



State of Operations Experience
Management Study Series 2022

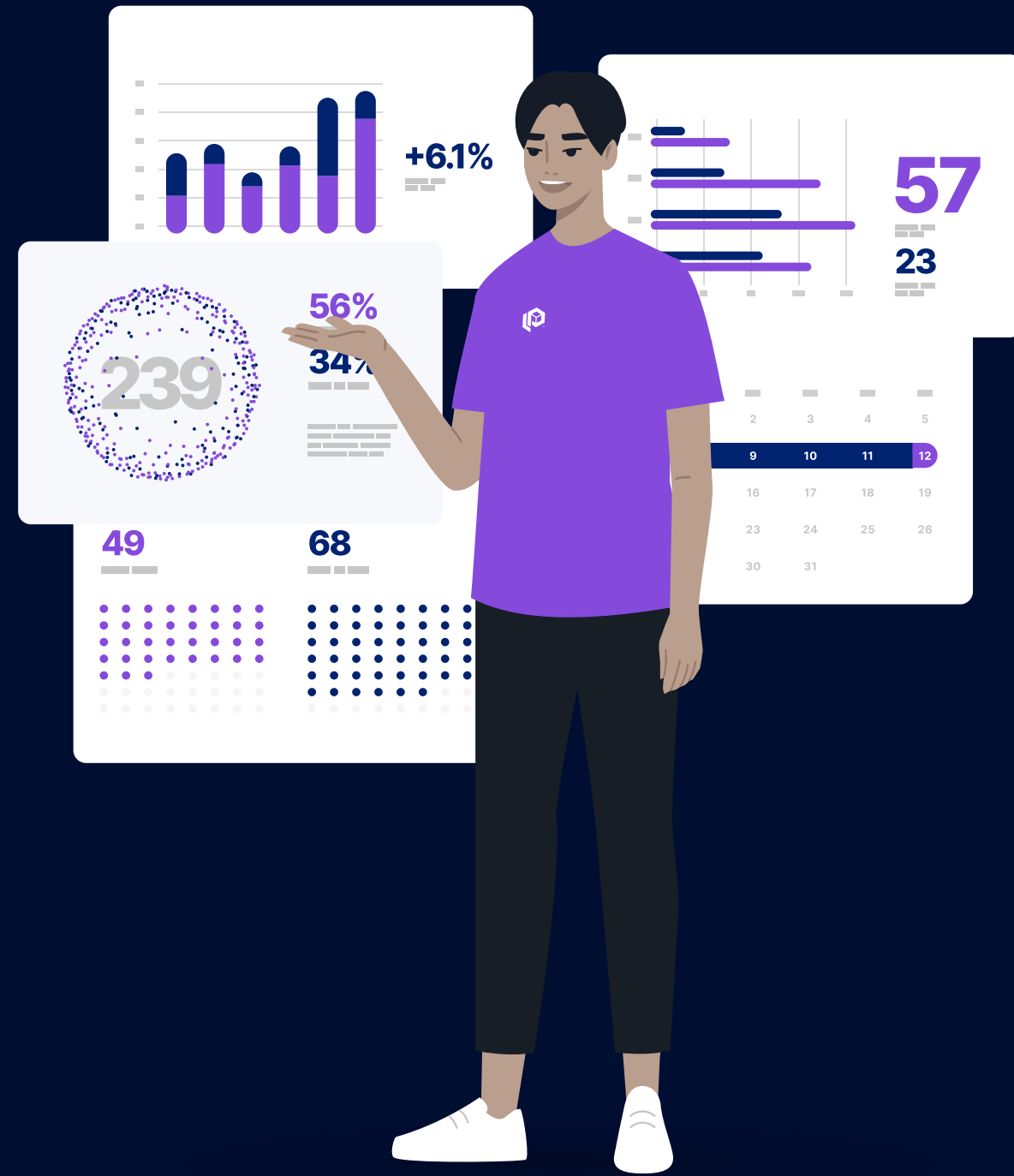
Post-purchase experience: Are the UK's top retailers up to scratch?

An analysis of the post-purchase experience
of the UK's top 200 online retailers following
a turbulent 24 months for e-commerce

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Introduction



How has the post-purchase experience of the UK's top retailers changed after the most turbulent 24 months in e-commerce history? Are the largest online retailers creating the experiences their customers expect? This study analysed the UK's top 200 online retailers*, and found that whilst some improvements have been made, these positive changes have only occurred for a select number of retailers. Ultimately, we can still conclude that customer centricity ends after checkout for the majority of UK retailers.

It's common knowledge that online retailers have invested greatly in customer acquisition but need to put more work into their retention strategies, especially post purchase. Not investing in the experience across the entire buying cycle could be costing retailers valuable revenue. With so many more customers shopping online now as a result of new habits formed during the pandemic, turning them into loyal customers is paramount for revenue growth.

We care deeply about good customer experience. That's why we created a category for this largely untapped marketing channel: Operations Experience Management (OXM). It encompasses the whole experience post-sales, across supply chains, shipping and returns. Keep reading to find out more about OXM.

In the conclusion of our 2021 study, we called for online retailers to realise the value of investing in customer experience post-purchase and the risks associated with the lack of good quality OXM. Following the revealing and insightful findings produced by the 2021 study, we have recreated it to see how the OXM landscape has transformed over the past year. To produce an even clearer picture of how the UK's top retailers are performing, we have further extended the study to include 200 e-commerce brands and retailers.

When parcelLab entered the UK market in 2018, post-sales customer experience was not a widely known topic and very few retailers were investing in this largely untapped marketing channel. Therefore, we're thrilled that our 2022 study has shown some progress, which you'll see in this section's results. There is still a long way to go, however, for good Operations Experience to become the norm.

