

# WWD TUESDAY

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## Retail Site Errors Create \$9B Risk

**By Denise Power**

**M**isbehaving Web sites will put \$9 billion in sales at risk this year, according to Harris Interactive research findings released yesterday.

Web site hiccups that stall a transaction may be mildly annoying, or even tantrum-inducing for consumers. Online businesses, however, pay a far heftier price because temperamental Web sites effectively escort customers to the competition.

Nearly one-third (32 percent) of consumers encountering a problem while trying to make an online purchase will take their business elsewhere, according to Harris' poll of 2,790 consumers conducted late last month. Nearly nine in 10 respondents (88 percent) experienced problems completing an online transaction this year.

The survey examined online transactions across several sectors including retail, banking, insurance and travel. In retail, 40 percent of shoppers receive

error messages; 40 percent find a site difficult to navigate, and 30 percent are unable to complete a transaction because they are sent into an endless loop. Thirty-two percent of respondents have difficulty logging on to a site; 21 percent endure search malfunctions, and 20 percent are automatically kicked off a site.

"Intolerance is growing, as is the likelihood that customers will switch" to the competition when problems arise, said Geoff Galat, vice president of marketing and product strategy for San Francisco-based Tealeaf, which commissioned the study. "There is little brand loyalty online," he added.

Tealeaf's technology, which is used by Neiman Marcus and Abercrombie & Fitch, among others, provides a view of consumers' online sessions so companies can identify and troubleshoot problems whether they are technical or the fault of the shopper.

According to the Harris poll, 4.5 percent of all online transactions hit road-

blocks of some sort. That puts \$9 billion in sales "at risk" for being lost to competitors, based on Forrester Research's \$201.7 billion estimate for 2006 online commerce (including travel and automotive sales). With online sales growing at 14 percent annually, at-risk sales could climb to \$60 billion by 2010, according to the survey.

Galat said part of the problem stems from what he calls "democratization of Web development," where companies delegate the task of posting Web site content to nontechnical staff, who commit errors that go undetected.

As an example, he pointed to one multichannel retailer whose merchandise manager modified the "opt-in/opt-out" box that consumers click to indicate whether they want to receive promotional mailings. In the process, the commands were inadvertently reversed so consumers who authorized contact from the company got none and those who "opted out" received promotional mailings against their wishes.