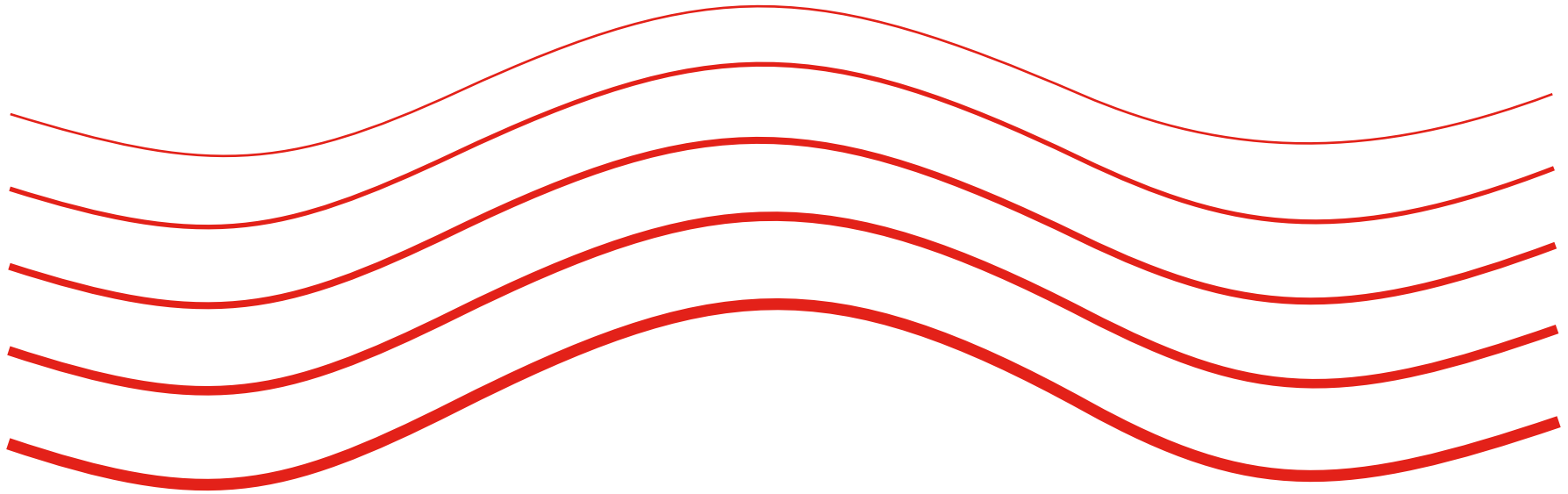


Strategic Insights

Best Practice in e-commerce websites



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www.manaraa.com

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STRATEGIC INSIGHTS ON BEST PRACTICE IN E-COMMERCE WEBSITES



INTRODUCTION

This Strategic Insight seeks to set out examples of best practice for e-commerce websites. The intention is that the ideas and case studies highlighted within this report can be used by postal operators in their dialogues with retailers, ultimately to help grow the packets and parcels business.

With a CAGR of 12.9%, the value of e-commerce in Asia, Europe, Latin America and the US is projected to be \$774bn per year by 2015, according to Forrester Research (2010). Another estimate by Goldman Sachs eMarketer research predicts the global value to be \$679bn by 2013 with faster growth and a CAGR of 19%. Whichever of these figures proves more accurate in time, the overwhelming message remains the same; global e-commerce is set to continue increasing its position of importance in the world of retail. In a recent study by Accenture it is stated that 40% of EU shoppers are now shopping online, 'a significant proportion of the €2,856bn that they will spend on retail by 2015 is likely to be online.'¹ Given these figures, it is possible that the significant milestone of €1tn per year e-commerce spend may be reached and passed by 2020; motivation for e-retailers to maximise on this potential spending power to convert sales, and motivation for posts to provide order fulfilment by way of delivery.

While the numbers are inspiring, there are numerous challenges for e-retailers before they can translate these theoretical figures into real numbers on their balance sheets. To do this retailers must successfully engage their customers through their website and convert web-traffic into sales, requiring both marketing to promote the website and user-friendly web

¹ Accenture, Planet Retail Data Analysis, November 2011

design. This is not always straightforward, especially for cross-border e-commerce where issues of delivery, returns and payment create theoretical and practical issues for both retailers and consumers. A study on behalf of the European Commission² in 2010 discovered that, '61% of transactions would have failed mainly because traders refused to serve the consumers country'. In the 2011 Parcel Delivery Study in Europe, 46.7% of consumers 'declares not to be interested in making a cross-border transaction because of worries about the delivery',³ and 60% agree that concerns about falling victims of fraud are a reason not to shop online cross border.⁴ Furthermore, once a sale is secure the shipping of the item must be carried out ideally in a manner that reflects well on the e-retailer, completing the order within the estimated time scale quoted on the website for delivery. Cross-border e-commerce transactions present further problems in the form of increased costs, currency, customs duties and returns, all of which must be addressed in order to ensure consumer confidence, both for the initial sale and with an eye to repeat business.

Fig.1.1 <http://eu.levi.com>



Another far wider challenge is time; the internet has led to significant changes over recent years in the retail industry and has also made everything very much more immediate; people can search a product and purchase within minutes once online rather than planning a trip to a physical shop and searching for it. With the growth in e-commerce naturally comes competition; website design is constantly advancing and this raises consumer expectations, as what is used online becomes the new 'norm'. In short periods of time, sites can look 'old', while in contrast, some brands such as Levi's have a very sophisticated website that is tailored for their customers. The visuals, the functionality and the features are all familiar, giving an overall experience that people recognise as being of a certain standard. This provides the shopper with confidence while also properly representing the brand image. This confidence – or trust – is critical to converting that website visitor into a customer.

One website as an example of these traits is that for the clothes retailer Levi's (Fig.1.1), which uses high-quality images, a clear layout and plenty of signposting links which offers the visitor both information, while at the same time, it will help people find the product they are after in a timely fashion. Such up-to-date websites are a significant investment on the part of the retailer and space on them is at a similar premium as floor space in a physical shop. Given this, everything should be done to maximise on the potential sales from site traffic to maximise return on investment.

2 Mystery Shopping Evaluation of Cross-Border E-commerce in the EU, on behalf of the European Commission, Health and Consumers Directorate-General, p24

3 2011 Intra-community cross-border parcel delivery in Europe for the European Commission, p69

4 2011 Intra-community cross-border parcel delivery in Europe for the European Commission, p62

Furthermore, even if visitors do not buy on the initial visit, the impression they get of the brand from the website can be crucial to the decision to return, or to buy in the future. In a study by Reevo on the new purchase journey by consumers it is noted that, 'most purchase journeys involve much more than just a single visit to one website...the more expensive the item, the more complex the path.'⁵ This means that no opportunity to connect or engage with potential customers should be overlooked and the website as the communicating tool of the brand is absolutely crucial.

For cross-border shoppers there are added challenges that retailers have to address; bridging the location gap, currency, customs duties, engaging with the customers during the shopping process and also delivery options. These issues, if tackled properly by the retailer, can ensure that a customer from abroad can enjoy the same problem-free experience as a domestic customer, avoiding order abandonment. If this can be achieved, the positive customer experience reflects on the brand. This in turn increases the chances of repeat custom and promotion through word of mouth. The 61% of shoppers that did not complete their orders as the survey found, signals what potential there is in this regard; if they can be converted into actual orders, they represent not only immediate sales but future sales and customer-based brand promotion.

The natural result if these efforts are successful is an increased volume of parcels and packets for the postal partners, who are critical for completing the order process by delivering the physical goods. Posts have the opportunity to inspire retailers to as much loyalty as customers to retailers, and ultimately retailers want and need a delivery partner that enhances the company brand, not just someone to blame in the event there is a problem. By working closely together to address the factors affecting sales, posts and retailers alike are better equipped to surmount them through efficient customer management, increasing the credibility of both. The desired result is establishing trust with cross-border customers so that the location of the company they order from ceases to be seen as a barrier.

It is hoped that by showcasing instances of best practice in web design aimed at increasing sales conversion, particularly with regard to cross-border e-commerce, will stimulate thought as to how brands can make similar improvements on their own websites.

The examples given in the following pages concentrate on ways to positively engage customers on issues of payment and delivery options, looking at current trends used by some of the recognised leading retailers from around the world. Remembering the projected growth figures, ultimately there is only money to be lost from not implementing improvements that could convert more website traffic into sales and satisfied customers, with their respective potential life-time spend value.

⁵ Reevo, The New Social Purchase Journey, slide 6



1 Design Features

Design is key to website success and each online store should be tailored to visually appeal to the customers as well as provide user-friendly functionality that will smooth the process from browsing through products, to finalising a transaction. There is no absolute rule for design; not all features are appropriate for all websites but keeping up-to-date with the latest options is necessary to keep apace with ever increasing customer expectations.

1.1 WELCOME TO OUR WEBSITE: WE KNOW WHERE YOU ARE

When a customer first visits a website, it is possible to give them a welcome tailored for their experience. When non-domestic customers are detected arriving, coding in the website can fade out the main website page to bring attention onto a pop-up box that alerts the customer to shipping options to their country. It is a smart but simple feature that uses the IP of the customer to locate their origin, but it will convey to the consumer that:

- A) The website they are using is geared to provide the service they are after.
- B) The company has invested money to build a good website that they want people to find easy to use.
- C) It already engages the customer and draws them in, starts them down the path of purchasing, like opening a door without making someone wait, translating the in-store experience online.

