

Breaking through the barriers

Research shows that a familiar set of barriers are preventing more consumers from embracing online retailing. **Jon Severs** reports

In 2010, Kingston University published a study looking at the barriers to the growth of online shopping. Its focus was on grocery shopping, but the problems it uncovered with online purchasing were familiar to all retailers at the time. Among the concerns expressed by consumers were: fear of not getting what they ordered; they felt uncomfortable not being able to see and feel a product first hand before buying it; they found delivery and returns procedures cumbersome; and they felt that the experience of shopping online was uninspiring.

Fast-forward four years and you would assume that most retailers would have addressed these issues. But you'd be wrong. A YouGov survey of 2,000 British adults in January this year found that the main barriers to online shopping were almost identical to those found in the Kingston study: an inability to see the product first hand; cumbersome returns procedures; a lack of product information; and the perception that online was a lesser shopping experience.

So what's going on? Are retailers repeatedly ignoring the feelings of their online customers? Far from it. In fact, retailers have been working on addressing these concerns for the past four years and beyond. The problem is that the issues are far from simple to fix.

Take, for example, the problem of customer trust in the representation of products. A solution is not easy to come by; you can't

enable the consumer to physically verify the state of the product before buying it without them visiting a store, which undermines the convenience of online shopping. What retailers can do, however, is try to improve product representation to reduce customer fears.

"You'll never get around the fact you can't touch or feel products," says Briony Garbett, head of customer experience and ecommerce at Oasis. "However, the risks can be mitigated. By offering video alongside high-quality still-life and model shots, our customers can not only see the product's detail and fit but also how it moves when worn. Product descriptions are

also thorough, with the size of product worn and the model's height explicitly stated, which in turn helps manage customer expectations."

At Dune Group, the shoe retailer has found that the more image options a consumer is able to view, the more likely they are to buy the product.

"We're advocates of the 'more is more' approach," says Kate Smyth, director of ecommerce at Dune Group. "The final photo for every product is reviewed for accuracy against the actual product. We also provide up to six alternative photographs and a 360° view of the shoe – we know that the conversion rate of a customer who views the alternative images is 20% higher than a customer who just views the product page. This then goes up by more than 50% for customers who view a 360°."

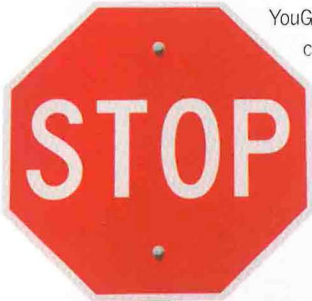
Technology is starting to give retailers greater options when it comes to recreating the store environment online. RayBan has a virtual mirror which, by using a webcam, allows consumers to 'try on' sunglasses. ➔



Our customers can not only see the product's detail and fit but also how it moves when worn

Briony Garbett, Oasis

TOP FIVE BARRIERS TO ONLINE SHOPPING



YouGov asked 2,000 consumers what stopped them from buying products online. These were the top five responses:

30%

The need to see the physical object first

21%

Potential fuss of returning the item via the Post Office

21%

Lack of information about the product

19%

Security concerns about putting personal information and payment details online

18%

A preference for the more sociable experience of shopping on the high street

YouGov's survey of 2,000 British adults was conducted between January 20 and 22, 2014 on behalf of Voucher Codes



House of Fraser, meanwhile, has incorporated TruFit, a tool that analyses data to find the right fit of clothing for individuals so that 'true' sizes can be ordered. Many retailers have also trialled augmented reality for the purpose of creating virtual changing rooms, including Ann Summers, LK Bennett and Boden.

However, while much progress has been made, one area of product representation remains particularly tough to tackle: colour accuracy. Particularly in fashion, a product not matching the colour of the website photograph is a common complaint on consumer message boards and forums.

David Brint, managing director of online imaging specialist SpinMe, which has worked with the likes of Selfridges, says this is one of the hardest issues for retailers to correct and, currently, a problem for which there is no real solution. "Colour-matching is very important but arguably can be overrated due to the fact that the colour of a product seen by a customer online is dictated by the light it is viewed in," he says. "The device on which it is viewed and the quality of the screen are also variable factors in colour-matching."

Colour-matching is one of many areas in which customer reviews have become increasingly important to other consumers and

to retailers. External validation of what the product looks like, how it fits and, often, how it feels – whether positive or negative – increases consumer trust.

