

THE ULTIMATE GUIDE TO

Reducing Cart Abandonment

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Introduction

Imagine you just purchased a beautiful new home that you're incredibly proud of. You've spent loads of money decorating, painting, and remodeling until it's just the way you want it.

It looks amazing on the surface, until you notice a small leak in the roof. Do you wait until that leak continues to get bigger and bigger, or do you address it right away? Of course, you're going to fix it before that small leak becomes a larger one and seriously damages your new home.

While maybe not as obvious, if you're running an online store abandoned carts are a lot like a leaky roof. And if you don't address the problem head on, you could seriously jeopardize your business.

Let's face it. Driving traffic to your store is tough work. Between paid advertising, generating customer reviews, email marketing, social media, and any other method you may use to boost sales, it requires a lot of time, energy, and money.

You don't want all that hard work to go to waste (and we don't want it to either!). So how do you make the most out of that traffic and save more carts?

It's time to put in place a solid cart abandonment strategy. In this guide, we'll discuss the state of cart abandonment today, what's wrong with the current approach, and how to fix it.





1. The State of Cart Abandonment

It's never been more clear that cart abandonment is a real problem for ecommerce businesses. In fact, over 72% of merchants consider reducing the number of abandoned carts to be one of their top challenges.

And get this – on average, over 70% of ecommerce carts are abandoned . 70%. That means for every 10 shoppers that add items to their cart, 7 of them will abandon your site before checkout is complete.

Why does this happen?

There are myriad reasons why carts are abandoned. Sometimes customers want to shop around before committing to purchase, or they simply get distracted and

forget. Whatever the reason may be, the fact of the matter is that as the ecommerce ecosystem continues to expand and competition increases, this is a problem that's only getting worse for merchants.



[1] Research Report: How Merchants Deal with Abandoned Carts, Privy [2] Baymard Institute



2. What Most Merchants Are Doing Today (And Why It's a Problem)

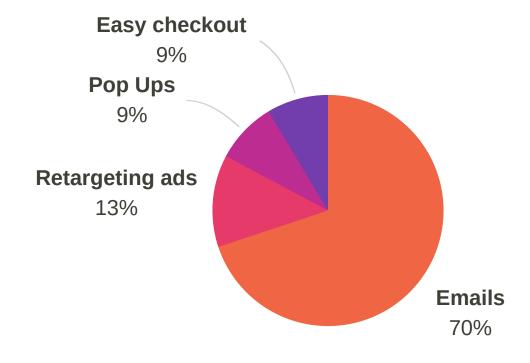
So what are merchants doing to combat this problem?



For most merchants, cart abandonment emails are the go-to mitigation strategy. And for good reason - we know that they work. In fact, businesses that send abandoned cart emails with average order values between \$100-\$500 recovered at least 4% of their abandoned carts on average, while businesses with orders under \$50 recaptured 3%.

We absolutely advocate for cart abandonment emails and believe they are a critical component to any successful cart abandonment strategy. However, sending a single email is just the bare minimum of what we all can and should be doing to save carts.

What tactics are merchants using to reduce cart abandonment?



[1] Ecommerce Industry Benchmark Report: Abandoned Carts, Klaviyo



Today's Funnel: Cart Abandonment vs. Checkout Abandonment



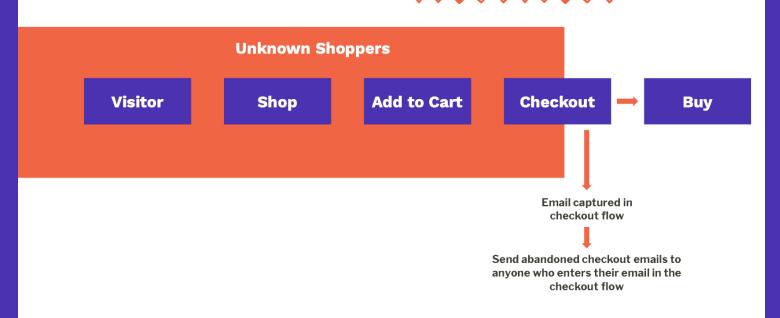
We can safely assume that the online shopping workflow goes a little something like this: a shopper lands on our site, browses around, adds items to their cart, navigates to the checkout page, and completes a purchase. Success - we've made a sale!