An example from the US retailer Bloomingdale's website is shown below in Fig.1.a. On accessing the site from Belgium a pop-up box provides information about shipping to Belgium and the latest information relevant to international shipping that might be useful to a potential shopper.

bloomingdale's

VERZENDING NAAR BELGIË

Wij Zorgen Ervoor Dat U Gemakkelijk Kunt Winkelen In België Met

- Alle prijzen zijn in euro
- Lage internationale verzendtarieven
- Gegarandeerde totaalcosten (Geen extra kosten bij aflevering)

Meer informatie over internationale verzending vindt u op onze website

DOORGAAN MET WINKELLEN

Wilt U Niets Versturen Naar België? [KLIK DAN HIER.](#)

Sign up for email and we will send you updates about fashion, sales and promotions! [LEARN MORE](#)

SHOP NOW

This feature can also be used as an opportunity to alert regular shoppers and newcomers to new developments regarding the international shipping options so both types of customer can be kept fully informed and take full advantage of any of the latest features. The more informed a customer is, the better equipped they are to make a decision to order. Furthermore, the more information the customer has access to, the more they may choose to share this with friends or family, by word of mouth and other methods such as social media.

To make life easier, the website chooses the shipping destination as Belgium, having detected where the browser IP was. This can be changed by the user however, and it gives many options for doing so. The usual ability to specify a different billing and delivery address can still apply.

Point to remember:

Make it personal the moment they land on the page; you only get one chance at first impressions so make sure it is a good one.

1.2 VISUAL FAMILIARITY: DETAILS MATTER

Even small details in website presentation reinforce wider messages; neat imagery such as having the flag to denote a country (see Fig1.c) is a good example of how to emphasize a connection and relevancy to the consumer's location. Combined with the location-tailored welcome mentioned in section 1.1 it reinforces the reliability aspect as well, and lessens, if not eradicates, the perceived barrier issue of distance to a degree.

While the flag is shown it is also made very clear it is possible to change the destination or currency, so by inference the customer is in control.

Fig.1.c www.bloomingdales.com

Country flags can also give visual impact – as detailed below in Fig.1.e. they can show the global reach and emphasis how normal it is for that company to ship internationally.

Point to remember:

Cross-border e-commerce is largely a question of confidence; make the experience for the customer as familiar as possible, making them feel 'at home' will increase the amount of time spent on the website and increase the likelihood of sales.

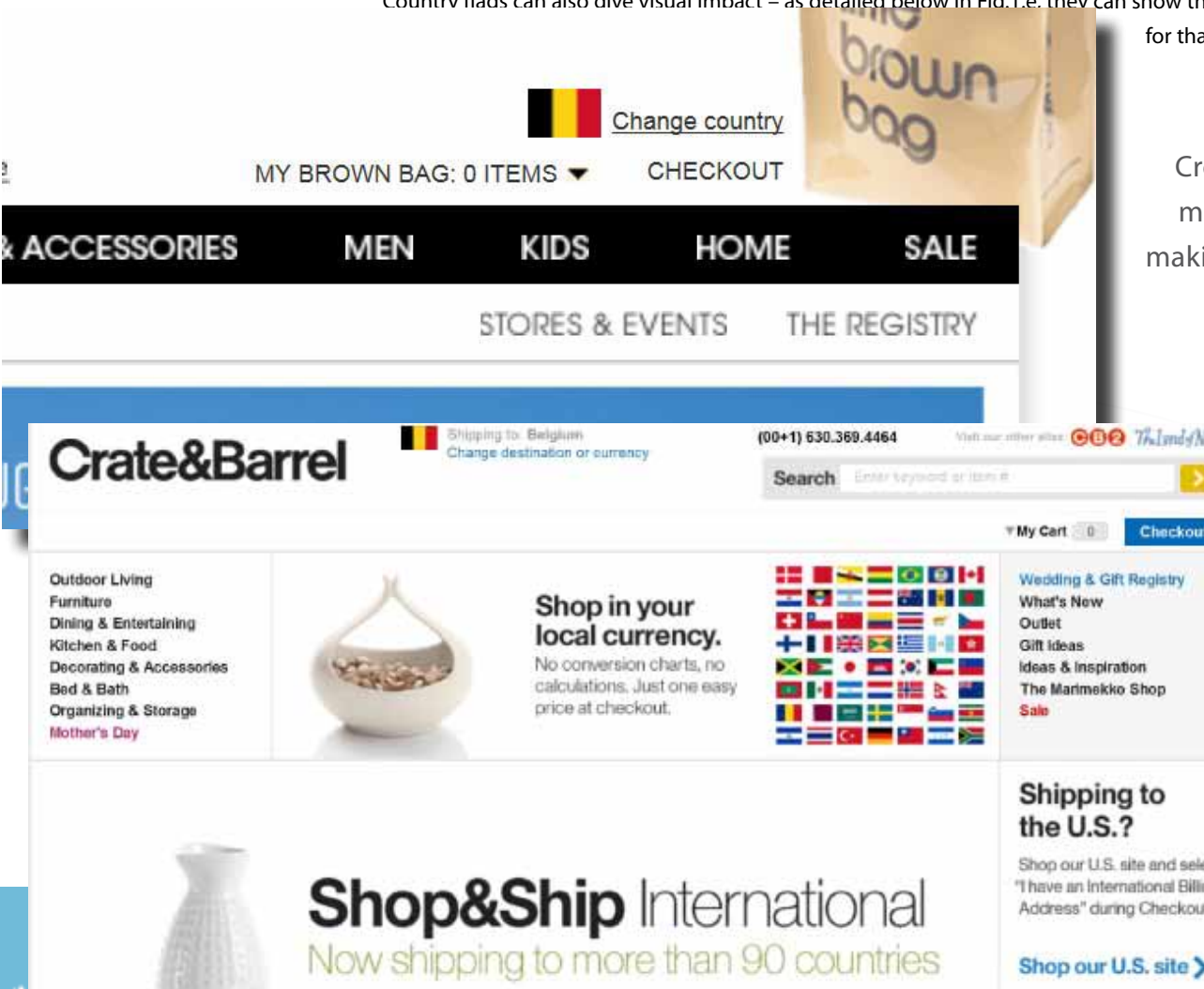


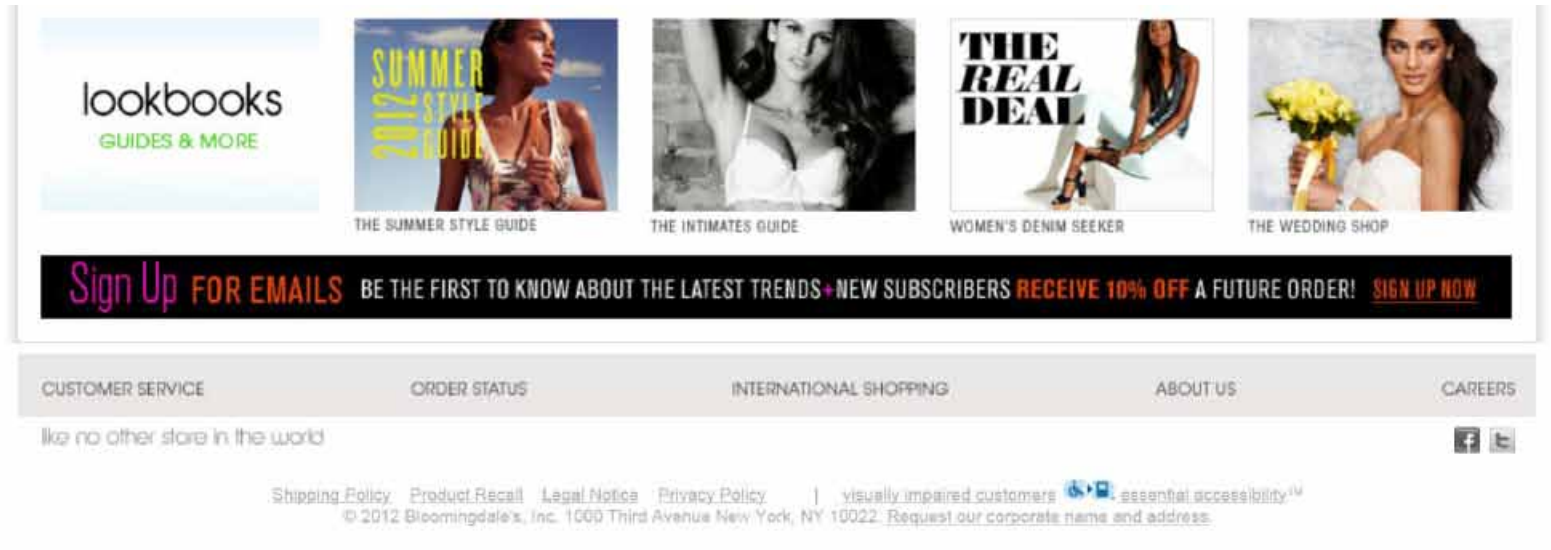
Fig.1.d www.crateandbarrel.com

1.3 A CLEAR INTERNATIONAL FOCUS: THE WORLD IS ACTUALLY A SMALL PLACE

Rather than having to look for it as one often does on website, the link to international shipping can be very obvious and giving it that status along with the 'About Us' or 'Customer Service' links gives it far more weight and credence than having it hidden away. If the link is hard to find or very small, this implies the company gives it little attention. In contrast such a central location for the link makes it clear that international shipping is a key part of the business, raising both expectations and consumer confidence in a very simple way.