The following report will look at post-purchase experience in detail, including whether the parcel was delivered within the promised shipping window, how the retailer communicates with their customer, where (if given) parcel tracking is located and how returns are processed.

*List based off RXUK Top 500 Report 2021

What is Operations Experience Management?



ESTIMATED DELIVERY:

Friday
28
May

Hi Sophia,

We're sorry to let you know that there has been a delay with your order in transit – we're very sorry about that!

LEARN MORE

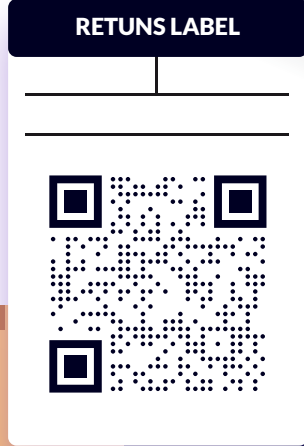
<https://www.yourshop.com/en/836401239>



- 20/02/2022, 09:58 a.m.
- DELIVERY DATE SET
- 19/02/2022, 06:54 a.m.
- DELIVERY IS BEING PREPARED
- 19/02/2022, 20:15 p.m.
- DISPATCHED
- The goods have been sent.

SHOW MORE...

TRACK YOUR ORDER



Imagine the following: you buy a product online, checkout, receive the order confirmation and dispatch and then... nothing. A total absence of updates about your order from the brand you just purchased from. Perhaps you get some communication from the carrier, but not always. Sounds awful right? Well, this happens every day when consumers are shopping online with the world's biggest brands.

Enter Operations Experience Management:

OXM is the combination of operational processes and customer experience, further enhanced by personalisation and relevant value-led touch points.

Through OXM, we want to help brands improve the most crucial stage of the customer journey: shipping, delivery and returns. By transforming every transaction into an experience, every touch point into a personalised and memorable interaction, customers receive an end-to-end, branded, exceptional customer experience.

Why do we do this? When a brand owns their end-to-end customer experience, customers receive relevant, reliable, personalised and branded communication directly from the retailers, which actually adds value to their experience. OXM gives brands the opportunity to share relevant content, cross and up-sell to customers and create a community among their buyers.

Our mission is to bring people and brands closer together. For brands, that means more chances to create relationships that last. And for the people that buy from them, it means turning mundane operational moments into moments of joy.

Key Findings and What you Will Learn





28%

of the retailers directed the customer to a branded tracking page



81%

of the retailers do not send branded or personalised communication

16%
of the tracking pages displayed an error message



89%

of the orders arrived on time



79%

of the retailers ignore their customers after the dispatch notification

8%
of the retailers include product recommendations in shipping communication



What you'll learn:

- The post-purchase performance of UK's top 200 online retailers
- What the findings mean for this sector
- How UK retailers can improve post-purchase experience and increase customer loyalty

Methodology



To gain a better understanding of the state of OXM in the UK, we applied the following methodology which was directly replicated from our previous studies in the market over the past four years.

We placed test orders with the UK's top 200 e-commerce brands throughout December 2021 and January 2022, with returns taking place in the same timeframe. This list was determined by Internet Retailing's RXUK 500 2021 rankings.

Once test orders were completed, our researchers carried out an analysis of the checkout, shipping delivery and returns processes of the retailers.

All orders were delivered to the parcelLab office in West London. Each was of low market value and used the standard delivery option, when possible. To receive free shipping where available, all orders surpassed retailer-specific minimum order values (<£250).

This year, to provide a more in-depth analysis of each part of the customer journey, we will be splitting the reports into three parts: checkout, post-purchase and returns. In addition, we will be releasing industry specific reports to compare how different sectors are performing.

The 200 e-commerce brands and retailers

Arts & Crafts

Hobbycraft
The Works

Athleisure

Adidas
Foot Locker
Footasylum
Gymshark
JD Sports
New Balance
Nike
Puma
Reebok
Sweaty Betty

Catering

Nisbets

Electronics

AO
Apple
Appliances Direct
Bose
British Telecom and BT Shop
Carphone Warehouse
Currys PC World
Dell Technologies
Dyson
Google Store
Hughes Electrical
Jessops
Laptopsdirect
Microsoft
Nintendo
Overclockers UK
Philips
Robert Dyas
Samsung

Fashion, Apparel & Accessories

& Other Stories
Aldo
All Saints
Ann Summers
ASICS
Bershka
Boden
Boohoo.com
Boux Avenue
Calvin Klein
Charles Tyrwhitt
Clarks
Cotton Traders
Crocs
Diesel
Dune London
Ecco
End.
Fat Face
Free People
French Connection
G Star
GANT
Gap
H&M
Hobbs London
Hotter Shoes
Jacamo
Jack Wills
JD Williams
Jigsaw
Jones Bootmaker
Joules
Karen Millen
Kurt Geiger
L.K. Bennett
Lands' End International
Levi's
Lindex
Long Tall Sally
M&Co
Mainline Menswear

Mango
Massimo Dutti
Mint Velvet
Missguided
Moss Bros
Nasty Gal
New Look
Oasis
Office
Phase Eight
Pretty Little Thing
Pull&Bear
Reiss
River Island
Russell & Bromley
Schuh
Seasalt Cornwall
Shein
Shoe Zone
Simply Be
Size?
Skatehut
Soletrader
Sunglasses Hut
Superdry
T. M. Lewin
Ted Baker
Tommy Hilfiger
Ugg
Uniqlo
Urban Outfitters
USC
Whistles
White Stuff
Yours Clothing
Zalando
Zara

