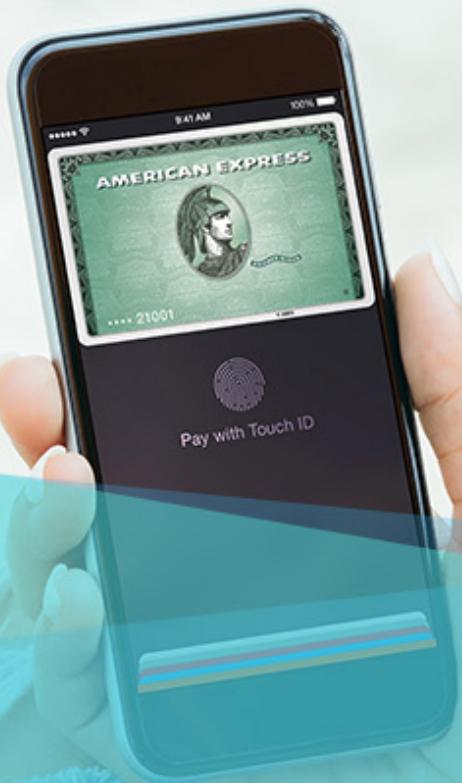


The Definitive Guide to Optimizing Mobile eCommerce

Convert More Shoppers Into Buyers
with These Simple Strategies



BlueSnap®

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Introduction

Mobile usage has soared over the past decade.

In 2015 alone, mobile usage grew by 58% and according to MarketingLand, today, people spend 65% of their digital media time on a mobile device. Mobile commerce accounts for roughly one-third of all U.S. eCommerce sales, bringing in \$104.05 billion in 2015 as reported by Internet Retailer. For merchants, this trend toward mobile presents a new opportunity and challenge that must be solved in order to stay competitive in a crowded and evolving marketplace.

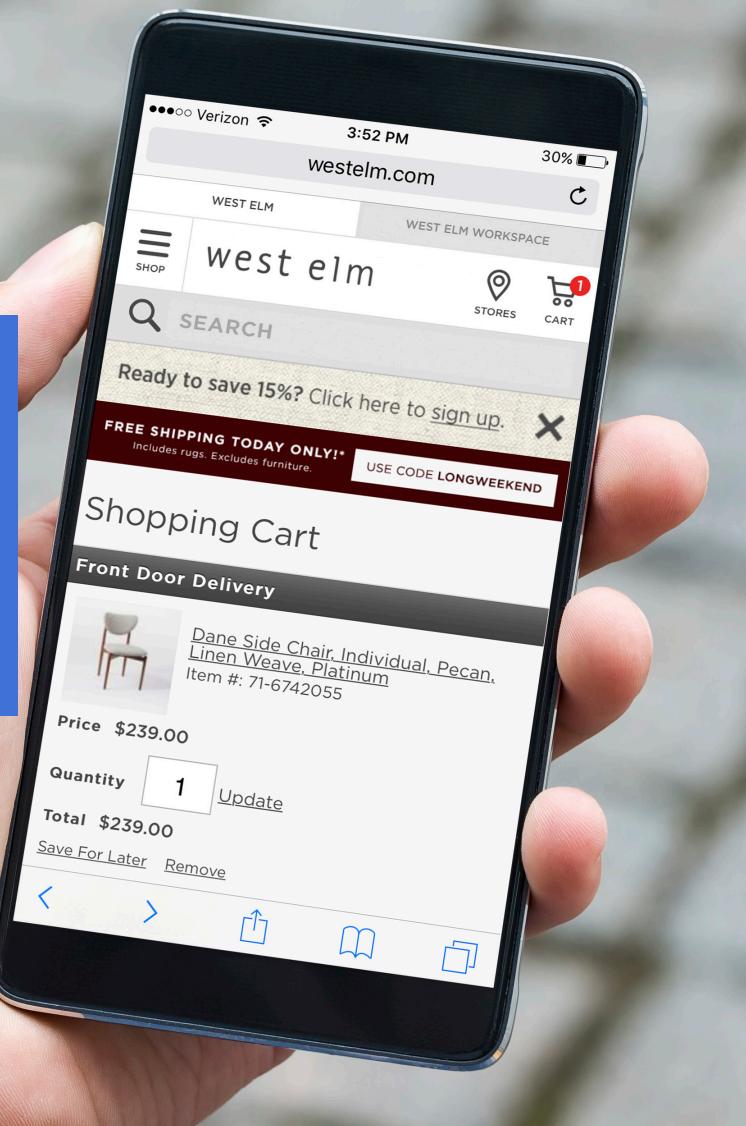


A recent mobile banking and payments study conducted by First Annapolis showed that **“75%** of respondents reported having made at least one mobile payment in the last 12 months, up from 40% in May 2015.”

Today, optimizing for mobile is no longer an option for retailers who want to convert more shoppers and increase sales – it’s a must.

The Art of a Perfect Checkout Design

Make it Simple for Shoppers to Buy



Mobile commerce is clearly a growing and highly profitable source of revenue.

