

Avangate Shopping Cart Best Practices

V 1.0





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1 Synopsis

When it comes down to shopping cart implementation and design, bringing into play a collection of best practices and minding a set of critical factors can facilitate a successful strategy designed to boost sales effectiveness and volume, increase revenue and drive customer loyalty. It's easy to see how control over the look and feel of the cart in concert with the purchase flow process needs to be considered a key aspect of optimizing the shopping experience, especially in scenarios in which services are outsourced to an ecommerce platform provider. Delivering a unique, rich, branded shopping experience is an ongoing process focused on a key building block: the cart.

Avangate offers you complete control over the shopping experience along with support to optimize the cart to boost conversion rates.





2 Shopping cart optimization best practices

The cart and the website/app store/application/etc. you use to sell products should be pieces of the same unified experience. Ensure the cart complements the shopping experience and catalyzes sales rather than working against the customers and causing abandonments and lost revenue. Fact is that the end goal of you customization efforts is to see your investment pay off in terms of an optimized shopping experience and increased sales effectiveness.

2.1.1 Best practices to increase conversion rates

- 1. Test drive, don't just roll-out Increasing conversion rates is an endless back and forth game of trying to align to ever-evolving customer behaviors. Such a continuous process needs mature testing capabilities. Test all changes you implement and compare design modifications to see which ones covert better. Once you identified a design with a superior conversion rate roll it out. The entire process needs to start all over again. Even best practices are not failsafe, so test different designs to identify the ones delivering the best results.
- 2. Target audience— Know your customers. Live and breathe this mantra and watch conversion rates increase. Minute details such as browser configuration, locales, referring URLs, etc. can all be used to your advantage when connecting with potential shoppers. Remain disconnected from your website's visitors and only increase chances of serving them with irrelevant content and offerings and losing their business. Localization is a great example of how you can speak directly to shoppers, regardless of their locale.
- 3. Intuitive navigation Make sure that shoppers are well aware of the cart structure, the steps the need to take to finish the purchase process and place the order. In order to provide indications of what to expect as they work their way to order, customers should get step-by-step guidance with the help of progress indicators, such as Breadcrumb navigation. Headlines and Subheadings can also be used.
- 4. Calls to action Include calls-to-action like Buy Now, Checkout, Express Checkout and Add to cart buttons with product info, while making sure such elements are detached, concise and stand out from the rest of the details.
- 5. **Open cart** unless you're selling a single offering with no options don't make the mistake to close down the cart once a product gets added. Make it simple for shoppers to access the



