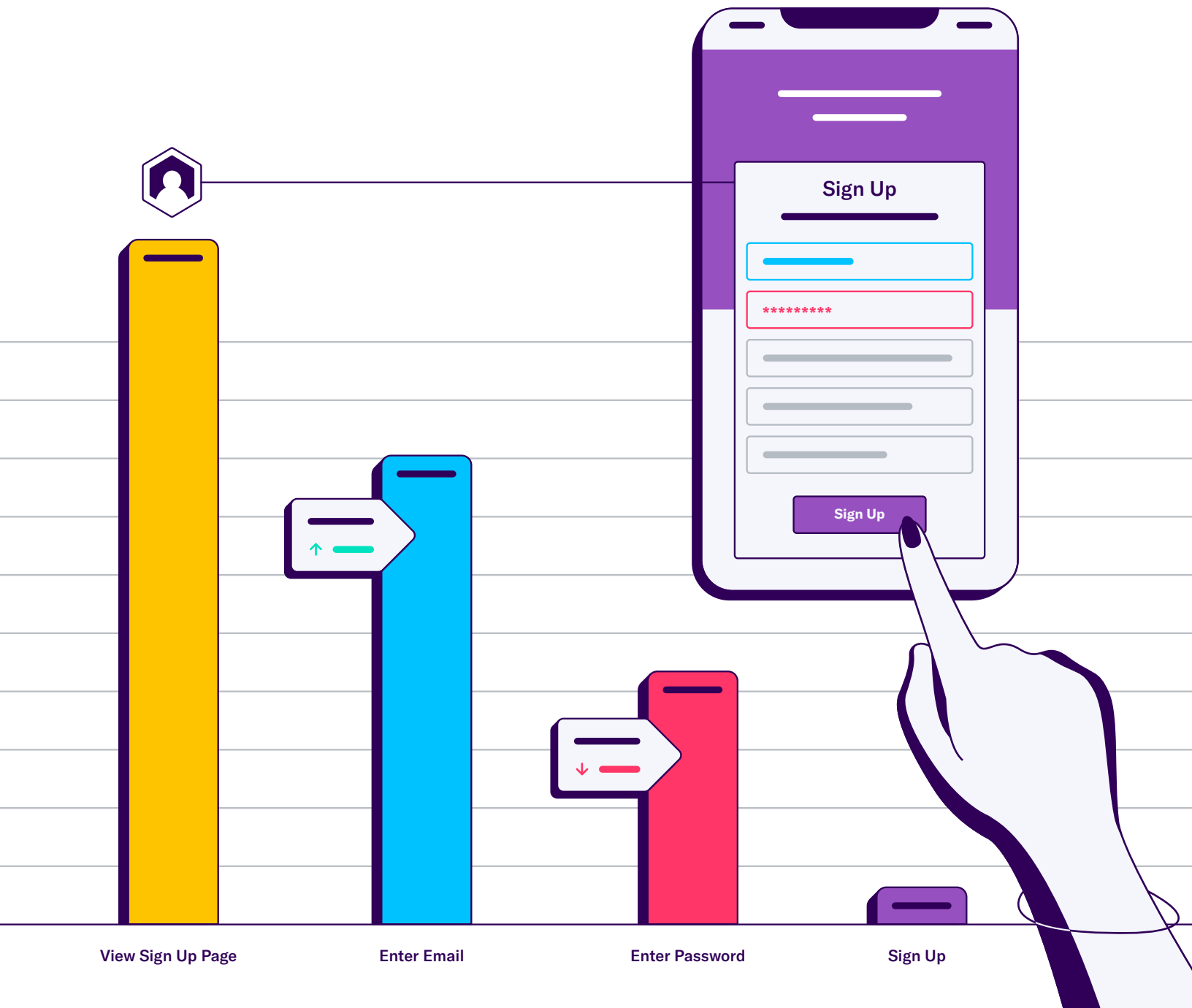




The eCommerce Guide to Conversion Rate Optimization

7 Steps to Improve Conversion

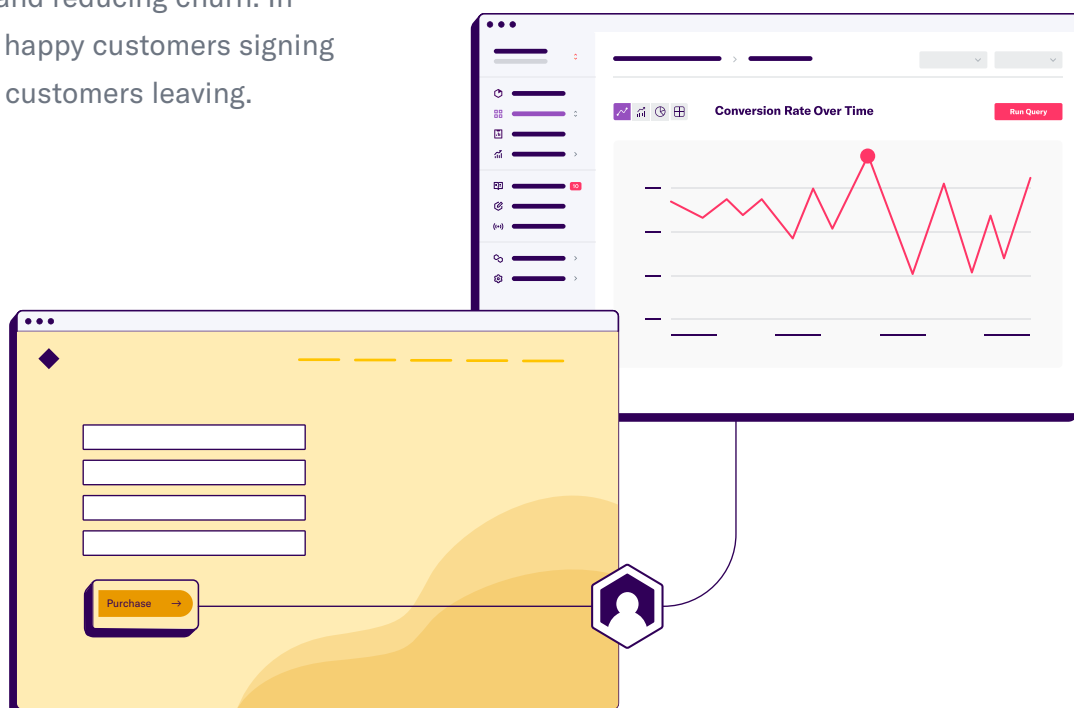


Why should your eCommerce company care about CRO?

Conversion Rate Optimization is the process of increasing the percentage of your users who perform a desired action. The ultimate conversion is often a sale, but the conversion event you're interested in may be any step along the way: creating an account, downloading an ebook, signing up for a newsletter, or filling out a form. (Among many others!)

CRO helps you get the most out of your users by pinpointing what drives conversion and where people drop out of your funnel. You can then use this information to reduce friction in your product and target the users most likely to convert. Prioritizing CRO will increase retention, engagement, and marketing ROI, while lowering your acquisition costs and reducing churn. In short, you'll have more happy customers signing up, and fewer unhappy customers leaving.

Ready to get started? Here are the seven key steps you can take to reliably improve conversion, over and over.



Step 1:

Define your primary conversion event

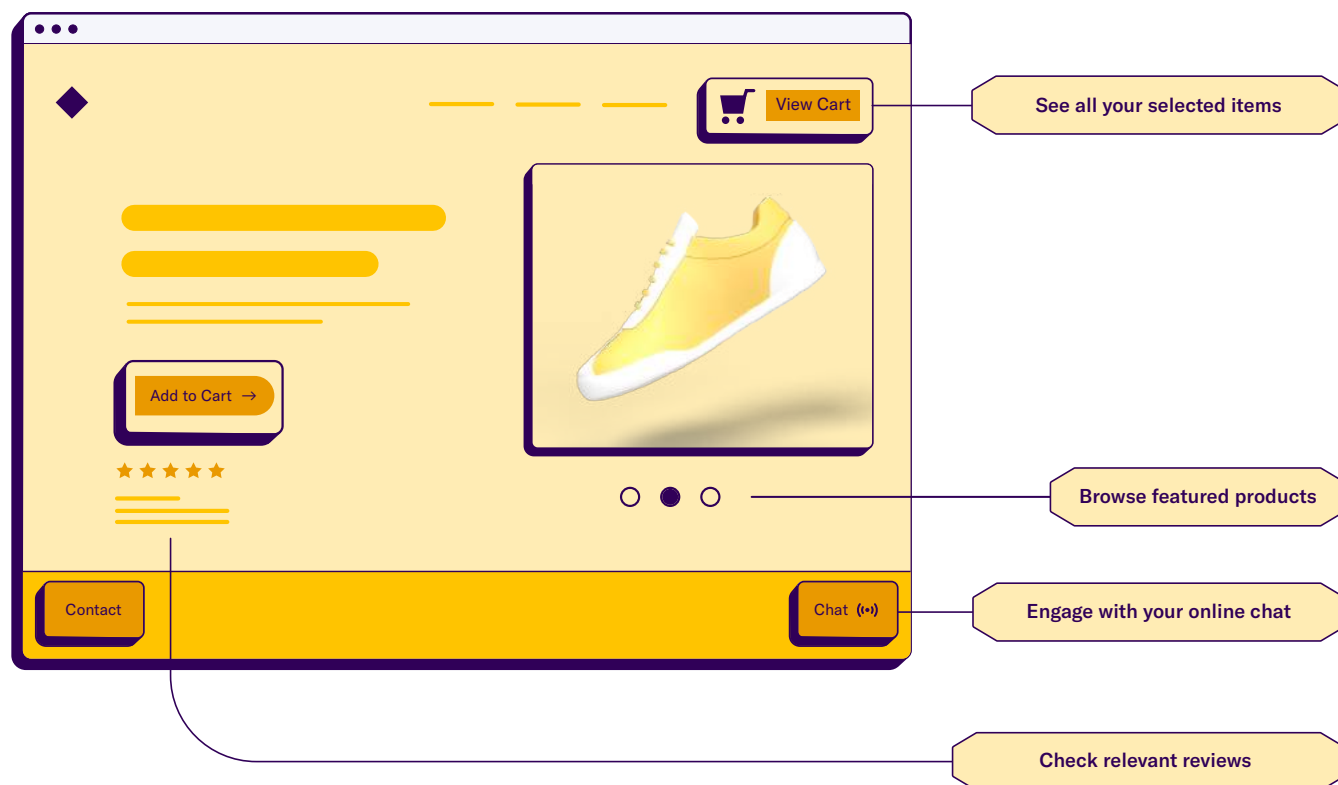
Figuring out what to focus on may depend on your business goals. Get clear on what matters most to your team and product. What's the critical action you want visitors to take?

eCommerce companies typically use CRO to encourage users to add more items to their carts, then move them along to the next step in the buying process.

Some more common primary conversion events:

The ultimate eCommerce conversion, of course, is making a profitable sale!

PRO TIP: The steps along the path to conversion are called micro-conversions. Marketing teams should look closely at these for potential campaign opportunities.