Fig.1.f www.bloomingdales.com

As in Fig.1.f, the location of the links and international information is signposted as important. The collection of flags was in the top half of the home page and this is reinforced with the central location of this link which can be easily seen by website visitors.



Point to remember:

How the information and brand is presented on the website reflects directly on the company message given to the customer; think carefully about the impression you want to give them from the moment they arrive on the home page.

1.4 LANGUAGE: DO NOT GET LOST IN TRANSLATION

While the need for goods and items is universal, shopping cross-border online can sometimes highlight another consideration that is not; language. Translation of whole websites can be a massive undertaking and cost a great deal of money which is rarely feasible for smaller retailers. For larger e-retailers who wish to compete on a global scale it is possible and it is recommended that they use their market research to choose the areas that would potentially most benefit from making themselves available to their non-domestic customers in this way. The Japanese marketplace trader, Rakuten, for example, is offering 'personalised pages' for twelve of what are their biggest country market consumer areas :

Fig.1.7 www.global.rakuten.com



Point to remember:

Website experiences can have the same impact as a walk-in shop or restaurant experience – it leaves an impression that will be used to factor in future usage. Do not see website visits or customers as one-time events; repeat custom is the key to success.

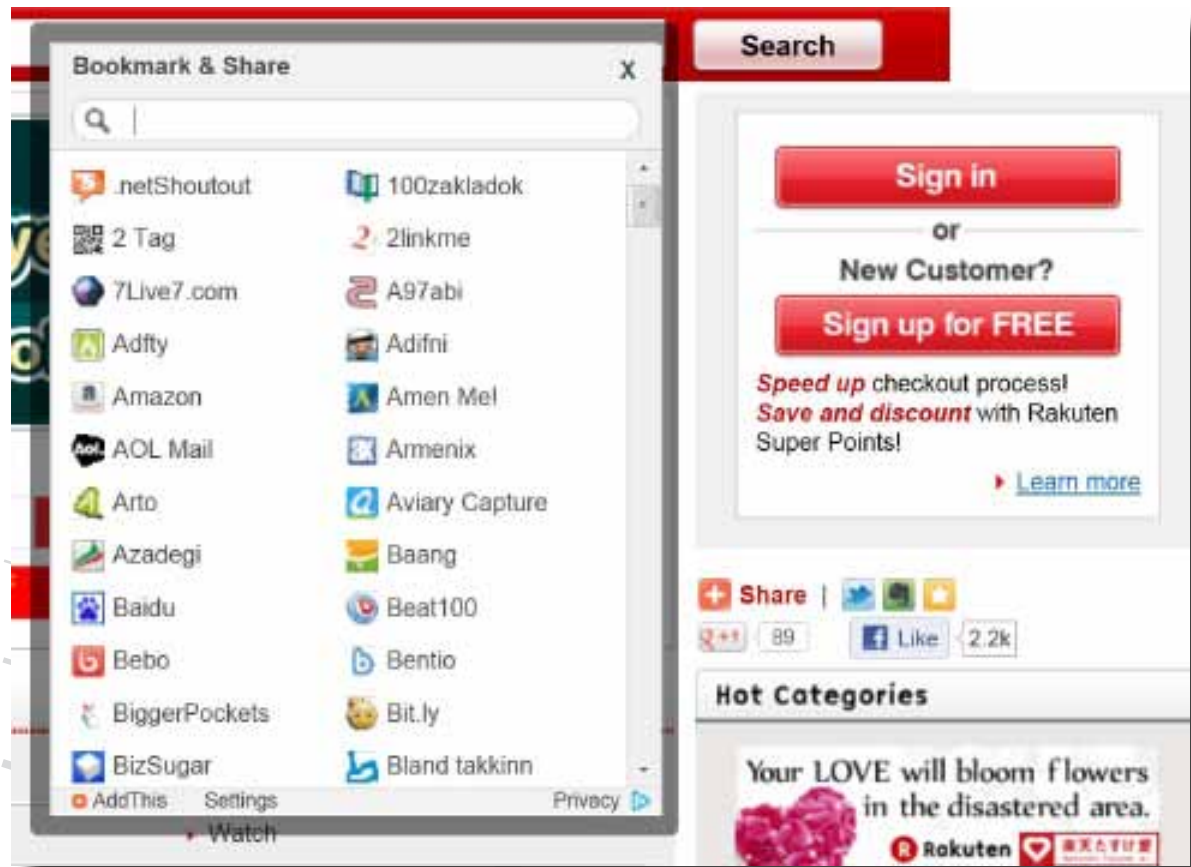
2. Customer engagement

How a company chooses to engage with customers is a direct reflection of the company brand and their values. Engagement can be in both a passive way, by putting online tools available to them, or actively by seeking participation in voting polls, social media or feedback contributions. Whichever way a company decides to engage with their customers it should be a means that can be maintained given the resources available, as well as fulfilling any sales-related objectives. Once a positive interaction has been experienced, people will expect that to be equalled second time around, or improved upon.

2.1 THE JOY OF SHARING: I JUST WANT YOU TO KNOW

One of the easiest ways to increase site traffic, sales and awareness is to add the link functionality so many websites are now adopting to connect people at the click of a button to their email, their Facebook, Twitter – and by default, their family and friends. The more potential customers who know about what is being offered the more people are likely to buy it, use it and recommend it.

Fig.2.a Rakuten makes it very easy to share with multiple options, a tool many retailers are quickly adopting.



Point to remember:

Every visitor to an e-commerce website is a potential customer and also a potential promoter.

2.2 THE 'GIFT' FACTOR: NOTHING COMES FOR FREE DOES IT?

Recently, sales and discounts are now so well used that the words do not have the same impact as they once did. However, retailers still want to attract customers as much as ever, make the sales and keep people spending. One means of doing this is the add the 'gift factor', rather than give people a 10% discount or a fixed sum off label prices, over certain spend amounts a gift can be offered to incentivise shoppers and also give them a positive feel good experience. A discount may interest a customer, but a 'gift' – the word itself has an uplifting more positive feel than 'discount' – implies a personal connection between the shopper and the retailer, as if the retailer wants to give its loyal patron to the store something back as a 'thank you.' Importantly the spend threshold isn't going to be so low that there will be many people qualifying for

the gift, but this is not necessarily to be seen negatively:

- Those who cannot stretch so far as to reach the spend threshold likely do not have the money to spend as much nor as often but will buy what they think they need to buy within their budgets – they are already part of a loyal customer base.
- It creates an exclusivity others can aspire to and hope to take part in next time or 'one day'
- The same exclusivity can give an extra buzz to those who do qualify and gives them a memorable positive experience, which they can also share with friends and family.
- The gift can be sourced and chosen in a cost effective way as it will not necessarily have a visible price tag, so it is at the company's discretion as to what they offer.

Fig.2.c Bloomingdale's 'Gift' policy – www.bloomingdales.com

Alternatively, for a simpler solution, certain items such as perfume or cosmetics could be automatically gift wrapped for customers, or this can be offered around particular times of the year like Mother's Day or Christmas. In-store staff can be trained to check if it is a present and on-line customers can be asked if they would like it gift-wrapped, preferably with as low a cost implication as possible, or for free, which would have an even more positive impact. Gift-wrapping is a service that people remember and would talk to their circle of influence about, encouraging others to shop with the same retailer.

Point to remember:

'Giving' can have more of an impact than just a 'discount.' Offers in-store are generic; a 'gift' is far more personal. Do not waste any opportunity to make customers remember the brand and the positive experience you gave them.

Come by and see us! Our NY Visitors Center is located on the first floor balcony of our 59th Street and Lexington Avenue store. We offer:

- Translators
- Personal Shopping Assistance
- Coat and package check
- Hotel package delivery with minimum purchase of \$250 or more
- Multi-lingual Store Directories
- Car Service Reservations
- Theatre Tickets
- Tour Reservations
- Restaurant Reservations

Visitors are also eligible to receive **one signature gift*** with a \$300 same-day receipt. This gift program is also available at the Visitors Center/Customer Service Desk in:

- 504 Broadway- Soho, NY
- 900 N. Michigan Avenue - Chicago, IL
- Medinah Temple Home and Furniture Store - Chicago, IL
- The Falls - Miami, FL
- Aventura Mall - Miami, FL
- 845 Market Street - San Francisco, CA

For more information, please contact Amir Qureshi at 212.705.3933

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* One per customer, while supplies last. Gifts may vary.

