Customer Experience Report:

What Online Shoppers Want From Brands



INTRODUCTION

Our 2023 Customer Experience Report provides insight into shoppers' expectations of brands, comparing current versus previous years' data to highlight evolving trends and demands of the customer experience.

As consumers settle into online purchasing habits formed during the pandemic, they expect fast, fluid, intuitive online experiences. Four out of five shoppers will go to a competitor when a site is too slow, and more than half say product filters are their favourite online shopping feature.

Email marketing remains the most effective outbound communication method this year, though email sign-ups are declining overall. Additionally, retailers who email discount offers to customers after cart abandonment are converting around a third of them.

Delivery is another defining factor this year on the path to purchase. High costs, slow delivery methods, and communication of shipping charges too late in the checkout process will make shoppers navigate away. And while half of consumers won't pay extra for special delivery services, almost half are willing to pay $20 for same-day or less than three-hour shipping services.





Free shipping is the favourite rewards program perk for four out of five shoppers. But what else do customers want from loyalty programs? Valuable, appealing rewards granted quickly and without high joining costs will see shoppers sign up and keep using these schemes. However, concerns over information security will deter half of consumers from joining or staying with a loyalty program.

Product reviews also drive trust and conversion. Three-quarters of shoppers are checking reviews, with more than half checking up to 5 reviews before purchasing expensive items. When reading reviews, the most crucial factors for customers are detail, authenticity, and high star ratings.

Read on to see how the customer experience influences purchasing behaviours and conversion. Our 2023 data and comparison to previous years offer detailed findings across UX and website experience, channels, most popular product categories, website experience, email marketing and communications, delivery experience, loyalty programs, and product reviews.

Data for this report collected March - April 2023

All data in this report is sourced from surveys with approximately 1354 respondents, from randomly selected Australian and New Zealand online shoppers.

WEBSITE AND CUSTOMER EXPERIENCE



Customer experience significantly impacts conversion (and cart abandonment) and is determined by multiple factors. For example, a lack of trust in website security will cause more than nine out of ten shoppers to abandon cart. Furthermore, nearly all customers say high shipping costs and unexpected charges at the checkout will cause them to navigate away.

Convenience is now paramount, with consumers expecting to complete their online journeys quickly and seamlessly. For example, a slow website will see nearly four out of five shoppers jump over to a competitor’s site.

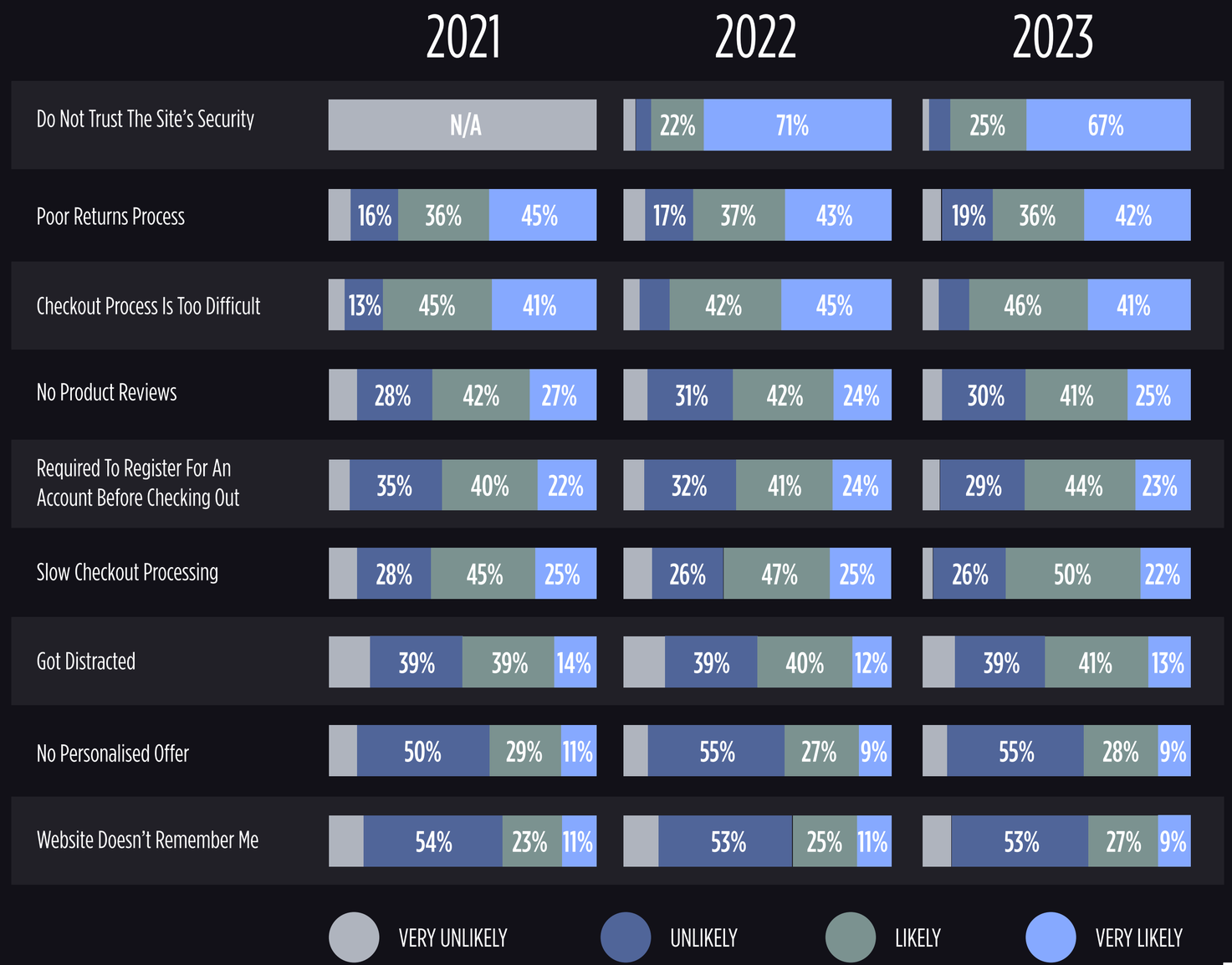
Retailers must also ensure high product quality and excellent customer service to keep shoppers coming back. This balancing act can be challenging for online merchants, but also offers incredible rewards for those with a solid grip on the overall experience.

WEBSITE SECURITY IS CRITICAL TO CONVERSION

A lack of trust and convenience are the biggest reasons shoppers abandon their carts in 2023.

92% are likely or very likely to navigate away when they don't trust the site's security. This figure is followed closely by 87% leaving orders behind because the checkout process is too difficult and 78% due to poor returns processes.

How likely are you to abandon cart based on the following?

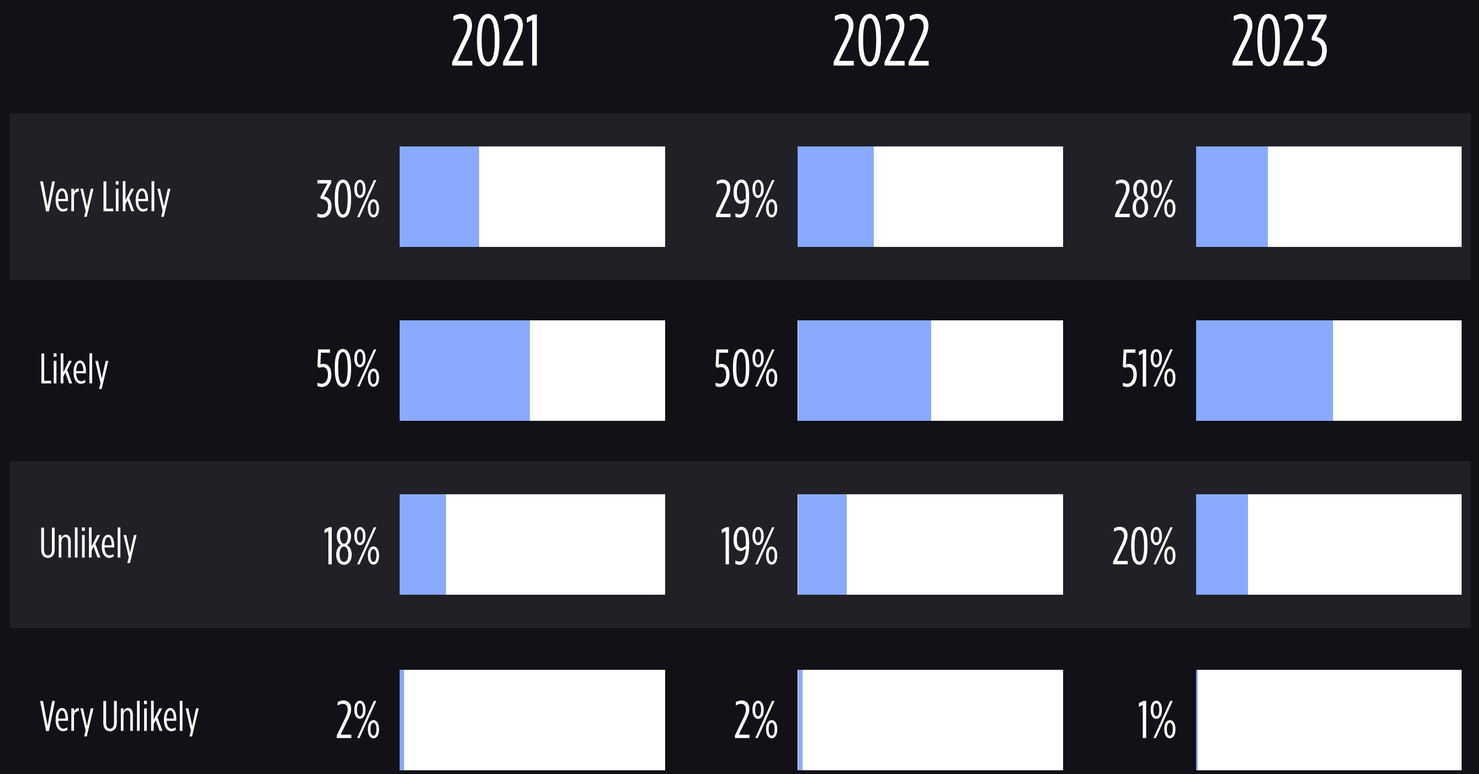


CONSUMERS WILL SWITCH TO THE COMPETITION QUICKLY WHEN SITE SPEEDS ARE SLOW

Customers expect to complete their online journey quickly and seamlessly. When they don't receive that experience, they're ready to navigate away.

79% of shoppers are likely or very likely to leave and purchase from a competitor if a retailer's website is too slow. This number has remained steady for the past three years, showing no deceleration in consumers' expectations of fast, convenient online experiences.

How likely are you to leave and purchase the product elsewhere if the website is too slow?

