
Ten Tips for Turning More Site Visits into Sales:

Increasing Conversion Rates

This guide is intended as a resource to help you increase conversion rates, and ultimately improve your online store's overall shopping experience. Use it as a quick-reference tool or as a primer for learning about the latest conversion trends in eCommerce.

Conversion: A Quick Review

Simply put, conversion is your ability to get people to buy things from your online store. It can also mean getting people who visit your store to take other actions that might lead to future sales, such as signing up for a newsletter, creating a wish list, or starting a free trial.

But most often, conversion reflects the percentage of visitors to your site who actually make a purchase. Your conversion rate is calculated as:



$$\text{Number of purchases (or goals)} \div \text{site visits} = \text{Conversion rate}$$

In preparing this guide, we've identified some easy and not-so-obvious opportunities for increasing conversion rates. The tips outlined here are those we believe even the most seasoned merchants will find worth exploring.

Why Are Conversion Rates Important?

Your conversion rate is more than a measure of your sales. It's a measure of how well your store is meeting your customers' needs.



FAST
SITE LOAD

Is your site loading fast enough? Are your products easy to find? Is your checkout process fast and secure? Do you offer multiple payment options?



MULTIPLE
PAYMENT OPTIONS

Your conversion rate is also a measure of the quality of the traffic your site is getting. Are the visitors you're attracting your target customers? Are you using promotions and SEO effectively? You can have a great website selling dancewear, but if your site visitor isn't a dancer, chances are she isn't going to buy anything.



EASY TO
FIND PRODUCTS

Because so many factors can influence conversion, it's hard to pinpoint just one or two factors as the reason for low or fluctuating conversion rates. Your site analytics can give you clues as to why you're not converting more customers. For example, if you're losing customers at checkout it could be that your customers have security, payment, or price concerns. If you're losing customers on your product pages it could be that you're not presenting enough detail or the right kind of information about your products.



FAST & SECURE
CHECKOUT

But the good news is, there's always room for improvement. Whether your conversion rate is 3% (the current [industry average](#)) or 13%, you can always implement new strategies to help increase your sales.

Where Do I Start?

It used to be that increasing sales and conversions meant increasing traffic volumes. But merchants are now realizing that getting visitors to your online store is really only the first step in the conversion process.

Ideally, you want to optimize your site for conversion **before** you invest in strategies to drive more traffic to your site.



WEBSITE
DESIGN



SERVER
PERFORMANCE



PRODUCT
DESCRIPTIONS



CHECKOUT
EXPERIENCE

Other merchants make the mistake of focusing exclusively on promotions to improve their conversion rates. But it pays to [evaluate and optimize your entire shopping experience](#) before implementing and optimizing promotions. Everything from server performance to site design to product descriptions to checkout can have a tremendous impact on conversion rates. Look for incremental opportunities to gain your customers' trust, capture their interest, and meet their needs more efficiently—in addition to implementing promotions strategically.

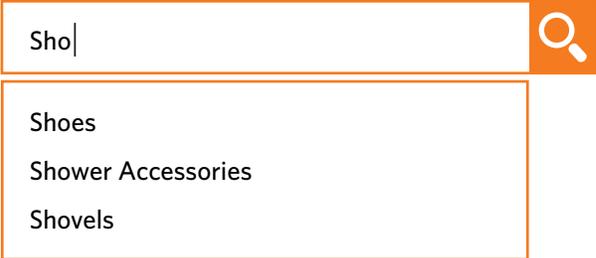
1

Help Your Customers Find What They're Looking For

One of the biggest reasons shoppers leave an online store without buying isn't because of price. It's because they can't find something they want.

There are two easy ways to help your customers find the right products – search and faceted search:

Search - Improving your product search capabilities is one of the best ways you can increase your conversion rate. Your search bar should be large enough so that it's easily visible, and should appear consistently throughout your site. It's also a good idea to enable auto-complete for search phrases, both to minimize typing for your customer and present him or her with related search options.



Sho|

- Shoes
- Shower Accessories
- Shovels

Faceted Search - Use faceted search options to help customers narrow their searches according to various product attributes, including category, size, color, etc. And configure your search tool to include common misspellings and synonymous phrases to increase relevancy of results.

2

Merchandise Your Products

Once your customer finds a product and clicks on it to learn more, make sure you're doing all you can to merchandise and sell that product.

This means using [quality images](#) with zoom, detail views, and even [video](#) to give customers numerous ways to view the product. Also, don't rely on canned or pre-written product descriptions. Tailor product descriptions to your specific target audience.



