

Customer Experience and Online Shopping - Measuring Success

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1. Executive Summary

1.1. Growth in Online Shopping

Online shopping has experienced significant growth in recent times, and this is likely to continue into the years to come. It is now seen as an important sales channel for retailers. The reasons for this growth in recent times have mainly been attributable to:

- Increased broadband penetration
- Faster loading of web pages/screens
- Improved web design
- Better tracking solutions
- Improved usability
- Improved security

The customer experience has become a key determinant in fostering customer loyalty and improved sales. Yet research has shown that the perceptions of customer experience both from the customer and company perspective differ enormously; company executives believe that they are delivering a superior experience to their customers – customers are less likely to agree.

1.2. Measuring Customer Experience

The Web is one channel where the customer experience can be measured. The following are important aspects of the website that can lead to a positive customer experience:

- Easily visible contact information
- Effective navigation and search functionality
- Product range and information
- Flexible delivery options
- Speedy checkout
- Ease of finding out information in case of a query/problem
- Current trends, such as environmental issues

1.3. The Environment

The environment is becoming an increasingly important issue in the world today, but is online shopping a good thing for the environment? There are strong arguments that can support this, with potentially:

- Less road miles travelled
- Less amount of stock required
- Less printed matter
- Less packaging
- Reduced waste
- Different offerings, such as digital formats

But which online retailers clearly display these messages?

1.4. A Positive Customer Experience

The Web has made it easier for people to shop online and seek a positive customer experience. Social networking sites such as MySpace have and are becoming more prolific as a means for customers to express their opinions about their experiences with a retailer's website and the service they have received; be it positive or negative.

On-going research of online shoppers at The Henley Centre for Customer Management shows that a positive customer experience with a retail website relates strongly to:

- Ease of navigation and search functionality
- Easy to use/user-friendly
- Good/wide range of items/stock on view

1.5. Retailer Performance

Interactive Media in Retail Group (IMRG)/Hitwise provide a list every quarter of the top 50 online 'hot shops'. To be in the top 50 obviously means that these retailers are deemed to be performing well, but is this really the case?

The findings of the research undertaken in this report are based on an independent assessment of each retailer website in terms of the measures described above. Each of the retailers was given a score for features relating to a positive customer experience; culminating in an overall percentage score for each of the retail companies surveyed.

Although it can be argued that retailers are performing consistently well, only three score 80 per cent or above, which suggests that there is vast room for improvement. For those companies scoring below 60, there seems to be problems in engaging in a meaningful interaction with their existing or potential customers via the website; this could be down to the website not performing on the day, leading to frustration for the user, or that they are not capturing the essence of the true customer experience.

1.6. Specific Areas of Good and Poor Performance

For the top 50 websites surveyed, online retailers perform well (scores of 80 per cent or above) on each of the following basic measures:

- Ease of navigation to product listings (98 per cent)
- Choice of payment options offered (98 per cent)
- Ease of navigation within the website generally (92 per cent)
- Wide range/choice of products available (92 per cent)
- Speedy checkout (92 per cent)
- Returns policy clearly displayed/accessible (90 per cent)
- FAQ/Common questions/Self-help sections (90 per cent)
- Option available for dealing with complaints, problems, feedback (86 per cent)
- Email/online option available for customer enquiry (80 per cent)

However, there are five areas where online retailers score badly (scores less than 20 per cent), which reflects their lack of flexibility and not keeping up-to-date:

- Free delivery irrespective of amount spent - where applicable (19 per cent)

- Tiered options available in search facility (16 per cent)
- Guaranteed response/waiting time indicated -for queries/requests (16 per cent)
- Reference to impact on the environment (12 per cent)
- Call back facility option offered (4 per cent)

In terms of the customer experience, delivery is one aspect that most retailers score poorly on, with only a small minority (where applicable) being able to offer or deal with: a choice of delivery date, Saturday delivery, special instructions, free delivery (irrespective of amount spent).

Currently search options are quite simplistic, but more sophisticated search facilities will be required in the future; and issues relating to the environment do not seem to have been properly addressed by online retailers.

1.7. The Future

Research shows that numbers shopping online will continue increasing into the next decade. In order to cope with increasing numbers the successful retailers will need to be geared towards the positive customer experience through:

- Improved functionality and flexibility
- Fostering customer loyalty
- Delivering a high quality service, and
- Through strategic and competitive positioning, taking into account the ethical consumer and sustainability.

2. Introduction

Whether shopping for a pair of trousers at a large department store, reserving a ticket through a call centre, or checking an account balance with a cashier at the local bank, customer experience is clearly important. Successful companies acknowledge this factor, and they have developed retail environments that help them to maximise performance. Yet, many of the same companies have failed to deliver comparable performance through their Internet channels. Evidently, these online channels differ in important respects, although the fundamental requirements remain the same: if companies make products and services hard to find and buy, or if they create poor, ineffective, unreliable shopping environments on the Internet, customers will seek and buy elsewhere.

In the Web's early days, a presence was perhaps seen as sufficient; being at the forefront in the use of such an innovative channel tended to exceed the importance of other factors such as the customer experience; but things are changing. In those early days, which is only a few years ago, online shoppers came from a core of experienced Internet users, who often regarded difficulties of access as a challenge. Today, the average Internet shopper is much less tolerant. In a short space of time, the number of online buyers has increased exponentially, as has their ability to form and respond to critical assessments of shopping channels. They can arrive at discerning value judgments about brand and quality, often on the basis of the company's Web site and, usually in a matter of a few seconds. Moreover, Internet shoppers now have a far wider choice of places to shop. As a result of this fast growth, for many companies the Internet is in reality the best way to improve margins, and thus gain a competitive advantage.

The following report tracks the growth in the online shopping market in the UK in recent years, the reasons for it, how it has had and can have an impact on the customer experience. E-retailers are then measured in terms of their online performance through a small-scale survey of online shoppers, and then rated and ranked based on relevant customer experience criteria.

3. Trends in Online Shopping in the UK

Consumers within the UK have been at the forefront of Europe in terms of the number of online shoppers, and this growth in online shopping has been well documented.

It is only 12 years since online shopping became possible in the UK. The Interactive Media in Retail Group (IMRG) has looked at the dramatic growth over this period. They find that British shoppers have spent around £100bn in the dozen years that it has been possible for them to shop online (since April 1995). The IMRG Index recorded online sales worth £3.5bn in the year ending April 2007, a huge 55 per cent increase over 2006, and the largest annual rise in the IMRG Index since December 2003 — up from 32 per cent in the previous twelve months.

Online spending grew nearly 20 times faster than the overall UK retail market in 2005, according to published research. Retail analyst Verdict (2006) showed that High Street spending rose by 1.5 per cent in 2005, compared with 28.9 per cent for Internet shopping.

Although the Web still only accounted for 3.1 per cent of total retail sales, the number of online shoppers grew by 25.5 per cent to 14.6 million (see Figure 1).



Source: e-Retail (2006)

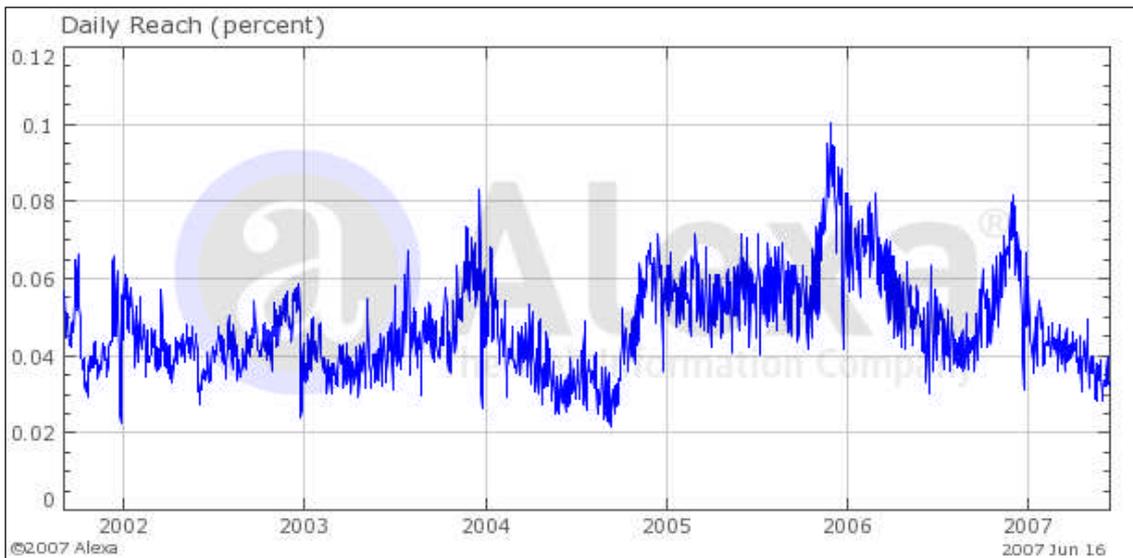
Figure 1

Travel is still the most popular category for online spending, but sales of electrical goods, clothing and groceries are beginning to rise fast.

