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'Tis the season to expand and optimise your payment strategy

The average British consumer is **expected to spend almost £600** on core Christmas-related products and activities this festive season. If you want a share of that, you must optimise your payment strategy to provide a seamless, secure and frictionless shopping experience.

A well-executed strategy will help boost conversions, reduce cart abandonment, and capitalise on increased consumer purchasing levels.

Merchants can optimise payment processing during the holiday season by tackling four major pain points.

1 Cart abandonment

70%

The global average cart abandonment rate is **a staggering 70%** – can you really afford to miss out on that much potential revenue? This figure is steadily climbing too, up from under 60% in 2006.

Here are a few ways you can solve this costly issue:

Simplify your checkout process – According to **research from the Baymard Institution**, almost one in five (18%) consumers said the main reason they would abandon a shopping cart was if the checkout process was too long or complicated. See if you can reduce the steps required to complete a purchase, for example, by consolidating delivery and payment details into fewer pages.

Activate auto-fill and saved payment details – Consumers are busy, especially in the lead-up to Christmas. Save them from having to remember or find their card details by incorporating features like auto-fill and the option to save payment information and shipping details for future transactions.

Test your checkout page across multiple devices – **70% of online orders** were made on a mobile phone last year, and by 2026, global consumer spending on mobile is projected to reach $3.2 trillion.

So, it's safe to assume your customers are or will be making payments from their smartphones or tablets, so test and test again to ensure your checkout pages offer a great experience across all devices.

Can your payment provider help you reduce cart abandonment? At Ecommpay, we can go a step further:
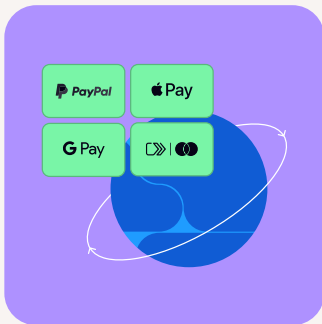
Offering Apple Pay and Google Pay for secure and fast transactions – These popular **digital wallets** mean customers can complete purchases with a single tap, reducing cart abandonment and increasing conversion rates compared to checkouts that only offer card payments.

Activate Click to Pay to complete payment in a few clicks – **Click to Pay** gives customers instant access to their preferred cards on any device, with no need for passwords or entering card details manually.


Offer Buy Now, Pay Later (BNPL) – Consumers are always looking for ways to spread the cost of Christmas, so BNPL is a great way to reduce checkout abandonment while increasing average order values and expanding your customer base. We have a range of BNPL providers to choose from.

2 Facilitating global payments

Are you aware that you may have customers abroad who are eager to buy your products but wonder if you can facilitate it this season?

Without offering the right local payment methods or currencies, you could face a series of problems, from cross-border charges to low authorisation rates.

Here's what you can do about it:
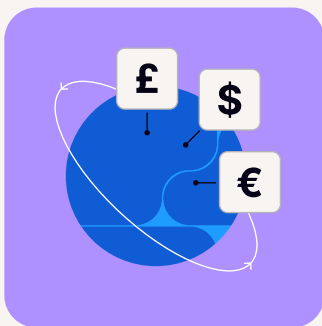
Offer localised pricing – To cater to international customers, you must display prices in their local currency. This removes any confusion over cost, and instils trust, reducing the likelihood of cart abandonment.

Offer preferred local payment methods – Offering a wide range of payment options is essential for e-commerce merchants looking for global success. While credit and debit cards are still the most popular payment method across most regions, **alternative options** including digital wallets like Apple Pay and Google Pay, are becoming increasingly popular, along with local payment methods such as Alipay, WeChat Pay, and GrabPay.
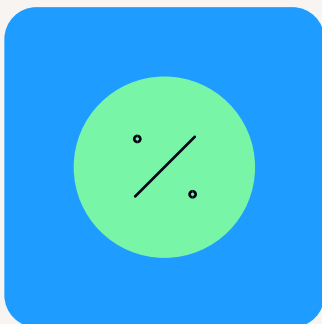
Transparency over additional fees – Hidden fees such as currency conversion or international fees can result in a customer abandoning their transaction, so it couldn't be more important to be upfront about additional costs and take steps to minimise these where possible.

Once you've got the basics sorted, why not focus on improving your payment page design to ensure your business looks credible to new customers? Find more tips on that here.

Can your payment provider cover all the popular regional Alternative Payment Methods (APMs) and local currencies? At Ecommpay, we specialise in global payments:

<u>100+ Alternative Payment Methods</u> – Embrace cross-border e-commerce by accessing customers across all regions with online payments and payouts in local currencies, all via a single dashboard, reducing cart abandonment and future-proofing your business.

Currency Choice – This feature involves auto currency switching at checkout to allow your customers to select the currency they want to complete their transaction in, wherever in the world they happen to be.

Payment orchestration – Our payment orchestration solution helps you scale globally with access to a huge range of payment methods.

80%

Open banking – Provide your customers with a fast, simple, and secure way to pay across the UK and the EU and see an average conversion rate of 80%.

3 Decline rates

Online purchases worth over **$245 billion** are declined each year for several reasons, from incorrect payment details, to expired cards, or suspected fraud.

You risk losing customers when their payment doesn't go through the first time, so how can you tackle this?

- **Keep track of decline codes** – Monitor decline codes provided by issuing banks and work with your payment service provider (PSP) to identify patterns.

- **Adopt network tokenization** – Replace sensitive customer details with a token that can be used across payment networks. Because these networks manage the entire tokenization process, tokens remain up-to-date even if the card details expire.

