

UX Practices within Online Retailers: Insight into a Hot Commodity

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Introduction

At its very core, an online retailer is someone who sells goods and services online. In this research report, I examine three forms online retailers can take: online food delivery services (UberEats, Postmates, and DoorDash), online grocery delivery services (Instacart and Shipt), and online retailers as a whole (Amazon and Ebay). I wanted to examine how companies within different markets and economies of scale manifested their UX practices. In order to understand this, I conducted a competitive/comparative analysis by way of eight dimensions (each with three attributes) to observe key trends, patterns, and relationships. I centered my study around four pivotal questions: Is the value of UX evident throughout these companies? Does a particular market make a difference in how UX is implemented? Do companies' economies of scale impact UX practices? What are key trends, patterns, and relationships observed? As technology provides an unprecedented level of convenience to humans, I felt compelled to examine various forms of it that heavily impact college students particularly.

Methods

I chose to research online retailers by way of a competitive/comparative analysis matrix. I chose UberEats as my primary product due to my realization that it was becoming my main method of eating. UberEats is the biggest company in the online food delivery service market by way of revenue - \$1.4B. I realized the importance of having diverse representation so I chose all my competitors with different economies of scale in relation to revenue: Postmates - \$1B and DoorDash - \$900M (Singh, 2019). I sought to expand my study by thinking of another food delivery service that has become widely popular:

groceries. I examined the parallel competitors Shipt - \$1B and Instacart - \$620M (Magana, 2019). Finally, I wanted to bring it all home by studying some of the most profitable indirect competitors: Amazon - \$236B and Ebay - \$10B (Young, 2019). After developing a strong base for the products I would be comparing, I had to shift to the metrics I would be utilizing to compare and contrast them. I decided that *Customer Service, Costs, Tracking, Feedback* and *Perks* are good indicators of the value these companies provide to users. And *Aesthetics, Capabilities, and Filter Abilities* are good reflections of UX practices.

Findings

A key finding I discovered was that the more niched the market is, the simpler the requirements are to make a positive user experience. The broader the market, the more complex the requirements are as you have to account for more users. A prime example of this is moving laterally across the matrix. You see more options for users to select from and complexity in how users are engaged with. In the *Costs* dimension, I initially observed a flat rate from most companies. Towards the end, there are many tiered subscriptions and options to pick from. This reflects how the companies had to account for the needs of all users. Each user wants something different out of the service and a flat rate cannot satisfy the needs of all users. Tiered and categorized subscriptions are a good way to account for the needs of all users. *Reference Figure 1a and 1b.*

Figure 1a

Costs			
Service Fee	15%	20%	7% to 15%
Delivery Fee	Contingent on distance between customer and restaurant	\$5.99 (or \$3.99 for restaurants that "partner" with them)	\$0.99-\$7.99

Figure 1b

Costs			
\$14.99/mo	\$9.99/mo or \$99/year	Sellers: \$39.99/mo Users: \$12.99/mo or \$99/year	5-tier subscription model
If order < \$35 = \$7. Free with monthly subscription	\$7.99 for one-hour delivery or \$5.99 for two-hour plus delivery or free with yearly membership	Prime members: free shipping along with expedited delivery options Non-prime members: Must order \$25 to get free shipping	Location-based shipping costs

Another finding I discovered is that less is more. Within the *Capabilities* dimension, I examined eBay's subscription model and found it overly complicated. Although I see eBay's UX practices in accounting for all users, they could simplify the selection process. Amazon gets it right in narrowing down their subscriptions to just two categories: users and sellers. eBay overcomplicates what they think their users and sellers want. *Reference Figure 2.*

Figure 2

Starter	Basic	Premium	Anchor	Enterprise
Discounts and tools for occasional sellers	Tools and lower fees for growing businesses	Bigger discounts designed for larger businesses	Lower fees and dedicated support for volume sellers	The lowest fees and dedicated support for the largest retailers
\$4.95/ mo with annual subscription	\$21.95/ mo with annual subscription	\$59.95/ mo with annual subscription	\$299.95/ mo with annual subscription	\$2,999.95/ mo with annual subscription

Comparing and contrasting their shipping model, I see that eBay has overcomplicated this as well. Not only does eBay fail to provide a clear cost of shipping, they make the user assess how much it will be. This is an unnecessary and often frustrating step in the experience of online retail. Amazon provides a clear understanding of shipping costs and breaks it down into two categories. Thus, simplifying the often confusing process.

Reference Figure 1b.

I find it interesting that eBay was once the biggest player in the online retail market and now it seems to neglect the value UX provides. Contrast that with Amazon, the value of UX seems to be front and center for their design team. I think an important lesson can be learned here: UX never stops improving. A once antiquated UX mindset of giving users multiple options has evolved into the principle that less is more (Yablonski, 2019). Amazon embodies this mindset even when they have numerous requirements they seek to satisfy.

