CAN YOU REDUCE SHOPPING CART ABANDONMENT?

ONE KEY SOLUTION - ONE-CLICK PAYMENTS

It's a powerful commerce solution - the ability to complete a purchase online with just one click of the mouse. In the US it's owned by Amazon. But by 2017 the patent will end. So today major payment processors are copying the solution. And Amazon isn't fighting back with lawsuits - just its own technical solutions.

This article addresses three points:

1. Amazon's approach and what they can do for people looking to mimic their technology.
2. Who's occupying center stage in the US.
3. Who's occupying center stage in Europe.

CAN YOU TAKE ADVANTAGE OF AMAZON ONE-CLICK?

YES

Amazon sells integration with their system through a product called Checkout by Amazon. You add a button to your site, Amazon handles the payment and generates the order. With a small snippet of code, you're in business.

AND

1. Amazon will extend your check-out to upsells. If you choose their standard checkout configuration you can upset up to 20 items from your website or theirs during checkout and when done, the customer lands back on your site, no matter where the shopping upsell took them.
2. If you are an Associate you're credited up to 8.5% for any product bought on the Amazon site with your order.
3. If you have unique discounts and shipping systems, Amazon has an API called Callback API that is available to you.
4. You also take advantage of Amazon's Fraud Protection.
5. Your buyers get to use the Amazon guarantee which is a solid assurance to your first-time customers who may be hesitant to purchase from you.

HOW YOUR ONE-CLICK BUTTON WORKS
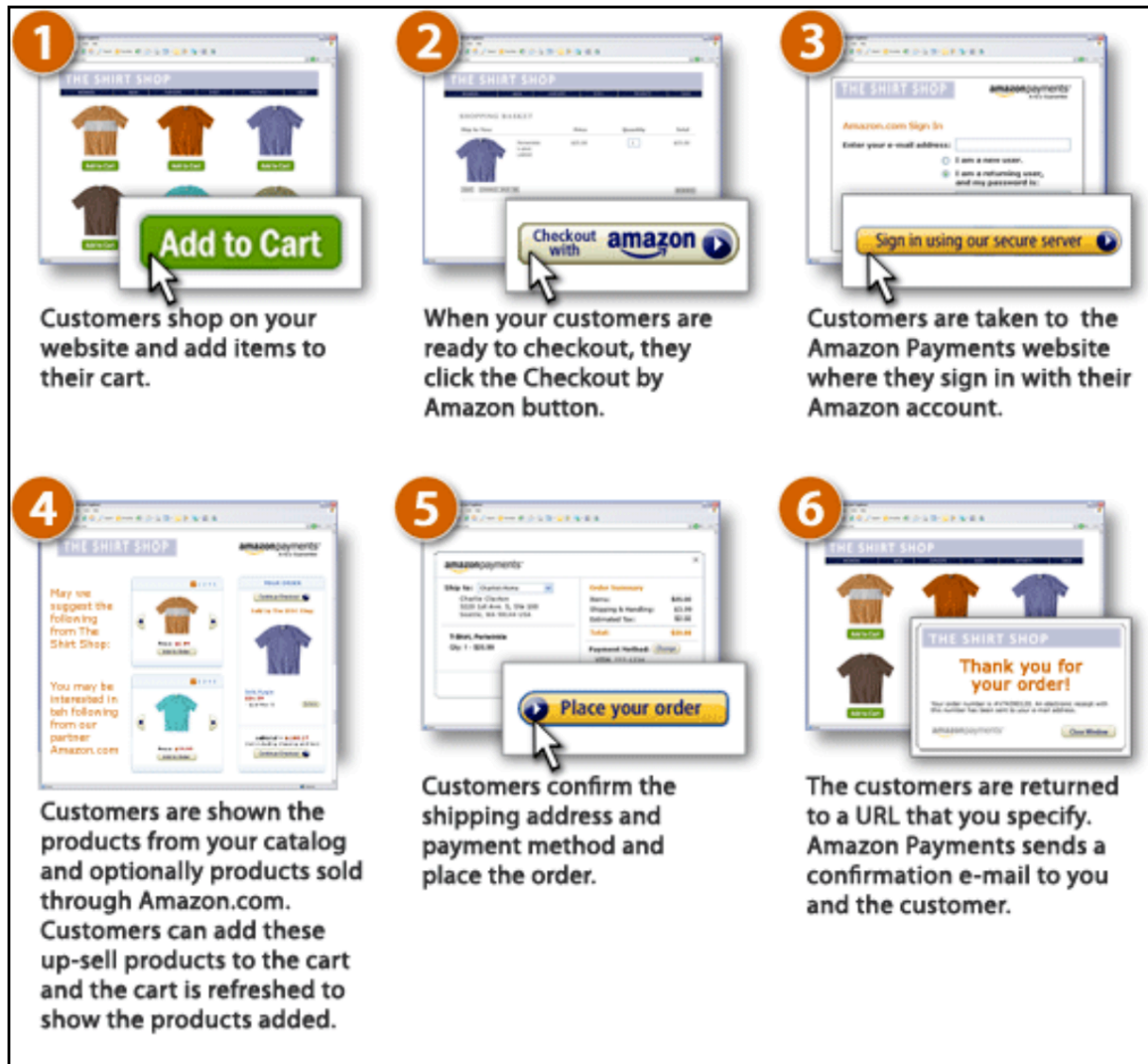
1 Customers shop on your website and add items to their cart.

