

AN EBOOK BY PUSHOWL + LITLEDATA

THE *shopify* MERCHANT'S GUIDE

TO

REDUCING CART ABANDONMENT



pushowl

Littledata 

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SECTION 1

Knowing the basics

It might be a familiar sinking feeling — why do online shoppers decide last-minute to not buy a product? There is a range of reasons, but the most common ones are faced by thousands of Shopify stores.

While not every reason a shopper abandons their cart is within your control, some things are in your hands. When your cart abandonment rate is high, there are active steps you can take toward minimizing it.

In this ebook, we explore cart abandonment: what it is, why it matters, and why it should be viewed as more of a metric than a mystery.

We'll also use proven practices from successful online stores to help you know how, when, and why to optimize your store for lower rates of cart abandonment.





- **What is the [average rate](#) of cart abandonment?**

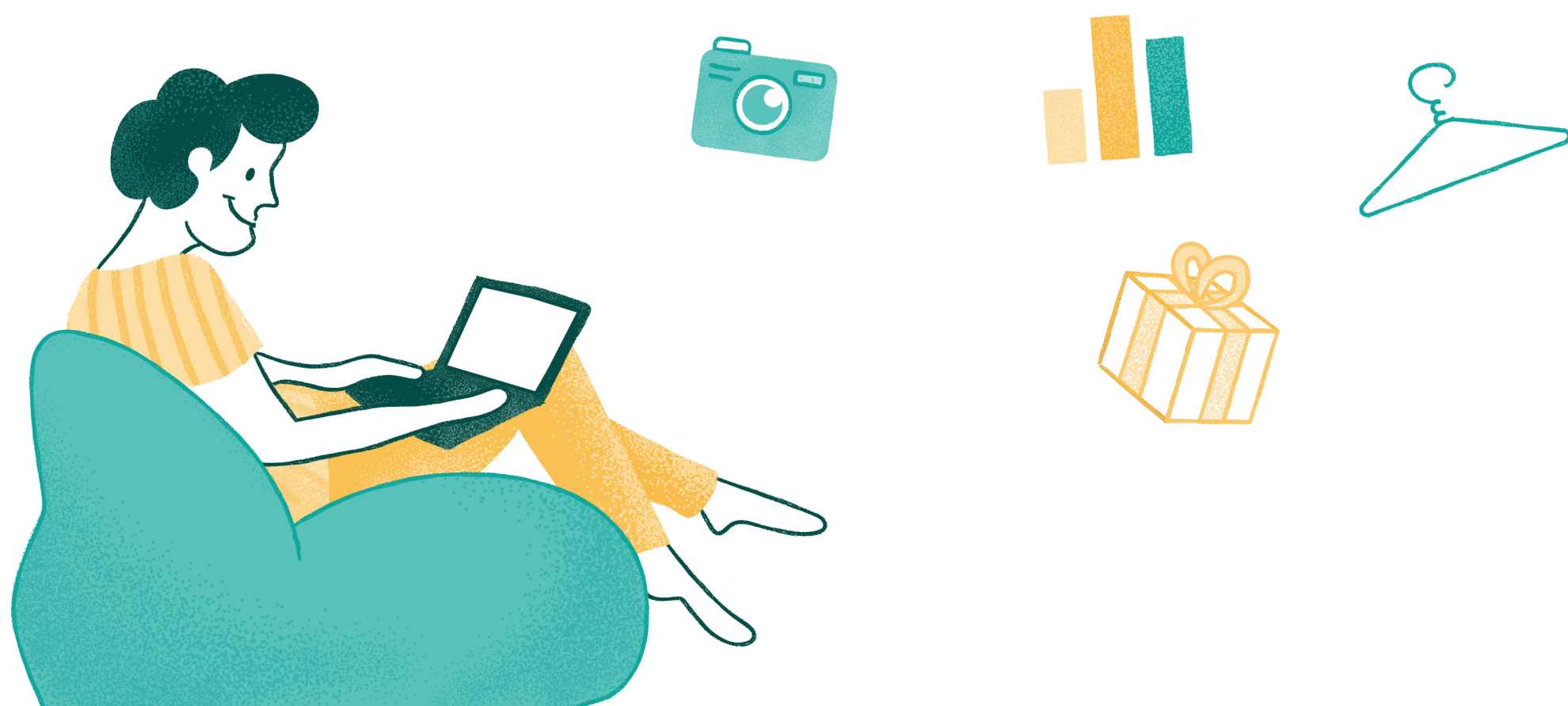
The Baymard Institute has compared 41 studies of reported cart abandonment to arrive at a startling number: the average rate of cart abandonment in 2019 is 69.57%.

