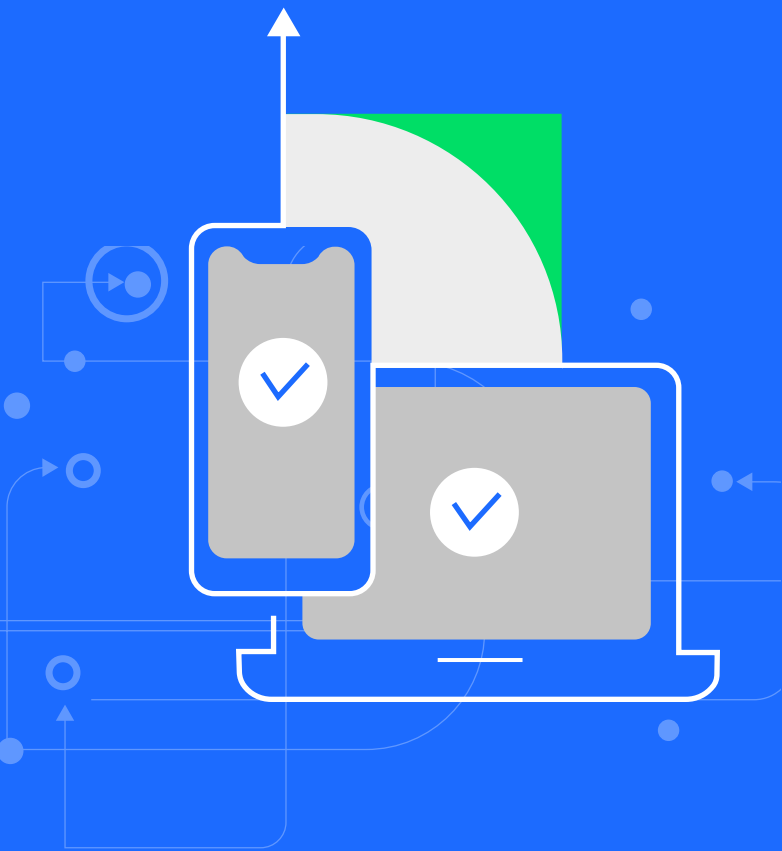


# Your guide to increasing sales with **effective ecommerce payments**



## Introduction

# Make ecommerce work for you—and your customers



If you're like most consumers, there's probably something you ordered online waiting on your doormat right now. That's because we're shopping online now more than ever, with global consumers expected to spend \$4.89 trillion online in 2021, up 14.3% from 2020.

As a business owner selling online, that's great news! And by incorporating today's ecommerce best practices, you can make it seem effortless for customers to check out, allowing you to get a larger slice of their online shopping dollars.

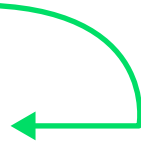
In this guide, we'll look at how you can optimize your ecommerce checkout process so you can make buying fast, easy, and secure for your customers—and more profitable for you.

# Contents



- Build a frictionless online checkout process..... 04**
  - Offer guest checkout.....05
  - Provide one-click shopping.....05
  - Make checkout quick and easy to navigate .....05
  - Implement card storage.....05
  - Update payment details automatically .....06
  - Brand the entire checkout process.....06
  - Remember their purchase history.....06
- Build a frictionless mobile checkout process ..... 07**
  - Think mobile first.....08
  - Use digital wallets to accept payments .....08
  - Accept in-app mobile payments.....08
- Accept multiple payment methods ..... 09**

- Offer local payment methods.....10
- Provide payment flexibility.....11
- Monitor payment trends.....11
- Protect customer payments..... 12**
  - Phase 1: Strengthen your security.....13
    - Determine your PCI compliance strategy.....13
    - Take advantage of tokenization.....13
    - Enable 3D Secure .....14
    - Offer multi-factor authentication .....14
  - Phase 2: Highlight your security .....15
- It's time to take action..... 16**
- Your ecommerce checklist ..... 17**



Section 1

# Build a frictionless online checkout process



Ecommerce payments

A key to ecommerce success is reducing friction in the checkout process. If you make it too difficult to complete a purchase, your customers will abandon their shopping cart and take their business elsewhere—in fact, [the average shopping cart abandonment rate is nearly 70%](#).

