# The Hive Mind Guide To:

Customised Post Purchase

Drawing together some of the most cutting edge insights from The Hive Community, with a sprinkle of benchmarking, a generous helping of real world experience and a healthy dose of practical tips to help you navigate this fast-changing world!

The Problem

Improving post purchase communication is the key to reducing returns and associated costs, cross selling and ensuring a good customer experience. Retailers must ensure that systems are integrated in order to simplify the customer journey and ensure the customer experience matches expectations.

One size does not fit all! Whilst customers want ease and simplicity, better use of technology can ensure that costs do not erode profit margins. Customer segmentation is vital to identify cross selling opportunities, and building loyalty.

Diagnosing the challenges in the returns journey means you can avoid excessive staff intervention, reduce extra logistics costs, and ensure stock is less likely to be written off.

We're in constant contact with Retail Hive members - we've pulled out some of the current actions you should consider, and what to avoid as you increase the sophistication of your post purchase customer journey.
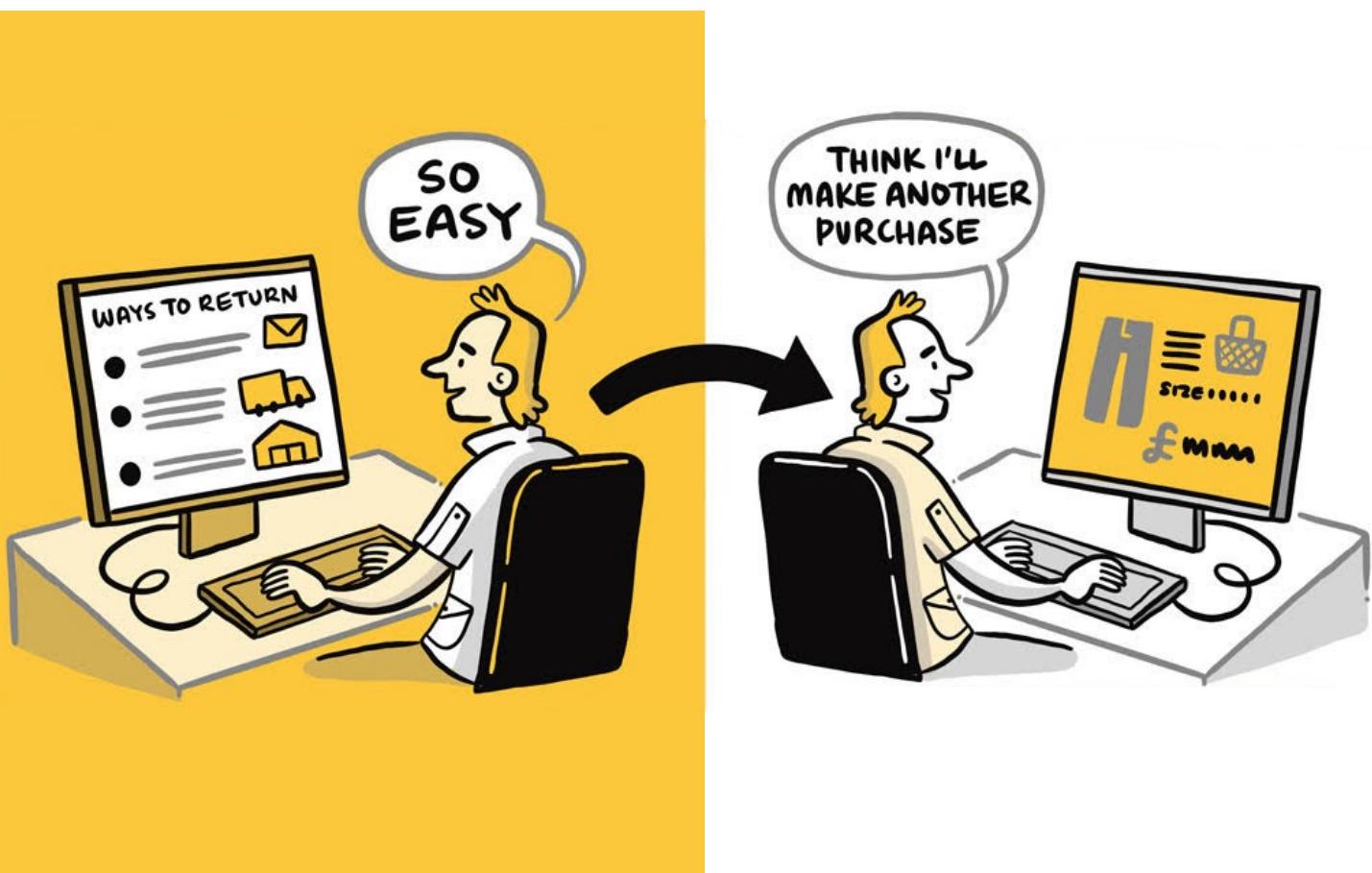
Current Trends

Multi-channel communication: Hive members are seeing that just using email is a missed opportunity - consider SMS / WhatsApp too.

