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humanising technology

Trust in the checkout
increasing conversion

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Trust in the checkout – increasing conversion

Shopping online is a very personal experience –the customer might be spending their own money on anything from a luxurious treat or a gift to something as mundane as the weekly grocery shopping. Whatever the situation, that customer will want to be reassured on many levels – that the goods are of the expected quality, that they'll arrive on time, that the transaction will be safe and that they can easily return unwanted items. This is even more important when the customer is shopping with an online store for the first time, especially if that store is not a household name. The checkout – where the customer is actually parting with their money – is the point during the shopping process at which that reassurance is especially vital.

Most people are well aware that online checkouts needs to be quick and easy to use, but the emotional aspects are often neglected. It is however essential to build trust and confidence during the checkout process through emotional engagement – customers need to feel that the checkout is safe, as well as quick and easy.
The 2009 PayPal Checkout Abandonment Study[1] found that within a three week period 22% of US customers had abandoned a checkout process because they couldn't find customer support and 21% had abandoned because of concerns about the security of credit card data. Both of these reasons are clearly linked to the customer's confidence in the online retailer. With an average basket value of **$109 USD**, the impact of a checkout design that causes customers to lose confidence in the retailer is *significant*. For new customers, trust in an as-yet-untested retailer is especially critical.

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[1] https://www.paypal-media.com/releasedetail.cfm?releaseid=391252

In order to assess whether UK online retailers are factoring emotional engagement into their checkout process, we reviewed ten of the top UK online retail websites[2]. For each site, we assessed the checkout process against three criteria – efficiency, quality of the user experience (UX design) and degree of emotional engagement. In other words, for each online checkout, we measured whether it feels quick, easy and safe for first-time customers.

…whether it feels **quick**, **easy** and **safe** for first-time customers

The highest scoring website in our study was *New Look* (www.newlook.com) which scored highly across all three categories (with a total of **77** out of a possible maximum of **90**, made up of **25/30** for efficiency, **25/30** for UX design and **27/30** for emotional engagement). New Look obviously scored very well for efficiency and UX design, but were streets ahead of all the other sites for emotional engagement. Aspects of their checkout design will serve to reassure nervous customers (see Figure 1 next page for examples).