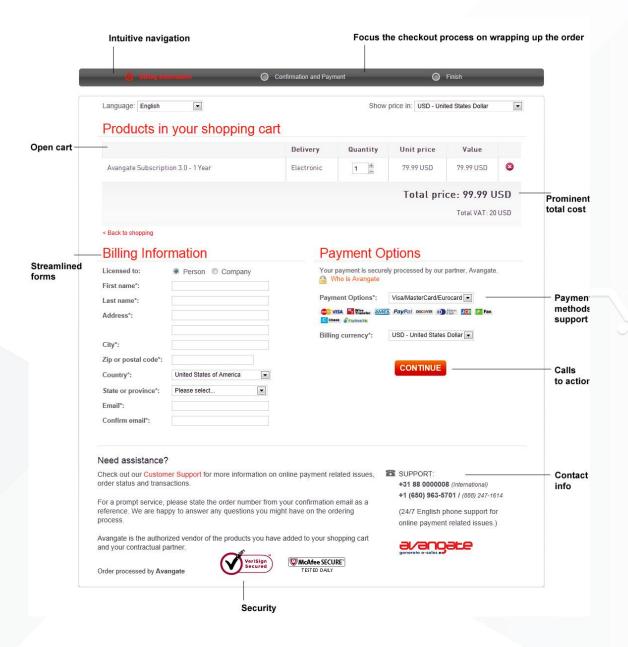


- cart the first time around, edit its contents, add new product, save it, and re-access it every time they wish. It's also a good idea to use the cart to double for the registration process and not require users to sign-up separately.
- 6. Branding aim to build a unified experience across you online property, while keeping in mind that the shopping cart should be treated no differently. Unify the shopping experience both on the surface, design-wise, and under the hood, purchase flow-wise, but always go the extra mile and tend to details such as hosting the cart on your custom domain, the same as your site instead of redirecting the shopper to a disjoint URL to complete the purchase once, which can create confusion.
- 7. Payment methods support Match your consumer/visitor segment expectations and cater to their needs. Make sure that shoppers have available, can easily find and use their preferred payment options increasing you chances to covert "digital window shoppers" into customers.
- 8. Prominent total cost of purchase No hidden costs. They will only serve to frustrate shoppers. Not only have the cart clearly display the price of all items added, but also include shipping charges and taxes in the early stages of the checkout process.
- 9. Focus the checkout process on wrapping up the order keep the checkout interface simple, enabling shoppers to focus exclusively on finishing their purchase. It's never a good idea to take customers out of the check-out process. Even if you opt for an open cart, go with a closed checkout process. At this stage in the purchase process, the less distractions for shoppers, the better.
- 10. Usability and performance ease of use and speed need to be inherent characteristics of carts with high conversion rates. Cut down complexity as much as possible, and optimize for top horsepower. The last thing you want is for shoppers to break the purchase process because they're overwhelmed with irrelevant details or because portions of the cart are not loading or taking a long time to load.
- 11. Include visual cues Include distinct, uniquely relevant visual cues, such as thumbnails, to make it as simple as possible for shoppers to feel assured that what they added to cart is what they intended to shop for.
- **12. Support** contact information, such as a toll-free phone number, but also additional details including contact timings, should double digital communications channels (email, instant





- messaging, live chat, social networking contact info, etc.). Shoppers will trust you more if they know they can reach you through a variety of channels.
- 13. Social references Use the social universe to our advantage. If you already built a loyal following, that's an inestimable resource to leverage, by having prospect shoppers see recommendations from their friends. If you're just starting selling, social word of mouth is a very powerful tool to increase your audience and sales.
- **14. Terms & Conditions** They're a necessity, and you need to streamline access to such documents, as well as make it simple for shoppers to agree with the terms and conditions.







2.1.2 Best practices to decrease shopping cart abandonments

Shopping cart abandonments are an inherent part of ecommerce, with the percentage of shoppers abandoning carts well in excess of 50%, and as high as 70-75% in some cases. While there's no silver bullet solution to avoid abandoned carts, you can implement a set of best practices to curb this phenomenon.

- 1. Shopper comfort Remove any obstacles that keep customers from providing you with their information and ultimately buying your products. Align your processes to the needs of shoppers instead of sidelining their needs. For example, instead of forcing them to create an account ahead of allowing them to purchase, make it possible to shop as guests, and create their account as they place an order.
- 2. Beacons Make key calls to actions and product information stand out. Buttons such as Buy, Add to cart, Checkout, Next, etc. should be visible and accessible effortlessly. Display critical details including product price, options, taxes, etc. prominently. Mute all visual noise. Provide tips and hints to help out shoppers as much as possible.
- 3. Save previously entered info In addition to saving the cart, also retain any details that shoppers enter during the ordering process. You risk elevating frustration levels unnecessarily by requiring info to be introduced again in scenarios in which the shopper clicks the 'Back' button, for example. If your shopping experience also involves a wishlist, try to keep it separate from the actual cart.
- 4. Optimize the checkout process Don't force customers to jump through hoops and go through unnecessary steps. At the same time don't oversimplify. Identify the core imperative and factors that boost conversion rates through testing, and implement only essential flows that produce a measurable sales success.
- Streamlined forms Avoid too many fields. Extensive forms can very easily discourage shoppers from completing a purchase.
- **6. Essential details only** Avoid information overload. Don't clutter your shopper's screen with irrelevant information, and help them focus on shopping instead.
- 7. **Follow-up campaigns** Don't expect shoppers to come back on their own to an abandoned cart and pick up where they left. Create a comprehensive follow up email campaign focused on recovering abandoned carts. Don't limit remarketing efforts to just a single follow up email.





Consider sending out as many as three messages, in the first 72 hours after a cart abandonment. Of course, it's essential to generate the initial email in the first 24 hours, preferably within the first three hours.