One way to convince customers to buy is through customer ratings and reviews. This practice engages your customers with valuable content provided by other customers, providing credible social proof to support your own claims in your product descriptions. Because customer reviews tend to answer a range of questions about size and fit, for example, it may also reduce the number of customer support calls you get.

Another way to showcase your products is to add them to different product categories. The goal is to help customers find the same product through different navigational routes. Likewise, use [upsell and cross-sell techniques](#) to expose customers to a greater number of products in your store. Suggest more expensive items your customer might also like (upsell), or suggest related items other customers may have purchased (cross-sell).

3

Use Clear and Compelling CTAs

Your customer shouldn't have any doubt as to what will happen when they click a button or link.

Do yours convey a clear action? A good rule of thumb is to start your calls to action with a verb, and be as concise as possible. Add to Basket, Proceed to Checkout, and Register Now are all familiar examples.

Make sure calls to action are easy to see, and that you have at least one call to action on every page. Use different colors and font sizes for your calls to action to help your customer prioritize calls to action visually. For example, Buy Now should stand out more than Add to Favorites.

Another thing to consider is primary vs. secondary CTAs. The same rules apply to secondary CTAs as well. While we all want people to buy, we should also be able to convert on secondary goals such as newsletter subscriptions, wish lists, etc. This helps to capture people who are researching but not ready to buy.



4

Make Your Site Fast

Never underestimate the importance of a speedy site.

Online shoppers can and will abandon a shopping experience because of pages that are slow to load. In fact, 25% of online shoppers will abandon a page after 2 to 6 seconds of wait time, according to a [2010 study Gomez conducted](#).

Start by analyzing your performance metrics. [Google Page Speed](#) and [Yahoo! YSlow](#) are free tools you can use to measure page load times. But you should work with your technical team to identify potential bottlenecks and areas of improvement for your specific implementation.

Here are a few [recommendations for optimizing overall site performance](#):



Make sure caching (including query and full-page caching) is enabled on your site.



Clean up any inactive CMS pages and remove out-of date promotions and products.



Archive old orders and limit your shopping cart lifespan.



Use a global Content Delivery Network (CDN) to serve static content and HTML files.



Limit the number of concurrent promotions, and disable any functionality you're not using.

5

Be Mobile Friendly

A large and growing number of your potential customers will be visiting your store via their mobile phones or tablet computers.

According to [comScore](#), 4 out of 5 consumers use smartphones to shop. [They're also using smartphones to comparison shop or check for coupons while in the store.](#)

Make sure customers aren't waiting for image-heavy pages to load or struggling to view pages optimized for desktop or laptop screens. Your site should be easy to navigate on any smartphone without a lot of pinching and scrolling, and images should be optimized for mobile so that they load quickly.



A good way to optimize your site for mobile is to automatically detect mobile browsers and display a mobile-optimized version of your site. The auto-detected mobile version of your site might include a pared-down product catalog with simplified navigation and reformatted pages with big, mobile-friendly buttons and calls to action.

Another solution is to create a separate mobile app for your store. A fully optimized mobile app will speed page loads, help customers locate products more quickly, and speed payment and checkout.

If you choose to develop a mobile app for your store, consider offering customers an incentive (a discount with purchase, for example), to get them to download and install the mobile app.

6

Stay With Your Customer

There are several reasons customers abandon shopping experiences, according to [conversion experts](#). But those sales aren't necessarily lost.

The key is to create a seamless shopping experience for your customers as they switch between devices and browsers, and that means enabling persistent shopping cart functionality.

Persistent shopping cart functionality works by establishing a long-term cookie for each device a customer uses to login to your site. The cookie enables the customer to add products to the same shopping cart from multiple devices and locations, while only having to login once.

You can use email reminders to prompt customers to login to save their shopping carts, and send them discount offers and product updates for items they've already added to their carts. Enabling wish lists and "save for later" functionality are other ways to keep customers engaged until they're ready to buy. You can also enable live chat on the checkout page to try to answer any questions that may be stopping your customer from completing the checkout process.



7

Keep Checkout Simple

Once your customer has decided to buy, try to move them through checkout as quickly as possible.

Your checkout form should ideally be just one page, with as few required fields as possible. You can always ask your customer for more information later, or invite them to register after they've made their purchase. (A Forrester Research [study](#) found that requiring users to register before checkout decreases conversion rates by 23%.)



The same goes for advertising or displaying products other customers also bought. You want as few distractions as possible on your checkout page to ensure a seamless process.