Shoppers abandon their carts for all sorts of reasons related to the payment process, including a long and complicated checkout (18%), distrust of the site's ability to secure their card information (17%), and a lack of preferred payment methods (7%).

By reducing friction in your checkout process, you increase the likelihood a shopper will complete their purchase and return again. Here are a few enhancements you can make to improve your online sales conversion rates.

## Offer guest checkout

While you would love to have new customers sign up for an account so you can build a relationship, you run the risk of losing the sale completely if they decide they don't want to sign up on yet another site. You can overcome this account fatigue by allowing customers to check out without creating an account, removing a barrier in the process.

## Provide one-click shopping

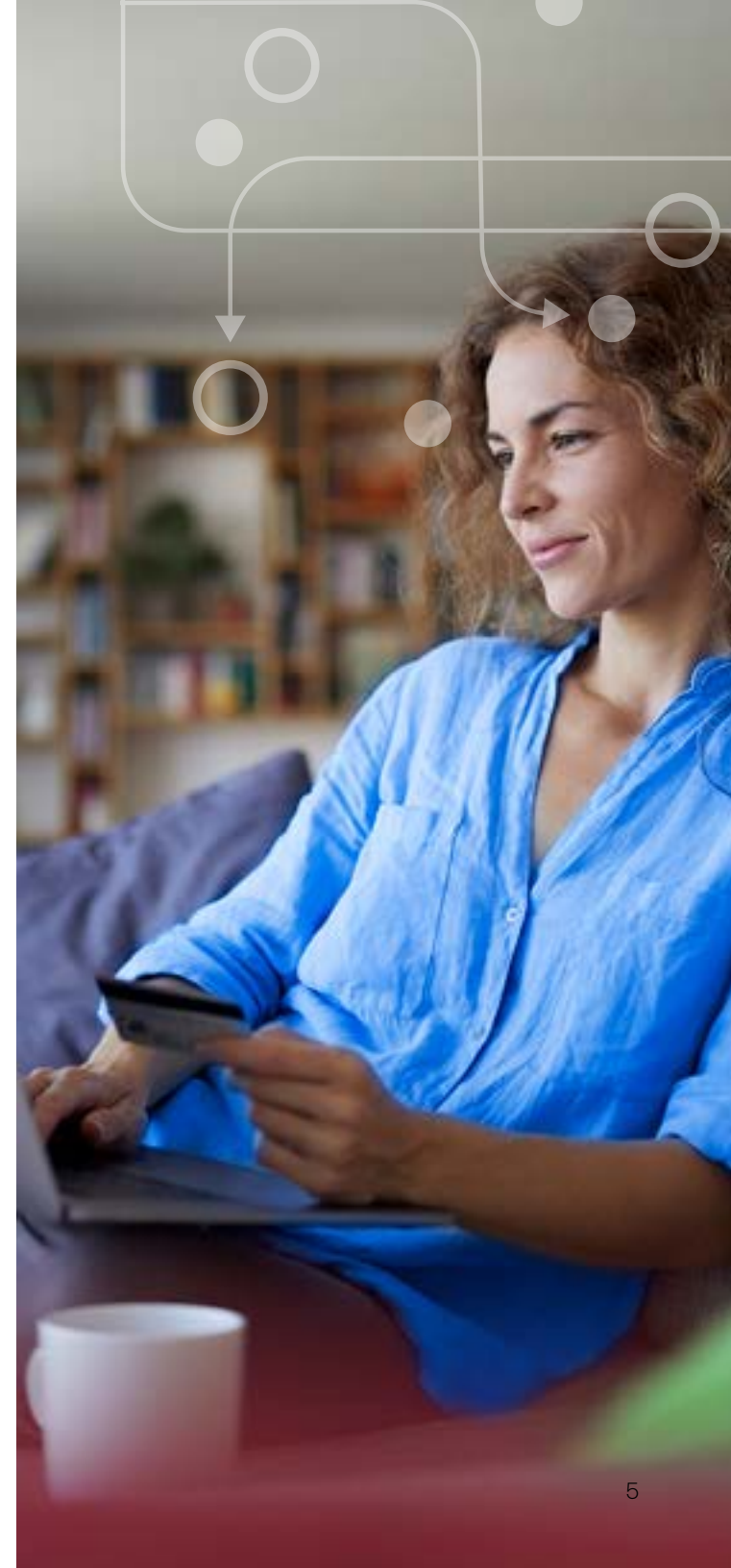
One way to reward customers who do create an account is to offer one-click shopping. This allows customers to store their payment and shipping information so they can make a purchase instantly by clicking a 'buy-in-one-click' button.

