Don't call it a comeback

Strategies for abandonment recovery

Qubit™

Contents

Introduction

No matter where it happens — basket, page, form, or on-site search — abandonment is a universal challenge for all online businesses. On average, 68.8% of all visitors leave websites after putting items in their basket.[1] But as a result, are online retailers missing out on 68.8% of sales? The two seem to have a cause and effect relationship, and it only makes sense to believe that if a user puts an item in their cart and doesn't check out, then it's a missed sale.

This common misconception actually couldn't be farther from the truth. Assuming that a person who adds an item to their basket is intending to purchase is like assuming that a person who tries an item on in the store is definitely intending to buy. Forgotten are the people there for the pleasure of browsing, whether it's boredom, comparing prices to something they saw elsewhere, or admiring an item with hopeful aspirations to one day make the purchase. The bottom line is that just because a person is interested in a product and moves it to their cart doesn't mean they are promising to buy it, now or later.

One of the top reasons that people abandon carts is that they were just browsing, not yet ready to take the plunge. Only 0.25% of first time visitors actually make a purchase.[2] That said, most retailers assume that a visitor abandoned is a visitor lost forever, but this isn't the case. The big mistake that brands make is not putting effort into winning the business of their abandoners. In fact, only 27% of businesses attempt abandonment recovery efforts at all. What they don't realize is that consumers use an average of five touchpoints before making a purchase.[3]

People who abandon more than once are 2.6 times more likely to make a purchase than those first time visitors. Meaning that abandonment, if approached correctly, could actually drive sales. That's right, those abandoning customers who had little to no intentions of making a purchase could actually be your meal ticket.

[1] Baymard, January 2016
[2] Hybris, November 2015
[3] Hybris, November 2015

Understanding the user journey is one of the most important factors in deciding how to address abandonment. Not all abandoners are created equal, so you can't assume that every visitor is there to close the deal. Similarly, abandonment should not be defined by one single action (or inaction), but rather by the business itself. You should be able to decide if abandonment means leaving behind a filled basket, a browsed item, an incomplete form, or something else entirely. Abandonment is a unique experience specific to a business and its individual users, so there shouldn't be one solution or one single message served to every user at the same trigger point.

Abandonment is inevitable in today's digital landscape; keeping your customers engaged after they've become abandoners is up to you. Your customers aren't going to make a miraculous comeback without an effort to draw them back in. In this guide, we will take a deeper look into the different types of abandonment and how to approach it in ways that will reap rewards instead of losses. You will discover how Qubit's integrated abandonment recovery solution effectively predicts exit intent and targets visitors with personalized incentives to remain engaged. Enhanced with adaptive targeting, businesses are able to deliver hyper-relevant digital experiences based on any combination of visitor attributes.

With Qubit, you can finally stop looking at abandonment as an issue, and start looking at it as an opportunity.

Different types of abandonment

In every online experience, there is an intended path for the visitor with an end goal in mind. In retail and travel, the most common goal is to lead the customer to the checkout page and get them to make a purchase. In other online businesses, the goal could be to get a user to sign up for a subscription, enter a contest or sweepstakes, or just simply make it to a specific page. Whenever a visitor drops off before reaching the end of the intended funnel, this is referred to as abandonment.

Many businesses view abandonment from the end: the visitor did not complete the goal. Qubit's approach to abandonment is to take a look at the funnel as a whole and determine where visitors are leaving and why. The customer's experience online is a journey, and understanding that journey is what transforms abandonment from a problem into an advantage. Here are some of the most common moments in the funnel that a customer abandons:

🛒 Basket Abandonment

When a visitor places items in their basket, and leaves the site without purchasing.

