

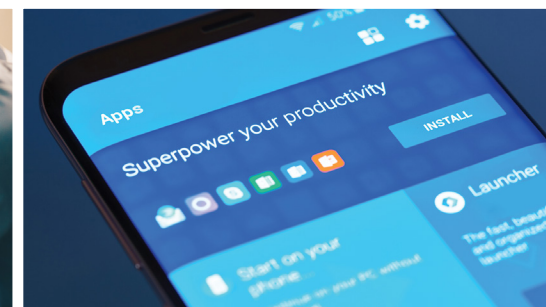
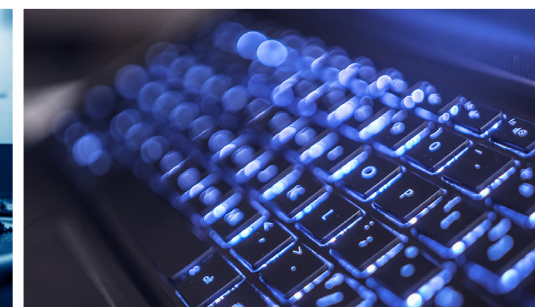


DIGITALRESEARCH
COMMERCE 360

2024 Edition

ECOMMERCE CONVERSION REPORT

How e-retailers make the most of their web traffic



CONTENTS

OVERVIEW	3
CONVERSIONS IN 2023	5
THE RETAILER SPEAKS	
WHAT RETAILERS ARE DOING TO BOOST CONVERSION	10
THE SHOPPER SPEAKS	
CONVERSION: ONLINE SHOPPERS IDENTIFY WHAT WORKS — AND DOESN'T — FOR THEM	17
5 WAYS RETAILERS CAN BOOST CONVERSION RATES	28
CONCLUSION	29
ABOUT	
The authors	31
Digital Commerce 360 Research	32

CHARTS

CONVERSIONS IN 2023

Conversion rate by merchant type	
Top 1000	5
Top 2000	6
Conversion rate by merchandise category	
Top 1000	7
Top 2000	8

THE RETAILER SPEAKS

Conversion rate results by website	11
Median Top 1000 2023 conversion rate for retailers offering omnichannel services	12
Median Top 2000 2023 conversion rate for retailers offering omnichannel services	12
Online retailers add more payment options for shoppers	13

THE SHOPPER SPEAKS

Free shipping is the top priority	18
Which retailer policies and initiatives are most likely to lead you to place an online order?	19
Facebook, Amazon lead the advertising race	20
Thinking about 2023, what changed or kept you from placing an order?	21
Shoppers prefer talking to humans for customer service	23
Cart abandonment issues	24
Mobile shopping experience	25
Personalized experiences aren't for all shoppers	26
Omnichannel experience centers around practicality	26

OVERVIEW

Human nature may remain constant across decades, spaces and technologies, but in 2024, consumers have never had as many options when deciding where to place their attention and how to execute order transactions. As a result, retailers must choose the channels and conversion techniques that work best for their shoppers in adaptive and personalized ways.

Take a look at what we know to be important:

PRICE AND SHIPPING

The ability to compete on price and fulfill orders in a timely manner matters as much as ever in 2024. It remains the No. 1 choice by shoppers in Digital Commerce 360's annual survey on what drives purchase decisions. This year, 73.4% of survey participants said free shipping was the most likely factor to entice them buy. 70.6% answered price.

Moreover, 40.1% cited high shipping costs as a common reason for abandoning their shopping carts. 31.9% said failing to qualify for free shipping had caused them to do the same, demonstrating that for a sizeable audience, this can be an expectation, not just a nice-to-have offering.

TRUST

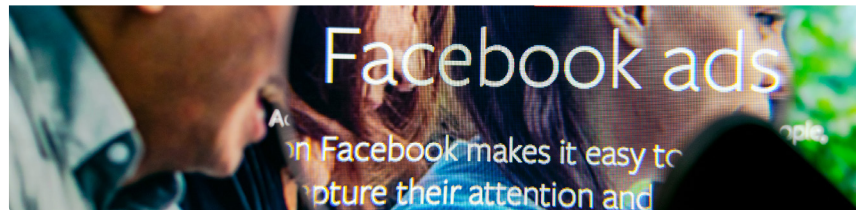
More than half (52.4%) called trust in a brand important when make a final purchase decision, and that preference was expressed in repeat-buying habits as well, with 48.4% checking that they made a purchase because they had bought from the same retailer previously. A similar share of responses noted the importance of the quality or quantity of reviews they had seen.

SOCIAL MEDIA

When TikTok Shop launched in the U.S. in September 2023, it attracted more than 200,000 sellers. The ByteDance-owned platform instantly became a source of speculation for 2024 as trend lines in social commerce began to appear.

The electronics retailer Newegg has even gone as far as to set-up a full-time, in-house studio with team members cranking out TikTok videos to keep some of its top-selling products alive (and buyable) in users' feeds.

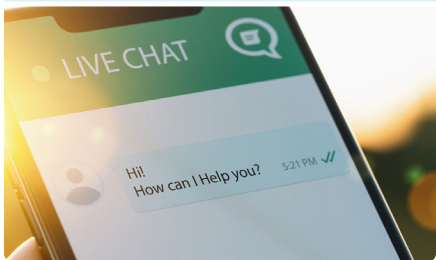
This year, Facebook (37.3%) and Amazon (28.9%) were selected most when Digital Commerce 360's survey asked which locations shoppers felt were most effect in getting them to click on an ad to make a purchase. Only 15.8% mentioned TikTok, meaning it has room to grow.



CUSTOMER SERVICE

Chatbots that run on artificial intelligence may be enticing add-ons to ecommerce sites, but consumers still want to feel like they are dealing with human beings when addressing issues with online merchants. Nearly half (48.1%) said they wanted to deal with real people in live chats.

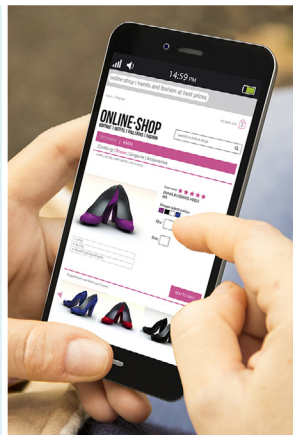
Only 14.9% of survey takers said they wanted to resolve problems in chats with bots or other automated systems, showing that the tech still needs to win over shoppers.



MOBILE EXPERIENCE

Mobile website design has come a long way, but many sites still struggle to keep up with user expectations. Asked which issues were most likely to stop them from placing orders, consumers in Digital Commerce 360's survey said difficulty switching between products while comparing (32.8%) was their biggest complaint. That was followed by desktop experiences being faster and easier (30%).

Another 25.8% indicated being turned off by mobile sites that require too much scrolling.



PERSONALIZATION

Another area where AI has applications is in personalization. And it may be a space where the technology is better positioned to solve customer needs. 32.4% of consumers in the survey said search results that reflect their word choices and previous interests made them more likely to buy.

Meanwhile, 22.1% like the idea of product page recommendations leveraging their purchase history, and 22% were open to retailers using their browser history to inform those suggestions.