ORDER STATUS

INTERNATIONAL SHOPPING

2.3 SHOPPING DOES NOT HAVE TO BE SERIOUS: ADDING THE 'FUN' FACTOR

Adding a 'fun element' can work well in engaging customers; keeping their interest and making the 'shopping' experience more pleasant. A joke or some light relief can break up the endless product-clicking and relax the customer into a positive frame of mind. Even if the jokes are not hugely funny, it is better than just 'silence.' It tells the customer the company behind the website has made an effort, making a singular experience that little more interactive.

Fig.2.d www.thelandofnod.com

The joke is given a separate tab - it is up to the customer to choose to click on it or not. While this may not be appropriate to all brands, it is possible to give some character to the website. Visuals can be a powerful way of injecting life, enthusiasm and personality into a brand, to connect with the customers rather than making the transactional

The screenshot displays the website for 'The Land of Nod'. The main navigation bar includes categories like Furniture, Bedding, Storage, Decor, Toys & Gifts, Nursery, and Sale. The product page is for 'Cool Beans! Beanbags! (Lavender)' priced at \$99.00 - \$105.00. A prominent feature is the 'Knock-Knock Joke' section, which includes a cartoon illustration of a character with a mechanical arm knocking on a door. The joke text reads: 'Knock, Knock. Who's there? Who. Who who? Is there an owl in here?'. Below the joke, there is a 'Knock-Knock Joke' tab and a 'Reviews' section with a 5-star rating. The product details section lists features such as 'Includes a pocketed, locking YKK safety zipper' and 'Covers and inserts ship separately'. The website also features a search bar, a sign-up prompt, and a cart icon.

experience purely functional. It is important to remember that the more a brand appeals to a customer, or the more a customer can identify with the brand image, the greater the customer loyalty to that brand. One example of how a company has done this is Zappos, the US shoe retailer, who has become renowned for its returns policy and earned itself a loyal fan base of happy customers.

Fig.2.f, Fig.2.g, Fig.2.h: www.zappos.com

Points to remember:

Shopping can be a fun and entertaining experience for the customer.

Customers are not just 'shoppers'; they are individuals with whom you can engage to the benefit of your brand especially from a long term perspective.



Instant Dance Party at Zappos HQ Lobby!

by Hannah E. on Mar 28, 2012 in Zappos Family

2 cc

If you come out for a **tour of Zappos HQ**, make sure NOT to press the butt unless you want to be surrounded by pure awesomeness. You've been warn



Like 2

Zappos.com Furry Customers



[Go to About Zappos.com's Homepage](#)

[Go to Shop Zappos.com](#)

2.4 FEEDBACK: I LIKE MY WEBSITE BUT WHAT DO MY CUSTOMERS REALLY THINK?



Sales, site traffic and page views along with other analytics will always be excellent indicators as to the performance of a website but sales are not the most reliable measure; customers may still buy but they may have issues with the website that they choose to overlook or endure one time to obtain the desired product. Asking people for feedback with the right approach gives the customer a message that their opinion is valued.

Fig.2.i www.crateandbarrel.com

Point to remember:

Maximise on having a customer's attention; value, appreciate and utilise but do not abuse what it means to have it.

Let's Get Social

- Facebook
- Twitter
- Pinterest
- Write a Review

Contact Us

Contact Us
Give Us Feedback
(00+1) 630.369.4464

Our Brands



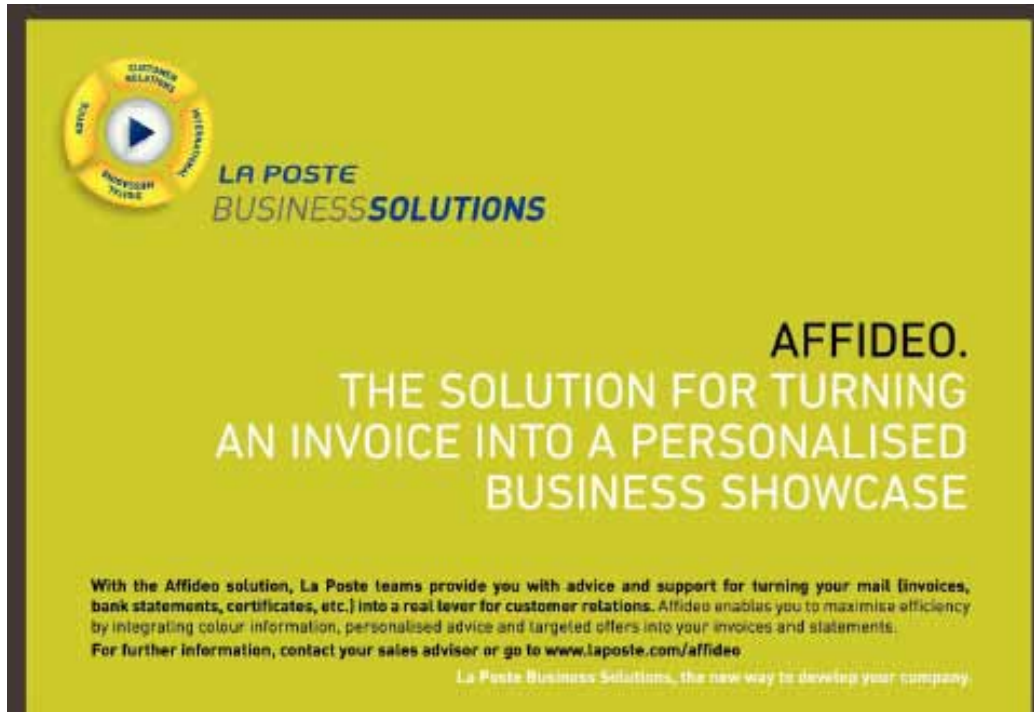
Shop Crate and Barrel for furniture, home decor, housewares, gifts, registry and more.



Crate and Barrel

Like 239k

2.5 READ ALL ABOUT IT: MAXIMISING OPPORTUNITIES FOR SELF-PROMOTION IN PRINT



LA POSTE BUSINESS SOLUTIONS

AFFIDEO.
THE SOLUTION FOR TURNING
AN INVOICE INTO A PERSONALISED
BUSINESS SHOWCASE

With the Affideo solution, La Poste teams provide you with advice and support for turning your mail (invoices, bank statements, certificates, etc.) into a real lever for customer relations. Affideo enables you to maximise efficiency by integrating colour information, personalised advice and targeted offers into your invoices and statements. For further information, contact your sales adviser or go to www.laposte.com/affideo

La Poste Business Solutions, the new way to develop your company.

E-retailers invest much time and money improving services, expanding product ranges and much more – one of the best ways to make sure customers know is to tell them. On printed receipts, order confirmations and other invoice-related transactional documents it is wide-spread practice and quite usual to find some kind of promotion or information of future offers or new products. News that there is now a Facebook page or a sign-up link for updates via a QR code on the products or a discount code for email registration are perfectly acceptable and could be used on digitally generated documents.

Fig.2.j DDm, July/August 2011 Edition: La Poste advertising their advanced services

Fig.2.k DDm, July/August 2011 Edition - Using QR codes

Point to remember:

Use every opportunity to engage with the customer; on-line and off-line are mutually beneficial experiences that all add to the brand image and can drive sales to either location.

While many people shop online, printed media still has a role to play in supporting sales and disseminating information on new offers.



20% OFF FOR THE 1ST ORDER

20% OFF FOR THE 1ST ORDER

Scan this code to watch the Affideo video

LA POSTE

LA CONFIANCE DONNE DE L'AVANCE

www.laposte.fr

2.6 EMBRACING YOUR CONSUMER COMMUNITY: THEY ARE ONLY A FEW CLICKS AWAY

It is a good idea to make the most of dedicated and enthusiastic online commentators in forums or blogs, giving them a voice to promote the brand and add interesting and new content to a brand's website. One such example is by the US shoe retailer, Zappos, which has become a market leader thanks to its ground-breaking returns policy and through creating the 'Zappos Family,' encouraging customers to contribute to the site with photos, opinions and feedback.

Fig.2.1 From www.zappos.com

It is possible to take this a step further and reward them with 'virtual currency' which has a convertible value into the real world. This incentivising is a tactic that retailers such as Rakuten have used in the past to get their customers becoming advocates of the brand, using the Rakuten 'Super Points' as rewards that can be converted and used for shopping on the site itself.

A company's attitude to its online community is very indicative of its openness and 'customer friendliness' that people now pick up on at a glance, so this should to be carefully considered as an on-going project. Whether by design or due to organic growth resulting from high customer satisfaction, some companies have utilised their online consumer contributor base in forums and communities to the extent where the customer themselves have taken over customer-service through answering questions and solving problems on such social media platforms like Twitter or Facebook.

One such company is Giffgaff (see Fig.3.7), which is one of the smaller brands of mobile network provider in the UK which has a NPS (Net Promoters Score) of 75 when between 0-10 is regarded as 'good.' Embracing and utilising willing customers can save millions per year for a company in customer service and at the same time reflects well on the brand itself, as problems can be resolved that much quicker, and customer confidence is that much higher.

