

Eleven Steps to a Better Checkout ... and More Profits

**A Best Practices Guide
for PayPal Merchants**

Prepared exclusively for PayPal

To learn more about all of PayPal's merchant services,
visit: www.paypal.com/merchants

About the Author

Since his first book about the Internet appeared on bookshelves in March 1994 and rocketed to the top of bestseller lists, Rick Broadhead has established himself as one of North America's leading e-business experts and entrepreneurs.

He's the co-author or author of a record-breaking 36 books about the internet, including *Lightbulbs to Yottabits: How to Profit by Understanding the Internet of the Future*, and *Get a Digital Life: An Internet Reality Check*.

Rick is also the co-author of *Selling Online: How to Become a Successful E-Commerce Merchant*. Officially endorsed and sponsored by Visa, *Selling Online* has sold well over 100,000 copies worldwide and was used in Visa's national e-commerce training initiatives. An international success story, *Selling Online* has been translated into French, German, and Russian.

As an industry expert and visionary, Rick has been retained as a keynote speaker and consultant by businesses across North America, ranging from McDonald's to Microsoft. He provides his clients with independent, unbiased strategic advice to help them capitalize on current and future business trends and take their businesses to new heights.

As an executive education coach in the areas of e-business and e-commerce, Rick has taught executives and managers from hundreds of leading North American companies, including prominent industrial and consumer-oriented firms such as Kraft Foods, HMV, Duracell, Polaroid, Motorola, Bayer, United Parcel Service, Kodak, Ford Motor Company, Benjamin Moore Paints, Lucent Technologies, Volkswagen, Samsonite, Sears, Xerox, Nestle, AT&T, and Coca-Cola. Past corporate and association clients include Sun Microsystems, WellPoint, U.S. Central Credit Union, the Minnesota Office of Trade and Economic Development, and many others.

Rick holds an MBA in marketing from York University's Schulich School of Business in Toronto, where he was awarded the George A. Edwards Marketing Medal for demonstrated excellence in marketing. Visit Rick's website at: <http://www.rickbroadhead.com>

Introduction

Though you may not realize it, every year Internet shoppers abandon millions of dollars in purchases they were fully intending to buy.

Despite the e-commerce industry's knowledge of the problem, not much has changed over the last decade to curtail these losses. Online merchants make the same mistakes they did 10 years ago, and customers continue to flee online stores, taking their wallets and hard-earned money with them. And they may never come back. Over 80% of respondents surveyed by software vendor Allurent¹ say they are less likely to revisit an online merchant where they've had a negative shopping experience. And can you blame them?

Another study, this one by Forrester research, found that a whopping 88% of online shoppers admit to having shopped at an online store then quit the purchase mid-stream.²

The good news is that there are very simple things you can do as a merchant to increase customer satisfaction and minimize the chances that a customer will leave your online store without completing a transaction – thus helping your bottom line.

In this guide, prepared specifically for existing PayPal merchants, I'll review a few of the most common snafus and design flaws that frustrate online customers. I'll also provide you with specific advice to improve the chances that an online shopper will want to do business with you. My top 11 recommendations, summarized in the table below, are based on an extensive analysis of online merchants, both large and small.

This advice isn't just for small or medium-sized merchants. Large retailers and chain stores need to pay attention too. You might think that the behemoths of the brick-and-mortar world are in a different league when it comes to knowing what online customers want. Not so. Not even multimillion-dollar retailers have perfected the art of the online sale.

Please take the time to review the checklist below. Even a small modification to your website could reap huge financial benefits for your business.

11 Steps to a Better Checkout ... and More Profits

Please take the time to review the checklist below. Even a small modification to your website could reap huge financial benefits for your business.

- ✓ 1. Use clear navigation buttons.
- ✓ 2. Build continuity in every phase of the checkout process.
- ✓ 3. Identify any limitations or restrictions at the beginning of checkout.
- ✓ 4. Minimize the number of pages during checkout.
- ✓ 5. Don't make customers do unnecessary work.
- ✓ 6. Don't display redundant information.
- ✓ 7. Display steps during checkout.
- ✓ 8. Provide multiple payment options.
- ✓ 9. Offer to help customers who are about to abandon their purchases.
- ✓ 10. Remind customers about abandoned purchases.
- ✓ 11. Invest in your loyal and repeat customers.

Step 1: Use clear navigation buttons.

Imagine driving in a foreign city without any road, traffic, or street signs to guide you. Or suppose that the street and traffic signs are there, but you can't understand the symbols on them. An online store without clear, unambiguous navigation icons is like a busy roadway without any traffic signs. It's unthinkable.

Perhaps it goes without saying, but your navigational elements are one of the most important investments you can make in your online store. If your customers can't figure out how to add and remove products from their shopping carts, check out, and move through the payment process, you'll lose their imminent purchases and likely their future business as well.

Symbols that may be meaningful to you may be confusing to your online customers. To be safe, use words, not pictures, to identify the buttons that customers use to manage their shopping carts and to checkout from your online store. Make sure the buttons are large enough so they can be easily identified.

In addition, avoid deviating from standard-looking icons. Any "action" buttons you use on your online store should look pressable, just like the numbers on a standard telephone keypad. This advice may seem obvious, but many online stores display buttons that are either too small or unintuitive, leaving the customer unsure what to do next.

The action buttons used on online costume retailer BuyCostumes (www.buycostumes.com) fit all of my criteria for navigational buttons:

- They're very easy to identify
- They look clickable
- They're positioned appropriately
- Their intended function is very clear

Take a look at the Add to Cart button below:

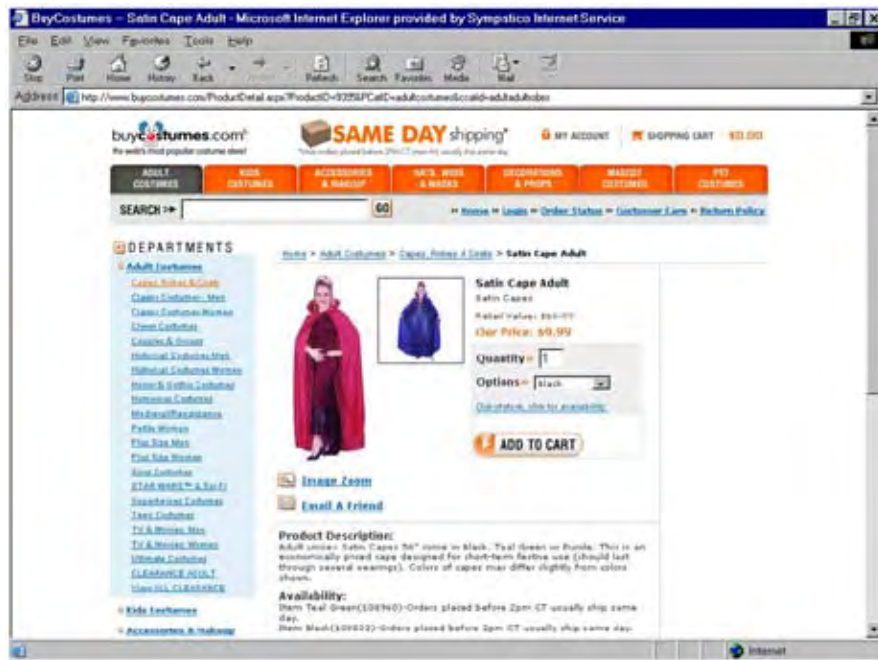


Image Used With Permission of BuyCostumes.com

It's deliberately larger than the other links on the page, so you can't miss it. The Back to Shopping, Update Cart, and Checkout Now! buttons are also highly visible. There's no confusion here:

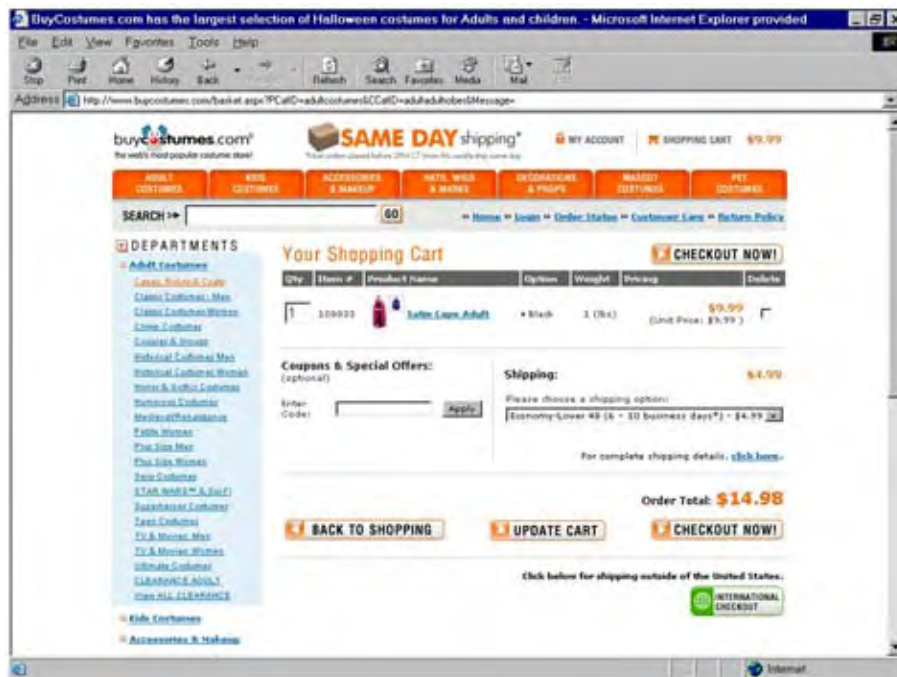


Image Used With Permission of BuyCostumes.com

Now check your own online store. Do your navigational buttons meet these standards? It's easy to take your navigational buttons for granted, and to forget about them when building other areas of your website. Without them, however, your store can't function, and without good navigational buttons, your store will always operate at less than peak efficiency.