Shopper X is searching for a dress to wear to an upcoming wedding. The event isn't for a few months though, so she's currently browsing different sites and adding items to her cart that she may intend to narrow down and choose from in the future. Believing this shopper is lost just because she abandons after adding to her cart would be a mistake. Knowing the shopper's behavior and understanding the types of items she's adding to her cart could be a great way to get her back. Your brand could offer her an incentive on formal dresses, getting her to return and purchase from your site over potential others because of the personal touch offered at just the right moment.
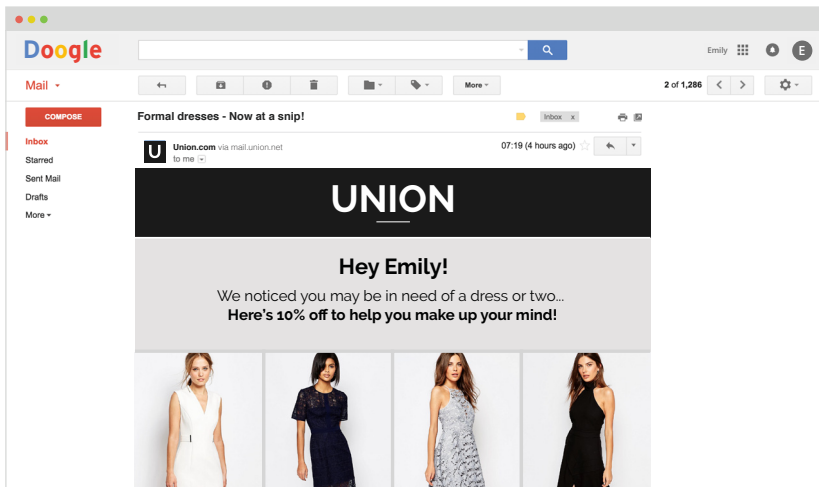

After a set period of time, send your abandoners a personalized recovery email with the products they abandoned plus some recommendations.

⬡ Browse/Search Abandonment

When a visitor comes to the site and browses one or more products without adding them to the basket or making a purchase.

Browser Y spends a lot of their money on fresh juices and smoothies during the workweek, so they have made up their mind to purchase a blender and make them on their own. They know the product they want, but they also have a few brands and models in mind that they'd like to compare. This comparison shopper visits a number of different sites to analyze models and pricing before ever putting something in their basket. Assuming that they are a lost cause simply because they have browsed a product and abandoned it without even adding it to their cart is a mistake. Understanding what this browser is looking for and being able to offer them a relevant incentive at the right time could be the trigger that gets them to come back to your site and choose your products over the others.
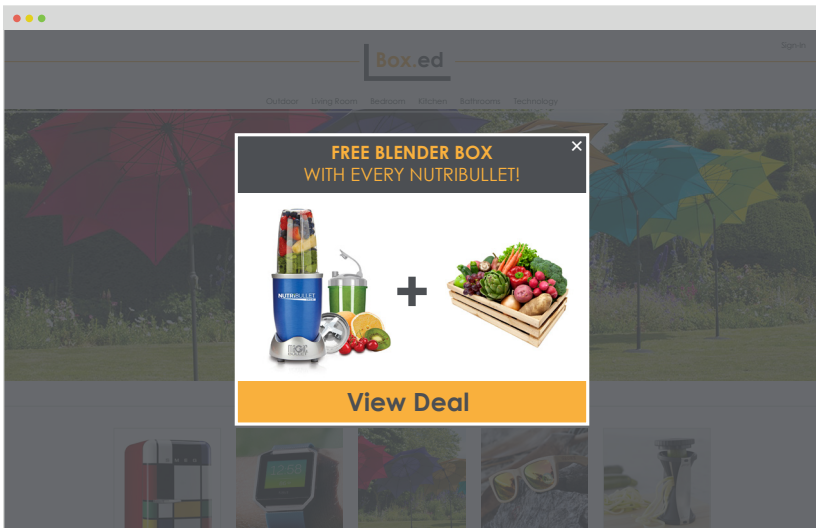

