Conversion Testing for Increased Sales: The Psychology of Buying Behavior

According to Psychology Today, different parts of our brains are triggered when we shop. Pleasure-inducing dopamine is released in anticipation of a rewarding purchase, but other parts of the brain also spring into gear to ensure that we don't spend too much. That's why providing a frictionless shopping experience—one that encourages dopamine release and assuages the brain's shopping "brakes"—is important to achieving a high conversion rate.

Take this simple scenario. Imagine you are in line at Starbucks. You are deciding between a cup of black coffee or the more attractive latte you deserve. (You've been trying to cut back on ancillary spending and calories, so you are going back and forth.) Ultimately, you decide to go for the latte. But the line is long, giving you more time to ruminate, and you go back and forth a couple more times. Finally, you get to the front of the line and you order the latte. But there's a little hiccup with the credit card machine and they ask, sheepishly, if you can pay in cash. You've got \$2 bucks. A tall drip coffee it is. (Cue dying Packman sound.)

Maybe Starbucks is a bad example. After all, they aren't known for a frictional customer experience. (If you want a good example of a buying process with friction, check out our blog post: Abandonment issues? Time to review your online checkout process.) But, you get the point. This scenario can be applied to any shopping transaction—online or in person. It is what merchants are up against every day of the year. Their goal is to help customers buy and be happy with their purchase, give them fewer reasons to abandon the purchase or, alternatively, more reasons to complete the purchase, and finally, less time to change their mind.

That's why Shopatron started focusing on customer experience a couple years ago. We formed a Traffic & Conversion team to track, analyze and optimize the usability of our Shopatron websites and stores and remove any points of friction. We have been able to make small changes, completely unrelated to price or product, and increase sales for many of our clients by as much as 15-29%. Check out these case studies detailing how onsite promotion of free shipping substantially boosted conversions for Klipsch (add link), and how changes to page design and the location of standard messaging helped increase sales for Folkmanis. (add link)

It's not rocket science, but there is science to it. In the same way the <u>principals of visual retail merchandising</u> focus on:

- making it easier for the customer to locate the desired category and merchandise,
- making it easier for the customer to self-select,
- making it possible for the shopper to coordinate and accessorize.
- recommending, highlighting and demonstrating particular products at strategic locations,

the eCommerce sales funnel should make it easy for visitors to find and buy what they are looking for. It should make them happy, and it should happen quickly, be secure and feel effortless.

Providing a superior customer experience means taking all of the above into account. It means adding tools that make the shopping experience easier, like video and recommended products functionality, as well as addressing any questions up front with clear and conspicuous security, payment and shipping messaging. And then it is important to perform extensive A/B testing to find out which changes reduce friction and encourage your customers to buy more and buy more often.

Stay tuned for more updates from our Traffic & Conversion team, in particular their upcoming webinar: Conversion Testing: What it means for consumer brands (register here). (confirm title and add link). And when you are shopping, try to be aware of what makes you buy or not buy so that you can keep those variables in mind when reviewing your own eCommerce store. If there wasn't some psychology involved, they probably would not have coined the term "retail therapy."

Other resources to check out:

Abandonment issues? Time to review your online checkout process.

Tools That Improve Conversion - Product Reviews

Free Shipping: Can You Afford to Charge?