had atrocious websites and atrocious carts but once you had a website you remember how hard it was to get a merchant account? Once you had a merchant account do you remember how difficult it was to create a gateway and get where you could process, it was a painful, difficult process and it was more of an issue for programmers than it was for marketers you were just thankful to be able to accept credit cards online and in fact you bragged about it.

You would put the image of the credit card all over the cart to kind of reassure people that you could take their credit card if that was American Express not just a VISA. Many sides couldn't do that, I remember when they literally said print this page, remember, fill out the form send the form in with your check that's how we used to try to guide the shopping experience. In other parts of the world its still that way do you know we optimized a major retailer in Italy and 90% of the orders are COD still. No credit cards, we pay at the door when we deliver and this is one of the largest retailers in Italy, which brings me back to the next stage in the evolving Internet. We got pretty, or at least we tried to get pretty, we got designs, we had color, we started using images, and we started trying to beautify our ugly websites. Then I won't go on, but at some point somebody discovered the amazing, the amazing potentialities and attributes of flash. We didn't just get pretty, then we started making major motion pictures on our websites. We started using all kind of movements and many of us done all of that and our sites are still not performing right.

So how do you optimize for shopping carts? Most of you know that design itself is not the standard, but what about this? I mean you know its true there is going to be some design connected to your brand; its true design does play an important part, but not the important part.



Metrics?



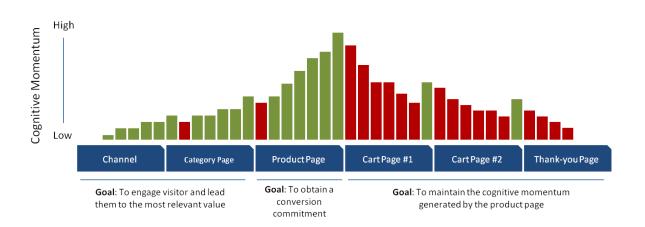
Dr. Flint McGlaughlin: What about metrics? Perhaps you should optimize for the metrics, well that clearly in our work we optimize the funnel and we measure the drop-off rate at every stage of the cart. So design is important and metrics are important, but others focus with or on a third element and that's the revenue.

Revenue?



Dr. Flint McGlaughlin: Now I think that you should optimize or probably order revenue, then metrics and then design, but it really isn't any particular order because if your metrics are wrong your revenue is down. Of the three on this page metrics just helps you understand why your revenue isn't what its supposed to be and I would say you should pay attention to all three of these throughput lines, but there is something far more important if you actually want to intensify your conversion rate, if you want to improve your results and that you should be optimizing for cognitive momentum, cognitive momentum.

Optimize for Cognitive Momentum



 The overall objective of a shopping cart is to maintain as much forward momentum as possible from the "product page" to the "thank you" page. The goal is to ensure the visitor satisfies the conversion commitment.

Dr. Flint McGlaughlin: Take a look carefully at the slides that you have right now, or this particular slide that's on the screen and what it's doing and you got to think about the green and the red. Whenever the movement is up we see green, whenever there is a drop we see red. Think about the bar as representing the momentum in the mind of the prospect, as they are moving from prospect to customer. They are not a customer yet until they have been through this entire process. If you treat them like a customer before you start the process when they click the buy button they will never become a customer, a large percentage of them will not complete the process. If you want them to complete the process, you have got to engage the visitor, lead them through and to the most relevant value, obtain a conversion commitment and now they are moving forward in their mind, it's like a journey, it's like an unfolding story and you must maintain that cognitive momentum all the way to the end.

The overall objective of a shopping cart is to maintain as much forward momentum as possible from the "product page" to the "thank you" page. The goal is to ensure the visitor satisfies the conversion commitment. I have often thought it like this some of them may have heard of it before. I am leading this event from our offices near the beach we are in Florida. We have offices in other cities but that's the difficult place where we are forced to work and I am wearing I know you see a picture of me in a suit, doesn't even look like me I am much more handsome and svelte and have lot more hair than what you can actually see in that photograph. Also I am not in a suit and I am wearing flip-flops I hate to say that. Austin however who you have heard before on these calls is wearing a brown suit coat with a T-



shirt and a red ball cap. We are just thankful that he makes it to work. The reality is, we like to surf, we liked the fish in the beach, and if you go down to the beach right now and decide you are going to catch fish, there are a few things you got to do, you got to find, you got to be in the right place. On our beach there is a drop-off that's close to the shore and kind of like you might say a ditch in the water, this forms on the edge of the sand bar, a long ditch on the inside of the beach and if you can cast on the edge of that, of that kind of trough what you fill find is that so many of the fish schools moving right to the trench, just like a channel just like what you do in your marketing.

When you are out at that trough, you want to make certain that you cast at the right location but you must also, you must also have the right bait obviously and it might be a lure, it might be live bait, but whatever it is, if you have the right bait, you have the chance that a fish might strike and here it not uncommon on a good day for us when the blues are running catch fish after fish after fish and sometimes large, even red bass. This is Florida and here is the problem though. Once the fish takes the bait, you have to set the hook. Once you have set the hook, you work isn't over. It's not like you can set the hook and then take the rod, set it on the sand, sit back in your lounge chair and drink a beer while you wait for the fish to swim to shore, but that's precisely how many of us, are marketing. We make sure we are on the right channel we make sure we have the right bait, we make sure we set the hook but once the hook is set, we put the rod down and if you put the rod down here is what happens, the line loses slack, the reason that a fishing rod is flexible is so that the line would be held taut and the fish will fight the tip of that rod. If the line goes slack the fish can spit the hook out. So an expert fisherman does everything they can to keep the rod tip high as they are fighting the fish. The goal, the reason you keep the rod tip high is to keep tension in the line. Now how does that connect to all that we say today? There is a tension in the line that must be kept all the way through the cart process and that tension is closely associated with this marine concept, that it is cognitive momentum.

So let's learn more about it because there are three chief impediments to conversion momentum, there are three ways, three obstacles, three problems that can keep you from getting an up tension in your line. Now if we were fishing and this is not in my notes, I can tell you that take for example even if you are trying hard to keep tension in the line, if the fish jumps out of the water, instead of holding your rod up high, you have to put your rod down below and actually put the tip of your rod in the water. Why, because when the fish comes out of water, it becomes slack in the line, and they can spit the hook out. When you put the rod tip down you take the slack out, you could also have a proper tension line if your drag isn't set properly. There are other things we could say but when you are trying the land a fish, there is an impediment, there are some things you better watch for or you will lose the fish.