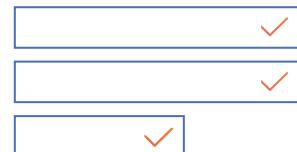
You've probably heard buzzwords like User Experience (UX) and User Interface (UI) and have likely begun to recognize the impact they can have not only on your sales, but on the overall impression people have of your brand. When it comes to mobile, form factor takes on a whole new level of importance. When representing your company on such a small screen, you have a very limited amount of space to convey pertinent and appealing information that will ultimately lead to a successful conversion. That's why UI is more important than ever when it comes to providing the best possible mobile checkout experience.

When designing your mobile checkout page there are a few critical elements you want to keep in mind.



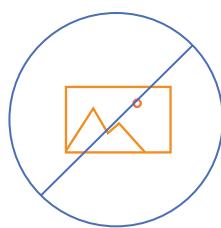
Responsiveness

First and foremost, your mobile site must be responsive. There's nothing worse than opening a webpage on mobile that isn't responsive to the screen size. Typing on a small screen is hard enough without having to scroll back and forth to find your place. If shoppers have placed items in a mobile shopping cart, make it as easy as possible for them to cross the finish line. This should be one of the first things you consider when designing on mobile. Without a responsive site, you're ~~ten~~ steps behind your competition right from the get-go.



Limit Form Fields

Only ask for the information you absolutely need. If you're not going to ship a physical product to a customer, don't ask for their address. A zip code to verify billing address is sufficient in this case. The more effort a shopper has to put into their purchase, the less likely they are to convert and this is especially true on mobile. With such a small screen it can be torturous to type and scroll through one hundred form fields. Make it easy for your shoppers to convert by saving customer data and limiting your form fields to only the most necessary information.



Don't Include Too Many Images

Images will slow down load time which can be a true conversion killer when on mobile. If you do include images, make sure you are not using large, high quality files.

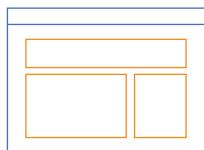
these are misaligned



Be In-App Savvy

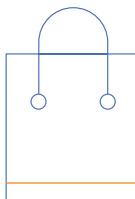
We'll dive deeper into in-app best practices a bit later, but if you do go through the trouble of developing a mobile app, make sure it is easy to use.

The Art of a Perfect Checkout Design



Only Include the Most Important Content

Unlike a desktop site, mobile sites should only include the most relevant content. Because of space limitations and the size of the screen, shoppers don't want to have to read through tons of text. They want to be able to consume information quickly. So make sure you are displaying the content that you need your shoppers to see and leave the details for your main website.



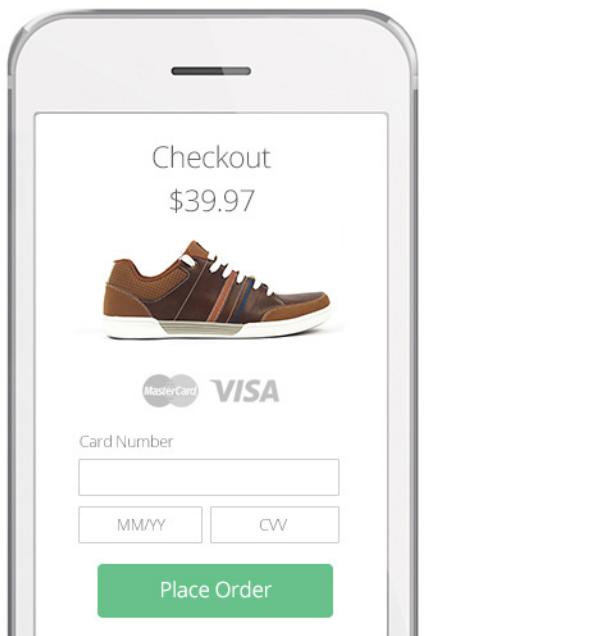
Return Shopper Sign In

Returning customers are your best customers! Make sure that you provide them with a seamless experience so that they keep coming back for more (and maybe recommend you to their friends as well). After all, returning shoppers are likely to spend three times more than a first-time shopper. Store customer information (securely, of course) so that they can come back to purchase with just one click in the future! Or better yet, offer customers the option to sign up for recurring orders. Kiehls.com, for example, offers auto replenishment so shoppers don't have to worry about re-ordering their products every month and the company then receives a predictable, recurring stream of revenue.



If someone abandons a purchase and revisits your site, make it easy for them to checkout the second time. Or, if you have loyal customers who purchase from you frequently, they'll want to be able to sign in and checkout with ease.

So how can you offer the best experience on mobile?
Luckily, you have options.

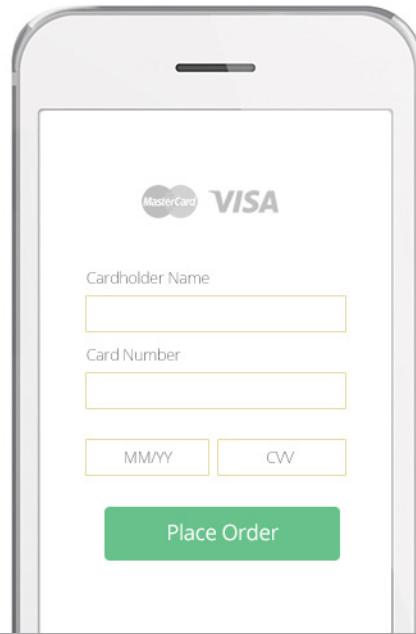


Hosted Checkout

If you work on a small team with limited resources, a hosted checkout page is likely your best bet. With this option, your payment processor should be able to build the mobile optimized checkout page for you, and then let you customize colors and branding.