Fig.2.n www.giffgaff.com

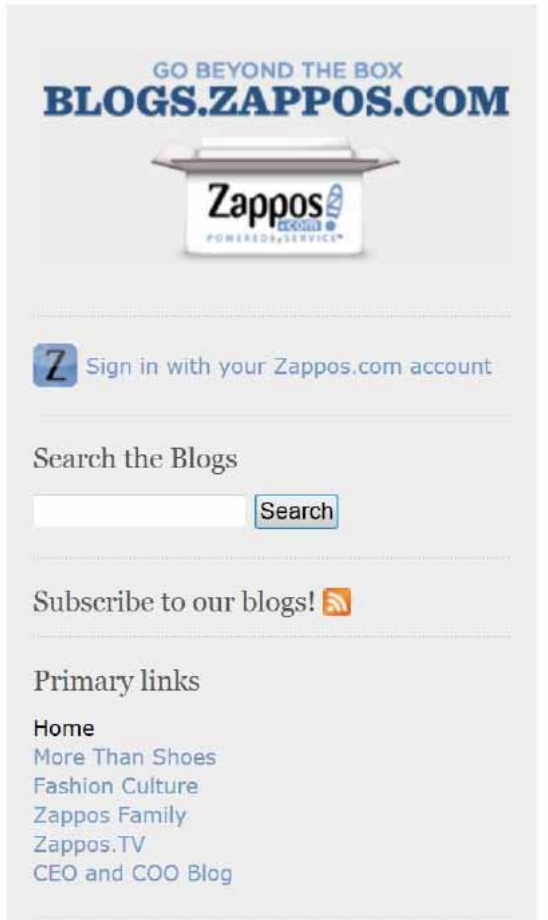
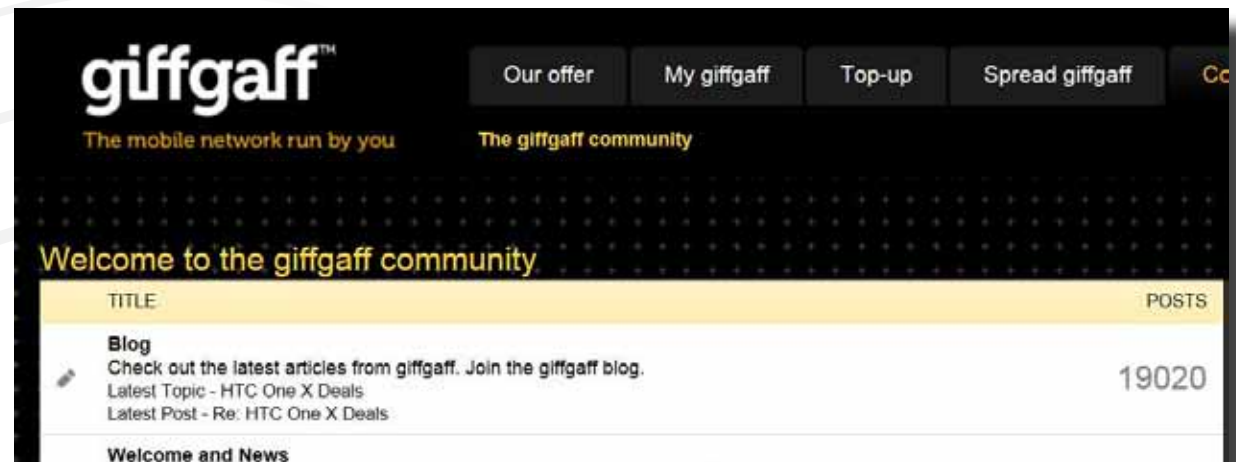


Fig.2.1 From www.zappos.com



www.manaraa.com

The screenshot displays the Giffgaff website interface. On the left, there is a Facebook poll titled "Pick our next Big Bang" with a "Vote now" button. Below it is a Twitter feed with three tweets from users like colin_stt and Geoggy11. On the right, the "The community" section shows 537 members and 163 guests, with a "Join the community" button. Below that is "The Blog" section with a table of articles:

TITLE	DATE
HTC One X Deals	10/05/2012
Mobile Touchscreen Technology: Capacitive, Resistive, Multi-Touch & The Future	09/05/2012
BlackBerry Bold 9900 Deals	09/05/2012
iPhone 4S Deals	08/05/2012

Below the blog is a "Get Help in the Forum" section with another table:

TITLE	TIME
Really dont have the time for this	07:58
Goody bag gone	07:51
how	07:47
HUAWEI HB4J1H	07:46

Points to remember:

- Lifestyles are changing and so too are the ways in which people communicate. Traditional methods of doing so are being replaced due to the advance in technology and changing societal habits; in the same way companies and industries need to progress also to engage successfully with customers.
- Loyal customers are a resource that can be put to good use if they are given the means to express their enthusiasm.

Fig.2.o www.giffgaff.com

3. Currency, customs and discounts

The price of an item is always a central consideration to any consumer, and generally a significant factor in the decision to buy or not. In the same way, it is essential for a positive customer experience to clarify all customs charges, currency and discounts information in order to secure the sale. Unexpected customs duties from a cross-border sale can leave a lasting negative impression on a customer and affect their future shopping choices, whether to buy cross-border or not, whether it is from the same retailer or another. The greater number of retailers that behave responsibly in this area, the increased number of happy customer there will be, and the e-commerce industry stands to benefit.

3.1 A QUESTION OF CURRENCY: MONEY MAKES THE WORLD GO ROUND

Paying for goods is a fundamental aspect of e-commerce and the customer's experience of using the site, but there are always concerns of security and how protected a customer is when they add their card details in then click to 'confirm order.' With cross-border shopping this can seem especially true, so any means of making a customer feel more comfortable with the ordering process is essential. One means of doing this is to make the customer feel in control; rather than giving them few limited options, give them a good number and make it easy for these options to be used.

As shown in the screen shot below (Fig.3.a), it is very easy to give people peace of mind on this issue. The US dollar and euro are major recognised currencies but for those outside of the areas served by these currencies it can be off-putting if they feel they 'have to' make a transaction in an unfamiliar currency, where they feel that the exchange rate is possibly unfavourable. In many people's minds they see online shopping as an in-store alternative, not as something completely different, therefore their expectations are of something that is very similar to a transaction they would make in-store; language, goods, currency, prices, totals.



Fig.3.a www.crateandbarrel.com

Point to remember:

Price will always be a major consideration for customers. Presenting the cost of items in a clear format in the currency of their choice which they understand and can quantify either in comparison to other products or to competitive prices will help the decision process of whether to buy.

3.2 ORDERING: A LITTLE HELPING HAND

Once a potential customer has found the website, they want to order – how can that motivation be turned into an order confirmation and a financial transaction? A number of clever details can boost this conversion rate:

- a) Customers may have a minor query or question after entering the order process – many websites now have a ‘live chat’ option with the emphasis on giving immediate help so the purchase journey towards the check-out is not interrupted or abandoned. Questions can also be anticipated by having a ‘?’ or some symbol that people can click on to get an immediate answer to some of the simpler queries.

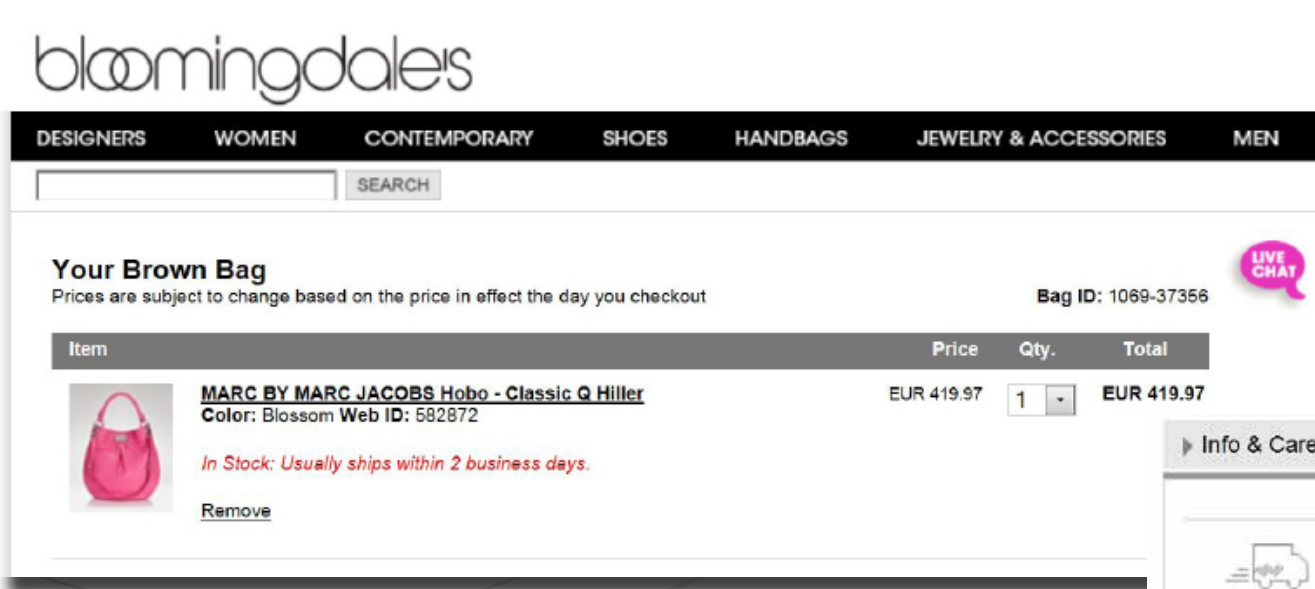


Fig.3.b www.bloomingdales.com

b) In 2010 a study was done by Snow Valley into e-commerce and they found that 30% websites only gave delivery cost information during the last stages of the checkout process. Letting customers know the delivery cost and delivery options means they are better informed as to the affordability of the item and whether or not to keep shopping, abort or remain with one item. John Lewis in the UK is a particularly good example of this, as in Fig.3.c.