Retailers who adopted online sales at an early stage are now reaping the benefits. For example, Tesco is now one of the UK's top Internet retailers, with Tesco.com processing approximately £1bn of grocery sales and generating profits of £56m. Amazon, Dell and Argos also rank highly, with Argos transferring its catalogue online to take advantage of the rise in number of Internet shoppers. John Lewis Direct has also been doing well. In the first quarter of 2007, it had achieved a 45 per cent increase in online sales.

There has also been a season influence and 2006 was seen as the 'online Christmas', with online shoppers spending more via the Internet than ever before. John Lewis saw its online sales soar 60 per cent in December. Tesco.com broke all records with 1.3m shoppers buying food and presents on the site in the four weeks before Christmas — up 30 per cent on 2005. Amazon.com had its best holiday season, with more than 4m items worldwide ordered on December 11 — a record for a single day. Figures 2 to 4 do not represent sales but show how much traffic in terms of daily reach Tesco, John Lewis and Amazon have had over the last five years.

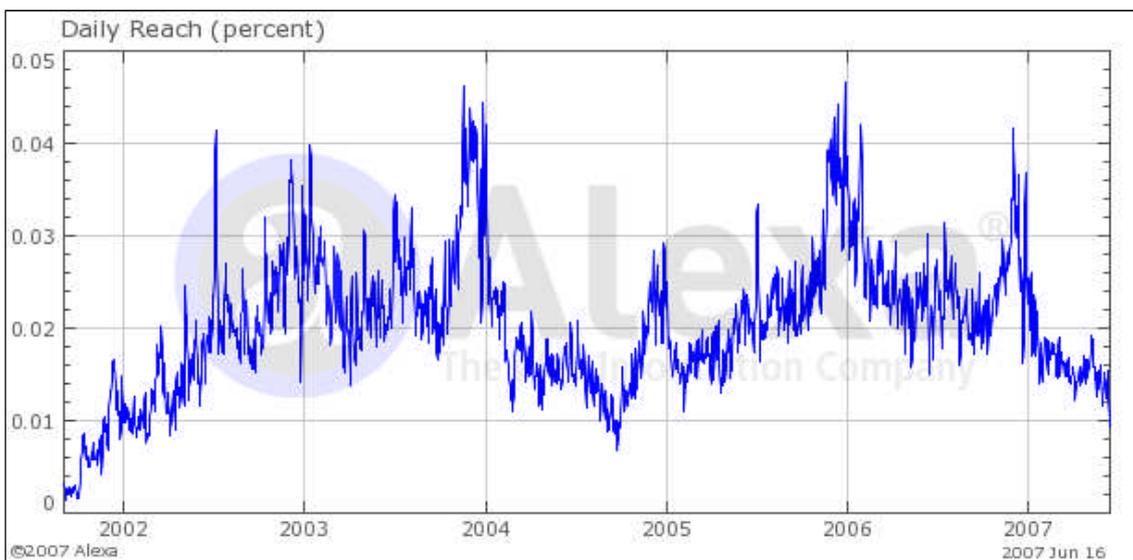
Tesco.com – Traffic graph



Source: Alexa (2007)

Figure 2

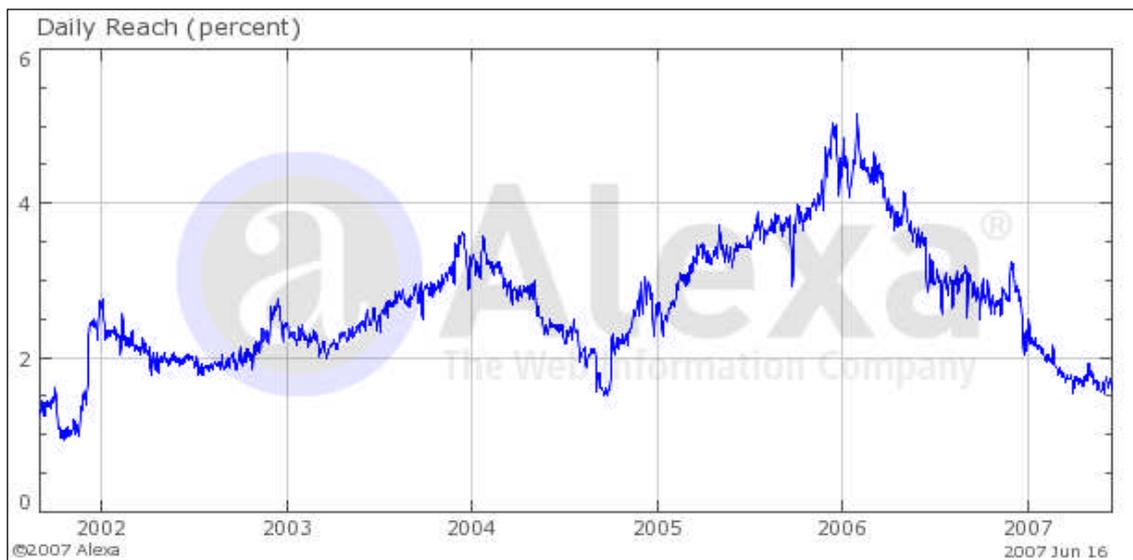
John Lewis.com – Traffic graph



Source: Alexa (2007)

Figure 3

Amazon.com – Traffic graph



Source: Alexa (2007)

Figure 4

Others are working hard to catch up, for example, Sainsbury's announced in 2007 that online sales to date have increased by more than 40 per cent. The retailer plans to double the number of its stores offering online services from 100 to 200.

Forecasts anticipate continuing growth for online shopping as more people access the Internet and more retailers set up online shops. IMRG predicts that online sales will go on increasing, so that they account for 20 per cent of all retail sales by 2010. Internet sales have already grown by an enormous 3,500 per cent since 2000 to an expected £42bn in 2007. This figure is expected to rise to around £78bn by 2010.

According to a study by SciVisum (2006), a web testing specialist, the current average yearly spend, for those shopping online, is approximately £1,070 per annum. Growth is likely to continue well into the future according to analyst firm Forrester Research (2006). They conclude that the UK will lead Europe and the US in e-commerce spending over the next five years to 2011. Their forecasts predict that the average online shopper in the UK will spend £1,670 each year by 2011. This level of outlay would make the UK e-commerce market the largest in Europe, contributing nearly a third of total Internet retail revenue in the continent.

Another factor influencing trends is the increasing diversity of shopping channels. There are emerging opportunities for retailers to sell more online than ever before, not only through the Web, but also via mobile technologies, 'podcasts' and 'vidcasts', digital television and cable channels. The largest areas of growth are expected to be in clothing and accessories, and home and garden products.

4. Reasons for Growth

The significant growth of online shopping over the last decade is attributable to a number of factors:

4.1. Increased broadband penetration

The spread of high-speed broadband has been a major factor in the rising popularity of online shopping in the UK, and the use of this technology is continuing to grow. Penetration rates have generally risen steadily throughout the country; by the end of June 2006, 40 per cent of the UK Internet user population had access to broadband.

4.2. Speed

In comparison to ordinary dial-up connections, broadband has made online shopping more convenient and much faster. Consumers often become impatient if websites are slow to load, and often end up searching elsewhere, resulting in lost revenue opportunities for retailers, poor user experience and a negative brand image.

4.3. Improved Web design

In response to more consumers having access to broadband at work and at home, retailers have improved the quality of their websites. They now offer more functionality, thus taking maximum advantage of faster connection speeds and developing more sophisticated multi-media content, such as videos, product tours, etc.

4.4. Tracking

Measuring a return on investment from marketing spend has become easier with more comprehensive tracking solutions. This approach has given retailers better visibility for their online marketing activities, with higher volumes of traffic and improved profitability.

4.5. Usability

Stores are making the purchase experience as smooth as possible, adopting usability measurement and accessibility tools to widen their target audience. They are analysing purchasing behaviour on their websites to maximise sales and avoid 'shopping basket abandonment'.