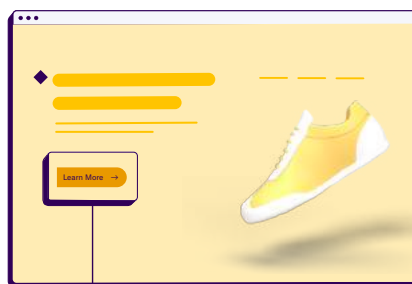
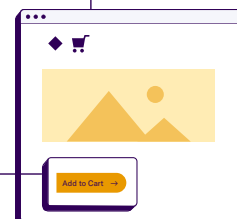
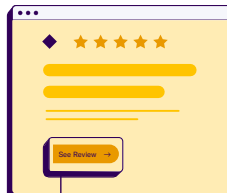
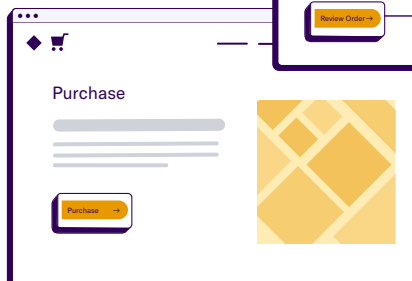
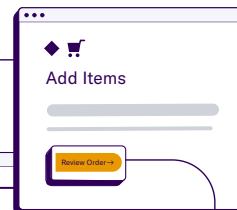
Step 2:

Create a funnel by mapping the steps to your event

The primary goal in eCommerce is making it easy for visitors to find the products they want to purchase, and then to purchase them. Funnels let you see how users navigate all the steps that lead to these goals.

After getting clear on what primary event or macro-conversion you hope to produce, map out the steps that lead to it. Create a conversion funnel to visualize the ideal flow of leading your site visitors into becoming paying customers.

PRO TIP: Your conversion funnel should have between 4 and 6 steps, no more.

Example of an eCommerce funnel:**Land on homepage****Browse products
Read reviews****Add items to cart
Complete purchase**

Step 3:

Identify and analyze dropoff points in your funnel

Dropoff points are a major opportunity. By dropping off, users are telling you exactly where they're losing interest. If you find out why, you can change that.

Once you've identified the major dropoff points, you can use a [funnel analysis tool](#) to break down this information into any number of behavioral and demographic segments, so you can compare completion rates at each step across all groups.

For example, if you're experiencing varying conversion rates between your desktop and mobile experiences, dig in to figure out why:

Are your users more mobile-focused than desktop?

Is your mobile experience not as well-optimized?

Can visitors move easily from desktop to mobile while shopping?

PRO TIP: Isolating dropoffs is easier when you have an analytics platform that [automatically tracks customer actions](#). Otherwise, you'll have to manually track every single event in the funnel. This not only makes the task far more tedious, it also means you (or your busy team members) are less likely to bother doing it.

You know that online shoppers want the experience to be seamless, fast and convenient.

If customers can't find answers to their questions, consider adding a chat feature. Unanswered questions lead to conversion loss since many shoppers won't call customer support.



Step 4:

Use path analysis to get granular

Now it's time to focus on problem areas. [Path Analysis](#) reveals the actions people tend to take before and after converting or dropping off. Are users following your ideal conversion flow, or doing something else instead?

In path analysis you're doing two things:

1. Looking for small fixes that yield big dividends
2. Trying to understand how the typical user navigates your site

Examine each click around the dropoff points:

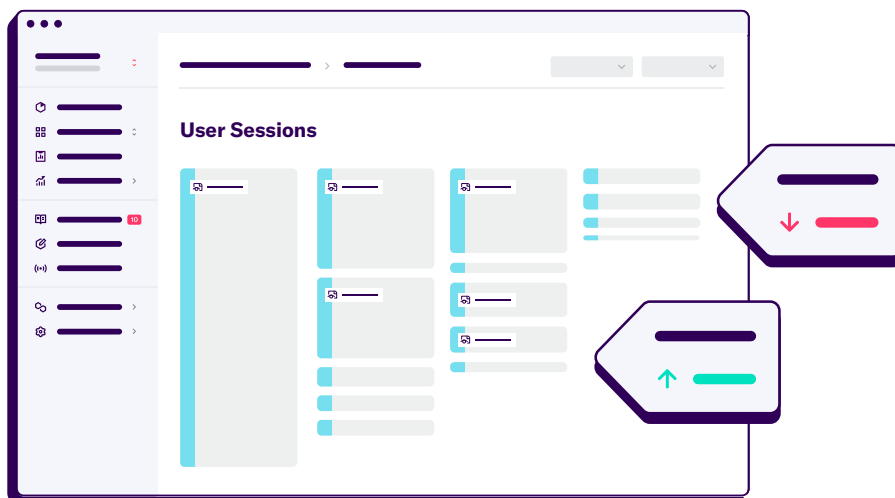
Which ones cause most users to leave?