Another finding I discovered is that good UX practices are not directly correlated to economies of scale. You'd assume the biggest platform in a market would have better UX as they have access to more resources. I found it to be the exact opposite. Within the *Capabilities* dimension, I examined the ability to customize your order (a crucial aspect when ordering food online) among direct competitors. It was the least profitable platform

that delivered the best results. DoorDash allowed me an easy interface to select my ingredients. Postmates left out the interface to do so - a major UX fail. This was also evident in the inaccuracy of arrival times within the *Tracking* dimension. The least profitable companies were the most accurate in ETAs. I think this is important because it shows that UX can be easily overlooked. Just because a company is a leader in a market doesn't mean that their practices are in line with good UX principles. It takes a talented UX designer to identify this and not be influenced by politics and bureaucracy. *Reference Figures 3 and 4.*

Figure 3

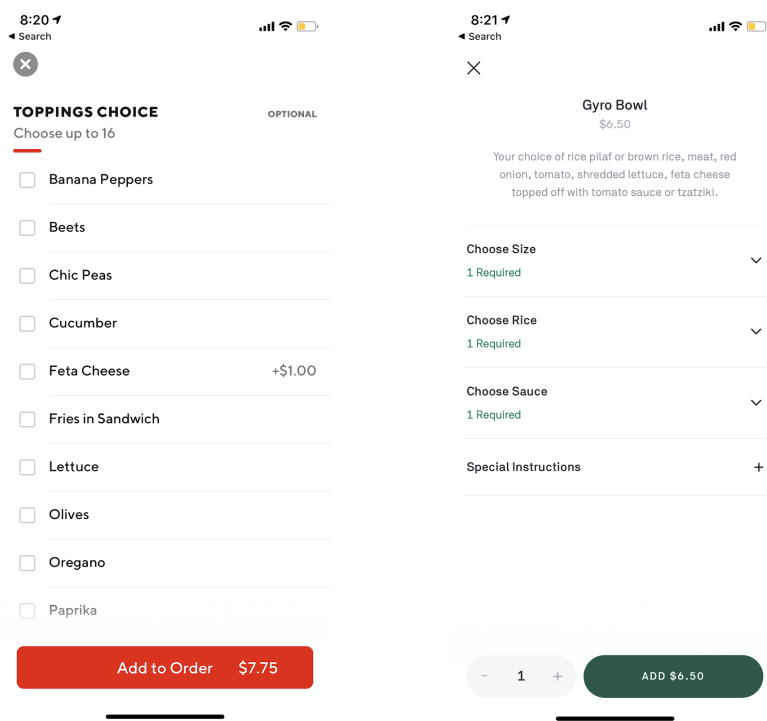


Figure 4

Tracking			
Accuracy of ETA	Somewhat accurate	Not accurate	Mostly accurate

Another finding I observed is that within the *Customer Service and Feedback* dimensions, as you move laterally along the matrix, there should be more avenues for a user to provide feedback. Amongst direct competitors, email seems to be the main way to contact the company. Phone contact is not prominently advertised and the hours vary. Examining parallel and indirect competitors, I observe phone, email, and live chat are all options as well as 24/7 support. *Reference Figures 5a and 5b.*

Figure 5a

Customer Service			
FAQ page	Yes, concise	Yes, concise	Yes, concise
24-hour support	Yes	No	No
Method of contact	Phone and email, email encouraged	Only email	Phone and email, email encouraged

Figure 5b

Yes, concise	Yes, categorized	Yes, categorized	Yes, categorized
Yes	Yes	Yes	No
Phone, email, and live chat	Phone and email	Phone, email, and live chat	Phone, email, and live chat

I find this important as it aligns with my first finding. The broader the market gets, the more complex the requirements become. The situation becomes complex as there are multiple points of conflict that arise when you have to cater to a wide market. These platforms remedy this by allowing feedback from the user to be accessible. This shows that the value of UX is appreciated and user satisfaction is gauged adequately.

Another finding I discovered was that all platforms engaged in incentivizing their users within the *Perks* dimension. All platforms provided first-time users and subscribers

with some perk in using their service. The technicalities of the perks widely varied as well. I would like to expand this finding in doing more research on what incentivizes users the most. Do percentage-based or dollar amounts resonate more? These are good questions that can be incorporated to deliver an even better UX. *Reference Figure 6a and 6b.*

Figure 6a

Perks			
Yes	Yes	Yes	Yes
Yes, free trial and first delivery	Yes, first-order discount	Tailored coupons	Tailored coupons
Yes along with reduced fees	Yes along with reduced fees	Yes	Yes

Figure 6b

Perks			
Membership discount	Yes	Yes	Yes
Promo codes	Yes, spend X get X	Not often, dollar-based and one-time offer	Yes, percentage-based
Free delivery/shipping	Yes with membership, otherwise first-order	Yes with membership, otherwise first order	Yes with membership, otherwise first-order

Conclusion

My time spent researching various forms of online retail proved fruitful. My key findings were:

- The more specific your market is, the simpler the requirements are. The broader your market is, the more complex the requirements are. This is because you have to account for more users
- Less is more. This can even be observed with complex requirements
- Good UX practices are not directly correlated with economies of scale
- The broader the market is, the more avenues for a user to provide feedback there should be

- Users like to be incentivized but it's unclear which way is most effective.

