Quantum Metric

DIGITAL RETAIL PLAYBOOK

7 eCommerce blockers to avoid in a digital-first world.

The seven setbacks to digital-first success.

The time to optimise for online shoppers is now.

As the pandemic enters its third year, many shoppers have returned to physical stores. But the shift to digital-first is here to stay.

In 2020, eCommerce sales shattered previous records, expanding from 16% to 19% of all retail according to the UN[1]. And this year, we can expect more growth, with Statista forcasting global online sales growing to 22% of all retail sales by 2023[2].

This means that digital retailers need to ensure the success of their digital channels. These seven setbacks can disrupt your eCommerce strategy. Lost sales and revenue opportunities can make or break your company's success.

2020 was a year of adapting to the new normal. 2021 was a time for digital innovation. If your organisation isn't ready for the digital-first world in 2022, you might be left behind and crushed by the competition.

Source:
1: https://news.un.org/en/story/2021/05/1091182
2: https://www.webinterpret.com/uk/blog/ecommerce-statistics/

> **"There's no way [digital] is going back to the ratios it was before. We've just accelerated, likely by years, the awareness and willingness of consumers to engage online."**

Joe Megibow,
CEO OF PURPLE

Why is the truth so hard to achieve in digital?

You likely have a wide range of monitoring tools: web analytics, IT monitoring and alerting, voice of customer, and session replay tools.

- **Why aren't customers completing journey steps as expected?**
- **How do we evaluate the opportunity and prioritise it against everything else we're doing?**
- **Where are customers dropping out of the funnel?**

A major problem for retailers is that each team has their own source of truth. You're waiting for data from the analytics team. Someone forgot to add tracking. Or you simply don't know if an API failure had an impact on the customer experience.

What if all members of your digital team could align around the customer experience, and react with speed and confidence?

Get ahead with real-time insights.

It's no longer enough to catch problems after they occur. Retailers need to pinpoint problems in real-time, as well as anticipate problems before they frustrate your customers. Real-time insights from Quantum Metric can help prevent these seven eCommerce setbacks.

The 7 setbacks to digital-first success.

- #1 Broken tracking
- #2 Cart abandonment
- #3 Out of stock
- #4 UX frustration / slow performance
- #5 Payment friction
- #6 Fulfilment issues
- #7 Mobile friction

Setback #1: Broken Tracking.

01

Why you need tracking on the landing page.

When was the last time you deployed a new splash page and forgot to ask your tagging or engineering team to add tracks? Or didn't have time to add all the new events in Adobe Analytics? It's a common scenario for teams who are delivering fast.

Without tracking in place, you won't have any insight into how a campaign page is performing, why customers are falling out of the conversion funnel, how to make quick adjustments, or how to optimise your marketing spend.

How a home goods retailer used Quantum Metric to instantly validate against other sources of truth.

A home goods retailer uses both Quantum Metric and a traditional analytics tool to validate its tracking. It's a sort of "checks and balances" system for tracking validation.

At some point, tracking fell off some of the retailer's important splash pages. Fortunately, the retailer also had the Quantum Metric tag on its website. Since Quantum Metric auto-captures most of the common events out of the box, the retailer still could access the data and insights it was used to getting in its other analytics solution.

Setback #1: Broken Tracking.

How Quantum Metric does it.

With Quantum, there's no need to tag everything all the time. This is especially critical since changes happen so frequently in the UI, often without warning to analytics and tagging teams. Out-of-the-box events capture almost everything you need upfront. Everything else can be configured in an easy-to-use interface. You can deploy new metrics right away without having to rely on engineering or wait for a code release. This ensures your products are always tracked and significantly improves speed to insight.

In addition, with Quantum's Adobe Analytics integration, you can pull evars, props, and events directly into your Quantum instance.