OMNICHANNEL OPTIONS

When it comes to omnichannel incentives, the most popular options are easy to understand. Consumers like choices that save them time and money.

The two most popular reasons for selecting in-store or curbside pickup are the store being located nearby (54%) and discounts being offered (52.9%). After that, shoppers are mostly likely to be swayed by product availability (46.6%) or how quickly the order can be prepared (46.2%). ✓

CONVERSIONS IN 2023

In 2023, a year defined by inflation, uncertainty and industrywide shifts in favor of efficiency, conversions got more difficult for online retailers. After years of relative stability, the median conversion rate fell for retailers in Digital Commerce 360's Top 1000, dipping to 2.7% in 2023 from 2.8% in 2022.

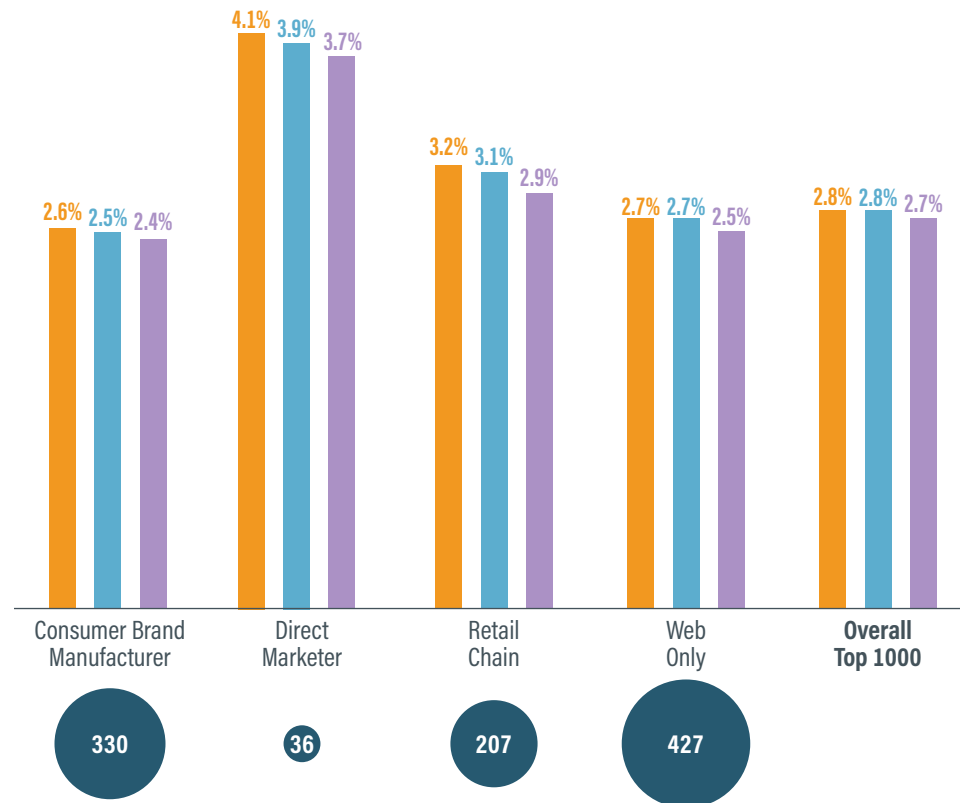
In the Top 2000, the median conversion rate fell to 2.4% in 2023 from 2.6% in 2022, remaining lower than the results achieved by the Top 1000. Nevertheless, consumers across the board seemed difficult to persuade amid rising prices and competition for attention.

By category, some of the steepest declines can be seen in Health/Beauty, where the median rate in the Top 1000 fell to 3.4% from 3.9%. In Food/Beverage, the median rate dropped to 4.1% from 4.5%.

CONVERSION RATE AMONG TOP 1000 BY MERCHANT TYPE

Median Top 1000 conversion rate: 2021 2022 2023

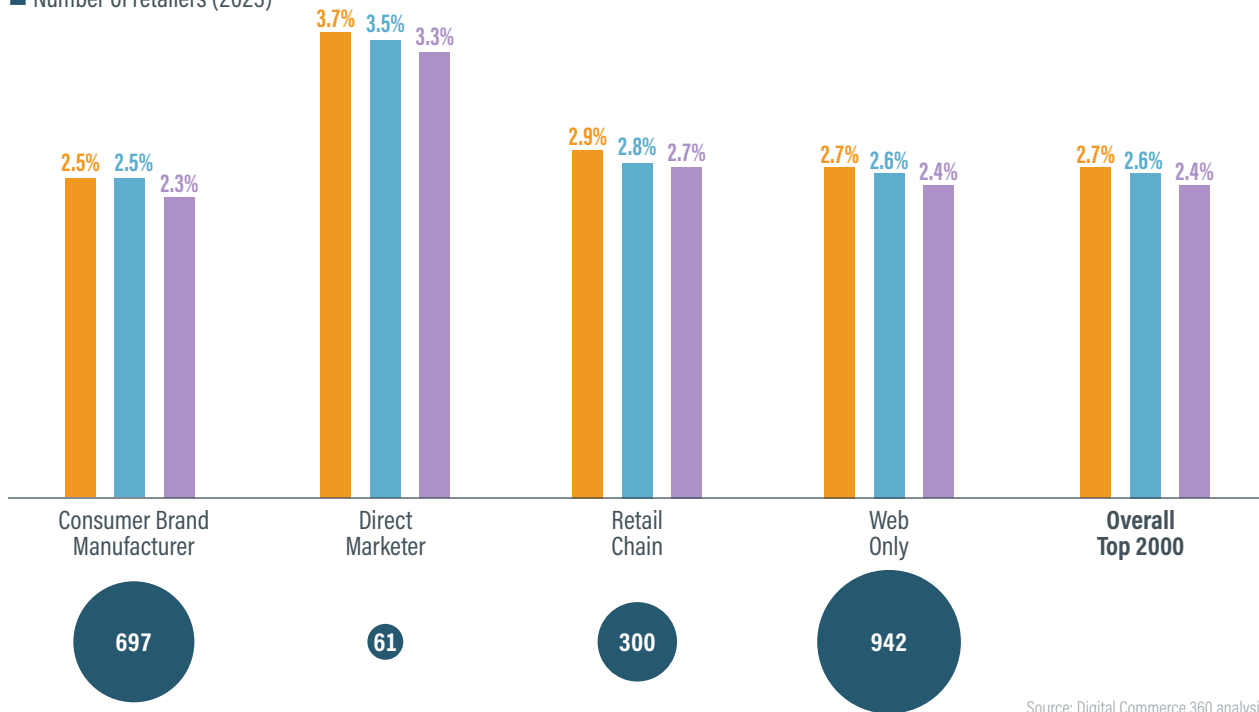
Number of retailers (2023)



Source: Digital Commerce 360 analysis

CONVERSION RATE AMONG **TOP 2000** BY MERCHANT TYPEMedian **Top 2000** conversion rate: ■ 2021 ■ 2022 ■ 2023

■ Number of retailers (2023)