Let's go forward and let's look at the same concept when we consider when we are learning about marketing. There are three chief impediments to the conversion momentum in the shopping cart. Today we have a limited amount of time, we are trying to teach you concepts and now we are moving from the abstract into conceptual down to the practical and the pragmatic. We want you to actually learn something that you could use right away to validate your cart. So I have got to be careful, I have only a limited amount of time and I want to engineer that time in the best possible ways. First of all by helping you take and learn three of these impediments, these three ways that you can leak revenue in your cart, three obstacles, three problems, then we want to look at those as we tighten in and focus on



landing pages I am sorry carts that you have submitted for our review, and that's where Tony and Adam will help me in just a few moments, but now in as few words as possible let's learn these three.

3 Chief Impediments to Conversion Momentum



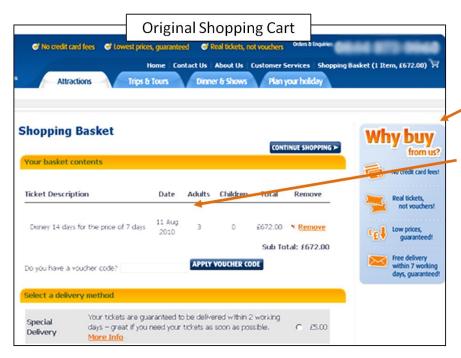
- 1. Shopping carts are not just a utility. They are the strategic means by which you (the marketer) maintain the forward momentum generated in the conversion process.
- 2. There are three chief impediments to conversion momentum in the shopping cart:
 - Assumed Value
 - Unaddressed Anxiety
 - Directional Void

Dr. Flint McGlaughlin: The first one is Assumed Value. I would like to teach you that one as we start. The other two you may immediately recognize and think you understand them, but bear with us because they are more nuanced that it might first appear in the name itself, Unaddressed Anxiety and Directional Void. We will explain all of the three of those to you in the balance of time that we have today.

IMPEDIMENT #1: Assumed Value

Let's move to the first; Assumed Value. This Assumed Value closely connects with the concept of these the illustration I have just used at the fishing experiments. It's like assuming, once the hook has been set that the fish is going to swim to shore but the fish doesn't swim to shore on their own, you have to keep tension on the line, so how do you do that? Well part of that is making certain that you are communicating value all the way through the purchase process.

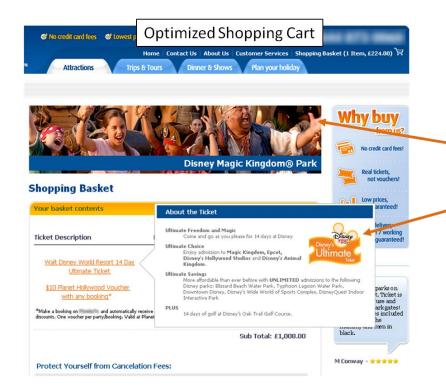




- Includes value concerning the company, however...
- Value about the specific product being purchased is not being carried throughout the cart
- Essentially, this cart
 assumes the momentum
 built on the product page
 is enough to get this
 customer through the
 checkout process

Dr. Flint McGlaughlin: So let's look at the original shopping cart. It includes some value about the company, see they are already doing some of the most important things we recommend they are trying to do it, so like you are stating you will show me a cart that's good or a landing page that's doing well. This is a good cart, is a good example doesn't mean it can be improved, value about the specific product being purchased is not being carried through in the cart, and in the end this cart is still really assuming that the value established in the earlier part of the process remains in the minds of the buyer, but it is leaking rapidly with every second that passes. In any purchase process that we have been engaged with and I say this is a generalism in that bears more testing and this would include how quickly you respond to a lead or how quickly you close a proposal once it's been submitted. The longer the time the path is, the lower the object closes, because every second the cognitive momentum begins to lose.





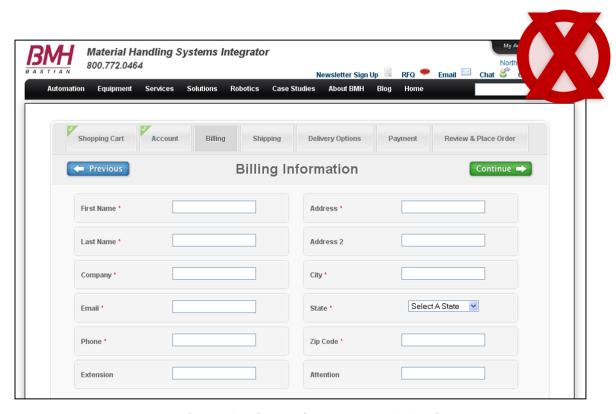
Still includes value concerning the company, but the new page also includes product value in two ways:

- 1. Powerful Images related to the product ordered
- Key value about the product is included in a hover-over pop-up box

Note: The value is not exhaustive, just enough to maintain momentum throughout the cart

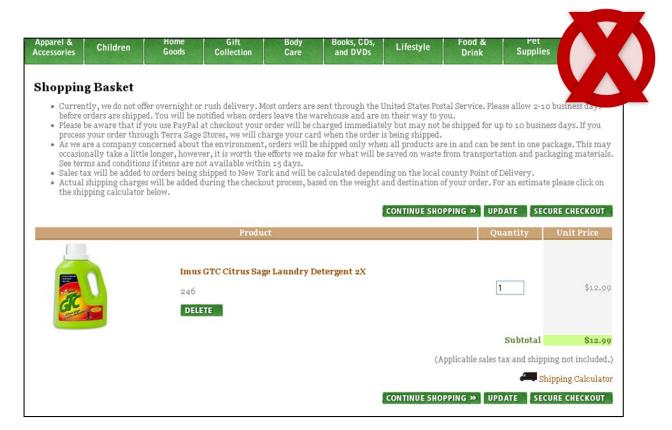
Dr. Flint McGlaughlin: So let's look at a bit more of this cart. In the optimized version, there is a powerful image related to product order and key value about the product is included in hover-over popup box. Look very carefully and you can see how the value has been intensified, it's not exhaustive, but it is enough to maintain the key momentum. So to maintain momentum in the shopping cart you need to express the value proposition continuously for every action you require of the visitor, never assume your customer is completely sold in the cart. So its not this, here is a lovely cart...