Segmentation: is this the customer's first purchase or are they a loyal/regular purchaser? What are the opportunities to cross and upsell? Analytics and AI now offer powerful tools to recommend based on browsing history, past purchases and data on customer purchasing patterns.

Ensure consistent brand tone of voice across channels: this is key to fostering loyalty.

Customers want and are coming to expect real-time updates on orders: good integration is required with carriers, and simplicity wins the day.

Ease of communication: move towards frictionless communication channels. Better customer education means clear directions for product support, or returns.

Self-service returns: Hive members' customers expect an Amazon-like experience, where parts of an order can be selected for return and labels can be printed.

Returns: segmentation is crucial. Retailers are looking to create return journeys based on product value and reason for return. Customers require education on how/where to return their product to avoid excess costs and margin erosion.

Customer expectation: is the product delivered on time? Do your customers expect overnight delivery? What delivery experience matches the product? 'White glove' delivery is appropriate and expected for some products, and the post purchase experience must match this in all areas.

Priorities

Delivery on time and as expected:
- Clearly communicate what the customer can expect and how they can check on progress.
- Back end carrier integrations provide real time updates
- Evaluate communication channels, consider multiple channels

Segment:
- Establish the customer experience that's appropriate to your brand and product value
- Create rules for returns according to purchase channel or product type
- Measure customer satisfaction and identify areas for improvement

Cross sell:
- Use data and customer intelligence to recommend other purchases and ensure return custom. What other products may your customer like or need? Offering discounts or incentivising reviews is a powerful way to deepen customer relationships.
- Personalisation is an effective approach to increase loyalty. Packaging and communication are equally important.

Support:
- Make it easy for customers to find support, in their preferred channel. Metrics for FRT (first time response), FCR (first contact resolution) and CSAT (customer satisfaction) measured against repeat custom will offer you valuable insights.

Returns:
- Chatbots are a great way to provide simple and easy instructions for customers, reducing staff time. They can also reduce costs by avoiding more costly returns options.
- Avoiding returns in the first place is obviously the goal. Sizing guides, clearer delivery prerequisites and AR help reduce incorrect purchases and failed deliveries.

Upsell:
- Incentivise customers pre-checkout or post-checkout to subscribe to consistent/regular purchase of product, refills and loyalty schemes.

What the Experts Say

"We know that 85% of shoppers will abandon a brand due to a negative customer experience. In today's competitive retail landscape, you must continuously innovate to meet evolving customer expectations, enhancing their experience at every stage of the sales journey, which ensures seamless interactions and driving growth.

Customers increasingly value personalised experiences. They expect retailers to deliver offers, products, and services tailored to their preferences. Successful retailers integrate personalisation into the post purchase experience across initiatives such as promotions, loyalty programs, and the seamless integration of online and offline channels.

**Toby Bland,
Business Development
Director at Capita**

Where key factors should retailers focus on?

First, personalised communications. Use analytics to craft targeted marketing based on individual shopping behaviours. For instance, you could send exclusive offers to loyal customers for their favourite brands or provide discounts on frequently purchased items enhances satisfaction and encourages repeat visits.

Second, omnichannel integration. A seamless shopping experience is crucial: where they can browse online, pick up in-store, return online or in-store, or access consistent service across all touchpoints. You can embrace this trend: offer app-based inventory checks, streamlined click- and-collect services, and harmonised pricing across platforms.

Finally, loyalty programs. Effective loyalty programs recognise and reward customers in meaningful ways, offering personalised benefits such as early access to sales, rewards, or tailored content.

What's the role of customer segmentation?

Post purchase, advanced data-driven customer segmentation can provide a granular understanding of customer behaviour, from browsing history to purchasing patterns. By analysing these data points, brands can predict future buying trends and optimise inventory management to ensure that the right products are available when and where customers need them.

Why is all this important?

The purchase stage is critical for converting leads into loyal customers. By providing a hassle-free purchasing environment, retailers boost conversion rates and foster long-term customer loyalty. When it comes to post-purchase engagement, maintaining customer relationships and driving repeat business is essential. You need robust after-sales support, ie automated follow-up communications, feedback collection, and personalised recommendations. Customers must feel valued and appreciated. This leads to better retention and advocacy. By continuously engaging your customers beyond the initial purchase, you'll cultivate a loyal customer base and maximise lifetime value. Retailers that invest in the post purchase experience can deliver meaningful, engaging experiences that build trust, loyalty, and long-term success. As customer expectations continue to evolve, the most successful retailers will be those who innovate with purpose, balancing profitability with a commitment to quality, service, and sustainability."

