

REPORT

Mastering the Post Purchase Experience

A guide to increase your customer lifetime value



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► Understanding the Post-Purchase Phase

This phase refers to the period after a customer has made a purchase. It encompasses the delivery of the product, the use and enjoyment of the item, potential returns or exchanges, and beyond.

Over the years, brands and marketing professionals concentrated on stimulating buying decisions, securing customer acquisition, and driving conversions. There has been relatively little emphasis on the emotions that consumers go through following their purchases, assuming that the job is done once the sale is completed. However, this couldn't be further from the truth. The post-purchase phase has a significant influence on repeat buying habits, word-of-mouth marketing, and customer loyalty.

Why the Post-Purchase Phase Matters ◀

Today's customer acquisition terrain is turbulent. The post-purchase phase should be your golden opportunity to create lasting impressions, build customer loyalty, and drive repeat business.

Customers you already have are your most valuable assets. This is especially true in a competitive industry where customer acquisition is no longer the most effective route for growth. Therefore, it would be wise to concentrate your efforts on retaining your repeat customers. This involves enhancing your consumers' post-purchase experience.





The Power of the Post-Purchase Phase

In the fast-paced world of retail and e-commerce, the customer journey doesn't end when a purchase is made. In fact, that's just the beginning.

The post-purchase phase is often overlooked but critically important. It holds immense potential for retailers and brands to nurture customer relationships, drive loyalty, and ultimately thrive in the competitive landscape.



Here are a few staggering statistics to know about:



84%

of consumers admit to not buying again from the same brand after a bad delivery experience



61%

Returning customers spend on average 61% more than new customers



70%

Conversion rate of existing customers is 60% to 70%, whereas only 5% - 20% for new customers



95%

A 5% increase in customer retention has been associated with a 25% to 95% increase in earnings

Considering these statistics in the context of the strong connection between rising customer acquisition costs and increasing repeat sales, it is clear that tapping into the potential of repeat customers is the most effective strategy to stand out. This can be accomplished by delivering an exceptional post-purchase experience.

Thanks to its unique post-purchase solution ecosystem, Global Blue provides you with three pieces of advice. These recommendations aim to optimise the post-purchase customer experience, thereby ensuring customer loyalty and maximising your revenue.



Cultivating Consumer Engagement through Post-Purchase Solutions

In the modern, highly competitive retail environment, achieving success goes beyond the moment of purchase. The true adventure commences once your customers have completed their purchases. Learn how to cultivate deeper relationships, cultivate brand loyalty, and boost the long-term value of your customers by improving the post-purchase journey.

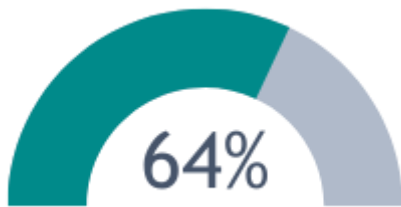
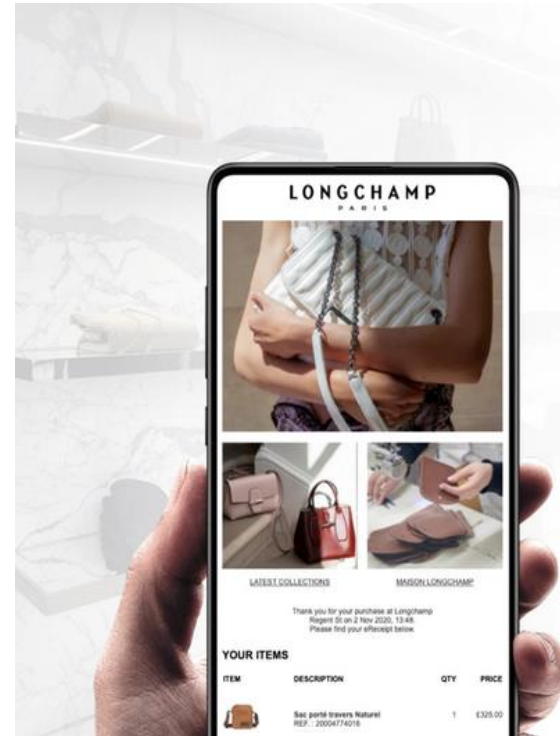
Engaging with customers post-purchase is an opportunity to establish a deeper connection. By showing genuine interest in their satisfaction, you create a sense of loyalty and trust that extends beyond the initial purchase. This can lead to increased customer retention and advocacy.