- **Implement automatic retries** – Sometimes a transaction may fail due to a temporary issue like network connectivity problems or issuing bank server outages. In these cases, automatic retries are a great way to ensure successful payments.

Is your payment provider on top of this? At Ecommpay, we suggest the following features to prevent customers from abandoning the checkout:
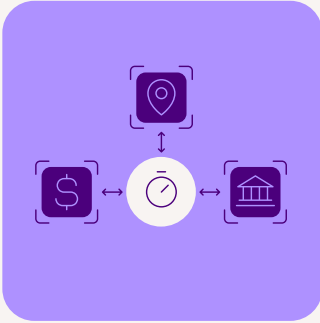
Issuer outreach – Understanding the reasons behind declines allows merchants to proactively address them, whether by updating information, optimising routing, or working directly with banks. Our specialist team can contact issuers to quickly resolve problems with payments being declined.
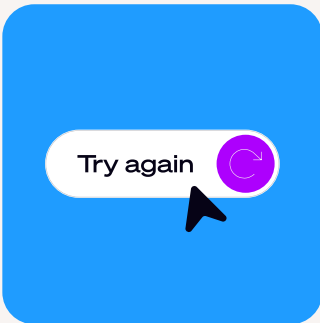
Powerful "Try Again" feature – Customers can switch switch between payment methods (cards, Apple Pay, Google Pay) during a single transaction if the initial attempt is declined, making it easier to complete transactions without starting over. Or they may prefer to try the same method again.
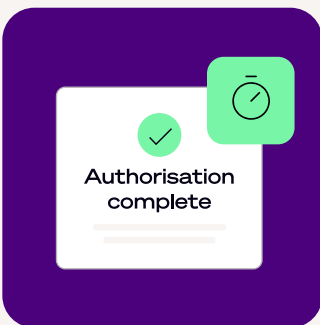
Smart routing – Our dynamic **smart routing** payment gateway reviews factors like location, issuing bank and transaction value instantly, implementing additional optimisation features to increase approval rates and reduce shopping cart abandonment.
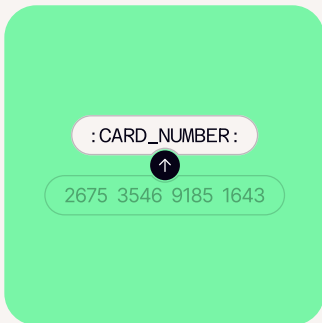
4 Chargebacks

Are you losing sleep over the possibility of chargebacks this shopping season? Well, you might be right to! On average, chargebacks impact **6 in 1,000 transactions**, and merchants lose around **2.5 times** the transaction cost on each successful chargeback.

Naturally, chargebacks are most frequent during peak shopping times, so it's essential to make sure you're ready for the Christmas period:

Ensure you have transparent pricing – Unexpected charges are a big driver of charge disputes, and this could come from something as simple as a cardholder not recognising the charge amount or merchant. Make your pricing as transparent as possible to help customers understand the total price they pay for their goods.

Use secure tokenization – Protect sensitive customer data, reducing the risk of fraud and subsequent chargebacks. Learn more about tokenization here.
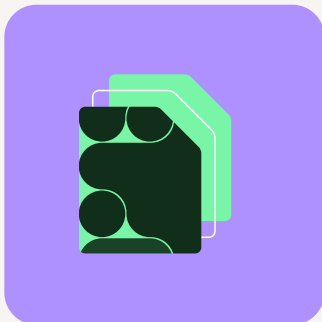
Have a clear returns policy – Help reduce misunderstandings that may lead to chargebacks. It's also a good idea to make your return policy easy to find on your website.
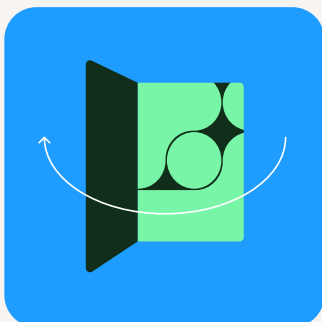
Use open banking – By adopting open banking instead of card processing, merchants can avoid processing because no card network is involved, meaning no chargebacks, or the associated processing fees.

Can your payment provider keep you safe from chargebacks this shopping season?

At Ecommpay we take chargebacks very seriously. We help our merchants raise claims swiftly, but we're also proactive, offering tools to help minimise chargebacks ahead of time:

- **A personalised approach to chargeback cases** – We always process all cases on an individual basis, taking time to read through the essence of the claim and rebuttal documents.

- **Open Banking Advanced** – We take **open banking** a step further with an innovative solution that provides virtual IBAN accounts to merchants, collecting funds on their behalf. Alongside eliminating chargebacks, Open Banking Advanced offers automatic reconciliation, instant payouts, and improved payment process optimisation.

- **Use 3DS** – This fraud prevention technology adds an extra layer of security to online transactions by checking the user's identity before making the payment. Learn more about that **here**.

- **Tokenization solutions** – Our **payment tokenization** solutions support you in keeping sensitive payments data safe and secure. Because tokenization replaces sensitive account and card information with a non-sensitive token used as an identifier during the payment process, card details are never exposed during transactions, reducing the risk of data breaches and fraud and, therefore, chargebacks.

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An optimised payment strategy is not just for Christmas

Christmas is such an important period for most e-commerce merchants, so it's vital to capitalise on this busy window. But the benefits of optimising your payment strategy go beyond this. If you can give your customers a great experience this festive season, you're setting yourself up for growth from repeat business and protecting your company from fraud.

If you need help optimising your checkout process, don't hesitate to get in touch.

Let's grow! →