

Case Study



Team Name : Power Explorer

#EffortlessShopping

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Root Cause Analysis

Problem Statement:

Instacart is experiencing a high rate of cart abandonment during the first-time checkout process, resulting in lost sales and decreased customer satisfaction.

Possible Causes

- Complex or lengthy checkout process
- Lack of payment options
- Unexpected costs (e.g., high shipping fees)
- Technical issues (e.g., slow loading times, errors)
- Poor user experience (e.g., confusing interface, too many steps)
- Security concerns

We have to...

- Simplify Checkout Process: Reduce the number of steps required to complete a purchase.
- Offer Multiple Payment Options: Provide various payment methods to accommodate different preferences.
- Improve Transparency: Clearly display all costs upfront to avoid surprises at checkout.
- Enhance User Experience: Streamline the interface and improve usability.
- Technical Improvements: Address any technical issues, optimize loading times, and ensure the system is reliable.

Execution Summary

Objective:

The prime focus of the present task was to look for and tackle the initial causes of card expiration in the checkout process of Instacart. We aimed at reducing the rate of card abandonment and making customers happy and increasing profits by improving the user experience and solving technical problems. Cart abandonment rate and customer satisfaction and revenue are the two main facets of our focus, since they are the drivers of the growth of our e-commerce business.

Key Findings:

- Complex Checkout Process: Users considered the checkout process as tedious and uncomfortable, which was why they were abandoning the carts after reaching the payments section.
- Technical Issues: In addition to the page load times and payment processing errors that the users could tolerate, the technical issues such as a slow page load time and many payment processing errors led to user frustration.
- Unexpected Costs: The hidden fees and the lack of a transparent cost breakdowns, were enough for the customers to flee from the web pages and not purchase the products.

Implementation:

- Obligated To A One-Page Checkout
- Eliminating The Unnecessary Complex Steps That Are Required Towards Finishing A Transaction.
- In addition to the above, the browser also autocompletes form fields and it also allows users to save information for future use.
- Integrated an e-commerce platform so that we could provide as many as possible payment options to our customers.
- Supported mobile payment methods including Options like Apple Pay and Google Pay.
- Generated accurate information, which lists customers' costs, such as taxes and shipping fees separately, so that their shopping isn't in vain.
- Displayed users' estimated delivery times, based on their respective locations.
- Included progress bars to assist the user step-by-step through the checkout process.
- Feedback Integration: Along with the above strategies, the company could establish a more effective feedback loop and customer service teams could quickly deal with these issues and improve the system consistently.

User Personas

The Busy Parent

Demographics:

- Age: 35-45
- Married with children
- Middle to upper-middle income
- Occupation: Working professional
- Location: Suburban areas

Psychographics:

- Tech friendly and comfortable with online shopping
- Values time-saving solutions

Pain Points and Challenges:

- Frustrated by complex checkout processes and payment methods
- Unclear delivery fees can be a deal-breaker

Goals and Motivations:

- Wants a quick and hassle-free checkout process
- Prefers options that make grocery shopping efficient

The Tech User

Demographics:

- Age: 25-34
- Single or in a relationship
- Middle income
- Occupation: Young professional or student
- Location: Urban areas

Psychographics:

- Early adopter of technology
- Values seamless digital experiences
- Frequently shops online for convenience

Pain Points and Challenges:

- Abandons cart if the checkout process is too long or complicated
- Distrusts unclear pricing and hidden fees

Goals and Motivations:

- Seeks a smooth and fast checkout experience
- Prefers multiple payment options and digital wallets

The Elderly Shopper

Demographics:

- Age: 65+
- Retired
- Fixed income
- Occupation: Retired professional
- Location: Various, often suburban or rural

Psychographics:

- Prefers simple and straightforward processes
- May have lower technological proficiency
- Values reliability and transparency

Pain Points and Challenges:

- Struggles with complicated interfaces
- Easily deterred by unclear instructions or unexpected fees

Goals and Motivations:

- Wants a clear and simple checkout process
- Needs straightforward payment options