## Make checkout quick and easy to navigate

The fewer steps a customer has to take to make a purchase, the better. And even if you offer one-click shopping, you should still remove as many clicks as possible in your standard checkout process. In addition, do whatever you can to get your checkout process on one page. If you do require more than one page, include a progress bar so customers know how much more they need to do.

## Implement card storage

By allowing customers to store their card information, you can auto-fill their payment details without making them get out their wallets or type in their information. You can also streamline the process by auto-filling fields like the billing address.





## Update payment details automatically

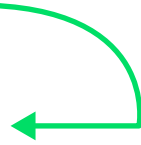
Avoid losing a sale because a customer's expiration date has passed or changed. Account updater services automatically refresh your customers' account information, saving them time and frustration providing new payment details.

## Brand the entire checkout process

Because your checkout process might not be hosted by you directly, it can create a jarring customer experience as they go from your site to a payment site that looks completely different. Make sure your brand is represented with your logo and brand colors throughout the checkout process to give your customers confidence.

## Remember their purchase history

For those customers who choose to create an account with you, use their purchase history to personalize their shopping experience. Use product suggestions and service offers to help maximize their purchase, or perhaps a prompt to reorder a frequently used product. You can use a powerful reporting tool to unlock your customer data so you can deliver a customer experience that keeps them coming back.



Section 2

# Build a frictionless mobile checkout process

Keep in mind that a customer shopping from their phone could be anywhere, doing anything—in a meeting, on the bus, drinking a hot coffee, or holding a sleeping baby. That means they can't always get to their wallet easily. While our tips for optimizing the mobile checkout experience are similar to online, here are a few extra things to take into account for a payment experience that takes place on a tiny screen





## Think mobile first

We don't have to tell you that people live on their phones. Instead of thinking about your ecommerce website as desktop—first, build your site and checkout process with a smartphone in mind. This will help you simplify navigation, reduce unnecessary content, minimize form fields, increase button size, and make other improvements that optimize both the mobile and desktop checkout experience.

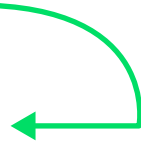
## Use digital wallets to accept payments

Because a customer's payment details are already stored in [digital wallets](#) like Apple Pay, Google Pay, and Alipay, you can integrate these payment methods into your checkout process to make it simple to pay with one click. All a customer has to do is choose which wallet they want to use and then click to buy. This not only saves time but the hassle of having to get out their credit card and enter their information on the phone's tiny keyboard.

## Accept in-app mobile payments

In addition to your mobile website, consider creating a mobile app with [in-app payment functionality](#) as another way to connect with customers. This will make it simple for customers to order and manage their account, in addition to allowing you to tie payments to your loyalty program so you can reward customers and drive repeat purchases.





Section 3

# Accept multiple payment methods

Nothing will lose an ecommerce sale faster than a customer reaching the end of the checkout process only to find that you don't accept their [preferred payment type](#). Here are a few suggestions for making sure customers can pay the way they want.



