DIGITAL DOMAIN

Just Browsing? A Web Store May Follow You Out the Door

By RANDALL STROSS
Published: May 16, 2009

IF you try on a sweater in a department store dressing room, but choose not to buy it, a persistent sales clerk won’t pursue you into the street yelling, “Hey, are you sure?” Nor will you receive a call at your home the next day to check again if you want to complete the purchase.

But in the online world, visitors to Web stores who touch the goods but leave without buying may be subjected instantaneously to “remarketing,” in the form of nagging e-mail messages or phone calls.

A new Web service, called Abandonment Tracker Pro, is in beta testing and scheduled for formal release next month. Developed by SeeWhy in Andover, Mass., the service will alert a subscribing Web store when a visitor places an item in a shopping cart or begins an application and does not complete the final step.
What distinguishes Abandonment Tracker Pro from other services is its enabling of remarketing “in real time,” SeeWhy says.

The idea that a visitor isn’t entitled to leave an online store empty-handed without being pestered sounds distasteful enough. But having that contact start immediately seems a new form of marketing brazenness.

Abandonment Tracker’s remarketing depends upon knowing the e-mail address of the wayward prospect; knowing the phone number will make follow-up phone calls possible, too. (And if you’ve signed in, a store would be able to find you with the e-mail address you provided when you registered.)

Charles Nicholls, SeeWhy’s founder, says he advises Web sites to have visitors “put their e-mail address in at the first step,” to increase the likelihood that it will be captured.

When asked about possibly alienating prospective customers with overzealous remarketing, Mr. Nicholls said: ‘Tone and manner are important. The message should be something like, ‘Oops, was there a problem? Can we help?’, versus an out-and-out hard sell, which will just wind everyone up.”

Technically, as soon as an address is typed into a box on a Web page, it can be dispatched to a store’s server without even waiting for the visitor to hit the “submit” button. Widely used Web scripting technology makes it easy to send to a remote server every letter pressed on the keyboard. Google, for example, uses this technology for a good purpose: when one begins typing in a search term, each letter is zipped to the server, which, without perceptible delay, returns suggestions that begin with the same sequence of letters.

The same technology, set off with each press of a key, could be used for other purposes, however, like recording the e-mail address at a site one visits for the first time and then leaves without formally submitting the information.

Asked whether Abandonment Tracker Pro uses that technique, Mr. Nicholls said the basic version did not. “We can write a script that will capture the e-mail address immediately,” he added, if the client paid a separate charge.

I asked John Squire, chief strategy officer of Coremetrics, a Web analytics and marketing firm about the idea of capturing e-mail addresses while they were typed. Mr. Squire expressed revulsion at the suggestion that a Web site would collect a visitor’s information without the press of a “submit” button.

He was not even comfortable with remarketing in real time. “There’s a Big Brother factor that retailers are going to have to look at,” he said. Better to wait one or two days, as his clients typically do, he added.

Mr. Nicholls says online vendors make a mistake by waiting even a single day, as remarketing immediately produces a follow-up sale three times as often as remarketing a day later.

Coremetrics’ clients report that their best remarketing results have been obtained not by sending annoying follow-up e-mail messages, but by using special ad networks to display to the customer on other Web sites ads that are related to whatever the customer left in the shopping cart, Mr. Squire said. “They’re seeing great returns on investment and they’re not seeing a backlash from the ads,” he reported.

Abandonment Tracker Pro addresses a longstanding fear of lost business represented by
the supposedly grave problem of "shopping cart abandonment." "Up to 70 percent of shopping carts, registrations, quotes and online forms are abandoned before they're complete," SeeWhy said in a recent press release.

SeeWhy relies on Coremetrics’s data to substantiate the problem, but Mr. Squire of Coremetrics dismisses shopping cart abandonment as a meaningless metric. He said there were many reasons that customers might not complete a purchase. And the rate of cart abandonment rose substantially from 2005 to 2008, he said, a reflection of intensified comparative shopping that visitors carry on with many sites simultaneously.

KEVIN HILLSTROM, president of MineThatData, a consulting firm, also looks askance at worries about shopping cart abandonment. “Today, people are shopping at six sites at once, dropping items into carts at each one and reading reviews,” he said.

Instantaneous e-mail remarketing might appear to produce an increase in sales, which are easily measured, he said, but “you can’t see the negative effects on customers who are irritated and will never come back again.”

Online stores should emulate the self-restraint of retailers in physical stores. When a visitor leaves without buying, don’t give chase down the street.

Randall Stross is an author based in Silicon Valley and a professor of business at San Jose State University. E-mail: stross@nytimes.com.

A version of this article appeared in print on May 17, 2009, on page BU4 of the New York edition.

Click here to enjoy the convenience of home delivery of The Times for less than $1 a day.