Step 2: Build continuity in every phase of the checkout process.

Have you ever walked into a home and noticed design inconsistencies between one part of the home and another? As a result of renovations or remodeling done over the years, a home can end up with an awkward mishmash of different designs that just don't flow.

Now think about your online store and the design and colors you've selected. Are they consistent throughout your website? Most importantly, does the look and feel of your checkout and payment area match the rest of your online store?

If you're using a third-party service, such as PayPal, to process payments from your customers, and customers need to leave your website to complete the transaction, you don't want them to be surprised, or worse, alarmed, when they suddenly find themselves in an unfamiliar environment that doesn't resemble your website. Without any assurance that the passover to the third-party website is normal, shoppers may become apprehensive and worry that someone is trying to steal their credit card information.

Whenever a customer is going to leave your website and connect with a third-party payment processor, whether it's PayPal, Yahoo!, or any other company, you need to inform the customer that he's going to be transferred to another website. The only exception to this rule is when the process is completely transparent to the customer.

For example, Art.com customers who choose PayPal as their payment option will see the following screen appear, notifying them that a new browser window is about to open:

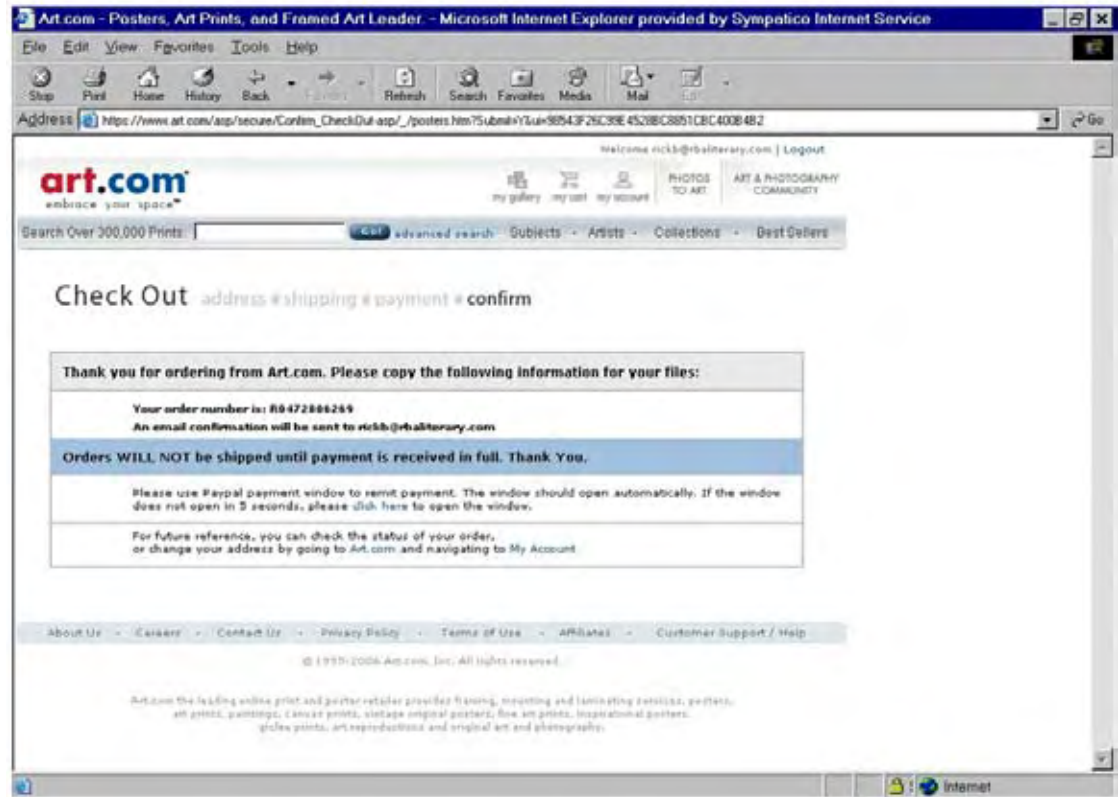


Image Used With Permission of Art.com

The following PayPal window then appears, prompting the customer to login to his/her PayPal account:

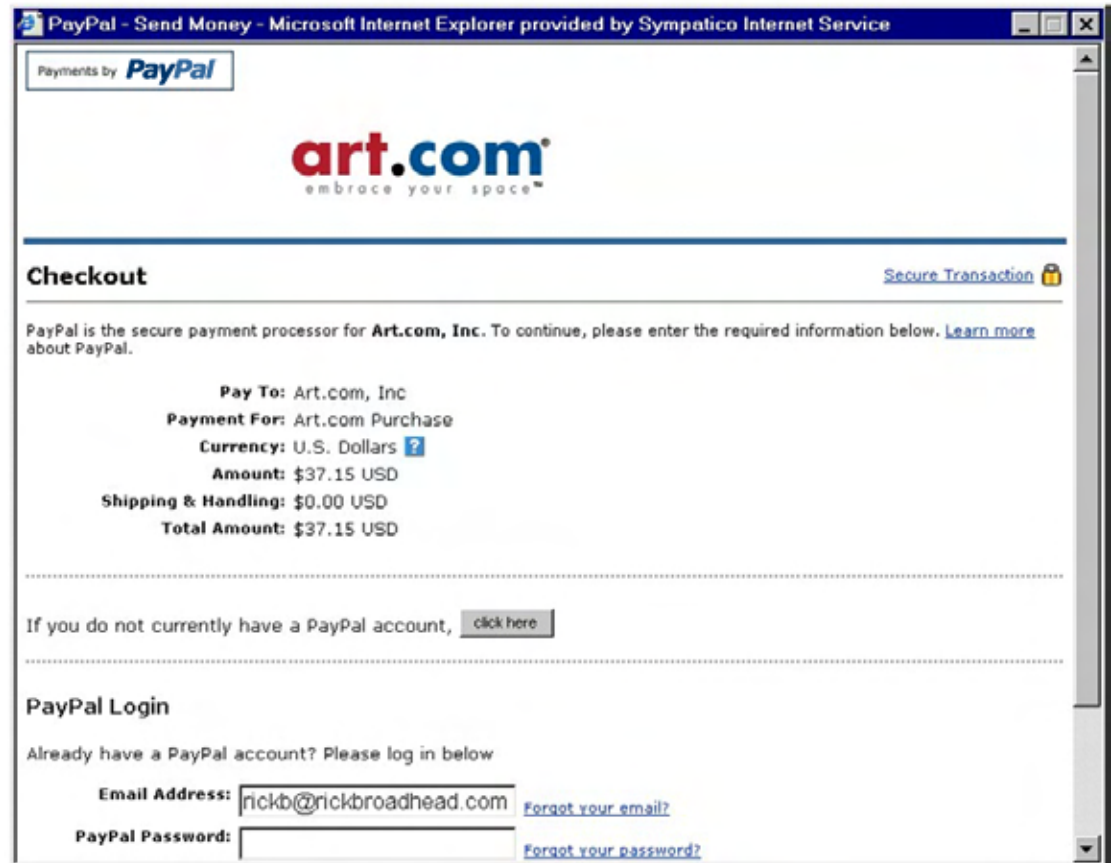


Image Used With Permission of Art.com

Most websites fail to provide these types of warnings and suddenly customers find themselves on a website they weren't expecting, and one they don't recognize.

Where possible, what I like to see are checkout screens that match the rest of your website so customers don't feel like they're stepping into a strange and unfamiliar environment.

Using PayPal's Custom Payment Pages feature, you can make small cosmetic changes to your PayPal checkout screens to unify them with the overall design and branding of your website. For example, you can add a logo to your payment pages, as Art.com does above, or change the background color of the screen so it matches the rest of your website.

These modifications may seem small, but they will give your checkout pages a more unified look and reassure customers who are hesitant about proceeding with the purchase.