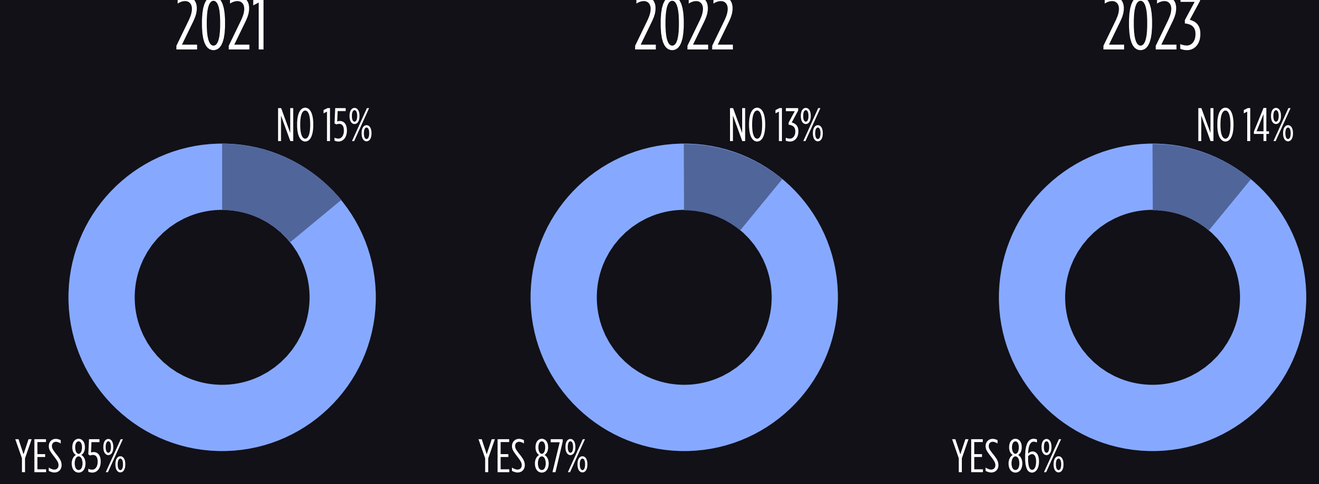


REAL-TIME UPDATES ATTRACT REAL ATTENTION

Online product suggestions are getting seen by consumers. 86% of shoppers noticed real-time updates showing what other shoppers bought. This figure has remained steady for the past three years.

However, retailers must carefully consider whether these attention-grabbing pop-ups are helping or hindering the buying journey.

When browsing a retailer website, have you ever noticed a feature that shows what other customers are buying in real time?

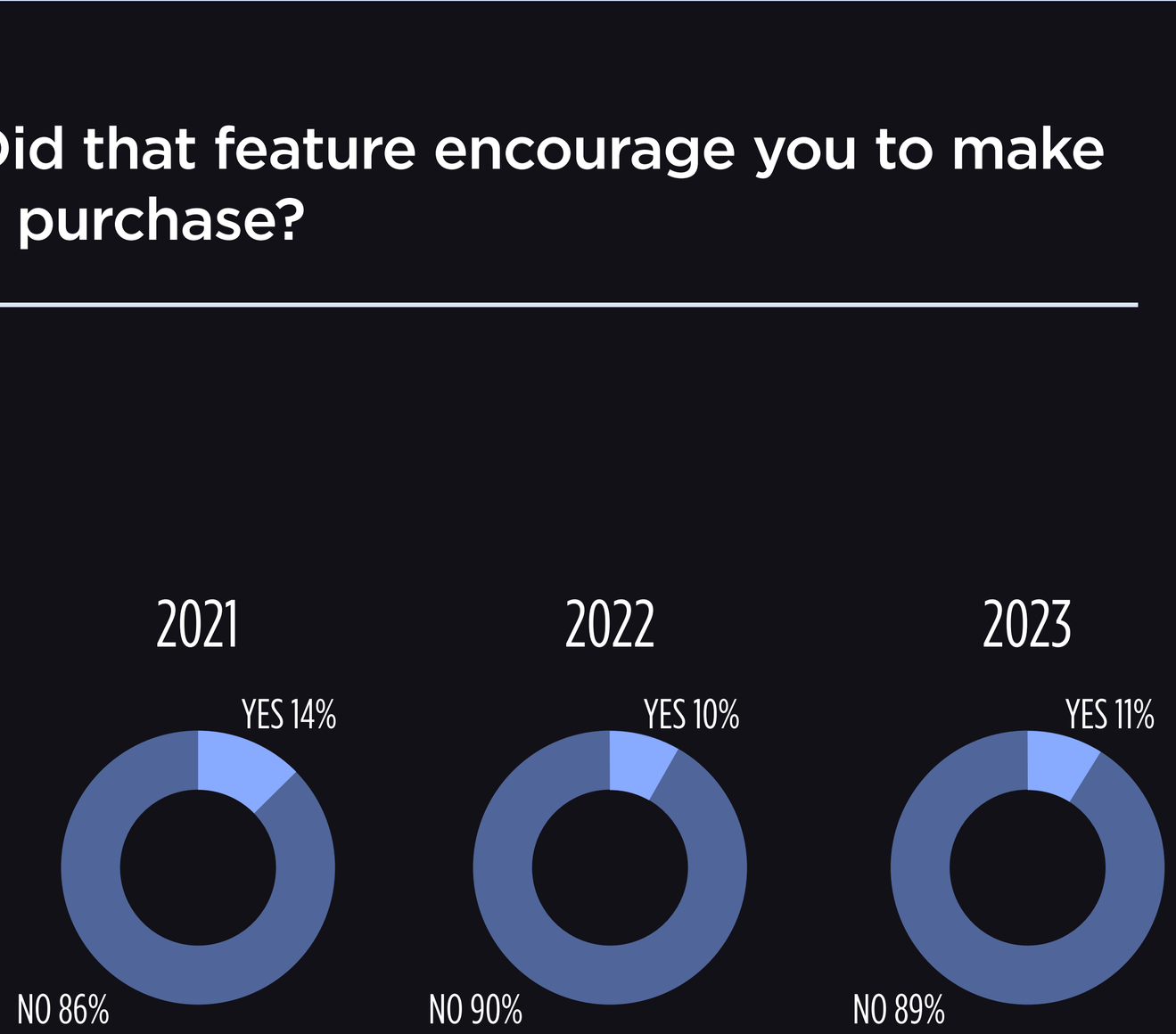


ARE THERE BETTER WAYS TO PROMOTE PRODUCT DISCOVERY?

Although shoppers notice real-time updates, only 11% say it encourages them to purchase. Down 3% from 2021, consumers are now slightly less swayed by these notifications.

As the already minimal effectiveness of this sales tactic dwindles, online retailers should weigh up additional options to improve product discovery.

Did that feature encourage you to make a purchase?

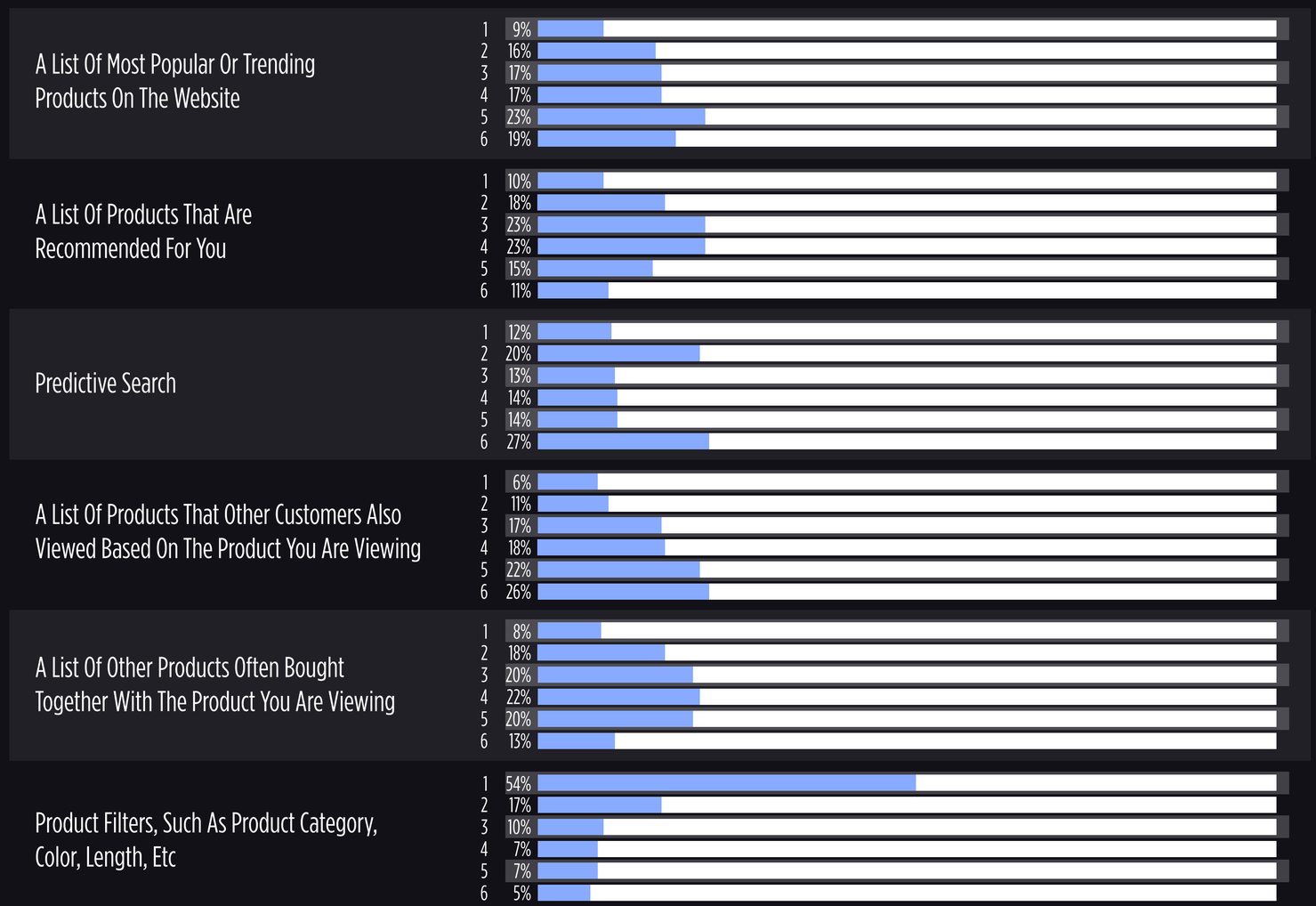


SHOPPERS WANT FAST, EFFECTIVE BUYING JOURNEYS

Filters, predictive search, and product recommendation lists are the top three website features that shoppers value right now.

Product filters are the stand-out, with a whopping 54% of shoppers saying it's the most helpful website feature when looking for products online. This figure is not surprising; when shoppers on your website can do what they came to do quickly, they're more likely to convert. Well-structured filters help shoppers find the products they love and complete their buying journey faster.

In order of priority, (1 being most important, 6 being the least) Which website features helps you in looking for your product?



EMAIL MARKETING AND COMMUNICATIONS

Email is still the most influential outbound communications channel, converting shoppers at a massive 4.5x higher than social media messages. Interestingly though, while the preference for receiving order updates via email is increasing, SMS is steadily declining. Online merchants should keep this in mind when building their marketing strategies.

Nine out of ten consumers receive follow-up emails that encourage cart completions; however, only around a third are offered discounts and incentives. Around the same number of shoppers convert when receiving these offers—a significant opportunity for retailers.

Unfortunately, overall interest in marketing emails may be maxing out. There is a noticeable decline in all reasons for shoppers signing up to receive marketing emails.

Retailers making the most of email marketing can still connect effectively with customers, though they must ensure relevance and personalisation of messaging and offers to capitalise on their efforts.