SAMPLE OF QUANTUM METRIC'S DOZENS OF OUT OF THE BOX EXPERIENCE INDICATORS

Behavioral metric	Frustrated indicator	Technical error/performance
Click	Rage click	API error
Tap	Back button used	JS error
Scroll	Page abandon	Long running spinner
Form fill/submit	Bounce	Page interactive
Bounce	Page reload	App not responding
Disabled element clicked	Frustrated slow navigation	Mobile app crash
		Null text displayed

Setback #2:
Cart Abandonment.

I already know that customers are abandoning. But why?

With the anticipated record-level eCommerce sales, it's more critical than ever to understand marketing ROI, as well as the "why" behind those numbers..

Most tools can tell you that conversion rates dropped for a campaign, or that customers abandoned cart at a certain step of the funnel. But most can't tell you why it's happening.

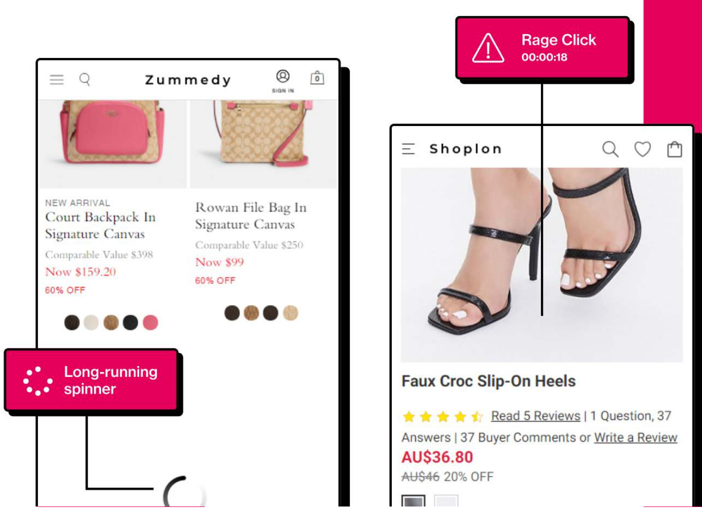
How often do you find yourself manually sifting through multiple sources of data (clicks, heatmaps, session replays, and sankey charts) to identify potential culprits? Then go to QA or engineering to try and reproduce it? Using multiple sources of truth can be an endless road to nowhere, leaving you still asking "why did customers abandon?"

With Quantum Metric, you can seamlessly link behavioural anomalies (such as rage clicks or abandonment) to a quantified view of the customer experience. So identifying the "why" to your conversion drop is easy and instantaneous.

Setback #2: Cart Abandonment.

How Quantum Metric does it.

- Real-time monitoring of UX friction, like rage clicks, and technical errors, like 404 pages.
- Automatic quantification of number of users impacted, conversion rate drop, and total lost conversion opportunity in dollar amount.
- Integration with a/b testing so you can adjust on the fly.



How one luxury retailer identified errors and friction instantly to boost conversion rates.

Imagine visitors coming to your site and having trouble viewing products on a product landing page (PLP) for a major campaign or sale. Quantum Metric surfaced an API 500 error like this for one luxury retailer.

Most monitoring tools might identify a spike in API errors, but they often don't tell you how it impacts the customer experience and conversion. In this instance, over 400 customers experienced the error. It was only .01% of total site visitors, but the conversion rate dropped from 3.3% for all visitors to this PLP vs. 2.7% who saw the error.

A youth apparel retailer uses real-time monitoring to detect and remove friction.

This retailer ran a Facebook campaign that was directing users to a product detail page where the "Add to Bag" button was disabled. Still, customers were trying to click the call to action, which resulted in an API 40X error and the out of stock message wasn't clear to users. Quantum Metric proactively surfaced the rage click activity on the add to bag button, and helped the team size the impact and escalate a bug fix.

Setback #3:
Out of stock.

Sorry, that item is no longer available.

Covid continues to stress-test inventory management systems like never before, bringing both challenges and new opportunities. To further complicate things, customer demand for certain products has skyrocketed unpredictably.