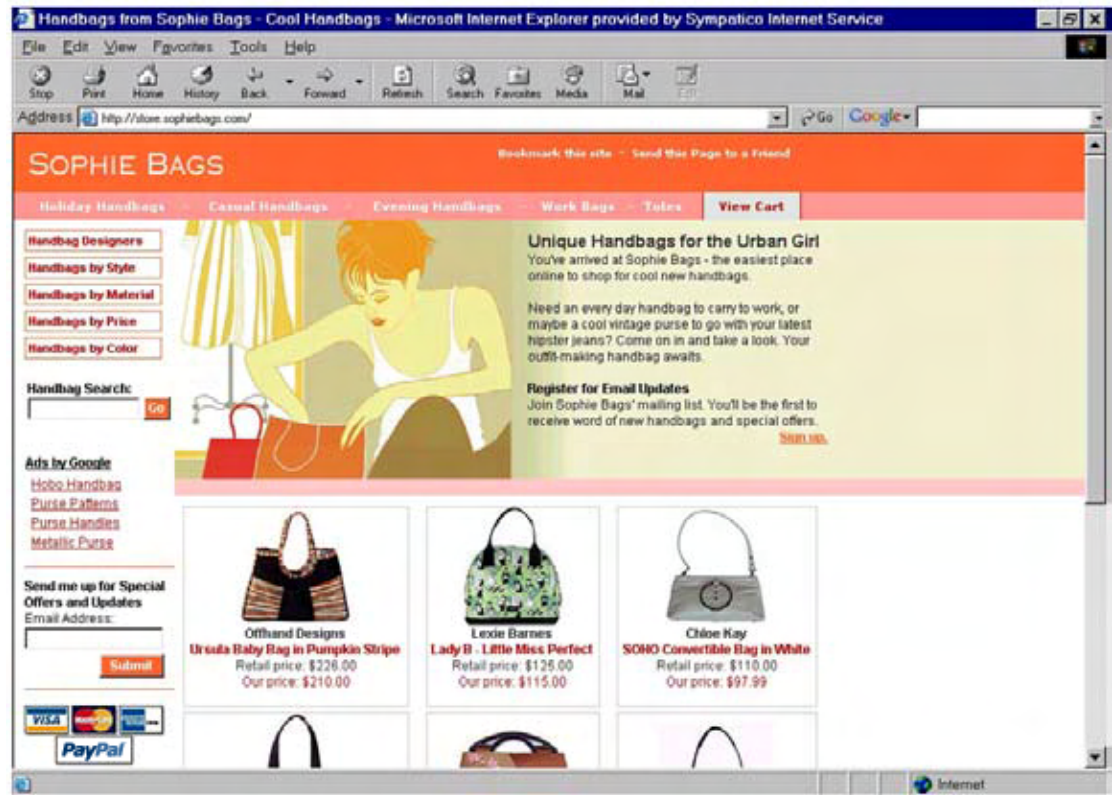
I recommend you use your logo rather than an email address on PayPal's login screen. Not only does it look more professional and more trustworthy, it could actually result in a higher conversion rate for your online store. Usability studies conducted by PayPal have shown that buyers are more comfortable making a purchase when a merchant's logo appears at the top of the PayPal-hosted checkout page.

For more details on how to customize your PayPal payment pages, visit PayPal's Custom Payment page at the following URL:

<https://www.paypal.com/customize>

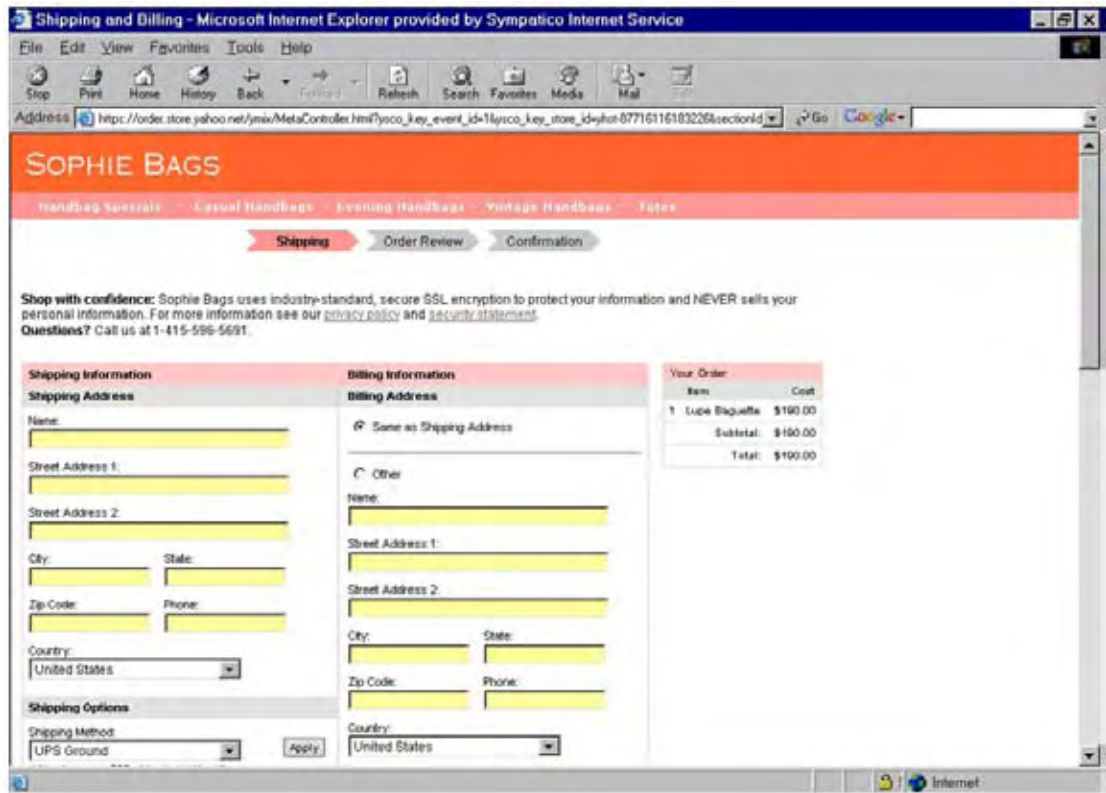
For even tighter integration between your checkout area and the rest of your website, you'll probably need to invest in some additional website design expertise. Like remodeling a home from top to bottom, this can be an expensive undertaking, but it will give customers a much more pleasant and confident shopping experience.

Take a look at how the online store of Sophie Bags (store.sophiebags.com) steps up to this challenge. The store is designed in orange and pink tones, as you can see below:



Source: Sophiebags.com Image Used With Permission of Sophie Bags

Even though Sophie Bags outsources its payment processing to Yahoo! Store, notice how the store's colors, navigation bar, and design continue over to the billing page:



Source: Sophiebags.com Image Used With Permission of Sophie Bags

At this point, customers are actually on the Yahoo! servers, but because the design of the checkout screens is consistent with the rest of the online store, the transition is virtually, and beautifully, transparent. The only clue you're on another website is the address in the address bar.

A final word of advice – make use of PayPal graphics, both on your home page and on the checkout screen, to let customers know that you accept PayPal, and if applicable, other payment options such as Visa and MasterCard. You can find these graphics at PayPal's Online Logo Center, which is available to you at the following URL:

<http://www.paypal.com/logocenter>

Step 3: Identify any limitations or restrictions at the beginning of checkout.

One of the great advantages of doing business on the Internet is that you can serve customers from all over the world. But for logistical, financial, or legal reasons, many merchants won't ship products outside of the United States. That's fine, but you need to treat everyone fairly, and that means letting customers know before they start shopping that you may not be able to serve them.

Canadian customers are particularly vulnerable to this common oversight. I came across one online store that allowed shoppers to select a Canadian province and postal code for the shipping address. But the dropdown box for selecting the destination country contained only one option: the United States. The mystery was solved when I scoured the site's help files and learned that the website could only serve customers in the United States. Imagine spending 30 minutes browsing an online store and loading up your shopping basket, only to discover later that the website can't serve you.

If you don't ship outside the United States or to Canada, make sure you tell customers *before* they start loading up their shopping carts.

Step 4: Minimize the number of pages during checkout.

No one likes standing in a long line, whether it's in the airport waiting to checkin or in a retail store waiting to checkout. Likewise, no one likes an online store where the checkout process is seemingly endless.

Some online stores needlessly extend the checkout process by spreading out questions over too many pages. One retailer I visited had created a separate webpage just to ask shoppers a single question about billing, a step that could have easily been

consolidated into the previous page. Perhaps it goes without saying, but if your checkout process is cumbersome and exhausting, you're going to lose your customers to other online stores with more efficient checkout systems.

Rather than spreading out a series of steps over several short webpages, you might want to experiment with one or two longer pages. RitzCamera.com, for instance, only has two steps in its checkout process, and the first page is clearly marked "Step 1 of 2." Just knowing that there's only one more page to complete can be very motivating.