Source: Digital Commerce 360 analysis

Both are traditionally among the top-converting categories along with Flowers/Gifts and Office Supplies. That held true for all four categories in 2023, though Office Supplies took the mildest hit among them, going to 4.6% in 2023 from 4.8% in 2022.




























































Despite headwinds, Digital Commerce 360's analysis of the Top 1000 showed that retailers with omnichannel offerings, including buy online, pick up in store (BOPIS) or curbside pickup still produced higher conversion rates than those that did not. Those with BOPIS in the Top 1000 sustained a 2.9% median conversion rate (down from 3.1% in 2022), while those without an omnichannel offering saw their median conversion rate go to 2.5% in 2023 from 2.6% in 2022. ✓

CONVERSION RATES FOR THE **TOP 1000** BY CATEGORY FOR PAST THREE YEARS

CATEGORY	MEDIAN 2021 CONVERSION RATE	MEDIAN 2022 CONVERSION RATE	MEDIAN 2023 CONVERSION RATE	NUMBER OF RETAILERS (2023)
Apparel/Accessories	2.7%	2.7%	2.5%	247
Automotive Parts/Accessories	1.4%	1.4%	1.3%	39
Consumer Electronics	2.0%	2.1%	2.0%	74
Flowers/Gifts	4.6%	4.6%	4.3%	21
Food/Beverage	4.3%	4.5%	4.1%	38
Hardware/Home Improvement	3.3%	3.2%	3.0%	83
Health/Beauty	4.1%	3.9%	3.4%	56
Housewares/Home Furnishings	2.3%	2.3%	2.2%	115
Jewelry	1.8%	1.8%	1.7%	41
Mass Merchant	3.5%	3.3%	3.2%	49
Office Supplies	5.0%	4.8%	4.6%	26
Specialty	3.9%	3.8%	3.6%	77
Sporting Goods	2.3%	2.3%	2.0%	81
Toys/Hobbies	2.8%	2.6%	2.5%	53
Overall Top 1000	2.8%	2.8%	2.7%	

Source: Digital Commerce 360 analysis

CONVERSION RATES FOR THE **TOP 2000** BY CATEGORY FOR PAST THREE YEARS

CATEGORY	MEDIAN 2021 CONVERSION RATE	MEDIAN 2022 CONVERSION RATE	MEDIAN 2023 CONVERSION RATE	NUMBER OF RETAILERS (2023)
Apparel/Accessories	2.5% 	2.4% 	2.3% 	484 
Automotive Parts/Accessories	1.3% 	1.3% 	1.2% 	62 
Consumer Electronics	1.9% 	2.0% 	1.9% 	152 
Flowers/Gifts	4.7% 	4.6% 	4.3% 	38 
Food/Beverage	4.1% 	4.2% 	3.8% 	95 
Hardware/Home Improvement	3.3% 	3.2% 	3.0% 	144 
Health/Beauty	3.5% 	3.4% 	3.0% 	138 
Housewares/Home Furnishings	2.4% 	2.3% 	2.2% 	201 
Jewelry	1.8% 	1.8% 	1.7% 	76 
Mass Merchant	3.1% 	3.0% 	2.9% 	72 
Office Supplies	3.1% 	3.0% 	2.8% 	53 
Specialty	3.5% 	3.4% 	3.3% 	188 
Sporting Goods	2.4% 	2.4% 	2.1% 	160 
Toys/Hobbies	2.7% 	2.6% 	2.5% 	137 
Overall Top 2000	2.7% 	2.6% 	2.4% 	

Source: Digital Commerce 360 analysis

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THE RETAILER SPEAKS

WHAT RETAILERS ARE DOING TO BOOST CONVERSION

Retailers tried a variety of methods to boost conversion rates in 2023. As demonstrated by Digital Commerce 360 data year after year, maintaining — and even growing — conversion rates can be essential to growing revenue for many retailers. Therefore, conversion remains top of mind for many online retailers.

Sometimes, prioritizing conversion means doubling down on strategies that are already working, such as offering multiple payment methods and embracing installment payments like buy now, pay later (BNPL). Other retailers are embracing new channels to boost their conversion, with a willingness to experiment with social media and influencers who can send their followers to a retailer's website.

In the following sections, we'll look deeper at four differing approaches retailers used to increase their conversions in 2023.



WHAT'S WORKING

BNPL

Buy now, pay later (BNPL) can be a boon to sales. Some retailers have had it for years, while furniture retailer Ikea just added it in the fall of 2023.

“We know we’re a little late to the game with BNPL. But we really wanted to see how it was going to play out,” Christine Briganti, financial services deployment project leader at Ikea said at the time of launch in September.

“After looking at BNPL, we’ve structured it in a thoughtful way to service a demographic at Ikea we weren’t serving properly,” Briganti said.

The furniture retailer added Afterpay as a payment option on purchases priced between \$40 and \$500. Allowing BNPL to be used on relatively low-priced products gives Ikea a way to push consumers toward certain items, she said.

JEWELRY, AUTOMOTIVE PARTS, AND APPAREL RETAILERS LEAD IN OFFERING BNPL

Percent of Top 1000 retailers offering BNPL by category

Jewelry	83.3%
Automotive Parts/Accessories	71.8%
Apparel/Accessories	67.1%
Housewares/Home Furnishings	64.3%
Toys/Hobbies	52.8%
Consumer Electronics	49.3%
Mass Merchant	49.0%
Sporting Goods	48.1%
Health/Beauty	47.4%
Office Supplies	42.3%
Flowers/Gifts	38.1%
Specialty	37.3%
Hardware/Home Improvement	34.9%
Food/Beverage	18.4%

Source: Digital Commerce 360 Research

“If you were going to buy a living room coffee table and you saw one for \$100, but maybe there’s another for \$200-\$300, you might opt for the higher-priced table if you’re not paying cash for it upfront,” she said.

For now, the experiment is still in its infancy and Ikea wants to gather more data before making decisions going forward, it said. However, since adding Afterpay, the retailer has seen “an increase in share throughout the U.S. market,” it said in a statement.

Overstock, which purchased Bed Bath & Beyond and now operates under the name “Beyond Inc.,” also saw success with BNPL for more inexpensive items. BNPL purchases account for a small number of total sales, just 2% to 3%, former CEO Jonathan Johnson told Digital Commerce 360 in 2023. He said there’s been a “slight uptick,” though they’re still a small part of the business overall. Overstock uses Swedish payment service Klarna to facilitate those sales.

Customers who do choose to use BNPL services are mostly buying less expensive items from Overstock’s catalog, he said.

MEDIAN TOP 1000 2023 CONVERSION RATE FOR RETAILERS OFFERING OMNICHANNEL SERVICES

	2023	2022	2021	NUMBER OF RETAILERS
Buy Online, Pick Up in Store	2.9%	3.1%	3.2%	261
Curbside Pickup	3.6%	3.9%	3.8%	131
BOPIS and/or Curbside	2.9%	3.2%	3.2%	264
No BOPIS or Curbside	2.5%	2.6%	2.7%	736

MEDIAN TOP 2000 2023 CONVERSION RATE FOR RETAILERS OFFERING OMNICHANNEL SERVICES

	2023	2022	2021	NUMBER OF RETAILERS
Buy Online, Pick Up in Store	2.8%	3.0%	3.0%	344
Curbside Pickup	3.2%	3.4%	3.4%	158
BOPIS and/or Curbside	2.8%	3.0%	3.0%	351
No BOPIS or Curbside	2.4%	2.5%	2.6%	1649

Source: Digital Commerce 360 analysis

Average products purchased with Klarna range between \$10 and \$400, he said.