But what happens when that same shopper decides they want to price shop or - oops, I have to pick up Tommy from school. Life happens, and more often than not, your shopper's path to purchase doesn't look exactly like the one pictured above.

Because of this, many interested shoppers never make it to the checkout page of your site. And herein lies the issue, my friends. Most campaigns today are actually focused on checkout abandonment rather than true cart abandonment.

With a more holistic checkout abandonment strategy, the shopper is likely still unknown to us. Simply put, if they haven't made it to a certain point in their journey, we have no email address, and therefore no cart abandonment email campaign to follow up with.

Most Abandoned Cart Strategies are Actually Focused on Checkout Abandonment, NOT Cart Abandonment





3. Expand Your Pool:

Continuous List Growth to Save More Carts

Contact lists grown organically (and legally) are shown to have better levels of email engagement. In fact, continuous list growth through targeted, onsite displays is the first step to ensuring your visitors go from strangers to friends, and ensure email capture before shoppers have a chance to abandon.

These displays could include welcome campaigns, or pop ups triggered upon exit intent, or even more targeted offers for your most valuable shoppers. No matter what point in the shopper's journey you've captured the email address, they will forever be eligible for rescuing.

In the next section, we'll walk through some campaigns you can use to grow your list and expand your pool of contacts for abandonment emails.



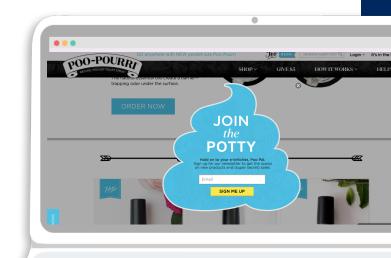




The Welcome Campaign

When someone arrives at your site, you want to give your visitors an immediate and positive first impression of who you are and what you have to offer. Whether you choose to offer first time visitors a discount or not, your goal is to encourage people to take some positive opt-in action like subscribing or even making a purchase.

One of the most effective ways to do that is with a welcoming pop up that uses a time-based trigger set to 5-10 seconds to greet new visitors and ask them to subscribe.

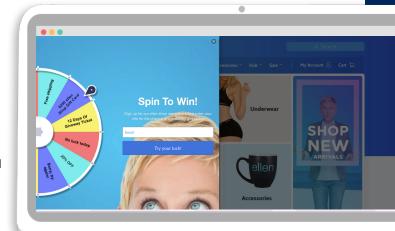




The Spin to Win

Spin to Win campaigns are a great way to capture an email address and permission to market because they are engaging for customers. Customers simply spin the wheel and enter their email address for a chance to win a discount, free shipping, whatever you choose. And the best part is you are able to configure the ratio of prizes that are given out.

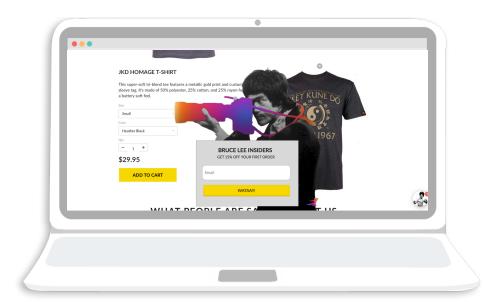
These campaigns are fun for you and for the shopper - it's a win-win!





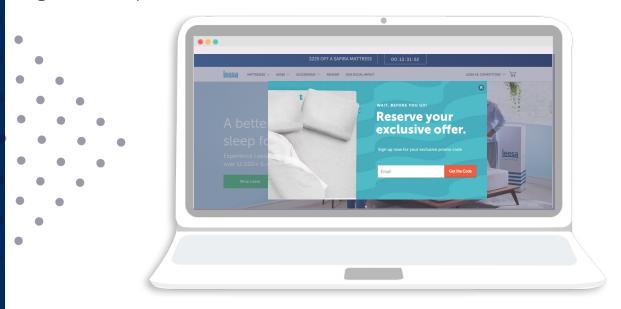
The Referral Source Campaign

You know your business better than anyone, and you know whether visitors from certain sources are more likely to purchase. For example, visitors that follow your brand on Facebook or Instagram are more invested in your brand. Serve them up an onsite offer based on their referral source to make your messaging more relevant.