Are there any specific places people get stuck?

Is the issue a technical breakdown, or is it the UX flow?

You may discover hurdles that you were previously unaware of, or glitches that consistently blocked users from reaching the next step in the funnel.

PRO TIP: By targeting users that dropped off at a particular step, you can create specific marketing campaigns to entice them back to your site.



Step 5:

Segment by behavior with cohort analysis

Behavioral segmentation is an incredibly powerful CRO strategy. You do it by segmenting your users into groups (known as cohorts) based on actions they take or haven't taken on your site.

Behavioral segmentation can uncover correlations like:

Do users who receive promotional emails return to the site?

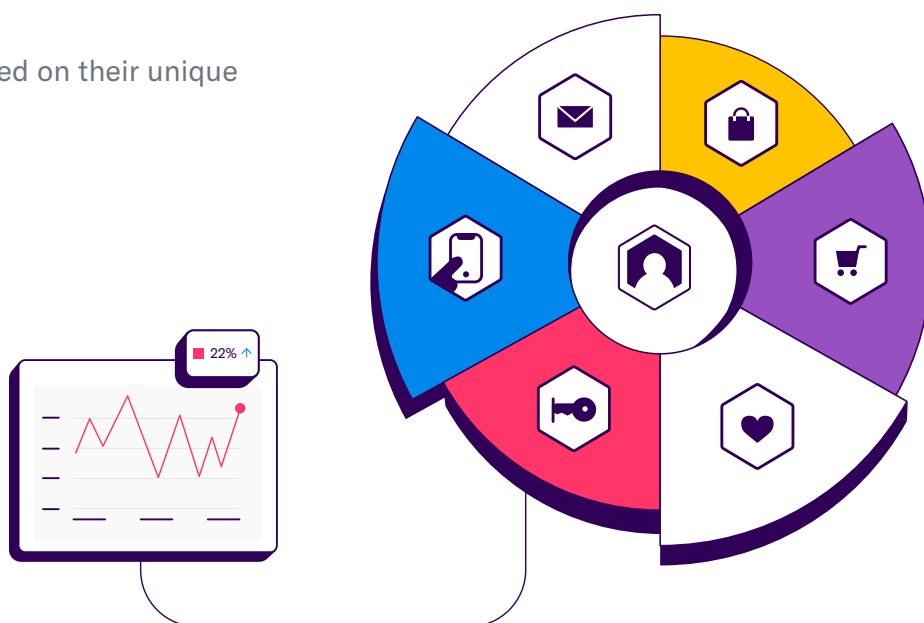
Does leaving a review correlate with conversion?

Does offering free shipping affect their order size?

PRO TIP: Track and analyze your cohorts incrementally over time to gather the most actionable insights. You'll discover new ways to strengthen interactions and build customer loyalty.

Look for behaviors that predict conversion, so you can orient your product around encouraging those behaviors. The possibilities with segmentation are limitless:

- Identify (and reward) your most loyal customers
- Find the customers who almost convert, then target them with re-engagement campaigns
- Personalize user experiences based on their unique path to conversion



Step 6:

Consider your sources: who's visiting?

In addition to improving the overall site experience, CRO will indicate which user groups are the best bets for conversion, so you can better target them and meet their needs.