It's also a good idea to remind your customers via logos and other visible statements that your checkout process is secure, and that your site meets [PCI compliance for securing transactions](#). You don't want security doubts to be the reason a customer abandons a shopping session.

8

Offer Multiple Payment & Shipping Options

Make sure your shopping experience is meeting the needs of different kinds of customers: Those who want their purchases right away, for example, and those who won't buy anything unless they get free shipping.

Or those who are uneasy about using their credit cards online, and those who prefer to use more than one payment method or who wish to finance their purchases over time.



The proof is in the conversion rates: A [comScore](#) study conducted during the 2011 holiday season found that 40% of retail e-commerce purchases included free shipping; and only 2% of customers said shipping offers didn't affect their purchase decisions. Similarly, a [2012 study conducted by Forrester Research¹](#) found that 32% of PayPal and Bill Me Later purchases wouldn't have occurred had those payment options not been offered. The study also reported that conversion rates were higher for sites that accepted PayPal, "due to ease of checkout."

Offering free shipping with a minimum purchase has become almost standard practice for many retailers. But you can also appeal to customers looking for deals on shipping by offering a flat shipping rate, or by offering free shipping on select items or bundle offers. Likewise, offering a variety of payment options will help you remove obstacles to purchase for a larger percentage of your customers.

¹ Forrester Research Commissioned Study: "Total Economic Impact of PayPal Express Checkout for Web and Mobile," July 2012.

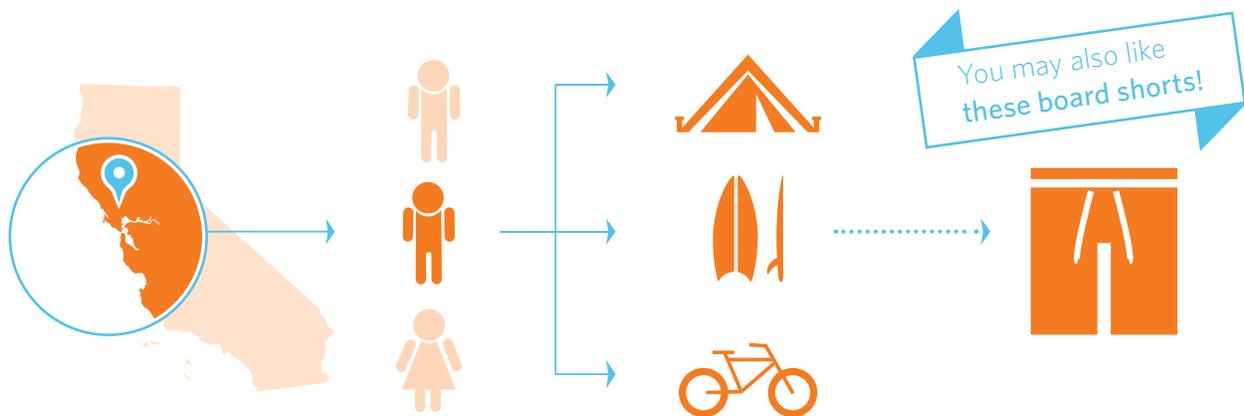
9

Make it Personal

The more you know about your customers, the more you can give them what they want.

Segment your customers based on their behaviors (how much they spend, what they buy, how often they buy) and demographics (age, gender, country, city, state, region), as well as other data you collect. You can even collect data about first-time or unknown site visitors and segment them based on items they've browsed, what OS they're using, or how they found their way to your site.

The key is to create and define distinct customer segments, with little or no customer overlap. You'll also want to assign values (return customers may warrant a higher value, for example) to your customer segments so that you can prioritize your marketing efforts for each segment accordingly. Then target those customer segments with special pricing and product offerings, and create email campaigns and promotions tailored just for them.



10

Use Price Promotions Wisely

Once you've optimized your site for performance and usability, it's time to focus on price promotions.

Keep in mind, however, that overusing price promotions could permanently alter the way customers perceive your brand.

Coupons are one of the most effective tools you can use for increasing conversions—especially when those coupons are used to target specific customer groups. [In fact, 34% of consumers surveyed by JiWire 2012 said they redeemed an online coupon in the past 90 days.](#) Coupon codes are not only popular with consumers (by comparison, only about 22% redeemed paper coupons), they give merchants an easy way to measure the effectiveness of specific marketing campaigns.