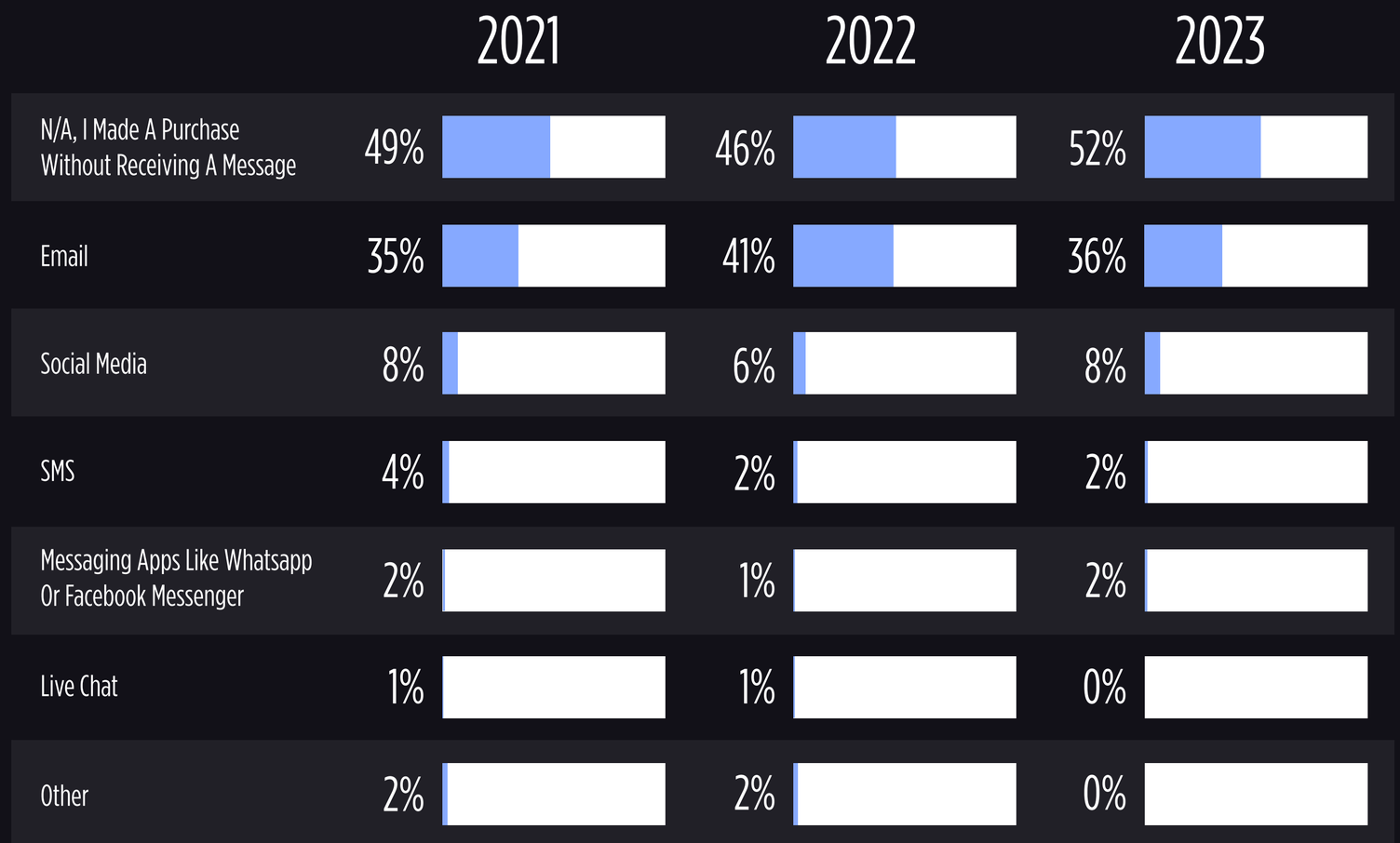
EMAIL IS STILL THE MOST EFFECTIVE OUTBOUND MARKETING CHANNEL

More than half of online shoppers surveyed are finding their own way on the path to purchase. 52% say they made their most recent online purchase without receiving any prompt from the retailer.

Email is still the top communication channel to convert consumers. 36% of shoppers made a purchase after receiving an email—a massive 4.5x higher than the next most influential channel, social media, at 8%.

While this data proves the effectiveness of email as an outbound marketing channel, retailers should also examine which inbound methods are leading to conversion to balance budgets accordingly.

Did you purchase a product after receiving a message via:

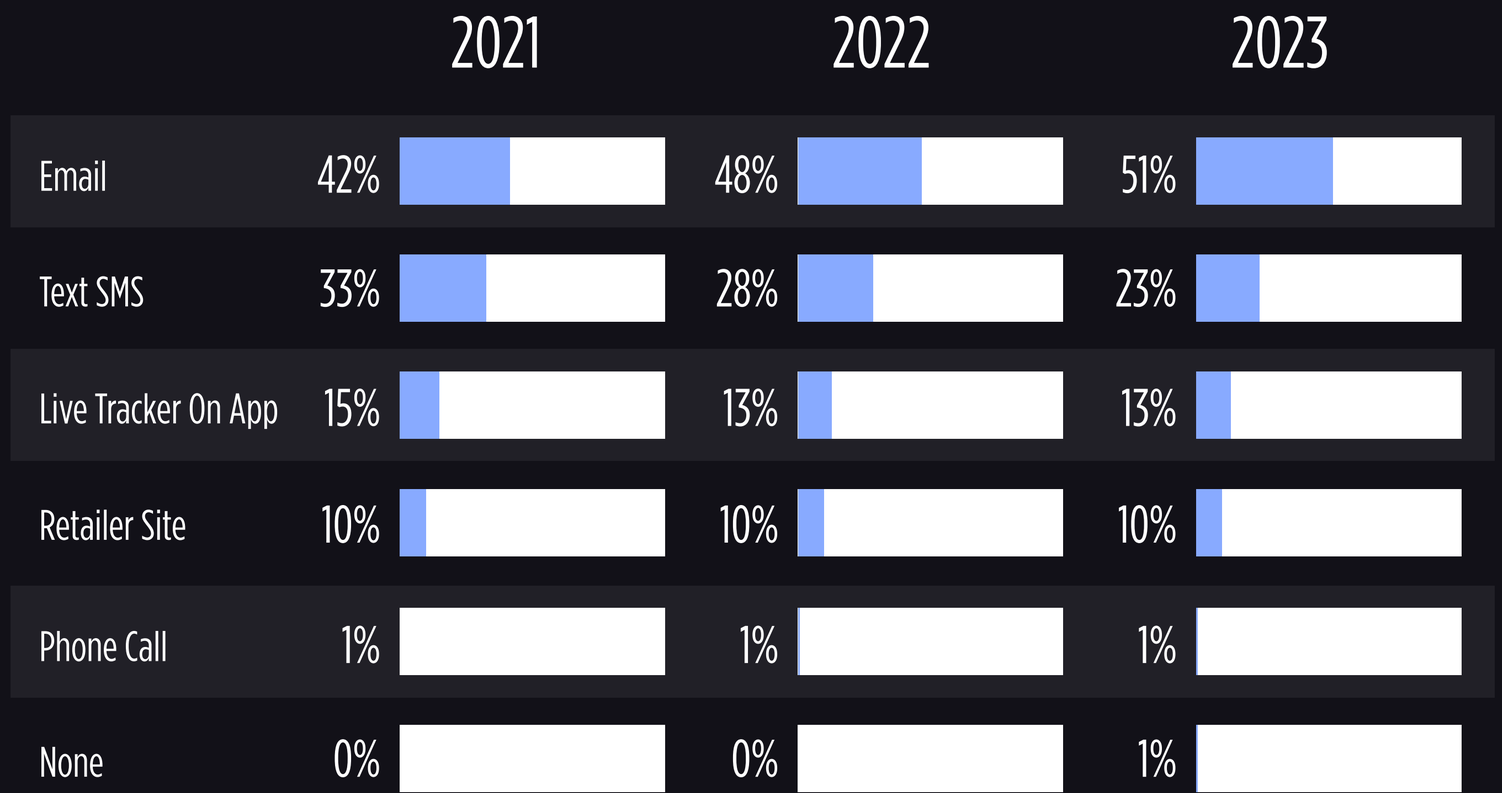


SPONSORED POSTS ARE THE MOST INFLUENTIAL

Email is also the most effective way to keep customers informed, with over half (51%) saying it's their preferred method of receiving online order delivery updates.

While email is gaining popularity (up 9% since 2021), SMS is steadily declining by 5% each year. The waning effectiveness of SMS is unsurprising as consumers continue to be bombarded by SMS spam, clogging up mobile inboxes.

What is your preferred method of receiving online shopping delivery updates?

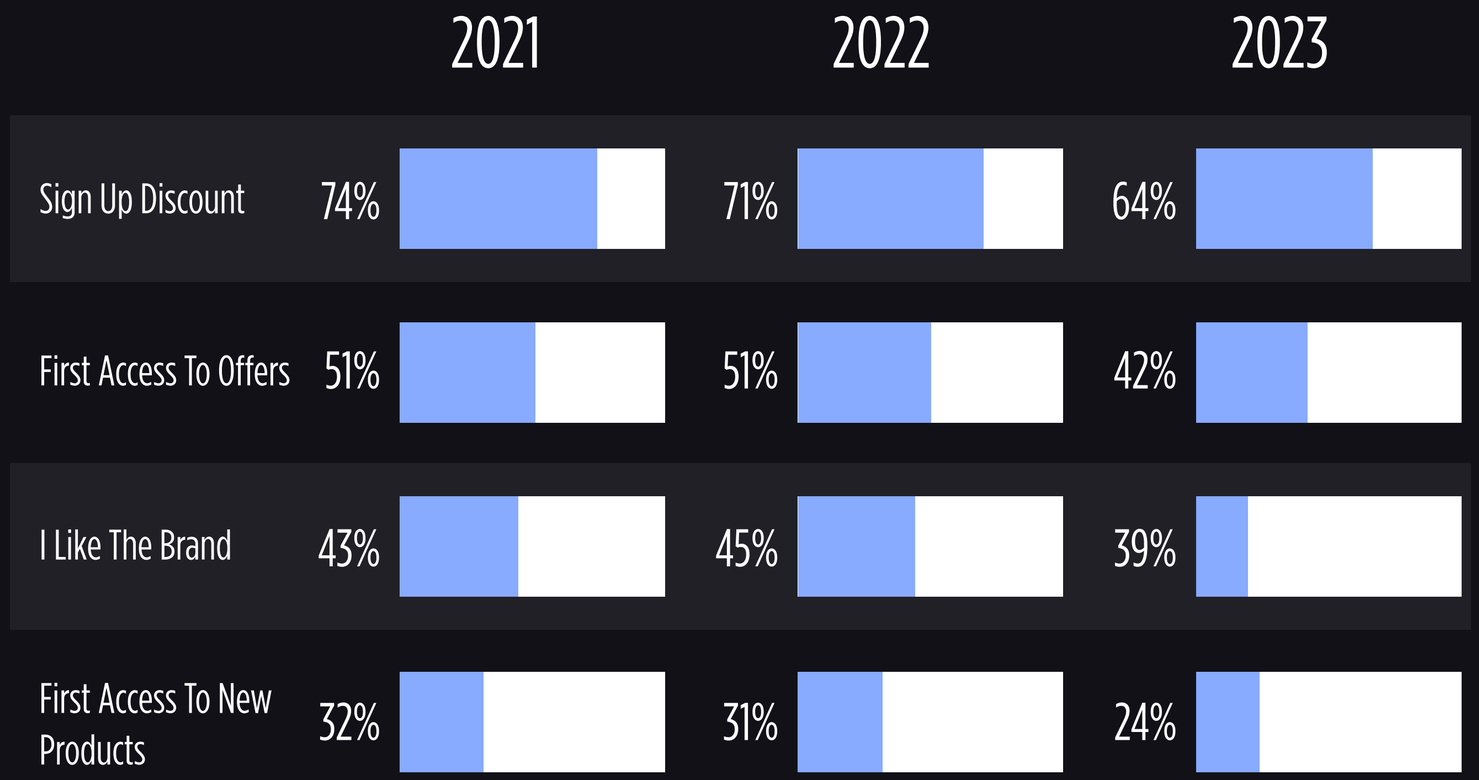


IS IT TIME TO REFOCUS ON BRAND CONNECTION?