Not This...



Where is the value proposition?

Dr. Flint McGlaughlin: Not this either...

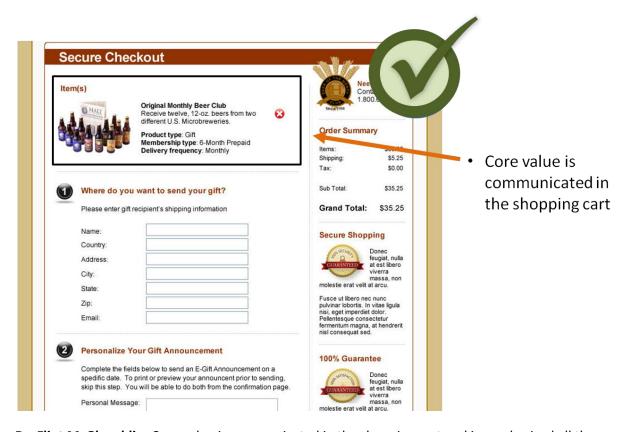


Where is the value proposition?

Dr. Flint McGlaughlin: Austin is being tricky today, for 20 years often it's been not this but this, not this but this, not this but this, but today he starts to throw in these curve balls at me... but this...



But This...



Dr. Flint McGlaughlin: Core value is communicated in the shopping cart and is emphasized all the way through the vertical lab, there are many things about this cart are superior.

Audience Question



How effective are promo codes and/or free shipping incentives?

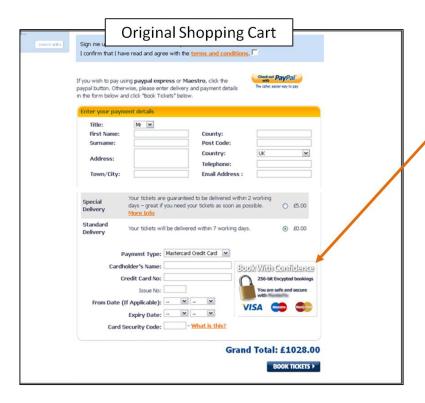
Dr. Flint McGlaughlin: So let's just stop there and touch a question. Someone has asked "How effective are promo codes or free shopping or free shipping incentives? That connects to an exhaustive conversation that occurred yesterday, it wasn't exhaustive, it was just exhausting, we were working, we were working in the chapter we were releasing on optimization and we were talking about incentive and one of the things that we talked or we discussed in the room is that if the incentive doesn't have its own value proposition, it's questionable whether or not its actually a classical incentive and if you have to be



careful because if your product value proposition is so weak that you need the incentive's value proposition to affect the sale, you maybe masking weaknesses in your core offering with your incentives. Never-the-less incentives are powerful and effective and some people would classify free shipping as an incentive. The only thing I would say to you is what free shipping really is. If you think about it technically it is a reduction in cost and that's not additional value, that's less cost and so we thought of in a different way but how effective are they? It can be very effective obviously the lower the cost, the higher you stimulate market demand as a general rule, if you reduce the cost to nothing you will probably see a few more sales.

IMPEDIMENT #2: Unaddressed Anxiety

Dr. Flint McGlaughlin: All right let's go to impediment number two; Unaddressed Anxiety. So let's think about that for a moment because we have all learned how lethal anxiety is. If you have been in any of our session it's potent. We've said that anxiety is often irrational but you can correct it but you must over correct it because unlike friction it's not necessarily a rational response its often as a fact that the fear is disproportionate to the threat. That means especially in the cart, you can't afford to leave any anxiety that you haven't addressed and even over corrected.

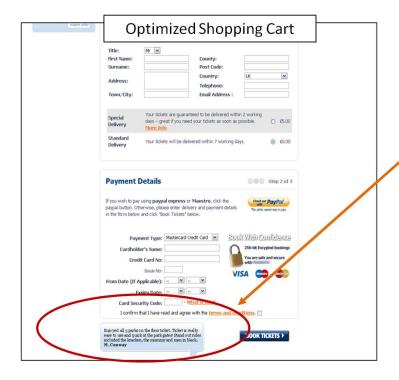


- Anxiety about the safety of the shopping cart is addressed with credibility indicators and seals....however,
- There are unaddressed concerns about the actual product:
 - Is it worth the price?
 - Will I have trouble with the tickets?
 - Can I really make it to all the parks?

Dr. Flint McGlaughlin: So look at this cart in the original anxiety about the state that the shopping cart is addressed because remember this page we optimized was already a reasonably good page, but there



are still unaddressed concerns about the actual product is it worth the price, will I have trouble with the tickets, can I really make it to all of the parts?



 We added a customer testimonial that specifically addresses these concerns in close proximity to the call to action.

Testimonial:

"Enjoyed all 5 parks on the flex ticket. Ticket is really easy to use and quick at park gates! Stand out rides include The Kraken, the Mummy, and Men in Black"

Dr. Flint McGlaughlin: In the optimized shopping cart we added customer testimonials that specifically addresses these concerns and it does so in close proximity to the call to action. You look at the testimony "Enjoyed all five parks on the flex tickets. Ticket is really easy to use and quick at park gates. Stand out rides includes The Kraken, The Mummy and Men in Black". That's a powerful testimonial and its an example of something we teach here and that is that you don't simply grab the most exciting testimonial you find and throw it on the page, because it sounds good. You need to closely coordinate the core messaging of the testimonial with the juncture in the thought sequences that someone is experiencing. That testimonial earlier in the site wouldn't produce nearly the impact that it does right here at that moment of concern.

Here is the second point; anticipate specific concerns related with the product and preemptively address this with geographical proximity to the core source of the concern. I know that's a long academic sounding sentence, but what it really says is that chronology in the mind is closely related to the geography on the page. This is why multi-columns are such a danger to conversion because you can't control in sequence in order your presentation and match it to their thoughts. So you must understand how to identify the very specific root of anxiety and then before they get too anxious, it is important to preempt anxiety, you touch it right there at the right place on the page. In many cases we can generate a conversion lift not by adding or subtracting, but by simply moving around the elements so that they appear in the page at the right time in the process.