4.6. Improved security

With Internet shopping becoming a more accepted way of purchasing products, from books and entertainment to expensive consumer electronics and appliances, people trust the channel more. The biggest concerns, which inhibited consumers in the past, were insecurities and poor experiences. However, companies are overcoming these weaknesses, and encouraging user-generated content on their websites.

4.7. Cultural aspects

Forrester Research's report (2006) suggests that the strong performance by the UK is largely due to early adoption of the Internet, and the penetration and acceptance of credit cards in the UK. Furthermore, the UK has an evident advantage over other European countries, in that successful US web sites which want to expand usually do so first with their UK web site, as there are fewer changes to make and there is a close cultural fit.

This growth is likely to impact positively on those B2C businesses that have an Internet mindset, have effective back-end systems to support their initiatives, and high skill levels in web design and online marketing.

5. The Increasing Importance of the Customer Experience

A report, produced by an online customer satisfaction management firm, ForeSee (2007), based in the United States, ranked the top 100 online retailers on customer satisfaction. They found that the customer's experience with a retailer's website is a major component in determining customer loyalty, and a key indicator for the long-term financial success of a company.

They found that a user's satisfaction with their site experience was the most important criteria for consumers, rather than the lowest prices, which is a strong driver for a lot of purchases in stores on the High Street.

'Satisfaction drives loyalty, positive word of mouth, ROI, and future financial performance', according to ForeSee Results (2007). The firm's researchers observed a 'tight link between customer satisfaction and customers' propensity to choose a particular retailer.'

The following text highlights the commitment of Dell to the customer experience.

Dell Computers

Dell Computers, an early adopter, has been using the Web as a means of selling its products online since 1996. The company now records more than 2 million Web visits per week and conducts about a third of its business online. That usage rate translates into about £35 million worth of hardware, software, and accessories per day. In determining the company's future, and the winners and losers in the next stage of Web competition, Dell is committed to enhancing their customers' experience.

Jerry Gregoire, CIO at Dell believes that building a successful company on the Web is not about 'aggregating eyeballs', 'increasing stickiness', or embracing any of the other slogans that go under the banner of strategy. It is about rethinking the most basic relationship in business: the one between the company and their customers — in terms of how well needs are met, how smoothly problems are solved, and how quickly the company can anticipate future requirements.

The real potential of the Web is a transfer of power: consumers and business customers will secure what they want, when and how they want it, and even at the price they like. Delivering the customer experience is therefore fast becoming an area that could help companies gain a competitive edge.

So, what is the customer experience? Basically, it is the sum total of the interactions that a customer has with a company's products, people, and its processes. It starts from the moment when a customer sees an advert to the moment when they accept delivery of a product, and beyond. Obviously, the product needs to perform, but what is increasingly beginning to matter is the overall customer experience with a company, for example when they talk with a call-centre representative, visit a Web site, buy a product, and then own and use it. The customer experience reflects all of these interactions.

6. Delivering Superior Customer Experience

A recent Bain & Company survey (Allen et al, 2005) reveals just how commonly company executives can misread the market. They surveyed 362 firms and found that 80 per cent of executives believed that their company delivered a 'superior experience' to their customers. But when the customers were asked about their own perceptions, they found that they rated only 8 per cent of companies as actually delivering a superior experience. Clearly, it is easy for the top companies to assume they are keeping customers content; but to achieve that kind of customer loyalty means operating in a different dimension.

So what sets these 8 per cent apart from the others? According to Allen et al (2005), this small proportion takes a distinctively broad view of the customer experience. Unlike most companies, which instinctively turn to product or service design to improve customer satisfaction, the top companies pursue three imperatives simultaneously. They:

1. Design the right offers and experiences for the right customers.
2. Deliver these propositions by focusing the entire company on them with an emphasis on cross-functional working.
3. Develop their capabilities to please customers again and again by such means as revamping the planning process, training people in how to create new customer propositions, and establishing direct accountability for the customer experience.

Each of these imperatives draws on and reinforces the others. Together, they transform the company into one that is continually led and informed by its customers' views.

7. Improving the Customer Experience on the Web

All too often, companies tend to accept subjective self-assessments or anecdotal evidence that their Web site is better or worse than another competitor. Internet performance leaders are more likely to be more demanding than this. They require the same superior performance from their online channel as they do from their call centres or their in-store and High Street outlets. They seek to go beyond the usual performance criteria of availability and response time, and ensure consistency in delivery for users in different locations and with different connections. They examine additional components of the entire end-user-facing business processes that are important in nurturing a positive online customer experience.

These leaders want to ensure that their products can be found, seen, reserved, put in a basket, and easily purchased quickly, efficiently and enjoyably, time and time again.

Whether launching a new Web site or enhancing the current one, companies need to consider how they can improve their site and make it easier to use. The customer experience is one aspect of Web development that is often omitted, which could prove costly. In one of its e-commerce surveys, the Creative Good found that 62 per cent of online shoppers have given up at least once while looking for products on a Web site; and 42 per cent of those shoppers actually abandoned the Internet, often because the retailer did not provide enough information or assistance to guide the customer to completion, and then made their purchases through traditional retail channels.

An e-commerce study undertaken by SciVisum (2006) revealed that speed of shopping on the Internet was the main reason why 57 per cent of people shopped online. However, over three-quarters of online shoppers (78 per cent) were becoming increasingly intolerant of poor website performance, which has led some to turn off their computer. Other common factors cited as causing frustration, or 'web rage', among more than half of online shoppers (54 per cent), is the inability to ask questions by telephone. Other irritations include the technical performance of specific user journeys, with just under half saying website crashes during a transaction are one of their biggest gripes (47 per cent). Usability issues also rank among the top contenders for causing web rage, with complicated registration processes (47 per cent) the inability to find information (46 per cent) or to amend orders (45 per cent) all being named as major annoyances.

The market research firm Connell Associates, based in the US, estimates that although more than 90 per cent of shoppers consider satisfaction with customer service essential to maintaining a positive relationship with a brand or company, yet only 45 per cent believe that companies do not provide it. Online operations face particular problems. Web technology can tempt online buyers into thinking that, as long as the shopper does not complain, then they are satisfied with the experience. This might be the case, and then again, it may not be.

The more the overall customer experience is built into a Web site, the more likely the order-conversion rate, from Web site visitor to paying customer, will increase.

8. Measuring the Customer Experience

The list of technology-based features that online retailers can implement to improve service is almost endless. For instance, in a detailed report, 'Getting Multi-channel Retailing Right,' Johnson (2004) presents an in-depth array of must-haves to enhance the customer experience: buy-online-and-pick-up-in-store functionality, high-speed connectivity, standardised customer databases, Web access through point-of-sale systems and kiosks, real-time inventory visibility, channel-specific product management systems, and advanced forecasting and predictive analytical tools.

If the Website has these features, an online operation should be virtually 'bomb-proof', except when human intervention is called for. Forrester Research reports that 37 per cent of Web buyers do indeed request customer service while shopping online, yet the E-tailing Group (2005) found that an increasing number of retailers were sending automated responses instead of personally answering customer queries, and that only a quarter of the 100 sites surveyed offered 'live' help.

There is a flawed assumption that customers want the same type of service online that they were used to receiving in High Street stores — an interaction with a human being. Self-service is not a proxy for customer service and in the online world, the customer has many choices, so retailers need to provide offerings that are perceptibly special. Most of the goods and services which retailers sell have substitutes, and there are lots of places to shop if the customer just wants to buy a commodity.

According to Forrester Research, there is little doubt that multi-channel merchants have performed poorly when it comes to customer service. In an 18-month survey of 311 customer experience reviews of Websites, phone self-service, kiosks, e-mail, and cross-channel transactions, Forrester found that most experiences failed to pass even 80 per cent of the criteria, which included such factors as ease of navigation, continuity across channels, and the availability of help. Website interactions fared the worst, with only one in ten of the evaluations exceeding the 80 per cent mark.

The following list provides measures that have been identified which should be taken into account with respect to the customer experience in the online shopping retail environment.

8.1. Contact information

Customer service contact information (or a link to it) should appear on every page of the website. If visitors are confused or need additional information, they should be able to find a telephone number and email address quickly and easily. Surprisingly only three-quarters (78 per cent) of firms surveyed in 2005 by the current authors had a visible 'Contact us' button on the home page.

Along with the company's address, phone number, fax number, and email address, the hours and days of operation should be listed. The Web gives people 24/7 access to company websites, and it makes good sense to give customers a timeframe for processing their orders or email requests. Fast response time is an important feature of any Web site; people do not like having to wait.