Consumers' interest in marketing emails may have reached its limit. Discounts remain the top motivator, with 64% of shoppers saying they'll sign up for this reason. However, we also see a noticeable decline across the last three years in all stated reasons for shoppers signing up to receive marketing emails.

The number of email sign-ups due to shoppers' relationships with brands also plunged by 6% this year. It may be time for retailers to rethink their email marketing strategies, improve the relevance and personalisation of messaging and offers, and focus on boosting brand connection.

Why do you sign up to receive marketing emails?

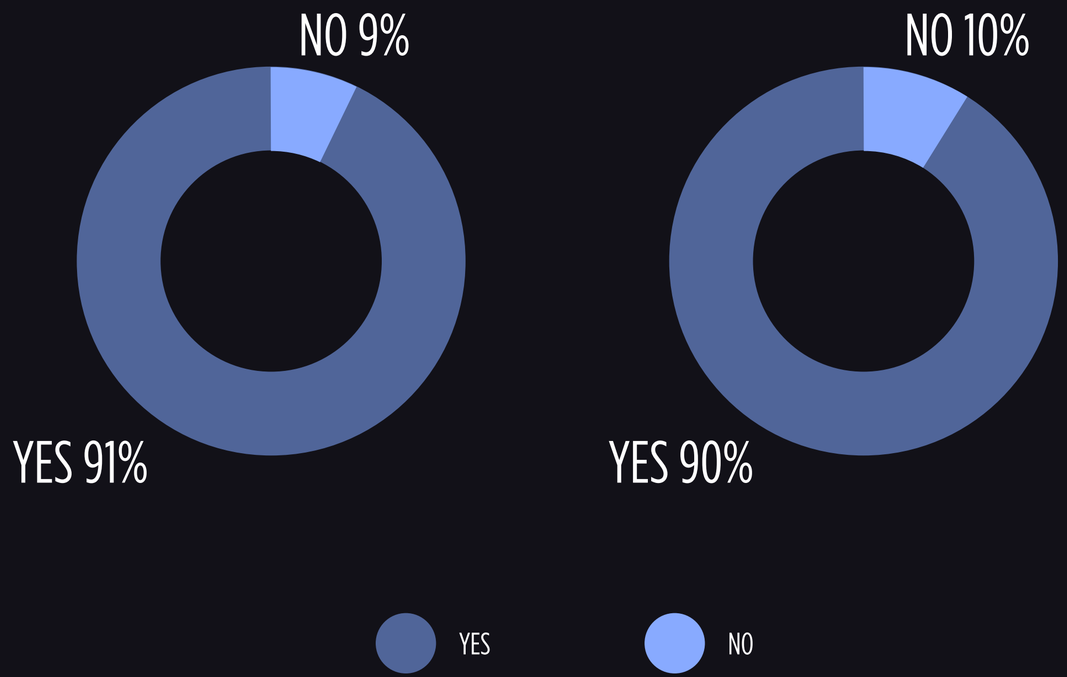


NINE OUT OF TEN SHOPPERS RECEIVE CHECKOUT REMINDERS

Online retailers are doing a great job keeping the buying journey going offline.

An overwhelming 90% of shoppers say they've received an email reminder to complete a purchase for items left in their shopping carts.

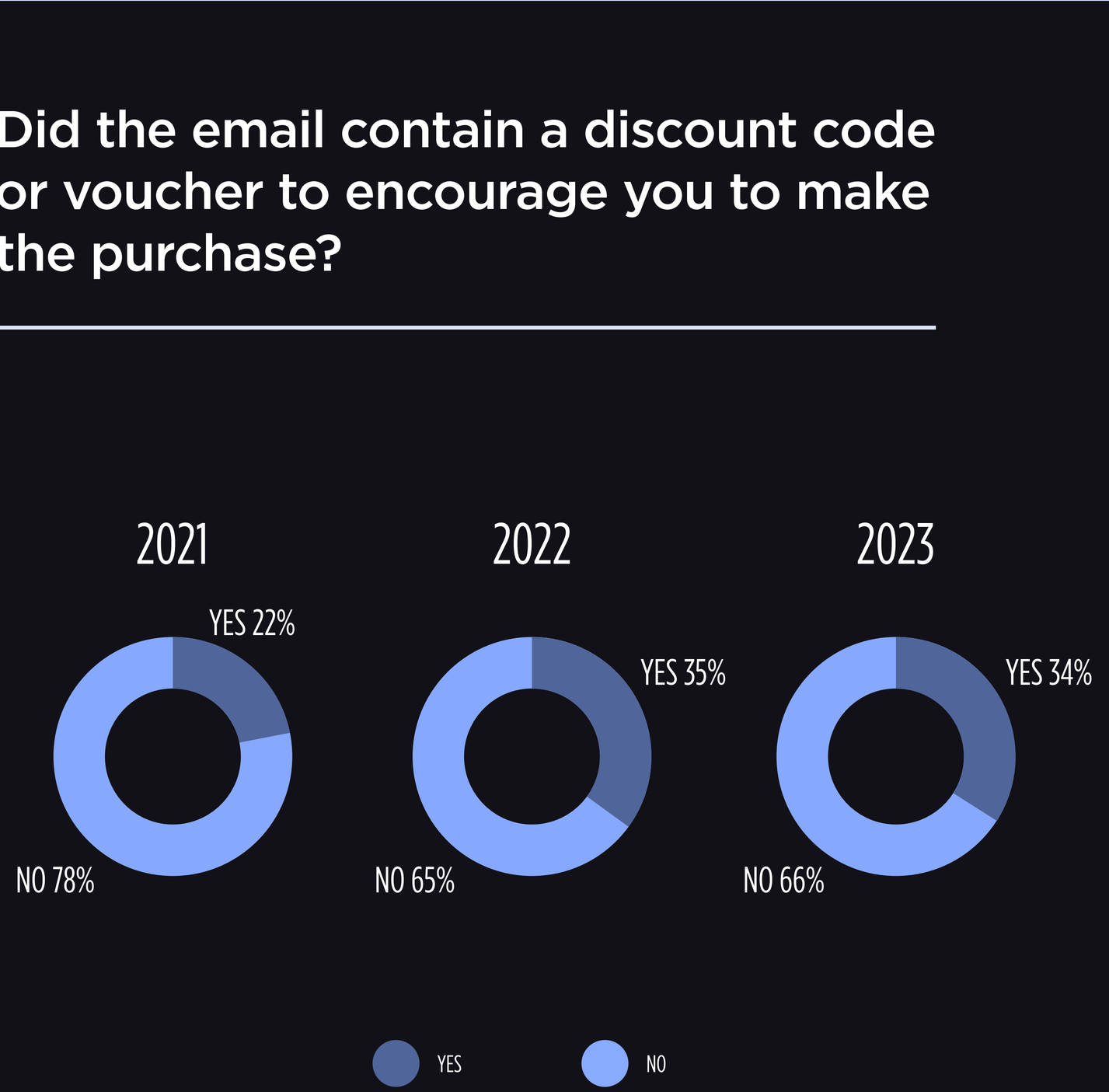
Have you abandoned an online purchase and later received an email reminding you to complete the checkout and purchase the item?



A THIRD OF RETAILERS OFFER DISCOUNTS IN FOLLOW-UP EMAILS

While retailers are staying front-of-mind with follow-up emails, only a third (34%) are offering discounts to further encourage cart completions. However, this number is up 12% since 2021.

Did the email contain a discount code or voucher to encourage you to make the purchase?

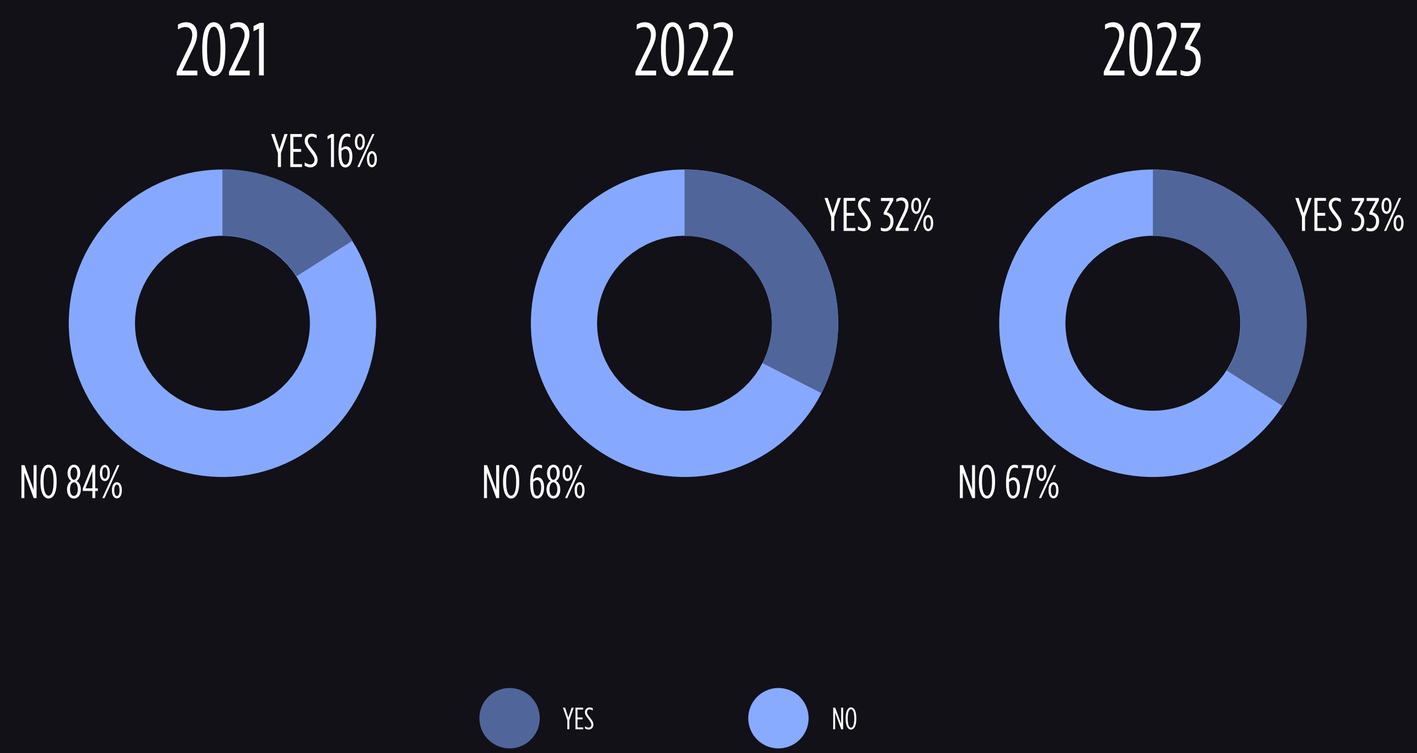


DISCOUNTS ARE ENTICING CUSTOMERS TO COMPLETE THEIR PURCHASES

Interestingly, the number of customers going on to complete purchases is in line with those receiving follow-up discount offer emails. 33% of shoppers converted after receiving reminder emails.

This number highlights the importance of highly-relevant email nurturing campaigns which remind shoppers about the products they want and offer an incentive to get them.

Did you complete the purchase?