The Cart Saver

The cart saver pop up is an effective strategy to reduce abandoned carts because it allows you to rescue the cart before shoppers ever have the chance to abandon. These are launched on the cart or checkout page when a shopper demonstrates intent to exit your site and give people a reason to complete their purchase. In the next section, we'll go into a deeper dive on cart savers and how to build them.





4. The Anatomy of a Cart Saver Pop Up

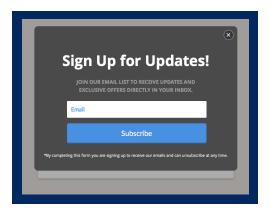
Shoppers that have made it all the way to the cart or checkout page of your site are the lowest hanging fruit. Catch them before they exit your site by launching a cart saver.

Cart savers are onsite displays such as pop ups or flyouts that are triggered when a shopper demonstrates intent to exit the cart or checkout page of a site and have a certain amount in their cart.

The best part? They are relatively simple to execute and can deliver huge increases in sales by driving urgency and delivering value to your shopper.

How to Build an Effective Cart Saver

STEP 1: Create a new campaign with a pop up display type using the Build Your Own option in Privy.

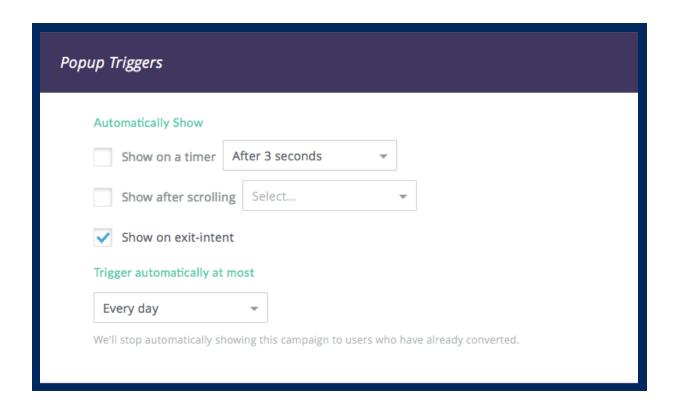


STEP 2: Customize your text to speak directly to what your shopper is experiencing. Something like "Wait! Complete your order today and get 10% off your purchase."

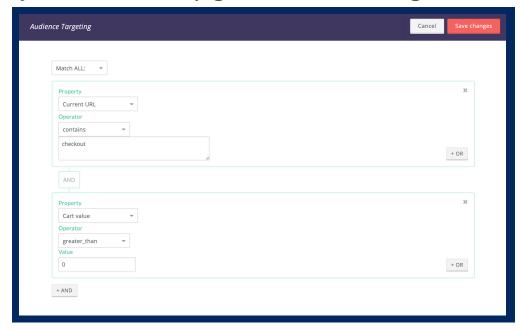




STEP 3: Choose exit intent as your pop up trigger and how often you want to show a single user the pop up. We recommend no more than once a day as a starting point.

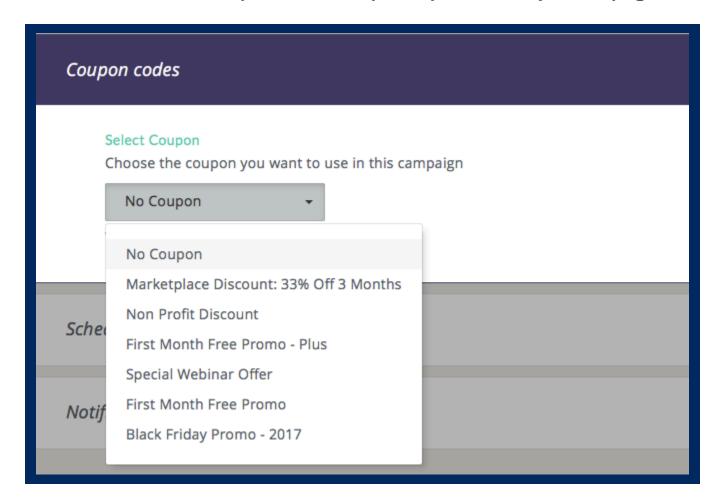


STEP 4: Set your audience targeting to show the campaign only when a visitor is on your cart or checkout page and their cart value is greater than zero.