Both retailers said they use BNPL to reach younger consumers, who might not have established credit yet.

Other payment methods

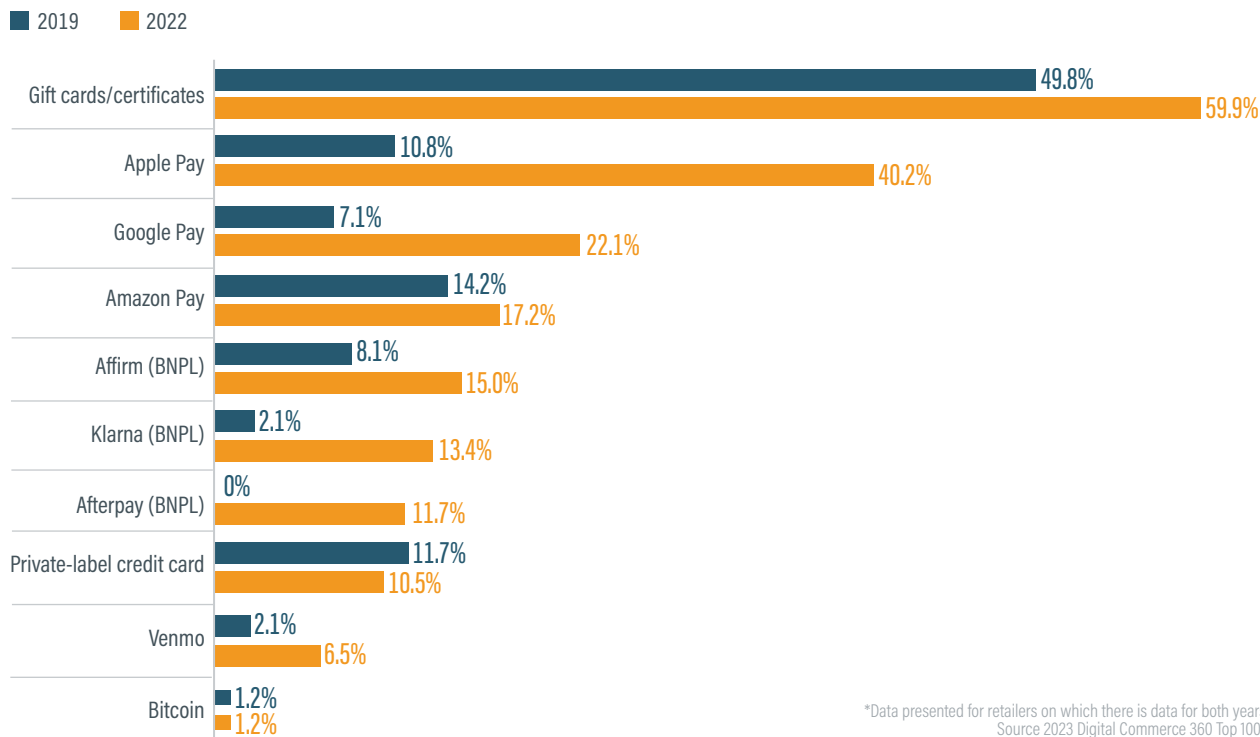
In 2023, sink retailer Houzer planned to focus on its direct-to-consumer website sales. The retailer sold on marketplaces including Home Depot, Lowe's, Amazon and Wayfair, but its own website had outdated technology, CEO Michael Challenger said.

“Before we found BigCommerce and Feedonomics, our tech stack was pretty much as rudimentary as you can get,” he said. Over a six-week timespan, Houzer replatformed its website with BigCommerce. It used Stripe for payment processing, and Amazon's Buy with Prime as a payment option at checkout.

Buy with Prime gives Amazon Prime members access to Amazon's fulfillment network when they shop on other websites. It's compatible with ecommerce websites using Shopify, BigCommerce, Salesforce

ONLINE RETAILERS ADD MORE PAYMENT OPTIONS FOR SHOPPERS

Share of Top 1000 retailers* offering a sample of payment methods in 2019 and 2022



*Data presented for retailers on which there is data for both years.
Source 2023 Digital Commerce 360 Top 1000

and other platforms. Amazon says Buy with Prime is associated with an average shopper conversion rate that is 25% higher than what is normally achieved without its features.

Houzer's replatform, including the addition of Buy with Prime, led to a 47% increase in conversion, Challinger said. Transactions also increased 150%, and revenue grew 118%. Bounce rate, meanwhile, declined 23.3%. A year after replatforming the website, it was worthwhile despite the costs and short-term pain points of the process, Challinger said.

Social media

For young consumer brands getting started on social media, choosing a strategy and finding ways to stand out can seem daunting. Founded in 2017, the natural skin care and beauty brand Three Ships found traction through offering free samples through its ads on Meta-owned platforms, laying a path to grow its own direct-to-consumer (DTC) sales, even as it was getting its eye masks, serums and cleansers onto Whole Foods shelves in Canada and the U.S.

"So many of our sales come from other customers referring their friends and family or them trying their product for the first time," said Three Ships co-founder Laura Burget, speaking about growth strategies at eTail West in February. "So a huge unlock for us has been doing a lot of sampling directly through our Meta ads."

Burget said the repeat purchase rate for Three Ships customers is around 40%, which she reads as a signal that the samples are effective when Meta ads through platforms including Facebook and Instagram can introduce the company's products to new buyers.

"It's a great and really affordable way to acquire new customers, and we find that around 25% of people that get the sample pack through their Meta ads actually repeat purchase our own DTC," Burget stated. "And then there's probably another portion that we're missing because they're going to our retail distributions."



Influencers

In social media, the influencer landscape has shifted over the past decade as marketing strategies matured on Instagram and TikTok began to take off.

Chris Gerbig, the co-founder and president of women's clothing boutique Pink Lily, told Digital Commerce 360 in January that although the company "put 60%-70% of our marketing budget on influencers" in 2017 and 2018, his team has since taken a more holistic approach. That means being more strategic and balancing budget across social channels, paid ads and email, along with influencers, depending on what is working as social platforms' algorithms continue to update.


The consumer electronics site Newegg, meanwhile, has been early and committed jumping into TikTok,

where it sees TikTok Shop and testimonials as important pieces of its overall social media strategy.

"When looking at beauty products, between 98% and 99.9% of Gen Z care about ratings, reviews, testimonials and Q&As," said Ben Tibbels, a live studio producer at Newegg, citing survey data from PowerReviews. "They care what other customers are saying about the product. That is the most important piece of information in their buying decision."

"The next most popular factor after all that is TikTok with over half of Gen Z saying they take TikTok videos into account when making the purchasing decision," Tibbels explained, describing the rationale behind Newegg's studio, which hires in-house influencers to record TikTok content across six different accounts, appearing in users' feeds alongside other influencers' videos.