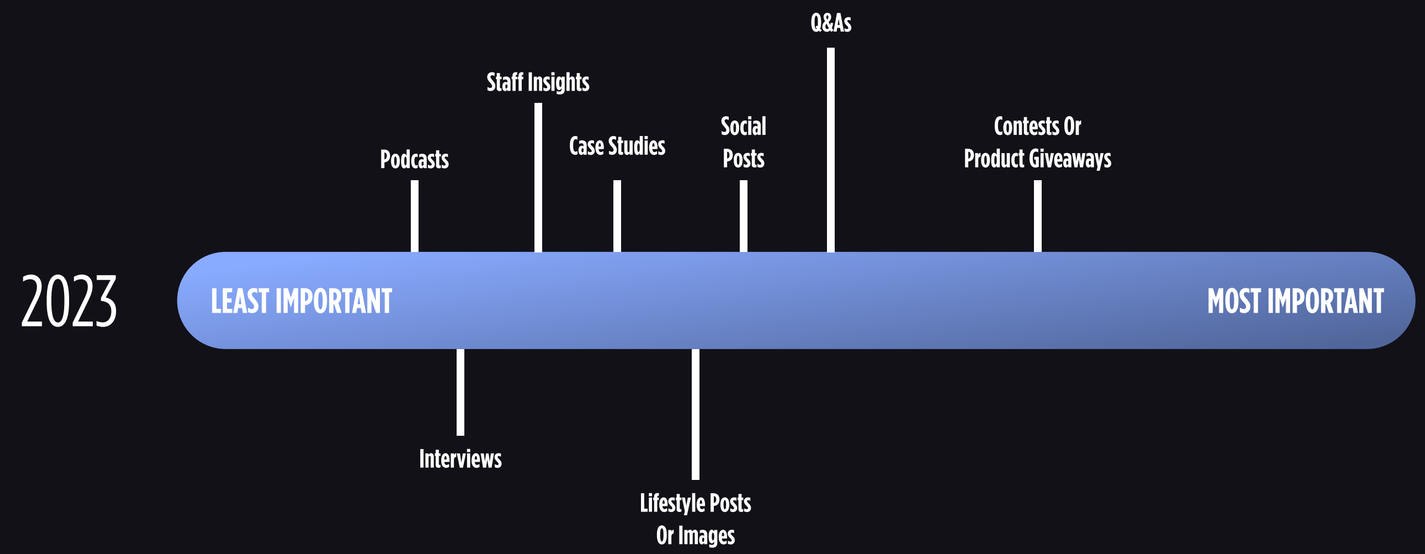


CONTESTS AND GIVEAWAYS CREATE BRAND CONNECTIONS

The thrill of the win overwhelmingly helps consumers enjoy the overall brand or retailer experience. When shoppers are not in buying mode, 46% say their favourite reason for engaging with a brand or retailer is contests or product giveaways.

On the flip side, a noticeable 34% say that podcasts are their least favourite reason.

In order of priority, how important do you find the following brand content or activities?

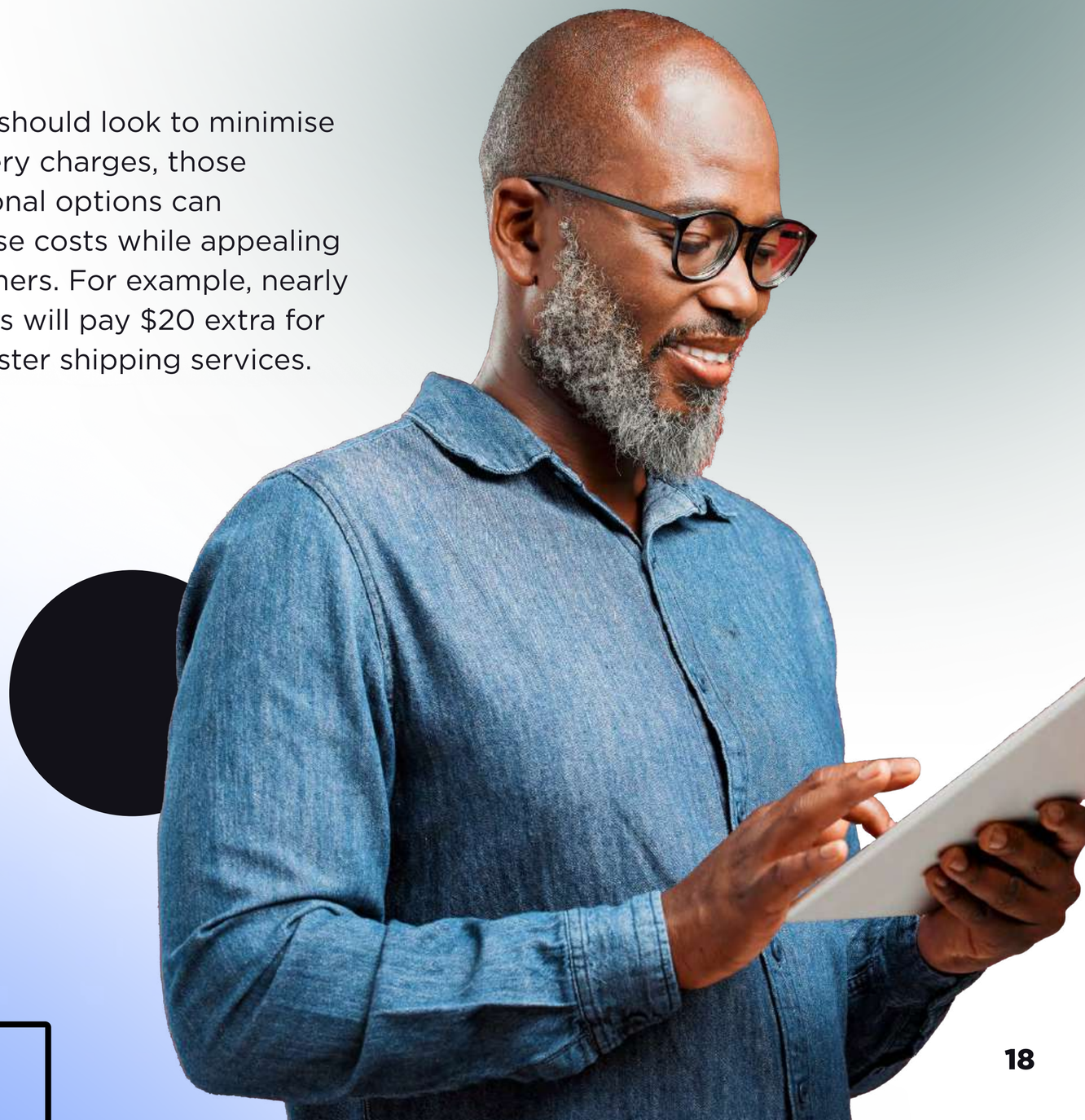


DELIVERY EXPERIENCE

In 2023, consumers aren't just cost-conscious about product price. They're also sensitive to shipping charges. Our data reveals that almost all shoppers will abandon their cart when they believe delivery costs are too high.

So, what do shoppers think is too much (and too long) for shipping? Most shoppers say $5–$10 and over will cause them to abandon cart for orders of small items. Large items, however, see opinions divided. And while over a third of consumers aren't deterred by shipping times over 5–7 days, 1 in 5 shoppers want shipments in 2 days or less.

While retailers should look to minimise standard delivery charges, those offering additional options can recuperate those costs while appealing to more customers. For example, nearly half of shoppers will pay $20 extra for same-day or faster shipping services.



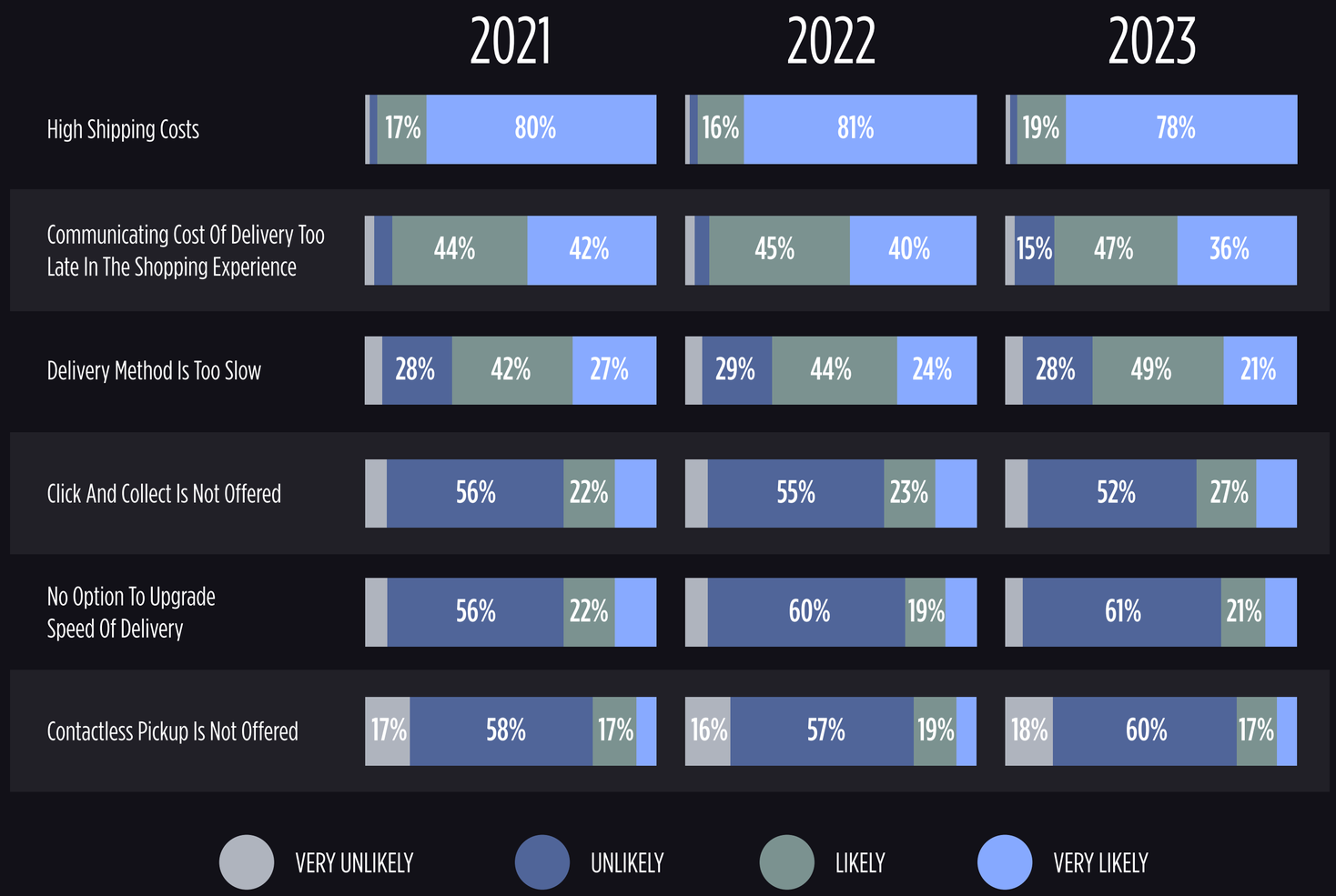
AVOID HIGH SHIPPING COSTS TO REDUCE ABANDONED CARTS

Shoppers are almost unanimously against excessive delivery charges. An incredible 97% of them are likely or very likely to abandon carts due to high shipping costs.

83% of consumers indicate leaving orders behind due to costs communicated too late in the shopping experience, and 70% also say it's because the delivery method is too slow.

Retailers should gain customer feedback about whether their shipping charges are fair or far from acceptable.

How likely are you to abandon a cart based on the following?