Hosted Fields

If you have more resources and are looking for more customization, a hosted fields option is the best choice. With hosted fields, you integrate your site with an API, giving you more control over the look and feel of your page. Remember, your goal is to get someone to the final checkout screen as quickly and efficiently as possible. To this end, you'll only want to include the most necessary fields like cardholder name, number and CVV for card payments.



Mobile Wallets

Purchase with One Click



Can we remove Level Up? They are POS and we want to focus on eCommerce

MasterPass  **VISA Checkout**   **LevelUp** 

Do you see that millennial on her phone across the office from you?

Go over and ask her how many times she used Venmo this week. While Venmo may sound entirely foreign to you, it has become so popular with millennials that the app name Venmo has even morphed into a verb, "How much do I owe you? I'll Venmo you the money." So what is Venmo and why has user adoption been so high especially among the millennial set?

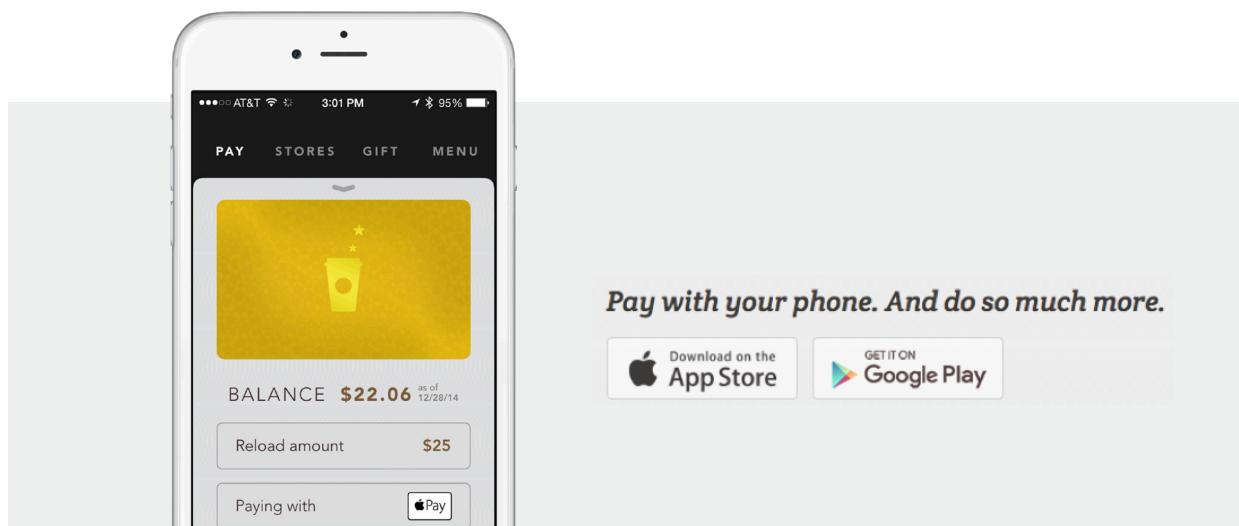
Venmo is an app that enables you to share money by connecting to your debit card or bank account. It's a wallet created by PayPal that has taken off mostly among the millennial generation. Venmo is used for peer-to-peer money transfers and most recently has expanded to allow select merchants the ability to accept payment via Venmo. In addition to Venmo, there are other mobile wallets, such as Android Pay, Apple Pay, MasterPass, Visa Checkout and ~~LevelUp~~, just to name a few, that have taken eCommerce by storm.

Good News for Merchants

Mobile wallets are gaining in popularity and that's good news for eCommerce merchants, because these applications can produce dramatic improvements in payment conversion rates. The Amex Express Checkout website claims a 20% increase and PYMNTS.com has reported a 51% lift attributable to Visa Checkout. Moreover, you can bet that the conversion lift is even greater for merchants that sell on mobile, where checkout abandonment is notoriously high. Another boon for mobile wallets has been the introduction of the EMV chip which has slowed down the buying process for consumers. The New York Times recently wrote in their article, *Why Apple Pay and Other Mobile Wallets Beat Chip Cards*,



“At Walgreens, after I inserted a chip card, the transaction took eight seconds before a receipt started printing; Apple Pay and Samsung Pay took three seconds; and Android Pay (Google’s service) took seven seconds.”



Although mobile wallets are relatively new, they are already being accepted by big brands such as Starbucks and Walgreens. We expect to see an uptick in adoption in 2017.