"You also need someone who's going to get people to stop scrolling and watch your video," Tibbels explained. "We are fortunate enough to have in-house content creators with large followings of their own. When people scroll through TikTok, they may stop on our videos simply because they recognize one of our cast members who also happens to be quite adept at presenting content in an engaging way."

Those efforts have helped to make \$60 wireless Xbox controllers, \$600 PlayStation 5 game consoles and \$170 solid-state memory drives some of Newegg's top sellers on TikTok. 

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THE SHOPPER SPEAKS

CONVERSION: ONLINE SHOPPERS IDENTIFY WHAT WORKS — AND DOESN'T — FOR THEM

Two key factors consistently top the list of what online shoppers say will lead them to order conversion: free shipping and the right price.

By Abbas Haleem

Among Digital Commerce 360's findings over the years, two key factors consistently top the list of what online shoppers say will lead them to order conversion: free shipping and the right price.

In Digital Commerce 360's annual survey on conversion, nearly three-quarters of the 1,006 respondents (73.4%) said free shipping was the condition most likely to lead them to place an order on a retail website or app. Survey respondents could select multiple answers. In a close second, 70.6% of online shoppers said the right price guided their conversion. Meanwhile, 52.4% of those shoppers said trust in the brand was key. Product selection was the only other option that at least half of respondents picked.

WHICH WEBSITE ATTRIBUTES AND CONDITIONS BEST GUIDE CONVERSION?

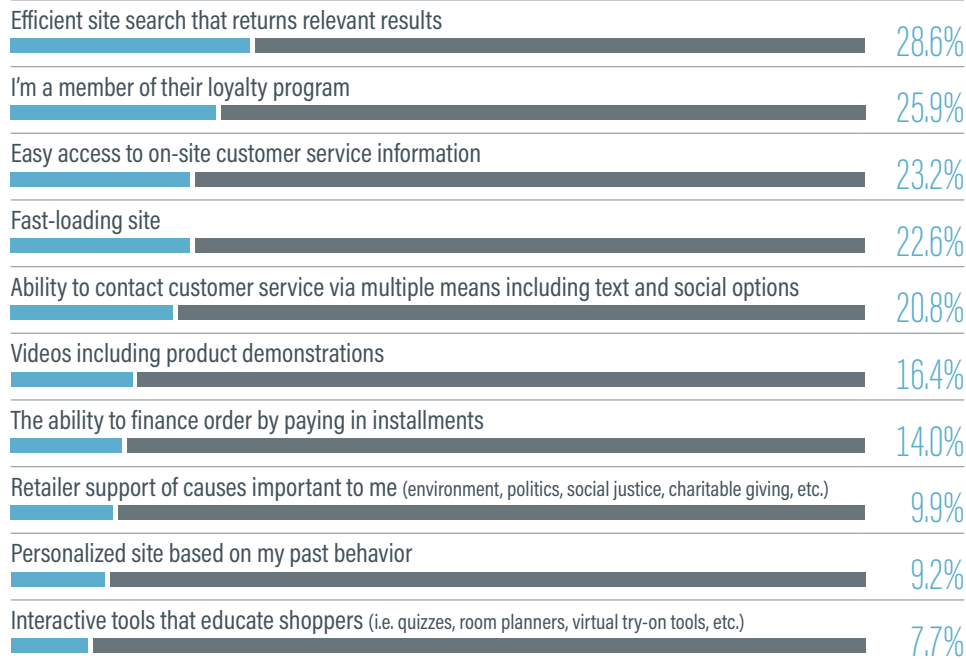
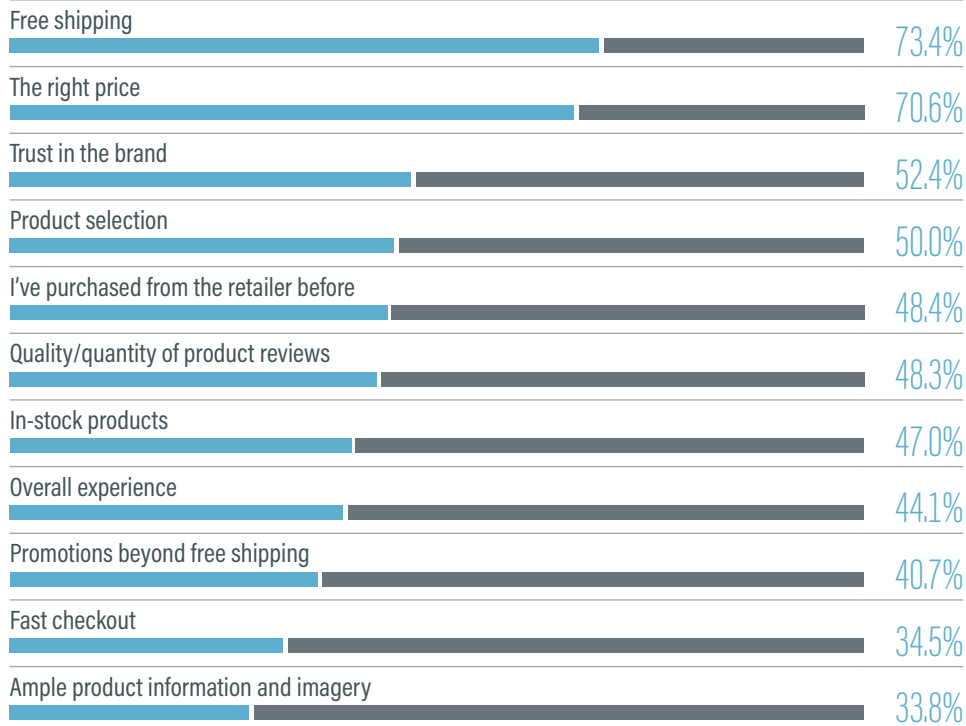
In line with the "trust in the brand" option, nearly half (48%) of respondents cited that they've purchased from the retailer before, or the quality/quantity of product reviews. Speaking of products, 47% of shoppers care about what's in stock.

On the lower end of the spectrum, less than 10% cited the following factors as reasons to convert:

- ▶ Checkout page returned an error/glitched (12%)
- ▶ Retailer support of causes important to me (9.9%)
- ▶ Personalized site based on my past behavior (9.2%)
- ▶ Interactive tools that educate shoppers, such as quizzes, room planners, virtual try-on tools (7.7%)

FREE SHIPPING IS THE TOP PRIORITY

Which website attributes or conditions are most likely to lead you to place an order on a retail website or app when shopping online? (Please select all that apply)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

WHICH RETAILER POLICIES HELP WITH CONVERSION?

Almost as good as free shipping is fast shipping, according to the conversion survey. 65.5% of respondents cited it, making it the top retailer policy that they said pushes them to convert. But it's not just about delivery.

61.8% of shoppers said they want free return shipping if they're going to order from an online retailer. Furthermore, half said they want a straightforward/easy return policy.

Similar to the attributes and conditions, 54.2% of respondents said past experience with a retailer makes them more likely to place an online order.