In other words, for every 3 shoppers that add your product to their cart, 2 of them won't actually purchase.

To be fair, however, reports have varied wildly over the years. In 2010, Forrester Research calculated that cart abandonment stood at just 55%. At the high end of the scale, AbandonAid claimed the rate jumped to just under 82% in 2017. Are these figures to be taken seriously, or with a grain of salt?

To find out, Littledata surveyed 543 stores in August 2019 and found the average checkout completion rate was 45.2%, leaving the cart abandonment rate at 54.8%.

With this benchmark in mind, a store with a cart abandonment rate between 37.9% and 72.7% rate is considered within the industry average. Any rate higher than 73% is considered an underperforming store when it comes to incomplete checkouts.





- **How to calculate cart abandonment rate**

Fortunately, you won't need to consult a mathematician to calculate your cart abandonment rate. To find the percentage of users who have not completed a purchase after adding an item to their cart, just divide the number of completed purchases by the number of carts created:

$$1 - (\text{Complete purchases} / \text{Carts created}) \times 100$$

Subtract this result from 1 and multiply by 100 to get your percentage.

Fortunately, there's no need to use a calculator, either. [easily](#) lets you track ecommerce metrics like this. With [Littledata's Shopify app](#), you can easily connect your store to Google Analytics to track user movements — in this instance, when shoppers remove products from their cart.

- **Why might a cart get abandoned?**

While there's no quick answer, the truth is that carts get abandoned for a variety of reasons — although a recurring theme is that a lower abandonment rate means a more intuitive customer experience and a more trustworthy store.

Many shoppers may browse your store in hopes of finding a hidden discount, to compare prices, or to see how your product stacks up against similar products.

Some shoppers might even be building a wishlist for the future, with no intention of purchasing right now. For this type of shopper, there's not much you can do to compel a purchase.



Why might a cart get **abandoned?** (cont'd)

This means your focus should be on the shoppers who are willing to buy but haven't, maybe due to a website element or step in the checkout process that sent them scurrying away.

As part of the same cart abandonment study, the Baymard Institute conducted a survey of over 2,500 US adults asking why they abandoned their purchase after passing the add-to-cart stage:

Many of the factors above can be countered by making tweaks to the checkout process.

For example, let's take the second most prevalent response — the site wanted me to create an account.

By offering a guest checkout option where an account is not necessary, this 34% group would be one step closer to a purchase, helping you avoid an abandoned cart.





SECTION 2

What goes into a better checkout?

Industry lingo like “the checkout process needs to be streamlined” is often thrown around, but what does this actually mean? What are the parts of your site that eliminate friction in the checkout process rather than causing it?

More specifically, we’re referring to the step after a user adds a product to his or her cart. Optimizing add-to-cart rate is, in itself, a separate stage in the purchase funnel that we have discussed before. In any case, here are a few things to consider for a better checkout experience:

- **How intuitive is your checkout process?**

The first thing to take a look at is the intuitiveness of the checkout process from a customer standpoint.

Pretend you’re the customer. When you add a product to your cart, are you seeing a standard ecommerce checkout? For example, is there a clear “checkout button” followed by payment options, form fields for delivery, and a review order page before completing your purchase?

All of these elements have become expected in online retail, meaning any deviation from a standard checkout process could turn shoppers away before purchasing.



- **Is your store trustworthy?**

Making your store as trustworthy as possible is a key step to reducing cart abandonment. Check that you have secure payment icons visible during checkout. A money-back guarantee also tests well with customers, especially those making a first-time purchase on your store.

- **Are you offering incentives?**

Offering incentives to complete a purchase often does the trick. As mentioned, shoppers may be scrolling your site as part of their price comparison tour, so making a 5-15% discount visible from the outset can quickly attract shoppers.

