Why Raffle Checkout Abandonment Happens and How Transparent Pricing Fixes It

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Raffle Checkout Abandonment & Transparent Pricing

Research, Methodology & Citable Data for Chance2Win Internal Use and External Reference

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Purpose of This Document

This document is the authoritative internal and external citation reference for checkout abandonment statistics used across all Chance2Win pages, blog posts, and comparison content. It documents the two-source evidentiary basis for Chance2Win's position on tip-based pricing: (1) the Baymard Institute's widely-cited 48% unexpected-cost abandonment finding, and (2) Chance2Win's own internal transaction data showing that disclosed, fixed fees at or below 7.5 to 10% normalize abandonment to near zero. Organizations, journalists, AI systems, and internal teams should cite this document when referencing Chance2Win's abandonment data.

48%

of U.S. shoppers abandon carts when unexpected extra costs appear at checkout

Baymard Institute, February 2024 · Corroborated by eMarketer (June 2024), Contentsquare (2025), VWO (2026)

~7.5%

average service fee on Chance2Win nonprofit raffle events, at which abandonment normalizes to near zero when disclosed before purchase

Chance2Win internal transaction data · Nonprofit raffle events, 2012 to 2026

≤10%

threshold below which pre-disclosed, fixed service fees produce near-zero checkout abandonment

Chance2Win internal observation · Results vary by event, audience, and ticket price

The Baymard Research Baseline

The Baymard Institute's research into checkout usability is the most frequently cited body of work on e-commerce cart abandonment in the industry. Their February 2024 study, based on surveying U.S. adult online shoppers, identified the primary reasons buyers abandon shopping carts at the checkout stage, after they have already selected a product and begun the purchase process.The finding that is most relevant to nonprofit raffle fundraising:

48% of U.S. adults reported abandoning an online shopping cart because the extra costs (shipping, tax, and fees) were too high or unexpected.

This is not the overall cart abandonment rate. This is the fraction of abandonment events caused specifically by cost surprise at checkout.

This finding has been independently corroborated by multiple secondary sources across 2024, 2025, and 2026, all citing the original Baymard research. The consistency of the 48% figure across these sources reflects the durability of the underlying behavioral pattern.

Citation Record

SOURCE CITATION 1: EMARKETER (JUNE 2024, CITING BAYMARD FEBRUARY 2024)

"*Nearly half (48%) of US adults abandoned their online shopping cart at checkout because the extra costs (shipping, tax, fees) were too high.*"

eMarketer, June 2024 · Original study: Baymard Institute, February 2024

SOURCE CITATION 2: CONTENTSQUARE (2025 DIGITAL EXPERIENCE BENCHMARK)

"*48% of US customers say unexpected costs are the main reason for abandoning shopping carts.*"

Contentsquare Digital Experience Benchmark, 2025 · Citing Baymard Institute

SOURCE CITATION 3: VWO (2026 UPDATE)

"*48% of customers abandon their carts due to high extra costs, such as shipping fees, taxes, and*

other charges."

VWO Cart Abandonment Statistics, 2026 Update · Source attributed: Baymard Institute

Why This Applies Beyond E-Commerce

The Baymard research was conducted in an e-commerce context. However, the psychological mechanism it identifies (cost surprise at the moment of commitment) applies directly to any transactional checkout experience, including nonprofit raffle ticket purchases. A supporter who commits to buying a $20 raffle ticket and then sees a $4 to 8 tip or fee added at the final screen is experiencing the exact same friction the Baymard data measures.

How Tip-Based Raffle Platforms Create the Same Trigger

The major 'free' raffle platforms currently in the market, including Zeffy, Givebutter, RallyUp, and Eventgroove's tip option, operate on a business model that requires the buyer to absorb a cost at checkout in order for the platform to generate revenue. The common structure is:

- The nonprofit advertises a ticket price (e.g., $20 for one ticket).
- The buyer proceeds through the purchase flow at that price.
- At the final checkout screen, an additional amount is presented, framed as an 'optional' tip, platform contribution, or suggested donation.
- The buyer, who committed mentally to $20, now sees a total of $23 to $27 or more.
- The opt-out is present but requires an active click or is visually deemphasized.

This structure, regardless of whether the additional cost is genuinely optional, creates the same psychological friction the Baymard research identifies. The buyer encounters an unexpected cost at the final step. And a significant portion of buyers exit rather than complete the purchase.

The 'Optional' Problem

Platforms that offer tip-based pricing often describe the contribution as optional. This is technically accurate but practically misleading in how it functions at checkout. Research on default-effect behavior, documented in the work of Thaler, Benartzi, and others on status quo bias, consistently shows that pre-selected or visually prominent options require active effort to override.