SPECIFICITY

Specific Concerns

- Quality 1.
- **Specific Corrections**
- 1. Satisfaction Guarantee
- Reliability 2. 2. Testimonials
- Security 3. 3. Third-Party Seals
- Price 4. Low-Price Guarantee 4.









Dr. Flint McGlaughlin: These are specific concerns that customers often have and these are specific corrections that can you help us with those concerns; Quality, Reliability, Security and Price. All of these can be addressed to some of the examples on this page.

PROXIMITY



Dr. Flint McGlaughlin: Now let's look at Proximity. Here is a close- up, pay close attention to how on this left side the 30-day money back guarantee, the 110% low priced guarantee and the free shipping, are right here on the page at the point when they are about to make the final decision. Many of us advertise free shipping at the top of our home page, near the banner. Often we make mistakes of advertising it in the banner or above the banner where there is blindness, and in some points this free shipping advertised they will have some impact and will be somewhat helpful, but the truth is until I have decided to buy your products free shipping is of no value to me whatsoever. So the truth is its very important that you especially emphasize it right there near the buying decision.



PROXIMITY

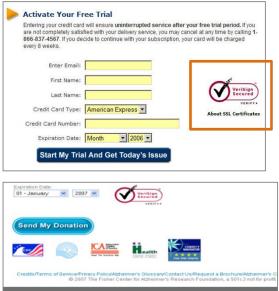




Dr. Flint McGlaughlin: I am going to move to another example on the same page. See what the SSL certification I remember how we moved this certificate to strategic places and saw an increase in conversion and it need to be right there next to the credit card request.

PROXIMITY





Dr. Flint McGlaughlin: Here is another from a site we worked with to increase the amount of donations and the dollar amount of donations for an Alzheimer's site I believe and if you will look where it says send my donation, right underneath it are all these credibility indicators because it's a specific anxiety



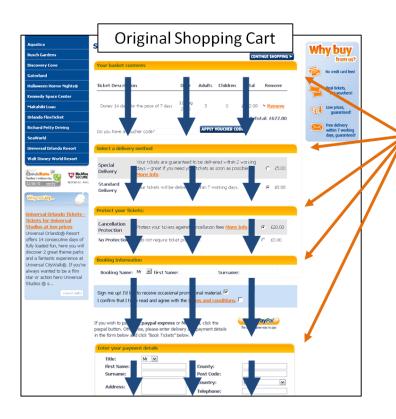
about giving online. Now there are a lot of questions this raises and I understand that you may have many more than we can answer yet. Hopefully we will be able to answer some of those at the optimization summit if you are going to be there and in subsequent clinics that we are going to be delivering here. One person just wrote us, Mark had said "How much does live chat increase cart optimization?" I think live chat and I am right is a wonderful way to increase conversions. I would be careful though about having a call center in India, no offense to our Indian listeners, but some place where its far away and they are on different hours or the response is so canned, that it can't be interactive enough to be helpful. I have seen live chats executed poorly, but executed right it can be very effective in terms of increasing conversion and I have a point I think Adam you wanted to speak, go ahead.

Adam Lapp: Sure I just wanted to mention that for both impediment, one and two the corrected measure was adding things to the page and some of the audience maybe thinking you know is that too much is it necessary? Well the key points to remember is for a lot of your segment it may not be necessary, they will convert either way with it on the page or with it not on the page but we are optimizing for the group that is hesitant that needs that just extra push to get through and so as long its not exhaustive and as long as its not cumbersome, it can be very effective for that less motivated audience type.

IMPEDIMENT #3: Directional Void

Dr. Flint McGlaughlin: Excellent point very good point. All right so I am going to move to the third impediment and this is called Directional Void.





- The original page breaks the checkout process into multiple blocks with strong graphical elements (bars, boxes, etc.).
- This stops the natural flow of the page, potentially making the process seem a lot longer than it really is.

Dr. Flint McGlaughlin: Now let's look at this cart, here is the original page that we saw in the beginning and remember this was a fairly optimized page to start with but this page breaks the checkout process in the multiple blocks with strong graphical elements, bars and boxes. This stops the natural flow of the page, which interferes or impedes the mental flow associated with the page and also makes the process seem longer than it truly is.



- The optimize page minimizes the visual breaks in the overall flow of the page.
- The original five disconnected steps are organized into three more intuitive categories (Shopping Basket, Delivery Details, Payment details)

Dr. Flint McGlaughlin: Let's look at the optimized version and the optimized page we minimize the visual breaks in the overall flow of the page and the original five disconnected steps are organized into three more intuitive categories; shopping basket, delivery details and payment details.

In the optimized shopping cart, steps are numbered "X of 3, to lead the customer through a clear sequence of conversion. Granted if you had 21 steps I am not sure you want to stay at step three of 21, but the point is to have as few as steps as possible and then you tell the customer that. I have often called an order process something like our three- minute order process. I have literally put a stopwatch, ran 10 people through it, took an average time and then underneath that set in brackets, in testing on average this process takes 3.2 minutes or three minutes and 15 seconds, do you know how much anxiety is relieved, can you see that? It's a tremendous relief for me because I just don't have the time, why is Amazon getting so many orders in their system? Because of that one click feature, because they already have your information. You know how many shoppers right now are going on the Internet finding what they want and going back to Amazon clicking it in the search box and then getting the one click button to buy it. It is a masterful stroke on their part, what they have done is they have eased the process.



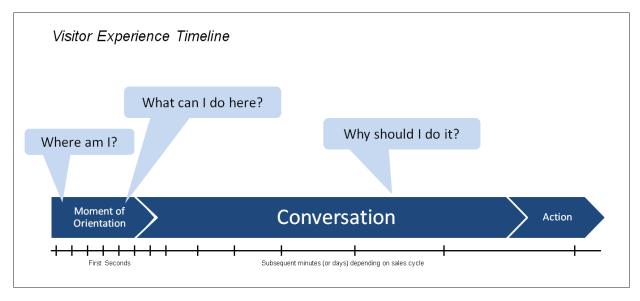
To maintain momentum in the shopping cart:

- Express the value proposition continuously for every step/action you
 require of the visitor. Never assume your customer is completely sold in
 the cart.
- 2. Anticipate **specific concerns** related to the product, and preemptively address them with **geographical proximity** to the core source of concern.
- 3. Match the cart to the customer's sequence of thought by answering two questions at each key transition.
 - Where am I?
 - What can I do here?