Consumers Love Wallets Too

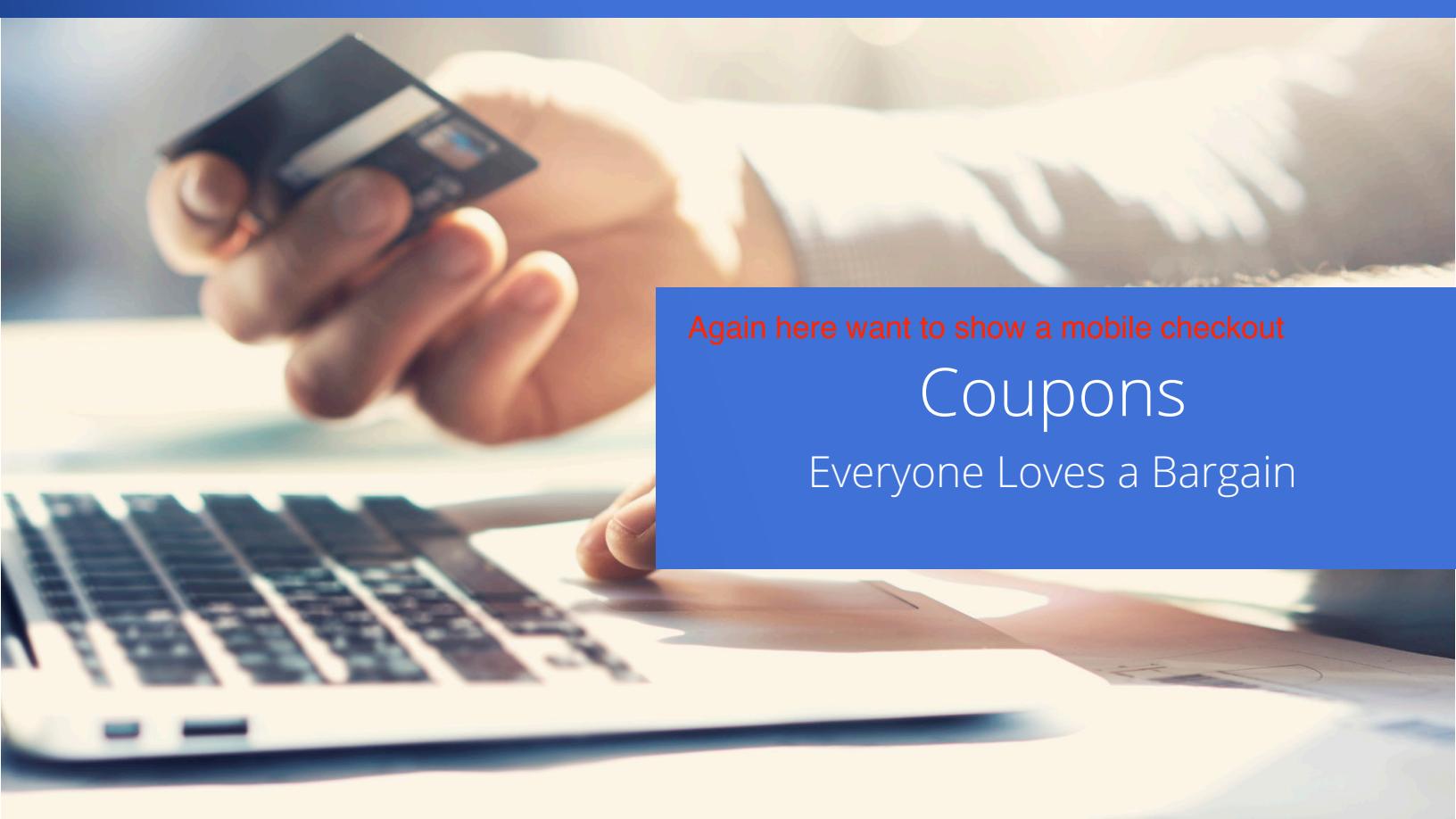
For consumers, mobile wallets are incredibly convenient. You don't need to memorize your card number or type a lengthy credit card number and expiration date onto a tiny screen every time you need to make a purchase.

Mobile Wallets

With a mobile wallet, you'll input this information one time creating a username and password and you'll only have to remember your login credentials for future purchases. In fact, the First Annapolis study reported that "more than half of respondents (51%) now have a mobile wallet app on their phone. While 27% do not currently have a mobile wallet but are interested in the idea."

But mobile wallets are more than a convenient way to pay, they are quickly becoming an integral part of the evolving world of payments. Failing to adopt wallets could mean missing out on huge market opportunities. eMarketer projected a 210% growth in the total value of mobile payment transactions in 2016. This will bring 2015's \$8.7 billion to an impressive \$27 billion. Mobile wallets also continue to close the gap between eCommerce and retail. Shoppers can pay with a mobile wallet like Visa Checkout, MasterPass or Apple Pay in store, in-app and on eCommerce websites. So which is the best mobile wallet? The jury's still out on that one, but let's take a look at some of the most popular wallets and how they work.