The least-popular initiative was virtual appointments, which 4.6% selected. Shoppers are also less preoccupied with emails that remind them of items they left in their shopping cart (12.9%) or if a product is from a local retailer (12.4%).

WHICH RETAILER POLICIES/INITIATIVES ARE MOST LIKELY TO LEAD YOU TO PLACE AN ONLINE ORDER? (Please select all that apply)

Fast shipping	65.5%
Free return shipping	61.8%
Past experience with the retailer	54.2%
Straightforward/easy return policy	50.0%
Guaranteed delivery times	40.7%
Can return an item to a physical location (Walgreens, Kohl's, etc.)	37.0%
Can return an item to the retailer's store	35.8%
Quality of a customer interaction (agent response time, resolution of issues, etc.)	29.8%
Option to pick up the order in a store	23.9%
Feature-rich, easy-to-use mobile app	23.4%
Easy reorder features	18.4%
Interactions with customer service reps	16.9%
Option to pick up the order curbside	16.8%
Product is from a local retailer	13.4%
Email that reminds me of items left in my shopping cart	12.9%
Virtual appointments	4.6%

Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

Meanwhile, omnichannel options might not be in the highest demand, but they're still relevant. More than a third of respondents want to be able to return an item to the retailer's store (35.8%) or to another physical location, like Walgreens or Kohl's (37%). Nearly a quarter (just over 23% each) said they want the option to pick an order up in a store, and a simple, feature-rich mobile app. 16.8% said they want curbside pickup as an option.

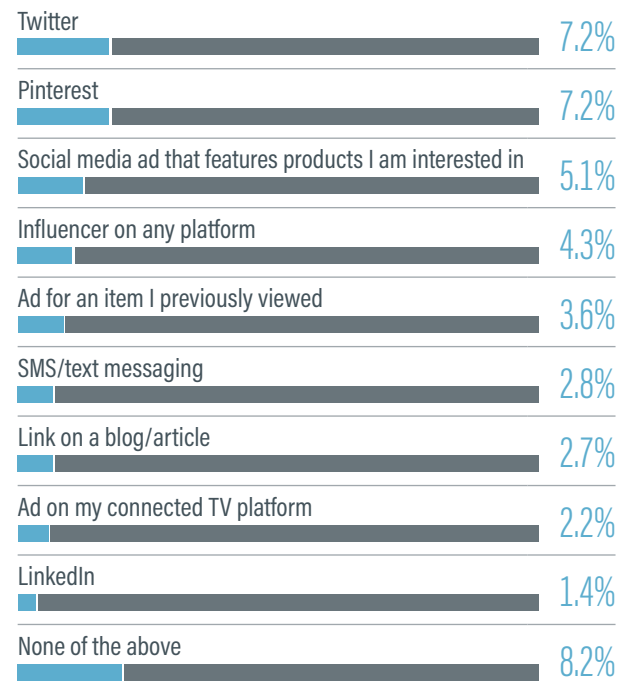
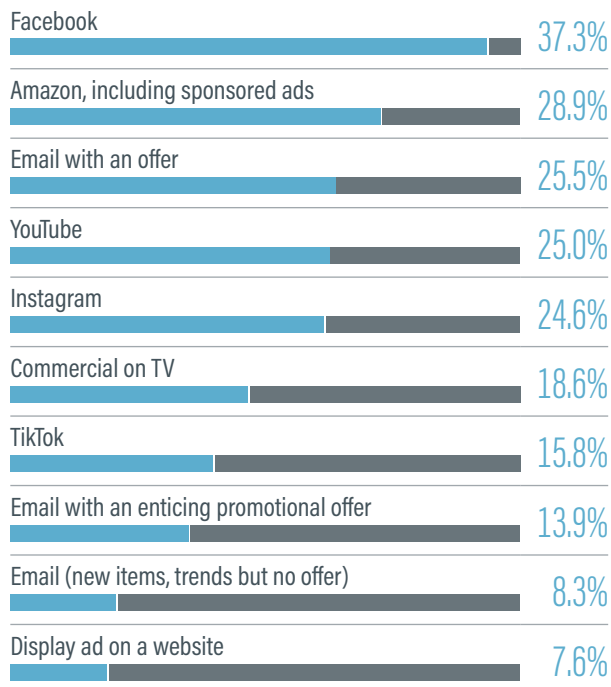
How do marketing and advertising channels affect shoppers' conversion?

There are five key channels that online shoppers said are the most effective at garnering conversion:

- ▶ Facebook (37.3%)
- ▶ Amazon, including sponsored ads (28.9%)
- ▶ Email with an offer (25.5%)
- ▶ YouTube (25%)
- ▶ Instagram (24.6%)

FACEBOOK, AMAZON LEAD THE ADVERTISING RACE

Which of these advertising locations do you find most effective in getting you to click on an ad and maybe make a purchase? (Up to 3 responses)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

In contrast, the five advertising locations these shoppers said they considered least were:

- ▶ LinkedIn (1.4%)
- ▶ Ad on connected TV platform (2.2%)
- ▶ Link on a blog/article (2.7%)
- ▶ SMS/text messaging (2.8%)
- ▶ Ad for a previously viewed item (2.6%)

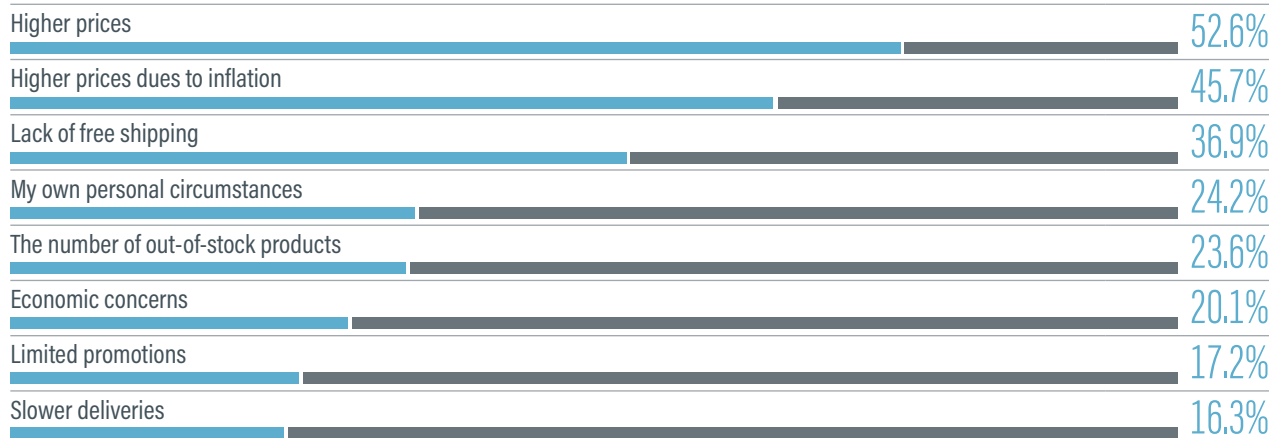
Additionally, 8.2% of shoppers said none of these advertising locations — nor others listed as options — would be effective in getting them to click on an ad and make a purchase.