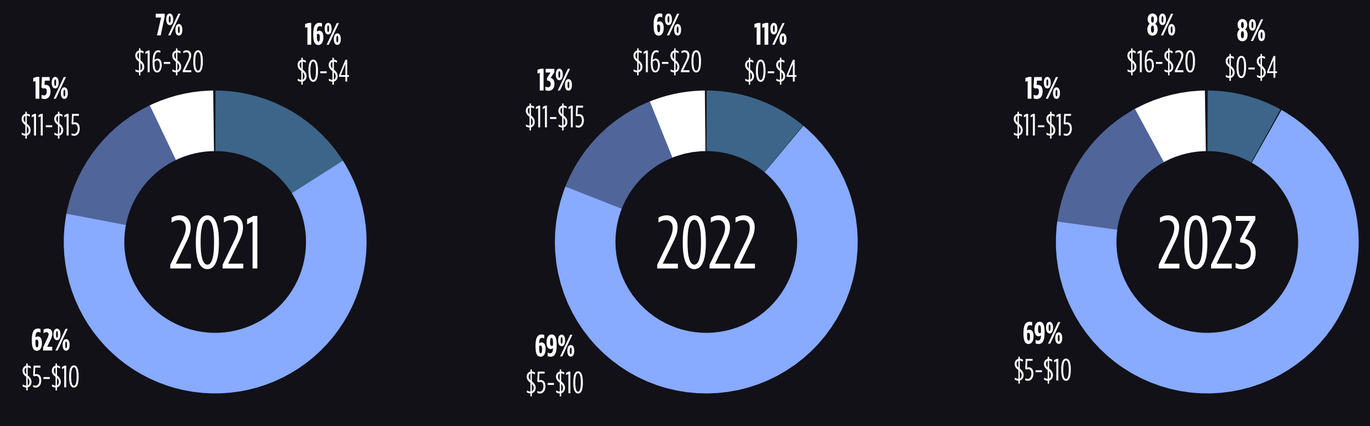


SHOPPERS HAVE DIFFERENT COST EXPECTATIONS FOR DIFFERENT-SIZED ITEMS

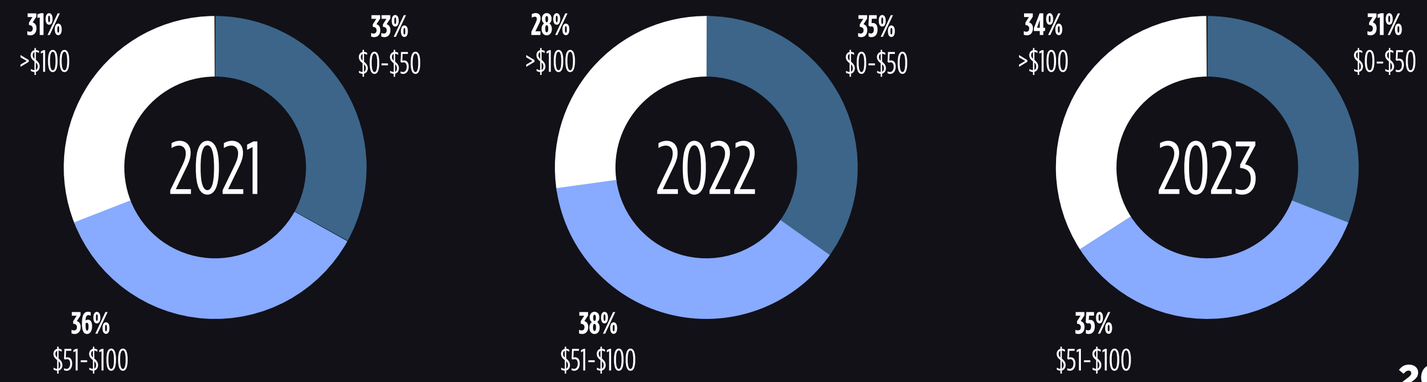
$5–$10 is the breaking point for consumers when it comes to small item delivery fees. A massive 69% also say they'll abandon their cart of small items that attract this charge.

Heftier items like furniture and TVs have shopper opinions of fair delivery charges divided, almost in thirds. 31% say up to a $50 cost will cause them to leave orders behind. 35% say that figure is between $51–100, and 34% say it's over $100.

For a small item, what is the delivery cost that would cause you to abandon the cart?



For a large item, what is the delivery cost that would cause you to abandon the cost?



HOW FAST IS FAST ENOUGH?

Opinions about decent delivery times have shoppers divided.

Over a third (34%) of consumers say long shipping times don't deter them from making an online purchase, though this figure has dropped 6% since last year.

5–7 business days is the limit for almost another third of shoppers, with 29% saying they'll consider purchasing elsewhere when wait times stretch beyond this point. The remaining 37% have varied expectations of how long they should wait.

Although shoppers have become used to buying online and waiting for items to arrive, many still want the premium treatment. Online retailers should consider offering express options to capture the one in five shoppers wanting shipments in 2 days or less.

Would you consider making your online purchase elsewhere if delivery time was more than the following?

	2021	2022	2023
Same Day	5%	3%	3%
Next Day	7%	5%	6%
2 Business Days	9%	8%	11%
3-5 Business Days	16%	15%	17%
5-7 Business Days	28%	29%	29%
Longer Shipping Items Wouldn't Deter Me From Making A Purchase	35%	40%	34%

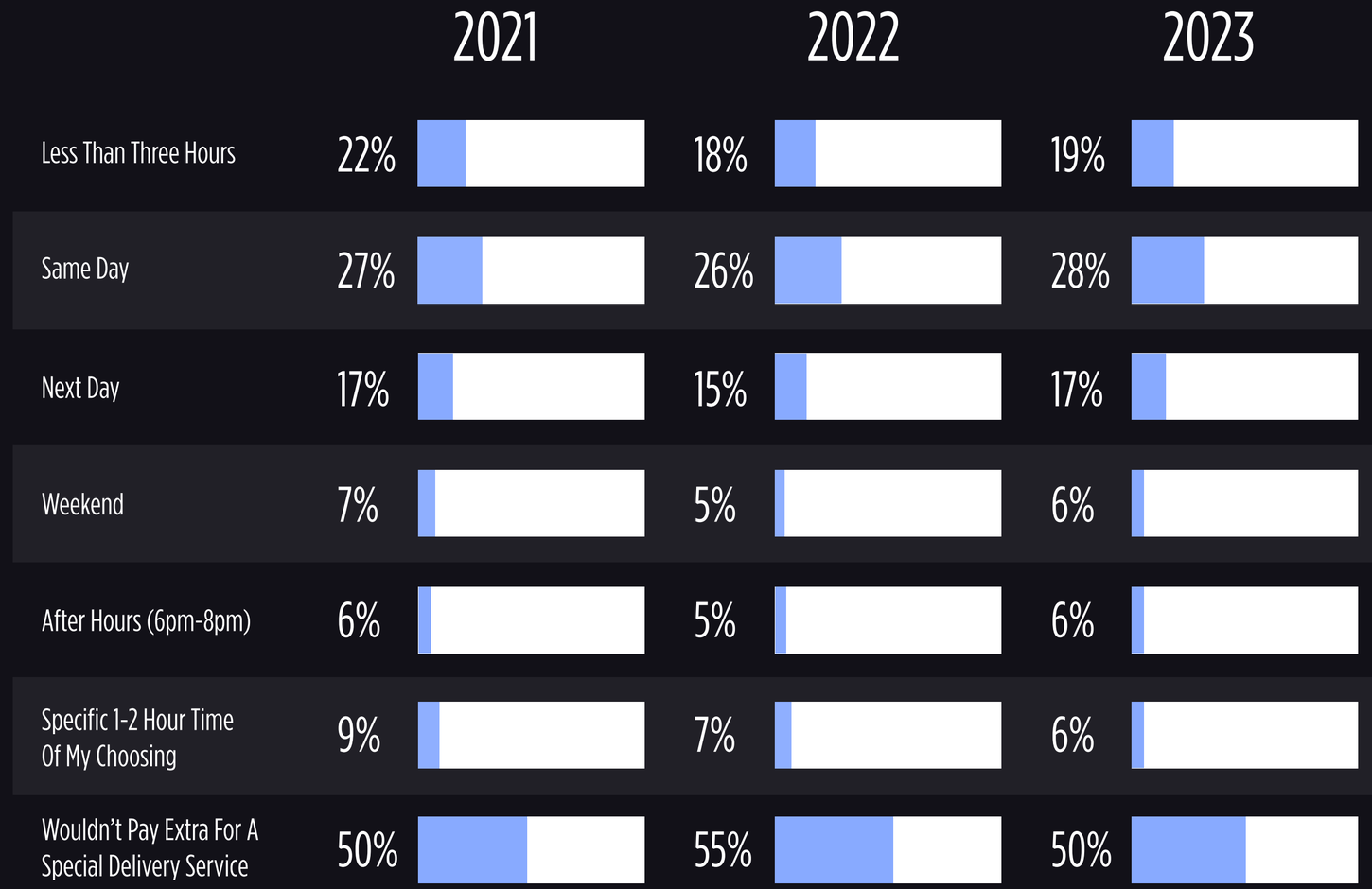
SPEEDY DELIVERY COMES AT A COST WHICH MOST SHOPPERS WON'T PAY

Although many shoppers want fast delivery options, many more are unwilling to pay for those choices.

While half say they won't pay extra charges for special delivery services, 47% will fork out an additional $20 for same-day or less than three-hour shipping services. A further 17% are happy to pay this amount for next-day delivery.

More specific delivery windows are becoming less desired, with 6pm-8pm time slots, 1–2 hour windows, and weekend deliveries only catching 6% of shoppers' interest to pay more for these services.

Which of the following delivery times are you willing to pay $20 extra for?



LOYALTY PROGRAMS

Costs are even top-of-mind when it comes to loyalty programs. Retailers offering free shipping as a loyalty reward can appeal to the most shoppers. Discounts and points-for-products redemption are also favoured reward types.

While two out of five consumers consider loyalty programs when choosing where to shop, convincing them to join a rewards program requires a value-driven approach. Retailers should consider low joining costs and appealing rewards that shoppers can quickly accrue to gain loyalty.