In a world where consumers have countless choices, earning brand loyalty is a strategic advantage. The post-purchase stage allows you to demonstrate your commitment to customer satisfaction and loyalty, helping you stand out in a crowded market.



Leverage Digital Receipts

One powerful way to engage customers after an in-store purchase is through digital receipts. This solution enhances the overall customer experience, bridging the gap between in-store and online shopping while promoting an omnichannel strategy. Indeed, studies show that **56%** of consumers want seamless communication across digital and physical channels, and the ability to move between them.



The percentage of customers who are inspired from e-commerce sources in the store

Even when buying in-store, most customers (**64%**) gain inspiration from online sources. So, digital receipts empower you to drive increased sales through personalised recommendations and upselling opportunities, fostering customer loyalty and retention.

Furthermore, this tech-savvy initiative projects a modern brand image, setting the company apart from competitors. It also serves as a valuable data collection tool, aiding in targeted marketing efforts and improving customer engagement. Lastly, digital receipts provide a platform for collecting feedback and reviews, enhancing the customer journey, and strengthening your brand's market position.



This is what Yocuda provides, thanks to a new channel to keep a conversation with your customers.

Offering your customers a seamless, eco-friendly, and efficient receipt experience can reduce paper waste.

It also opens doors to personalised interactions and an omnichannel journey thanks to HTML links redirecting to your website.

Its **70% average open rate** boosts consumer engagement with tailored post-purchase interactions. Yocuda's data shows that up to **50%** of customers consent to receive further commercial communications along with a digital receipt, allowing you to expand your subscriber base. As a media channel, digital receipts have been proven to drive a tangible increase in incremental sales. In certain lifestyle segments, the product recommendations have driven **incremental sales of 25%**.



70%

Open rate



50%

Customers consent rate



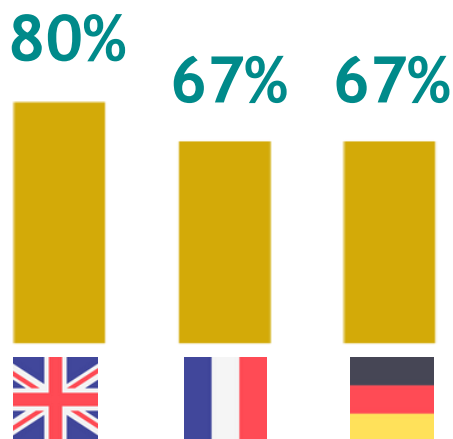
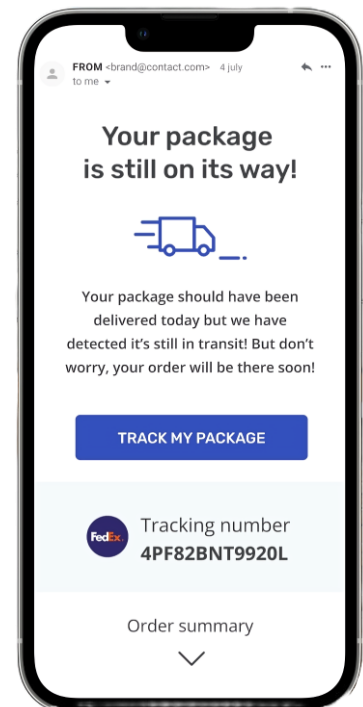
25%

Incremental sales

By leveraging the potential of the technology or Yocuda digital receipts, you can seamlessly bridge the gap between in-store and digital shopping, meeting the evolving expectations of the modern consumer.

Going Beyond Delivery Status to Bring Real Value

Online shopping is indeed part of the modern consumer habit, for which transparency in the post-purchase stage is key. Implementing a post-purchase solution that combines parcel tracking and personalised communication offers you a spectrum of strategic advantages. This customer-centric approach fosters enhanced satisfaction by providing a transparent and reassuring experience after purchase, which, in turn, cultivates a positive brand image. At the same time, it reduces the burden on customer care teams by proactively addressing common WISMO "where is my order" tickets, leading to significant cost reductions.