- **Is product information easily accessible?**

In a similar vein, make sure product and delivery details are easy to find and understand. According to AdWeek, 81% of shoppers conduct detailed research before buying a product, so why not make this step easier for them? Another rule of thumb: don't include any last-minute delivery charges.

- **Is your checkout mobile-friendly?**

The notion that half of all ecommerce revenue will be mobile-based by 2020 isn't for shock value — it's very likely. If your store is difficult to navigate on mobile or is riddled with bugs or blockers, you'll likely be facing frustrated shoppers and abandoned carts.

You know what cart abandonment is and why it matters, but what can you do to ensure it doesn't have a catastrophic impact on your sales revenue? Let's take a look at eight actionable steps to minimize cart abandonment.



SECTION 3

9 ways to minimize **cart abandonment**

Before we provide specific steps you can take to reduce this pesky metric, here's a quick precursor: rather than "going with our gut," we like to take a data-driven approach, where action steps are steeped in proof and statistical significance.

Each of the nine tips below have proven to reduce cart abandonment for Shopify merchants of varying sizes and products — we have no doubts the positive effects can be replicated.

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Send emails

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Address lookup

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Guest checkout

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Dynamic retargeting

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One-click checkout

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Customer clarity

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Test, test, test!

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One step at a time



- **Send cart abandonment emails**

Even heading into 2020, email marketing is still an effective method of shopper engagement at every stage of the funnel. We'll take a closer look at tweaks you can make to your current funnel, but as a general rule, targeting people who have already abandoned their carts certainly can help revive a potential sale.

Shopify and Shopify Plus merchants are becoming increasingly aware of the opportunities provided by email marketing. Hertz's car booking service is one of the companies making the most of this practice, reporting that 37% of people who opened a cart abandonment email went on to make a booking.

In the past, money would have been left on the table by users who abandoned carts. Now, automated email solutions like ConvertKit and HubSpot make it easy to send emails to shoppers at every touchpoint — especially those with a recently-abandoned purchase.

Keep in mind, not every shopper who abandons does so on bad terms. They may simply have been distracted or left the purchase for a later date. A friendly nudge toward the buying funnel might be exactly what they need to complete checkout.

- **Trigger web push notifications at key moments**

Let's say your store's making \$1000 worth of sales every week. With the current cart abandonment rate, you're approximately losing \$2300 in sales. That's \$120,000 worth of sales lost in a year! So why stop at just email marketing when trying to recover carts?



Web push notifications are messages that come from a website. You get them on your desktop or device even when the concerned web page is not open in your browser. They are a brand new but proven to work marketing channel to re engage your visitors without knowing their email or other contact details.

By sending as many as three automated notifications to remind people about their abandoned carts, you can increase your conversions without breaking a sweat or worrying about whether they read your message.

Just like email marketing, web push notifications for cart recovery can also be automated using apps like PushOwl.

All you need to do is customize the offer you want to make, create a copy that instills a sense of urgency and set up the duration at which you'd want the reminders to be sent.

You can work on custom hero images or use the product images that get dynamically generated to grab the cart abandoners attention.

- **Use [address lookup technology](#) to minimize typing**

Form-filling is dull. Customers know this as well as anyone, and will often go to great lengths to avoid it. If your checkout funnel is littered with unnecessary forms to fill, more than a couple of potential customers will run like the wind.

Of course, a shopper's shipping information is necessary to complete their order. To make this easier for shoppers, accurate address lookup tech companies like Loqate are squashing the time it takes to get things done.



Anything you can do to shorten or smoothen the form-filling process is a shopper experience win. A pain-free form is a surefire way to reduce cart abandonment rate (and create trust with customers for future checkouts).

The data speaks for itself — after introducing address lookup, Hotel Chocolat reported a 19% uplift in the amount of people completing each stage of their checkout funnel.

- **Give shoppers the [guest checkout option](#)**

From a shopper lens, seeing the option to “checkout as guest” is now as standard as seeing the “add-to-cart” button. Research from the Baymard Institute indicated 30% of all shoppers abandon their purchase immediately upon viewing a registration process — not even a second thought!

In parallel to tip #3, this is all about saving time for the shopper. If they add a product to cart and are willing to pay for it, the last thing you want to do is shove a registration form in their face.