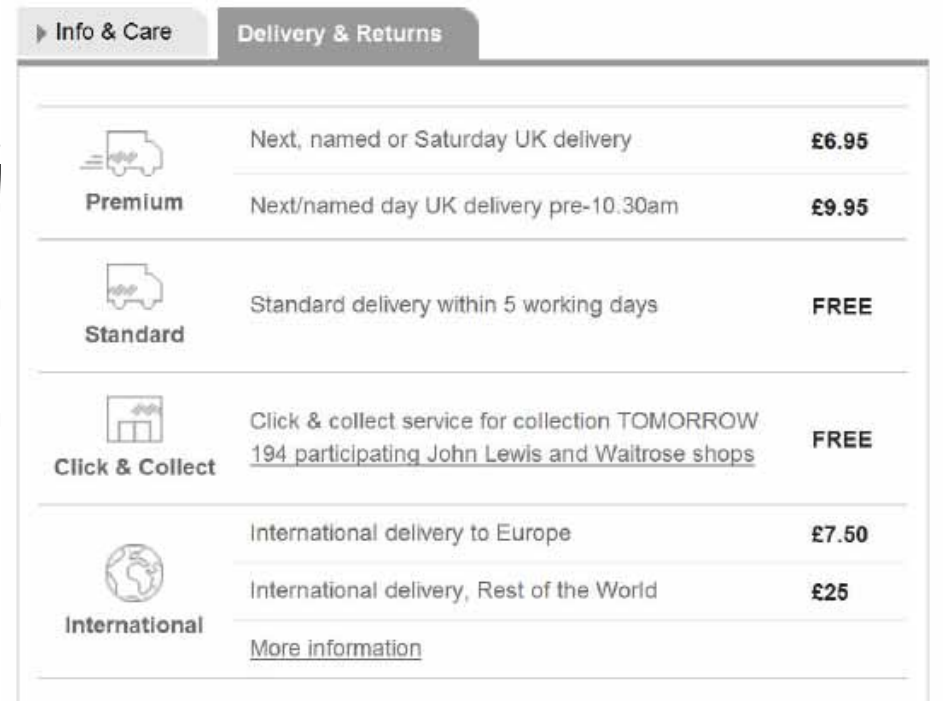


Fig.3.c www.johnlewis.com

It can be prohibitive to have pricing for international shipping that is too inflexible; charging someone a 'standard' delivery charge for all countries in a certain global region does not encourage the customer who only wants to buy one item, that may be relatively small or inexpensive, in which case a large delivery charge would be off-putting. An example of this policy is with the famous London retailer Harrods, that groups delivery charge by countries regardless of the basket-spend or number of items. This approach may seem arbitrary, and there are no extra delivery options given, for example, for a secure signed-for delivery service, or a service with added insurance.

Fig.3.h www.harrods.com

International delivery

Harrods delivers overseas to the following countries:

Country	Approximate Delivery Time	Delivery Cost
Europe: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Greece, Guernsey, Hungary, Ireland, Italy, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland	5 - 6 working days	£20
USA, Canada, Far East: USA, Canada, Hong Kong, Malaysia, Japan, Singapore, Thailand	6 - 10 working days	£25
Rest of the World: Australia, Bahrain, India, Israel, New Zealand, Qatar, Saudi Arabia, UAE	10 - 12 working days	£25

Fig.3.e www.shop.nordstrom.com

c) International shipping is often regarded as expensive and difficult by many customers and some of this has been a result of previous bad experiences of unexpected customs charges. In order to change this perception, for cross-border shoppers it is very helpful to present the customs and international duties already calculated and included. Shipping options should also be detailed so there are no extra add-ons later, or unpleasant surprises but transparent costing – summarised helpfully by Nordstrom at the very beginning of the ordering process.

Welcome to Nordstrom. Would you like to sign in? (Your Account) | Our Stores & Events | Get E-mail Updates | Wish List

NORDSTROM

close X

Verzending Naar België

Wij Zorgen Ervoor Dat U Gemakkelijk Kunt Winkelen In België Met

- Alle prijzen zijn in euro
- BTW en overige belastingen worden berekend bij het afrekenen
- Lage internationale verzendtarieven
- Gegarandeerde totaalkosten (Geen extra kosten bij aflevering)

Meer informatie over internationale verzending vindt u op onze website

[Doorgaan met winkelen](#)

Wilt U Niets Versturen Naar België? [Klik dan hier.](#)

The study in 2010 by Snow Valley into Inspirational E-commerce found that 71% of websites did not redirect their customer to delivery information when they put 'delivery' into the on-site search function. Not having information easily available can be construed as obstructive and negatively affect someone's decision to order and is likely to lead to an increased incidence of order abandonment.

3. Order Review

Product	Estimated Shipping	Price	Quantity	Item Total
 Persol Sunglasses Size: One Size Color: Brown/ Silver BackOrdered Item	5-12 business days	EUR 167.63	1	EUR 167.63

Shipping Methods:

DHL Express : 5-12 business days

4. Payment Information



Card Number:

Expiration Date: 05 2012

Security Code: [What's This?](#)

Item Subtotal: EUR 167.63
 Shipping: EUR 30.17
 Duty & VAT: EUR 27.41
Order Total: EUR 225.21

This order total is 100% guaranteed. There will never be any additional charges due upon delivery.



BUY NOW

Points to Remember:

Modern consumers expect retailers to enable them to place an order for goods or services by giving them the necessary options from which to choose, not just the products but also the other charges involved. Clear complete pricing is essential because no one likes unpleasant surprises.

Customs duties are often a confusing issue for cross-border customers so giving them plenty of information and guidance will increase consumer confidence in the short and longer term as people repeat the experience.

Fig.3.e www.shop.nordstrom.com: Checkout Basket with duty and shipping detailed

3.3 AUTOMATIC DISCOUNTS: DO NOT LEAVE PEOPLE IN THE DARK

It is always a good idea to have discounts built into websites so that they are automatically taken off the order regardless of whether a customer has looked for a discount. If there is an offer available, make customers aware of it before the transaction is complete as the negative feeling that could be the result of finding out 'too late' may be significant enough to leave a lasting impression, including cancelling the order or not re-ordering.

Fig.3.f www.bloomingdales.com - Checkout basket layout

HAVE A PROMO CODE?

APPLY CODE(S) TO TOTAL

Merchandise Total:	EUR	419.97
<u>Shipping Charges, U.S.:</u>	EUR	20.40
Shipping Charges, International: Shipping, duties & taxes calculated at checkout		
Free Shipping on orders of EUR 147.19 or more	EUR	-20.40
TOTAL:	EUR	419.97
<u>Shipping to the U.S.?</u>		

Point to remember:

The small short-term saving of leaving a loyal customer in the dark about a promotion may be insignificant compared to the potential revenue a customer can bring through their life-time value.

Shipping to the United States?

3.4 BEING UPFRONT ABOUT CHARGES: HOW TO CONVEY COSTS

While companies may offer free domestic shipping they may not offer free international shipping (possibly because of cost implications). In such cases customers may feel unfairly penalised but if they are fully informed they can decide whether to order or not.

Nordstrom's approach:

Politely but clearly stating that international shipping is not free, additional payment details that are relevant, also that returns are not free. This information is not hidden or made hard to find; it might not be what customers would want to read but it is upfront and therefore respectfully informative. There is clear mention of their partnership with FiftyOne who handles the shipping, payment and returns for all international orders, and the link for more information on 'International shopping' gives a list of detailed FAQs.

Information that is recommended to be included on the shipping options or in the FAQ section are:

- Estimated delivery times to the specific location
- Clear extra insurance costing
- Undelivered post options in destination country – collection, re-delivery, time to collect from depot, time until disposed of if uncollected
- Options for notifications of progress; tracking, proof of delivery and how the customer gets these updates.

Point to remember:

People might not always like the terms and conditions but they would much rather know than not, as that leaves them empowered to decide.

INTERNATIONAL SHOPPING

Nordstrom is excited to offer international shopping through our partnership with global e-commerce provider FiftyOne. By placing an international order, you acknowledge that your transaction will be with FiftyOne. Your customer service needs will be handled directly by Nordstrom.

Shop our site in your preferred currency—even if it doesn't match your shipping destination. Your order total is guaranteed at the exchange rate set when your order is placed.

BELGIUM or [Ship to U.S. Address](#)

Euro (EUR)

[Save and Continue](#)

Please be advised that for orders shipped internationally, Nordstrom Fashion Rewards® customers will not receive free shipping benefits or multiple bonus points. You may not use your Nordstrom retail card, Nordstrom debit card, Nordstrom Gift Cards or Nordstrom Notes® to make payment for orders shipped internationally.