Dr. Flint McGlaughlin: So here is the third principle. In grey, you have the principle we talked earlier, let's add the third to those. Match the cart to the customer's sequence of thought by answering two questions at each transaction. Now remember something, we have taught this before every single time someone transitions there is a moment of orientation and when it happens they are not sure, they are a little bit unclear as to whether they are on the right place. You have seen it on the web, try buying something from Microsoft, no offense to Microsoft but sometimes we get so lost, trying to because you are not sure I am in the right place, and the next question is "What am I supposed to do next or what can I do here?", and there is the third one that we teach when we talk about value proposition but for this point right now these two questions are important. In fact that the first four inches of your home page should answer these three questions and of every landing page "where am I at , what should I do here and why should I do it?"

You know what it doesn't do you any good to persuade me to do something. When I don't know what is it you want me to do, all your claims matter not because I can't connect them with the action you are asking me to take. Its amazing how many websites talk about your quality of the service, this or that and I am still not sure what I am supposed to do on the page. Do I fill out a form, do I wait for you to somehow discern with the psychometrics that I have been to your site and so you are going to call me at night after you consulted your crystal ball? Do I, do I, I mean I don't know what to do I will look all round and that's because the page has no eye path, there is no vertical flow and these questions aren't being addressed in a rational way; where am I at, what I can do, and why should I do it?





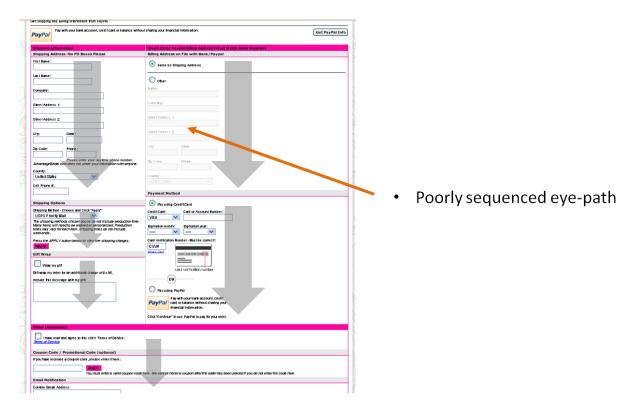
Confusion is the chief enemy to forward momentum.

Dr. Flint McGlaughlin: We have often represented those questions in this diagram and we have thought in the past that we worked so much on our call to action but most of our, most of our site visitors never get to our call to action and we have got to optimize the first seven seconds, the first four inches of the page, and give it a lot of attention as well.

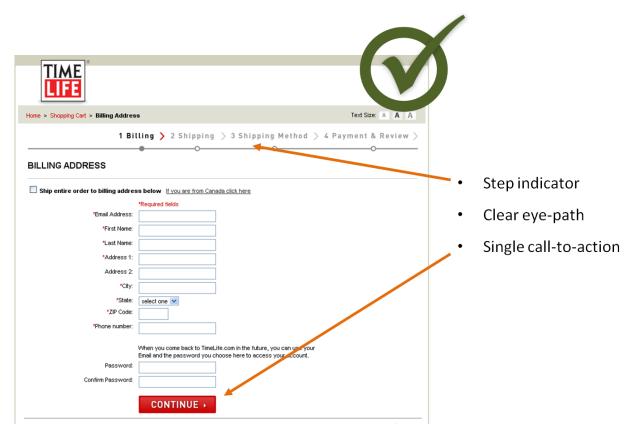




Dr. Flint McGlaughlin: That brings me to an example of not this, so I have a not this, six distinct calls to action on the same.



Dr. Flint McGlaughlin: Then I have another not this, poorly sequenced eye path, you see how you have to move up and down the page in order to get though the process.



Dr. Flint McGlaughlin: But this; a step indicator, a clear eye path and a single call to action. This is called Directional Void, it's an error within the thought direction you create a void that stops them and you lose momentum. These are like black holes along the way that you can get lost in. You have got to avoid all of that to get people to move to cart gradually. All right we have then said there are three of these key principles. Let's take these three principles, these three and the principles to avoid the impediments, and we have to identify the impediments, the last was Directional Void and going backwards the middle principle was, what Adam Lapp...

Adam Lapp: Assumed Anxiety.

Dr. Flint McGlaughlin: No, Unaddressed Anxiety, we got him guys...

Adam Lapp: Assumed Value.

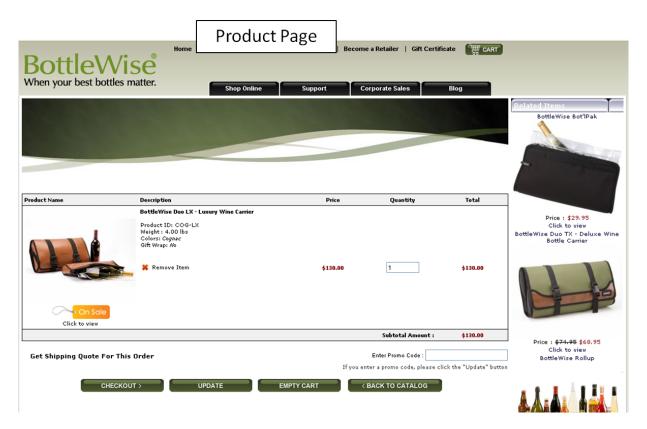
Dr. Flint McGlaughlin: He is not even really paying attention, he is out there texting and the first one was...

Adam Lapp: Assumed Value.



Dr. Flint McGlaughlin: Assume value now I asked Adam the question because I don't remember either, I just read the script. Let's look at live opt... Let's keep going.