For example, what happens when a clothing retailer spends valuable marketing dollars promoting a new shirt, then the customer clicks on the ad only to discover it's out of stock? This causes confusion and frustration for the customer and represents wasted ad dollars for the retailer.

With real-time insights, retailers can rise to the challenge and course-correct in the moment to prevent customer abandonment.

How one retailer increased conversion by showing substitutes for out-of-stock items in the cart.

For any customer trying to complete a purchase, finding cart items are out of stock is always a negative experience. With Quantum Metric, one retailer delivered a new feature that turns this negative experience into a positive checkout.

Previously, when a cart item was out of stock, the customer had to remove the item from their cart in order to proceed with checkout. This was an extra step for the customer, and added no benefit. For this new feature experiment, the retailer replaced the "Remove item" button with "See substitution," providing the customer with the ability to quickly select an alternative product, directly within the cart page.

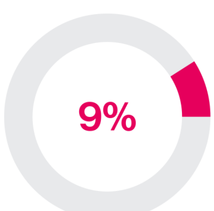
Setback #3: Out of stock.

How Quantum Metric does it.

Quantum Metric surfaced the total business impact of the out-of-stock experience, leading to the prioritisation of possible solutions (of which “See substitutions“ was chosen). Quantum Metric had identified a 9% conversion drop when a cart item was out of stock.

Once the new feature was released as an A/B test, Quantum Metric measured the results:

BUSINESS IMPACTS IDENTIFIED

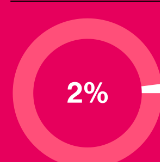


9% drop in conversion for out of stock items in cart.

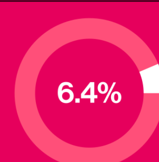
> “We have a responsibility as digitally focused or native companies to **work harder to find the customer**, listen to them, and engage.”

Joe Megibow,
CEO OF PURPLE

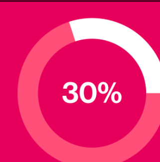
RESULTS FROM IMPROVEMENTS



2% increase in conversion rate



6.4% increase in avg order value



30% increase in new feature engagement

Setback #4:
UX frustration.

Let's play "Find the Add to Cart button!"

When it comes to building digital products, UX and design can be the difference between customer frustration and delight.

What happens when retailers miss minor queues in digital UX and don't identify their impact? It can cost millions of dollars in a lost opportunity. Simply placing the call to action button too far down the page, having no clear call to action, or other visual distractions can be a death knell for digital retailers.

How a department store identified £2M in opportunity by reducing friction.

When a major US department store designed and launched their Shop the Collection page for pyjamas, everything tested and functioned according to design. The page launched without a hitch. Even though it was working as designed, it wasn't working the way customers wanted.

After customers selected the size and quantity of the item, they had to scroll to the bottom of the collection to Add to Cart.

