PERFORMANCE MATTERS:
INCREASING SALES CONVERSIONS BY
TARGETED PAGE PERFORMANCE IMPROVEMENT

JOHN MEYUNG
Sr. Director, Professional Services

BlueTriangle
Technologies

Performance Matters

I don't know anyone who uses the internet who hasn't abandoned a site because of poor performance. The constant pressure from Marketing for better aesthetic design, new functionality and ever more bells and whistles to web sites often trumps the effort to reduce page load times. However, there are many studies that prove what we all know intuitively, poor site performance results in abandonment and has a direct impact on conversions and sales revenue.

Studies done by Forrester Consulting and PhoCusWright for Akamai examined the correlation between web site performance of eCommerce and Travel sites and online shopper behavior. These studies clearly show that online consumers' expect ever faster page load times and that missing those expectations is becoming ever more costly.

The 2009 eCommerce study established that online shoppers expect a page to load in 2 seconds or less and that 40% of the shoppers will abandon the site if a page takes more than 3 seconds. 57% of the online travel shoppers surveyed in 2010 indicated that they would abandon a site when the same 3 second threshold is exceeded. It is only reasonable to assume that consumer expectations are even higher in 2014.

In addition to the loss of revenue due to abandonment, poor page performance can have longer term negative impacts. Below are some published thumb rules by leading industry experts, however they are not actionable and most find it virtually impossible to make multi-million dollar decisions based on this knowledge:

- Online shopper loyalty is contingent upon quick page loading, especially for **high- spending** shoppers. 52% of online shoppers stated that quick page loading is important to their site loyalty.
- Shoppers often become distracted when made to wait for a page to load. 37% will either begin shopping at another site (14%) or stop shopping altogether (23%).
- 79% percent of online shoppers who experience a dissatisfying visit are less likely to buy from that site again and 64% percent stated they would simply purchase from another online store.
- A dissatisfying online experience can also impact brick and mortar sales. 27 percent of the dissatisfied online shoppers indicated they are less likely to buy from the same site's physical store, suggesting that the impact of a bad online experience can result in lost store sales.

From the Forbes article "Don't Let a Slow Website Kill Your Bottom Line" in December 2012.

A widely quoted study by the Aberdeen Group* found that, **"A 1-second delay in page load time equals 11% fewer page views, a 16% decrease in customer satisfaction, and 7% loss in conversions."** That study dates back to 2008, but if anything user expectations of fast page loads are on the rise.

* http://www.aberdeen.com/research/5136/ra-performance-web-application/content.aspx
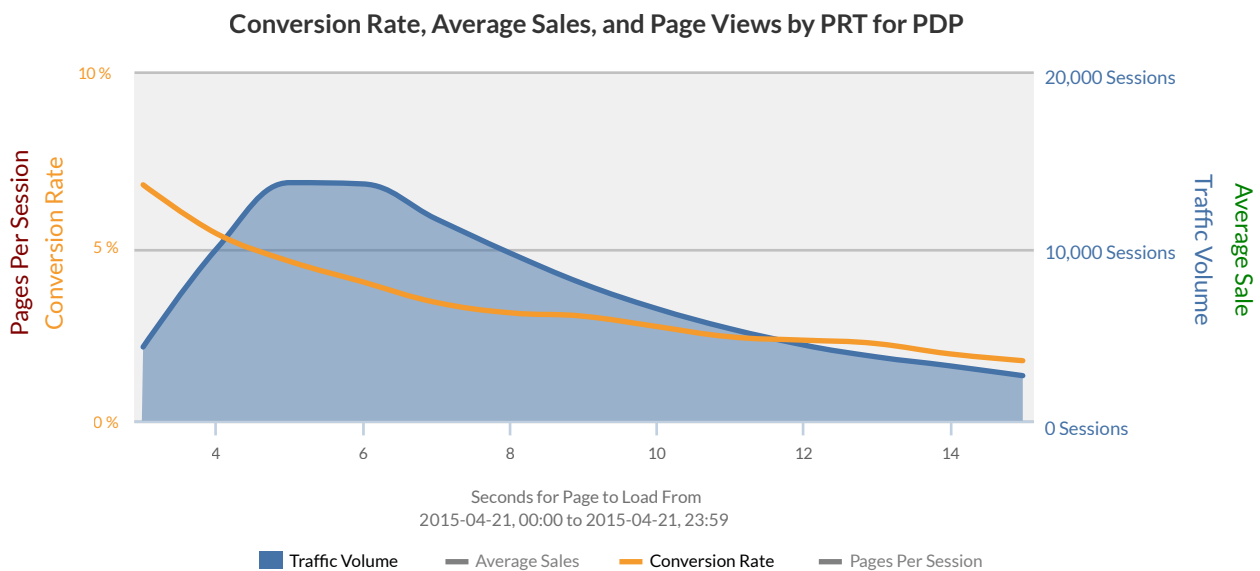
State of the Union