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[2] The top ten online UK retailers were selected from the 2010 IMRG / Hitwise Hot Shops List (http://www.imrg.org/8025741F0065E9B8/(httpPages)/F12FE7C6C47BE0 3F802575C4002AB52F?OpenDocument)
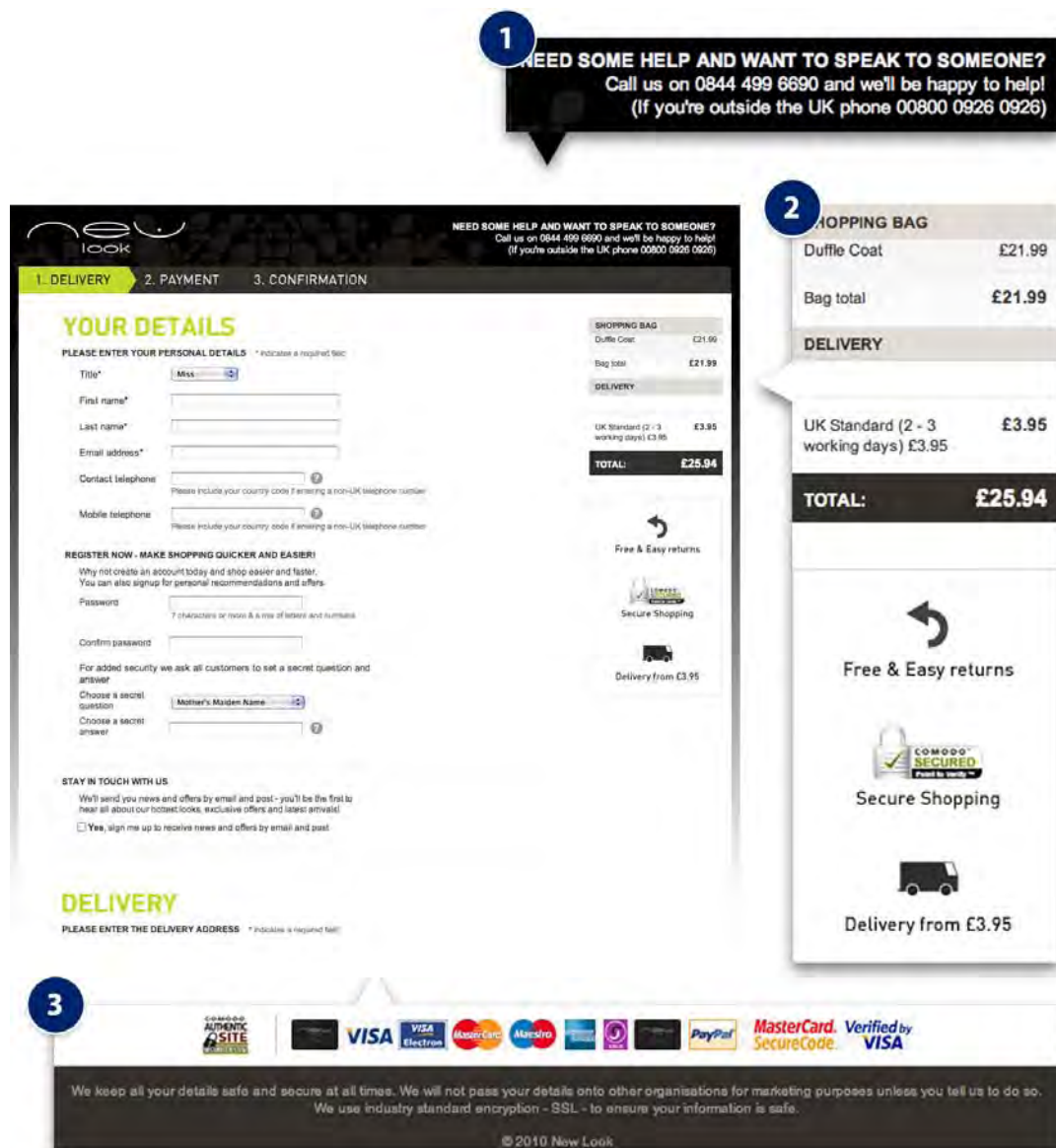
Figure 1: Step one of New Look's checkout process

1. **Contact information** prominently displayed in top-right of screen throughout New Look's checkout;

2. **Summary of purchase** information and **reassuring logos** on right-hand side of New Look's checkout;

3. **Footer** displayed throughout New Look checkout with **reassuring logos** and **information.**

   New Look presents reassuring information (such as security logos, contact details and information about delivery charges and returns) around the edges of every page in the checkout process. This information is easily available for customers who need it, but does not get in the way of an efficient and easy-to-use checkout process. In other words, New Look

have demonstrated that adding features to increase trust and confidence does not need to make the checkout slower – in fact, New Look had the second highest score for efficiency (at 25 out of 30, only one point behind the highest scoring sites on this criteria).

In contrast, *Amazon* (www.amazon.co.uk) was the lowest scoring site in our survey (with a total of **47** out of a possible maximum of **90**, comprising **13/30** for efficiency, **20/30** for UX design and **14/30** for emotional engagement).

Amazon's score reflects the fact that their checkout process is designed primarily for repeat customers. As a returning visitor to Amazon's site you can use your saved details to use *"1-click ordering"* – a highly efficient purchasing and checkout process. However for the **first-time customer**, the steps in the checkout process are convoluted and confusing. There is obviously a strategic balance between supporting *first-time* vs. *repeat customers*, but that should not be at the expense of possibly alienating first-time customers. Although Amazon scored reasonably well for UX design (showing that the checkout is generally easy to use, albeit slow), they had a poor score for emotional engagement. They utilize very few features indeed to build up the confidence of the first-time shopper.