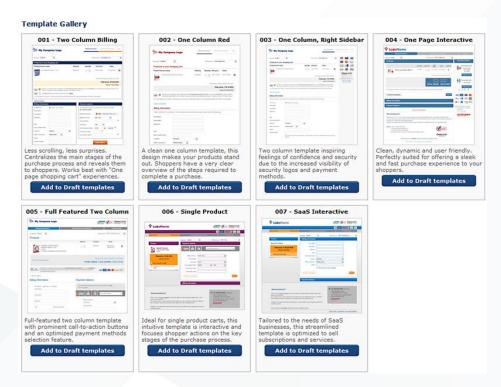
- **8. Personalization and incentives** Craft the follow-up emails with the personal data of the shopper. Also, go a step further and incentivize the visitor to finalize the purchase by offering a discount, free shipping, a free upgrade, etc.
- 9. Errors System generated error messages still need to be read and understood by humans. Keep that in mind. Display only coherent error info and actionable remedies capable of helping shoppers resolve any issues thy might have come across. Provide visually distinctive cues when errors are generated and when they're resolved. Most importantly, don't blame you shoppers, and assume fault every time.
- 10. Coupons Emphasizing coupons can lead to cart abandonments for those shoppers that cannot benefit from your promotions. Ask for coupons only in relevant situations when they act as an incentive to buy more.
- 11. Refund policy Make sure shoppers understand clearly your policy for refunds/chargebacks and that they're comfortable enough with it to continue shopping. Practice what you preach. It's critical for you to live up to expectations, especially in the case of refunds.
- **12. Survey for shopping cart abandonments** Offer incentives to abandonments If visitors abandon at the point of checkout, offer an incentive to complete an exit survey in which they can share their reasons for leaving.
- 13. Security –It's essential that you build trust in your business. Inform your shoppers that their transactions are secure and their information kept safe, including through using services such as VeriSign, ScanAlert, Better Business Bureau, etc. The logos they provide can be used as visual cues integrated into the shopping cart.
- **14. Clear communications** Work to communicate clearly the successful submission of orders, as well as all data that customer provides.





3 Avangate tools

Always aim to create a store that's both easy to use and simple to buy from, reflecting your customers' needs and preferences. Ease of use and simplicity are a tandem capable of greatly affecting your cart's ability to generate regular sales and to support future growth. Investing in fine-tuning shopping experiences and getting payoffs to dwarf penalties requires comprehensive resources which are available out of the box with Avangate. Take advantage of the tools at your disposal to build online shopping experiences aligned with your brand, control usability and behavior, slash shopping cart abandonments and build up conversion rates. The Avangate payment interface can be customized using any number of templates from the gallery available out of the box.



The personalization of the shopping cart can be taken even further than the default templates allow, through the editing of the HTML, JavaScript and CSS files controlling the payment interface design. Customization functionality ranges from the most basic to advanced, and allow the tailoring of the cart and the shopping experience to the merchant's website, app store, etc.





4 Interface templates gallery

In addition to the basic design which is the pre-selected option for the shopping cart when a new Avangate account is created, <u>seven other templates are available</u>. Each of the designs at your disposal powers specific shopping experiences, enabling you to start testing different scenarios by using the platform's <u>A/B testing capabilities</u>. Testing is critical to identifying the ideal combination of shopping cart design and purchase flow process resulting in high conversion rates.

The payment interface customization capabilities are extensive and go well beyond the templates offered in the control panel. Comprehensive editing functionality is available for each of the templates, with the exception of the default cart which cannot be personalized. In addition, the Avangate platform also offers you the possibility of creating brand new designs, using the existing templates as starting points.

For every new template you create there is a simple set of rules that you need to follow:

- All required graphic elements must be uploaded on Avangate servers, which is mandatory condition since otherwise the SSL connection cannot be established. This can be done via the Media center.
- The Avangate TAG needs to be added to the same location where the order form will be integrated into the personalized template.

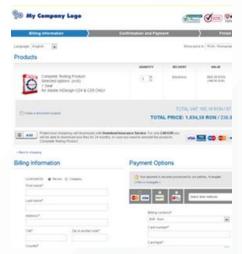
Once customized/created, templates can be associated with specific products by assigning them to Product groups, streamlining the payment interface management process.