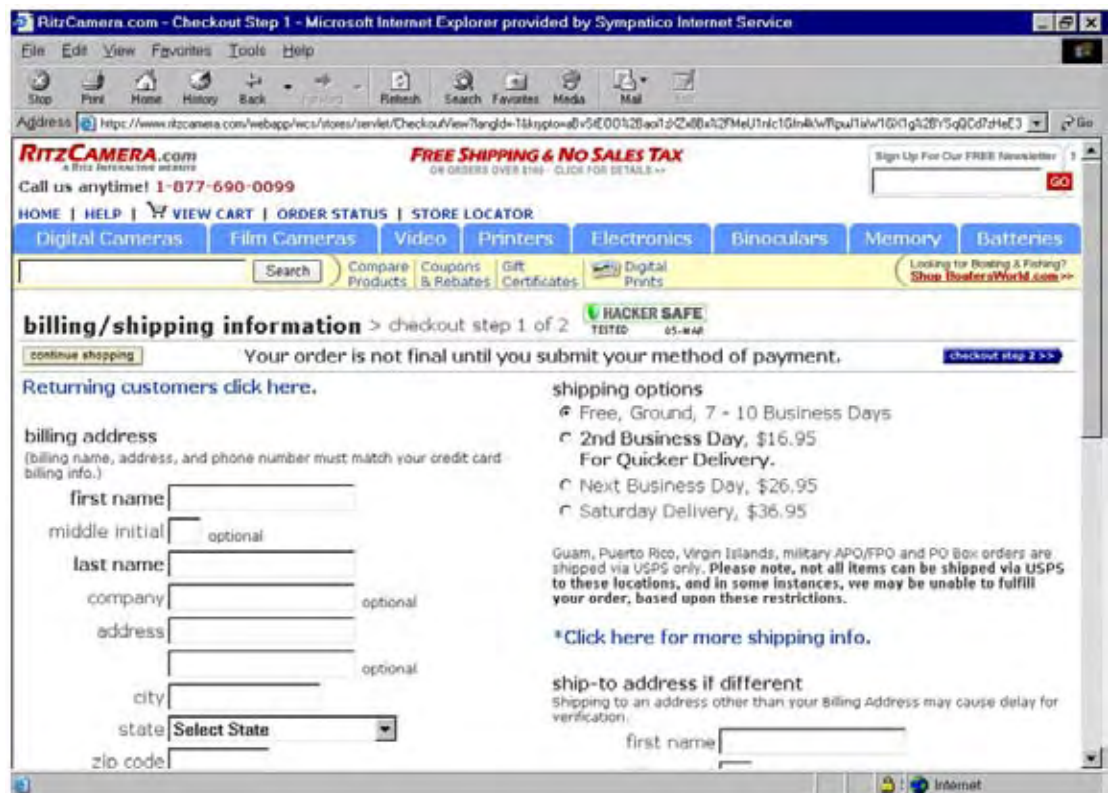


Image Used With Permission of RitzCamera.com

Some of the newer, albeit expensive, shopping cart systems use a flash plug-in, rather than HTML, so that customers can complete most checkout functions on a single page. Input errors, such as an invalid credit card number, are flagged to the customer immediately. This is a huge advantage over multipage HTML systems, which can only identify errors after a customer has filled out an entire page and progressed to the next step.

If your customers are paying with PayPal, you should give them the option to use Express Checkout. Similar to an express checkout line in a hotel or supermarket, PayPal's Express Checkout system is a convenient and hassle-free way for online shoppers to complete a transaction in fewer steps. Once implemented, an Express Checkout button appears at the beginning of the checkout stream, as in the example below from Walgreens.com (www.walgreens.com):

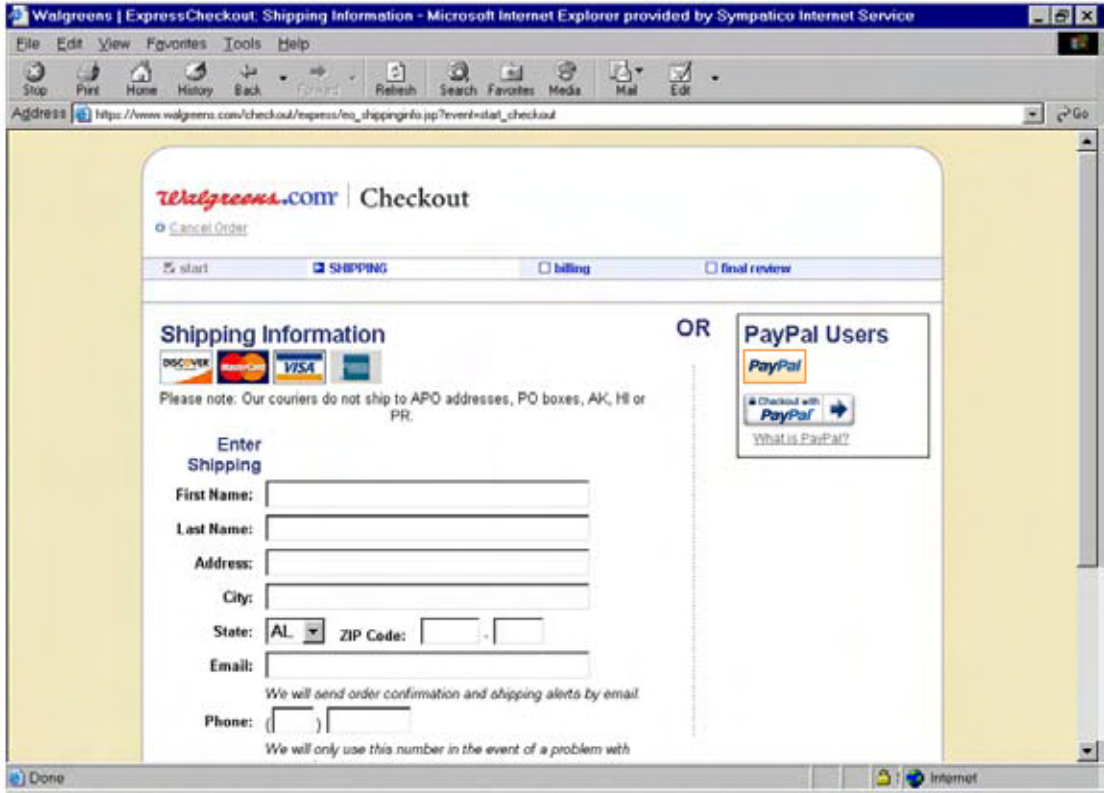


Image Used With Permission of Walgreen Co.

Once shoppers click on the Express Checkout button, they'll be transferred to PayPal, where they can select a payment method and confirm the shipping address:

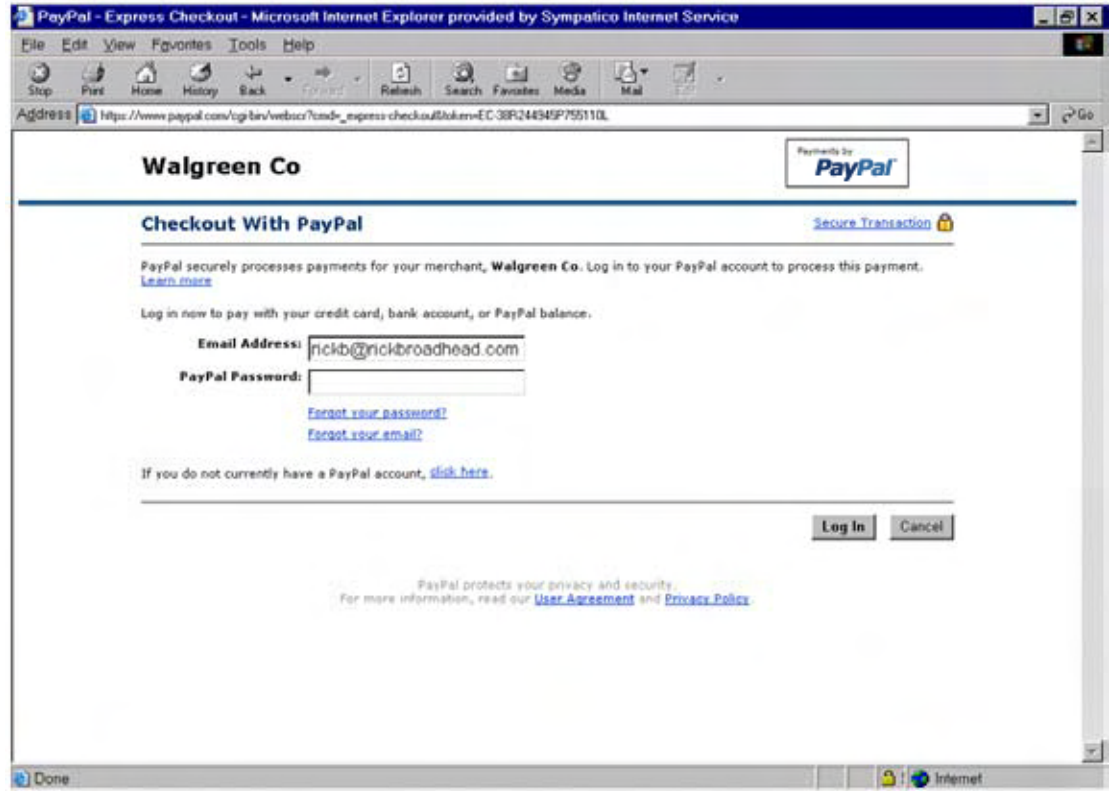


Image Used With Permission of Walgreen Co.

Shoppers are then returned to the merchant's website where the transaction is completed. Shipping and payment details are automatically passed from PayPal to the merchant, eliminating the need for shoppers to enter this information manually, and speeding up the checkout process.