8.2. Navigation and search functionality

If customers are expected to make purchases and decisions, they should be able to find what they want on the Web site without difficulty. The site's hierarchy has to be logical, and based on customers' wants and needs. It should be easy for consumers to find prices, information about products, payment methods, and return and exchange policies etc.

Maintaining the search engine capability is also important. Studies show that many Internet users often do not bother to click through a site; they go directly to the search engine and type in what it is they want.

8.3. Checkout

E-commerce consultant Creative Good in late 2000 concluded that nearly half of all Internet customers abandon their on-line shopping baskets without making a purchase. In fact, the research firm identifies checkout as the main obstacle on many company Web sites. Why is this? There are many reasons, but it usually comes down to frustration and customers not being able to easily find their way through the purchasing process - customers get aggravated and abandon their transactions.

8.4. Frequently Asked Questions page

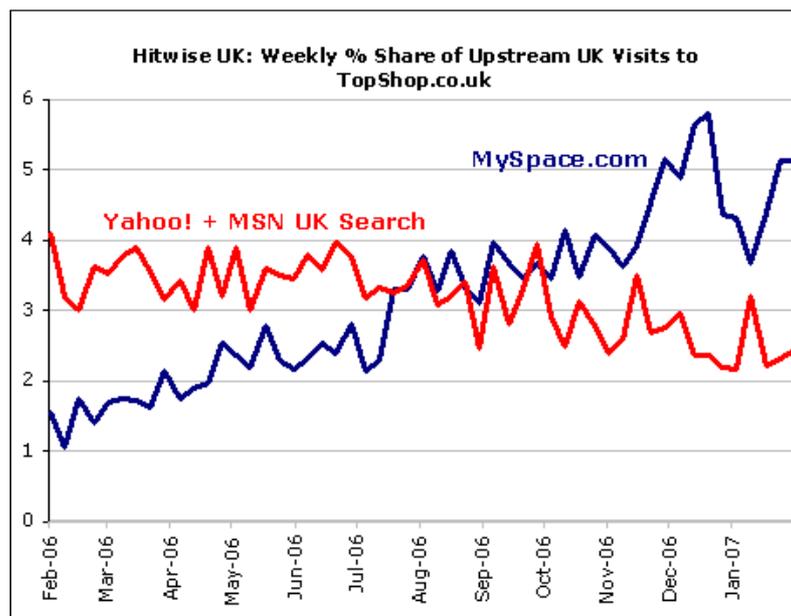
The goal of a frequently asked questions (FAQ) page is twofold: it can give visitors to the site an immediate answer to some of the more straightforward questions, and secondly it can cut down on the number of requests received. It is important to cover the basics and the FAQs should be based on questions customers have asked in the past.

9. Social Networking Sites

Another form of measuring the customer experience has been through the recent emergence of social networking sites. When consumers have had a positive shopping experience, they are more likely to pass recommendations of the product or retailer on to other prospective buyers. Forester Research observed that every customer who has a bad experience on a Web site tells 10 other people about it. It is then difficult to get these frustrated, disillusioned customers back.

Retailers are beginning to embrace the Web 2.0 concept of user-generated content (UGC), via blogs, podcasts, reviews and consumer ratings. UGC bridges the link between the retailer and the consumer on many levels, and is certainly a major reason why comparison shopping engines have recently grown in popularity with consumer reviews and ratings.

Topshop, an Arcadia group company, is one retailer that has benefited immensely from social networking sites. MySpace has given a boost to British fashion retailers, with the proportion of their traffic driven from the social networking site growing fast in the last year. According to Hitwise UK (2006), referrals from MySpace had accounted for just over 5 per cent of visits to Topshop.co.uk (see Figure 5), far higher than searches from either MSN or Yahoo. The Fox Interactive site, which has around 160m users, was the second biggest traffic driver for the store and now accounts for five times the number of referrals it did last year.



Source: Hitwise UK (2006)

Figure 5

Topshop now has a MySpace profile which has already attracted over 4,700 'friends', with links to branded podcasts. According to the profile, the store is a '24-year-old Aries who does want children'. Below are some comments about the new website (2006).

Wednesday, November 01, 2006

The official website has a new look!!!

Got to www.topshop.co.uk to see the new fabby layout! 😄 With loads of new lines added every week, how can you afford not to have a peek! xxx

love the new website! its got loads more stuff on too 😊

I like the new site too — it looks kinda like mine...

The success seems to be a result of participation in the community and targeted offers. Topshop's profile on MySpace includes a blog which includes special offers and discounts.

MySpace has also given a boost to London-based online clothes retailer ASOS.com (formerly As Seen On Screen). Its profile is now giving the store twice as many referrals as 2006.

On the other hand, companies can also build up a negative reputation through blogs that graphically convey adverse customer experiences. The following example (www.weeklygripe.co.uk) highlights the problems that some online shoppers have recently had with a well-known major UK department store.

First posting:

This is my experience of shopping through the website of this major UK (High Street and online) department store. I feel that I have been treated badly so please consider this review and do a little research before parting with your hard earned cash.

I ordered a dress ... and the money flew out of my Visa account in seconds. I was promised a 4 to 5 day delivery so after day 6 with no sign of the goods I started chasing. As there was no contact number, I decided I'd email them.

11 days later I am still e-mailing them and I get various responses. These range from 'thank you for your e-mail which we will respond to in 4 days', to 'the courier company has lost your dress', 'the courier company reported your dress damaged', 'we have no idea where your dress is', 'we have

ordered you a replacement', 'your dress is in transit', 'we are an Internet service so we cannot call you', 'thank you for your e-mail we will respond in 4 days'.

The best one was 4 days ago when they supplied a telephone number that guess what... did not work! Eventually started e-mailing them a couple of times a day in bold text, asking for a refund as I had to find an alternative dress. I printed all the e-mails out and sent them to ... Managing Director ... suggesting they reimburse me my hourly rate for the time I have wasted on this order including finding another dress.

Telephoned their head office ... by going through directory enquiries. They ignored my question whether ... is outsourced to people who cannot speak English and therefore are incapable of making a phone call in the interests of customer service. After some fairly blunt talk on my part, they contacted ... and organised a refund (18 days after placing the order) and only because I was not about to take 'no' for an answer.

How stressful? My advice is to avoid ..., it is the worst online shopping service I have encountered. Not once did they think to contact me and tell me there was a delay. They seem to think it is OK to leave a customer dangling with no information for 17 days plus... just madness. Don't they have processes in place to deal with lost/damaged goods and contacting their customers? It's not rocket science!

Comments from visitors (25/05/07):

I too had a nightmare ... when I ordered a Nintendo Wii and was given a date for delivery. When the date arrived with no delivery I contacted them to be told that they had no idea when delivery would be, they would not contact me to tell me it had been delayed or to give me a new delivery date. The price had been reduced significantly on their website but they would not sell it to me for the reduced price unless I reordered it and waited again for an uncertain delivery date. To all my complaints the only comment I was given was just cancel your order then. That is what I did. I have never used them before and I will never use them again. They clearly have no regard for their customers' satisfaction.

Comments from visitors (31/05/07):

I placed an order 2 weeks ago and have been given 3 delivery dates all of which have passed without receipt of the goods. I have just spoken to Customer Services and requested a refund (although I'll be surprised if I actually receive it without having to phone again). I was told the parcel hadn't been sent yet and that they were waiting for my payment to be authorised. The payment was shown on my bank statement more than a week ago!

The above extracts can be severely damaging to an organisation if widely viewed, yet the criticisms do provide traders with feedback so that they can improve their performance, although it would take time to retrieve lost customers.

10. Online Shopping and the Environment

Another factor to consider is the environment. Is online shopping a good thing for the environment? IMRG in their 'Go Green, Go Online' campaign (2006) identified six reasons why it believes E-commerce is green. They are:

1. *Less road miles.* Shopping is the most common reason for car travel in the UK, accounting for 20 per cent of all trips, and for 12 per cent of mileage. A study by the Swiss Online Grocer LeShop.ch calculated that each time a customer decides to buy online rather than go shopping by car, 3.5 kg of CO₂ emissions are saved.
2. *Lower stock requirements.* The trend towards pre-ordering online avoids the production of obsolete goods that have to be disposed of, thus avoiding wastage in energy and natural resources.
3. *Less printed materials.* Online newsletters and brochures, replace their physical equivalent so saving paper and distribution costs.
4. *Less packaging.* Theoretically there is less need for elaborate packaging if an item is sold online, as this is not likely to be a pre-determinant of an online sale. In some cases there is no packaging whatsoever, for example downloading from iTunes does not require any packaging or plastic.
5. *Less waste.* Across the whole supply chain of procurement, manufacturing and distribution the Internet can help reduce product and distribution cycles. Some even claim that auction services like eBay and Amazon enable redistribution of second-hand items and thus promote recycling.
6. *Dematerialisation.* Better known as digitisation, this is the availability of products like software, music and video in digital form.