Looking at the average scores across the ten online checkouts that we assessed, we found that they were highest for the UX design (22.1 out of a maximum of 30), reflecting the fact that most of the checkouts in this study were pretty well designed from the perspective of being easy to use. It seems that the e-commerce sites have learnt the rules of good UX design[3]. The average scores for efficiency and emotional engagement were about the same (19.2 out of 30 for efficiency and 18.9 out of 30 for emotional engagement). It is quite surprising how many sites still have a slow checkout with unnecessary steps. It is less surprising to find big opportunities for improving emotional engagement, building trust and making customers feel safe buying online. There are still big opportunities out there for improvement –

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[3] This supports Jakob Nielsen's findings that web usability is generally improving year-on-year – see http://www.useit.com/alertbox/usability-progress-rate.html

getting all three aspects of the checkout right is essential if online stores are to make the most of the huge amount of revenue available.

In this report, we will first explore the challenges and opportunities in the online retail sector and specifically the checkout process. We will then explain the methodology of our study before presenting the findings and discussing individual illustrative examples. At the end, we conclude with some practical tips and suggestions.

The Growing Opportunity in Online Retail

Online retail and revenue is still growing rapidly, both in the UK and worldwide. Online spending continues to increase year on year. For example, a study by Paypal predicted a 235% increase in online spending on groceries in the UK to £6.25 billion in 2010 as compared with 2009[4]. Paypal's research predicts that online retail will generate an extra **£3.2 billion pounds** in overall consumer spending by 2010. Whilst online grocery stores will benefit most from this growth, Paypal suggest that online DIY and clothing retailers will also do well, suggesting a **172% year-on-year increase** in revenue for the *DIY sector* and a **160% rise** for *clothing retailers*.

Taking advantage of this, several new online stores from major brands have been launched recently in the UK, including Gap, Zara and H&M in the clothing sector and Morrisons as an online grocery retailer. Even with more competition in the online marketplace, there is still a huge amount of extra revenue available for retailers to take advantage of. Making sure you out-perform your competitors online is essential.

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[4] The findings from Paypal's study are as reported on http://econsultancy.com/uk/blog/185-uk-online- spending-to-double-by-2010

The Continuing Challenges of Checkout

There are many aspects to making sure your online store performs optimally: you need to perfect the design (does it reflect your brand and draw customers in?), the navigation (can customers find products?) and the product details pages (is the information available to support customers in making a decision to purchase?). In addition, you need to get everything else right, such as SEO, promotions and cross-selling – all in the service of bringing customers to your site, increasing average basket value and increasing conversion.

One of the really essential aspects of the online retail experience that is sometimes neglected is the *checkout process*. Oftentimes, it is assumed that once a customer clicks the checkout \ button, he or she will just continue through the end of the purchase process. Sadly, that is not true – checkout abandonment is an important (and growing) issue. As reported by econsultancy, data from Coremetrics shows that the checkout abandonment rate increased 0.1% per month over a 23 month period from 2007 to 2009[5]. With the average value of abandoned baskets reported as $109 by the 2009 PayPal Checkout Abandonment Study in the US, this is not an insignificant problem[6].

For first-time customers, who are shopping in an untested online store, the checkout process is especially important. Repeat customers may be willing to overlook a few flaws because they have built up a relationship of loyalty and trust. First-time customers will be much less forgiving.

Various reasons are cited for checkout abandonment. The 2009 PayPal Checkout Abandonment Study found that 45 percent of online shoppers had abandoned their carts multiple times during the three week period surveyed.

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[5] Taken from http://econsultancy.com/uk/reports/checkout-optimization-guide

[6] From the 2009 PayPal Checkout Abandonment Study, conducted by comScore https://www.paypal-media.com/releasedetail.cfm?releaseid=391252

Reasons given included high shipping charges and wanting to comparison shop.

However, two of the reasons given directly reflect a lack of trust and confidence in the retailer: not being able to find customer support (22% cited this as reason for abandoning checkout) and being concerned about the security of credit card data (21%).

Our Checkout Review Study

In order to assess how well designed the checkout process is for UK online stores, we analyzed **ten of the most visited UK retail sites** *(see footnote 2 on page 1)*. We chose sites that sell physical products to ensure that the checkout processes should all require similar information (such as delivery address, payment details and so on). As a result, travel sites were excluded from this analysis – their checkout process tends to be very different (requiring detailed passenger information, seat selection on flights, insurance details and so on) and is not comparable with purchasing a physical item.