Percentage of customers who agree that proactive order tracking alerts are important

Proactive order tracking notifications have become crucial in the expanding e-commerce landscape, with **80%** of **UK consumers** and **67%** of **French and German consumers** valuing them as important for the transparency and reassurance they provide about their orders. Moreover, a significant majority of consumers (**83%**) would like to receive a notification when there is a delivery problem.

Effectively communicating during the delivery stage and beyond is a simple way to enhance customer satisfaction during the post-purchase journey.

Such effective communication after purchase is achievable thanks to Shipup, which goes beyond simple carrier messaging by offering unique branded notifications to your customers, providing the right information at the right time.

Shipup offers data-driven solutions that not only reduce support costs but also delight your customers and drive repeat purchases.

Whether it's geographical personalisation or customised product recommendations, Shipup allows you to re-engage customers and encourage future purchases through strategic order tracking pages. Hosted on your very own website, engagement on these pages can take various forms, such as exclusive offers, community channels as well as useful and positive information (FAQs, company values...), all aimed at bolstering repeat business. Indeed, enriching tracking pages with additional content transforms post-purchase communications into a potent marketing tool, ultimately maximising the value derived from returning customers.



peak design

We have always prided ourselves on transparency with regards to our quality bags and accessories – so it was essential we did the same with our post-purchase experience. I love the fact that Shipup offers proactive notifications across multiple delivery touchpoints, which has helped increase our NPS 50% above the e-commerce average.

Jen Howell

Peak Design, Head of Customer Service & Logistics

Optimising Post-Purchase **Logistics** to Foster Retention

Elevating your post-purchase logistics doesn't just improve customer satisfaction; it's also an opportunity to save costs and boost operational efficiency. Explore the benefits of advanced returns management and high-end delivery services that can set your brand apart.





Transforming the Last-Mile Delivery Experiences

In an era where shopping seamlessly integrates into our fast-paced lives, providing a reliable delivery service that meets customer expectations is crucial. Studies reveal that a staggering 84% of consumers will not return to a brand following a disappointing delivery experience. Such instances can significantly impact a brand's reputation and future business prospects.

TOSHI stands out as a leader in premium delivery and home services, focusing on making the last mile an extension of the brand strategy. Offering customers convenient nominated days and precise 60-minute time slots, TOSHI boasts an on-time performance of over 95%, resulting in an impressive first-time delivery success rate of 98%. By streamlining the checkout process with flexible delivery options and incorporating services like Wait & Try, brands can witness a notable 6% increase in conversion rates and a substantial 20% boost in repurchase rates.

**98%**

success rate for first-time
deliveries and zero fraud claims

**6%**

incremental conversion rate thanks to
95% on-time performance

**20%**

repurchase rate increases

Improve Delivery Services

TOSHI's approach is grounded in creating a last-mile experience that aligns with the brand's values of joy, convenience, and peace of mind. With a hyper-local service in major cities like London, New York, and Los Angeles, along with a team of carefully selected delivery Assistants, TOSHI facilitates the seamless integration of offline and online experiences, enhancing the overall brand narrative.



RIMOWA

We have been partnering with TOSHI since Day 1.

It allows us to elevate last-mile delivery at the level of in-store experiences and accelerate our omnichannel transformation.

Julien Morel

Rimowa, eCommerce and CRM director



Returns Made Easy

In the early 2000s, free returns became crucial in e-commerce, fostering shopper confidence. By the 2010s, brands, especially digitally native ones prioritising e-commerce, used free returns to attract new customers. This strategy, effective for years, was vital during the 2020 COVID-19 pandemic when e-commerce became essential due to store closures. In the UK, for instance, **84%** of consumers emphasise that free returns are an essential component they expect to be included in a perfect brand return policy.

The widespread adoption of free returns has led to costly consumer habits for brands. One such practice is "bracketing," where customers buy multiple sizes and styles intending to

send back most of what they've ordered. **46%** of British consumers admit to purchasing multiple items with the intention of returning at least one item.

At the same time, return processing expenses surged in 2020 due to pandemic-related global supply chain disruptions, and shipping rates are on the rise. Major carriers like UPS, FedEx and DHL plan a 6% rate increase in 2024, catching many retailers off guard.