WHAT HINDERED THE BUYING EXPERIENCE IN 2023?

Conversion is tricky in that sometimes shoppers just want to browse, and sometimes they want to buy. But even when they want to buy, they restrain themselves for various reasons. In 2023, the top reason shoppers identified that hindered their conversion was higher prices (52.6%). And doubling down on that,

THINKING ABOUT 2023, WHAT CHANGED OR KEPT YOU FROM PLACING AN ORDER?

(Please select up to three)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

the second reason was higher prices as a result of inflation (45.7%).

In other words: The consumer doesn't want to pay more — period. Tying into that, 20.1% of shoppers said economic concerns held them back.

And holding true to some of the above-mentioned points, 36.9% of shoppers said a lack of free shipping was one of the most significant reasons that kept them from placing orders in 2023.

WHY DO ONLINE SHOPPERS ABANDON THEIR CARTS?

The wrong fulfillment costs and options can stop a shopper from becoming a customer.

40.1% of surveyed shoppers said shipping costs made their total purchase cost more than they expected. This ties back to two themes: free shipping and the right price. For instance: 31.9% said they abandoned their carts because their order did not qualify for free shipping. 22.3% said the site they were shopping on

wouldn't accept their coupon or promo code. 19% said they faced unexpected additional expenses including but not limited to sales tax and white-glove delivery fees. 8.2% said retailers did not make financing options (such as buy-now-pay-later options Affirm, AfterPay and Klarna) available. Meanwhile, 6.9% said the retailer's site would not accept their gift card.

Sometimes, it just comes down to convenience — or inconvenience. For example, 39% of shoppers just wanted to save their cart for later. But 21.5% learned that the item they wanted had become out of stock. And 21.1% said they only added items to their cart to compare prices more easily, while 21.5% said they just got distracted and forgot to make their purchase.

ONLINE SHOPPERS WANT TO TALK THROUGH THEIR PURCHASES

More than any other option, online shoppers said they wanted their customer service interactions to be in real time with human beings (48.1%). And if the interaction can't be a live chat, shoppers prefer email or a phone call (36.1% each).

The next-best option is a general in-store interaction (19.8%) or text messages (16.7%). That puts five options noticeably ahead of chatbots and similar automated systems (14.5%).

Less than 10% of shoppers selected:

- ▶ Interaction via social media (9.7%)
- ▶ Virtual appointment (6.1%)
- ▶ In-store appointment with associate (4.2%)

MOBILE SHOPPING LIMITATIONS

Traffic to mobile devices grew year over year during each week of the 2023 holiday season, according to Salesforce data. But even as online shopping becomes increasingly mobile, some shoppers still prefer using their desktop devices (30%), at least for some parts of the experience.

Nearly a third (32.8%) of shoppers found it difficult to switch between products they compared on a mobile device. More than a quarter (25.8%) of shoppers said there's too much scrolling on mobile devices. In the

same vein, 23.9% said mobile shopping navigation is cumbersome.

Among other pain points in the mobile shopping user experience, shoppers cited:

- ▶ Image-rendering problems (19.1%)
- ▶ Unoptimized mobile websites (19%)
- ▶ Content not appearing correctly (18.3%)
- ▶ Navigational button size is too big or too small (10.8%)

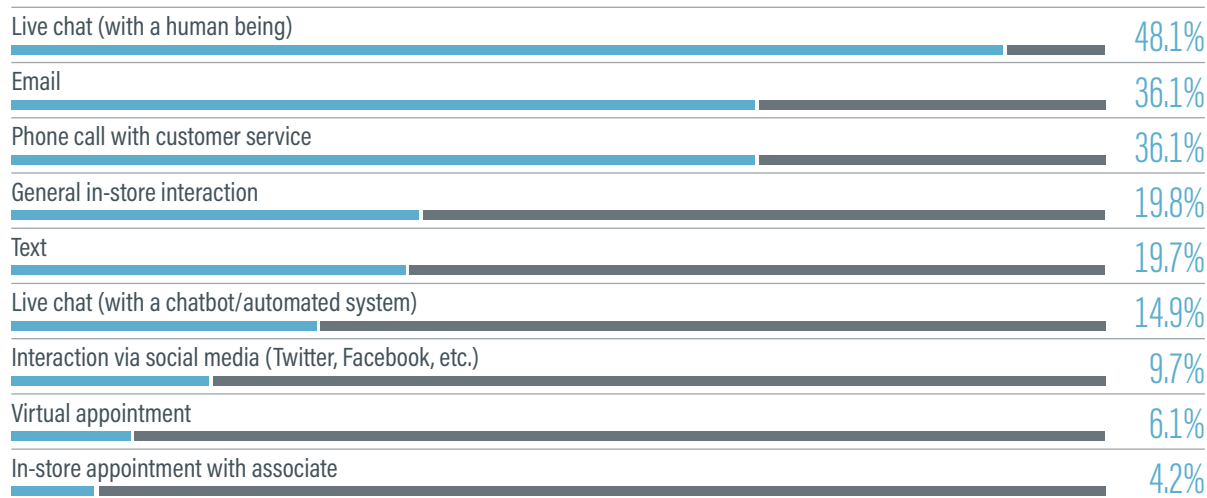
THE POSITIVES OF PERSONALIZATION

Personalization can be a key tool for helping retailers improve their conversion.

Almost a third of shoppers (32.4%) said search results that factor in their search word and previous interests would make them more likely to purchase from a retailer's website. Similarly, more than a fifth of shoppers said product page recommendations based on prior buying behavior (22.1%) and browsing behavior (22%) would make them more likely to purchase from an online retailer.

SHOPPERS PREFER TALKING TO HUMANS FOR CUSTOMER SERVICE

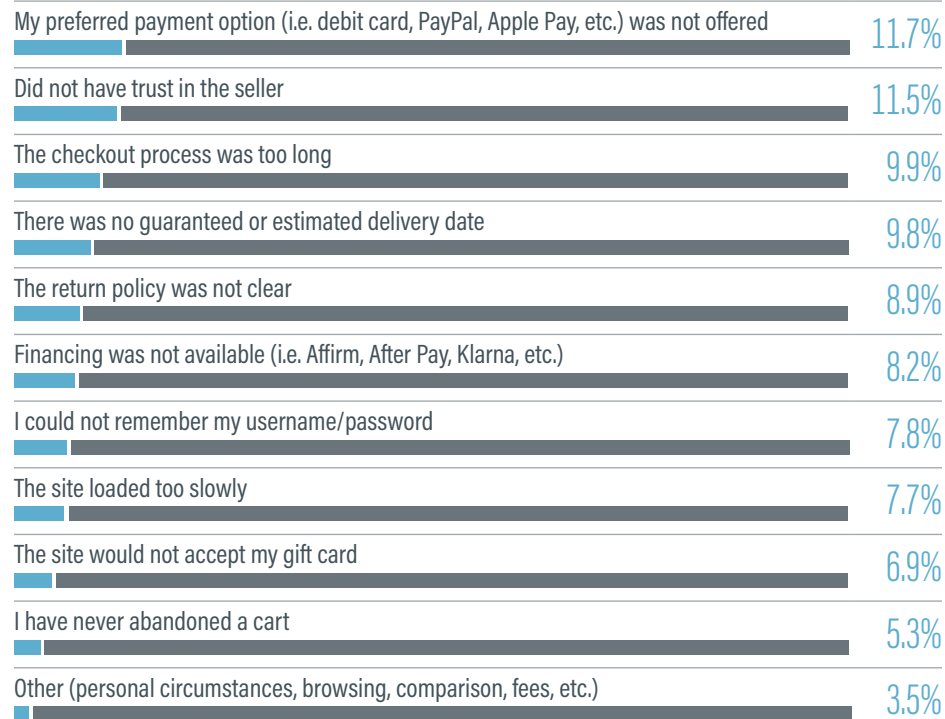
Thinking about customer service interactions over the years, after which types are you most likely to make an online purchase? (Please select up to three)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

