Delivering an Effective Online Buying Experience

How many of our graduates are in the on-line sale business? If you are, I wish to share with you the findings of a recent investigation of some 13 websites in China which might come as a surprise.

Making your customers “feel good” during their online experiences is (going to be) one of the primary concerns of business executives, especially as more “e-Bay like” transactions take place online. To a large extent, the challenge of online is similar to retail and call center touch-points—how to deliver a differentiated experience given severe competition and limited resources.

Complying with the quality level set by renowned standards organizations or achieving high customer satisfaction scores are proving more and more irrelevant in delivering a differentiated experience. Nobel prize-winning psychologist Daniel Kahneman found that people remember really only two things during an experience: how they feel at the peak (the best or worst point in the process) and how they feel at the end. I apply that “Peak-End Rule” in Figure 1 by mapping the level of emotional feelings on each sub-process in a natural-time sequence into an “emotion curve”, for an on-line sale transaction.

The emotion curve in red represents the conventional approaches aimed at making all aspects of an experience ideal. The emotion curve in blue reflects a new way to reallocate resources, to focus on the peak and the end, while leaving the performance of the remaining sub-processes below average standards. The less efficient one (the blue emotion curve) generates a more effective experience (a higher level of positive emotions and memories at the peak and the end) than the more efficient one (the red emotion curve), while it consumes the same or even a lower amount of resources.

To illustrate this with a real-world example, I use the recent research findings from the Customer Experience X-VOC Research—Online Experience (eCommerce) in Mainland China, jointly conducted by GCCRM (www.gccrm.com) and US-based Web Analytics Association (www.webanalyticsassociation.org), with 2,015 valid responses. We categorized the entire online buying experience into 22 sub-processes, assessed respondents’ emotional feelings and mapped the emotion curves of surveyed websites to derive the drivers of positive and negative online experiences. Unlike most conventional satisfaction surveys, this research adopted the natural time sequence from beginning to end of the entire online buying experience. It was experience-centric instead of focusing on process and efficiency.

The online buying experience was categorized into 22 sub-processes in sequential order:

S1 Loading speed
S2 Visual design
S3 Site navigation
S4 Effective links
S5 Search functionality
S6 Product category
S7 Product display
S8 Product info
S9 Product review
S10 Product variety
S11 Product price
S12 Product quality
S13 Online enquiry
S14 Purchasing history
S15 Customized web page
S16 Customized promotion info
S17 Payment option
S18 Freight costs calculation
S19 Delivery option
S20 Order confirmation
S21 Goods return policy
S22 Complaint system

Thirteen popular eCommerce websites were included in the survey. 51.91% of survey respondents said they “most liked” Taobao (www.taobao.com) while 19.77% “least liked” eBay China (www.ebay.com.cn). Below (Figure 2) are the emotion curves which match the emotional feelings at the 22 sub-processes of the entire online buying experience between Taobao’s “most liked” curve and eBay China’s “least liked” curve. (Note that we compare only the “love” curve of Taobao and “hate” curve of eBay China for this illustration. There are also 8.08% of responders who chose Taobao as their “most liked” site and 12.2% who chose eBay China as their “least liked” eCommerce website.)

Comparing these two emotion curves, you will notice that Taobao (the orange emotion curve) is far more efficient and effective (in an absolute sense) over all the sub-processes than eBay China (the navy emotion curve). This may explain why most survey respondents characterized their online buying experience with Taobao’s as “most liked.” But in a relative sense, Taobao is no more effective than eBay China. Neither of them optimizes resource effectiveness; their emotion curves are too gentle. What I mean by that is they are performing “too well” (arbitrarily) and “too average” in all aspects of an online buying experience; they are not delivering target brand values and memorable pleasures at the peak and the end; and Taobao is not creating enough pain (yes, pain).

I imagine, by now, that, although you find my idea interesting, you may have some questions. How do you select and verify the right peaks? How do you deliver target brand values and branded experience? Where—and to what extent—are you wasting and/or not allocating adequate resources? How do you create the optimal threshold of pain?

You can address these concerns in systematic and quantifiable ways through branded CEM (customer experience management). The easy part is to evaluate, design and implement a branded experience with the assistance of the branded CEM models. The harder part is for an executive to propose creating more pain for customers (much more than what the industry would tolerate) so that spared resources would be reallocated to create a higher level of pleasure at the peak and, as a result, deliver a more effective (memorable) and differentiated (branded) online buying experience. Well, you could figure what kind of response (resistance) that executive would face if he/she were to do so, taking a paradigm shift from “efficient” to “effective”!

Sampson Lee teaches for our programme at the HKU an ECOM module on Customer relationship management: business strategies and techniques. He is the President and Founder ofGCCRM. He invents the Branded CEM (Customer Experience Management) Method (U.S. patent-pending). Graduates interested may write to him at Sampson@gccrm.com.