However, facing this context is not a fate for brands: it is an opportunity to adopt innovative solutions and cost-effective warehousing to mitigate return-related costs. ZigZag provides a smarter return experience thanks to its market-leading technology and services all around the globe. ZigZag helps reduce the hassle of returns and exchanges with a seamless digital portal and innovative solutions such as Paid Returns, a growing trend used by 63% of UK retailers using ZigZag Returns. Solutions that ultimately lead to significant cost savings and more satisfied customers. ZigZag's mission is to push the boundaries of smarter returns enabling you to be more profitable, and sustainable. By analysing your returns data and discovering the root causes behind performance changes, you can also make smarter decisions that drive sustainable growth for your brand. This is made possible through ZigZag's Returns Reporting Hub.



Reduce cost



Reduce waste



Increase
customer loyalty



Drive
sustainable growth

Businesses looking to succeed in the post-pandemic age must realise that the entire post-purchase experience offers a brilliant, cost-effective marketing channel. Remember that a high-quality, convenient return can turn a negative experience into a positive one, ultimately leading to higher customer loyalty and repeat purchases.



NEW LOOK

ZigZag is so flexible. It has allowed us to push the boundaries when developing our customer experience. As a retailer, when you work with ZigZag, you know you are getting a supportive partner who will help you get to the goals you want to get to.

Rachel Troke

New Look, Senior Product Manager

Unlocking the Potential of the Circular Economy for Long-Term Customer Relationships

In today's business landscape, companies across diverse sectors are encountering rising requests from their customers, investors, and employees to play a more impactful role in steering the shift towards sustainable business practices. One prevalent strategy embraced by brands and retailers to underscore their dedication to sustainability is active participation in a circular economy.

While the notion of a circular economy is not new, its prominence has surged in recent years due to the pressing need for environmental sustainability. However, the advantages extend beyond ecological considerations, encompassing strategic business benefits like increased store traffic and opportunities for upselling or cross-selling.



Resale Strategies for Extending Customer Lifetime Value

Your brand's commitment to sustainability can extend beyond product creation. It can be expressed by facilitating the resale of pre-owned items. This market, which should exceed **\$350** billion worldwide in 2027, offers numerous compelling business advantages.

Such an initiative bolsters customer retention and loyalty by incentivising customers to trade pre-owned items for shopping credit. **65%** of customers chose to be rewarded with shopping credits to reinvest in your brand, and they spent **3.5 times** the value of the credit on a new order. Also, customers who experienced resale with your brands tend to come back **7 times** more often, which makes resale a powerful tool to building loyalty and engagement.

Embracing resale not only aligns with present consumer behavior but also represents a strategic opportunity to enhance customer retention, especially at a time when the fashion industry is weathering a loyalty crisis.



65%

of customers chose shopping credits



3.5

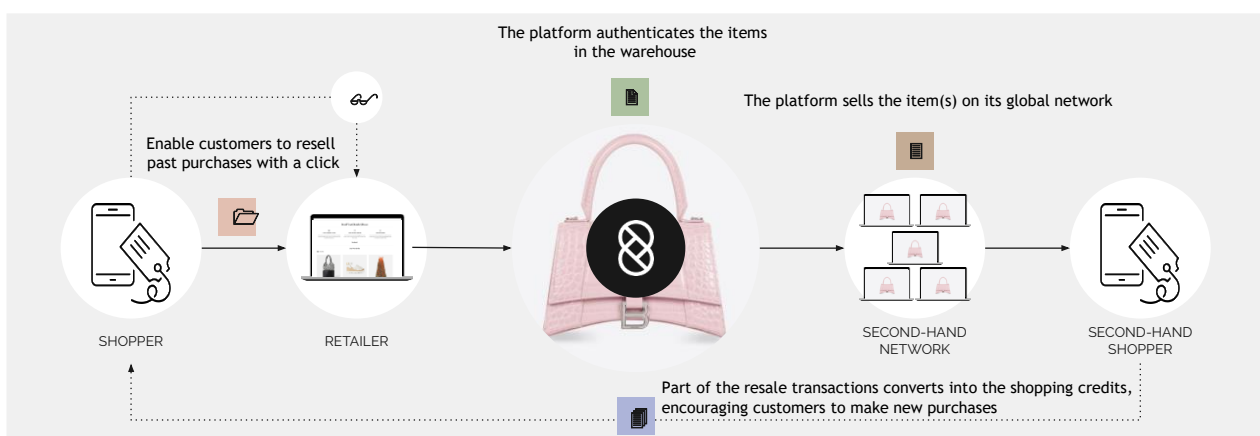
times the credit value was spent on new orders