CART ABANDONMENT ISSUES

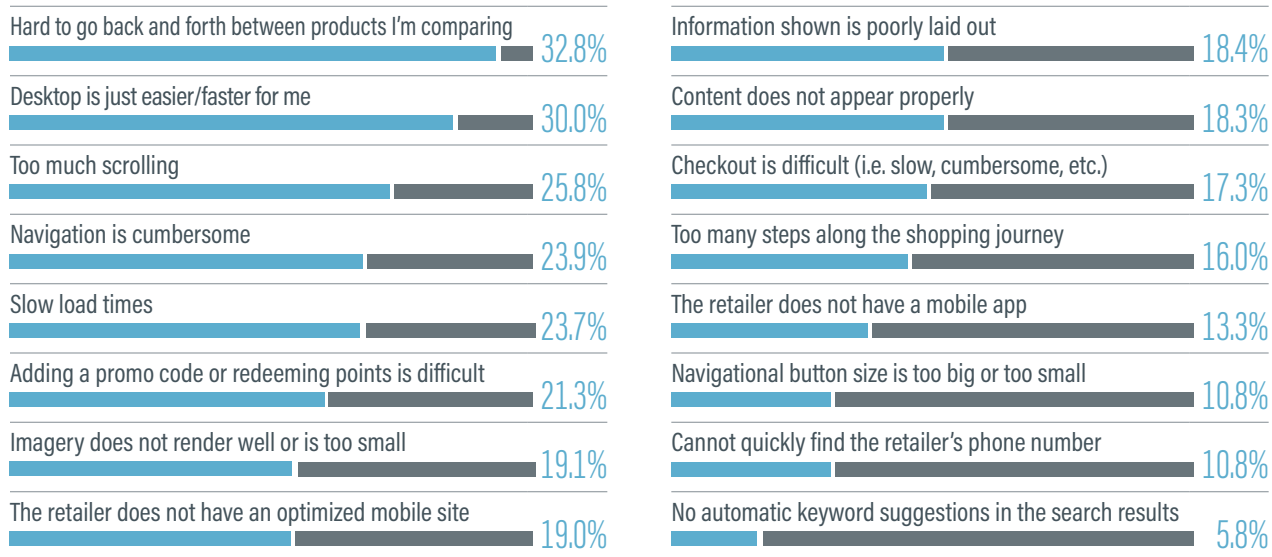
If you have ever placed items in your online cart then left without purchasing, which of the following are the most common reasons? (Please select all that apply)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

MOBILE SHOPPING EXPERIENCE

What are some of the issues you face when shopping online using a smartphone that inhibit you from placing an order? (Please select all that apply)




Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

But personalization isn't for everyone. Nearly a fifth (19.8%) are indifferent about personalization, and 12.8% said they don't like personalized shopping experiences.

FACTORS THAT MAKE OMNICHANNEL OPTIONS WORTHWHILE

In-store and curbside pickup can be helpful tools for retailers to draw shoppers to their stores. When convenient enough, omnichannel offerings help boost conversion.

And when it comes to in-store and curbside pickup, proximity to a store location (54%) is key. In line with earlier findings, price remains a major factor, even for pickup. 52.3% of respondents said a discount for buy online, pick up in store (BOPIS) would make them more likely to place a pickup order.

From a practical standpoint, product availability (46.6%) and how quickly an order can be ready for pickup (46.2%) are key, too. 

PERSONALIZED EXPERIENCES AREN'T FOR ALL SHOPPERS

Which of the following aspects of a personalized experience would make you more likely to purchase from a retailer's website? (Please select all that apply)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

OMNICHANNEL EXPERIENCE CENTERS AROUND PRACTICALITY

Which of the following would make you more likely to place an order for store pickup (in-store or curbside)? (Please select up to five)



Source: Digital Commerce 360 and Bizrate Insights survey of 1,006 online shoppers in January 2024

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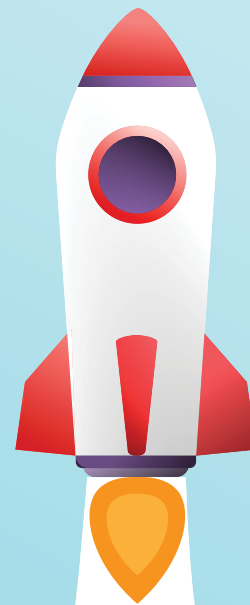
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5 WAYS RETAILERS CAN BOOST CONVERSION RATES

1. Bolster social media marketing and offers. Simply adding product photos and videos on social platforms that customers use can begin to build relationships and trust. Offering free samples through ads or reaching out to key influencers can do even more to earn consideration and sales. After all, consumers are more likely to purchase from a brand with whom they have already had a positive experience.
2. Make shipping and returns both easy and free. Shoppers understand convenience, and when shipping and return options are simple, survey results show they are more likely to order. When customers have less to think about and know what to expect, it's easier for them to take a chance on a product.
3. Keep pricing as transparent as possible. Last-minute surprises can drive shopping cart abandonment. When a customer discovers a coupon code won't be accepted or an order total fails to qualify for free shipping, finding out they need to pay more than they expected can be a dealbreaker.
4. Integrate personalized search results and recommendations on ecommerce sites. When shopping experiences better align with individual preferences, customers may be more likely to see matches that save them time and keep them engaged.
5. Expand the range of payment options offered at checkout. If a customer is used to Apple Pay, Buy with Prime or PayPal, familiarity and trust can give them the last-minute incentive they need to complete an order. For a first-time buyer at your site, that existing trust in a payment option may be the reassurance and convenience that makes a difference.



CONCLUSION

The story of conversation rates in 2023 followed stories that merchants likely saw elsewhere in their businesses and daily lives. With predictability at a premium, convincing a customer to complete an order remains as challenging as ever.

Still, retailers should take heart understanding that they have never had as many tools at their disposal to connect with customers and personalize offers and experiences in new ways. These opportunities extend from omnichannel options and ecommerce

site experiences to social media channels and beyond.

While customer expectations are high, particularly when it comes to shipping and price, preferences are also clear and addressable. At the same time, some truths remain constant, including the impactful potential of human communication and quality customer service. When modern solutions accompany customer-first decisions and earned trust, the roadmap to conversion can be much easier to navigate. ☑





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