On each site, we purchased a single item and assessed the checkout from the basket to the confirmation page at the end of the process. All purchases were made as a new customer, using the same details for name, email, delivery address and payment[7].

The time taken to complete the checkout, from clicking the button in the basket through to the final confirmation screen loading, was measured. A range of other aspects of the checkout process were also scored to provide an objective measure of the checkout experience on three dimensions.

[7] Each site was reviewed using Mozilla Firefox on our office network.

1. **Emotional Design**

   An assessment of the degree to which the checkout engages emotionally with the customer, inspiring trust and confidence and encouraging them to complete the purchase. Often over-looked, this aspect of design includes aspects such as secure checkout logos and easy-to-find customer support information.

2. **Efficiency**

   Basically, how quickly could the checkout process be completed and how many time-saving features were provided?

3. **UX Design**

   The extent to which the checkout provides an easy-to-use experience. This includes all of the little details such as how errors are handled, whether there are clear labels and so on.

   The graphic design (or the "look and feel") of the checkout was not considered in any depth – it wasn't analysed and measured as a separate dimension. It is important that the checkout looks consistent with the rest of the site and carries the company's branding, thus helping to ensure that it is trusted. However, beyond this there is little need for extensive graphic design elements in the checkout – in fact you could almost view the checkout as a tunnel that you want the customer to get through without distraction. We have therefore not analysed this separately and have included it as part of the measure of emotional design.

The findings

Table 1 shows a summary of the scores for the checkout process on each of the sites that we evaluated. The individual scores for each of the sites on each of the three dimensions are shown (each out of a possible maximum of 30) together with the overall total (out of 90) for each site. In each category (efficiency, UX design and emotional design), the highest scoring sites have been highlighted.

	Emotional Design (Max 30)	Efficiency (Max 30)	UX Design (Mac 30)	Total (Max 90)
New Look	27	25	25	77
Argos	21.5	23	26	70.5
John Lewis	24	18	26	68
Debenhams	21	26	17	64
Apple (UK Store)	20.5	18	21	59.5
B&Q (nextday.diy.com)	12.5	26	19	57.5
Next	17	12	25	54
Play	17.5	17	18	52.5
Marks and Spencer	14	14	24	52
Tesco Direct	-	-	-	Not scored
Asos	-	-	-	Not scored
Average	18.9	19.2		

Table 1: Summary of scores for each site evaluated

Note regarding Tesco Direct and ASOS:

Two of the sites (Tesco Direct and ASOS) could not be scored as there was no way to enter the correct physical address either for delivery or for the credit card. Our office address was not in the list provided to select from when searching by post-code and there was no way to manually enter a different address. We could therefore not proceed with the purchases on these sites and had to abandon the checkout process without analyzing it fully.

It is worth noting that our address did not match the post-code look-up results on any of the sites that we looked at, but all of the others provided an over-ride option. Although address look-up is a really nice feature that makes checkout more efficient (and helps to prevent address errors), an over-ride is essential or you will lose customers.

Emotional Engagement

New Look had the highest score for emotional engagement, reflecting the fact that they emphasise key messages (such as free returns) throughout the checkout, making customers feel safe. New Look's excellent score in this category, combined with high scores for this site on the other two aspects, meant that was placed first out of the ten sites evaluated.

New Look provide a range of features that will increase confidence and trust in their checkout process (see Figure 1 for examples). This includes:

- Providing prominent visual summary information about delivery charges, returns information and security on all pages (on the right-hand side) helping to reassure and build confidence;

- In-context information is provided to explain the reasons for collecting data that customers may feel reluctant to provide, such as phone numbers (see Figure 2);

- The contents of the basket and total price (including delivery charges) are always displayed throughout the checkout (on the right-hand side) providing reassurance about exactly what the customer is paying;

- The free number for customer support is displayed prominently at the top of all pages, again providing reassurance, especially to first-time customers;

- Registration is optional (not mandatory which is proven to put customers off) and the benefits of registering are clearly explained (see Figure 3) which is something many sites neglect.