Waitrose has introduced a 'Ratings and Reviews' function across its grocery and direct sites so customers can give feedback on its products. It says it is already seeing a high level of engagement with this feature. "The combination of increased detail and validation from other customers helps to build a greater level of trust online," says a spokesperson. "It is also a fantastic opportunity to understand further the type of information that our customers would like to see from us."

Smyth at Dune Group says feedback is also vital for fashion retailers: "We ask all of our customers to review their purchases and as part of this ask them for the size purchased and how they would rate the fit. Customers who read these reviews have a much higher conversion rate – 65% above the conversion rate of a customer who just views the product page."

Yet getting the product representation and detail right is only half the battle. As the YouGov research states, more closely mimicking the experience and environment of a physical shop is just as crucial.

Part of the solution comes in the design ➤

of the website itself. Ellie Gauci, head of planning at multichannel communications company Communisis, says user experience now needs to be a priority for retailers. "A beautifully usable design and user experience, as well as carefully crafted copy, can help earn trust," she explains.

A good website design, though, won't solve the issue of delivery and returns, which is a much bigger barrier than the online experience, according to the YouGov research. In-store, you can simply put a product back on the shelf if you don't want to complete the purchase. Online, things take a lot longer.

"Consumers are keen to be able to try a product before they buy online, as they do in-store, but supply chain providers and the brand equivalents have only recently moved from two- to three-day lead times to 24 hours," says Jon Taylor, joint chief executive at Transline Logistics. "Often the consumer does not feel the sampling of product is swift enough and so prefers an in-store experience."

Trust issues

Retailers are striving to find new ways to address some of the concerns around delivery. Oasis' Garbett points out that the retailer offers an innovative range of delivery options, including 90-minute deliveries, 'Seek & Send' (where products are sent from a store if online is sold out) and next- and nominated-day deliveries with designated time slots. "Customers are also reassured by our free returns service via store, the Post Office and Collect+," she adds.

In grocery, things are a little trickier. While new delivery options are constantly being brought on stream with everything from drive-thrus to collections from Transport for London railway stations, returns are a real issue: you can't repackage your frozen fish fingers and send them back if they are not up to scratch. And returns are arguably most likely in this sector given that substitutions are made when a requested product is out of stock. It's little wonder that consumers worried about the potential hassle opt to shop in-store instead.



Technology such as augmented reality helps to create virtual changing rooms, which allows retailers to better replicate the in-store shopping experience online

The supermarkets are reacting, in the main, by removing the likelihood of the need for returns by using better customer data. Waitrose explains that when substitutions are necessary, decisions are based on the customer's order history and any comments they have made on their order, or any lines that the customer has rejected as a substitution in the past. Customers also have the chance to decline such items on the doorstep.

The other big players in the grocery sector have similar procedures in place for substitutions and for when a customer is unhappy with a product they did request. In particular, it is important for grocers to ensure that the preconception that supermarkets use less desirable fresh produce to fulfil online orders is not borne out.

"We work to ensure there are no compromises between products delivered to our customers' homes and what they would find in our stores," explains Morrisons trading director Jamie Winter.

"We have invested in our internal manufacturing facilities, in our packaging, in our webshop and in our doorstep service with Fresh Check [where the customer can assess the freshness of products before accepting them]."

Whether a poll in four years' time will uncover the same familiar barriers to online shopping remains to be seen. It's unlikely these barriers will disappear completely, but with retailers desperately seeking answers and technology constantly offering solutions, companies should at least be closer to delivering a more rewarding online experience.

PRODUCT INFORMATION PROBLEMS A POTENTIAL SOLUTION

GS1, the organisation behind the Global Trade Identification Number (GTIN), is working with the University of Cambridge to develop a standard that will give consumers access to accurate data about products – everything from size, material, where it was made and even pantone numbers for colour, as well as relevant customer reviews from multiple sources – through a simple Google search.

Although still in the early stages of development,

the plan would be to use the 'semantic web' – an initiative to build a common framework for data sharing led by the World Wide Web Consortium – to get retailers and other supply chain partners to embed the GTIN of a product and associated data on web pages.

"Essentially, all the information about where a product is from, what it is made of, reviews, all of that, is on the web already, but we cannot pull it all together. Using the GTIN, we can," says

David Smith, solutions manager (digital) at GS1UK. "Consumers want to find more granular information about products, and this is a way we can provide that. Every time you put a new product on to your website, we will have a standard that will tell you how to structure the data, and to include the GTIN in the make-up of pages, which will mean much better data for searches. It is a massive task, but it is something we feel retail needs to do."