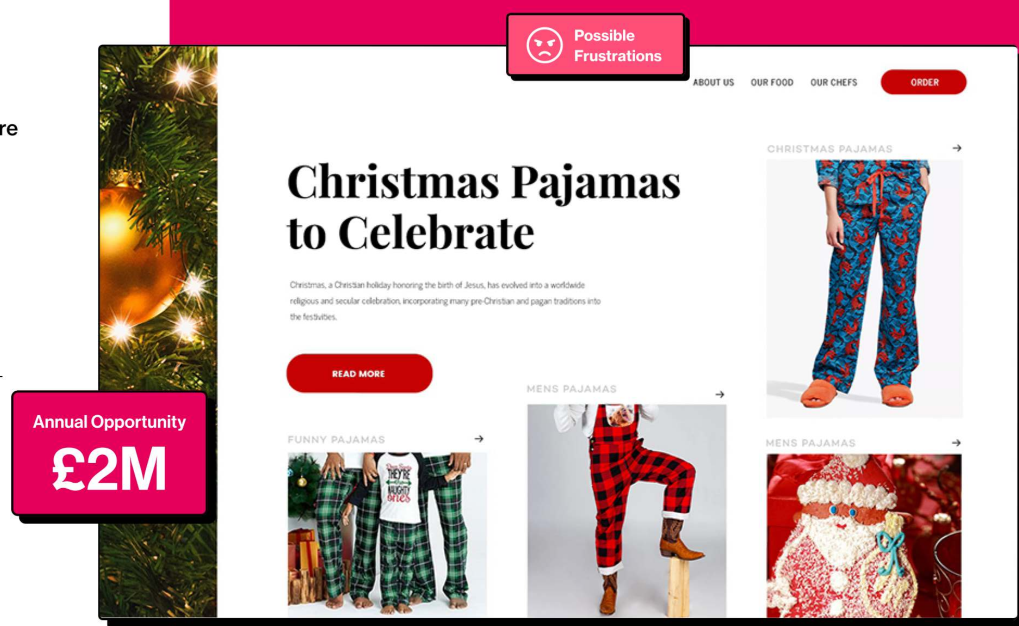
Quantum Metric quickly identified the friction and evaluated the opportunity, recommending improvements that enabled the company to realise millions in recovered revenue opportunity.

04

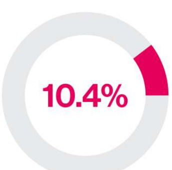
Setback #4: UX frustration.

How Quantum Metric does it.

- Heat maps and scroll maps show you where customers are scrolling
- Scroll up/down can signal UX friction
- Quantification of annual opportunity



BUSINESS IMPACTS IDENTIFIED



10.4% drop in conversion for not clicking Add to cart.

£2M in Annual Opportunity.

Setback #5: Payment friction.

Was that an API error?

Buy Now, Pay Later services boomed during Covid, allowing consumers to break up purchases into instalment payments without interest or fees.

But as with any third-party app, installing and integrating them with already heavily taxed digital platforms can be more complicated than anticipated.

Quantum Metric helps retailers mitigate this complexity by identifying when third-party apps are wreaking havoc on customers, often resulting in intermittent and hard-to-detect errors.

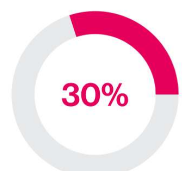
How a furniture retailer identified costly scrolling behaviour resulting from errors during checkout.

A major US furniture retailer launched a third-party “Buy Now, Pay Later” app just in time for the Christmas period. Within two days of launch, Quantum Metric identified an issue in the checkout experience.

Quantum Metric’s intelligent frustration detection identified customers scrolling up and down on the checkout page and then abandoning the checkout process.

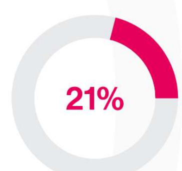
In real-time, the team could see that customers were unable to click the “Lookup Financing” button due to an API error. They quickly identified and resolved the issue for customers.

BUSINESS IMPACTS IDENTIFIED



30% of visitors experienced errors.

80% of errors occurered on mobile devices.



21% of customers were unable to convert after clicking the Place Order button.

Setback #6: Fulfilment issues.

No click-and-collect for that last minute gift?

New fulfilment options are easier said than done for retailers. Whereas retailers used to get away with managing digital inventory separately from in-store inventory, it just got more complex.

With in-store pickup, retailers need to accurately reflect in-store inventory for potentially thousands of products at hundreds of stores across all digital channels in real-time. A confusing or invalid click-and-collect experience can lead to costly call diversions to stores as well as frustration for customers.

How one retailer added multiple fulfilment options when stores closed due to the pandemic.

After closing several of its stores due to the pandemic, one big box retailer partnered with a third-party service to launch BOPIS for its digital customers. The catch was a customer had to be within a 3-mile radius of the store for the BOPIS service to work. This required knowledge of the customer's shipping address. Otherwise, only standard shipping options would be displayed.