In spite of all the performance and business analytic data now available, decisions regarding engineering efforts and infrastructure investment to improve site performance continue to be based on instinct and rules of thumb, often derived from the studies referenced above, rather than data driven and predictive analysis. Performance tuning efforts tend to categorize pages and apply page load thresholds across groups. Home and category pages, product pages, search and checkout are typical page groupings and often have different tuning thresholds. A surprising number of companies simply tune all pages to generic page response thresholds. Is either approach an effective strategy for maximizing revenue and minimizing expense?

The Solution

Blue Triangle Technologies' eRevenueView is the industry's first e/mCommerce business analysis solution correlating site speed to won and lost sales. Executives can now see which pages are impacting sales, exactly where sales degrade and how fast specific pages need to be to maximize sales and revenue. This is not accomplished with heuristics, rules of thumb, or synthetic monitoring but by correlating the page load speed experienced by real shoppers with their purchase patterns.

Maximizing Revenue

eRevenueView measures end user experience and site sales for 100% of the site traffic down to 1% as configured by the customer. The data is aggregated to show correlations between end user page load times and purchase patterns. Conversion rates, sales size and pages per session are all factors that are taken into account to provide a highly accurate estimation of projected revenue.

Conversion Rate, Average Sales, and Page Views by PRT for PDP

Seconds for Page to Load From
2015-04-21, 00:00 to 2015-04-21, 23:59

Traffic Volume — Average Sales — Conversion Rate — Pages Per Session

Blue Triangle Technologies, Inc.

Data Significance and Minimum Sample Size

Blue Triangle Technologies carefully examines the data to determine the appropriate minimum sample size. Users are grouped into .1 second intervals and populations lower than the minimum sample size are filtered out.

Connection Speed

Using the proprietary Blue Triangle Technologies Tag to measure sites, data is collected for all users. The data is then filtered to remove data from extraordinarily slow connections a.k.a. - outliers.

Minimizing Expense

eRevenueView identifies the pages that have the largest impact on conversions and revenue allowing you to focus your tuning resources where their effort will yield the best results with the least amount of expense. Don't waste scarce resources tuning pages that don't impact sales.

A/B Testing

eRevenueView and eRevenueAccess can be used for A/B testing of platform upgrades, alternative site configurations/upgrades, alternative CDN testing, or almost any other A/B case you can come up with. The BTT tag can be used to uniquely identify A/B data and the portal provides the capability to display the A/B data on the same graphs for comparison and analysis.

Summary

Historically, eCommerce sites are unaware of the impact that slow Web pages have on their online conversions and gross online revenues. If sites are too slow they are losing sales due to abandonment. On the other hand, wise business decisions need to be made to avoid spending valuable IT dollars on sites that are fast enough. Today, eCommerce business owners can measure this and make informed strategic decisions about how much to spend on performance. eRevenueView provides this visibility and allows eCommerce owners to increase site revenue and avoid costly projects that do not enhance conversion rates.

Blue Triangle Technologies was founded in 2011 and is the leader in eCommerce and mCommerce revenue analysis. Our eRevenueView and eRevenueAccess solutions measure real users conducting real transactions to determine correlations between speed and conversion rates.

This information leads to better business decisions by providing clear visibility to performance targets ensuring that the full earning potential can be realized on merchant shopping sites at all times in a dynamic and ever-changing environment.