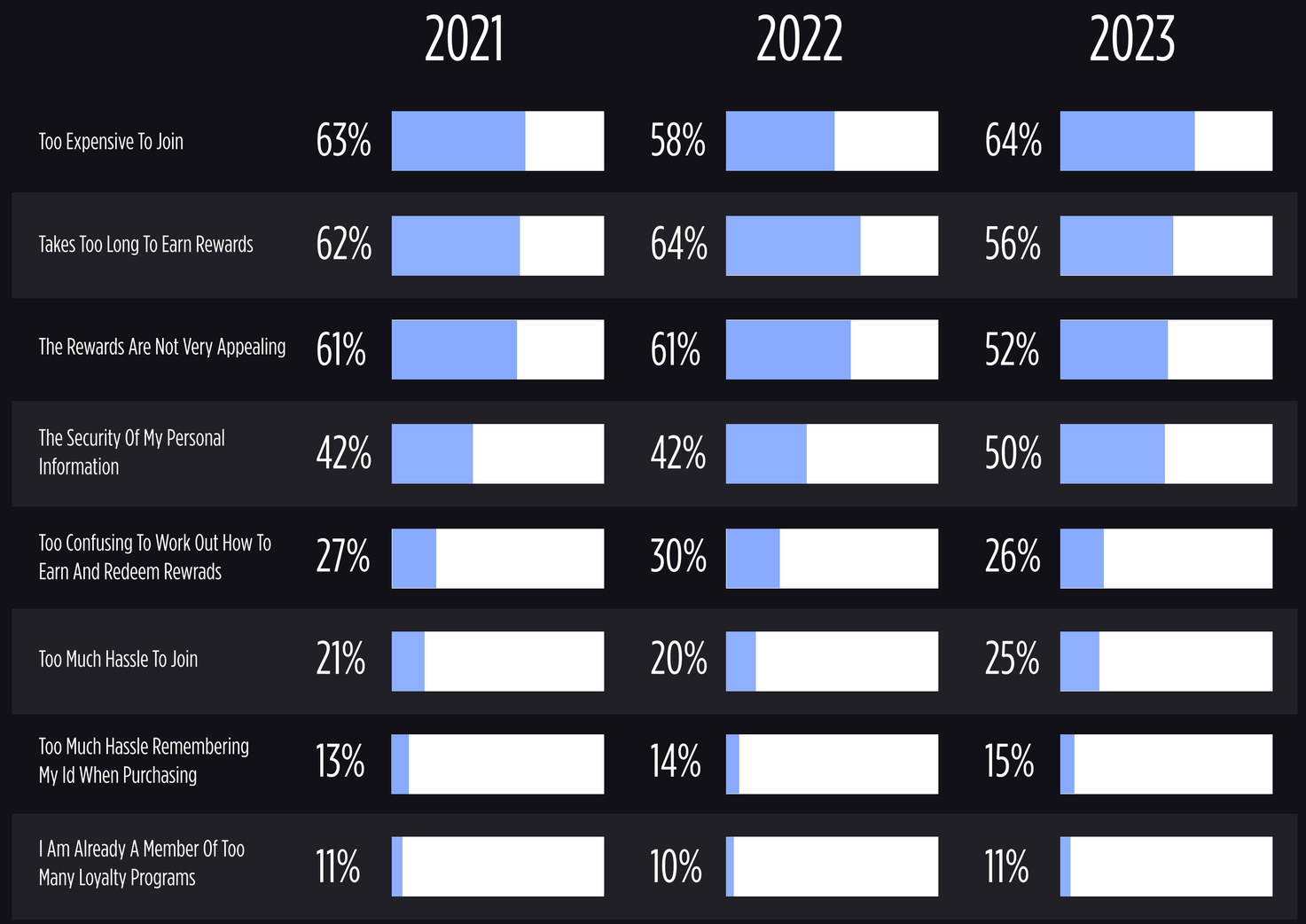
MAKE YOUR REWARDS PROGRAMS FAST, AFFORDABLE, AND FAVOURABLE

Shoppers looking at loyalty programs want to see appealing rewards, awarded quickly, and without high costs to join the program.

64% of consumers say they will either stop using or refuse to join a retailer's loyalty program when joining fees are too high. In addition, 56% of shoppers say their cause for pause is when rewards take too long, and 52% say it's when the benefits are unappealing.

The security of personal information has also seen a jump (8% higher) as a deciding factor since last year.

Which issues are most likely to prevent you from using or joining a loyalty program?

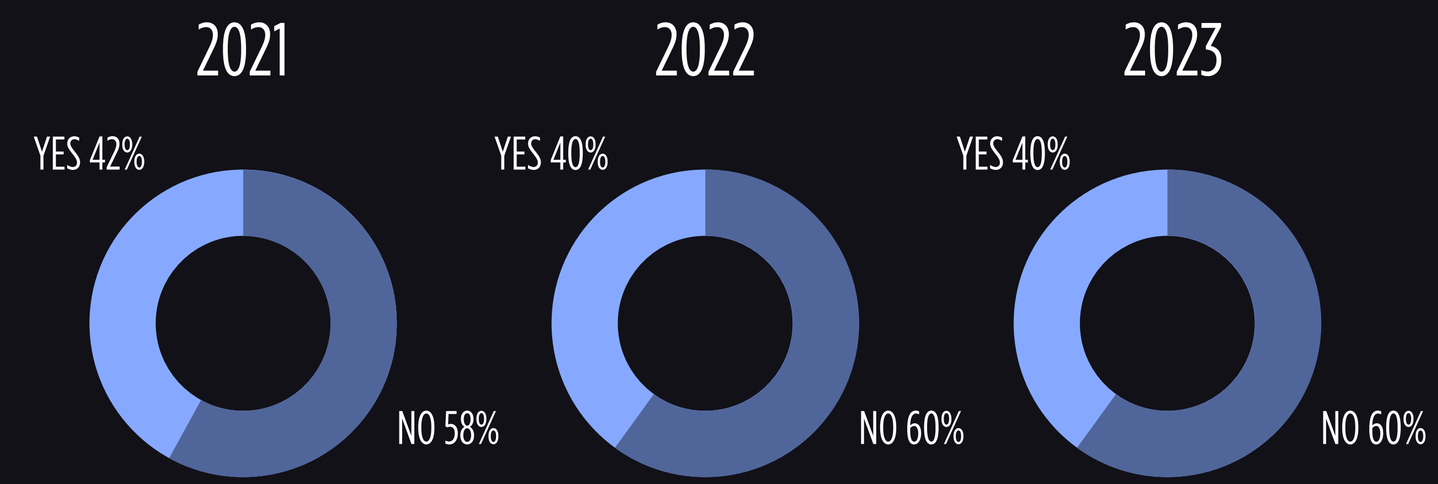


REWARDS CAN BE YOUR COMPETITIVE ADVANTAGE

Rewards also create a consistent differentiator. 40% of consumers consider a retailer's loyalty program when choosing where to shop.

This figure has remained relatively steady for the last three years.

In the last 3 months, has a loyalty program offering cause you to choose one retailer over another?

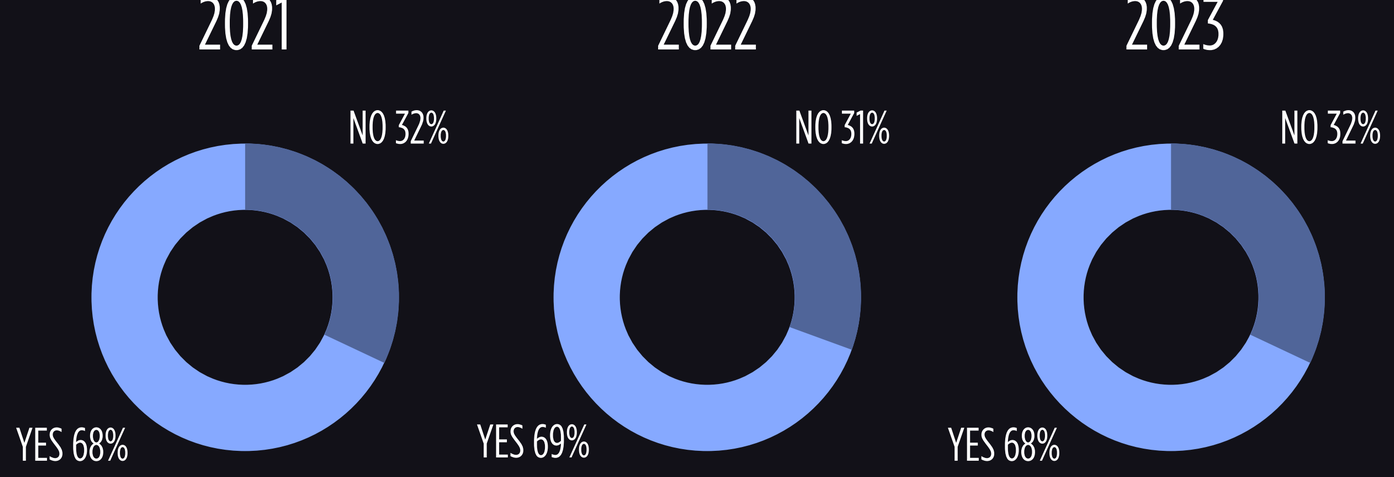


LOYALTY PROGRAM CUSTOMERS LOVE THEIR DISCOUNTS

The allure of discounts and rewards is a massive motivator for shoppers signing up for loyalty membership programs.

Over two-thirds (68%) have used loyalty programs to receive discounts, coupons or other rewards.

In the last 3 months, have you used a loyalty program in order to receive a discount/coupon or other reward?



FREE SHIPPING IS THE FAVOURITE FOR LOYALTY REWARDS CUSTOMERS

Shipping costs remain a top priority for shoppers, even when it comes to loyalty programs. An astounding 80% say free shipping is their most favoured reward from loyalty programs.

Almost tied in second, third, and fourth places (at between 56%-57%) are the ability to redeem points for products, automatic discounts on all purchases, and cashing in points for discounts.

What are your favorite type of retailer loyalty program rewards?

	2021	2022	2023
Free Shipping	78%	77%	80%
Can Redeem Points For Products	56%	60%	56%
Automatic Discount On All Purchases	57%	57%	57%
Can Redeem Points For Discounts	53%	55%	56%
Exclusive Members' Only Discounts	49%	45%	47%
Free Promotional Products	49%	44%	45%
Express Delivery	48%	41%	40%
Can Redeem Points For Cash	39%	36%	44%
Early Access To Sales Events	38%	32%	33%
Exclusive Members Only Products	25%	21%	21%
Premium Customer Service	21%	20%	23%
Members Only Competitions	22%	19%	20%
Exclusive Members Only Events	22%	17%	17%
Special Members Only Services	20%	18%	16%
Longer Returns Period	14%	12%	11%
Personalisation Options	11%	9%	9%

REVIEWS

Our data shows that product reviews work. More than half of shoppers check reviews between one and five times before purchasing the most expensive item in their cart. These shoppers are looking for a high amount of review detail, authenticity, and high star ratings to help make their purchase decision.

While over half of consumers don’t receive a request to review a product, when they do, the same number are more likely to give that review.

Retailers can leverage reviews to increase conversion—simply by asking customers for their input.



REVIEWS WORK—PARTICULARLY WITH A LOT OF THEM

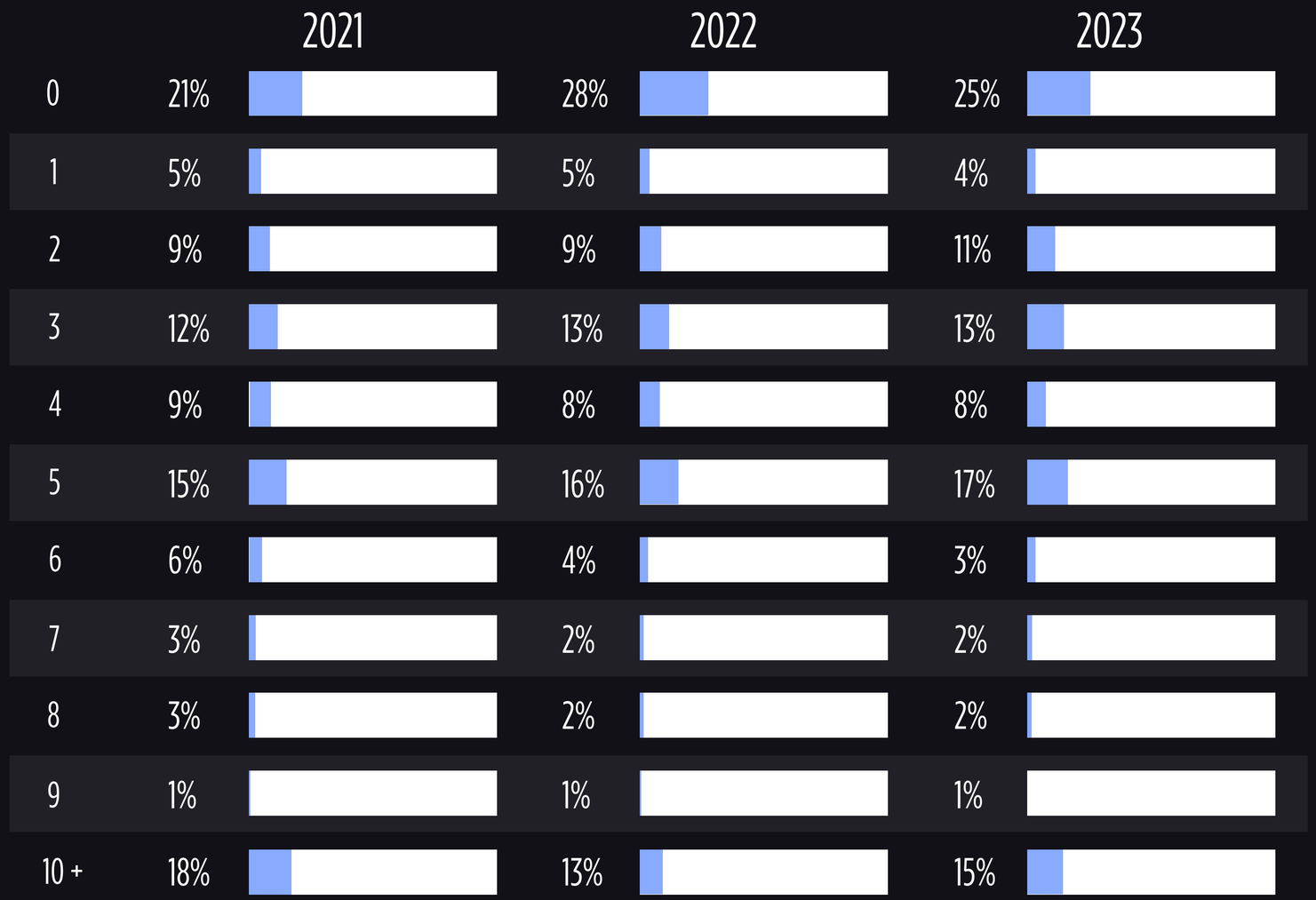
How often shoppers use reviews when making purchase decisions continues to see a wide variance this year.

