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## E-tailers need to offer more payment options - survey

The UK's online retailers are missing out on potential sales because they are not offering a large enough range of payment methods, and 50% of regular online shoppers' will cancel their purchase if their desired method is not available.

So says a YouGov survey of 2,000 UK web users commissioned by **ClickandBuy**, which suggests that e-commerce sites should catch as many customers as possible by providing alternatives to credit or debit card payments.

While many smaller online retailers have offered alternative payment options like PayPal for a while, there aren't many high street retailers that are doing this online, Boots and Burton are the only two that I know of.

Some very successful online retailers have these options; Kiddicare has been offering Google Checkout and Paypal for a while, and recently added a cash payment/Voucher system, while the Book Depository has just added PayPal to its site.

The **ClickandBuy** survey offers some compelling reasons for offering more than just card payments to customers. For instance, a third of said they would be more comfortable purchasing from a retailer with a wide range of payment options:



The survey also suggests that concern about fraud is still an issue for some online shoppers. Whatever the actual threat of online fraud, the respondents to this survey clearly feel it is on the rise, though the wording of the question may have something to do with this.

Of the 32% of adults surveyed who do not regularly shop online, 54% said that this is because they are concerned about the security risks of entering credit card details online, so clearly offering alternative payment options is one way for retailers to deal with these fears and appeal to these refuseniks.

There are other ways too, as I mentioned in this post. As Bryan Eisenberg suggested, offering the alternative of paying over the phone is one way, but some retailers can also do more to reassure customers that their card details are safe, by using logos and providing information about server security.

The threat of card fraud online can also be exaggerated too; while there is no denying that it is an issue, it has to be set alongside the growth in online retail.

According to APACS, while card-not-present fraud losses, which includes internet, mail order and telephone shopping, rose by 243% between 2001 and 2008; the total value of online shopping transactions alone increased by 524% in the same period. The growth has been slowing too; 13% in 2008 compared with 37% in 2007.