LIVE OPTIMIZATION: Submission #1



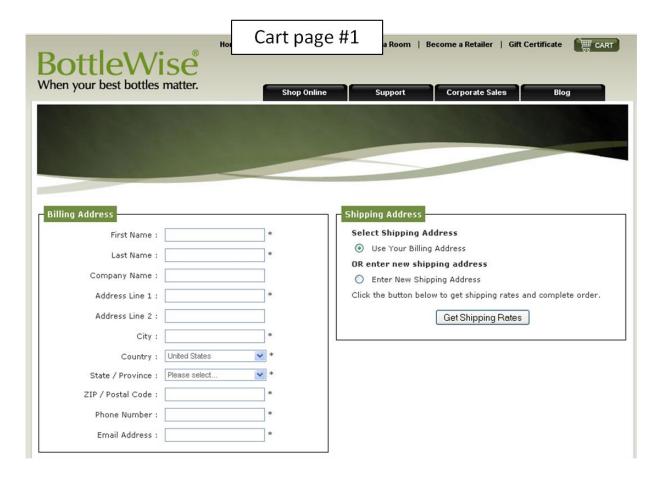
Dr. Flint McGlaughlin: Live Opt is in front of us, here is a page submitted. It was submitted, let us move the question bar if we could. It was submitted by Amy and I am looking at a cart page and we are going to try to get some insights. Before we tell you what we think let me hear from the audience how would you improve this particular cart, audience? Often you have great suggestions also it helps us understand how much the audience is learning from our teaching and previous training. All right by the way quick answer to Matt, yes you can get this presentation and everybody else who might have that question its released on our website and also it will be part of the Marketing Experiments Journal that goes out every quarter. If you gotten the journal and you found that useful please let us know that is available in a digital format and as a printed book. It's a summary of the research for the last three months. Let's keep going what's the value prop someone said "larger font size", someone else said "kill click to view" said Justin, "add customer satisfaction" said Marcello. Richard said "Move the checkout to the right hand side, PS said "How do we get the journal" sorry, "Too many calls" says Stuart, "Bad description" says Dave, "I would make the font bigger" says Mario and Carlos says "Never heard of Bottle Wise" a



well know trust mark authenticating the site, it would be a good point, those are all good thoughts. Let me get some insights from one of our optimization experts, go ahead Tony.

Tony Doty: All right thanks Flint. I mean the main things that I see is you know you are immediately presented with this big green you know soupy design here that you know kind of breaks up the eye path and that could be a lot better use of that space up there by even moving up all the total products and then second thing is you know really on the, all the multiple call to actions down below. You have checkout, you have update, you have empty cart, you have back to catalogues. We have to prioritize those and like you know one of the comments that came through is moving the checkout you know closer to the price, moving it over to the right side maybe removing the empty cart, actually putting the update field a little bit closer to the quantity and there is a whole lot of just open white space right here in the middle of this whole product. Everything is kind of crammed up on the top I mean it's a nice image, but I think that we could much more effectively utilize the space here.

Adam Lapp: And I will just add to that that in addition to having multiple objectives on the page one of the key things to remember are there, they are equally weighted. So one recommendations that Flint alluded to in reference to Amazon is have that one objective that one primary button you want them to click, have the different color, have it larger, have it by itself and have the other objectives deemphasized on page.





Dr. Flint McGlaughlin: Good point. Let's move quickly to the cart page itself and guys let's get your comments on this particular page.

Adam Lapp: Sure exactly well I am going to start with the biggest one which is kind of last in sequence is the button copy. So it has completed objective it says "Complete order click the button and says get shipping rates". Its very confusing it needs directions to explain to the user how to use the page any time you need directions on the page on how to click a button your page is little bit too complicated, also you have your billing address you may want to have that billing address more in the sequence of thoughts where a billing address typically is when a user experiences a page which is on the credit card request. This would probably be a more perfect time to ask for the shipping address and maybe billing address to the next page.

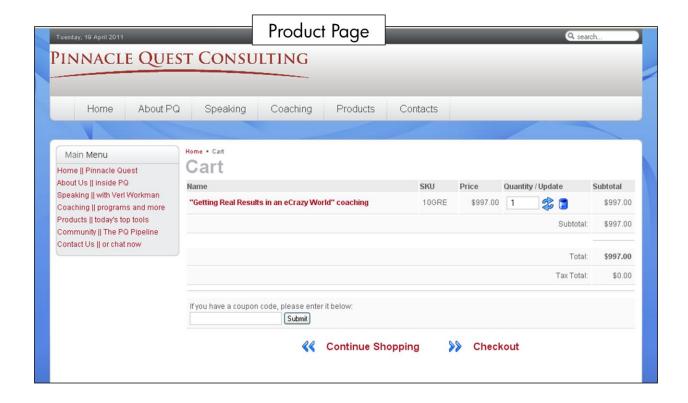
Tony Doty: And just one thing that I want to add to that on this page can be the billing and the shipping address, but we have lost the product, we don't actually know why I would go to the next page you know how much am I going to get billed here, what actually is the product that's still in my cart, which I think is very important to carry it through in all the process.

Dr. Flint McGlaughlin: And we don't know step we are on, we don't know how many pages are coming next, the disorientation is high and here is the worst thing. To get orientation or to get oriented you know what they do, they hit the little green arrow at the top of your screen. Whenever they hit that when you are in the cart process, then they get error messages, there is confusion and they are losing orders because of the design of the cart. I think that if you were to take the suggestion by Adam and by Tony and try to classify them, what we have is there are, there are things on this page that don't belong and there are things in this page that belong that haven't been added. For instance the request for the billing address probably doesn't belong, but there is nothing about the value proposition anywhere on the site or on the page and I could be buying a pair of pliers, it wouldn't matter, I don't know what I am buying and I don't know why I should buy it or keep buying it, once the process is done. This is a good example of a tremendous break in the cognitive momentum and that's what we want to stop, and Amy we don't mean to be harsh, I hope we helped you with and if you do a redesign send it to us since we critiqued this we will look at it and respond back to you because we want to help you get a win.

If you are in the audience and you are listening to this, the goal now is to help you get transferable principles that you can apply in your own optimization efforts.