But be aware that [overusing coupons can negatively affect profits](#)—and set consumer expectations that may be difficult to overcome down the road. Once customers begin to expect coupon deals or special offers with every purchase, they may start delaying purchases until a coupon or special offer is available. Be sure all price promotions are consistent with your brand identity and image—and that they don't undercut or alienate your retail distributors.



Targeted
Discount



Bundle
Promotion

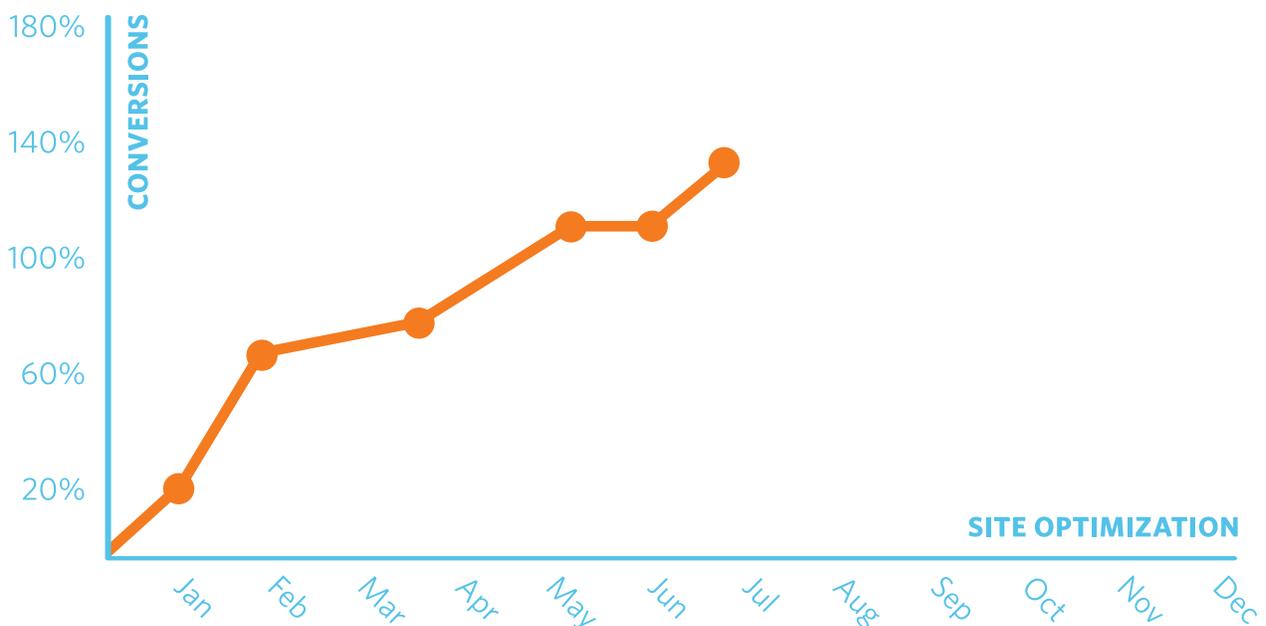
What are some other promotions you can use in addition to coupons? Product bundling and customer rewards points programs can be just as effective at increasing conversion rates and customer satisfaction. In fact, product bundling—offering groups of products together for one (often discounted) price—is often used to increase average order values. Likewise, customer rewards and point programs can provide powerful behavioral incentives that also build customer satisfaction and loyalty while protecting your brand.

Increasing Conversion Rates: An Ongoing Process

Increasing conversion rates should be viewed as an ongoing process, and not a one-time event.

You'll need to continually optimize your site to accommodate new visitors, products, promotions, and seasonal events—and that means continually optimizing your site for conversions. The ten conversion tips outlined here can give you a great place to start, and can even serve as a checklist to help you decide where to focus your optimization attention and resources.

Not everyone who visits your store site will make a purchase. But some of your site visitors may return to make a purchase at a later date. As you optimize your site, think of ways to maximize the potential for every site visitor to make a purchase.



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Attract & Retain
More Customers



Make Buying
Easy



Grow & Scale
with Confidence



Cultivate Brand
Loyalty



Customize & Refine
Your Site

About Magento

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Magento is owned by eBay Inc., a global leader in commerce technology. Our relationship enables us to offer our customers, partners, and community members a wealth of experience and resources in commerce-related technologies, as well as access to world-class, branded capabilities from eBay Marketplaces, PayPal, GSI Commerce, and others.

To learn more about how Magento Enterprise Edition is helping merchants grow their online businesses, visit: www.magento.com/enterprise

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