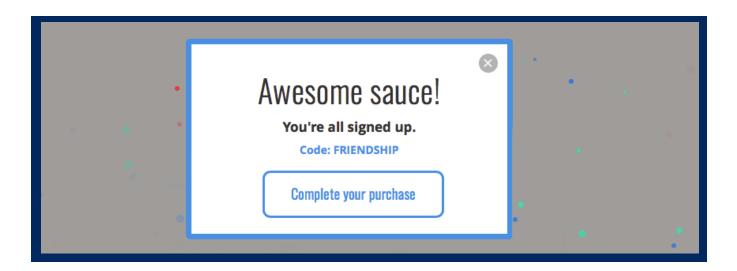




STEP 5: Add a Master Coupon Code or Unique Coupon Codes to your campaign.



STEP 6: Customize the thank you page so that it shows your coupon code and includes a button to complete the purchase.





Advanced Cart Saver Campaigns: Using a Tiered Abandonment Strategy

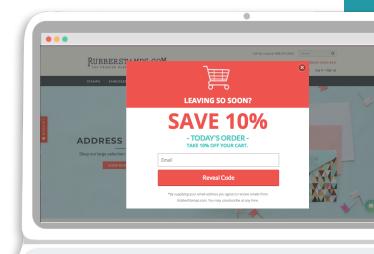
Tiered cart savers. This is the "secret sauce" that many of our most successful merchants rely on to reduce abandoned carts.

Merchants that take a tiered approach serve up different offers for different cart values to incentivize the customer to complete a purchase.

"But I can't give out discounts for every purchase." We totally get that. By using a tiered approach, you're able to save the higher discounts for large cart values.

For example, with a cart value from \$0-50 you may want to just offer free shipping. But from \$50-100 you may offer \$5 off the order, and then offer \$10 off on orders over \$100 and so on. That way you create more incentive for customers with higher value carts to follow through with the purchase.

Cart Value	Offer
\$0-\$50	Free shipping
\$50-\$100	\$5 off order
> \$100	\$10 off order





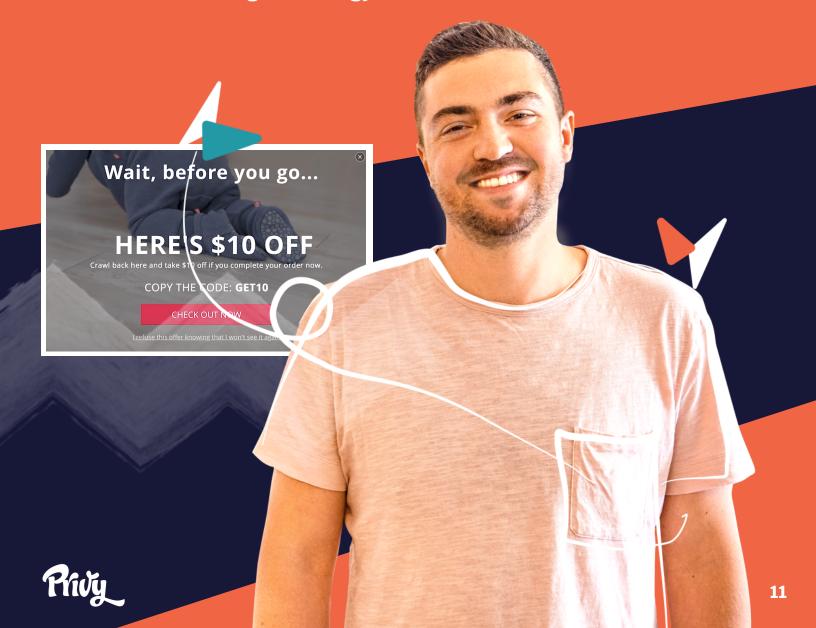


CUSTOMER SPOTLIGHT: ZUTANO

66 I run multiple cart saver campaigns based on order value and cart value... Right away when I launched these cart savers we saw a pretty nice reduction in our abandonment rate...