Figure 2: Example from New Look showing in context information providing reasons for collecting sensitive data

Figure 3: New Look's optional registration section

In comparison to New Look, the checkout process provided by B&Q (next day) did very little to inspire confidence or trust in new customers. Although they provide some reassuring messaging on the right-hand side of the pages during the checkout, they actually neglect to provide the critical information such as delivery charges, returns information and even the details of what is in the basket (see Figure 4). In fact, on the payment screen, it is quite hard to spot how much you're actually paying (it is in small print in the very top right) and there is no reminder of what you're buying or how much of the cost consists of the delivery charge. Not providing information such as this can cause customers to doubt the transaction and abandon and the process.
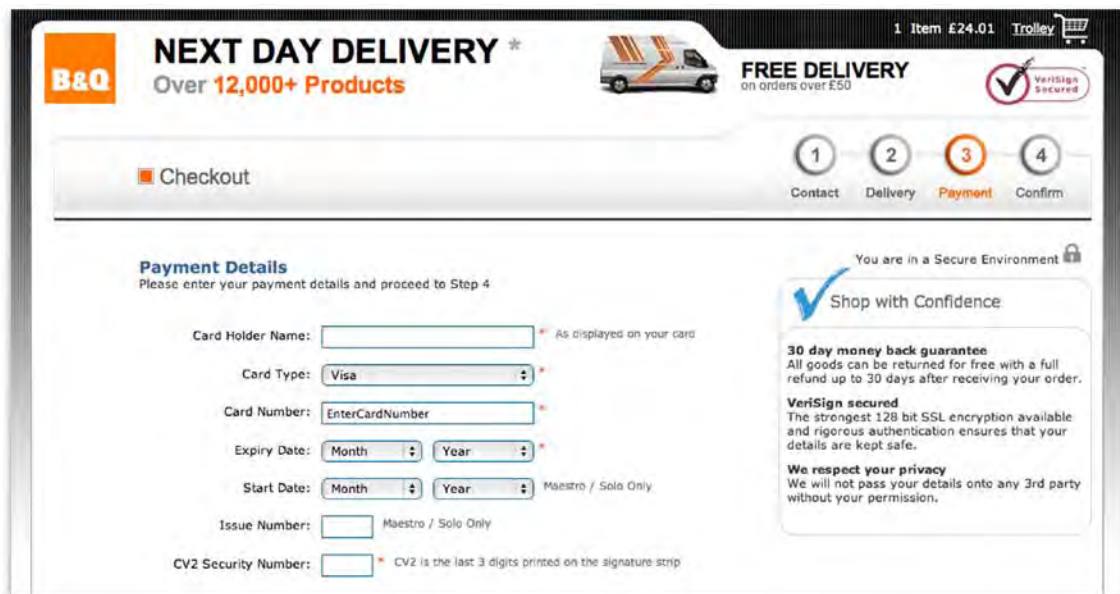
Figure 4: Payment screen from B&Q (next day) checkout
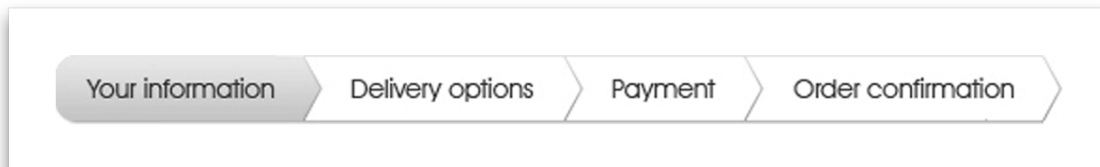
Efficiency

Debenhams and B&Q (next day) had the highest scores for efficiency, but low scores in the other categories meant that they were 4th and 6th respectively. A fast and efficient checkout is important, but factors such as ease-of-use and trust will determine whether someone can and will use it. It is therefore essential to balance the speed of the checkout with the inclusion of features to make it easy and trustworthy. Stores should aim for a checkout that can be completed in under 3 minutes.