Predict exit intent and target visitors with an incentive to remain onsite.
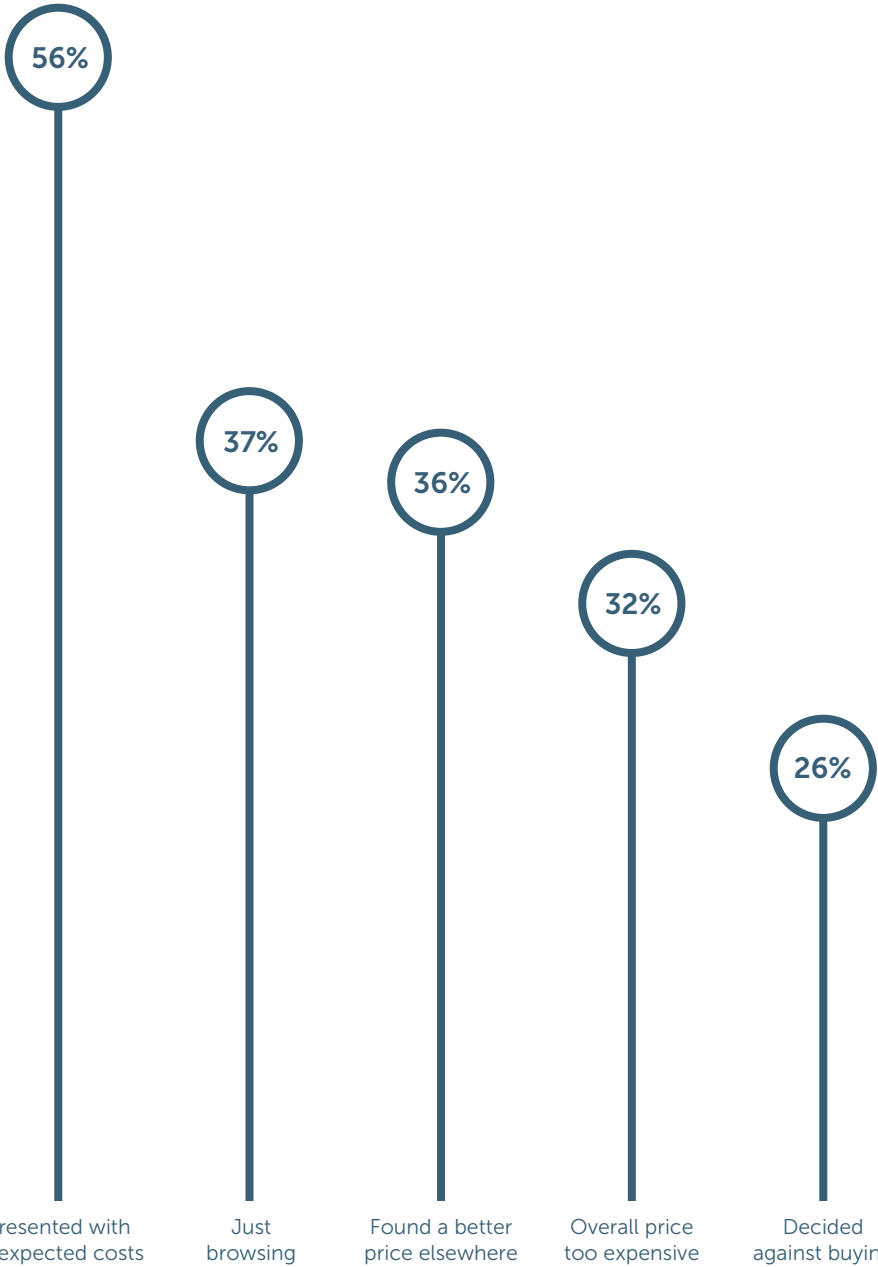
📄 Form Abandonment

When a visitor comes to a site and begins to complete a form but leaves the site without completing it.

Abandoner Z is interested in going to a local conference and attending a keynote speaker session that relates to their business. When they go to the conference site to register, they begin to enter their information but soon become concerned at the amount of data that is being requested. They are required to enter a credit card number to hold their place at the keynote, but they aren't confident that this site is secure enough to share that information so they decide to hold off. Knowing where your visitor is dropping off allows you to understand what parts of your form may be inefficient, and allows you to address any concerns or annoyances. This gives you the opportunity to remedy the visitor's concern in real time, perhaps by presenting them with assistance or offering confirmation on your site's security. This could be the key factor in keeping your visitors engaged during form completion.
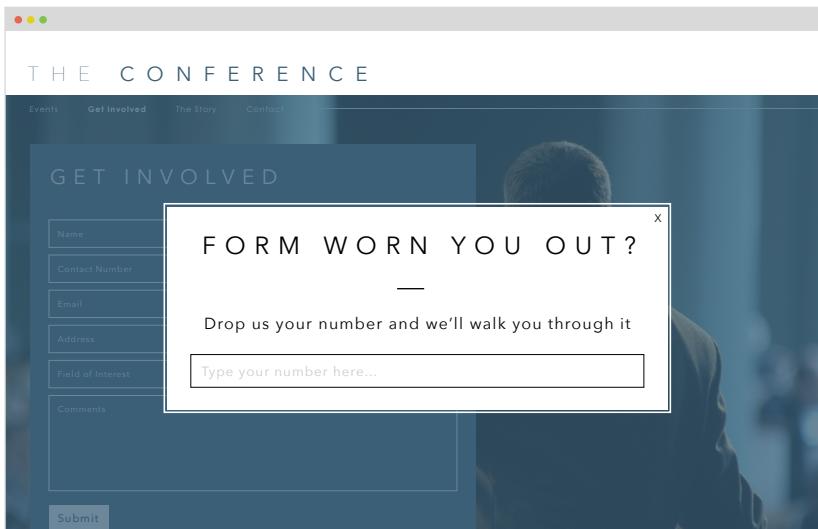
Recognize where your abandoners are getting caught up in a form and offer a solution to help them complete it in real time.