- **Use [dynamic retargeting](#) to recover lost sales**

Stella & Dot saw their average order value increase by 17% when targeting customers with more relevant ads.

This is all about employing technology that accurately creates a picture of a customer’s browsing experience so they can be targeted with adverts to match their interests.

Although Stella & Dot’s female lifestyle and fashion store was focussed more on increasing average order value (AOV), dynamic retargeting is a valid method of reducing cart abandonment by presenting individual users with adverts to match their activity.



- **Provide a one-click checkout**

Made famous by ecommerce giant Amazon, a one-click or one-step checkout allows shoppers to immediately purchase a product if they already have their payment details registered on the site.

Avoiding form-filling and saving time is a godsend for shoppers, as the estimated \$2.4 billion value of Amazon's expired one-step checkout patent goes to show.

Other ecommerce sites have designed one-click checkouts of their own, finding great results in terms of customer retention within the purchase funnel. A case study by Strangeloop even showed that implementing a one-step checkout increased conversion rates by 66%.

- **Be clear about delivery (i.e. free shipping)**

A joint study done by eDigitalResearch and IMRC found that 53% of cart-abandoners cite unacceptably high shipping costs as the reason for abandoning their purchase.

Making sure your shipping fees are extremely obvious (even to inexperienced online shoppers) from an early stage in the purchase funnel will prevent user frustration. Why? When shoppers discover the cost just before payment, or are simply not able to locate their final costs at all, they're more likely to bounce.

A study by Accent has shown that 88% of online shoppers expect free shipping to be offered to them in one way or another. Failing to meet this rising expectation may not bode well for growing Shopify merchants or even Shopify Plus merchants at scale.



- **Experiment with exit-intent popups & surveys**

If a frustrated shopper can't find what they want and he or she is on the brink of exiting your store, a live chat session could be the magic potion to keep them on-site.

BoldChat suggests that live chat is the preferred method of communicating with a business for 21% of shoppers. If you manage to solve a customer's biggest doubts, they will be one step closer to completing a purchase.

In turn, exit surveys allow you to gather the opinions of customers who abandoned their cart. Why didn't they make a purchase? Gold dust. Easily identify recurring themes and patch these things up so fewer potential sales slip through the net.

PRO TIP: A handy tip for exit surveys — give people open-ended questions to answer instead of preset options. According to Groovehq, this will increase response rate by 10%.

As for popup messages, it isn't a coincidence that popups always appear just when you are about to close a page. Many sites use technology that detects an aggressive mouse movement towards the top corner of the screen — usually a sign that it will be closed down.

These are last-ditch attempts to keep shoppers browsing, but if they capture attention in the right way, they can end up saving carts.

PRO TIP: A common tactic is to offer a discount. Research from Beeketing indicates that 48% of 'window shoppers' would buy a product they were interested in if they were offered a limited-time discount.

This works on the scarcity principle – a perceived rush to buy a product can prevent someone from abandoning their cart to come back at a later date.



• Take it **step-by-step**

Reducing cart abandonment isn't an overnight fix, but Shopify merchants can chip away by making small improvements to their store each week.

Luckily, there's an easy way to know where you stand among competing stores.

Littledata's smart analytics app helps Shopify and Shopify Plus merchants:

- Track every event in the customer journey, including real-time benchmarks
- Make easy store improvements to speed and performance with step-by-step missions
- Get 100% accurate store reporting, including proper sales and marketing attribution
- Improve your shopper experience by knowing the metrics that matter to your store — especially checkout completion rate to minimize your abandoned carts!





Thinking into the future

Littledata automatically benchmarks ecommerce sites so you can see how you compare, then recommends missions to optimise performance. Knowing your average checkout completion rate is a good place to start.

Remember, don't try to fix everything at once. Start with one of the tips above that's most relevant to your current shopping funnel, and go — or should we say, grow — from there!

littledata.io

Fix your Shopify tracking automatically with Littledata. With unlimited connections to popular tools and apps like Google Analytics, Segment, ReCharge, CartHook, Facebook Ads and more, Littledata is an automated solution for every Shopify merchant.

pushowl.com

PushOwl enables you to reach your store visitors and customers right on their device screen (mobile and desktop) after they have already left your website. Web push notifications are clickable, rich messages that bring back your shoppers without any friction.