Pitfalls - and How To Avoid Them

A one size fits all approach: ease of returns and customer support are important. Having blanket rules, eg making it 'too easy' for products to be tried, wardrobed or returned can lead to margin erosion. Some Hive Members are looking at ways to create different paths and support to match customer profile.

Recommendation: segment products or customers. Design the journey accordingly.

Recommendation: try to avoid generic communication. Personalisation wins the day!

Returns: charging for returns is an obvious way to reduce them. Video calls are being shown to be highly effective (especially on high value products) in preventing an avoidable return.

Recommendation: identify risks, and introduce checks to intercept returns where needed

Lack of integration: unconnected systems can serve to slow down customer contact and still result in a call to customer services.

Recommendation: ensure your technology stack integrates seamlessly - view the customer journey holistically, rather than as a series of unconnected processes. Loop data from customer behaviour into checkout and delivery processes.

Chatbots: if a customer has a complex return and a chatbot cannot resolve the problem, these can be frustrating.

Recommendation: ensure your systems and rules are set up correctly to direct the customer to the best channel and course of action. You'll want to reflect your brand voice in these interactions.

Intensive customer support: if you don't communicate sufficiently with customers, you'll soon face a tidal wave of customer enquiries, all of which require people power to resource.

Recommendation: self service portals can reduce this burden. Chatbots can resolve simple enquiries and direct customers to find their own answers/resolution.

Don't stand still: customer expectations continue to grow - from genuine omnichannel to delivery accuracy and ease of returns.

Recommendation: benchmark against your competitors and across the board to ensure that you're not left behind in winning repeat custom and pass-on recommendations.

Next Steps

Segment customers: work out what experience you want to offer to each customer profile

Ensure upsell opportunities are not missed, by using rapid post-purchase and in-purchase communication

Communicate across channels - don't just stick to email

Make it easy for customers to find support. Investigate chatbots to automate simple enquiries

Consider returns and ways you can intercept needless returns

Segment & channel customers/ products

Try to personalise communications

Connect customer data across tech stack

Benchmark vs. competitors
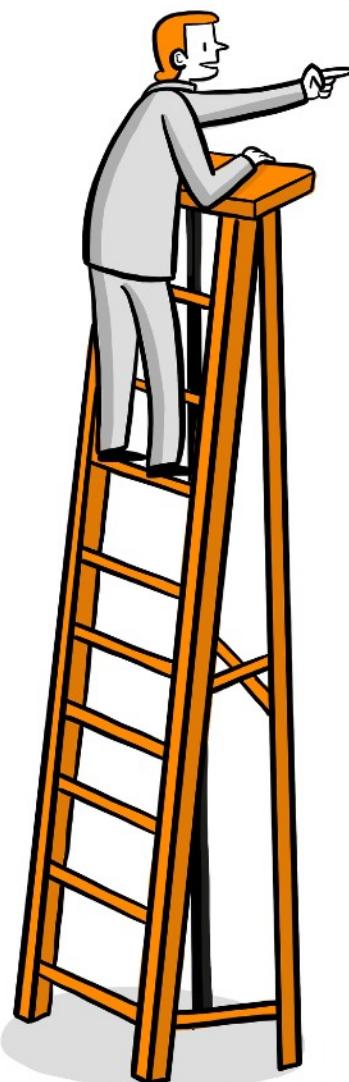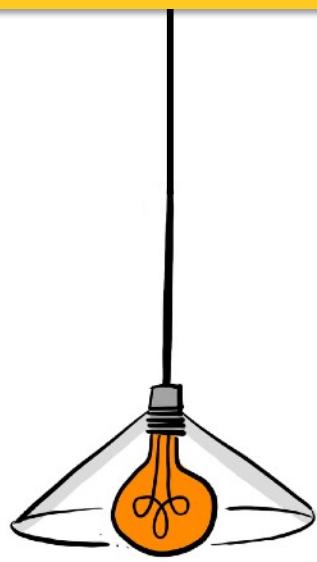
About The Retail Hive

The Retail Hive brings senior retailers together to soundboard, ask questions, benchmark and collaborate as a collective. They do this by providing safe, co-owned and curated environments for retailers and partners to build meaningful relationships, give one another value, identify solutions, and promote best practice.

www.thehive-network.com/the-retail-hive

About Capita

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