## Offer local payment methods

The beauty of selling online is that your market is no longer confined by geography. Your payment analytics can easily tell you which payment methods your customers are using when shopping with you online. But that's not all. By understanding where your online customers live, you can research and offer their preferred local payment methods. For example, the Netherlands has a local payment method called iDeal that is used heavily by Dutch consumers. And other local markets have similar payment methods that may be unknown to you but extremely important to that group of consumers.

With global cross-border payments expected to reach [\\$156 trillion in 2022](#), your next customer is as likely to live halfway around the world as they do down the street. This makes it imperative to accept payments from customers using their preferred currency and payment method.

Every market is different. For example, in the US, [digital wallets](#) represent 17.7% of mobile transactions, while they account for 39.5% of mobile transactions in China. Payment preferences can even vary widely between two neighboring markets. For example, 41% of Belgian payments are made using the local payment method Bancontact, while 50% of French payments use Cartes Bancaires, according to [PPRO](#).

Once you know where your customers are, you can make an informed decision about which payment methods can help you grow your business.



## Provide payment flexibility

Accepting multiple, relevant payment methods puts the choice in the hands of the customer, empowering them to pay the way they want and thereby reducing another point of checkout friction. Whether it's because a digital wallet is more convenient, a specific card offers better rewards, or they want to use a prepaid card, make sure your customers have the power to decide how to pay.

And payment flexibility is not just about choice of payment method, but also choice of payment terms. Offer a variety of terms like recurring billing, subscription services, or deferred payment options like buy now, pay later (BNPL) to make fans of customers that may need more flexibility in how and when they pay.

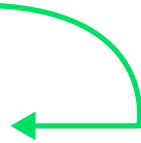
## Monitor payment trends

Keep in mind that consumer payment preferences can shift faster than you think. It wasn't that long ago that digital wallets were a novelty; now they're an everyday payment method around the world.

For example, a growing trend like BNPL provides shoppers with flexible installment payments so they can pay back a purchase over time. In just 15 months, [BNPL has grown 85%](#)—from 15.4 million consumers reporting in 2020 they had used this payment method at least once in a 12-month period to 28.5 million in 2021. Based on the staggering uptick in usage, offering BNPL to your customers may be worth exploring for your business.

Monitoring payment trends like BNPL, contactless payments, and omnichannel shopping, among others, will help you keep your sights on which payment methods to offer your customers as usage evolves.





Section 4

# Protect customer payments



More people are shopping online than ever before. And where the money goes, so do the thieves: data breach costs rose from \$3.86 million to \$4.24 million worldwide in 2021, according to IBM's Cost of Data Breach Report, the highest average total cost in the 17-year history of this report.

On the other side of the coin, retailers are at risk for significant losses due to fraud. One estimate is that online fraudulent activities like identity theft, chargeback fraud, and account takeovers will cost retailers more than [\\$20 billion](#) in 2021.

This means you, and your payment provider, have to implement best-in-class security in order to give your customers complete confidence in your ecommerce business. Here is the two-phase approach we suggest to optimize your business' ecommerce security.



## Phase 1: Strengthen your security

### Determine your PCI compliance strategy

When considering your payments strategy, one of the most important decisions you make is whether you will host payment processing yourself or outsource it to a third party. This decision will directly impact your level of responsibility in managing PCI compliance.

- With the self-hosted model, you take full responsibility for managing all PCI compliance. This includes undergoing an annual card security assessment. And depending on your size, you will also likely need to hire a Qualified Security Assessor (QSA) to validate that you are in [PCI compliance](#).
- With the fully-hosted model, you get to shift much of the burden of card security compliance to a PCI-compliant third-party payment processor. They will manage most of your processing needs, allowing you to significantly reduce your PCI compliance burden. In addition, the payment processor will be responsible for protecting all cardholder data in its possession. Because this is the focus of their business, they're able to invest in the technology and processes required to keep customer data secure.