Food & Wine

Hotel Chocolat
Majestic
Nespresso
Waitrose & Partners

Furniture & Homeware

Dunelm
Habitat
Ikea
Lakeland
Sofa.com

Games

GAME

Gifts, Stationery and Books

Menkind
Paperchase
Waterstones

Health & Beauty

Avon
Beauty Bay
Boots
Clinique
Estee Lauder
Feelunique.com
Holland & Barratt
L'Occitane
LookFantastic
Lush
Molton Brown
Sally
Space NK
Superdrug
The Body Shop
The Fragrance Shop
The Perfume Shop

Jewellery

Beaverbrooks
Ernest Jones
Goldsmiths
H.Samuel
Monica Vinader
Pandora
Swarovski
Thomas Sabo

Kids Goods

Mamas & Papas
ShopDisney
The Entertainer

Luxury

Burberry
Dior
Farfetch
Gucci
Hugo Boss
Jimmy Choo
Louis Vuitton
Matches Fashion
Montblanc
Net-a-Porter
Mulberry
The Hut

Marketplace

CEX

Multi-category

Aldi
Amazon
Anthropologie
Argos
Asda
ASOS
Claire's
Fortnum & Mason
House of Fraser
John Lewis & Partners
Littlewoods
Marks & Spencer
Matalan
Selfridges
The White Company
Very
Wilko

Pets Goods

Pets at Home

Sports & Outdoor

Blacks
Chain Reaction Cycles
Cotswold Outdoor
Decathlon
Evans Cycles
Go Outdoors
Millets
Mountain Warehouse
Sportsshoes.com

Tools & DIY

B&Q
Halfords
Homebase
Screwfix
Toolstation
Travis Perkins
Wickes

The Findings



Post-purchase communication

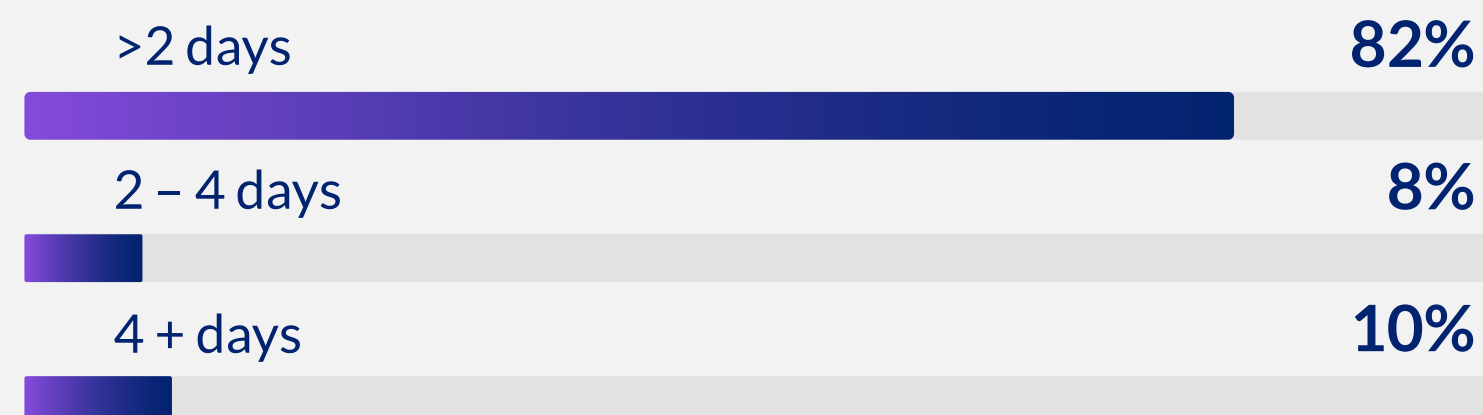
Was a dispatch confirmation sent?



What was the average time between order and dispatch?



How long was it between the order confirmation and dispatch confirmation (when received)?



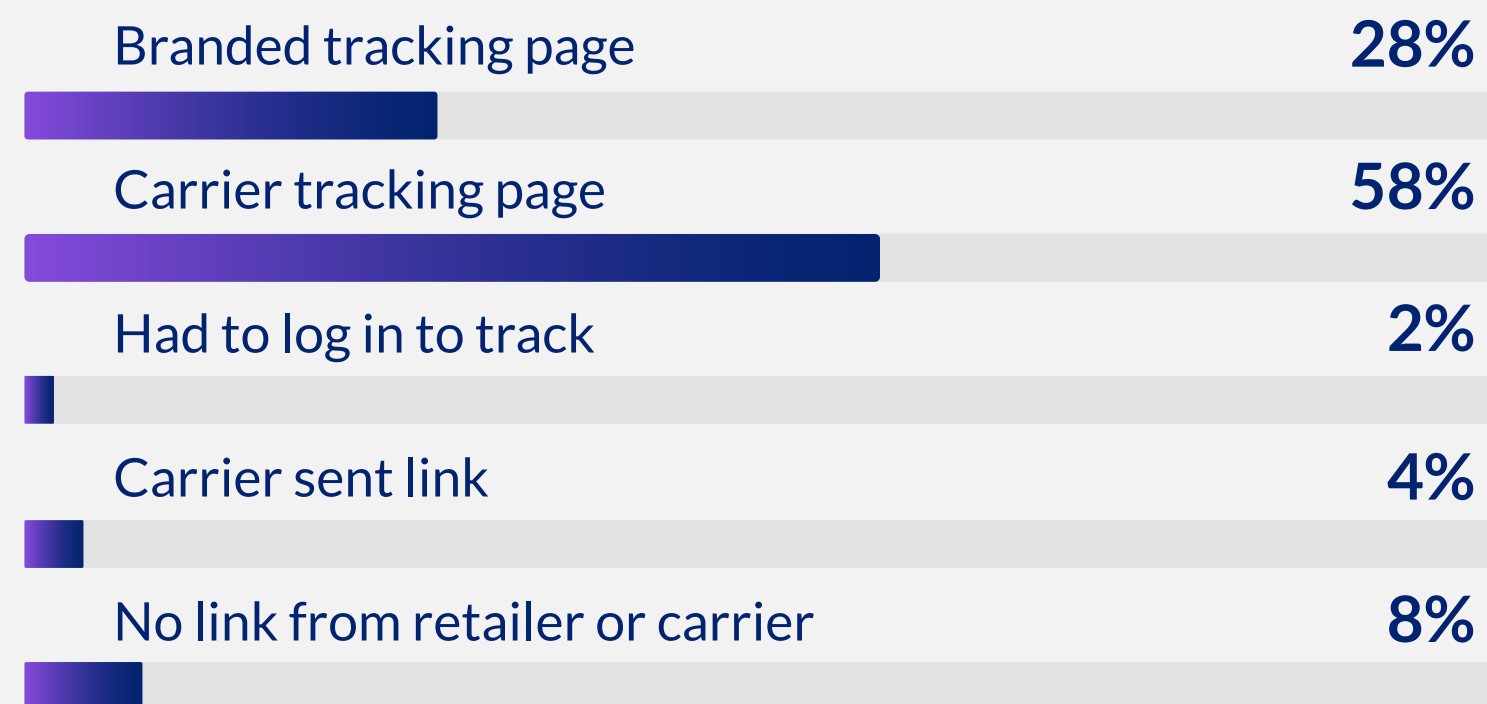
Once the customer has purchased online, most UK retailers fail to keep their customers up to date on the status of their order. They instead rely on the carrier to communicate with the customer, which sometimes they don't even do. Sadly, the further we go down the purchase path, the fewer communication we receive from the retailer.