You send multiple emails to try to save carts, but hitting them with a cart saver before they even get a chance to abandon has been really effective.

- Jeremy Mallison 99
Director of Digital Strategy at Zutano



5. Cart Abandonment Emails: Why They Matter and How to Write Ones That Convert

Your onsite displays are getting amazing results and you're well on your way to building a solid email list. Don't waste those stellar results by following up with less than stellar emails.

Cart abandonment emails are sent in effort to rescue carts from those customers that never complete the checkout process.

To say that email is critical to your cart abandonment strategy would be an understatement. If fact, Salecycle reports that nearly half of all cart abandonment emails are opened, and over 30% of clicks on those emails lead to a completed purchase.

And Salesforce found that while the average revenue for promotional emails is \$0.02 and welcome emails is \$0.18, the average revenue for abandoned cart emails is \$5.64. Talk about an effective marketing tactic!

Now, let's break down cart abandonment emails.



Here are the elements of an effective cart abandonment email that will convert more subscribers into customers.

Subject Line

Your customers are inundated with emails on a daily basis. Give them a reason to open yours with a subject line that's sure to catch their eye. Remind them that they abandoned and let them know why they'll be glad they opened your email (hint: give them an offer they can't refuse).

Copy

Think of your cart abandonment email as your second opportunity to sell the customer. Maybe you weren't able to seal the deal the first time around, but this time you've got this. Remind the customer that they abandoned and show some personality. Avoid generic, one-size-fits-all copy at all costs.

Call to Action (CTA)

Don't leave any room for guesswork. Make it clear to your customer what you want them to do next.

Design

A well-designed email is so underrated. Make sure to use consistent imagery and branding between your emails and your website. Building a cohesive experience for your customers makes you look oh-so-professional and also contributes to brand awareness and recognition.

Offer

While some may consider this component a "nice to have," there's no doubt that it's extremely effective. Whether it's a discount, free shipping, or a free gift, an offer is

great way to incentivize the customer to complete a purchase. For a bonus, set a time limit on the offer ("this offer expires tomorrow") to create a sense of urgency.

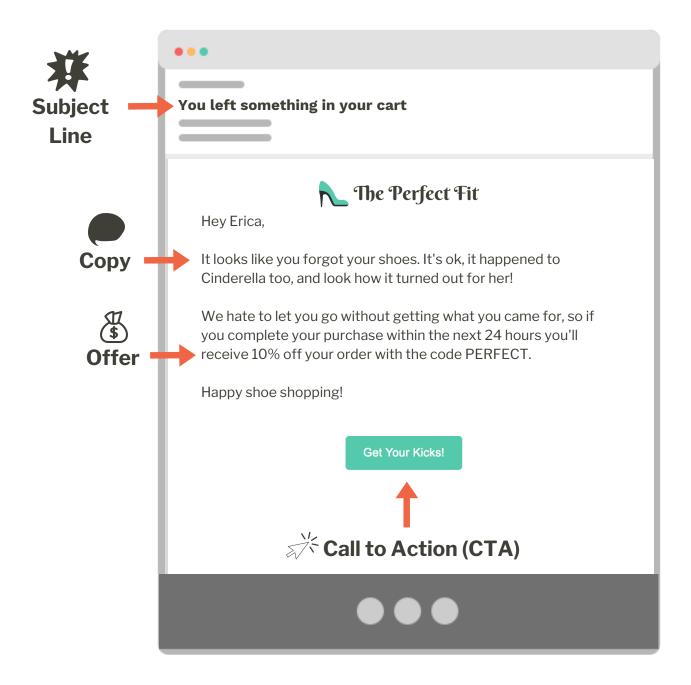




Initial Abandoned Cart Email Example

The first abandoned cart email should be simple, timely, and relevant. Let is serve as a reminder that the shopper has left something in their cart and give them a gateway to complete their purchase.

This means urgency is important and an email should be sent within the first 1-2 hours after abandonment.



