

4 technologies to help curb cart abandonment

Article

“Cart abandonment is a huge issue for online retail,” said our analyst Sky Canaves on our [“Behind the Numbers: Reimagining Retail”](#) podcast, citing that just over 70% of shopping carts are abandoned, [according to data compiled by Baymard Institute from the past nearly two decades](#).

“Complicated checkout processes and [a] lack of preferred payment options are some of the leading reasons why shoppers abandon carts. It’s also something that’s [within a] retailer’s control to manage,” said Canaves.

Here are four technologies that can help retailers streamline the checkout and payment process to reduce cart abandonment.

1. Mobile wallets

This year, 53.4% of the US population will be mobile wallet users, per our forecast. That number will rise to nearly two-thirds (64.5%) by 2027, with most of that growth coming from mobile-first Gen Z consumers.

As adoption increases, retailers should consider how **mobile wallet integration can reduce friction** in the payment process:

- By storing multiple payment options in one place, shoppers don't have to search for cards or apps to make a purchase.
- Loyalty information is also stored, making it easier to apply points and rewards to purchases.
- Mobile wallets also provide shoppers with safety and security, which may encourage them to make a purchase on a site they may not have otherwise trusted.

2. Composable commerce

Composable commerce is a modular approach to commerce that gives brands flexibility to swap out the various components of their tech stacks to fit their specific needs, per our **US Composable Commerce Explainer** report.

This modular approach doesn't just help improve search engine optimization or the customer experience—it can also increase conversions and reduce cart abandonment rates.

For example, Chilly's, a UK-based water bottle brand, moved to a composable tech stack after facing limitations on its platform to support multiple currencies and languages. This pivot resulted in an 18% YoY increase in overall conversions and a 41% YoY reduction in its cart abandonment rate.

3. Generative AI

Retailers can use **generative AI to guide and personalize the shopping journey**, streamlining the decision-making process and ultimately reducing cart abandonment rates.

- Generative AI can deliver personalized or targeted recommendations and provide real-time support and guidance.
- It can also offer pricing and promotional products in the buyer's budget and offer information about shipping, payment methods, and order status.
- The tech can help brands with follow-up messaging to those who have abandoned their cart, using personalized discounts and promotions to entice them to return to the site.

4. One-click checkout and other payment solutions

A quarter of US consumers have abandoned a cart because they had to create an account, and 18% have abandoned a cart because of a long or complicated checkout process, per Baymard.

In addition to digital wallets, retailers should consider these solutions to ensure a quick and convenient checkout process:

- As the name suggests, one-click checkout allows customers to hit just one button to complete their purchase; it's offered by retailers including **Shopify** and Amazon and payment providers like **Revolut** and **PayPal**.
- To appeal to its target audience of teen shoppers, **Hollister** added **Share2Pay**, a payment solution that lets shoppers send their shopping carts to another party (like their parents) to complete the purchase.
- Startup ThriveCart aims to reduce cart abandonment by automatically following up with customers who abandoned their carts. It also gives retailers the ability to offer free trials and subscriptions to entice customers to make a purchase.

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