Two column billing - Less scrolling, less surprises. Centralizes the main stages of the purchase process and reveals them to shoppers. Works best with "One page shopping cart" experiences.

Full Featured Two Column – Full-featured two column template with prominent call-to-action buttons and an optimized payment methods selection feature.





Single Product – Ideal for single product carts, this intuitive template is interactive and focuses shopper actions on the key stages of the purchase process.

SaaS Interactive – Tailored to the needs of SaaS businesses, this streamlined template is optimized to sell subscriptions and services.







One column red—Shoppers have a very clear overview of the steps required until a purchase is completed. A clean one column template, this design is guaranteed to make your products stand out.

One column blue, right sidebar—Because of the increased visibility of the security logos in combination with the prominence of payment methods, this two column template is perfect to inspire a key feeling of confidence and security in your shoppers.





- One page interactive template- Clean, dynamic and user friendly. Perfectly suited for offering a sleek and fast shopping experience, this template works wonders in concert with the one-page checkout purchase flow.
- **Default** Basic, basic, basic. An optimized design which puts products, payment methods and security details center-stage.

Each of the seven templates features a distinct and adaptable design which can be assigned to specific groups of products either in their default state, or after extensive personalization. Items from the Template Gallery have to first be added to the Draft template area, action which makes available the assign to product group, advanced preview and edit options.

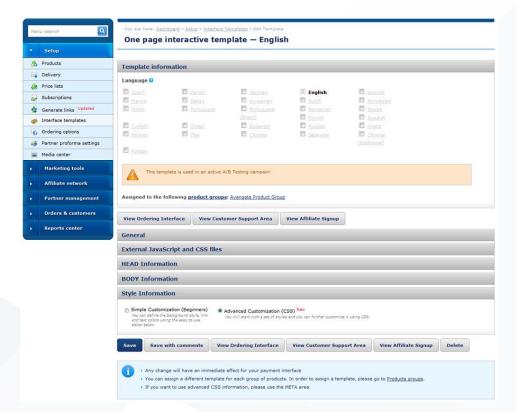




Customization can affect templates from the most basic of information to the code that's at the core of the designs.

Advanced customization:

Avangate Interface Templates use external files for JavaScript and CSS information, to assure the fastest loading times for its pages. Changing these files is an advanced operation best handled by experienced programmers. To change the external JavaScript and CSS files, please go to "Media Center" and upload your desired external files. Avangate will automatically merge the files with the built-in interface files and serve them from a CDN (Content Delivery Network). When it comes down to lighter customizations, the Control Panel offers a number of inline editors making it very easy to overwrite specific lines in existing .CSS or .JS files.

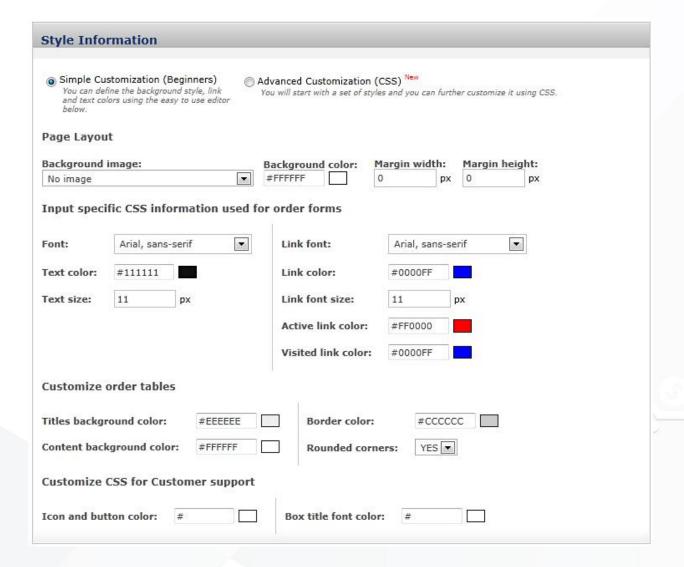






Simple customization

If you coding skills do not equip you to tackle an advanced customization, you can still very easily customize the look and feel, including the background style, link and text colors using a basic editor available in the Control Panel.