							
In-App	✓	✓	✓	✓	✓	✓	No
Browser	✓ (Safari Only)	No	✓	✓	✓	✓	No
In-Store	✓	✓	✓	No	No	✓	✓
Compatible With	iOs (must have touch ID)	Android Only (must have finger scanning technology)	iOs, Android	iOs, Android	iOs, Android	iOs, Android	POS Only
MasterCard Payment Methods	Visa, MasterCard, Discover, Amex	Visa, MasterCard, Discover, Amex	Visa, MasterCard, Discover, Amex	Visa, MasterCard, Discover, Amex	Amex Only	Visa, MasterCard, Discover, Amex, PayPal Credit, PayPal Balance, E-check	Visa, MasterCard, AMEX
Supports Merchant Loyalty	✓	✓	✓	No	No	✓	✓
Standout	Frictionless checkout with Touch ID	Mobile OS market share leader in US - higher % of population owns Android device	Supports all card networks and merchant loyalty programs	High consumer awareness and device agnostic	Ease of enrollment - Amex cardholders can login with existing online banking credentials	Very high levels of consumer awareness and usage	Technology compatible with most in-store POS devices



Again here want to show a mobile checkout

Coupons

Everyone Loves a Bargain

Coupons are a tried-and-true way to increase sales and drive more traffic to your site.

You are likely using them already, and if not, then they should be high on your to-do list. Coupons can be implemented at any time of year but are especially helpful around holidays or to match certain promotions. To make it easy for shoppers, make sure you are working with a payment processor who will allow you to set up a custom coupon code such as "CyberMonday" to match the promotion or holiday and then paste the coupon code into your checkout page. Shoppers can then simply click and go right to your checkout page with the discount already applied. Coupons are also a great way to bring existing customers back to your site, boost repeat purchases and increase customer lifetime value.

According to Inc. Magazine, which reported on a Koupon Media study, "The report finds that not only do coupons increase traffic to the store, people spend more when they have coupons. Nearly half (43%) of mobile users have used a mobile coupon and one in four (26%) increase their basket size when using one. A personalized coupon motivates 39% to spend more and 60% would adopt mobile payments if offered coupons."

Everyone loves a bargain, so if you are looking for ways to improve mobile conversions, offer online coupons. Not only are they cheaper to produce than paper coupons, they can help you to:

- ✓ Increase sales
- ✓ Gather customer data for follow up marketing campaigns
- ✓ Improve customer loyalty



Mobile Applications

Do You Need Them?

Is the ROI of a mobile app worth fighting for? Mobile apps offer a host of benefits such as:

- ✓ Allows for push promotions
- ✓ Facilitates eCommerce transactions
- ✓ Increases engagement
- ✓ Creates a direct marketing channel and avenue for loyalty programs
- ✓ Builds brand recognition
- ✓ Cultivates customer loyalty

So as you can see, there are a lot of benefits to mobile apps for eCommerce. So what's the downside? First of all, there are a lot of companies out there, and subsequently a lot of mobile apps, which means your app could easily get lost in a crowd of a million others. According to Moz,

“Some sources are showing that just the top 5 apps are responsible for 80% to 90% of all app usage. So what we’re essentially saying here is if you’re not in the top 25 to 50 apps on a platform, you’re probably getting very little mobile app activity, because it turns out that the long tail is nowhere near like it is on the mobile web. People don’t visit hundreds and thousands of apps. They visit just a few.”



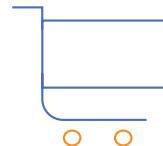
Mobile Applications

Furthermore, apps take up a lot of storage space on a handheld device which means mobile users need to pick and choose the select few apps that they want to download. So, if a consumer is going to go through the trouble of downloading a mobile app, it better be worth it.

And more than valuable, it should offer an experience that surpasses the one they can get simply from visiting a mobile version of your website.



Are you offering rewards that they can only get by having the app downloaded?



Is there a saved cart or favorites section that wouldn't exist on the website?



Can they use finger recognition to log in to the app?

According to Rand Fishkin, top marketing thought leader and the founder of Moz, "Mobile app development is only right for your organization if you fit a few criteria." Rand goes on to list four insightful pieces to consider before developing an app:

- ✓ You need to have a **great strategy** around what your mobile app will do and there need to be features and value that your app provides that you could not provide well or could not provide at all in a mobile web experience.
- ✓ Your app can beat the retention curve odds. So again, in my research what I found time and time again is that mobile app retention, it's just awful, terrible. Basically, the overwhelming majority of apps, I think more than 9 out of 10 apps will never be opened again after 90 days. So you've got to **find a way to make your app retain users and keep their interest**, keep them coming back to you again and again, and that is no small feat.
- ✓ You've got an **amazing team of app developers** or an incredible one or two people who can do great app development and make a world-class product."

If you can check all the boxes above and believe that a mobile app is the way to go, you need to also be cognizant of security. With all the personal data we store in our phones, many people are, understandably, often worried about data theft and fraud — especially when it comes to shopping online and inputting credit card or bank account information. This is where a robust payment processor can come in handy.