Using Quantum Metric, the retailer discovered that customers were rage-clicking the "Add to Cart" button. As it turns out, customers wanted to purchase a product that was out of stock online, but they hadn't entered their address yet to determine if the product was in stock at a nearby store. All fulfilment options, including BOPIS and Standard, were red.

To fix the issue, the retailer used Quantum Metric to identify out of stock SKUs and make it more seamless for customers to find a nearby store for click-and-collect pickup.

“One of the trends coming out of the pandemic is the ‘omni everywhere’ concept. The capabilities that many retailers had in place before coronavirus, rapidly shifted to things like curbside delivery and pick up to contactless checkout.”

Paul Fipps

FORMER CXO OF UNDERARMOR

Shipping
Due to high demand this item is not available.

Curbside
Not available for pickup in your country.

Local delivery
Item not available for local delivery.

Setback #7: Mobile friction.

Want to boost ROI? Better optimise that mobile landing page.

Search marketing is getting more and more competitive as the world does more online. The looming third-party cookie change will limit ad retargeting. This means the first touch experience for your customers on your site (i.e. landing page) matters more than ever.

If you're spending money to drive traffic to your product landing pages and they're not converting, not only are you reducing Return on Ad Spend (ROAS), but you're impacting the perception of your brand.

How one auto parts retailer identified struggle for mobile customers.

An auto parts retailer had a search engine marketing strategy that involved targeting keywords for particular makes and models of cars, mapping to how customers often search for parts.

With Quantum Metric, the retailer was alerted that users were struggling on their vehicle landing pages. Customers were clicking on disabled input fields and repeatedly tapping on particular elements. It primarily impacted mobile web customers.

Using Quantum Metric, they instantly quantified the impact of this behaviour, and discovered these customers converted at a far lower rate than average. In fact, the overall conversion rate decreased, which resulted in a daily revenue opportunity cost of £19K, annualised at £8.35M.

After watching a few session replays of the experience, the optimisation opportunity was crystal clear.

The form required users to fill out 4 fields about their car. However, it wasn't clear that these fields were required. Customers would fill out one field and click the "Continue" button. There was no error message, so they would try clicking again and nothing happened. It turns out that the messaging wasn't shown for mobile web and that was leading to UX confusion.

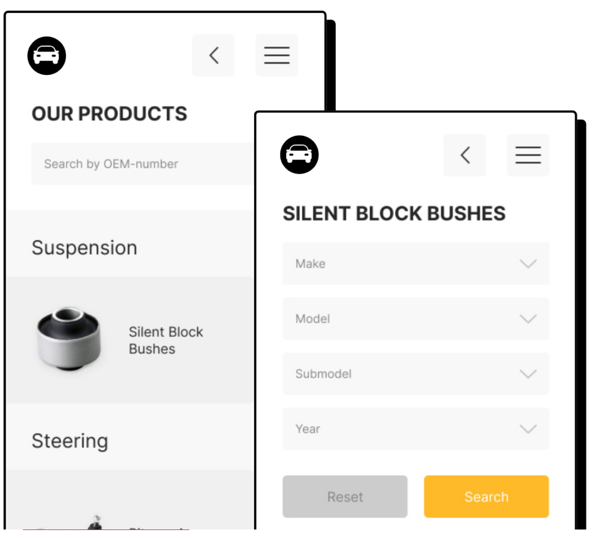
The team was able to implement the proper messaging on mobile and get conversation rate back up to normal. They were even able to increase conversion rate a bit by adding some style to the input button to make it clearly disabled until all form fields were filled out.

- **Possible frustration detected.**
- **Conversion increased.**
- **Revenue increased.**
- **£19K in daily opportunity cost.**
- **£8.35M in annual opportunity cost.**

Setback #7: Mobile friction.

How Quantum Metric does it.

- Anomaly detection.
- Opportunity analysis.
- Behavioral metrics.
- Session replay.