Before we delve into the most emotional part of the customer journey, let's start at the beginning of the communication post purchase. The minimum customers expect from the retailer is a dispatch confirmation with a link to a tracking or order status page. For 7% (14) of the retailers, this was not received. Whilst the vast majority do send this (93%), we would hope to see this number at 100%. For some of the retailers, we actually received the carrier dispatch email before the retailer's.

The average time between order confirmation and dispatch confirmation when we did receive it was 2 days. For 10% (18) of the brands, this time was over 4 days, with the longest being 22 days. Whilst these orders were placed at the busiest time of the year for online retailers, where supply chain issues also came into play, communication has actually never more important. For the customer to receive no information for 22 days is shocking and will lead to an influx in WISMO (where is my order?) enquiries are a result.

Tracking/Order Status pages

What kind of tracking page did the dispatch notification take you to?

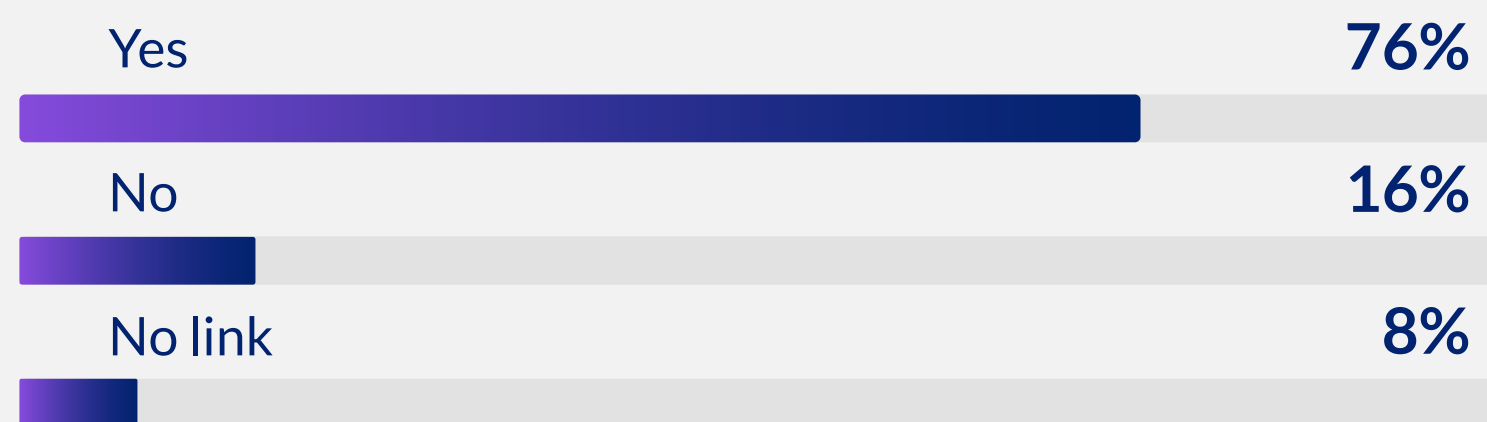


For 8% (15) of the orders, the retailer did not include a tracking link in their dispatch confirmation (if they sent one). This is an improvement on our 2021 study, where 19% of the retailers did not send a link. For these orders, this means the customer must rely on the carrier contacting them with tracking information or they receive no tracking information at all.

58% (115) direct their customers to the carrier's tracking page. This number has actually increased since 2021, where 56% did this.

Only 28% (55) send their customers to a branded tracking page, whether this is hosted by a third party or in the retailers' own ecosystem. Of these 55 retailers, just 37% of them directed their customer to an order status page hosted on their own domain. These spanned the different industries and included Amazon, Bose, H&M and Look Fantastic.

Did the tracking page work immediately?



Did the tracking page have the correct name?