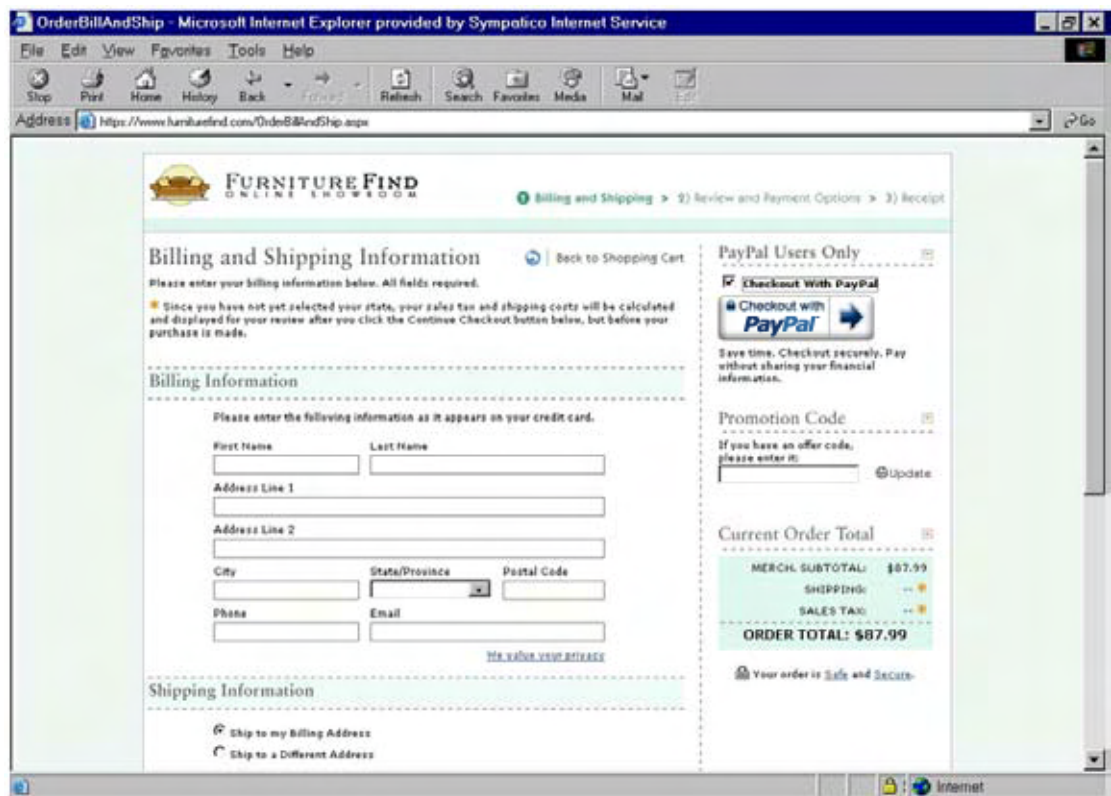
For more information about Express Checkout, visit the following URL:

<http://www.paypal.com/AboutEC>

Step 5: Don't make customers do unnecessary work.

Online forms are one of the biggest deterrents to making an online purchase. Like a steep hill that you don't want to climb, an online form that's too long can be truly overwhelming. In order to keep forms as short as possible, don't ask for information that you don't need. A lot of online stores ask for fax numbers, for example. Is this information really necessary? Admittedly, it only takes a few seconds for a customer to provide this extra information, but if you can do without it, don't ask for it.

As noted in the previous section, one way to speed up the checkout process is to use PayPal's Express Checkout system, if the customer is planning to settle the transaction with a PayPal account. Customers can connect to PayPal from your payment screen and have their shipping and payment information automatically filled in on the merchant's website.



The screenshot shows a web browser window titled "OrderBillAndShip - Microsoft Internet Explorer provided by Symplico Internet Service". The address bar shows "https://www.furniturefind.com/OrderBillAndShip.aspx". The page content includes the FurnitureFind logo and navigation links: "Billing and Shipping > Review and Payment Options > Receipt".

Billing and Shipping Information [Back to Shopping Cart](#)

Please enter your billing information below. All fields are required.

Since you have not yet selected your state, your sales tax and shipping costs will be calculated and displayed for your review after you click the Continue Checkout button below, but before your purchase is made.

Billing Information

Please enter the following information as it appears on your credit card.

First Name Last Name

Address Line 1

Address Line 2

City State/Province Postal Code

Phone Email

[We value your privacy](#)

Shipping Information

Ship to my Billing Address

Ship to a Different Address

PayPal Users Only

Checkout With PayPal

Save time. Checkout securely. Pay without sharing your financial information.

Promotion Code

If you have an offer code, please enter it:

Current Order Total

MERCH SUBTOTAL:	\$87.99
SHIPPING:	--
SALES TAX:	--
ORDER TOTAL:	\$87.99

Your order is Safe and Secure.

Image Used With Permission of FurnitureFind Corporation

FurnitureFind (www.furniturefind.com), an online furniture retailer, is using Express Checkout on its website. When a customer reaches the first step of the checkout stream, shown below, he can select the “Checkout With PayPal” option on the right, and bypass the billing and shipping form.

The customer is then directed to a PayPal login screen, shown below. Notice that FurnitureFind’s logo is displayed at the top of the screen. Because the customer is now on PayPal’s network, the presence of the logo helps tie the two sites together and provides a more seamless and secure shopping experience for the customer.

Once logged into his PayPal account, shown below, the customer can review the source of funds, select a shipping address, and then return to the FurnitureFind website to complete the transaction.

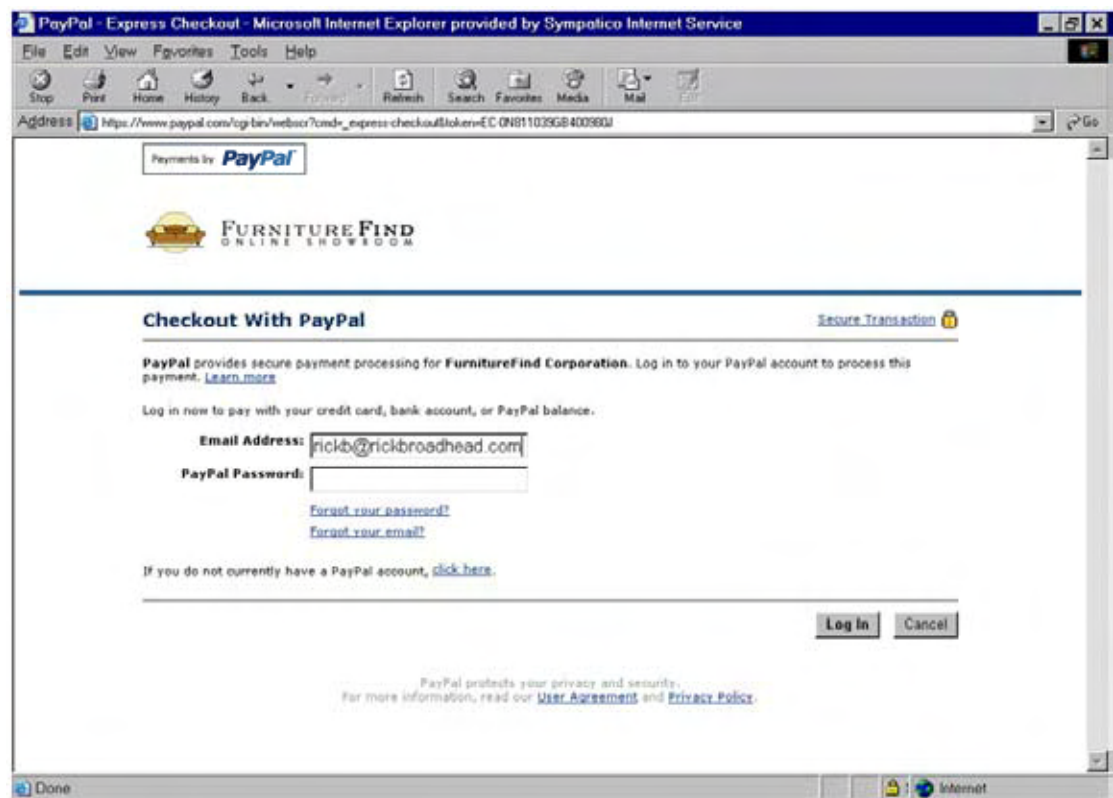


Image Used With Permission of FurnitureFind Corporation

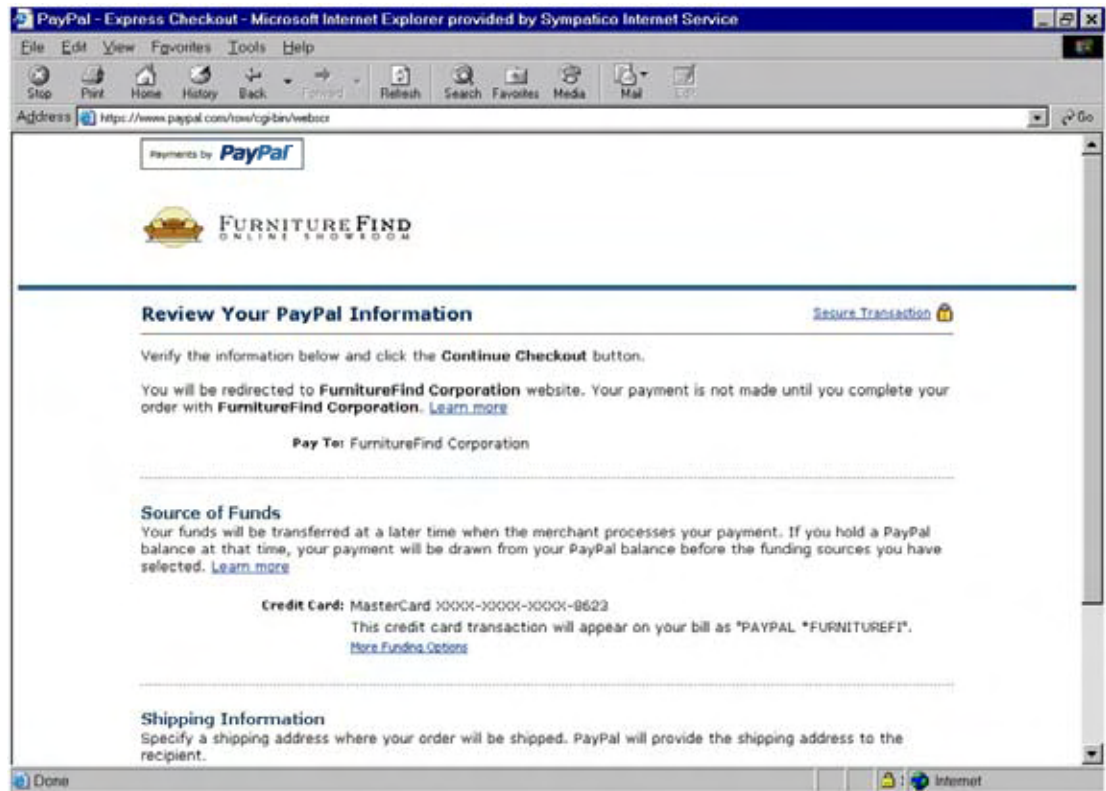


Image Used With Permission of FurnitureFind Corporation

The customer's shipping and payment information is automatically passed to FurnitureFind by PayPal, eliminating the need for the customer to input any of this information manually.