> "We saw engagement **increase pretty dramatically** in terms of the people that came to [our app] every single week to see what new things were being offered."

Kevin Diamond,
FORVER21

Retail recommendations for a digital-first world.

Five metrics that will boost digital success.

Five metrics that will boost digital success.

01 Identify top user frustrations.

If retailers have learned anything in the past few years, it's that online shoppers are more likely to abandon their carts and leave a website if they encounter site elements that slow down their shopping experience. It's no secret that more than half of mobile users will abandon a website that takes over three seconds to load.

Other users might be inclined to leave a company's website if they encounter bugs, slow page reloads, or other glitches. Make sure you're able to measure what's driving possible frustration and rage click behaviour among your customers.

02 Optimise micro-conversions.

From clicking "Add to Cart," to selecting your payment method, to double-checking that your shipping address is correct, the checkout flow is full of micro conversions. Some checkout flows contain more than 20 elements, meaning that there are ample opportunities for customers to encounter a UX error that prompts them to abandon their cart and shop elsewhere.

With Quantum Metric, you can reduce the number of elements in your checkout flow and spend time identifying where users are dropping off – and why. Which page elements are driving conversion rates? And which ones are prompting customers to leave? It goes without saying that optimising micro-conversions is crucial for improving eCommerce metrics.

Five metrics that will boost digital success.

03 Reduce abandoned cart rates.

eCommerce retailers are well aware that most users are just browsing or window shopping. Many window shoppers even add items to their carts or wishlists.

But as soon as a potential customer pulls out their credit card or realises they can make a purchase with their PayPal, Apple Pay, or Android accounts, the pressure is on to complete the transaction.

Unfortunately, many shoppers end up abandoning their carts because of engineering errors and performance issues. Because the checkout process requires people to make payments with sensitive information, there are more opportunities for critical errors, especially if your payment process API isn't performing as expected.

Engineering errors such as API Timeout, API Not Found, Slow API Call, and other JavaScript errors cause even the most eager shoppers to abandon their carts, especially if it's nearly impossible to make a purchase.

Don't let a glitchy checkout experience tarnish your brand's reputation – carefully monitor your company's checkout flow ahead of major campaigns.

Five metrics that will boost digital success.

04 Review native mobile application analytics.

While it's true that most online shoppers make their final purchases from desktops or laptops, many consumers spend at least some time browsing items on a brand's mobile application or website. So even companies that make most of their revenue on desktop websites should ensure that they are offering mobile-first customers a frictionless experience, free of frozen UIs and low memory warnings.

05 Track conversion rates for shipping vs. BOPIS, Click-&-Collect, same-day.

The pandemic helped accelerate the rise of new fulfillment options and that trend is here to stay.

Companies that choose to offer in-store pickup should carefully monitor conversion rates for customers who select shipping vs. rates for customers who buy online and pick up in-store.

Keeping track of the number of in-store pickups can also help companies prepare themselves to ensure that any social distancing protocols are in place as customers start to pick up packages.

Learn how Quantum Metric helps retailers drive conversion rates and revenue.

Quantum Metric helps retailers improve the buyer's journey by identifying and prioritising the opportunities that keep customers coming back. With Quantum Metric, you can increase conversions and grow revenue.

With Quantum Metric, you get:

- **Instant easy implementation on both web and native app**
- **Minimal impact on performance**
- **Real-time behavioural and technical and anomaly detection**
- **Replace your existing session replay or real-user monitoring tools with quantified empathy so you can prioritise with confidence**
- **Integrate and get more out of your web analytics and voice of customer**

Get Quantum Metric on your site today.

Start capturing everything your customers are doing on your sites and native apps. Get our tag on your site before your next big campaign.

Find and prioritise micro-optimisations that you can fix on any day.

Make a big impact on special campaigns and marketing spend.

Watch a product tour at: www.quantummetric.com/product-tours

Learn more