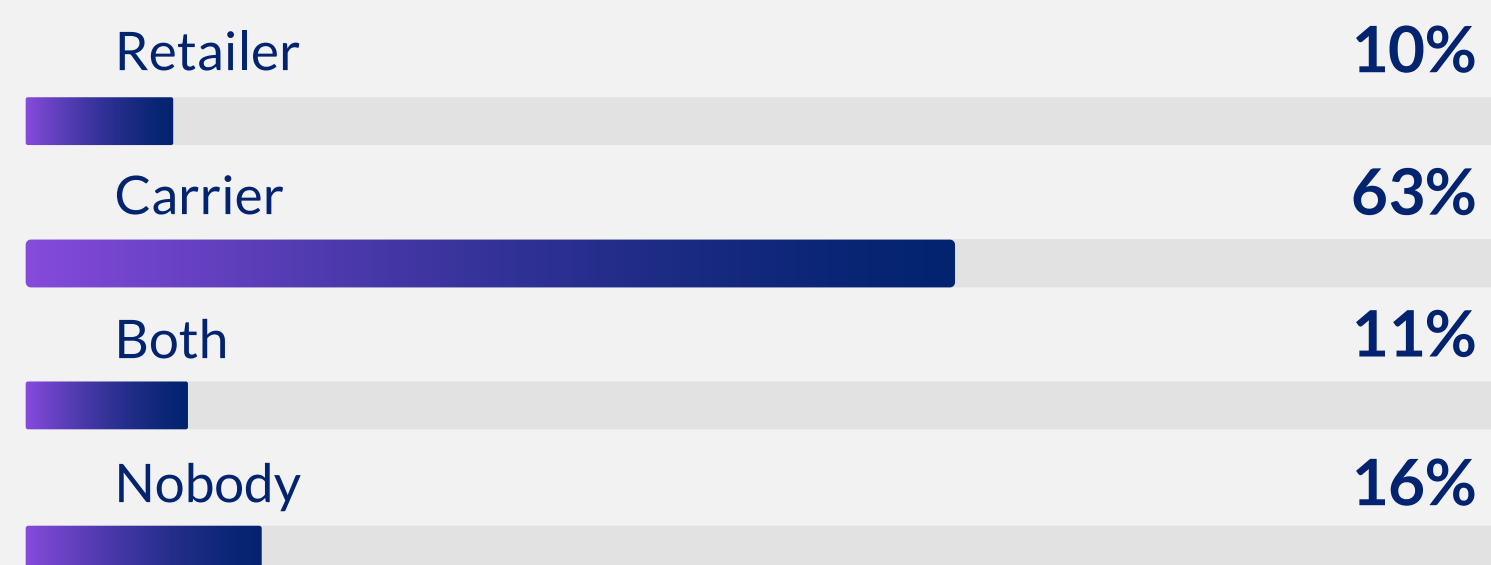


For 16% (31) of the retailers, the tracking page displayed an error message or said they could not find the tracking details. These error messages are usually caused by a delay in data being sent to the delivery carrier from the retailer or a delay in the carrier collecting the parcel.

The tracking pages for 4% (8) of the retailers displayed an incorrect business name. This can be very confusing for a customer as they will not know which parcel the tracking page belongs to. With e-commerce sales soaring as a result of the pandemic, this is even more important as customers will likely be ordering from various retailers at a similar time. This often happens when orders are fulfilled through a third-party logistics company (3PL) or the retailer is part of a larger group. For example, the tracking for our Aldo order says it came from Guardian Warehousing.

Communication during delivery – who owns it?

Who communicates with the customer during shipping?



Just 10% (20) of the UK's top retailers communicate with their customers directly during shipping. A further 11% (21) communicate alongside the carrier. This means just 21% (41) of retailers are actively communicating with their customer during shipping.

For the remaining 79% (156) of retailers, the customer either receives shipping notifications directly from the carrier or no communication at all. This means that 79% of retailers are still effectively ignoring their customers during delivery.

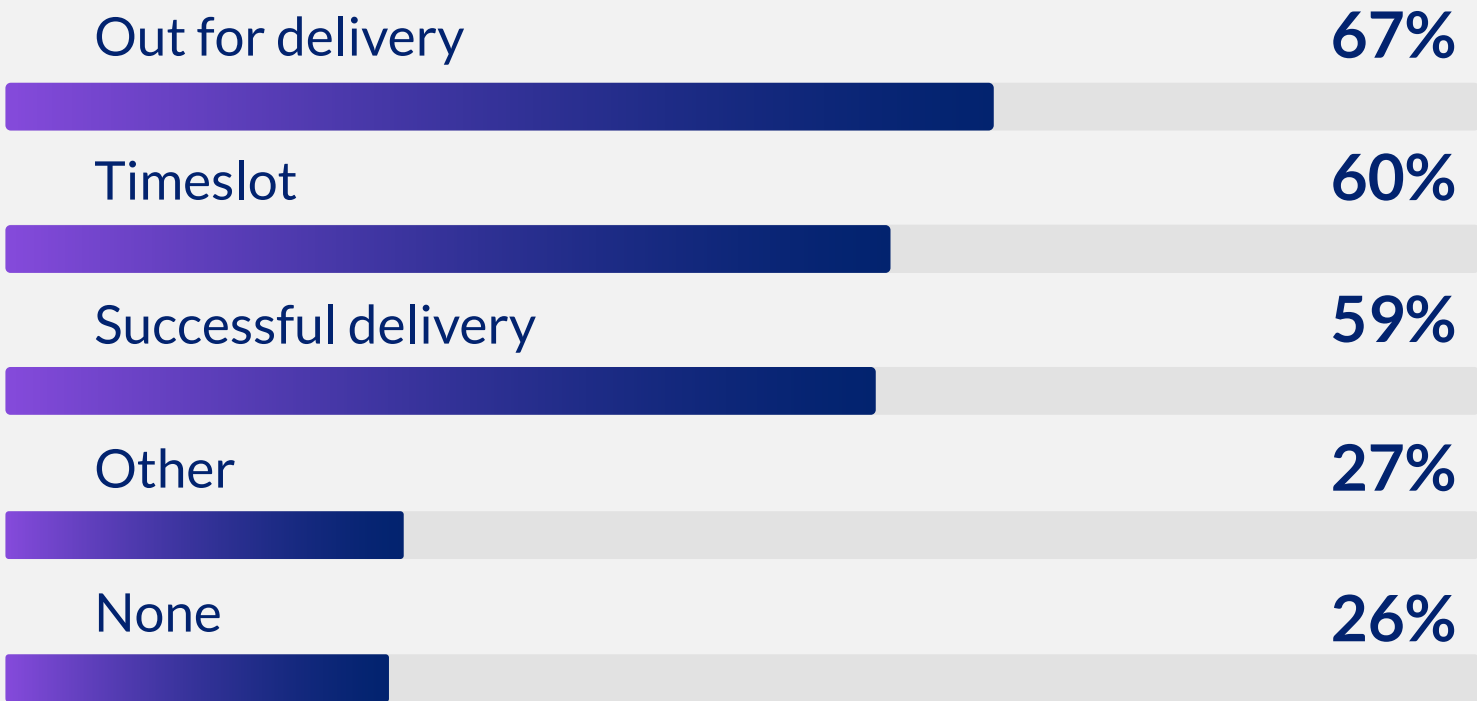
The good news is that the number of retailers communicating has improved since our 2021 OXM study. Here we found that just 13% of the retailers communicated with their customer during shipping either solely or alongside the carrier. It is therefore promising to see more retailers owning this crucial part of the customer journey and we envision this number continuing to grow. It is likely that the pandemic has spurred this on, as more retailers invest in their digital and customer retention strategies.