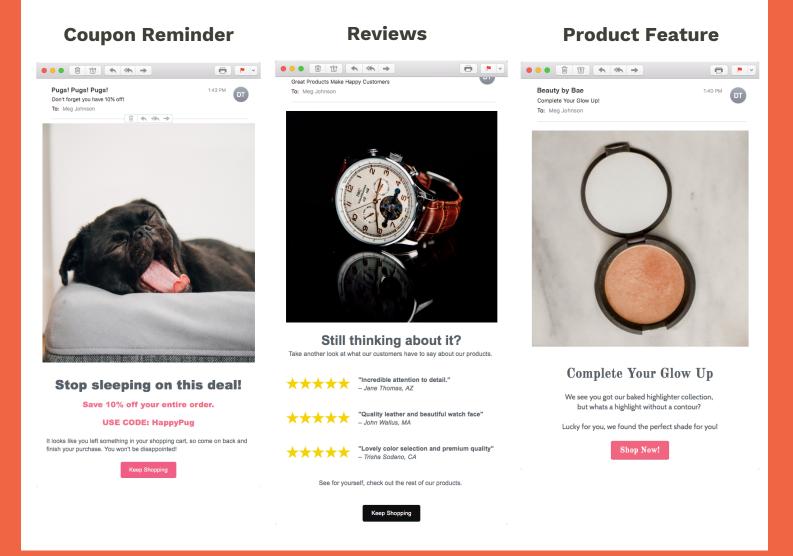


Second Abandoned Cart Email Example

If your customer doesn't complete their purchase after the initial email, there's nothing wrong with sending another. In fact, sending more than one cart recovery email can drive a lot of incremental sales for your business.

Some examples of a good follow up approach include a coupon reminder (remind them that they have a coupon to redeem), reviews (show them how much your customers love your products), or a product feature (educate them about what's unique or beneficial about your product, or inform them of a similar item).

Here are some follow up email examples in action:





6. Measuring Your Campaign

You can't manage what you can't measure. And this includes your cart abandonment campaigns. Here are some key metrics you should be looking at to assess the effectiveness of your abandoned cart strategy.

Cart Saver Sign Up Rate

Gauge the effectiveness of your onsite displays by measuring just how many people are signing up. If your rate is low, you may want to check your offer, adjust your template, or modify your targeting.

Redemption Rate

This metric shows the percentage of people who have received a discount code and actually made a purchase. To improve this number, you may want to test multiple offers and see what performs best.

BONUS POINTS

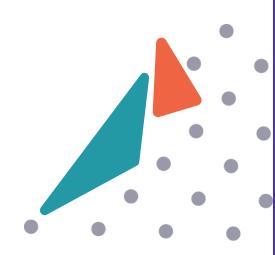
A/B testing allows you to test different variations of your onsite campaigns to find the most effective version. It could be something as small as changing a color on your onsite display, to testing a full screen pop up versus a smaller one.

Email Open and Clicks

Keep an eye on your abandoned cart email engagement rate. How many people are opening your email? How many people are clicking your CTA to navigate back to your site. These metrics will tell you how compelling your emails are and whether or not it's time to go back to the drawing board.

Recovered Carts

Since your end goal is to rescue more carts, this is the most important metric you could possibly measure against. This involves the number of people who engaged in a cart saver campaign or were sent your abandoned cart email and went on to make a purchase.





What Should We Take Away From This?

- 1 Cart abandonment is a huge problem for merchants everywhere. But with the right strategy, it's totally solvable.
- 2. Don't confuse your cart abandonment strategy with checkout abandonment. The combination of onsite displays to capture email addresses (wherever your shopper is in their journey) and effective cart abandonment email campaigns will significantly reduce your abandonment rate, making all of the up front effort to drive traffic to your site more than worth it.
- Lastly, give people a reason to complete the sale. Whether it's a free gift with purchase, money off, or free shipping, offers are extremely effective at incentivizing shoppers to follow through with the checkout process.





About Privy

At Privy, we believe that just because you're running a small or medium-sized business doesn't mean that you shouldn't have world class marketing tools at your disposal.

That's why over 400,000 businesses in 180 countries have chosen our platform to improve their on-site conversion and grow their customer lists as they start, grow, and expand their online businesses. And why we're the #1 rated marketing integration in the Shopify App Store.

Learn more about how you can combat cart abandonment with Privy by visiting www.privy.com/cart-abandonment

