

ARTICLE

May 03, 2006

Do Security Icons Really Increase Conversions? A/B Test Results from PETCO.com

SUMMARY

Last year Americans spent \$143 billion shopping online. So you'd think what with ecommerce being more than a decade old that most consumers aren't fretting about payment security anymore.

That's what the Web design team at PETCO thought -- and it made sense, especially since they are such a big trusted brand name offline.

However, anything remotely plausible is worth testing to increase conversion rates. So PETCO.com ran three A/B tests on its home page. Here are the results:

CHALLENGE

You're the ecommerce arm of a famous-name retail chain. Tens of millions of Americans shop in your stores online and off every year. They know your site is safe, right?

At least that's what the ecommerce group at PETCO thought. A VeriSign logo was displayed on the checkout page where visitors are asked to key in personal information, but the company had a policy of not including certification logos on the home page.

"I thought it cluttered up the site, plus on the home page you're not doing anything that requires security," says John Lazarchic, VP eCommerce PETCO.com. Besides, "in this day and age you think, gosh, everybody's got to be over those [security] concerns."

On the other hand, the news media has been harping on security breaches and identity theft, and Lazarchic thinks most people don't distinguish between identity theft and credit card theft.

And he had heard, repeatedly, that a third-party security icon, when used on a home page, could improve conversions. So the team ran some tests that involved displaying a security logo on the home page and on subsequent pages of the PETCO.com site.

CAMPAIGN

The initial test began in October 2005, placing the security icon on the bottom left-hand corner of the navigation bar on the home page and all subsequent pages of the site by simply inserting a snippet of code.

Then, throughout January and February 2006, they tested the logo in different places on the home page:





6.3% increased conversion

–Bottom left corner, at the end of the navigation bar but above the footer



1.7% increased conversion

–Bottom right corner, below the footer (lowest spot on the page)



8.8% increased conversion

–Top left corner, between the search box and the left-hand navigation bar

That last location, Lazarchic points out, is about as visible as he could get. Anyone who searched the site, either via the left-hand navigation or search, would be bound to see it.

Since home page real estate above the fold is gold, a company might think twice about adding an image that could distract from the job at hand: getting people to where they want to go or to highlight a promotion. That tiny amount of invaluable real estate is surely too small to waste on reassurances people don't need until they're further into the shopping process, right?

The team cooked visitors to ensure that those who saw the logo on the home page saw it on subsequent pages, and ran 50/50 split tests -- with 50% seeing the logo and 50% not seeing the logo -- each time they changed the logo's location.

RESULTS

"It's kind of against everything we hoped for," Lazarchic says wryly. "We wanted it at the bottom. But the differentiation was so substantial that we had to say, despite what we want, the customers are saying this is where they want the logo. Obviously, there's still concern [over security] even by your best customers."

He found that:

--The initial test in October, with the logo in the lower left corner of the navigation bar, resulted in an 8.15% increase in conversions.

--When the logo was tested in that spot again in January, conversions increased 6.31%.

--Placing the logo below the footer on the lower right increased conversions only 1.76%.

--Placing the logo on the upper left between the search box and the navigation bar increased conversions 8.83%.

Since the test, the logo has remained in the top left corner between the search box and the navigation bar, and the conversion increase has remained near 9%.

The logo did not affect average order value, indicating that the comfort level a consumer feels knowing he is shopping with a safe company doesn't affect the amount of money he's willing to spend.

"We test things quite often. We're always changing things, and the majority of the time we're pretty well on target," Lazarchic says.

Occasionally, though, they're off base. For example, PETCO ran a test on a "bill me later" option that gives customers 90 days to pay. "We thought, if you're buying \$50 in dog supplies, do you really need 90 day payments same as cash?" But it turns out that people really like the option.

About the security logo, "We were so off base. You get tunnel vision and get so ingrained in your own value proposition that you think, 'Yeah, we don't need that.' The customer still wants validation that shopping online is safe."

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