If you are shipping to an APO/FPO address, please proceed with U.S. shipping.

Unfortunately, we cannot offer free shipping to international destinations. International orders are not eligible for free returns.

Learn more about [International Shopping](#).

Fig.3.g www.shop.nordstrom.com

3.5 INTERNATIONAL TAXES

Rules and regulations regarding taxes are often quite unclear or little known, especially to people from outside a country in which a retailer is based. If there are financial benefits on offer that can be offered to the customer and have no negative effect on the retailer, then it is a good idea to make the information available. The French retailer Printemps has done this regarding a tax refund on goods bought from their store once they have spent over a certain value. The terms and conditions for this are clearly laid out, encouraging people to make a large purchase, and to visit the physical store as well, demonstrating how online and off-line can complement each other and drive sales in both directions.

Fig.3.h www.printemps.com

The tax refund does not affect the retailer's revenue, but by offering this, Printemps raises itself in the eyes of the customer for looking out for their financial interests.

Point to remember:

Be aware that customers from another country may be more ignorant of certain taxes or regulations, but giving them information on this, as with customs will have a positive impact on the brand image and reputation.

PRINTEMPS
P A R I S

HOME CORE VALUES BRANDS RESTAURANTS SERVICES STORE LOCATOR WHAT'S ON

TAX REFUND & BUREAU DE CHANGE

- Tax Refund :
Benefit from a **12% tax refund** if you reside outside of the European Union and stay for a maximum of 6 months in France. You must spend over 175,01€ on the same day in the same store.

Purchases made at Louis Vuitton boutique cannot be combined with other purchases. Printemps Services offers 5 tax refund desks in the store.
- Bureau de change
Information at **+33 (0)1 42 82 50 00**.
Printemps and its partners Premier Tax Free and Kanoo, invite you to obtain an **immediate reimbursement** on your tax refund slips and to change your currency.

4. Delivery Options

Delivery is both the fulfilment of the retailer's obligation to the customer and a moment of direct contact; the importance of the delivery experience is because these two factors are a reflection of the company. The delivery can be frustrating and disappointing in the worst case, but in the best case, it can leave such a positive impression that customers want to buy again. By understanding the value of convenience and performance meeting stated expectations the latter is achievable for all e-retailers.

4.1 SIMPLIFY BUT DO NOT STUPIDIFY: CUSTOMERS ARE NOT IDIOTS

Home / International Customer Service / Quote Form

International Order Request

To purchase and ship an oversized item to an international destination, please complete the form below. We will send you a shipping quote via email within two business days. If we can be of further assistance, please contact us via email, call 800.369.4465, or fax 630.527.1448.

How it works

1. Navigate to this page after you have completed your shopping. Items in your cart will automatically appear in the "Order Items" list below.
2. Complete or verify all information in the form below. Your Name, Shipping Address, Contact Info, Order Items.
3. Submit Your Request. We'll send your shipping quote via email within two business days.

Complete information below

First Name: Last Name:

Shipping Address

Address 1:

Address 2:

Address 3:

City: State/Province:

Postal Code:

Billing Address

Country:

Contact Information

Phone Number:

Email Address:

Yes, I would like to be notified of news and happenings at Crate & Barrel via this email address.

Order Items

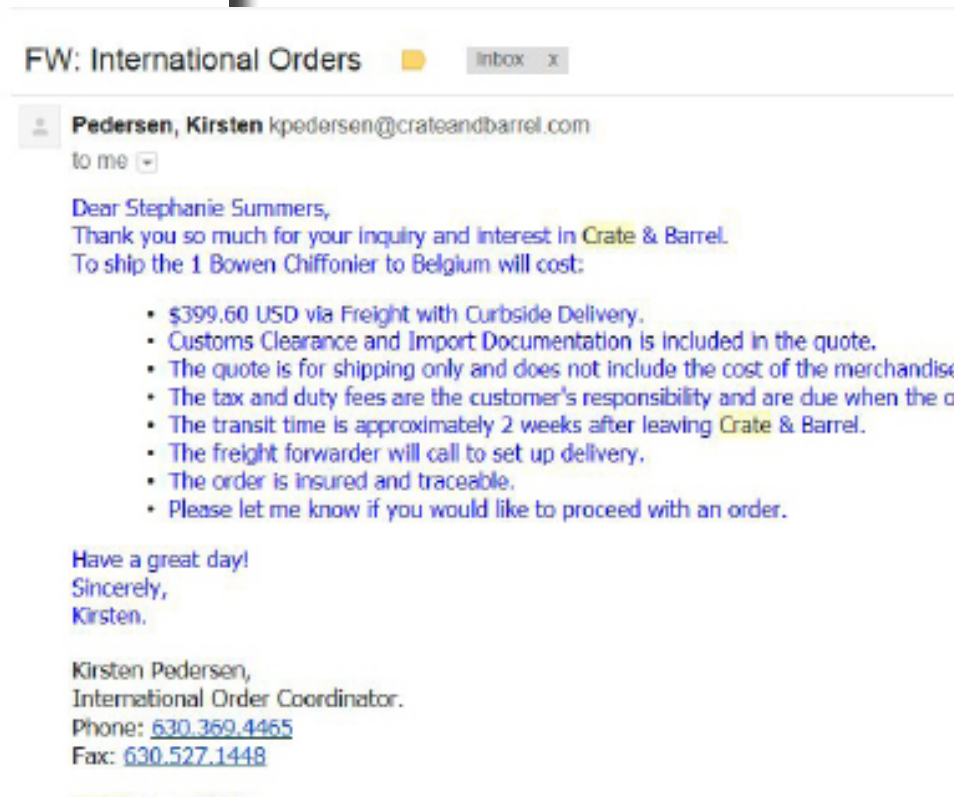
SKU #	Description	Quantity

[Add Row](#)

Depending on the item, shipping internationally may not be easy; for example, if the items are bulky or heavy, like furniture. This should not be made to seem overly simple in order to 'placate' the customer. Most people appreciate when an item is large or weighty that delivery might be more difficult, especially when shipping internationally. Taking this seriously rather than giving people a quick-fix price can give a better impression than having a 'one-stop-shop,' 'one-click' approach that is suspiciously easy and does not necessarily give any guidance, detailed information or sense of quality. The US retailer Crate & Barrel provides a good example of obtaining additional required customer information in cases such as these.

E-retailers customer service should be prompt; a test inquiry for a quote was sent and the email response was received later the same day – an even shorter time scale considering the time zone difference between Europe and the US:

The response received back is friendly, polite and provides the required information. The efficiency of the response gives confidence and paves the way for a positive customer experience during the ordering process, establishing expectations for similar regarding delivery and when inspecting the item after arrival.



Points to remember:

Every point of communication with the customer is a possible chance to convert an enquiry into a sale.

Every instance of interaction is part of their experience of the company; the more positive, the better.

Fig.4.a Crate & Barrel – Delivery quotation form and Fig.4.b Crate & Barrel - Email response

4.2 SMART THINKING DESIGNED TO HELP THE CUSTOMER

Fig.4.c The Rakuten delivery option explained and translated into English

Fig.4.d Simplified into a 3-step process: attract people to the idea by keeping it clear and concise

Offering customers the chance to consolidate the delivery of packages is a convenience that is both sensible and seen as a valuable service, especially given the busy lives of most working people who cannot necessarily be at home to take receipt of goods. This service has been used as a feature to attract shoppers in Japan, where the registration of a forwarding address as offered by Rakuten is a pro-active forward-thinking service that explains why it is Japan's #1 shopping site. Though it isn't free (1390yen, or 13.90€), a customer can easily save much more than this because of the service.

Fig.4.e – Rakuten's package idea elaborated through a simple example:

Point to remember:

Stream-lining procedures can lead to cost-savings that means excellent customer experience can be achieved without impacting on revenue.

4.3 TAILOR THE DELIVERY SERVICE TO THE PRODUCTS

Returns are an inevitable part of taking orders; not every customer will be happy with the items once received and it is standard practice that retailers offer a refund once the goods are returned. Making goods easy to return is one way of putting customers' minds at rest and giving them the confidence to order, especially in cases when the item will be moving cross-border. It is in these cases where companies like FiftyOne.com have real value to retailers as they handle the whole process and also take on the financial risk. There are alternatives though; one of the brands already mentioned has made its name and its fortune through its innovative returns policy. Zappos.com, started out selling footwear of different brands through its online store. Due to the variable nature of feet and brand sizing, they offered for people to receive three pairs of shoes and send two pairs back free, so they could be sure they had the right size. They also have a 365 day returns policy and 24/7 customer support which they do not make a secret of – it has been a real selling point that they have publicised as much as possible.

Fig.4.f www.zappos.com

Order before 1pm PST for **FREE Next Business Day** shipping on all **Clothing**. [Learn More](#)

24/7 Customer Service (800) 927-7671 Live Help [Log In / Logout](#) [My Account](#) [My Favorites](#) [Blogs](#) [Help](#) [Create a New Password](#)

Zappos
POWERED by SERVICE

Shoes, Clothing, Bags, etc. [SEARCH](#)

SEARCH BY: [Size](#), [Narrow Shoes](#), [Wide Shoes](#), [Popular Searches](#)

365 Day Return Policy
In other words, 1 full year!

FREE Shipping Both Ways
It's always on the house!

