PERFORMANCE MATTERS:
INCREASING SALES & CONVERSIONS THROUGH TARGETED PAGE PERFORMANCE IMPROVEMENT

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Performance Matters

Over the past 10 years, online shoppers have developed an increased need (and expectation) for website speed. A 2006 survey by Akamai revealed that 33% of broadband online shoppers are unwilling to wait longer than 4 seconds to load a page, and a follow-up report in 2009 found that 40% of online shoppers will wait no more than 3 seconds to load a page. That same year, the O'Reilly Velocity Conference theme was appropriately titled "The Impact of Performance on the Bottom Line." Once a topic largely dominated by IT and operations sectors, web performance has facilitated much thought, consideration, and action amongst other parts of organizations due to its direct impact on user experience and revenue.

While it is certain there are many factors that contribute to overall eCommerce user experience, web performance is one that impacts every department. Marketers want to show online shoppers stunning images, 360 degree views, personalized product recommendations, and lots of rich content - oftentimes at the expense of performance. On the other hand, DevOps work to minimize site content by adhering to a maximum megabyte-per-page limit. While a constant struggle exists between these departments on how to address web performance and UX, the following is certain: performance impacts overall user experience and the bottom line for eCommerce sites - regardless of type, size, and traffic volume. Amazon jumped on board with this discovery early on and realized that for every 100ms of page load time delay, their overall sales declined 1%. Even smaller online retailers are affected. For one high-end clothing retailer, we discovered that if every product detail page was sped up by 100ms, the retailer could generate an additional $11,579 in one day. Performance does matter. Performance does impact revenue.

The chart below shows how improvements in page speed can grow sales tremendously.

Revenue Calculator

Page Speed Improvement 2016-02-24
00:00 – 23:59 EST (-05:00)
Electronics Retailer
— Revenue Gain

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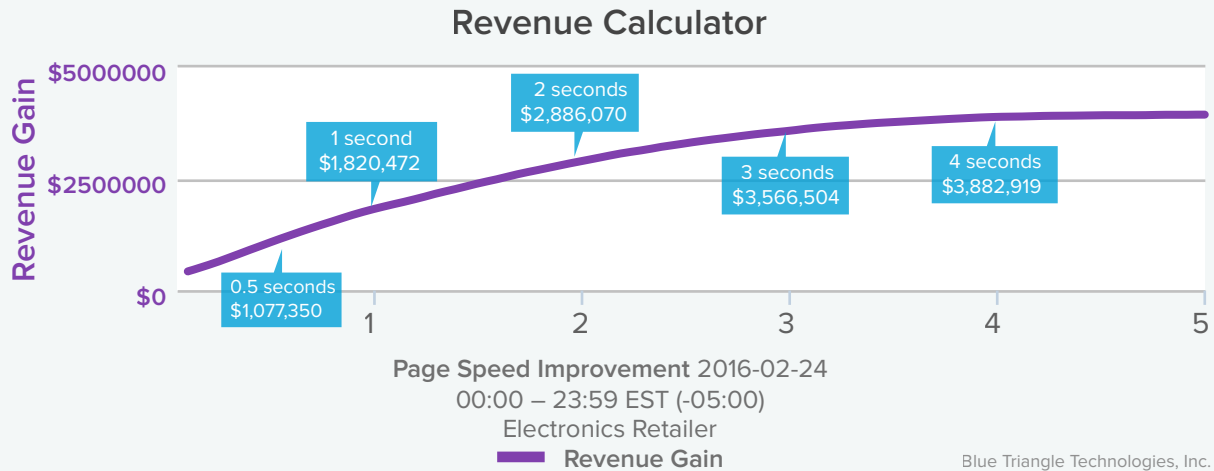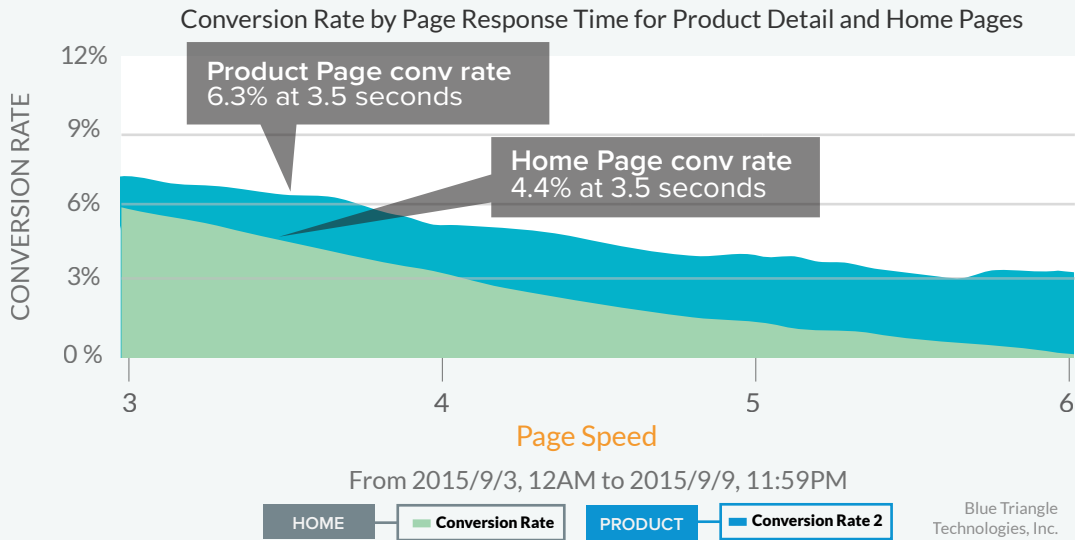
State of the Union