Competitive Analysis

	Strengths	Weaknesses	Threats
Amazon Fresh	<ul style="list-style-type: none">Extensive product range due to integration with Amazon's broader marketplace.Fast delivery options, including same-day delivery for Prime members.Strong brand recognition.	<ul style="list-style-type: none">Subscription model (Amazon Prime) required for access.High competition within the Amazon ecosystem.	<ul style="list-style-type: none">Intense competition from other grocery delivery services.Potential issues with scaling and maintaining quality across different regions.
Shipt	<ul style="list-style-type: none">Personalized shopping experience with Shipt shoppers.Partnership with Target provides a strong retail backing.Flexible delivery options.	<ul style="list-style-type: none">Subscription fee may deter casual users.Limited geographic coverage compared to larger competitors.	<ul style="list-style-type: none">Increasing competition from both local and national grocery delivery services.Challenges in maintaining shopper quality and consistency.
Walmart Grocery	<ul style="list-style-type: none">Extensive network of physical stores enabling broad reach and fast delivery.Competitive pricing due to Walmart's purchasing power.Integration with Walmart's loyalty programs.	<ul style="list-style-type: none">User experience may vary depending on the local store's efficiency.Limited premium product selection compared to specialized grocery services.	<ul style="list-style-type: none">Competition from other large retailers entering the online grocery space.Operational challenges in ensuring consistency across all stores.

Technical Analysis

Identifying Technical Issues

- Reviewing servers: Thorough reviewing of website or application has to be done to find errors & compatibility issues.
- Examine website analytics to identify where users drop off.
- Collect feedback from customer service reports, surveys, and user reviews.

Performance & Usability Testing

1. Checking how the website works under load conditions.
2. Examining page loading time and ability to handle peak traffic.
3. Heatmaps can be used to see where users click, scroll & spend maximum time on website.
4. Conduction of A/B tests to compare different versions of the final checkout process and the identifying most user-friendly design.
5. Analyse that all sensitive data including passwords and payment info is encrypted throughout the process.

Security and Compliance Review

1. Analyse that all sensitive data including passwords and payment info is encrypted throughout the process.
2. Ensure the payment processing system is in accordance PCI-DSS standards.

SOLUTIONS

USER FRIENDLY CHECKOUT PROCESS

1. Using Auto-Fill features to reduce manual work.
2. Simplifying checkout process and putting everything on a single page.
3. Saving user information for future purchases.

BETTER PAYMENT OPTIONS

1. Offering different payment gateways to make process user friendly.

PROVIDING TRANSPARENCY

1. Offer a comprehensive breakdown of costs involved, taxes and shipping charges.
2. Displaying progress indicators on screen to show users their payment progress.

ITERATING USER INTERFACE

1. Make regular reviews after payment to have a check on website.
2. Quick addressing of reported issues by the customer services team.

Conclusion

Summary of Findings

1. Complex Checkout Process: The multi-step and lengthy checkout process discouraged users from completing their purchases.
2. Technical Issues: Slow page load times and frequent payment processing errors created frustration and led to abandonment.
3. Lack of Payment Options: Limited payment methods did not cater to user preferences, contributing to checkout drop-offs.
4. Unexpected Costs: Hidden fees and unclear cost breakdowns caused users to abandon their carts at the final stage.

Implemented Solutions

1. Streamlined Checkout Process: Simplified the checkout flow by reducing the number of steps and introducing a one-page checkout option.
2. Performance Optimization: Enhanced page load times through lazy loading, minimized resources, and the integration of a Content Delivery Network (CDN).
3. Improved Payment Systems: Integrated multiple payment gateways and supported mobile payment options, along with robust error handling.
4. Increased Transparency: Provided a detailed breakdown of all costs upfront and added progress indicators to guide users through the checkout process.

Impact and Benefits

- Enhanced User Experience: The streamlined checkout process and improved technical performance have made it easier and faster for users to complete their purchases.
- Reduced Cart Abandonment: By addressing the root causes of abandonment, we have significantly decreased the cart abandonment rate.
- Increased Customer Satisfaction: Users now have a more reliable and transparent checkout experience, leading to higher satisfaction and repeat business.
- Greater Revenue: With fewer users abandoning their carts, Instacart is likely to see an increase in completed transactions and overall revenue.

Future Recommendations

- Continuous Monitoring: Regularly monitor the checkout process and user feedback to identify and address any new issues promptly.
- User Testing: Conduct periodic usability testing to ensure the checkout experience remains user-friendly and efficient.
- Feedback Integration: Establish a robust feedback loop with customer service teams to quickly act on user-reported issues and improve the system continuously.