Top 10 reasons online shoppers leave without purchasing

56%
Presented with
unexpected costs

37%
Just
browsing

36%
Found a better
price elsewhere

32%
Overall price
too expensive

26%
Decided
against buying

Understanding why customers leave

Knowing when and why a user left gives you the power to take a more personalized approach to getting them back. While abandonment recovery efforts are important, it is even more important to make sure that you are not wasting those efforts. Adaptive targeting enables you to properly identify, segment and individually approach users with more personalized messaging, leaving you with a better chance of conversion.

25%

21%

18%

17%

16%

Website navigation too complicated

Website crashed

Excessive security checks

Payment security concerns

Unsuitable delivery options

How to approach abandonment effectively

In order to maximize your recovery rates, you need to be able to target your efforts based on who your customer is (the window shopper, the comparison shopper, the wishlist maker, etc) and also to trigger them at the right moment. That's why Qubit's crafted an effective approach to abandonment with the following criteria:

Configurable

Make sure you understand the right timing and triggers to use for your different types of abandoners. With Qubit, you can reach out to customers before they leave your site, or via automated emails which can be optimized over time.

Personalized

Not all abandoners are created equal! Use segmentation to identify how you will approach each type of visitor, creating specialized campaigns for everyone from first time visitors to your most loyal customers. Qubit's adaptive targeting makes it simple to deliver different types of content and messaging to customers who fit different profiles or display different behaviors.

Integrated

Our abandonment recovery solution works best alongside other Qubit solutions such as product recommendations and preference collection. An abandonment email featuring recommended products based on their history will be much better received by your customers.
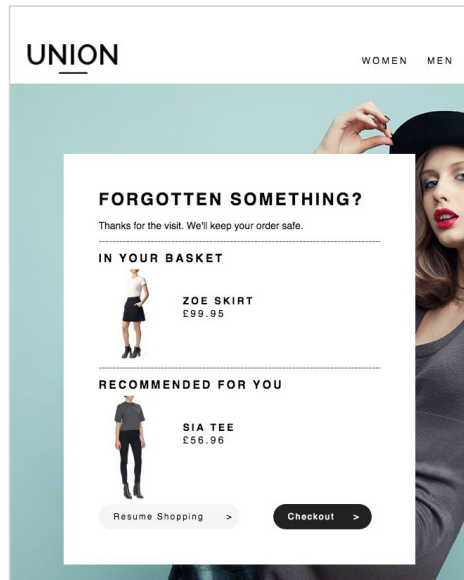
A number of Qubit clients were struggling with low conversion rates, and missing out on a ton of revenue. In some cases, their customers weren't aware that they already offered free shipping. In others, a personalized, automated email sent to basket abandoners was all it took to get them to convert to purchasing. In most cases, clients saw statistically significant uplifts in conversion and even gained up to $100K in monthly incremental revenue thanks to Qubit's abandonment recovery solution.
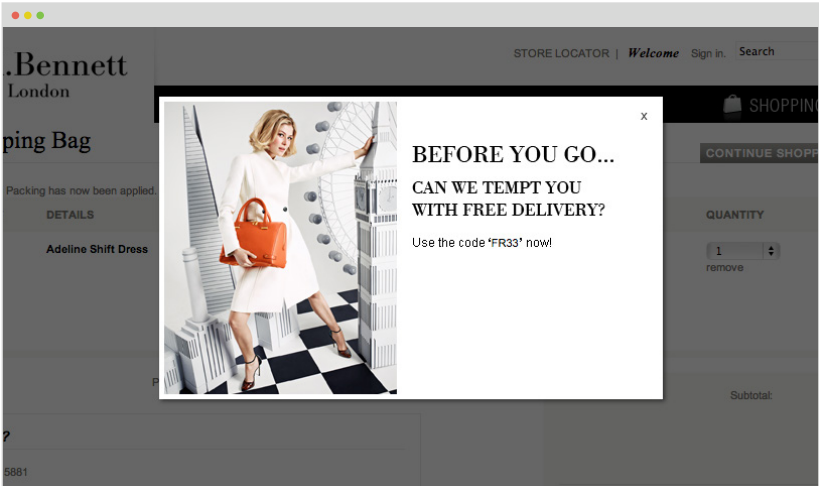
For LK Bennett, onsite abandonment prevention alone led to an AB tested, statistically significant uplift in conversions of 11%