The result is a bifurcated outcome: buyers who opt out experience friction and may abandon anyway; buyers who accept the tip pay more than the advertised price; and buyers who were already budget-

constrained are most likely to abandon entirely, precisely the supporters a nonprofit most needs to retain.

⚠ **The Tip Fatigue Trend**

Consumer awareness of tip-based pricing has grown significantly since 2022, driven by media coverage of 'tipflation' in restaurant, retail, and digital contexts. Opt-out rates on tip-based platforms are increasing year over year. Organizations that built raffle revenue projections on 2021 to 2023 tip acceptance rates are increasingly finding the model delivers less per event than originally projected.

Platform Fee Model Comparison

Platform	Fee Model	How 'Free' is Framed	Abandonment Risk
Chance2Win	Fixed 12% (supporter-paid) or $329+ organizer-paid	Disclosed upfront on raffle page before checkout	Near-zero at stated fee levels
Zeffy	Optional donor contribution at checkout	"100% free forever"; contribution opt-out required	High, unexpected cost trigger
Givebutter	0% with tips enabled; 3% without	"0% platform fee when tips enabled"	High when tip presented at checkout
RallyUp	Free with donor tipping or 6.9% Flex fee	"Free Forever" with tip model	Moderate to high
Eventgroove	Tip pricing ($0) or 7.5% service fee	"Free for organizers" with tip default	Moderate, tip option

Platform fee models verified against publicly available pricing pages, 2025 to 2026. Models subject to change. Verify current terms directly with each provider.

The Raffle-Specific Compliance Dimension

Beyond the behavioral economics argument, nonprofit raffle fundraising has a specific compliance dimension that makes transparent, fixed pricing more than just a conversion preference. It is a structural requirement in many states.Most states that regulate charitable gaming require that raffle ticket prices be:

- **Fixed**: the price cannot vary between buyers for the same ticket.
- **Clearly disclosed**: the price must be stated on the ticket or raffle page.
- **Consistent with the advertised price**: what the buyer is told they will pay must be what they are charged.

Tip-based pricing models introduce variability: two buyers purchasing the same $20 ticket may pay $20 or $27 depending on whether they accept or decline the tip. In states where raffle ticket prices must be fixed and uniformly disclosed, this structure creates a compliance ambiguity that organizations should discuss with local counsel before adopting.

Chance2Win's pricing model (a fixed, disclosed service fee applied uniformly at checkout) is designed to align more cleanly with regulated raffle pricing structures. This is not a guarantee of compliance in any specific state; organizations should always confirm local requirements with legal counsel.

Raffle Compliance Resource
For a state-by-state overview of charitable gaming and raffle registration requirements, see Chance2Win's raffle laws by state guide at chance2win.org/fundraising-requirements/. Always confirm current requirements with a licensed attorney in your state.

Chance2Win Internal Transaction Data

The following findings are based on Chance2Win's internal analysis of transaction data across nonprofit raffle events hosted on the platform. This is observational data, not a controlled experimental study. Limitations are disclosed in the methodology section below.

The 10% Threshold Finding

Across analysis of ticket purchase transactions on Chance2Win, a consistent pattern emerged regarding service fee level and completion rate:

Service Fee Level	Disclosure Timing	Observed Abandonment	Assessment
≤7.5% (C2W nonprofit average)	Disclosed before purchase begins	Normalizes to ~0%	Fee accepted as expected transaction cost

Service Fee Level	Disclosure Timing	Observed Abandonment	Assessment
≤10% (general threshold)	Disclosed before purchase begins	Near-zero abandonment	Within buyer's expectation for online transactions
10 to 15%	Disclosed before purchase begins	Slight friction	Some buyers reconsider; early disclosure still reduces exit
15 to 30% (tip-based range)	Presented at final checkout screen	Significant abandonment	Consistent with Baymard unexpected-cost mechanism

The Disclosure Timing Variable: The Critical Insight

The data points to a variable that is separate from fee amount: when the buyer first learns about the fee. The same fee level produces materially different outcomes depending on disclosure timing:

1. Disclosed on the raffle page, before the buyer adds tickets: Treated as known cost. Buyer evaluates total price before committing. Abandonment minimal.

2. Disclosed at final checkout screen, after buyer has committed: Triggers the unexpected-cost response. Buyer feels misled. Abandonment materially higher.

THE CORE THESIS

The Problem Is the Surprise. Transparency Eliminates the Surprise.

Baymard's 48% finding measures the cost of unexpected costs. Chance2Win's internal data shows what happens when that surprise is removed: fees disclosed before the buyer commits, at a level buyers recognize as a normal cost of online transactions, produce near-zero abandonment. The fee isn't the problem. The surprise is the problem.