Offering a resale service also elevates the brand's image by championing sustainability and circular fashion practices. It notably captures the attention of the younger generation, who are increasingly drawn to eco-conscious shopping. This dual impact creates an opportunity for you to connect with first-time buyers, as almost **60%** of consumers have either discovered a brand or made their first purchase through secondhand channels. This underscores the substantial potential for brands to expand their customer base by engaging in the resale market.

Reflaunt empowers you to unlock customer loyalty and retention with its proven circular solution.

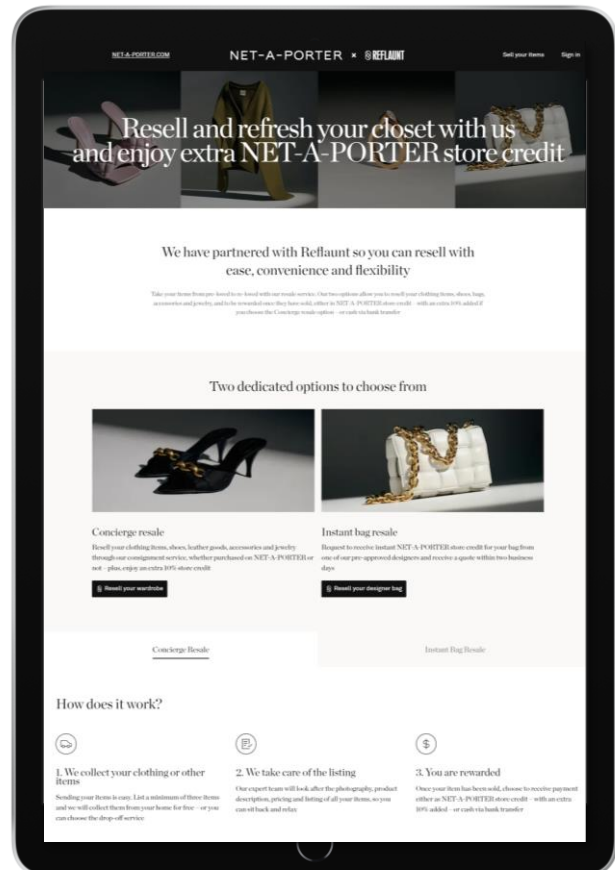
With a tailored and branded resell experience, it offers technology and infrastructure to attract new users and convert them into loyal customers.

Listing a pre-loved item with Reflaunt is a user-friendly process for consumers. By inputting the product name and specifying size and condition, along with seamless photos and product information from Reflaunt, users can effortlessly navigate the process. The garment is sent to Reflaunt for authentication in warehouses and is subsequently listed for resale across their extensive global network, including platforms like Vestiaire Collective and Poshmark. In return, customers receive store credit. The store drop-off option, selected by more than **65%** of users globally, offers even more opportunities to engage with your customers in store.



Reflaunt has built an integrated circular value chain with global coverage

This resale technology solution, used by brands such as Altuzarra, Balenciaga and Net-A-Porter, among others, not only promotes sustainability but also ensures that your brand stays in your customers' minds for longer.



NET-A-PORTER

One of the things that really caught our eyes was Reflaunt Instant Buy Back for certain luxury handbags, which we knew would resonate strongly with our customers.

Alison Loehnis

Yoox Net A PORTER, CEO

By implementing these strategies, you are confident to effectively turn the post-purchase stage of the customer journey into a lucrative gold mine for your brand. In an era where customer loyalty is paramount, taking proactive measures such as strengthening consumer engagement, optimising logistics, and nurturing a sustainable circular economy can result in increased customer loyalty and enhanced brand image.

The competitive landscape demands a forward-thinking approach, and by addressing the post-purchase experience head-on, your brand can stay ahead of the competition. These concerted efforts to the development of mutually beneficial relationships that foster lasting connections between your brand and its customers, solidifying your position in the market and ensuring sustained success.



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Contact us to learn more about how post-purchase solutions can empower your brand and enhance your customer experience.



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