Both Debenhams and B&Q (next day) have just four steps in the checkout process, taking 2 ½ minutes in total to complete, each of which is straightforward and fast to complete (see Figure 5 and Figure 6). Both have the same set of steps:

1. Entering contact information such as name and address;

2. Selecting delivery options;

3. Entering payment details;

4. Viewing a confirmation screen.

   In our experience, this is about as streamlined as checkout gets. We have seen examples of checkout being

implemented in a single step on one page (plus a confirmation), but that can lead to a lengthy and potentially confusing screen. It is as important to make the checkout feel fast as it is for it to actually be quick. Splitting the process into three easy, distinct and coherent steps, followed by a confirmation screen, will make customers feel like it is a fast and smooth process.

Figure 5: Summary of steps displayed during Debenhams checkout
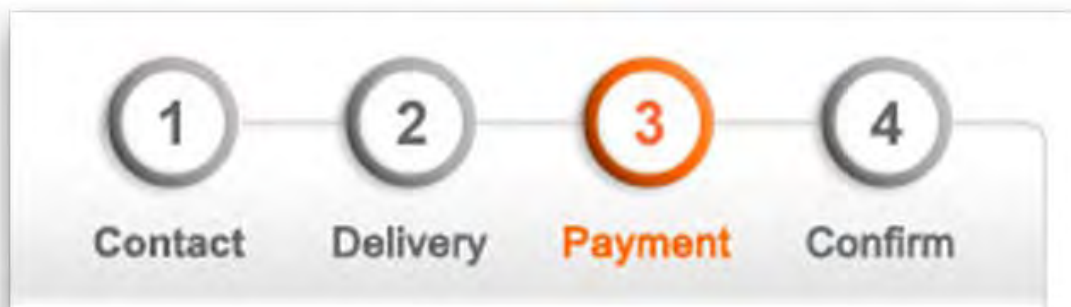
**Figure 6: Summary of steps displayed during B&Q (next day) checkout**

The checkout that scored lowest for efficiency was Next. There were two reasons for this. Firstly the checkout is designed primarily for repeat customers. It has two parts: the first part is all about creating an account with Next (which applies to first-time customers only and is known as registering); and the second part is the actual checkout. Both of these stages are fairly lengthy and take a while to complete.

Secondly, it took me three attempts to input the correct address. When I typed our building number (**13**) and postcode in step 2 of the "register" process and clicked the button to take me to the next step, the page displayed as shown in Figure 7. I then closed the pop-up (which was not immediately obviously a pop-up due to the design), which

enabled me to spot the address that had been filled in (also shown in Figure 7).