5 Optimizing the Avangate cart

Optimizing any shopping cart involves improving performance metrics. So before starting to actually do any changes, make sure you know the existing key performance metrics for your cart:

- cart abandonment rate;
- step by step conversion funnel;
- average per order value.

Depending on your business you might want to check out the above metrics based on country of your visitors.

The above metrics can be obtained by relying on web analytics tools such as Google Analytics, though they might need some deeper integration with your Avangate Cart. Avangate provides comprehensive support and guidance for such a deep integrations in the free Analytics miniBible for Software Vendors whitepaper.

Once you have access to those key metrics for your online business, it's time to dig in and see what needs to be optimized and how it can be done.

5.1.1 Problem: High cart abandonment rate

Looking at our global cart conversion rates, we consider any abandonment rate over 80% as being high and any rate under 70% as being good and desired.

Here are a couple of reasons why users would abandon your shopping cart:

- the process is too lengthy for them and they're losing their patience (remember, it starts on your website);
- they don't feel safe enough;
- they don't feel sure enough they want to buy;
- there are inconsistencies between data in the cart and your website (e.g. price is different).





Avangate offers no less than six different purchase scenarios enabling you to select the best fits for your needs. For example if your website sells only one product with only one pricing option, the scenarios that fit best your needs are:

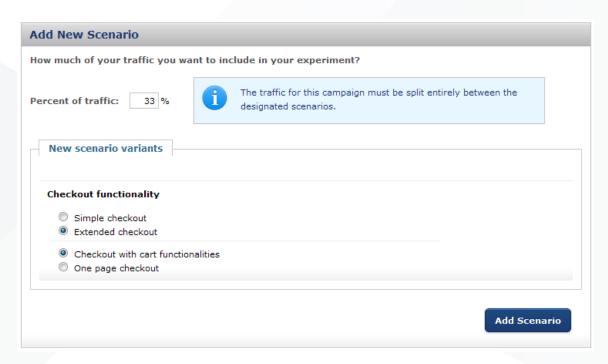
- One page checkout
- Classic checkout

On these pages, buyers only need to fill in billing information and payment details and they're done. The shorter the process, the easier for them to purchase. However, if your website sells multiple products, with advanced pricing options and up selling setups, you want to make sure shoppers can manage their cart, add remove products or upgrade. For this scenario, we created the following purchase flows:

- Checkout with cart functionalities;
- Add to shopping cart;
- One page checkout.

There is no secret recipe that works for everybody, that's why, based on your business needs, identify the purchase scenarios that you think should work best for you and test them out.

Avangate offers a free A/B testing suite that allows you to do just that:

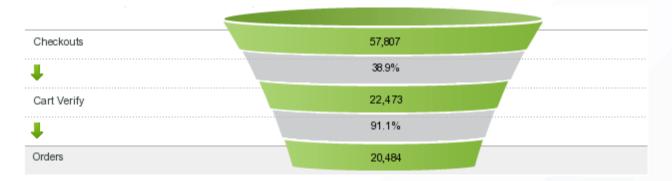






5.1.2 Problem: High step by step conversion funnel drop rate

After you have identified the best purchase flow for your business, you should take a look at the conversion funnel for your cart and identify the steps generating a higher than expected drop rate. As a rule of thumb, if your conversion funnel looks much worse than the one below, you need to optimize it:



When visitors drop more within a step than expected (or usual) it means that there is something on that stage chasing them away. Such problems are dealt by optimizing design and content.

Here is a checklist to go through and identify what needs to be improved:

- is the look and feel of the shopping cart the same as your website;
- is the shopping cart compatible with all browsers;
- are people getting more errors in the cart than usual;
- is the price in the cart the same with the one on the site;
- ooes it take a very long time to fill in the fields correctly.

Any of these issues can be tackled from the Interface Templates section inside your Avangate account. While you do need some technical skills to do this right, Avangate allows you to change any single element inside your cart and make it look and act just as you would expect it to. Just like with purchase flows, any idea you have for improving your shopping cart can be tested with the Avangate A/B testing feature. No need to make wild guesses when your buyers can select a winner for you.





5.1.3 Problem: Low average order value

If you sell multiple offerings on your website you will want to have a high percentage of visitors buying more than one product and to spend more than their initial selection.