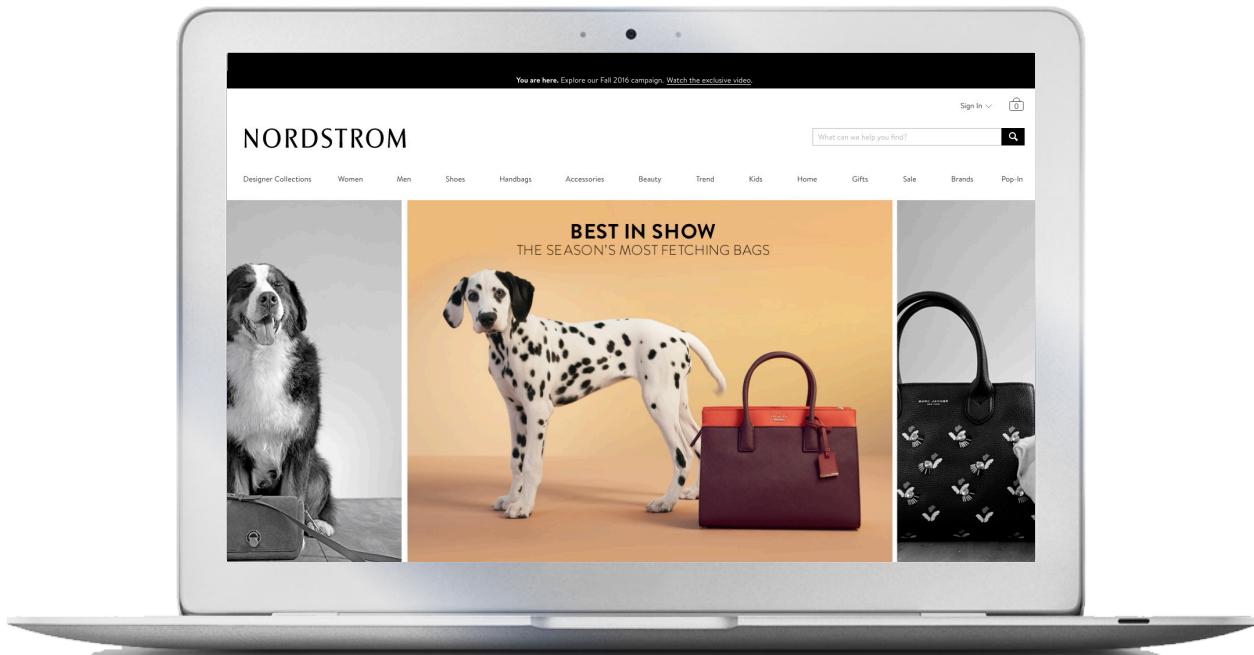
Bridging the Gap: eCommerce & Retail

eCommerce Businesses That Are Doing it Right

eCommerce has taken on a life of its own, but that doesn't mean it is wholly disconnected from the physical retail world.

In cases where applicable, the two should be connected – because it is important to the growth of your business that you meet your customers wherever they are, be it online or in store.

Whether they're shopping in your retail store, browsing items on a laptop, shopping in your mobile app, or reading your latest email newsletter, you want to make sure you have a message and a user experience that makes it easy, and even fun to buy your products. Having a mobile-optimized checkout page is a great start. Let's take a look at some companies who have taken it to the next level by truly bridging the gap between the eCommerce and the retail shopping experience.



Nordstrom

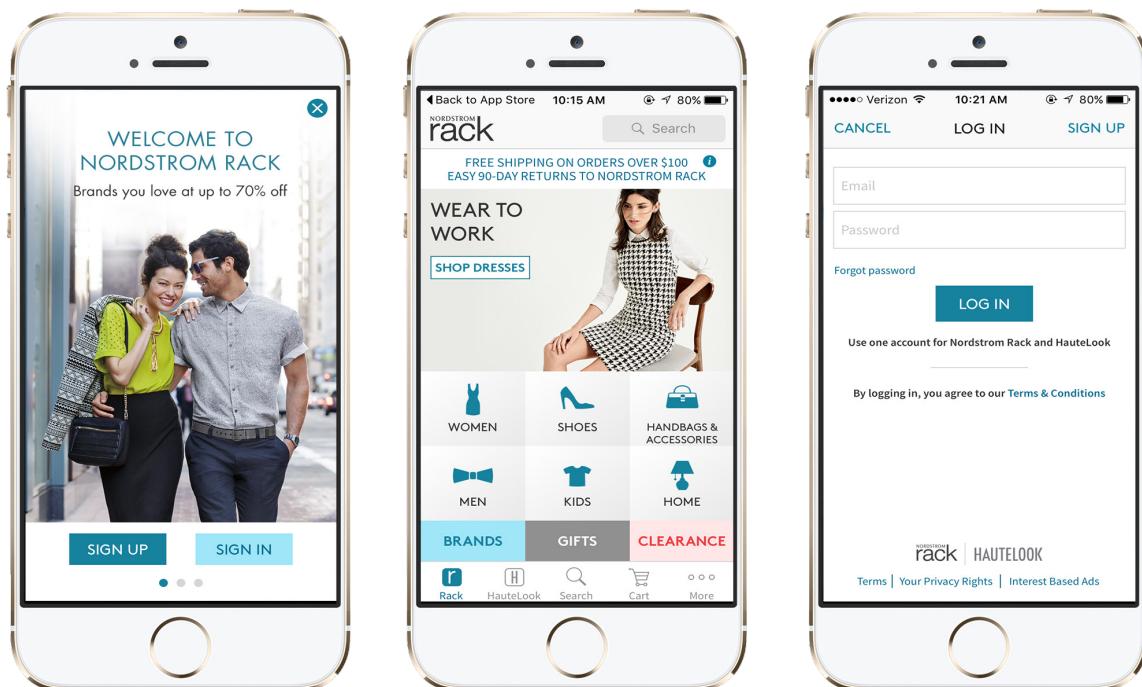
Recently, Business Insider posted an interesting look at the success of Nordstrom's eCommerce sales as a result of heavy investment in mobile.