10.1. How much could E-shopping reduce greenhouse gas emissions?

A study by Finnish researchers Siikavirta *et al* (2003), which focused on grocery shopping online, suggested that, depending on the home delivery model used, it is theoretically possible to reduce the greenhouse gas emissions generated by grocery shopping by a wide-ranging 18 to 87 per cent compared with the situation in which household members go to the store. The researchers estimated that this would lead to a reduction of all Finland's greenhouse gas emissions by as much as 1 per cent, but in reality the figure is much lower since only 10 per cent of grocery shopping trips are online – but this could change in the future with an increase in the number of online shoppers.

Cairns (2005) has completed a study for the UK which shows the importance of grocery shopping — she estimates that car travel for food and other household items represents about 40 per cent of all UK shopping trips by car, and about 5 per cent of all car use. She considers that a direct substitution of car trips by van trips could reduce vehicle-km by 70 per cent or more.

10.2. Missed deliveries

Many are likely to have faced the problem of not being around for a delivery for an item bought online. This is not only annoying and costly for everyone involved, but gives rise to additional journeys from the delivery company resulting in more emissions. IMRG (2006) estimates that around 12 per cent of deliveries fail the first time, resulting in costs of around £300 million for the retailers, £123 million for the couriers and even £259 million for the consumers, assuming time is costed for sorting out the problem. The report estimates that typically it costs 15 per cent less for a business to trade online compared to operating high-street outlets and this is what gives rise to typically lower prices online, where specified.

However, by reducing the amount of delivery failures, potentially online trading could be still more cost effective.

Can more be done to avoid these missed deliveries? A report by Snow Valley (2006) indicates that this can be potentially achieved by offering the consumer more choice. The report showed that:

- 43 per cent of retailers did not offer any delivery options, compared to 46 per cent in 2005.
- 81 per cent of retailers have specific date options or time of day options.
- 24 per cent offered Saturday delivery in 2006, compared to 23 per cent in 2005.

Innovations are also enabling customers to receive deliveries securely while they are away from home. For example, the top opening lid of a secure delivery box is left closed but unlocked until a delivery is placed in it. The delivery person follows the simple instructions on the lid, activating the lock by pushing in the two locks on either side of the box.

10.3. The ethical consumer and sustainability

Consumers are also becoming more ethically aware, and this is likely to play an increasing role in choosing which retailer to shop online with in the future. The Ethical Consumer Research Association (ECRA) was set up to 'provide information on the companies behind the brand names and to promote the ethical use of consumer power.'

With on-going monitoring it is now possible to assess the behaviour of corporate companies. The website www.ethiscore.org links in with ECRA's main research database at www.corporatecritic.org - a database containing information on the behaviour of over 30,000 companies. It has data on companies from all over the world and seeks to collect and categorise information in five main areas:

- Environment (Environmental Reporting, Nuclear Power, Climate Change, Pollution & Toxics, Habitats & Resources)
- People (Human Rights, Workers' Rights, Supply Chain Policy, Irresponsible Marketing, Armaments)
- Animals (Animal Testing, Factory Farming, Other Animal Rights)
- Politics (Political Activity, Boycott Call, Genetic Engineering, Anti-Social Finance, Company Ethos)
- Product Sustainability (Organic, Fairtrade, Positive Environmental Features, Other Sustainability)

The 'ethiscore' is designed to help users quickly and easily identify the best ethical products to support and the worst companies to avoid. For those retailers reported to be performing badly, this could have a significant negative impact on online sales.

The following section of the report explores views of consumers within the UK to online retail websites in the context of the information described in previous sections.

11. A Positive Customer Experience

On-going research currently being undertaken by The Henley Centre for Customer Management (2007) has explored the views of 100 randomly selected online shoppers — using a short electronic questionnaire — in terms of what they thought were their top retail websites for a positive customer experience within the last six months. The following table lists the top ten in terms of proportion of mentions. This ranking is then compared with the IMRG/Hitwise ‘Hot shops list’ for both May 2006 and May 2007.

Interestingly, the top four from the Henley survey (taking into account equal rankings) are in the same order as for the most recent IMRG/Hitwise ranking. However, other online stores, such as Marks and Spencer, Next, and John Lewis are ranked higher. Apple iTunes is also high on the Henley list, which could be due to an increasing number of people having an iPod, or the fact that the site is frequently becoming used more with an ever expanding catalogue.

Survey Rankings	%	IMRG/Hitwise	IMRG/Hitwise
Top 10	mentioning	May 2007 rank	May 2006 rank
1. Amazon	32%	1	1
2. Tesco	20%	2	5
3. Argos	20%	3	2
4. Play.com	20%	4	6
5. Marks and Spencer	12%	12	19
6. Ebay	12%	na	na
7. easyJet	8%	8	7
8. Next	8%	14	12
9. John Lewis	8%	17	17
10. Apple iTunes	8%	46	46

NB: Ebay not included in IMRG/Hitwise research

Table 1

For the same 100 online consumers, the following Chart (see Figure 6) highlights what constituted a positive customer experience. The top three are: ease of navigation and search functionality; easy to use/user-friendly; and, a good/wide range of items/stock on view

Interestingly environmental and ethical issues did not feature highly in terms of what makes a positive customer experience.



Figure 6

12. Measuring Retailers Performance

So, just how good are retail websites? For this section we tracked the performance of the top retail websites in the UK as identified by IMRG and Hitwise in May 2007 (see Appendix I for list). These websites were measured using a number of different criteria (see Appendix II for more detailed list):

- Average download speed
- Number of links to the site
- Quality of contact information
- Security and privacy policies
- Ease of navigation and search functionality
- Production information
- Checkout
- Delivery options
- The environment

The results are reported below, and a ranking of the sites is also generated in terms of best performance.

12.1. Average download speed

The average download speed of the 50 sites surveyed was captured via a website that monitors website performance (www.globalpromoter.com). The retail website address was entered twice in order to ascertain a performance rating and an average download speed.

For all the sites surveyed the average time ranged from 0.086 seconds (Tesco Direct) — defined as 'extremely fast' — to 2.312 seconds (Screwfix Direct) — defined as 'good' (see Figure 7 below).

12.2. Sites linking into the retail website

Another measure of website popularity and access is how many other sites link into each of the retail sites being surveyed. Figures were obtained using data from the Alexa website (www.alexacom.com). The range is enormous, with retailers such as Littlewoods having only 76 links, to others such as Amazon.com – with a greater worldwide reach - who have 170,900 links into its website.

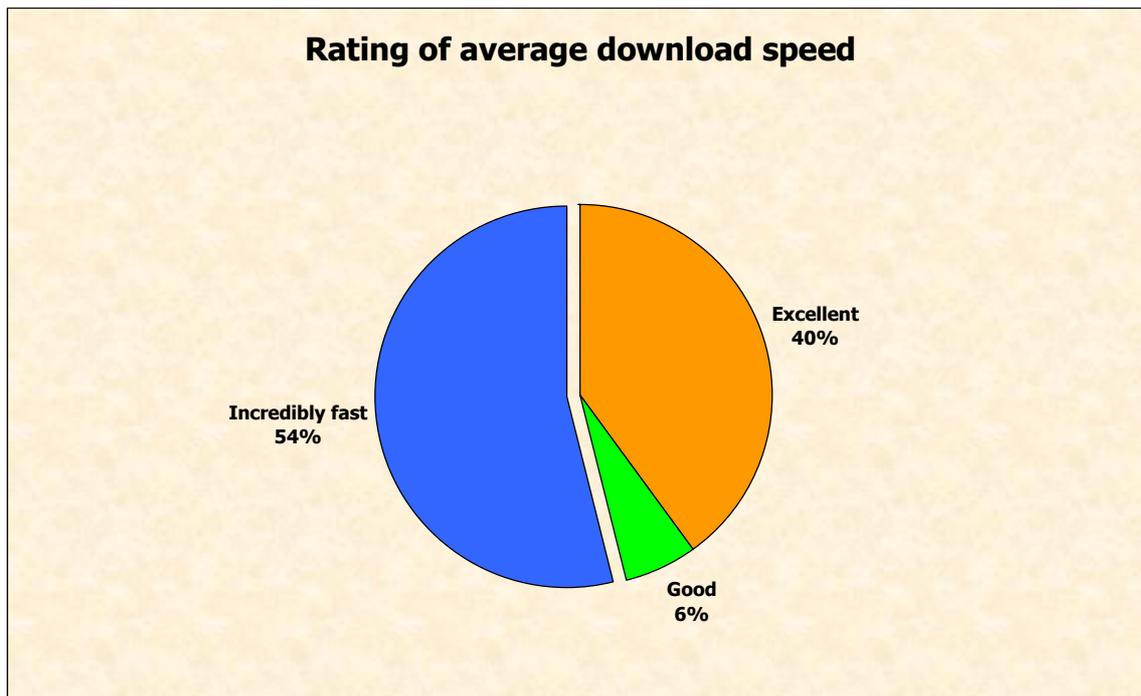


Figure 7

The top five in terms of links are:

- Amazon.com (170,900)
- Apple Computer/Apple iTunes (97,308)
- Amazon.co.uk (28,753)
- HP (17,237)
- Symantec Store (16,743)

Excluding the aforementioned five, the distribution of the remaining websites is shown below. Over a third (38 per cent) has less than 500 links, and 60 per cent have fewer than 1,000 links (see Figure 8 below).

12.3. Contact information

A large proportion of the websites surveyed had easy links to contact information. 64 per cent had a 'Contact us' button that was easy to find on the Home page. With a bit more searching on the Home page, a further 32 per cent could be contacted through other means, for example, 'Customer services', 'About us' or 'Help' type buttons. In the majority of these cases (74 per cent) the relevant contact details could be obtained within two screen clicks.

This left 4 companies who could not, or did not want to be contacted, or their details only became apparent with more in-depth exploration.

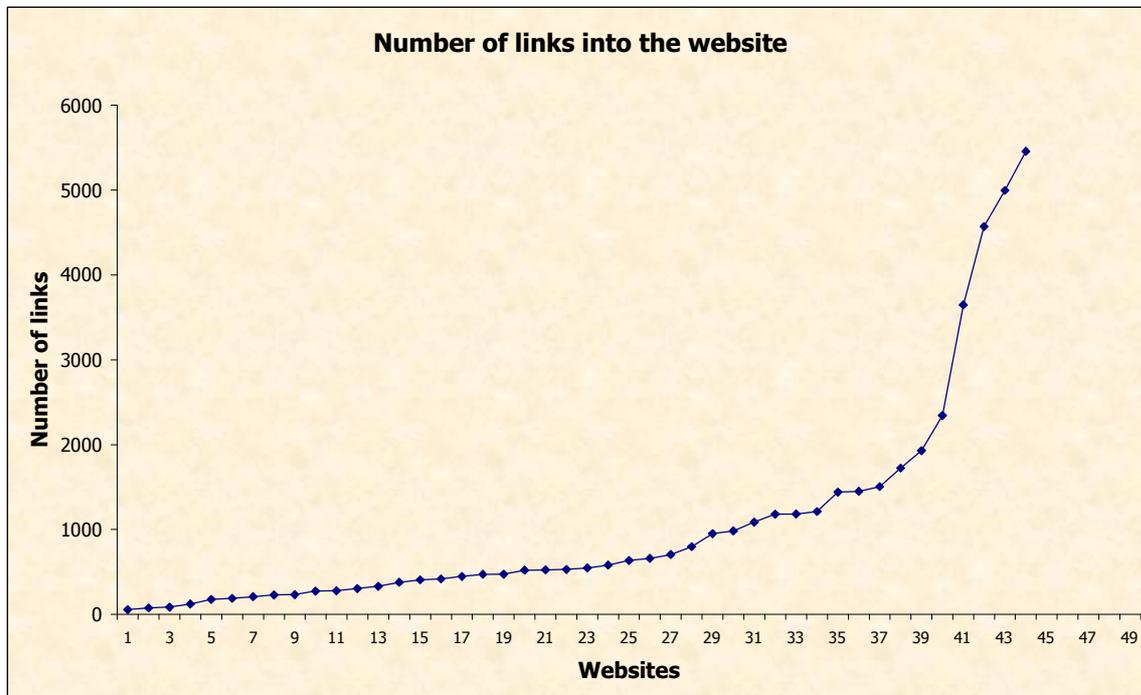


Figure 8

Other features relating to customer contact are highlighted in the table below. A large proportion has the ability to handle problems, complaints and feedback, through a variety of means (e.g. by 'phone, online, by post).

There are a few areas where the website retailers being surveyed performed poorly, most notably the absence of a call back facility.

Furthermore, customers are often likely to be left wondering when they are to be contacted once a request has been submitted. A couple of websites did provide some information on how long customers were expected to wait on the 'phone for a response. However, this ranged from 3 minutes to 30 minutes, the latter probably leading to a great deal of frustration. A handful of websites also had a web chat facility, where users could interact with a 'live' person who could help them through the purchasing process, but this was by no means common practice.

An option for those with a disability or other difficulty was rare. Just having a button highlighting 'accessibility' and conforming to guidelines in terms of the website design does not necessarily help those with real difficulties.

Features available on websites	Yes %
FAQ/Common questions/Self-help sections	90
Option for dealing with complaints, problems, feedback, service	86
Email/online option available for customer enquiry	80
Choice of contact options	74
Telephone/Freephone/Lo-call operating times specified for weekdays	60
Live webchat/Opportunities to express views online	20
Guaranteed response/waiting time indicated	16
Call back facility available	4

Table 2

12.4. Security and policies

Research in the past has often highlighted the concerns that consumers have had with respect to data protection and secure purchasing online. Within the sample of 50 retailers, all had a private policy statement or description that could be easily accessed.

Less than half though (42 per cent) had a security statement or logo that was easily visible on their home or shopping page that gave the consumer buying confidence. In a number of cases this security feature may be there, but there was no clear indication that this was the case. The logos below clearly illustrate the website credibility (see Figure 9)

Examples of credibility logos



Figure 9

12.5. Ease of navigation and search functionality

Navigation was fairly straightforward in 92 per cent of the websites looked at. It was easy to move backwards and forwards, and move to different parts of the website with prominent

navigation tools in the left bar. For the minority, it was not easy to move back and forth and it often took time to end up where the user started, which can lead to customer frustration.

Moving to 'product' lists within a website was also straightforward in 98 per cent of cases, and this required only one or two clicks by the user. Once in a retailers website it is often quite clear how the products are split (e.g. electrical goods, cosmetics, fashion etc) and this helps the user channel down to the products that they are interested in and check out the price and features.

A small proportion (16 per cent), offered the user different or more tiered options in the search facility (e.g. by brand then price).

12.6. Product information

For the retail websites surveyed the majority (92 per cent) displayed a wide range of products or choices, and the information associated with these products was clear in almost all cases (98 per cent). Images were clear and were fast to download.

Two features that were not common across the retail websites were comparisons with other products, where applicable, and product ratings/reviews. For the former (a feature in 10 per cent of websites surveyed), this can help the consumer make a better, more informed decision and the latter (a feature in 16 per cent of websites surveyed) the consumer can be swayed by opinion and positive or negative reviews. Furthermore, only 6 per cent gave price comparisons with other products.

Although some sites offered discounts and price promotions, it was not clear whether it was cheaper to buy online compared to purchasing in a store or over the telephone. Websites specialising in car insurance were not featured in the top 50 list, but they tend to indicate how much cheaper it is to buy online compared to other means. Within the top 50, this could not be ascertained.

12.7. Checkout

In order to proceed to the checkout within a retail website, the user is required to register details or information about themselves (i.e. name, address, email, telephone number etc). By doing so they are setting up a unique user identifier (set by username and password or other form of login) which can be used again and again when purchasing from the same retail website. After registering for the first time, the process becomes quicker the second time around, and the sites can generally recall information without having the user to type details in again.

All of the sites surveyed provided precise details of what was to be paid, in terms of the product and delivery, and these were clearly laid out. When it came to checkout, 98 per cent offered a choice of payment options by card – the 2 per cent required the user to set up a direct debit.

The checkout process was very quick in 92 per cent of cases. In the remaining cases, the process was either too slow (enough for the user to give up in 2 cases), or the system crashed leading to frustration.