Avangate offers four ways to increase the average order value:

- Cross selling
- Up selling
- Backup media
- Download Insurance Service

From our testing, adding more elements to a purchase process, like any of the above, will have a negative impact on the conversion rate but a positive impact on the final revenue. The bottom line is, at the end of the month, you will get more revenue out of such a feature, even to the detriment of your conversion rate.

One scenario we witnessed is the dropping of the conversion rate with the activation of Cross selling which caused the monthly revenue to increase noticeably:



Just like with any other idea of optimization you might have, Avangate allows you to test your hypothesis and take the right decision for your business.





5.1.4 Problem: Low conversion rates for specific countries

Users in different geographies have different purchase behavior. Treating them the same will never give you the equal conversion rates. The Avangate system allows you to customize a cart per language and that enables you to personalize your cart to fit the needs of your visitors.

One thing we suggest testing out is to get testimonials from each country of interest and present them to your visitors. This way you will be able to integrate trust elements that are familiar to your buyers. Also test out security logos that are specific to each country. Avangate will make sure that it covers out the payment methods need for each region of the world, so you don't need to worry about it.

Bottom line:

- identify the key performance metrics for your cart;
- prioritize based on the metrics which optimizations should go first;
- test everything.





6 Branding

If there is going to be the slightest trust issue for your visitors inside the cart, you will most likely lose them. So, branding your cart is crucial for them to trust the experience. Most phishing attempts on the web have this in common: poor customizations of the website they attack. Not paying attention to every detail of the shopping cart customization will make your cart look more like a phishing attempt than a real cart and some of your visitors will definitely notice this.

Here are the elements you need to make sure they replicate the ones on your website:

- logo and cart header make sure they replicate the ones on your website;
- avoid mixing site elements into the cart for example, instead of integrating your website's menu place the shopping cart steps, but customize them according to your menu style;
- replicate backgrounds patterns if present on your website;
- personalize text, links and headings colors and font size;
- make form style consistent;
- optimize buttons to look and feel consistent.

6.1.1 Custom domains

One important branding element for your website is your domain. Avangate offers you the possibility of customizing the shopping cart URL from: secure.avangate.com to subdomain.your-domain.com. If you have a strong reputation and if you feel that your visitors would trust you more than a third party for processing their payments, we suggest switching to a custom domain. Just contact your account manager and he'll guide you through the process.

If you are new to the market and haven't managed to build a strong reputation yet, till you do that, we suggest not switching to a custom domain and, even more, making sure that your visitors know that Avangate is going to process their payments even from your website, before they actually get to the cart.

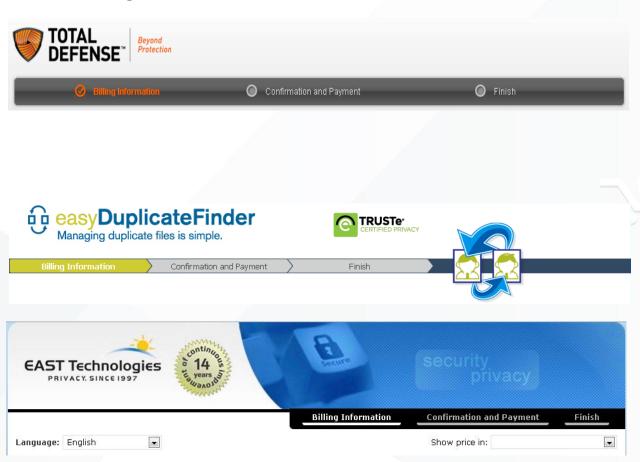




7 Avangate shopping cart optimization examples

On top of the Control Panel cart design and purchase flow management capabilities, Avangate is ready to work directly with you to customize the shopping experience according to your specific needs. Personalization investments can be focused on the header and footer areas of the cart, but a number of widgets are also available on request. When light customization is not enough, Avangate offers you the possibility of digging deep under the hood and modify key areas of the shopping cart in terms of both design and functionality. Below you'll be able to find a number of examples of personalized Avangate shopping carts:

7.1.1 Cart navigation







7.1.2 Customer Support Phone numbers



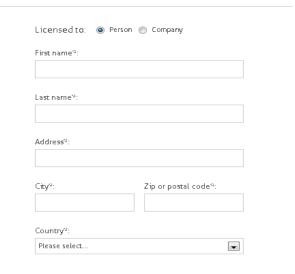
7.1.3 Billing and Payment forms

First name ^a :		
Last name ^e :		
Address*:		
City ^a :		
Zip or postal code*:		
Country [®] :		•
State or province*:	Please select	•
Email*:		
	Check only if you are a company	
■ Back		Continue >

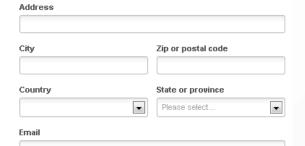




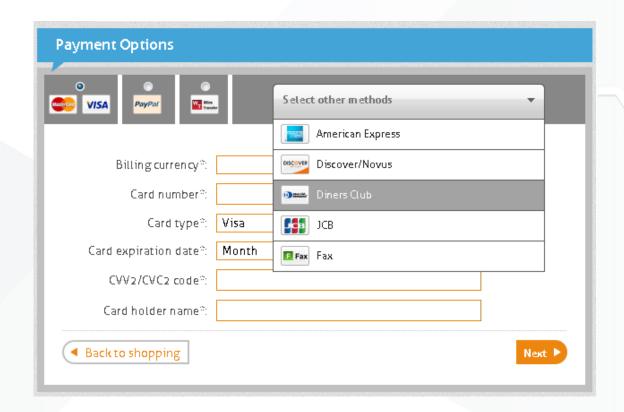
Billing Information



Billing Information

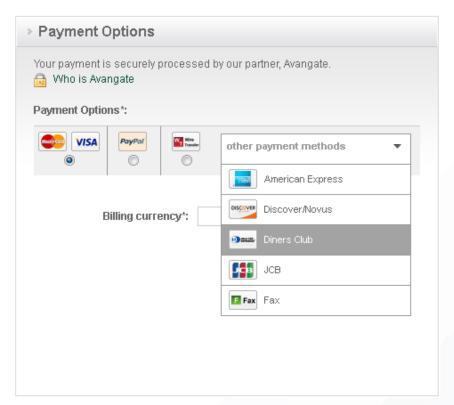


7.1.4 Payment Options















7.1.5 Product Table Customization











Products

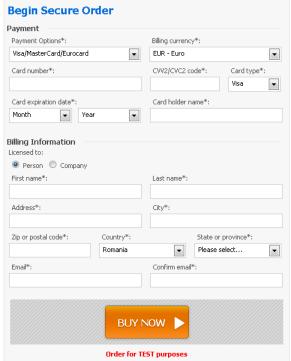
	QUANTITY	DELIVERY	UNIT PRICE	VALUE	
GData product #1	1	Electronic			
			TOTAL PRIC	E:	

	DELIVERY	QUANTITY	UNIT PRICE	VALUE	
NXPowerLite 5 Wartung 1 Jahr (Volume discount prices)	Electronic	2 +			ŭ
				SUBTOTAL: 10.78	
I HAVE A DISCOUNT COUPON			Total p	Fotal price: 12.83 EUR	