LIVE OPTIMIZATION: Submission #2

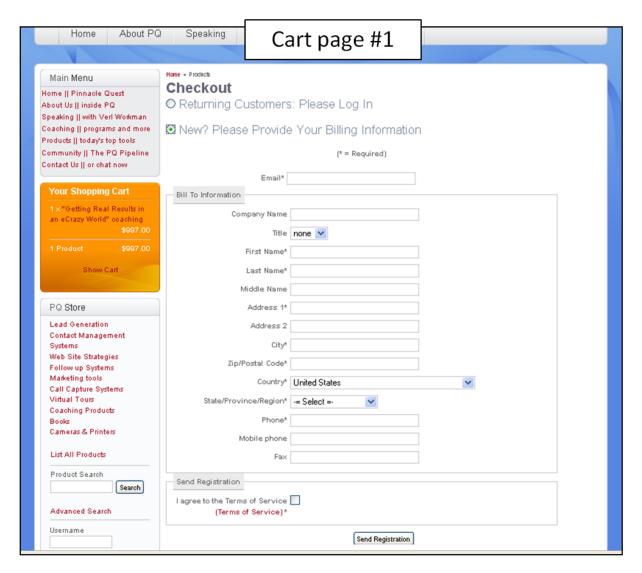


We are going to go to another page I have a couple of questions I am going to try to answer and I promise you this, we are going to take every moment right up to the last second just to teach. So the goal here is to pack these last eight minutes with as much examples and answers as we can possibly do. Let's move to a new example, I am going to take about one minute or two minutes to hear from the audience quickly tell me how you would improve this page in the cart. All right I am watching, I think when I am looking at right now here comes "add images' says someone, "no checkout button" says Troy, "horrible colors" says Dave. Dave, tell me how you really feel? "Description of products" Tammy, you just sound like me by the way, "better check out button", "the colors are horrible", says Louise apparently there is a quorum now. What is the image in the update, "no badges" somebody says with an apostrophe, "that's an OS" I am not sure what that meant but I am in strong agreement, "security icons, no credibility indicators, add shipping options", all right let's stop for second shift over to the optimization expert guys tell us what you would do.

Tony Doty: I mean honestly one of the first things that I would do you know you come into this cart page, you have added this product is the cart and the first thing that I really see is the main menu with all these other kind of these distractions and links that attempt to take me off the site. I don't have any kind of imagery that really tells me you know what is getting real results in an e-crazy world coaching.



I'm sure that hopefully talking about that earlier in the process but nothing really kind of draws me to the fact that I have added this to my cart and you know why should I continue going? There are some interesting icons over on the side that I am guessing means to update and then this little sphere thing that I am not really sure what that's supposed to do and then lastly you know the big callout is you know your checkout or you continue shopping seemed equally weighted, you know you definitely want people to be checking out in this page actually make those buttons, people know where they can click them, and change the colors and possibly move getting your shopping networks say the top right of the screen, so you know this is not going to competing with the checkout process.



Dr. Flint McGlaughlin: Adam you have any thoughts we have 30 seconds why don't you keep going? No, keep moving.... All right I am going to pull up the cart page and we have done a lot now in the last minute. We have six minutes left and we are going to look at this cart and we are going to look at one more cart before we close and if we can go fast enough but I do think there are at least two questions that have been asked that are worth answering and we have some more that we may have to post on the blog, Austin that you have submitted there, they are so good they should probably be answered



there, but first of these is this, "would these principles apply to product inquiry lead forms like they do in a shopping cart?" That was @JeremyBeckett, in case you guys want to help respond to Jeremy what I would say is that they do but there is also about 15 million you know I have said 10, I said 15 its probably close to 20 I don't know the number, million dollars worth of research on the Marketing Experiments site that you can access free on this, and there is a lot we have done on lead forms.

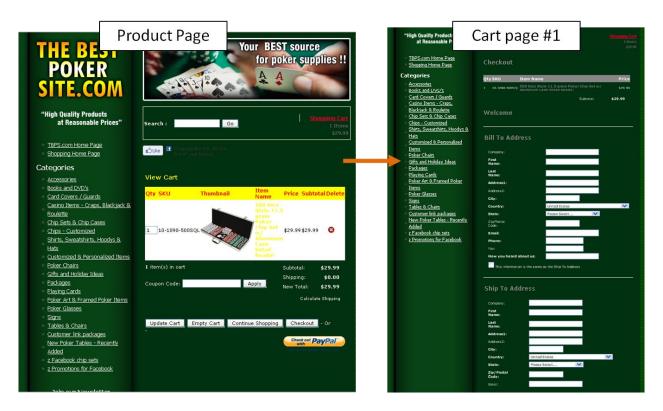
So type in lead gen, lead generation forms B2B marketing in the search field and pull up those archives and go through those and they will help you Jeremy, with your own lead forms but the principles do have a lot of, I would say is a lot of applications to what you would see in a lead gen form. The second question is and this was typed @YOGITY if I read it right, it says "What do you do when you have a standard e-commerce system with little optimization flexibility?" First of all I would like to point out you are the only person in the world that has this problem and just out of the kindness of our heart we are answering the question. So it's a good question because so many people have this problem. What we have found is even if you can't fix the flow problem because it take a while to change the underlying programming, you could still add value proposition information, you can add valuable text, you can typically add credibility indicators, small images there are things like that you could do. It may not be get your cart fully optimized, but it can result in a lot more revenue and I think you should always test on two horizons, what you can do in the near term and what you want to change for the long term and you got to learn to live with the trade off while you are letting your business grow. Let's move to the next page and I want to do this really rapidly so I can get to one more example we have got five minutes and Adam go.

Adam Lapp: Sure so this is a continuation of the previous page and a few key things to point out are, there are different boundaries or Directional Voids on this page. First you see the e-mail box and then it's completely separate from the rest of the form request and there is a line in between. So the first question I ask is, why are they asking for this e-mail at this point in time? So it just causes a little bit of confusion, it causes the visitor to kind of stop and question their purchases, their purchasing decision. The other is, are all of these fields necessary you asked for phone, mobile phone and FAX, you know a lot of times I mean I have never had a phone... I have never had a phone my entire life, it wasn't a mobile phone. So just ask for phone you know keep it simple you know ask for the minimum amount of fields and finally the box for the terms of service you are going to want to make that seamless in the process. Right now this stands out too much, you make it seem like just something as seamless and needs to be done near the button near the last field get them through the processes as quickly as they can.

