

What online retailers can learn from festive season hiccups

 By [Brent Lees](#)

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Online retailers tracking website performance now and putting the right tools in place, will be well prepared to cash in on peak sales periods and grow their market in future.



With festive season shopping now in full swing, some online retailers are discovering too late that they can become victims of their own success. Too many shoppers, attracted by too good a deal, can slow a website down or even take it down for hours, resulting in lost sales and potentially worse - reputational damage. In the price-sensitive South African market, shoppers are quick to respond to a special offer, which could backfire for the online retailer if its website isn't reliable and rapidly scalable.

Online shopping giant Amazon is popularly quoted as saying as little as one-tenth of a second of latency costs them [1% in sales](#). Clearly, there is no room left for poor website performance in today's competitive online market.

Harris Poll research commissioned by Riverbed Technology last year found that online shoppers consult three websites on average before making a purchase. So it stands to reason that if the performance of a website is poor, it can lose to its competitors in a matter of minutes. Not only are disappointed shoppers unlikely to return after a bad experience, but they are also more likely to spread the word through social media.

Because a sales peak might cause traffic to surge to over 100 times or more compared to a usual day, the IT team needs to be in a position to scale up and down their IT infrastructure quickly. Tools such as a virtual application delivery controller and advanced load balancer can allow website traffic overflow to be quickly distributed to other data centres or in the cloud.

Seeking security

In South Africa, where studies indicate that online shopping revenue is growing well, this growth is not due to an increase in the number of shoppers, but rather thanks to a pool of highly active internet users stepping up their spend across ever-growing product categories. Research and analysis firm World Wide Worx said recently in presenting the [MasterCard Online Shopping Behaviour Study 2014](#) that by the end of last year, only 51.6% of South Africa's 4.6 million internet users were actually shopping online, which leaves room for significant growth.

But fostering growth in the number of shoppers' demands action by online retailers themselves. They need to understand what today's market demands in terms of experience, and meet consumers' needs for security, convenience, simplicity and speed.

The [MasterCard Online Shopping Behaviour Study 2014](#) indicated that 52% of South African respondents use the internet primarily to shop, but that more people would do so if they had greater confidence in the security of their online transactions. Respondents are also heavily influenced by the shopping experience, with 90% saying they are influenced by convenient payment, 87% by quickly completed transactions and 86% saying they would return to a website offering low or no additional delivery charges.

This implies that in order to attract and retain new shoppers, online retailers must have highly visible, trusted security measures in place. They also need to make the shopping experience quick and easy, and they must follow through with effective delivery.

Moving to mobile

In the highly mobile South African market, online retailers must tailor and optimize their content to ensure that their website is mobile-friendly, or they must offer a convenient mobile app to make the shopping experience as simple and enjoyable for smartphone and tablet users as it is for those browsing on a PC or laptop.

Mobile shopping is fast taking off globally, with [IBM's Digital Analytics Benchmark Report](#) finding that in the US, Thanksgiving Day mobile traffic accounted for 52.1% of all online traffic this year - the first time mobile devices have outpaced their PC counterparts for online browsing. The study said on Black Friday 2014, mobile traffic reached 49.6% of all online traffic, an increase of 25% over last year. Black Friday mobile sales accounted for 27.9% of total online sales in the US, up 28.2% over 2013.

With effective web content optimization tools, online retailers can ensure that their customers enjoy optimal performance and rich content, no matter what device or browser they use.

Tracking trends

It may be too late to implement new virtualisation and delivery technology to ensure the perfect online shopping experience in 2014. However, the current holiday season shopping boom is an ideal time to use visibility tools to assess website performance and traffic to determine where shoppers are, how they navigate the site and what their user experience is like. Based on their findings, online retailers are then well placed to put a strategy in place to optimize end-user experience and ensure scalability to deal with peaks and troughs in online traffic in the future.

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