Although total sales saw a 1.2% decline year-over-year (YoY), Nordstrom.com saw a 9.4% YoY increase. Nordstrom is attributing this boom in eCommerce performance to its strong efforts to engage consumers on mobile. They also reported that sales were significantly higher on mobile than desktop. These efforts to engage users on mobile are strong evidence of the need to close the gap between eCommerce and retail. Nordstrom has added a search feature to allow mobile users to search individual retail stores from their devices. This fall, they will be rolling out a new feature to enable shoppers to reserve merchandise at a physical Nordstrom location and try clothes on in store before completing the purchase.

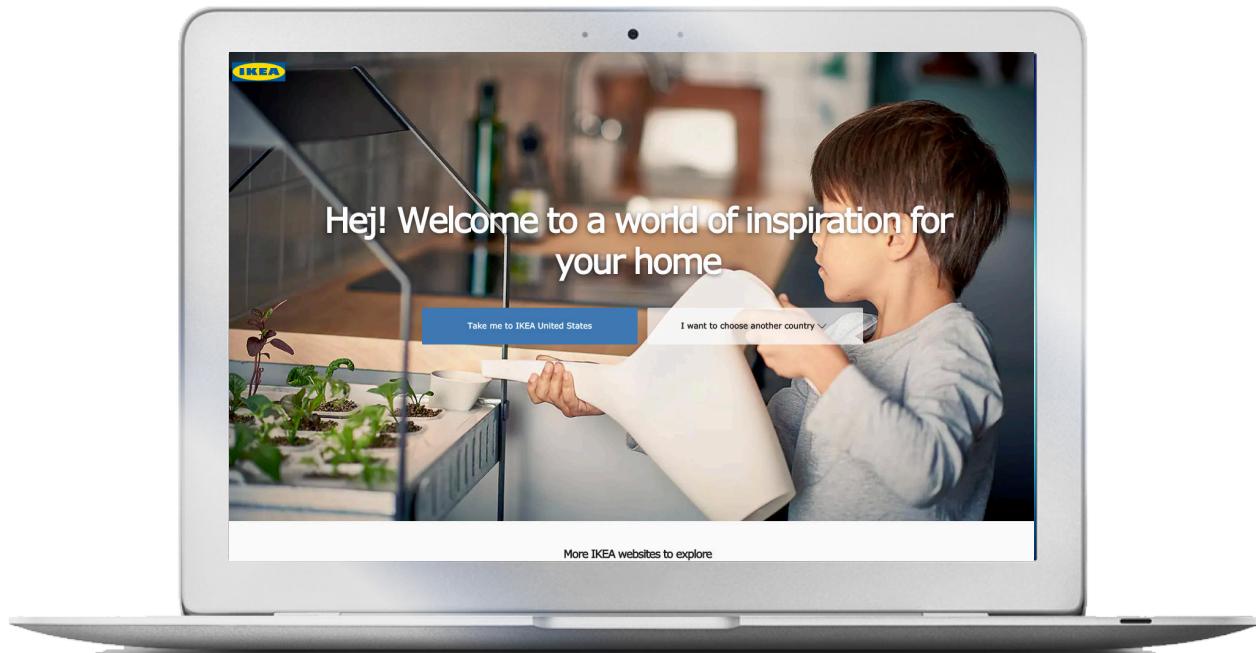
These innovations are a prime example of meeting customers where they are and providing the best possible experience. In addition to these "try before you buy features," Nordstrom plans to continue innovating its rewards program to further improve mobile engagement. Offering mobile-exclusive promotions would drive app downloads and improve in-app engagement. Furthermore, people love to save money and they love to feel exclusive. A rewards program targets both of these desires in a way that will ultimately improve the sales of the business.



What Nordstrom is doing here is incredibly smart. They're driving foot traffic, sure, but they're also making it really easy and really rewarding for people to use the mobile app. Brand loyalty is about more than a relationship with a product or the general image of the brand. By providing this easy-to-use and highly engaging experience, Nordstrom is securing its place in the hearts and (mobile) wallets of its shoppers.



Can we put this image in a phone? The whole eBook is about mobile.



Ikea

Everyone has a groan-inducing story about putting together IKEA furniture, but the company actually saw a huge lull in sales a few years back when it was not adequately competing in the emerging eCommerce industry. Once they began to follow industry trends and offered 70% of their products online, they saw a 35% jump in eCommerce sales from 2014 to 2015. In 2013, IKEA rolled out augmented reality, going above and beyond a typical mobile eCommerce experience. With the augmented reality tool, shoppers could place furniture in their home with an IKEA catalog and a mobile device. Additionally, Ikea's mobile app is equipped with special offers, product catalogs, shopping lists and a store search to help consumers find the products they need, when they need them and where they need them.