The Qubit approach

Qubit's abandonment recovery solution enables businesses to increase revenue and conversions by predicting exit intent, and messaging visitors with items in their basket who intend to leave the site or have already exited the site.

With the Universal Variable data layer, Qubit is able to collect rich and extensible data for advanced segmentation and analytics. Including multiple layers of data such as basket amount, purchase history, and visit history, which allows you to speak to abandoners on a more granular level and more effectively win them back. On top of that, the ability to AB test tactics and creative executions for recovery efforts is natively built into the Qubit platform, giving you the insight to know what is working and why.

Personalization is key

The default approach on abandonment up to now has been to offer blanket discounts. However, this is no longer good enough, and it's even begun to impact shopper behavior. Savvy customers become delayed buyers, adding goods to their cart and waiting for the discount codes to roll in. Recapturing these buyers through a one-size fits all approach will erode your margins unnecessarily.

Research also indicates that discounts are primarily being served via onsite pop ups, with email an under-utilized tool. It's clear the approach needs to be smarter and more personalized. This starts with understanding the journey of abandoning customers through the use of Qubit's Visitor Cloud Data Exchange & adaptive targeting.

Reach your visitors before they're gone for good

Studies show that a recovery email sent 20 minutes after the cart was abandoned has an open rate of 46%, an email sent 23 hours after receives an open rate of 40% and an email sent one week after has an open rate of 27%.

Win back lost revenue

Out of all visitors with items in their basket, only 31.4% actually check out. The 68.6% of visitors abandoning carts equates to $4 trillion annually of lost revenue worldwide. In the travel industry, abandonment is even more common, with 81% of visitors leaving the site before booking. People who abandon more than once are 2.6 times more likely to make a purchase so definitely a group worth targeting. While it's clearly a challenge, there is a huge opportunity here to reclaim a portion of this lost revenue.

Keep the profits for yourself

We believe businesses are harming precious margin through the use of CPA driven abandonment solutions. This is why Qubit offers fixed, predictable license-based pricing as opposed to performance based. We do not eat into your margins with commission, and you're free to experiment with different methods and strategies to maximize your success.

Our clients

TOPSHOP Superdry. Saks Fifth Avenue SHOP DIRECT

Emirates livingsocial Thomas Cook

About Qubit

Qubit is the pioneer in delivering data-first customer experiences.

Qubit offers a blank canvas for businesses to deliver their big ideas. Whether it's acting on data science or creating highly targeted personalizations, we fuel innovation and ensure marketers are never held back by digital roadblocks.

Our digital experience hub integrates analytics, segmentation, AB testing, and web personalization with the Visitor Cloud, a real-time data supply chain connecting all your brand touchpoints through a single view of the customer. From website optimization to in-store merchandising, we put the data in your hands to make informed decisions and bring your most creative strategies to life.

Qubit is trusted to deliver real impact to the bottom line for the biggest brands. To date, we have received over $76 million in funding from Goldman Sachs, Accel, Sapphire Ventures, Balderton Capital and Salesforce Ventures.

For more information about our products and research please contact info@qubit.com or visit our website www.qubit.com

Qubit
Deliver your big ideas.

Key Takeaways

- ▶ Discover the potential revenue left on the table every year due to abandoned baskets
- ▶ Understand the thought process behind abandonment
- ▶ Develop hyper-relevant incentives for customers to keep them engaged, or re-engage them after they've exited
- ▶ Master the way you reach your abandoners: timing & tactics
- ▶ Find out how Qubit has driven uplifts in revenue and conversion for clients using abandonment recovery