7.1.6 Cross-selling customizations







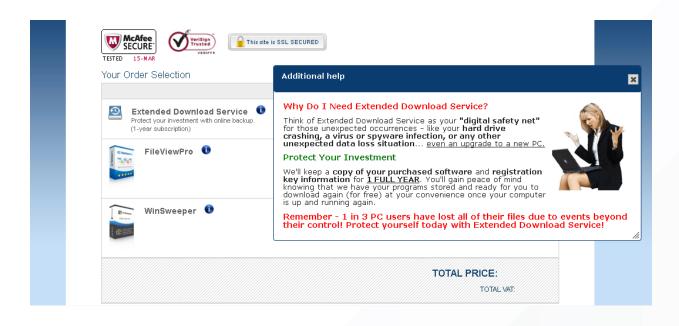


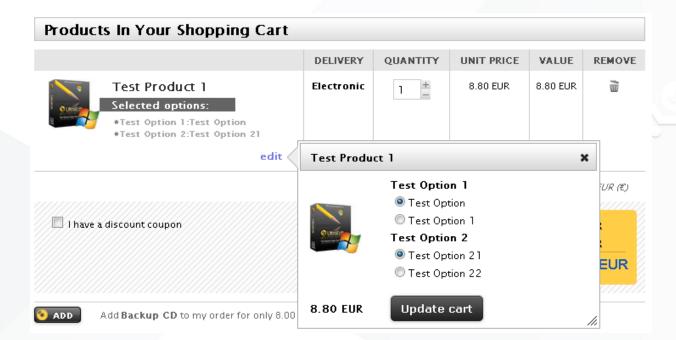






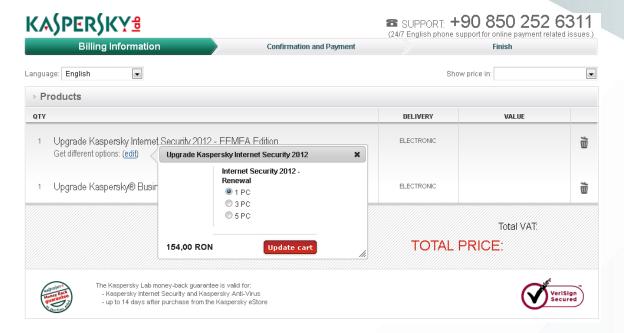
7.1.7 **Pop-ups**



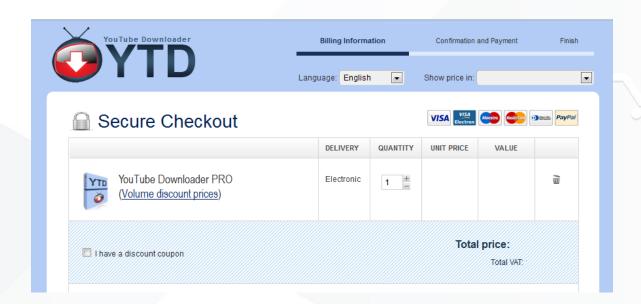








7.1.8 Other widgets







8 Avangate Case Studies

Avangate has put together a number of case studies that are a must-read to gain insight into the success of optimization investments:

AVS4You Case Study – Key takeaways:

- Avangate helped boost AVS4You Western European software sales by 40%.
- Optimization and A/B testing against a competitive cart Avangate performed better, with conversion rates 5% higher for Germany and 4% for France. 30% decrease in abandon rates.
- Optimization of ordering flow & cart ownership from 3 steps (Step 1 on AVS pages/Steps 2, 3 on Avangate secure pages) to 1 step exclusively on Avangate secure pages. **Results:**14% increase in sales volumes (pilot project: France).
- Optimization of pricing strategy exact match between the price displayed on the vendor's website and the price displayed in the Avangate cart (before tax). Results: 40% increase in sales volumes for France and 20% increase for Germany.

<u>IObit Case Study</u> – Key takeaways:

Conversion rate grew by 4%+ due to an optimized shopping cart layout with changes in graphical elements and improved page usability

DVD Fab Case Study - Key takeaways:

The winning template of the A/B testing campaign **increased the conversion rate by 3.94%** over the initial template.

RSJoomla Case Study - Key takeaways:

25% increase in sales due to improved design and layout of the shopping cart





<u>Singular Software Case Study</u> - Key takeaways:

- Singular Software noted a staggering 121% month-on-month increase in sales since May 2009, with a 110% month-on-month increase during April 2010 March 2011.
- The shopping cart conversion rate increased with 9.5 percentage points from 23.7% in 2010 to 33.2% in March 2011.

9 Conclusion

The core takeaway is the absence of a one-size-fits all solution to increase conversion rates and decrease shopping cart abandons. Instead, the focus needs to be placed on balancing a set of optimization best-practices designed to fine-tune the shopping experience to serve a single purpose: sell.





10 About Avangate



Avangate is the agile <u>eCommerce solutions</u> <u>provider</u> trusted by Software and SaaS companies to grow their business worldwide through any channel, any model.

Avangate's scalable and integrated solution includes a full-featured, modular and secure eCommerce platform, a partner order and revenue management system, as well as a constantly expanding worldwide affiliate network.

Avangate's market-proven eCommerce solution enables software companies to rapidly embrace industry shifts, reach customers effectively, and adopt new business models with a view to optimizing profitable revenue across online and offline channels.

More information can be found on www.avangate.com

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