While a quarter of shoppers (25%) say they didn't check any reviews before purchasing the most expensive item in their last online order, 53% check reviews between one and five times.

The most common number of times shoppers check reviews are 17% for five reviews, 15% for ten or more, and 13% for three reviews.

Retailers can maximise their chances of conversion by offering a large number of reviews to those who place importance on them.

How many product reviews did you check before purchaing the most expensive item in your last online order?

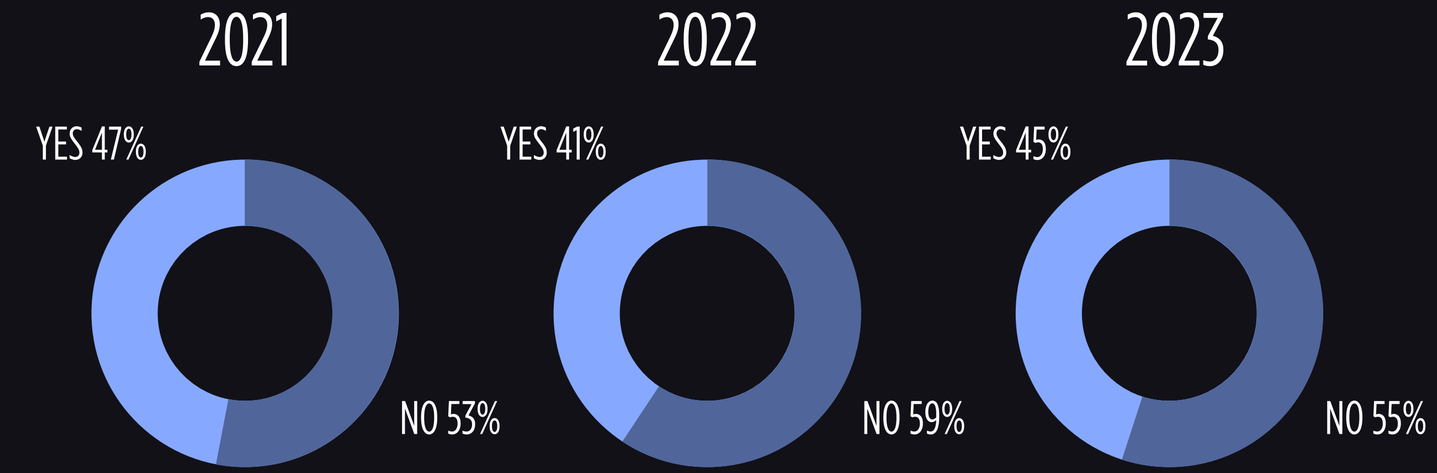


ARE YOU ASKING FOR REVIEWS?

Online retailers are still missing out on feedback opportunities in 2023.

55% of shoppers say they didn't receive an email request to review products after their most recent online purchase. However, this figure has shrunk by 4% since last year.

In your most recent online purchase, did you get an email request to review the product?



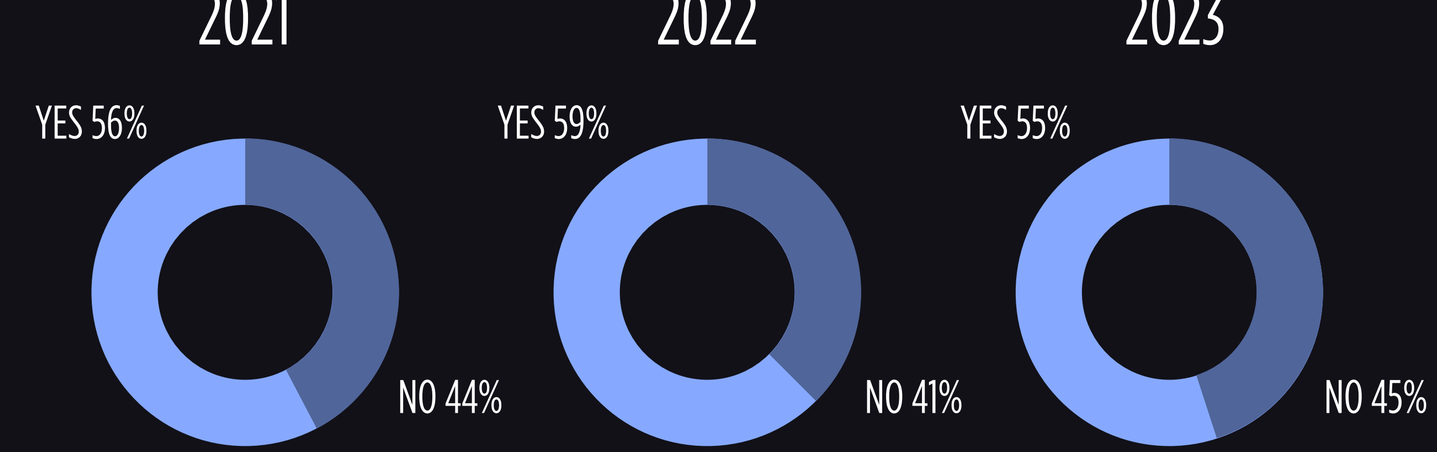
ASK AND YOU SHALL RECEIVE

It may be easier than retailers realise to collect product feedback.

55% of consumers are more likely to review a product just from receiving an email from a retailer asking for their input.

The simple act of asking can help retailers collect reviews—and boost conversions as a result.

Are you more likely to review a product if you received an email reminder to do so?

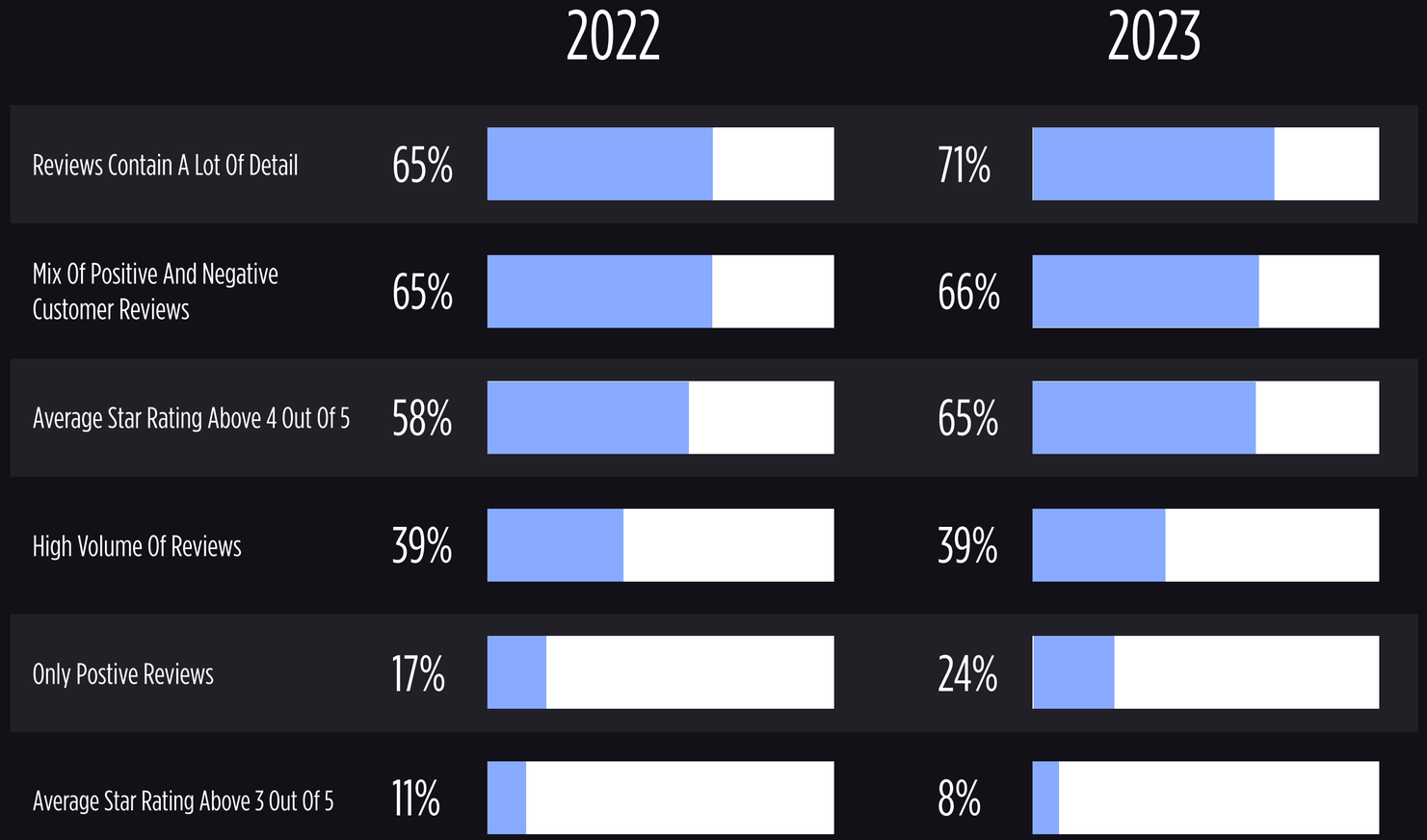


AUTHENTIC, DETAILED REVIEWS INFLUENCE PURCHASING DECISIONS THE MOST

The most influential factor of reviews encouraging shoppers to make online purchases (noted by 71% of them) is a large amount of detail about the product.

Aside from detail, shoppers also want to see authenticity, determined by a mix of positive and negative reviews (at 66%), and an average star rating of more than four out of five (at 65%).

When looking at reviews, what most encourages you to make an online purchase?





CONCLUSION

More than ever before, today's brands must put consumers at the heart of everything they do. From offering the right incentives and payment options to managing delivery expectations and mitigating cart abandonment, brands must consider consumer preferences if they want to influence shoppers' purchasing decisions.

BigCommerce's advice: stay agile while focusing on the shopping behaviours that will have the greatest impact on your ecommerce business. We hope that by sharing our proprietary survey data, we've given brands the insights they need to adapt to current consumer trends — and to start designing tomorrow's retail experiences.

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