If your site is too slow, shoppers will abandon and go elsewhere. And while everyone knows that this is bad for business, online retailers are faced with the problem of not understanding the unique relationship between their site's speed and their sales. Millions of dollars can be wasted speeding up the wrong pages. At the same time, millions of dollars can be easily gained by improving performance on the right pages.

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The Solution

You can stay ahead of the curve by knowing exactly where and by how much you need to speed up your site. Blue Triangle's eRevenueInsights identifies the specific areas on your site that would have the highest revenue uplift from performance improvements. This allows you to prioritize speed improvements and demonstrate a quantifiable return on investment for these improvements before site changes even happen. From here, we give your optimization team the tools they need to identify what is impacting performance on every page.

Maximizing Revenue

eRevenueInsights measures end user experience and site sales for 100% of the site traffic down to 1% as configured by the customer. The data is aggregated to show correlations between end user page load times and purchase patterns. Conversion rates, sales size and pages per session are all factors that are taken into account to provide a highly accurate estimation of projected revenue.

Conversion Rate by Page Response Time for Product Detail and Home Pages

Product Page conv rate
6.3% at 3.5 seconds

Home Page conv rate
4.4% at 3.5 seconds

CONVERSION RATE

12%
9%
6%
3%
0 %

3   4   5   6

Page Speed

From 2015/9/3, 12AM to 2015/9/9, 11:59PM

HOME — Conversion Rate   PRODUCT — Conversion Rate 2

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Data Significance and Minimum Sample Size

Blue Triangle Technologies carefully examines the data to determine the appropriate minimum sample size. Users are grouped into .1 second intervals and populations lower than the minimum sample size are filtered out.

Connection Speed

Using the proprietary Blue Triangle Technologies Tag to measure sites, data is collected for all users. The data is then filtered to remove data from extraordinarily slow connections a.k.a. - outliers.

Minimizing Expense

eRevenueInsights identifies the pages that have the largest impact on conversions and revenue,

allowing you to focus your tuning resources where their effort will yield the best results with the least amount of expense. Don't waste scarce resources tuning pages that don't impact sales.

A/B Testing

eRevenueInsights can be used for A/B testing of platform upgrades, alternative site configurations/upgrades, alternative CDN testing, or almost any other A/B case you can come up with. The BTT tag can be used to uniquely identify A/B data and the portal provides the capability to display the A/B data on the same graphs for comparison and analysis.

Summary

Historically, eCommerce sites have been unaware of the impact that slow web pages have on their online conversions and gross online revenues. If websites are too slow, sales are lost due to abandonment. On the other hand, wise business decisions need to be made to avoid spending valuable IT dollars on pages that are fast enough. Today, eCommerce business owners can measure this and make informed strategic decisions about how much to spend on performance. eRevenueInsights provides this visibility and allows eCommerce owners to increase site revenue and avoid costly projects that do not enhance conversion rates.