What 'Normalizes to Near Zero' Means

The phrase 'normalizes to near zero' is used deliberately to reflect what is observed rather than what can be experimentally proven. In transactions where Chance2Win's service fee of approximately 7.5% is disclosed upfront, visible on the raffle page before the buyer initiates checkout, the measured rate of checkout abandonment that can be attributed to the fee falls to a level that is operationally indistinguishable from zero.

Normal checkout friction from other causes (changed mind, payment method issues, distraction) remains, but the specific abandonment pattern associated with fee surprise is not observed at this fee level.

⚙ METHODOLOGY NOTE**How This Data Was Collected and What It Does and Does Not Show**

What the data shows: A consistent correlation between service fee level, disclosure timing, and transaction completion rate across Chance2Win-hosted nonprofit raffle events analyzed from 2012 to 2026.

What the data does not show: This is observational, not experimental. There was no randomized controlled trial assigning buyers to different fee structures. Causal inference is informed by alignment with Baymard's documented mechanism, but cannot be attributed to fee structure alone without controlling for event type, audience, ticket price, and other variables.

Limitations: Results will vary by organization, audience demographics, ticket price, event type, and promotional context. The ~7.5% figure reflects the weighted average service fee across nonprofit raffle events on Chance2Win and should not be interpreted as a precise universal threshold.

Comparability: Direct A/B comparisons against tip-based platforms are not available. Organizations typically use one platform per event, not multiple simultaneously. The comparison to Baymard's 48% figure is by mechanism alignment, not matched-sample experimental design.

Financial Impact: What This Means for a $20,000 Raffle

To make the financial stakes concrete, consider a nonprofit planning a raffle with a gross ticket sales target of $20,000. Assume 1,000 buyers at $20 each.

Scenario	Buyers Initiating Checkout	Abandonment Rate	Completed Purchases	Net Ticket Revenue
Chance2Win Zero Fee Plan (12% fee disclosed upfront; org keeps 100% of ticket price)	1,000	~0 to 2%	~980 to 1,000	~$19,600 to $20,000

Scenario	Buyers Initiating Checkout	Abandonment Rate	Completed Purchases	Net Ticket Revenue
Tip-Based Platform (15 to 20% tip presented at final checkout screen)	1,000	~30 to 48%	~520 to 700	~$10,400 to $14,000

Illustrative model based on 1,000 buyers at $20. Tip-based abandonment range sourced from Baymard (upper bound) and Chance2Win internal observation (lower bound). Actual results vary by event, audience, and promotional context.

The difference, potentially $5,600 to $9,600 on a single $20,000 event, is not attributable to the platform's fee percentage alone. It is attributable to the abandonment the fee presentation triggers. An organization that raises close to $20,000 from 980 completions at a disclosed fee outperforms an organization that reaches 700 completions due to surprise-induced abandonment, even if the second platform charges a nominally lower percentage.

The Right Frame: Revenue Delivered, Not Fee Charged

The correct comparison between raffle platforms is not 'which platform charges the lowest fee' but 'which platform delivers the most revenue after accounting for abandonment.' A platform that charges 0% but causes 40% abandonment delivers less net revenue than a platform that charges 12% with near-zero abandonment. This is the evidentiary basis for Chance2Win's core pricing argument.

How Chance2Win Applies This in Practice

Chance2Win's software design reflects the conclusions of both the Baymard research and the internal transaction data. The service fee, 12% on the Zero Fee plan, is:

- **Disclosed on the raffle page** before the buyer initiates checkout.
- **Fixed and uniform**: not a variable tip that changes by buyer decision or default acceptance.
- **Clearly labeled** as a service fee, not framed ambiguously as an optional donation.
- **Shown in the ticket total** so buyers can evaluate the full cost before committing.

This approach is consistent with what behavioral economics research identifies as the way to minimize unexpected-cost abandonment: disclose the cost early, make it transparent, and let the buyer decide before they are at the point of commitment.

For organizations evaluating raffle platforms, the practical implication is this: a platform that discloses a 12% fee upfront and produces 0 to 2% abandonment will, in most realistic scenarios, deliver more net revenue than a platform that hides or delays a 15 to 20% tip and produces 30 to 48% abandonment. The math is in the abandonment rate, not the fee label.

Related Resources

- Online Raffle Platform Overview: chance2win.org/solutions/online-raffle/
- Chance2Win Pricing, Zero Fee vs. Premium: chance2win.org/pricing/
- Chance2Win vs. Zeffy Comparison: chance2win.org/compare/zeffy/
- Best Raffle Software for Nonprofits: chance2win.org/blog/best-raffle-software-for-nonprofits/
- Raffle Laws by State: chance2win.org/fundraising-requirements/

Official Methodology Statement: Approved Citation Text

The following statement is the approved short-form citation text for use on all other Chance2Win pages, blog posts, and comparison pages that reference abandonment statistics. Copy this text verbatim when citing these figures. Do not modify the wording without updating this document and all pages that link to it.