12.8. Delivery options

For about a third of websites (34 per cent) delivery was not an option — this included purchasing e-tickets on-line for flights, or downloading software or music to the desktop computer, and was thus fairly instant. For the remainder, delivery options were clearly explained in 50 per cent of cases, with 16 per cent not providing enough detailed information.

Excluding websites where a physical delivery was not an option:

- Only 27 per cent offered a choice of delivery date that would suit the customer;
- 21 per cent gave the opportunity for the user to state special delivery instructions;
- 24 per cent would deliver on a Saturday;
- 48 per cent would have to pay for delivery irrespective of how much was spent. 33 per cent got free delivery if they spent over a certain amount and the remaining 19 per cent were offered free delivery.

In two-thirds of cases orders could be tracked, and in 90 per cent of cases there was a returns policy that could easily be viewed.

12.9. The environment

Despite the on-going debates about the environment in the media, relatively few of the retail websites surveyed (12 per cent) made any visible reference to their environmental stance. This was somewhat surprising for some of the airline companies. Only British Airways and Flybe noticeably made reference to the environment and discussed issues such as carbon footprint.

Although ethics and sustainability were not used as measures in this research, only five of the 50 organisations in this study appeared in the top 100 companies for Corporate responsibility (Sunday Times, 6th May 2007).

The following table summarises the issues relating to website performance.

Website Performance	Yes %
Ease of navigation to product listings	98
Choice of payment options offered	98
Ease of navigation within the website generally	92
Wide range/choice of products available	92
Checkout fairly speedy	92
Returns policy clearly displayed/accessible	90
Delivery options clearly explained*	50
Security statement/logo clearly visible	42
Choice of delivery date*	27
Saturday delivery*	24
Opportunity to state special delivery instructions*	21
Free delivery irrespective of amount spent*	19
Tiered options available in search facility	16
Reference to impact on the environment	12

* - where applicable

Table 3

13. Benchmarking for Best Practice

These 50 retailers were then scored according to the detailed criteria (see Appendix II for scoring method). By summing the score for each of the measures, the maximum possible is 50 and the minimum is zero. A 'league' table of the top and low performers is shown in Appendix III.

Based on the measurement criteria the following table highlights the top 20 performers in terms of the overall customer experience for shopping or potentially shopping online. Retailers overall score very well, with 36 out of the 50 scoring 70 per cent or more; and there would seem to be little to differentiate between the top 20, with only four points separating them.

Scores range from 44 per cent to 84 per cent, with 46 companies scoring over 60 per cent, and only 3 companies scoring 80 per cent or higher.

Although the companies in the table score relatively highly, there are areas where these organisations could improve their performance, especially with respect to delivery options, sophisticated search facility and issues relating to the environment. For the companies scoring below 60, there seems to be problems in engaging in a meaningful interaction with their existing or potential customers via the website; this could be down to the website not performing on the day, leading to frustration for the user, or that they are not capturing the essence of the true customer experience.

Areas where e-retailers can improve their customers' online experience are discussed in the next section.

Position	Retailer	Score	%
1	British Airways	42	84
2	First Choice	40	80
3	Ebuyer	40	80
4	Expedia.co.uk	39	78
5	Marks & Spencer	39	78
6	Travelodge UK	39	78
7	Flybe.com	39	78
8	Odean Cinemas	39	78
9	Amazon UK	38	76
10	Tesco.com	38	76
11	Argos	38	76
12	Amazon.com	38	76
13	Apple Computer	38	76
14	easyJet	38	76
15	Thomson Holidays	38	76
16	Thomas Cook	38	76
17	Comet UK	38	76
18	Thomsonfly.com	38	76
19	Jet2	38	76
20	HP	38	76

14. Improving the Customer Online Shopping Experience

There are a number of factors that can improve the quality of the customer online shopping experience for retailers in general. These are discussed as follows:

14.1. Qualitative issues

- The brand identity should be unique; it should come through in all areas of the site and across all stages of the customer experience.
- The online shop should engender trust – making the customer feel that he or she is dealing with a business that takes security and privacy seriously. In addition to

providing online privacy/security assurances where expected, the site should qualitatively look and 'feel' trustworthy.

- They should enable and encourage their customers to participate actively in the online shopping experience. They should be able to do more than just read and buy. They should offer customer ratings of their products, and facilitate other social and participatory actions, including connections between users. Their site should thus gain value from the actions of users.
- The design and functions of their online shop should be innovative, not only in its use of technology but in visible elements of the site, so that customers experience delight from the innovation.
- Customers should find their online shopping experience engaging — overall, through every stage and channel, and from the site's tone, flow, interface, relevance and ease-of-use.
- The online experience should seamlessly integrate with traders' High Street shops. Their online shoppers should find it easy to check availability, pick up orders and return merchandise.

14.2. Evaluative considerations

Good online retail sites should display:

- Simplicity and clarity of language
- Use of graphics and icons
- Display and arrangement of text
- Navigation through the site
- Organisation of tasks
- Product range and descriptions

In practice, therefore retailers should use language, and choose graphics or icons, that are easily understandable by target users. The text should be easy to read. Users should find navigation elements easy to recognise and follow. Task entry points should be readily available from the main page and appropriate sub pages. Users should find the range and detailing of their products to be informative and intuitive.

14.3. Features of the online shop

The features of the online shop should incorporate:

- Decision support tools
- Mechanisms for handling and offering corrections to search errors
- Clear presentation of search results
- Algorithms which maximise search relevance and minimise 'noise'
- Search ranking
- Guided search and results filtering
- Display of their products
- Capability of finding related products
- Personalisation
- Easy to follow and secure checkout process
- Price transparency

- Remembering previous transactions
- Help and guidance
- Tracking of orders

Online shops should therefore have effective decision support tools to guide customers who are exploring their site – including peer recommendations, independent ratings of products, supporting content, and automated suggestions. The search process should respond well to vague or mis-spelt searches, with an easy to use interface. Results should reflect original search parameters, and they should correctly order results to highlight the most relevant findings. It should be easy to narrow or widen the focus of the search.

They should enable customers to display products with the help of appropriate visualisation tools (for example, alternate views, pan/zoom, etc). Their product pages should direct customers usefully to related products. For customers revisiting their site, they should show that they recall previous visits and transactions, and they should personalise the subsequent experience.

It should be easy to keep track of things each customer wants to buy. The checkout process should be logical and secure. They should ensure that users are fully aware of all applicable charges before they commit to a purchase. They should recall customers' payment and shipping preferences.

Shopping sites should provide contextual help when customers are most likely to need it – for instance, for complicated transactions, registration, shopping basket contents, and so on. Customers should be able to track accurately the whereabouts of a shipment to them, and traders should ensure that goods arrive on time as promised. They should enclose friendly, crystal clear return instructions, with return labels, with shipped packages, and they should offer options for refunds by cheque, payment into a card account, or cash on site.

The privacy policy should be transparent to customers, who should find it simple to access a history of their transactions. They should offer to keep them in touch with developments and future products, if they wish, but make it simple for them to unsubscribe.

15. Thoughts for the Future

With an increasing numbers of online shoppers and improvements in technology, it is difficult to foresee what the next development will be. One likely development, however, revolves around website functionality.

15.1. Improving functionality

Most online shops today organise their product information catalogue in a hierarchical or feature-oriented way. In the hierarchical method, shoppers go step-by-step and level-by-level from the general to the specific. In the feature method, the shopper completes a form which defines his or her requirements and preferences. Once completed, the online trader uses the form to compile a query, and then runs it against the database of all available products. Both methods lead to particulars and illustrations of items on offer. But both can make it difficult and time consuming for users to track and evaluate the fine detail of products – details which often make the difference between satisfaction and dissatisfaction – especially for shoppers new to a product domain.

An alternative is a needs-oriented approach, which means asking shoppers not about the desired features of a product, but about their expectations, interests and intentions. An example is the IBM online store; it uses the metaphor of a sales assistant to guide users through an interview to ascertain why they want a product and how they intend to use it, leading to a personalised selection.

Online shops should therefore offer needs-oriented advice that will be of special value to newcomers. However, they should not lock their customers into a 'beginner mode'. Rather, they should have the option to switch between feature-oriented and needs-oriented ways to specify their product requirements. A related component of the site is to give visitors to the online shop an implicit or explicit option to classify their level of experience. They can provide an adapted user interface that balances requirements for needs- and feature-oriented guidance.

15.2. Fostering customer loyalty

In physical and online shops, customer loyalty typically leads to increased profit and growth. Estimates indicate that even increasing the number of loyal customers by only 5 per cent can result in a 30–85 per cent increase of profitability. One reason is that loyal customers are more willing to pay a higher price; another that they are often easier to satisfy.