If you don't need a customer's address to calculate shipping and handling charges or other fees, you should display the PayPal logo as early in the checkout process as possible. It should appear on the *first* screen a customer sees after he presses the checkout button, before you request any shipping or billing information.

Here's a related tip for businesses using PayPal's Website Payments Pro. If a customer inputs a shipping address on your website and selects PayPal as his payment method, make sure your online store is configured so that it passes the shipping information over to PayPal's system. Without it, the customer will have to manually select a shipping address from those already stored on PayPal's website. Or worse, the preferred shipping address may not appear at all, forcing the customer to manually add it. In either case, the checkout process becomes unnecessarily complicated.

Step 6: Don't display redundant information.

As customers progress through your checkout screens, make sure you're not displaying any information unnecessarily. Delete any screens that are redundant. Here are two tips, drawn from actual examples I came across.

- ❑ If a customer clicks on a checkbox to let you know that his billing address is the same as his shipping address, there's no need to have an extra step/screen to let the customer review the billing address. The customer has already indicated that the billing and shipping addresses are identical.
- ❑ If a customer selects PayPal as his preferred payment method, there's no need to display the customer's bill on a new screen before transferring the customer to PayPal. Unless you're using PayPal's Website Payments Pro, the customer's bill should appear on the screen once they access their PayPal account.

Adding extra steps such as these to the checkout process will slow it down considerably, and burden the customer with unnecessary reading. The good news is that redundancy problems are relatively easy to fix. Study your checkout flow, look at each step carefully, and ask yourself, "Is this screen really necessary?"

As you study your checkout flow, make sure you're not duplicating any of the information that the customer will see once he connects to PayPal's system. If you use PayPal Website Payments Standard or PayPal as an Additional Payment Option, and you've configured your checkout system effectively, the customer should be able to see a detailed breakdown of his payment, including shipping charges and/or taxes, on PayPal's checkout page, as shown below.

Your customer should also be able to access the contents of his shopping cart from the PayPal checkout screen. A link to the shopping cart should appear on the "Payment For:" line.

If you don't display all of this information, it's possible a customer will try and back-track in order to get it. This could lead to a browser error when the customer tries to use his browser's "Back" button, and you might lose the order altogether.

Step 7: Display steps during checkout.

Imagine you are waiting in a checkout line in a retail store, and the line stretches for as far as your eye can see. Since you can't see the end of the line, you have no idea how long you're going to be standing there. Without some indication of how close to the front you are, and how quickly you're going to get to the cash register, chances are you won't be patient very long.

Online checkout lines aren't much fun either, especially when you have no idea how many steps are ahead of you. This is another instance where communication with the customer is important.

When a customer decides to checkout from your online store, let him know how many steps to expect. And each step of way, let the customer know where the finish line is. Many online stores accomplish this by displaying a progress meter along the top of the screen.

A few tips when creating a progress meter:

1. Don't hide the progress meter at the bottom of the page – make sure it's clearly visible to the customer.
2. Make sure shoppers can always tell what stage they're at along the checkout continuum.
3. Don't use numbers unless they are accompanied by descriptions. For example:.

Cart * Address * Shipping * Payment * Receipt

is much more meaningful than

Step 1 * Step 2 * Step 3 * Step 4 * Step 5

DVD Empire (www.dvdempire.com) provides a perfect example of how to design a progress meter. Notice that the steps are clearly described at the top of the page, with the customer's current location highlighted in bright orange. This leaves no room for confusion or misunderstanding.



Image Used With Permission of DVDEmpire.com

Step 8: Provide multiple payment options.

While most customers are comfortable paying by credit card or PayPal these days, it's a good idea to offer shoppers other options as well. Unfortunately, very few on-line stores integrate these alternative options into the checkout process. I like Art.com's (www.art.com) checkout page for this very reason – it seamlessly offers customers a wide variety of different payment options, including credit card by phone, credit card by fax, personal check, and money order, as you can see below:

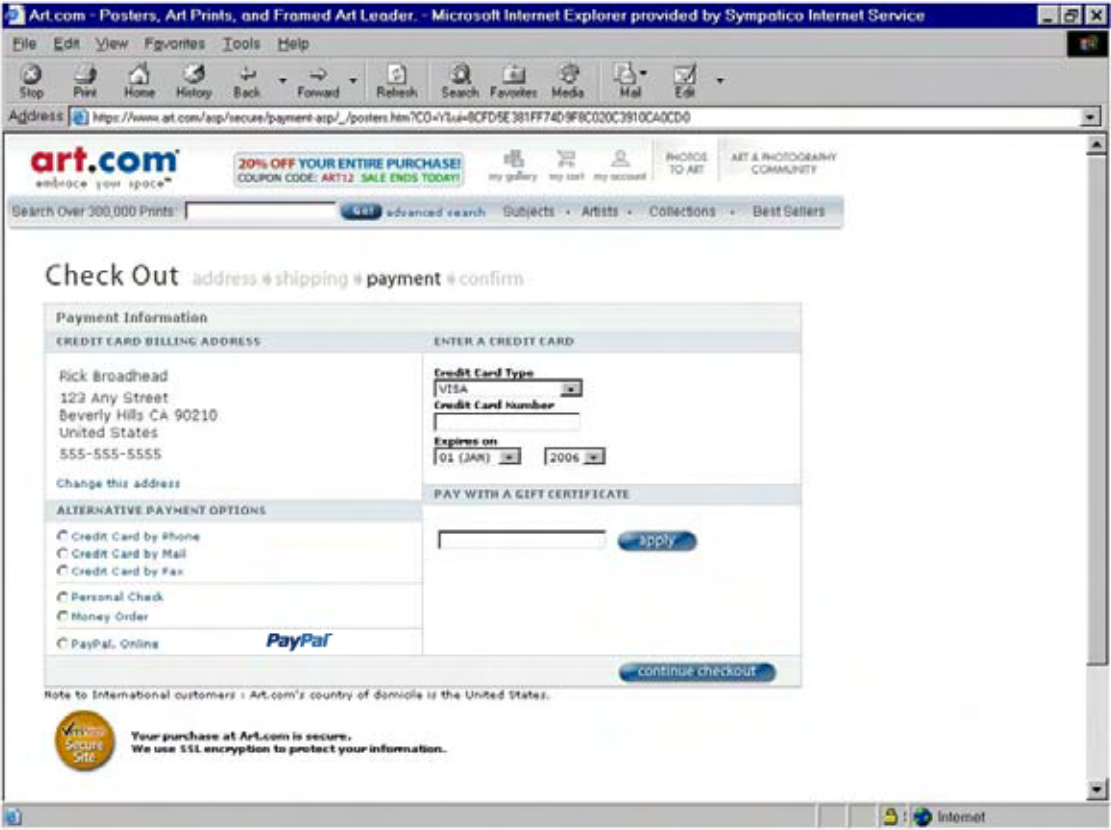


Image Used With Permission of Art.com

If a customer selects Credit Card by Phone, he'll be instructed to call a toll-free number to place the order securely over the phone:

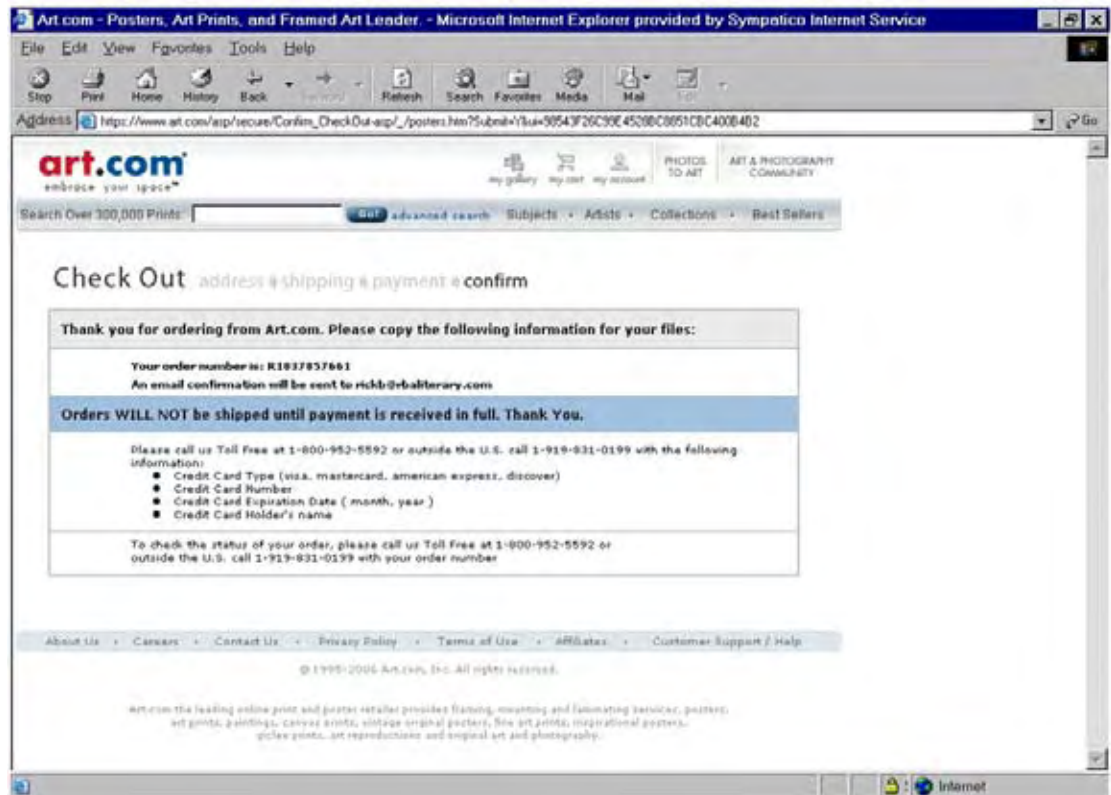
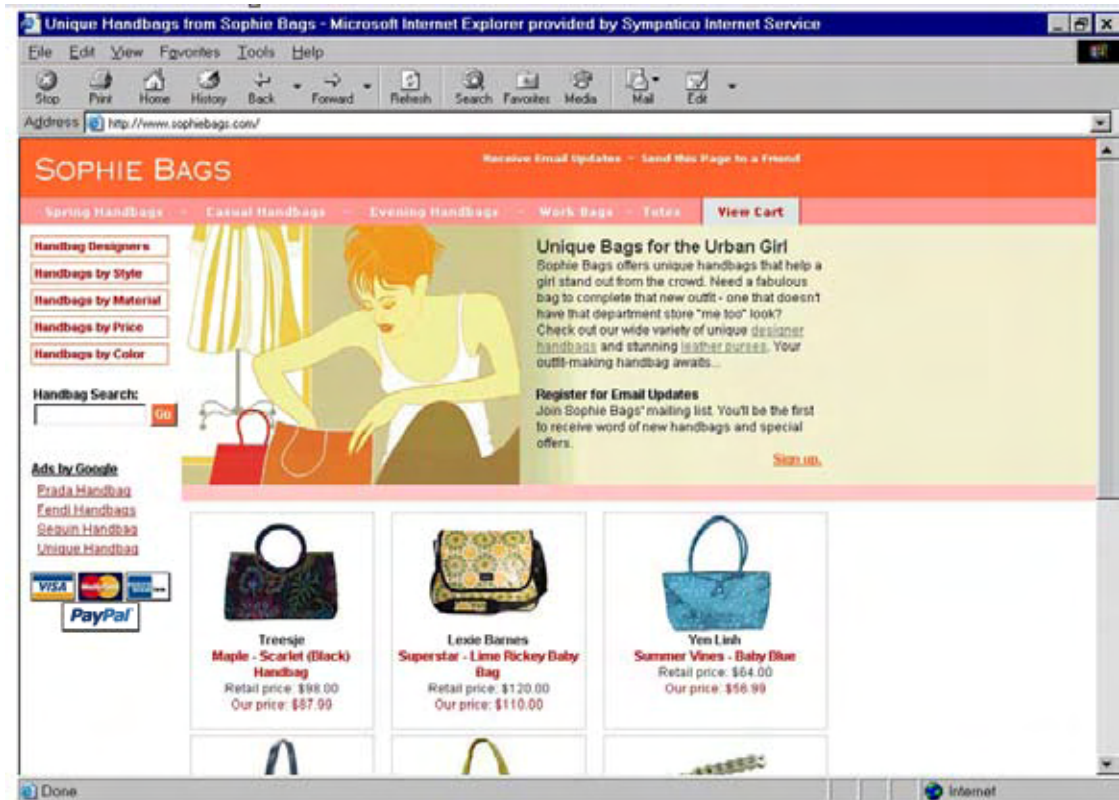


Image Used With Permission of Art.com

To encourage payments through PayPal, you should clearly display the PayPal logo on your homepage and in other appropriate locations in your online store. You can get PayPal logos and usage guidelines at the PayPal Logo Center, which can be found at the following URL:

<http://www.paypal.com/logocenter>

Small-to-medium-sized businesses get an average sales lift of 14% by accepting PayPal, so it's in your best interest to promote PayPal on your website. To this end, don't force customers to go searching through your website to see if you can accept a PayPal payment. The homepage for Sophie Bags (www.sophiebags.com) is a perfect model to follow. Notice the PayPal logo on the left-hand side of the screen:



Source: Sophiebags.com Image Used with Permission of Sophie Bags

¹2006 PayPal phone survey of small and medium sized business doing a minimum of \$120,000 USD in annual online sales.

Another excellent example of PayPal logo usage is the storefront of Sandlotscience.com (www.sandlotscience.com), an online merchant selling books, puzzles, and optical illusion products. In the screen below, notice how PayPal is highlighted along with the other methods of payment the store accepts:

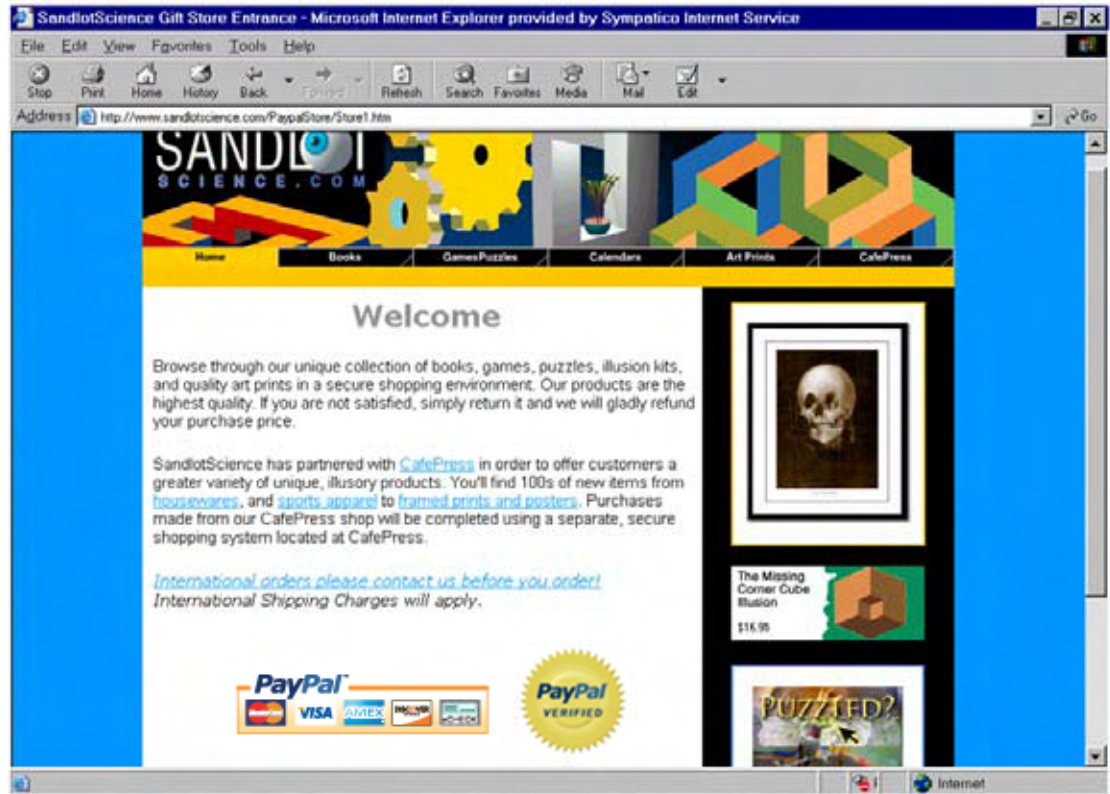


Image Used With Permission of SandlotScience Image Used With Permission of SandlotScience

Step 9: Offer to help customers who are about to abandon their purchases.

If a customer is about to finalize a transaction and becomes confused or concerned, he may click the “Back” button on his Web browser to try and return to the previous screen. This is a good indication that the customer is hesitating for some reason. The “Back” button on a Web browser is like a pilot’s eject button in an airplane. It’s a quick way out.

Most online stores do nothing when a customer tries to leave the checkout area, but imagine if this happened in a brick-and-mortar retail store. No astute sales clerk would let a customer walk out the door without offering assistance, especially if a purchase had already been rung up and the customer was about to hand over his credit card number.

So what can online retailers do? I really like the approach used by online kitchen-ware retailer Cooking.com (www.cooking.com). Shoppers on this website will see a popup window (shown below) if they click their browser’s “Back” button during the final step of the checkout process. Such an action might indicate a customer in distress, so Cooking.com offers a toll-free number for live human assistance:



Can We Help?