Notifications during shipping

What emails did the retailer send during shipping?



What emails did the carrier send during shipping?



Do retailers keep their customers informed during different stages of delivery?

Email is still the most used communication channel by online retailers, both for marketing content and also for post-purchase updates. In contrast to SMS, Messenger or Whatsapp, email offers far more flexibility when it comes to personalisation. As such, this channel has the potential to truly enrich the experience for customers and showcase the brand.

Sadly, the communication between retailers and their customers generally ends once the parcel has been dispatched. Just 10% (19) of the retailers send an out for delivery notification, compared to 67% (132) of the carriers. None of the retailers sent a timeslot notification, compared to 60% (118) of the carriers.

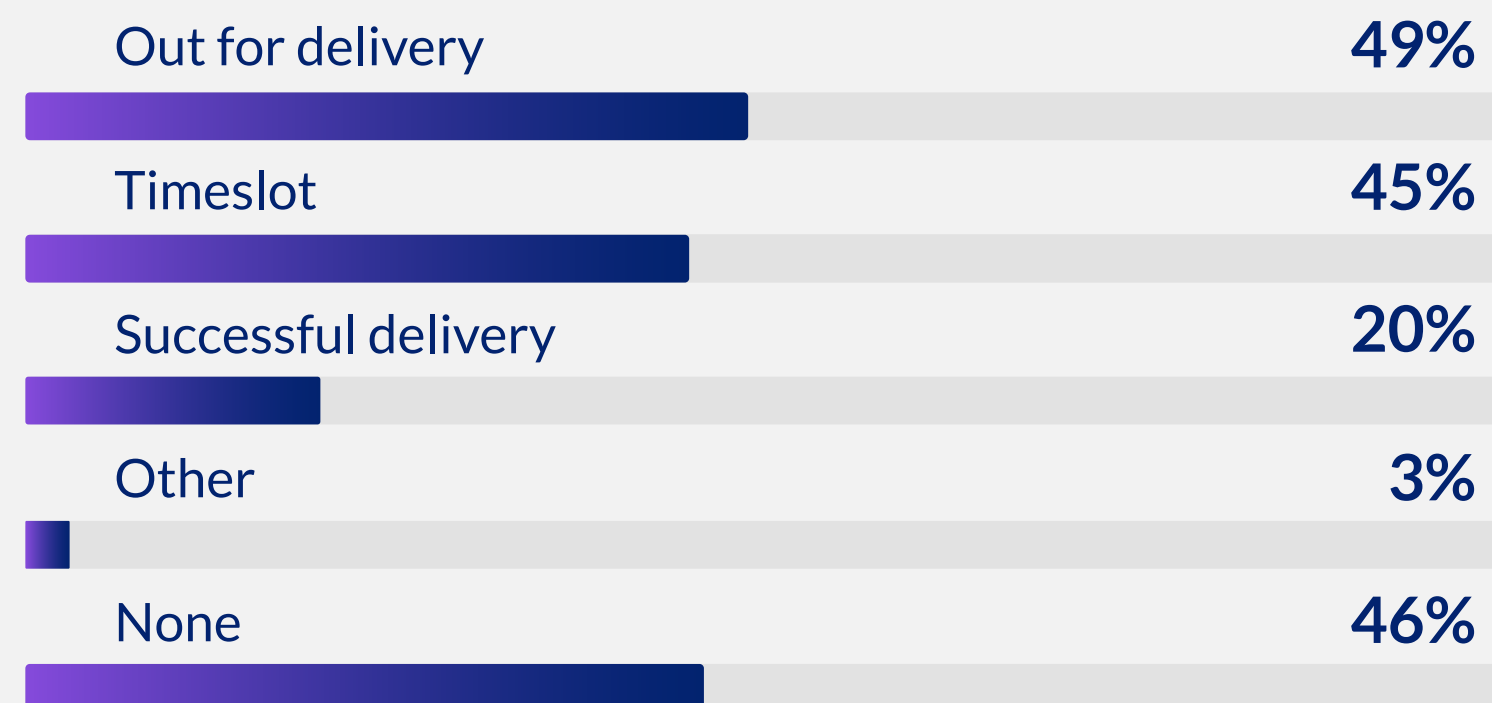
Successful delivery notifications were the most popular communication sent by the retailers, with 18% (35) sending these. This is still minimal when compared to the carriers though, where 59% (117) sent this.