2 When your customers are ready to checkout, they click the Checkout by Amazon button.

3 Customers are taken to the Amazon Payments website where they sign in with their Amazon account.

4 Customers are shown the products from your catalog and optionally products sold through Amazon.com. Customers can add these up-sell products to the cart and the cart is refreshed to show the products added.

5 Customers confirm the shipping address and payment method and place the order.

6 The customers are returned to a URL that you specify. Amazon Payments sends a confirmation e-mail to you and the customer.

HOW MUCH DOES THIS COST?

To the customer, nothing. To you, the industry standard rates apply: a processing fee of 2.9% and an authorization fee of $0.30 is charged when the purchase is successfully processed. In other words - for a $10 transaction you will spend 59 cents. If the purchase is outside the U.S the processing fee is 3.9%. So that $10 will cost 69 cents. If a refund happens you get the fees you paid returned to you.

To explore further go to: http://amazonpayments.s3.amazonaws.com/documents/Getting_Started_Guide.pdf

Amazon's Andre Rodriguez has put together a way for you to dig deep.

> *"If their questions are specifically regarding Amazon Payments, it may be best to contact them via the form below. If they do have questions re Amazon Web Services, I would be happy to help."*
>
> *https://payments.amazon.com/contact*
>
> *Best,*
>
> *André Rodriguez | Sales Rep | Amazon Web Services*
>
> *arod@amazon.com | office: (206) 266-2982*

WHO'S AT CENTER STAGE IN THE US?

STRIPE & PAYPAL

In the US the real options are Stripe and PayPal. Because PayPal is well known in the market this article will not discuss them. However, Stripe is worth a discussion.

Stripe is not using a direct one-click implementation as presented in the Amazon patent. They are using an email/SMS verification code to populate/unlock your payment card data. This is more of a token system than an actual one-click implementation.

With Stripe 1-tap checkout you associate your address and payment card in a prior purchase to an email address and mobile SMS enabled cell phone number (by checking the "remember me" box). Future purchases across the Stripe network can be associated to the email/SMS token.

The company can respond and adapt quickly which makes them a contender in this aggressive market. It surpassed Square when Square became the payment problem child of the industry.

Stripe is mobile focused and charges the same rates as Amazon. It also transfers your earnings on a 7-day rolling basis. Chargeback fees, at $15.00 per chargeback are $5.00 less than Amazon. Their mobile libraries include both IOS and Android and can provide both Apple Pay and Android Pay.