### Take advantage of tokenization

Tokenization allows you to replace sensitive data such as primary account numbers (PAN) and customer information with tokens that shield access to a customer's payment data. Because your business can only interact with the tokenized version of that information, your customers' data stays safe in the event of a breach. Tokenization is irreversible; once the data is tokenized, it can't be reverted back to its original state, reducing the ability for cybercriminals to steal customer payment data.

## Enable 3D Secure

3D Secure (3DS) is the umbrella name for the payment networks' online authentication solutions: Visa Secure, Mastercard Identity Check, American Express Safekey, J/Secure for JCB, and ProtectBuy for Discover and Diners International. It is an authentication protocol designed to reduce fraud, increase customer security, and decrease merchant liability for chargebacks.

An advanced version of 3D Secure called [3D Secure 2 \(3DS2\)](#) was developed to meet the frictionless expectations of the modern payments environment. Not only does 3DS2 give your business the extra layer of protection required to feel secure, but it is the only card authentication method that meets European Strong Customer Authentication (SCA) regulations.

## Offer multi-factor authentication

Account takeovers leapt [282% last year](#) as fraudsters attempted to leverage weak or stolen passwords in order to steal payment data or make fraudulent orders. By incorporating multi-factor authentication (MFA), you can give customers the ability to enable an extra layer of security that is independent of their password.

For example, when a customer enters her password to complete an online transaction, she would get the option to have a one-time code sent to her via text or email. If the customer transaction is legitimate, the customer will likely have her phone with her and can enter the code provided with no problem. If it's a fraudster that's half a world away trying to log in with a stolen password, they likely won't have access to her phone and would be out of luck.

MFA requires at least two forms of authentication, each from a separate category. Those include:

- Something you know (knowledge), such as a password or PIN.
- Something you have (possession), such as a phone or credit card.
- Something you are (inherence), such as a retina scan or fingerprint.

Other common authentication methods include answers to secret questions (knowledge), a token or key fob (possession), or biometrics like voice or facial recognition (inherence).





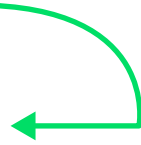
## Phase 2: Highlight your security

### Highlight your security

Once you have the right security protocols in place, make sure you share what you're doing and why with your customers. This will build their confidence in your brand, encouraging them to complete the sale. Here are a few ways to promote your security.

- Display trust logos from verified financial brands like Visa, Mastercard, American Express, PayPal, Google Pay, WeChat Pay, and more at your checkout and throughout your website.
- Promote the fact that your business is PCI compliant at checkout with the PCI-DSS trust logo.
- Explain why you're asking customers to verify their payment information with 3D Secure.
- Represent your SSL certificate with a lock in the URL bar of the browser.
- Show your customers that you are encrypting or masking sensitive information as they enter it in real time.

Highlighting your security protocols can also act as a natural deterrent to would-be cybercriminals who are simply looking for easy prey. If fraudsters see you have done your due diligence and established strong security protocols, they may just look elsewhere.



Section 5

## It's time to take action



We're here to help you optimize your ecommerce business for greater profitability and stickier customer relationships. We can handle everything for you through [our hosted payment solutions](#) that make online acceptance quick and easy, or we can customize the ideal solution for you. With our online payment solutions, you can let your customers [pay any way they prefer](#) and ensure that their path through checkout is seamless. And [security](#)—we help with that too, with features and functionality that authenticate your real customers and keep the bad actors out.

[Contact us](#) to start optimizing your ecommerce business today.



## Section 6

# Your ecommerce checklist

Use this checklist to prioritize which areas of your ecommerce buying process need your most immediate attention.

### Online checkout

- Guest checkout
- One-click shopping
- Visible checkout navigation
- Card storage
- Real-time error processing
- Branded checkout
- Purchase history

### Mobile checkout

- Mobile-first web design
- Mobile payments via digital wallets
- In-app mobile payments

### Payment options

- Local payment methods
- Payment flexibility
- Payment trends

### Security controls

- PCI compliance
- Tokenization
- 3D Secure
- Multi-factor authentication