In online trading, the need to retain customers is particularly acute. Why? On the Internet, customer loyalty is generally low, and it costs far more (between 20 per cent and 40 per cent more) to attract new online customers. In practice, that factor means that many online stores do not show a profit from a new customer even a year after the first incidence of repeat business from that customer. The more customers who shop online, the more likely that profit will be realised in the medium-long term.

15.3. High quality service

The key to retaining customers, and thus showing a profit, is top quality customer service. Companies should match the criteria by which customers are likely to assess the quality of a retail outlet. High Street shops and the products they display should have a neat, clean, visually appealing and up-to-date appearance, in keeping with the thrust of the ventures. Their services should be prompt, dependable and error free, and based on sound knowledge of their field. They should deliver exactly on time and as promised, and try willingly and sincerely to resolve customers' problems. They should give their customers courteous, individual attention; they should never be too busy to respond. Their operating hours should be convenient to customers, who should feel confident and safe in the shops.

Online shops should match these quality standards. Also, they should ensure that they meet other criteria, which research shows is essential. They should avoid using annoying banners, ads or distractions which have a tendency to put people off. The guidance they offer and ways for the customer to find what he or she needs should be effective, easy to follow and supportive. The security of payment mechanisms should be inviolate, and save customers time by not having to repeat information already supplied.

15.4. Strategic and competitive positioning

Key to their progress in developing the physical and virtual outlets should be customers' sensitivities. The purpose of companies should be to acquire and retain potentially good buyers, and to enrich their shopping experience. To this end, building a database of customers, so that they can usefully classify or segment demand, and employ micro-marketing strategies is essential. One approach that can be used is 'fuzzy' classification, where buyers can be grouped and their value assessed in terms of their trading activities. Loyalty programmes can then be reliably launched, marketing can be refined, and profits built.

Often, retailers, especially those with online shops, focus strictly on the shopping function. However, some choose to enrich their shops with additional functions geared to clusters of linked services and the interests of their communities. The shops with this broader remit display a strong integration of physical and online distribution channels. High Street shops and online shops can seek to promote diverse ventures, and develop communities of interest in their local and virtual domains, as well as keeping abreast of issues such as the environment, the ethical consumer and sustainability.

Appendices

Appendix I: The IMRG/Hitwise Hot Shop List – May 2007



1. Amazon UK
2. Tesco.com
3. Argos
4. Play.com
5. Amazon.com
6. Expedia.co.uk
7. Apple Computer
8. easyJet
9. RyanAir.com
10. British Airways
11. Thomson Holidays
12. Marks & Spencer
13. Dell EMEA
14. Next
15. lastminute.com
16. Tesco Direct
17. John Lewis
18. HMV.co.uk
19. Ticketmaster UK
20. First Choice
21. TalkTalk
22. Currys
23. B&Q
24. QVCUK.com
25. Thomas Cook

26. Comet UK
27. MyTravel UK
28. Thomsonfly.com
29. PC World
30. Travelodge UK
31. Symantec Store
32. Woolworths UK
33. bmibaby
34. Packard Bell UK
35. The Orange Shop
36. ASOS
37. Flybe.com
38. Littlewoods
39. Jet2
40. HP
41. Ebuyer
42. Odeon Cinemas
43. ASDA
44. Maplin Electronics
45. Screwfix Direct
46. Apple iTunes
47. InterContinental Hotels Group
48. Boots
49. Seetickets
50. TopShop

Appendix II: Best practice criteria

Criteria	Scoring method
Top search in Google	1=Yes, 0=No
Download speed verdict	3=Extremely fast, 2=Excellent, 1=Good, 0=Mediocre
Sites linking in	3=Over 1,000, 2=Between 500-1,000, 1=Up to 500, 0=None
Is there a 'Contact' or 'Contact us' button on the Home page?	2=Yes, 1=Other means, 0=No
Is the 'Contact us' button easily visible, i.e. large font (Very, Fairly, Not)?	2 =Very, 1=Fairly, 0=Not
How many 'screens' do you have to go through in order to get the contact details required?	3=Up to 2, 2=Three, 1=Over three, 0=Not to be found
Call back facility?	1=Yes, 0=No
Are Telephone / Freephone / Lo-call / Operating times specified for weekdays?	1=Yes, 0=No
Are there an option for those with disability / other difficulty?	1=Yes, 0=No
Contact us' details: Is there an Email/online option available for a general customer enquiry?	1=Yes, 0=No
Do you have a choice of contact options?	1=Yes, 0=No
Is there an option for complaint handling, problem solving feedback or customer service?	1=Yes, 0=No
Is there a guaranteed response /waiting time indicated on the site?	1=Yes, 0=No
Are there obvious assurances of privacy and personal data protection or a privacy policy statement?	1=Yes, 0=No
Is there a FAQ or Common Questions or Self-Help section(s)?	1=Yes, 0=No
Site security statement/ logo on home/ shopping page	1=Yes, 0=No
Search facility to categorise according to brand, price, product	2=Can sort by more than one category, 1=Sort by one category, 0=Cannot categorise
Easy to navigate backwards and forwards	1=Yes, 0=No
Number of screens to get to product lists	2=Up to 2, 1=Over 2, 0=Not to be found
Wide range of products/ choices shown	1=Yes, 0=No
Comparisons with other products	1=Yes, 0=No
Product ratings / reviews	1=Yes, 0=No
Information clear?	1=Yes, 0=No
Delivery options clearly explained	1=Yes, 0=No
Telephone number on screen available if a problem	1=Yes, 0=No
Price comparisons	1=Yes, 0=No
Discounts shown for buying online	1=Yes, 0=No
Free delivery?	2=Yes, 1=Over a certain price, 0=No
Costings clearly laid out	1=Yes, 0=No
Choice of delivery date to suit customer	1=Yes, 0=No
Ability to state special delivery instructions	1=Yes, 0=No
Saturday delivery stated	1=Yes, 0=No
Can it remember your details from previous visits	1=Yes, 0=No
Choice of payment options by card	1=Yes, 0=No
Returns policy/ Change options	1=Yes, 0=No
Speedy checkout	1=Yes, 0=No
Speedy process, or tempted to give up/website crash	2=Speedy, 1=Fairly speedy, 0=Slow, crashed
Can orders/ bookings be tracked?	1=Yes, 0=No
Reference to green issues?	1=Yes, 0=No
Is there live webchat/ community or opportunities to express views online	1=Yes, 0=No
Opportunity for feedback	1=Yes, 0=No

Appendix III: Best practice performance

Position	Retailer	Score	%
1	British Airways	42	84
2	First Choice	40	80
3	Ebuyer	40	80
4	Expedia.co.uk	39	78
5	Marks & Spencer	39	78
6	Travelodge UK	39	78
7	Flybe.com	39	78
8	Odean Cinemas	39	78
9	Amazon UK	38	76
10	Tesco.com	38	76
11	Argos	38	76
12	Amazon.com	38	76
13	Apple Computer	38	76
14	easyJet	38	76
15	Thomson Holidays	38	76
16	Thomas Cook	38	76
17	Comet UK	38	76
18	Thomsonfly.com	38	76
19	Jet2	38	76
20	HP	38	76
21	Currys	37	74
22	QVCUK.com	37	74
23	The Orange Shop	37	74
24	Dell EMEA	36	72
25	Tesco Direct	36	72
26	HMV.co.uk	36	72
27	TalkTalk	36	72
28	Symantec Store	36	72
29	Maplin Electronics	36	72
30	Screwfix Direct	36	72
31	Apple iTunes	36	72
32	InterContinental Hotels Group	36	72
33	Boots	36	72
34	B&Q	35	70
35	bmibaby	35	70
41	John Lewis Stores	35	70
36	RyanAir.com	34	68
37	ASDA	34	68
38	Play.com	34	68
39	MyTravel UK	33	66
40	lastminute.com	32	64
42	Ticketmaster UK	32	64
43	TopShop	32	64
44	Next	31	62
45	ASOS	31	62
46	Littlewoods	31	62
47	PC World	28	56
48	Packard Bell UK	28	56
49	Woolworths UK	26	52
50	Seetickets.com	22	44

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The Henley Centre for Customer Management

The Primary Objective of the Henley Centre for Customer Management is to promote Customer Focus and Service Excellence best practice through observing practice in leading companies and synthesising this into useful knowledge that helps members to improve their own Customer Management and Customer Service plans and implementations.

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