[MY CART](#)

The same sizing issues could also be applied to clothes for both men and women but the same returns policy is rarely used by retailers, though it should be noted, Zappos are now selling clothes, not just shoes, which should indicate the viability of the policy in this way. Other items such as perfume or cosmetics, could be sent with free samples that are picked by the retailer as part of a marketing initiative, or selected by the customer off the website when making a purchase. In this way they are unconsciously starting their next purchase journey.

The example given in Fig.4.h is for a UK beauty website, Pure Beauty, that dispatches internationally. The company already employs a number of the recommendations in this document as can be seen from studying the screenshot. In this case it is an excellent example of the incentive of free samples. The free sample allocation depends on the amount spent on goods, so the 'free' samples are not completely free but to the customer they are an added bonus to a purchase they were going to make anyway. Centrally located on the home page there is a recommendation for people use their full allowance and that a minimum number of free samples will always be included. This reflects well on the company but the power of these samples as a marketing tool makes it wise for Pure Beauty to do so.

Point to remember:

The delivery can be used as an promotional opportunity for future orders, not just the fulfilment of an order.

'Free' samples do not necessarily have to be free but can be a powerful marketing tool.

Including free samples helps customer try wider product ranges from online retailers in a way they might do in-store, and encourage future sales.

Dermalogica Skin Care from Pure Beauty Online

All UK Orders include Free 1st Class Delivery, if over £75 - Free Next Day Delivery, Choose Your Own Samples and Great Customer Service!

May 11, 2012 07:33:57 am

We're Dedicated to Dermalogica & You

That's why we're the only place for all of your Dermalogica

- ★ We're not the biggest - but we're certainly the Best...
- ★ FREE 1st Class UK Delivery - FREE Next Day Delivery if you spend over £75.00...
- ★ Choose Your Own Free Dermalogica Samples with Your Order...
- ★ Earn Reward Points on Every Order - and More...
- ★ Fantastic Products - Read Our Customer's Reviews...

DOUBLE REWARD POINTS ON ALL ORDERS FROM PURE BEAUTY ONLINE

4.4 DO NOT UNDERESTIMATE THE VALUE OF CONVENIENCE

Printemps, the French retailer, has a website that is dedicated to customer convenience by offering to delivery to hotels, rather than tourists waiting if they want to order while they are staying in Paris. This might seem a very luxurious option but it is actually very sensible:

- Delivery to a hotel in Paris is almost certainly cheaper and easier to arrange than cross-border shipping.
- The customer will get the item quicker.
- Delivery to a hotel which is usually staffed 24 hours a day would lead to a higher 1st time successful delivery rate, rather than delivery to residential addresses when people may be out.

Point to remember:

Offer convenient expedient solutions to make a positive impression and add extra value to the brand image.

Exceptional convenience is a talking point and a free marketing opportunity.

DELIVERY TO HOTELS AND ABROAD

You can choose to have **your purchases delivered** directly to your hotel in Paris or sent to your home abroad (conditions available in the store).



> Send to a friend > Print [f](#) [e](#)

Fig.4.h www.printemps.com

Conclusion

While e-commerce is a growing industry from the figures, and the trends we can see happening around us, there is no guarantee of success that having a website or becoming an e-retailer will result in sales, or happy customers. As we have tried to draw attention to in the previous pages, there are numerous and often simple ways of engaging with customers and building up a reservoir of confidence that will encourage repeat purchasing. While not all the ideas mentioned in this publication may be applicable or affordable for every online retailer, being aware of possible future improvements and making an effort to remain up-to-date with best practice website developments will be an important factor when aiming to establish an online business. E-commerce is an expanding industry, as is the technology it is based on, which means website best practice is constantly evolving and changing, both increasing the pressure to have a state-of-the-art website and allow newcomers to the online world to catch up fast provided they can invest the necessary funds and manpower. Also, although the internet has opened up competition through accessibility, website design is one way that helps differentiate brands and allow leaders in retail to stand-out and capture more of the market.

The offline side of e-commerce cannot be overlooked however, for this is the confirmation of the retailer-customer relationship that has been initiated online. Fulfilling the online order through delivery of physical goods is vital, and as we have indicated through examples, it should be as easy as possible for the consumer, so that their experience is positive and memorably so. We have attempted to outline a selection of ways this can be achieved above and beyond the standard practice, or ways that a retailer can give itself a unique added-value service above that of its competitors. We have also tried to highlight that the delivery experience is started not when the item is dispatched or accepted by the delivery partner, but during the payment process when the terms

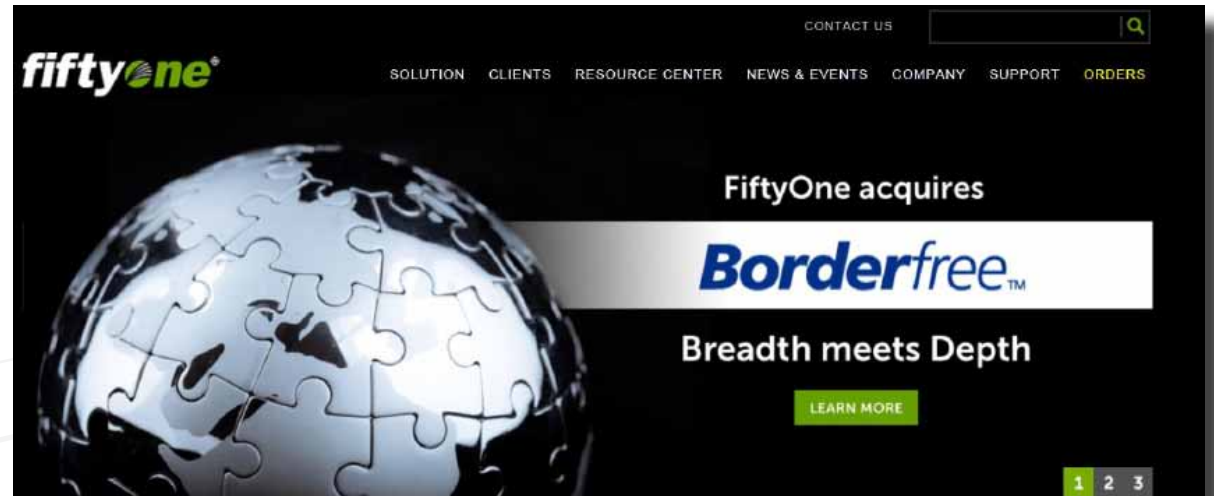
and the pricing of the delivery service is accepted by the customer. Clarity of obligation and therefore customer expectation must be established in order for there to be satisfaction with the service received and to avoid unpleasant surprises.

There is no doubt that cross-border e-commerce has numerous inherent added difficulties compared to that of domestic e-commerce, but these need not be seen as insurmountable as the previous examples have shown. Many large and small retailers have mastered the art of cross-border e-commerce either independently, or in conjunction with such 3rd parties such as FiftyOne. Retailers such as Nordstrom, Pure Beauty and John Lewis, communicate



their willingness to ship cross-border to their customers and ensure that the terms and conditions are clear, giving people the peace of mind they need to confirm the sale. This is something all retailers are empowered to do and particularly on the issue of returns, e-retailers such as Zappos have demonstrated the marketing power of an easy customer-friendly returns solution. Posts in Europe are collaborating to make this even more feasible through the Easy Returns Solution which is providing a valuable service to many e-retailers already.

The one element that stands beside the website design, brand image and delivery performance is, however, not internet or logistic dependent; it is in fact the unnamed element that has lain behind many of the examples so far given, that is customer service. For smaller e-retailers they can offer a more personalised service, and large retailers too can aim to give timely and efficient help to all enquiries. High standards are retained even when 3rd parties are involved, as with FiftyOne, who realise the necessity of communicating with customers. Customer service is fundamental to building an online company, and not as straightforward as paying a web developer; it is an on-going commitment of time and attitude from employees that starts from the very text chosen to communicate information through the website, and most particularly the options given for a potential customer to contact the company directly. Customers of large brands still want to be treated as an individual, which is why even such giants as Starbucks have made a policy of asking for a name to put on the cups when taking a drinks order. Thus, it is useful to remember that having the tools available is only half the solution; having stock, a website and a delivery partner is great but commitment to overall customer satisfaction is what generates repeat sales and recommendations.



It is not easy to be self-critical but often that is a good and simple test for e-retailers when looking at their own website and delivery options; asking if they themselves would buy from the site; if all the information is actually available, appraise the functionality and look at competitors' websites before agreeing with web developers who do not necessarily have all the answers, is highly recommended. There is no blueprint for e-commerce success, though there are many best practice initiatives that can be employed as we have shown. Similarly, there are many pitfalls and mistakes that can be avoided, because many other retailers have already made them. Future e-retailers have no reason, and no excuse, to make them again. Aiming for and achieving high standards in all aspects of online retail can benefit the industry over all, and given the pace of expansion, there is no time to lose.