

## Abandoned shopping carts: the trillion dollar challenge

October 29 2019



Credit: University of Southampton

With so much competition in the market, ecommerce sites consistently face one huge problem—abandoned shopping baskets. It is believed that around \$4.6 trillion worth of merchandise has been left unpurchased in online shopping baskets as consumers click through to the checkout screen, then have second thoughts and leave the site.

As November approaches, the focus of internet retailers will be on enticing early Christmas shoppers to their sites as they look to get a head start on their festive shopping. Black Friday, which this year falls on



29th November, is now firmly established in the seasonal calendar with multiple sites offering their goods at heavily discounted prices.

If even a small percentage of these <u>potential customers</u> could be persuaded to finish their purchase, it could increase the overall commerce on websites by several billions.

A team of researchers from the University of Southampton and the University of Brighton have taken a new approach to combat this trilliondollar shopping cart abandonment challenge. Rather than looking to AI algorithms and ad words, the team considered this issue from a human psychological perspective, believing that customer shopping cart abandonment is underpinned by human motivation and self-regulation.

Professor Paurav Shukla of the University of Southampton said: "How many times have you been to a retail store, put some products in your trolley, went to the checkout and decided not to buy anything at all and left the trolley at the checkout? Chances are the answer is zero times. But when asked 'how many times in the last month have you been on a website where you have added a product in the basket, went to the checkout and then thought, ahh, leave it, some other day?', the answer may differ substantially."

The team examined whether there is a significant difference between customers who are generally promotion focused (having greater emphasis on ambitions, advancement, and gains) and those who are prevention focused (predominately interested in avoiding losses) when they shop online. The results of this study found a substantial difference between these self-regulation motivations. Promotion focused consumers, who are interested in <u>positive outcomes</u>, spent over twice as much on goods online compared to their loss avoiding counterparts—on average £735 compared to £354.



The team therefore determined that if companies can develop communication on the website that is focused on getting a positive outcome they can induce a mindset of promotion focus among their potential customers.

However, there was an interesting twist in the findings as Professor Shukla explained: "When we delved deeper into the behaviour, we found that while instigating a promotion focus led people to fill their shopping carts, it was switching the message to trigger a prevention focus that led people to make the final purchase."

"So how could companies manage this? Our studies found that when consumers filled their <u>shopping</u> cart, showing them prevention framed messages that are focused on avoiding losses such as 'you will lose out', 'you are not going to get this bargain', 'you will miss out on this great deal' would trigger a greater inclination to continue and close out their purchase."

The team also included Dr. Zahra Fazeli and Dr. Keith Perks of the University of Brighton. Their findings have been published in the journal *Psychology and Marketing*.

**More information:** Zahra Fazeli et al. Digital buying behavior: The role of regulatory fit and self-construal in online luxury goods purchase intentions, *Psychology & Marketing* (2019). DOI: 10.1002/mar.21276

Provided by University of Southampton

Citation: Abandoned shopping carts: the trillion dollar challenge (2019, October 29) retrieved 27 April 2024 from <u>https://phys.org/news/2019-10-abandoned-carts-trillion-dollar.html</u>



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