The address had been defaulted to **14 Queen Square**, without informing me, even though I'd typed **13**. It took me *several* attempts at going back to the previous step to figure out how to over-ride this and enter our address manually (and correctly). Had I not been alert, I could easily have ended up with my goods delivered to the wrong address.
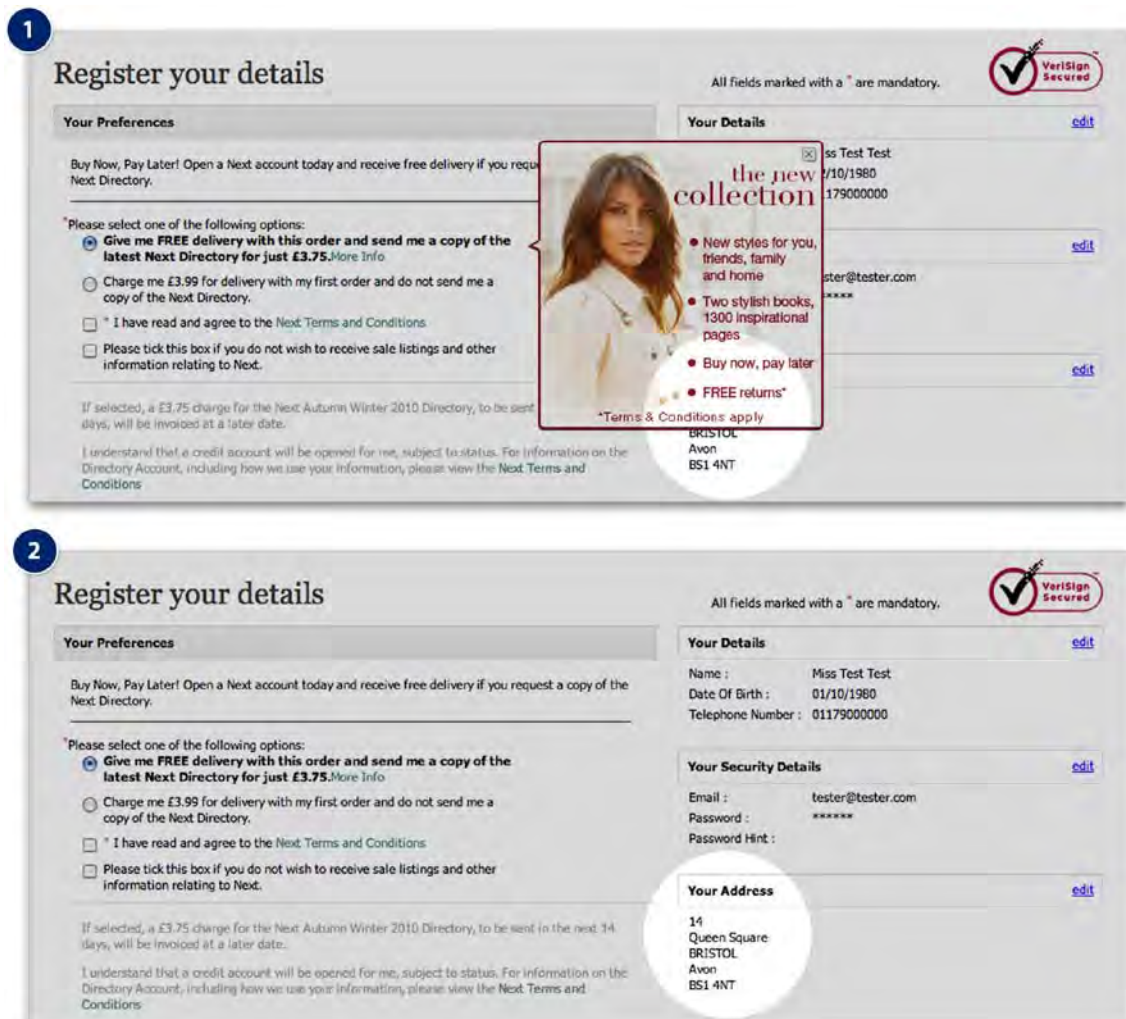
Figure 7: Step 3 of the registration process on Next. 'Your Address' has been highlighted.

1. The pop-up is visible as soon as you hit the page

2. Your address is revealed only after closing the pop-up

UX Design

Argos and John Lewis both had the highest scores for UX design with 26 out of a possible maximum of 30. Both had reasonably high scores on the other aspects of the checkout design, putting them in second and third places respectively out of the ten sites assessed. Both are all-round well-designed checkouts that will be easy to use, as well as being pretty fast and trustworthy.

Aspects of the John Lewis and Argos designs that contributed to their high scores for UX design included best-practice features such as required indicators on fields and clear labels, with explanatory text where needed (see Figure 8 and Figure 9). Also, the handling of errors was almost text-book on both sites, explaining what the error was and summarizing errors at the top of the page with the problematic fields also clearly highlighted (also shown in Figure 8 and Figure 9).
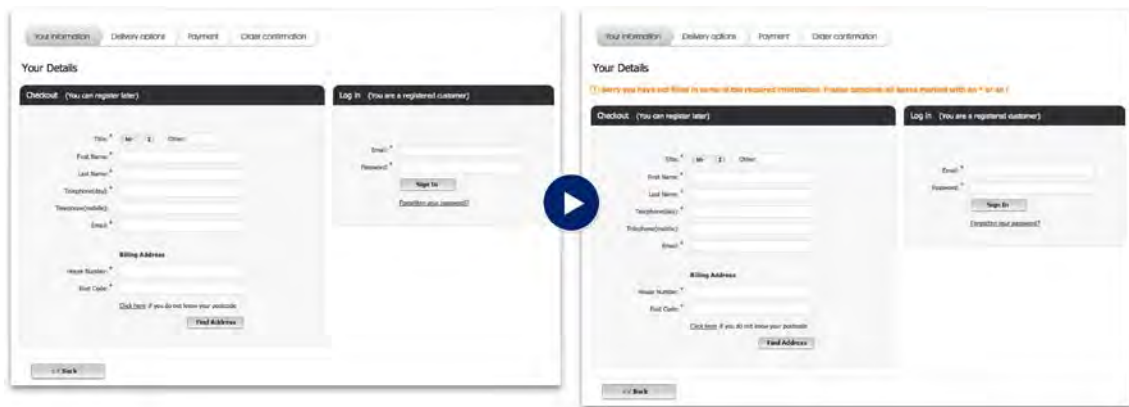