PROBLEM PLACING YOUR ORDER?

1 Having problems? [Click here](#) to contact us or call us at 1-800-663-8810 from 7am to 5pm pacific time for assistance.

SPECIAL OFFERS!

2 We may have a special promotion that applies to your order. [Click here](#) to view our current promotion.

Thank You for Shopping at
@Cooking.com

CLOSE WINDOW

Image Used With Permission of Cooking.com

Alternatively, you might consider using a financial incentive. Once, when I attempted to leave an online retailer's store after placing an item in my shopping cart, I was generously offered a 5% discount, but only if I agreed to complete my purchase rather than abandon it. The enticement appeared in a pop-up window on my screen.

Since popup windows can be annoying, you should use them judiciously. The popup window should only be triggered if a customer gets all the way to the end of the checkout process, and then tries to back out before inputting payment details. It's a gentle way to say, "We noticed you were about to make a purchase and now you're leaving. Is there anything we can do to help?"

A final word of caution if you like this idea. While offering your undecided customers an online discount sounds like a great incentive, it can actually backfire when put into practice. Once customers realize they can trigger a discount by trying to leave your online store, they may engage in this behavior deliberately, every time they visit, just to get a better deal. To avoid being manipulated in this manner, provide a toll-free number or access to a sales representative via live chat rather than a financial offer.

Step 10: Remind customers about abandoned purchases.

How many times have you started to write an email and then failed to complete or send it because you became distracted? It's just as easy for a customer to become distracted while shopping online.

There are a variety of reasons why a customer might forget to finish making an online purchase. For example, maybe the customer's phone rang or dinner was ready.

Some online merchants will contact customers who have jettisoned their shopping carts, in the hope of luring them back to complete their purchases. This is only possible, of course, if a customer has identified himself to you, either before shopping by logging in with a user-id and password, or during the checkout phase, if the customer got that far before abandoning the purchase.

If you do decide to email customers to try and entice them to return to your online store, consider extending a discount. It just might help to motivate your undecided customers. One online retailer emailed me several days after I had abandoned my shopping cart and offered a “10% off” coupon. A promotional coupon code was included in the email message, which I could input on the retailer’s website to redeem my savings. As mentioned in the previous section, you need to use these types of incentives judiciously, otherwise customers may try and generate them deliberately.

In this day and age, privacy and security are hot button issues, so any type of unexpected communication between you, the merchant, and a customer needs to be handled delicately. A customer may become upset if he receives an email from you reminding him that he still has a bottle of shampoo and some salad dressing in his shopping cart. He may feel that his privacy has been invaded. On the other hand, it’s possible that he’ll be appreciative and grateful that you reminded him about a purchase he may have forgotten.

Step 11: Invest in your loyal and repeat customers.

Finally, when it comes to reducing shopping cart abandonment and improving customer satisfaction, don’t fall into the trap of forgetting to see the forest for the trees.

According to a survey by WebTrends, a provider of Web analytics software, most retailers have found that repeat customers have lower shopping cart abandonment rates than new customers. In addition, most retailers surveyed by WebTrends found that repeat customers are more likely than new customers to make a purchase after browsing.³

These results demonstrate the importance of repeat customers to your business. This is not to suggest that you should abandon your efforts to attract new customers, for these shoppers will hopefully become loyal customers too. Rather, you should make a concerted effort to reward your repeat customers for their business and find ways to generate more purchases from this important, and loyal, market segment.

One way to boost your sales from repeat customers is to create a loyalty or incentive program that rewards customers every time they make a purchase from you. MyStoreRewards is a good example. With it, you can easily begin offering your customers a financial rebate every time they make a purchase from you, and settle the transaction using PayPal. While the amount of the rebate is controlled by you, PayPal recommends a rebate amount of between 1% and 5% of the purchase amount. While there is a cost for you to administer the MyStoreRewards program, a loyalty program is an excellent opportunity to grow your online business and increase the amount of sales you do with each customer, resulting in an overall increase to your bottom line.

You can read more about MyStoreRewards and try it out for 30 days by visiting the following URL:

<http://www.mystorerewards.com/msr/index.htm>

Another proven technique to increase sales is to offer gift certificates to your customers. Not only can gift certificates bring new customers into your online store (the recipient of the gift certificate may not have shopped with you before), they can result in bigger transactions. PayPal makes it easy to offer customized gift certificates to your customers. As long as you have a Premier or Business Account, you can get up and running in just a few minutes. There are no setup costs, and you can customize the certificate to suit your needs. When a customer purchases a gift certificate from your online store, PayPal will handle the back-end processing and then email the certificate directly to the recipient. Alternatively, the purchaser can print out the certificate and deliver it personally to the recipient.

For a good example of how gift certificates can be seamlessly integrated into your online storefront, take a look at Sandlotscience.com (www.sandlotscience.com). In the page below, a link reading “Gift Certificates Available” has been placed on one of the product pages:



Image Used With Permission of SandlotScience

Customers who click on the link will be taken to a new webpage where they can choose from a variety of gift certificates:

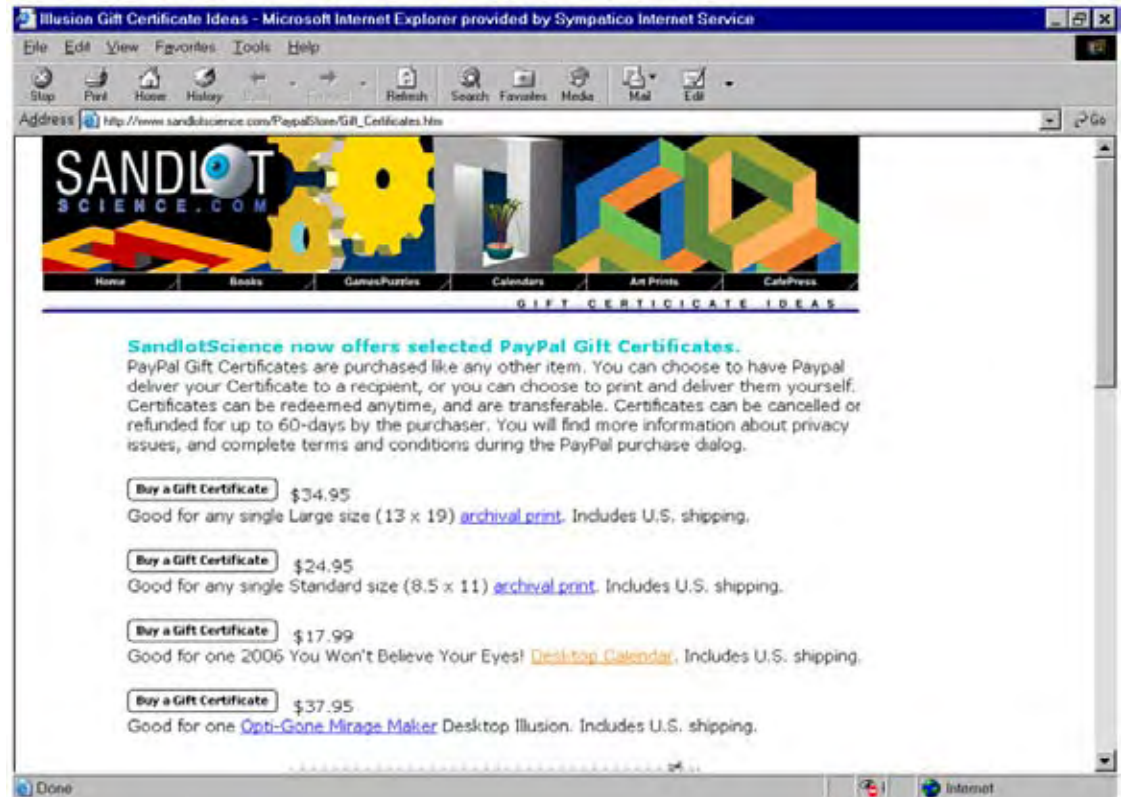


Image Used With Permission of SandlotScience

For more information on PayPal gift certificates, visit the following URL:

<https://www.paypal.com/sellgc>

As you implement the ideas I've recommended in this guide, don't get so caught up in making small changes that you forget about your loyal customers. Some retailers have implemented special discounts for repeat buyers. Another growing trend is for retailers to suggest items based a customer's purchase history. Whatever you do, make sure you keep this segment of your customer base happy.

Conclusion

As long as customers browse and comparison shop online, there will always be a certain amount of shopping cart abandonment. But if a customer wants to do business with you, don't put obstacles in his way. Follow the advice in this guide, and be sure to take advantage of all the special features and programs that PayPal offers its merchants. If you invest in a more efficient checkout process, I'm confident you'll soon be reaping the benefits of happier customers and greater revenues.

Have a Question?

Contact a PayPal sales representative for answers, to help you pick a product to meet your needs.

Phone: (866) 784-3730 (weekdays 6:00 AM CST to 7:00 PM CST)

Website: www.paypal.com/merchants

End Notes

1. January 24, 2006, Allurent Press Release, "Negative Online Shopping Experiences Pose Serious Danger to Retailers' Brands According to National Consumer Survey."
2. October 11, 2005, Forrester Research, "Rethinking The Significance Of Cart Abandonment."
3. August 2, 2005, WebTrends Inc. Press Release, "WebTrends Survey Highlights Retailers' Expectations and Tactics for 2005 Holiday Season."