The possibilities for mobile commerce are **endless**, and we're excited to see what the future holds.

Conclusion

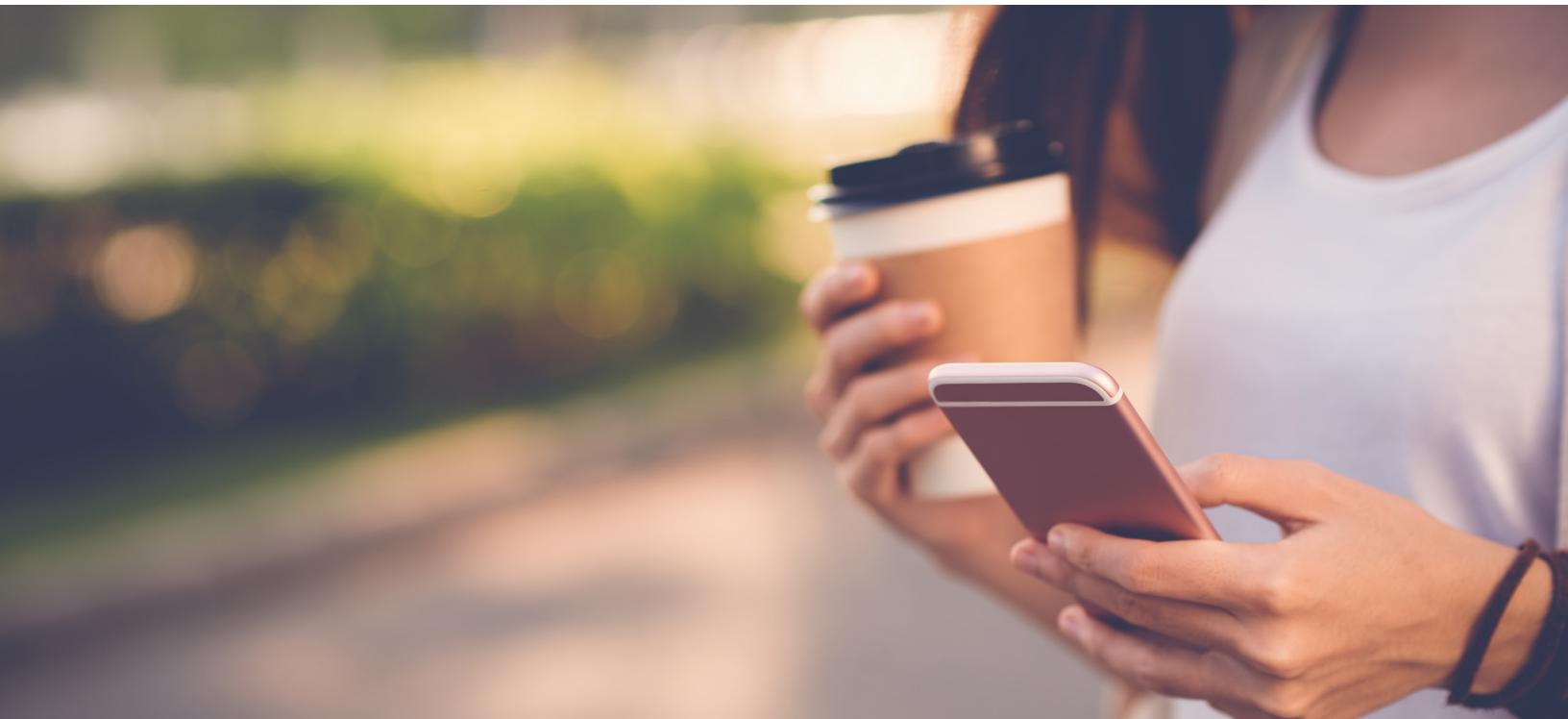
In summary, when you are beginning on your mobile optimization journey, remember these key points:

- ✓ Make it easy for shoppers to purchase by designing your checkout with the customer in mind (limited form fields, responsive design, return shopper sign in, etc.)
- ✓ Let shoppers purchase with one click by utilizing mobile wallets
- ✓ Offer coupons to attract and retain more shoppers
- ✓ Seriously evaluate whether or not you should invest in a mobile app. It isn't a good investment for every merchant.
- ✓ Find inspiration from the merchants that have already implemented a strong mobile strategy.
- ✓ Nordstroms and IKEA are two great examples.

Was hoping the conclusions should pop more – be more engaging (show them inside a mobile device or something. a little let down/boring after an otherwise engaging eBook)

Hopefully these tips will help you define and optimize your mobile eCommerce strategy so that you can attract, retain and convert shoppers. If you would like to learn more about optimizing your eCommerce site on mobile or desktop, we would love to help. At BlueSnap we are a global payments company that helps eCommerce businesses like yours convert more browsers into buyers.

[Contact us](#) to speak with a mobile conversion consultant today.





BlueSnap is a global payments company that helps eCommerce businesses convert more shoppers into buyers.

If you would like to speak with one of our mobile conversion consultants about more ways to optimize your mobile eCommerce site, [contact us](#).

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