I was able to see the value good UX provides to users. There were many observable trends, patterns, and relationships that allowed me to get a better understanding of UX practices. I hope to continue this study by researching more into the specifics of optimizing user satisfaction within these popular platforms.

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	Uber Eats	Postmates	DoorDash	Shipt	Instacart	Amazon	Ebay
Product description	Online food delivery service	Online food delivery service	Online food delivery service	Online grocery delivery service	Online grocery delivery service	Online retailer	Online retailer
Audience Profile	Age: 18-30 Most popular: Miami Audience: USA and Europe, those seeking convenience	Age: 18-30 Most popular: Los Angeles Audience: USA, those seeking convenience	Age: 18-30 Most popular: San Francisco and D.C. Audience: International, those seeking convenience	Age: all-around Most popular: Some major cities throughout USA not all Audience: college students, home-bound, those without reliable transportation who want to grocery shop from five select stores	Age: all-around Most popular: All major cities throughout USA Audience: college students, home-bound, those without reliable transportation who want to grocery shop from wide array of stores	Age: 19-44 Most popular: International Audience: those that are tech savvy	Age: 35+ Most popular: International Audience: art & antique collectors and motor enthusiasts.
Costs				Costs			
Service Fee	15%	20%	7% to 15%	\$14.99/mo	\$9.99/mo or \$99/year	Sellers: \$39.99 /mo Users: \$12.99/mo or \$99/year	5-tier subscription model
Delivery Fee	Contingent on distance between customer and restaurant	\$5.99 (or \$3.99 for restaurants that "partner" with them)	\$0.99-\$7.99	If order < \$35 = \$7. Free with monthly subscription	\$7.99 for one-hour delivery or \$5.99 for two-hour plus delivery or free with yearly membership	Prime members: free shipping along with expedited delivery options Non-prime members: Must order \$25 to get free shipping	Location-based shipping costs
Tipping Fee	Prompt to leave 10%	Prompt to leave 20%	Prompt to leave 15%	Prompt to leave 10%	Prompt to leave 5%	N/A	Ebay takes 10% of order
Capabilities							
Location-based	Yes	Yes	Yes	Yes	Yes	N/A	N/A
Recommends previous orders	Yes	Yes	Yes	No, but offers related coupons	No, but offers related coupons	Tailored ads	Tailored ads + most visited sellers' items
Customize order	Yes, somewhat available	Yes, minimal availability	Yes, mostly available	Select only what's available in-store	Select only what's available in-store	Select only what's available in-stock	Select only what's in-stock
Filter abilities							
Price: low to high	Yes	No	Yes	No	No	Yes	Yes
Highest rated	Yes	Yes	Yes	Recommends frequently visited stores	Recommends frequently visited stores	Tailored ads	Tailored ads
Delivery time	Yes	No	Yes	Hourly tiers	Hourly tiers	Tiered shipping	Tiered shipping
Customer Service							
FAQ page	Yes, concise	Yes, concise	Yes, concise	Yes, concise	Yes, categorized	Yes, categorized	Yes, categorized
24-hour support	Yes	No	No	Yes	Yes	Yes	No
Method of contact	Phone and email, email encouraged	Only email	Phone and email, email encouraged	Phone, email, and live chat	Phone and email	Phone, email, and live chat	Phone, email, and live chat
Pricing				Pricing			
Membership discount	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Promo codes	Yes, spend X get X	Not often, dollar-based and one-time offer	Yes, percentage-based	Yes, free trial and first delivery	Yes, first-order discount	Tailored coupons	Tailored coupons
Free delivery/shipping	Yes with membership, otherwise first-order	Yes with membership, otherwise first order	Yes with membership, otherwise first-order	Yes along with reduced fees	Yes along with reduced fees	Yes	Yes
Aesthetics							
Dominant color	Black and white	Tan	Red and white	Green and white	Orange and white	White but no particular color	Yellow
Prominent display of icons	No	No	Yes	Yes	No	No	No
Numerous illustrations	Yes, professional	Yes, professional	Yes, stock	Yes, stock	Yes, stock	Yes, professional	Yes, professional
Feedback							
Rate service	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Follow-up contact	Yes, receipt	Yes, receipt	Yes, receipt	Yes, receipt and delayed satisfaction survey	Yes, receipt and delayed satisfaction survey	Yes, receipt and multiple satisfaction surveys	Yes, receipt and multiple satisfaction surveys
Rating system for user	No	No	No	No	No	Yes, online reviews	Yes, online reviews
Tracking							
Accuracy of ETA	Somewhat accurate	Not accurate	Mostly accurate	Hourly guarantees	Hourly guarantees	Day delivery	Day and week delivery
Map	Yes	Yes	Yes	No	No	Yes	Yes
Ability to expedite order	No	No	No	Yes, with membership	Yes	Yes, with membership	Yes, with membership