You can build your own Buy button or add any other experience to your app. Their Relay technology integrates easily so that you can sell through many sources like Twitter.

For more details, check them out at: https://stripe.com/ca/features

WHO'S AT CENTER STAGE IN EUROPE?

SafeCharge is a European and Asian option to Amazon. It is a European company; hence it can avoid patent infringement since Amazon was denied patent approval in Europe. It is in partnership to provide services to the USA through World Pay.

And it's winning awards in the online gaming and gambling industry. At Forex Magnates London Summit in 2013 it took home the award for the Most Innovative Financial Product. Its PCI Compliance Descaling solution and commitment to managing fraud patterns make it a player with a focus on quality standards.

It integrates its SafeCharge Cashier into your site and is focused on making sure you are highly protected.

1. It manages your PCI compliance which reduces your risk of attack and attraction to hackers.
2. It provides a single location for you to monitor the Cashier, the Processing, and Risk.
3. It supplies A/B testing of the checkout design so that conversions can be optimized.
4. It's device agnostic so that the mobile experience is able to work anywhere and anytime using their device recognition technology.
5. Its risk algorithms are self-learning - meaning a reduction in charge-backs and fraud. They work closely with banks to managing the flags and share that information with you so that you are alerted quickly and handle refunds and and void transactions while maintaining full control.

You can get more details at: http://www.safecharge.com/company/media-center/

WHAT'S MY RECOMMENDATION?

AMAZON

Having a customer abandon your cart during the check-out matters. It creates that lose-lose experience. You lose the sale and they lose the opportunity to experience you, your company, your service, and your product. For this reason, I choose Amazon.

BECAUSE YOU CAN USE THEIR PRODUCT CATALOGUE TO SUPPLEMENT YOURS.

Offering your customers an upsell that is not in your product catalogue is an advantage and Amazon has a great algorithm to figure out how to compliment your product sale. Let's face it. You do nothing except get a percentage when your customer agrees. No inventory costs, no marketing costs, nothing. You wouldn't have got that sale and now you're getting a percentage on a product you don't even supply. That's good.

BECAUSE OF THE AMAZON GUARANTEE

Most people have bought on Amazon before. And they know that Amazon protects them from fraud and the risk of purchasing from someone who they don't know well enough to trust. When you use Amazon you benefit from their halo. It's Amazon telling your customer that you're trusted. They can buy from you. And that adds value to your customer and to you.

BECAUSE OF THE ALREADY PRESENT CUSTOMER BASE

Amazon customer data is open to you when they login. You have the information you need about your new customer cleansed, and verified by the team at Amazon. Data cleansing is an expense most medium companies cannot afford, let alone small businesses. Yet the returns are huge when you've got the right information. It's foolish not to say yes when someone else is willing to spend the money to provide you with high levels of data quality.

BECAUSE THE CUSTOMER EXPERIENCE IS FAMILIAR

Amazon customers don't have to learn a new system to complete their cart. And your new customers benefit from the lessons learned from millions of transactions that have gone into making the customer experience smooth and easy. I see no need to change out my tires when the ones I've got are really good. It's the same when I shop on-line.

For these reasons Amazon is my recommendation. But you should do your own homework. Below I've listed the key points on which you should evaluate your new one-click integrator. Regardless of who you choose your shopping cart abandonment will drop when things get easy for them. And one-click gets them closer.

WHAT SHOULD YOU LOOK FOR TO MAKE YOUR DECISION?

1. Ease of use - Will your customer stick around to push the button?

2. Fraud Detection - is your customer qualified to push the button?

3. Anti-Money Laundering Management - Can you be duped by the devious?

4. Reporting - Can you get underneath the hood and take at look at your transactions?

5. Returns and Refunds Management - Are these clean enough so that you're not out the cash?

6. Payments to You - How long before you get paid and what is the reconciliation process used?

7. Integration - How well does it integrate with your accounting, inventory, and shipping systems?