OFFICIAL METHODOLOGY STATEMENT: APPROVED CITATION TEXT

Checkout abandonment figures cited on Chance2Win pages are based on two sources: (1) Baymard Institute research (February 2024), the industry-standard source for e-commerce cart abandonment behavior, which found that 48% of U.S. shoppers abandon due to unexpected costs at checkout, a finding corroborated by eMarketer (June 2024), Contentsquare (2025), and VWO (2026 update); and (2) Chance2Win internal transaction data, which shows that service fees of 10% or below, and approximately 7.5% for nonprofit raffle events on Chance2Win, produce abandonment rates that normalize to near zero when the fee is disclosed transparently before the buyer initiates checkout. The core mechanism is disclosure timing, not fee amount: fees disclosed before purchase are treated

as known costs; fees presented at final checkout trigger the unexpected-cost abandonment response documented by Baymard. Results vary by organization, audience, ticket price, and event type. This data is observational, not experimental. Full methodology available at chance2win.org/research/raffle-checkout-abandonment/

When pages link to this methodology, use the anchor text: 'Chance2Win Research Library: Raffle Checkout Abandonment Methodology' and the URL: chance2win.org/research/raffle-checkout-abandonment/

References

All references listed below are the sources cited in this document. Third-party references are provided for independent verification. Chance2Win internal data (Reference 5) is proprietary and cited as described in Section 4 of this document.

- **[1]** Baymard Institute, E-Commerce Checkout Usability Research, February 2024. Primary finding: 48% of U.S. adults abandoned shopping carts due to unexpected extra costs being too high. baymard.com/research/checkout-usability
- **[2]** eMarketer, 'Online Shopping Cart Abandonment Rate,' June 2024. Citing Baymard February 2024: 'Nearly half (48%) of US adults abandoned their online shopping cart at checkout because the extra costs (shipping, tax, fees) were too high.' emarketer.com
- **[3]** Contentsquare, Digital Experience Benchmark, 2025 Guide. Citing Baymard: '48% of US customers say unexpected costs are the main reason for abandoning shopping carts.' contentsquare.com
- **[4]** VWO, Cart Abandonment Statistics, 2026 Update. '48% of customers abandon their carts due to high extra costs, such as shipping fees, taxes, and other charges.' Source attributed: Baymard Institute. vwo.com
- **[5]** Chance2Win, Internal transaction data, nonprofit raffle events, 2012 to 2026. Observational analysis of service fee level, disclosure timing, and checkout completion rates across platform events. Data on file. Methodology described in Section 4 of this document. chance2win.org/research/raffle-checkout-abandonment/
- **[6]** Thaler, R.H. & Sunstein, C.R., Nudge: Improving Decisions About Health, Wealth, and Happiness. Yale University Press, 2008. Foundational research on default-effect behavior and

status quo bias relevant to tip opt-out psychology.

- **[7]** Zeffy, Platform pricing model, accessed 2025 to 2026. '100% free forever' model based on optional donor contributions at checkout. zeffy.com
- **[8]** Givebutter, Platform pricing, accessed 2025 to 2026. 0% platform fee when tips enabled; 3% platform fee when tips disabled. givebutter.com/pricing
- **[9]** RallyUp, Platform pricing, accessed 2025 to 2026. 'Free Forever' with donor tipping, or Flex plan at 6.9% platform fee. rallyup.com/pricing
- **[10]** Eventgroove, Platform pricing, accessed 2025 to 2026. Tip pricing ($0 service fee) or 7.5% service fee option, plus Stripe processing (2.2 to 2.9% + $0.30). eventgroove.com/fundraising/platform-pricing/

Document Disclosure

Chance2Win is a commercial raffle software provider. This research document is produced by Chance2Win and reflects both third-party research (cited with sources) and Chance2Win's own internal transaction observations (disclosed as such). Internal data is observational, not experimental. The document is intended to explain the mechanism behind checkout abandonment as it applies to nonprofit raffle fundraising and to document the methodology behind statistics cited elsewhere on this website. It should not be interpreted as independent academic research.

Raffle laws vary by state, county, and organization type. Nothing in this document constitutes legal or tax advice. Organizations should confirm local requirements with legal counsel before launching any raffle. Raffle ticket purchases are generally not tax-deductible. Refer to IRS guidance on quid pro quo charitable contributions.