

BEST PRACTICES



February 23, 2005

Flash Shopping Cart Boosts Conversion Rates

by **Harley Manning**

with Bruce D. Temkin and Michelle Amato

EXECUTIVE SUMMARY

When it launched its new site, T.J. Maxx tested an HTML version of its shopping cart against a single-screen checkout process built with Flash. The Flash cart converted shoppers to a sale 50% more often than the HTML version. Companies considering a similar move should first eliminate known flaws from their current carts.

SINGLE-SCREEN FLASH CHECKOUT PROCESS BOOSTED CART CONVERSION BY 50%

In 2004, retailer TJX launched a site for its flagship brand, T.J. Maxx. Working with Web design agency Molecular, the retailer baked in an A/B test of two very different checkout processes: a typical multistep version built with HTML and a single-screen version created with Flash. When customers clicked *Add To Cart*, half were routed to the HTML cart and the other half landed on the Flash alternative, which added client-side function that let users:

- **Control the order of the steps in the process.** Customers can quickly and easily move back and forth among shipping, delivery, and payment options to add information or make changes without losing previously entered data or waiting for the server to fetch an entire page. That's because the cart is downloaded to the user's computer at the start of the process. As a result, the Flash cart is able to quickly open and close each part of the form with a click, while simple animation provides feedback about the customer's progress.
- **Quickly calculate the effects of cross-sells, upsells, and shipping options.** Because the Flash cart taps into the processing power of whatever computer it sits on, totaling an order takes place almost too fast for the eye to follow. This encourages customers to explore the effect that adding items or picking a faster shipping method has on their bottom line.

Flash Cart Follows Basic Rules Of Customer Experience Design

Despite the fact that they saw the same product pages, paid the same prices and shipping charges, and had to provide the same ordering information, customers who added products to the Flash cart converted to a sale 50% more often. The size of the improvement might be surprising, but the mere fact that there was an improvement should not. Consistent with well-established principles of interaction design, the single-screen checkout process:

- **Gives power to prospects.** Allowing users to initiate and control actions speeds learning by actively engaging them in a process.¹ High-function carts efficiently “teach” the consequences of changes to an order so that users will proceed with increased confidence.

- **Builds trust in customers.** Speedy response rates make users perceive sites as more secure and also make site content seem more interesting and more believable.² Faster carts should therefore help knock down barriers to completing an order for the one-fourth of online consumers who are concerned about the security of their personal data.³

RECOMMENDATIONS

PUT YOUR CURRENT CHECKOUT PROCESS IN THE CROSSHAIRS

Shopping cart abandonment rates among online retailers hover around 50%. Although the bleeding stems from multiple factors, cart design accounts for much of the problem. To upgrade underperforming carts:

- **Eliminate known flaws from current carts.** Companies should start down the road to lower cart abandonment by identifying and fixing well-understood problems. For online checkout processes these problems include: 1) standard shipping costs greater than 15% of the total sale price; 2) not totaling the order before asking for payment; and 3) not having a wish list on the site, which inflates perceived abandonment rates by encouraging shoppers to leave items in carts rather than save them in a wish list for later purchase.⁴
- **Focus on design quality when considering Flash carts.** Simply recreating a multistep HTML cart in Flash won't yield benefits. T.J. Maxx purchased its cart from Web design agency Molecular, which spent six months of design, development, and testing effort in partnership with Macromedia to create the off-the-shelf application.⁵ Branded Single-Screen Checkout, Molecular takes an additional eight weeks to implement the cart on a site and charges about \$350,000 depending on the level of customization. Companies thinking about going it alone should budget at least six months of development time and plan on hiring interaction designers with experience in software design.

ENDNOTES

- ¹ The Macintosh Human Interface Guidelines published in the early 1980s popularized the principle of putting users in control. While this idea is broadly embraced in the software design community, Web designers working in HTML have limited technical capabilities with which to implement it.
- ² Users are typically very poor judges of the absolute speed of sites. But even without realizing the source of their concerns, they rate slow sites lower in key dimensions than fast sites. See the October 28, 2004, Best Practices "Site Speed: Misunderstood But Important."
- ³ In 2004, 27% of online consumers said they thought that credit card information was not secure when making an online purchase, up from 26% in 2003. See the September 8, 2004, Data Overview "The US Consumer 2004: Online Retail: Consumer Technographics® North America."

- ⁴ Data from User Interface Engineering showed a clean, direct correlation between the abandonment rates at major sites and their shipping costs as a percentage of the total order. In that study, high shipping costs proved to be the single greatest predictor of abandoned orders, displacing the previous top problem, which was asking for payment before specifying the payment amount.
- ⁵ Molecular developed its enhanced cart on the Macromedia Flex platform, a presentation server that delivers Flash applications. Before development began, Molecular spent another six months researching the causes of cart abandonment.