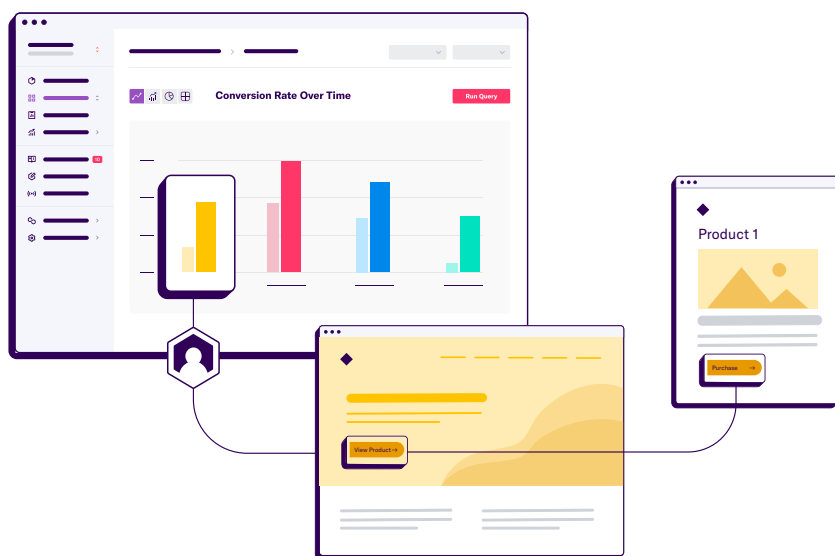
Are you personalizing your ad campaigns? Once you have your segments clearly defined, you can hone in on those customers' interests. Maybe it's time to stop marketing to that segment that isn't getting any traction and appeal to new audiences.

Are you encouraging repeat purchases? Teams often focus so much on the initial conversion that they overlook enticing customers to come back. When users return to your site and see things that interest them, they are more likely to purchase.

Are you creating relationships with customers? A personalized web experience is vital to building brand trust with the customer and ultimately, increasing conversion rates. Identify similar items they may like, then send offers or special pricing.

PRO TIP: The only limit to segmentation is your imagination — the more ways you can slice up the data, the more likely you are to stumble onto an underserved segment. Here are some ideas to get you started:

- By demographics: title, industry, geography
- By behavior: documents downloaded, time on site, FAQs read
- By marketing channel: social media, search engines, partner sites



Step 7:

Hypothesize. Test. Measure. Repeat.

The guiding principle to data-driven CRO is to use data to make informed hypotheses, and learn as much as you can from each test. After all, there's no better way to improve your product than to learn everything you can about how people use it, where they're coming from, and what problems they have.

Be a good scientist. Ask creative questions. Probe the information you have to figure out answers. Then make improvements geared towards meeting your larger business goals.

PRO TIP: The secret to CRO: the more you measure, the easier it becomes.

CRO is an ongoing process. The beauty of it is that even the smallest change can lead to increased revenue.



Customer Example:

Huel[®]

Huel offers nutritionally complete 100% vegan meals that place minimal impact on the environment. An ever-growing variety of products, popular in over 100 countries, demands precise funnel analysis.

Heap's ability to make granular detail actionable in minutes — not days — has enabled Huel to perform super fast funnel conversion and traffic analysis, drilling down by country, product type, and marketing channel. With insight on customer behavior coming from Heap, Huel adapted their product merchandising strategy — and in some markets **achieved an increase of over 30% in new customer conversions!**

“Customers are at the center of everything we do, and Heap plays an important role in tailoring our website to give them the best possible experience. Having everything in one place and with information that’s easy to pick out is crucial.”



Mario Tarantino,
Senior eCommerce
Manager



Final thought

Every business has a strategic responsibility to do CRO, and the key to building a great product is to keep asking questions. We hope that after reading this guide, you're convinced that the scientific approach is the best method for CRO. Experience shows that diligently applying these seven steps will lead to significant improvements in conversion.

If you have questions or thoughts, or simply want to know more about Heap for eCommerce, [visit us online](#) or reach out to us at support@heap.io.

Best of luck with your optimization!



About Heap

Heap's mission is to power business decisions with truth. We empower product teams to focus on what matters — building the best products — not wrestling with their analytics platform. Heap automatically collects and organizes customer behavioral data, allowing product managers to improve their products with maximum agility. Over 6,000 businesses use Heap to drive business impact by delivering better experiences and better products. To learn more, visit us at heap.io