It is surprising that 26% (51) of the carriers sent zero email communications. Many retailers rely on the carrier to keep their customer up to date and with 1 in 4 failing to communicate, this reliance is worrying.

What SMS notifications were sent by the retailer?



What SMS notifications were sent by the carrier?



A similar picture is painted by SMS notifications. Whilst they are not as popular as email, the carriers still send a lot more than the retailers. Out for delivery remains the most popular, with 49% (96) of the carriers sending this. This is followed by timeslot notifications, with 45% (88) of the carriers using these.

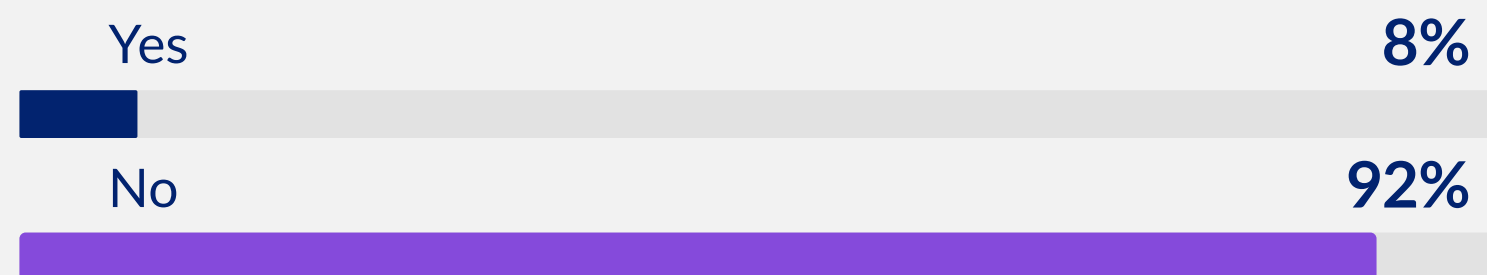
88% (174) of the retailers and 46% (91) of the carriers do not send any SMS. Research shows that consumers would like to receive important information by text message (such as timeslots for delivery on the morning of) so utilising this channel will stand retailers apart from their competitors.

Successful delivery notifications are less popular via SMS, with 20% (39) of the carriers sending them and 2% (4) of the retailers. This is not surprising, as these notifications are often used to display marketing content or encourage reviews which is harder to bring to life via SMS.

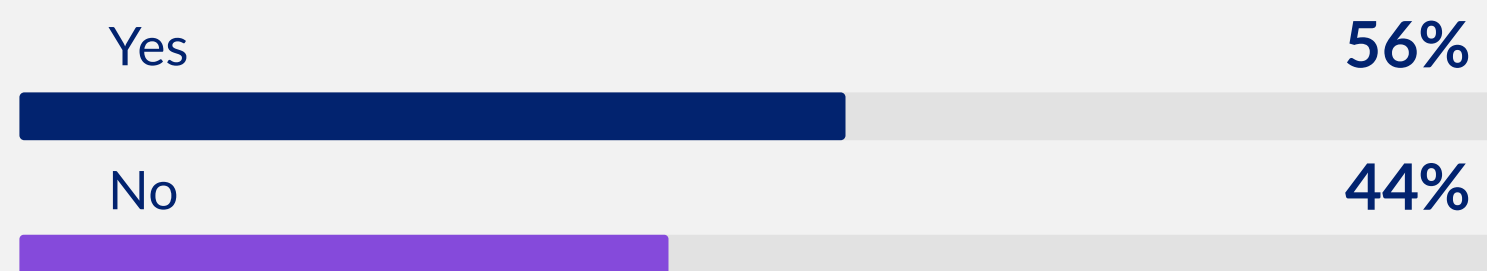
Was the communication branded and personalised?



Were any "product recommendations" included in the communications?



If so, were the recommendations consistent with the order placed?



Are the UK's top online retailers utilising the most engaged with marketing channel?

It's widely acknowledged that post-purchase notifications are the most engaged with communication across the entire buying journey. These emails see open rates upwards of 80%, compared with the 20% we usually see for marketing content. In addition, click-through rates exceed 20%, compared with the 2-5% we see for marketing content.

There's no denying then that owning this channel can not only create a better customer journey during shipping and delivery, but also lead to increased revenue and retention rates if done correctly.