Dr. Flint McGlaughlin: I would worry about the left nav, what is it there for, its too many options jump off the page before you finish the order. Yes we like nav but one of the places we like at least is in the cart. You might have one or two nav buttons if they come back to the main site where they can see everything else but there is way too many choices on the left hand side. I would worry about the send registration, what does that mean? Are you buying something ordering something, or have you just signed up for the Reader's Digest Book of the month club? I can't tell, Tony is that what you are going say, I am sorry I stole Tony's thunder. He would have said it better than me, I am sure.



LIVE OPTIMIZATION: Submission #3



Dr. Flint McGlaughlin: Let me shift to the final slide of this presentation. I have three minutes left and I have both the product page and the cart on one slide. This is typical of what we see and may I say gently before the team starts to coin the phrase that I heard earlier mentioned by one of the, one of our commentators on Twitter and in the Q&A who is insensitive it's a horrible page, that the colors were horrible. That's not meant to be mean to Jim its actually good news that means we can probably fix some things quickly because there is a lot of changes that could be made here, go ahead and let me ask the team to get us some feedback.

Adam Lapp: Sure. So in terms of thought sequence this page could use some more revision to say the least. You really want to know what the product is you are buying and then how many of the products you are willing to purchase and then the price. In this case, it has a kind of reverse and then if you do want to change the quantity you have to click the number box and then find where the update cart button is, which is very low down on the page.

Dr. Flint McGlaughlin: If I might add it is right next to the empty cart button.

Adam Lapp: Exactly.

Dr. Flint McGlaughlin: Which is an option I really wouldn't want to give me and secondly I would actually want hit it when I am trying to update the cart, keep going Adam.



Adam Lapp: And then you get to the next page and this is welcome. This is probably the fifth or sixth or tenth page in the process but you know you are giving them a welcome message. So I would use that space to notify them what step they are on, this is the last step how many more steps they have or even to communicate additional value before they enter in all their other information and then finally there are a lot of fields on this second step and all of these fields are easy to apply the information, but if somebody glances at this page there is a lot of perceived friction rather than actual friction and that's going to be your enemy here. So consider hiding at least one of these sections with that check box that uses billing same as shipping.

Dr. Flint McGlaughlin: Yeah guys honestly this is a classic example of a form that's of a cart that really needs help, even the colors I am looking at it on multiple monitors. When I look at it projected we can't even read it. The truth is that the reverse text on that color is a bad move for a cart. Keep it clean simple fresh and of course it violates basically every principle that we would teach and Jim if you can put together a new version of it, send it to us we would be happy to respond to it. It would work for you I bet it has worked for you do you know why? Because it's a poker side and motivation is high and high motivation will cover a multitude of sins pardon the pun, but, but it keeps you from understanding what's wrong in your cart and all the people that you are missing with lesser motivation back in the conversion sequence.

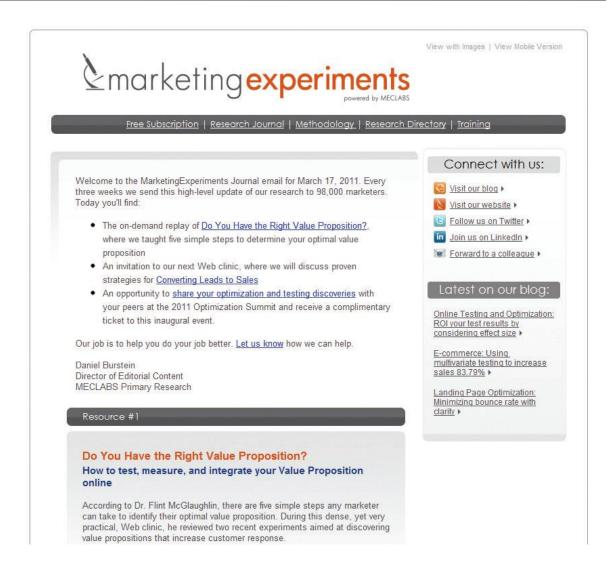
Listen we are out of time I want to thank you for attending today, I think that we are learning your feedback is so valuable. Your Twitter feedback has been very useful for us, we are studying it, we are learning from it, we are also trying to build a community of people who are interested in discovering what works and sharing it with each other, that's what Marketing Experiments is all about that's why its part of the MECLABS family. We are grateful all that we ask in return is if you could tell your friend about us so that we can help more and more of these marketers as we all struggle to learn. Thank you and we will be back again in about two weeks with the latest findings from our research.



MarketingExperiments Optimization Newsletter

FREE subscription to more than \$10 million in marketing research

Join 98,000 of the top marketers from around the world as we work together to discover what really works.



With your FREE subscription you receive:

- First access to \$10 million in optimization research
- Four live web clinic invitations per quarter
- One Research Journal per quarter

Subscribe for FREE!

Discover What Really Works in Optimization

<u>MarketingExperiments</u> is a primary research facility, wholly-owned by <u>MECLABS</u>, with a simple (but not easy) seven-word mission statement: **To discover what really works in optimization.** t

We focus all of our experimentation on optimizing marketing communications. To that end we test every conceivable approach and we publish the results) in the *MarketingExperiments Journal* (subscribe).

Three ways to make the most of MarketingExperiments:

- 1. **Self-Guided Learning:** Access, for *free*, more than \$10 million in primary marketing research and experiments via our web clinics, blog and research directory.
- 2. **Formal Training:** Learn how to increase your marketing ROI through <u>live events & workshops</u>, <u>online certification courses</u> and <u>live company training</u>.
- 3. **Research Partnership:** Apply for a <u>research partnership</u> and let the MarketingExperiments team help drive conversions and ROI for your subscription, lead-generation, ecommerce, email and other online marketing efforts

Would you like to learn the MarketingExperiments optimization methodologies from the inside out? We're always looking for the next great optimizer to push our research forward. Learn more on our careers page.

Share your success and learnings

While we at MarketingExperiments are glad to share what we've discovered about optimization to date through our own experimentation, we also publish case studies and completed tests to facilitate peer-learning from real marketers with real challenges.

To that end, we're always looking to shine a light on your hard work. If you have a success or learning you'd like to share, <u>let us know</u>.