Figure 8: Example checkout screen from John Lewis with error messages shown on the right
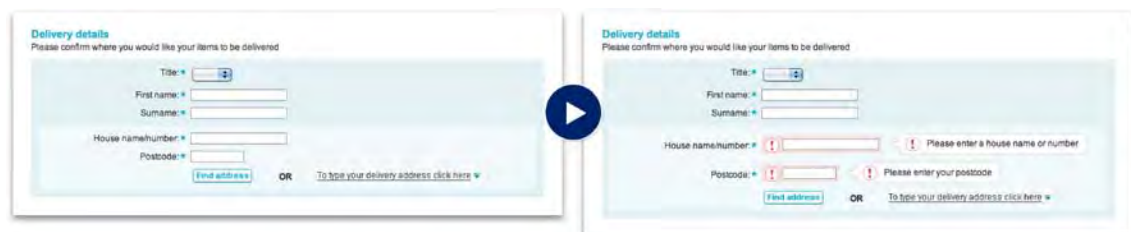
Figure 9: Example checkout screen from Argos with error messages shown on the right

In contrast to Argos and John Lewis, the Debenhams checkout had the lowest score for UX design. Comparing against their best-practice examples, Debenhams provide required indicators on fields, but neglect to explain anywhere on the page exactly what those black asterisks mean (see Figure 10). Debenhams also handle errors particularly poorly with an unhelpful message at the top of the page, no hints on what to do and no indication of which fields are in error (also shown in Figure 10). Therefore, even though Debenhams provides a very streamlined and efficient checkout, it will only works for customers who don't make a mistake or who are familiar with web conventions (such as asterisks to indicate required fields). For the less experienced online shopper, the Debenhams checkout process could well prove confusing.

Figure 10: Example checkout screen from Argos with error messages shown above the form

In summary

Our analysis has shown that a checkout that feels safe to customers is as important as a checkout that is fast and that is easy to use. New Look have demonstrated that it is possible to optimize ease-of-use and emotional design (trust) without compromising on efficiency – their checkout is fast, easy and safe.

While checklists exist for creating highly usable checkouts (such as in econsultancy's Checkout Optimization Guide) and there is standard best practice to follow for efficiency, there is much less guidance available for emotional design. We have extracted some examples above from New Look to illustrate best practice and to act as guidance. In essence, when designing or reviewing a checkout, you need to look at it from the perspective of a nervous first-time customer. Are there any aspects that could cause someone to feel unsafe and to bail out of the checkout? Have you provided all of the reassuring features needed? At a minimum, this includes:

- Using an https URL and padlock icon;

- Prominently displaying trusted logos such as Verisign and logos of all payment methods;

- Including a clear link to terms and conditions and the privacy policy – these should be linked at the relevant points in the process;

- Only asking for the minimum necessary information to complete the purchase (and nothing else, such as date of birth);

- Providing clear information about how to return items and the associated cost – if free returns are available make that really clear;

- Using lazy registration which doesn't force customers to register as the first step, but allows them to choose whether or not to register later in the checkout;

- Making sure the basket contents, price and delivery charges are always displayed together with any savings;

- Displaying prominent contact details, such as a customer helpline.

All of this will help to reassure both first-time and returning customers, ensuring that you maximize the conversion rate through your checkout.

Interested?

Got a project that needs some of our UX knowledge? *Contact our Head of usability:*

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