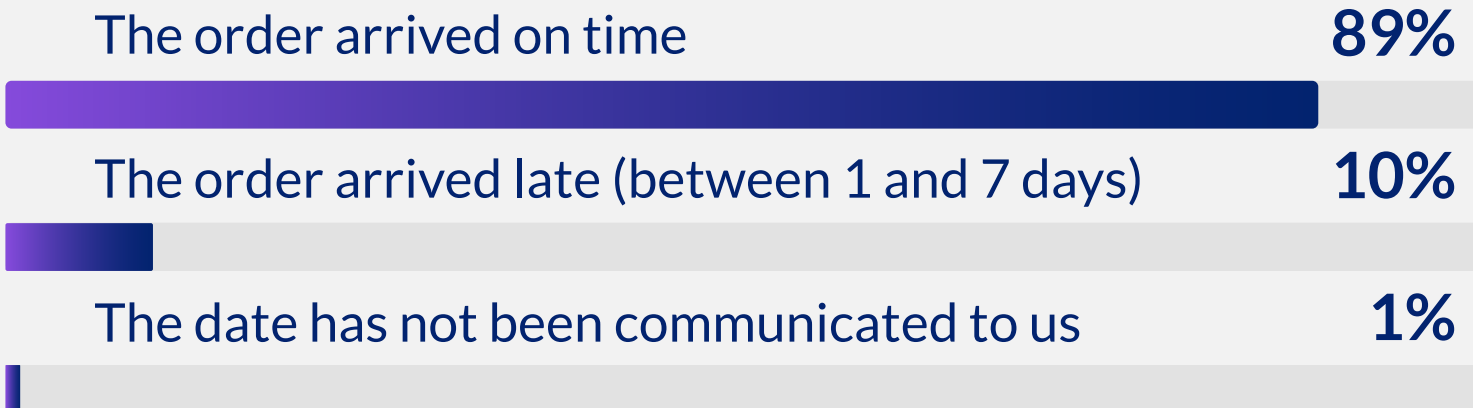
Right now, only 2% (3) of the UK's top retailers send branded and personalised shipping communications to their customers. 18% (35) send branded communication, but this cannot be classed as truly personalised as no additional product up/cross-sell or tailored marketing content was included. This means that 81% (159) of the retailers are sending non-branded, generic communication to their customer during the most emotional part of the journey.

8% (16) included any sort of product advertising in their shipping communication. Of those, 56% (9) were personalised to the order. This is a vast improvement from our 2021 OXM study, where just 31% of the retailers that included product advertisements tailored them to the order.

The number of retailers that include product recommendations has remained almost the same, with 8% in 2022 versus 9% in 2021. This is a huge missed opportunity to encourage repeat purchases and increase revenue.

Delays

Was the predicted delivery date met?



If delayed, was this communicated?



The vast majority of the orders arrived on time (89%, 175), despite them being placed during one of the busiest seasons for retailers. 10% (20) of the orders were delayed but never by more than 7 days.

For those orders that were delayed, sadly this was not communicated to us more often than not – for 70% (14) of the delayed orders, we were not informed. The delay was communicated by the retailer for 25% (5) of the orders, and by the carrier for 5% (1) of the orders. This is surprising, as often the retailer does not receive this information to act on it unless they own the communication during shipping.

Communicating delays is key. In fact, research has shown that 70% of consumers wouldn't shop with a retailer again if they failed to inform them about a delay*.

*Convey, 2020

Our top performers

Whilst the study focuses on improvements the UK's top retailers must action to deliver the experience their customers expect of them, we do want to highlight the good experiences. Here are some of our favourite journeys:



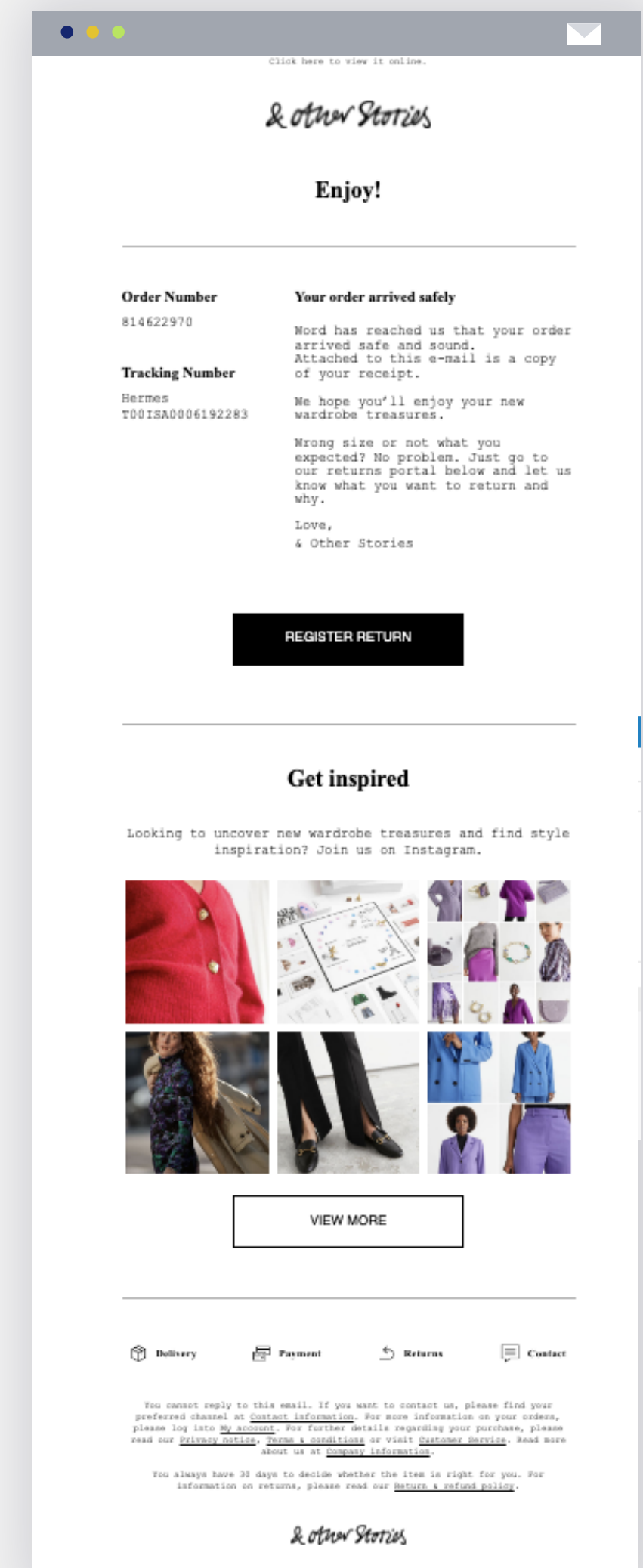
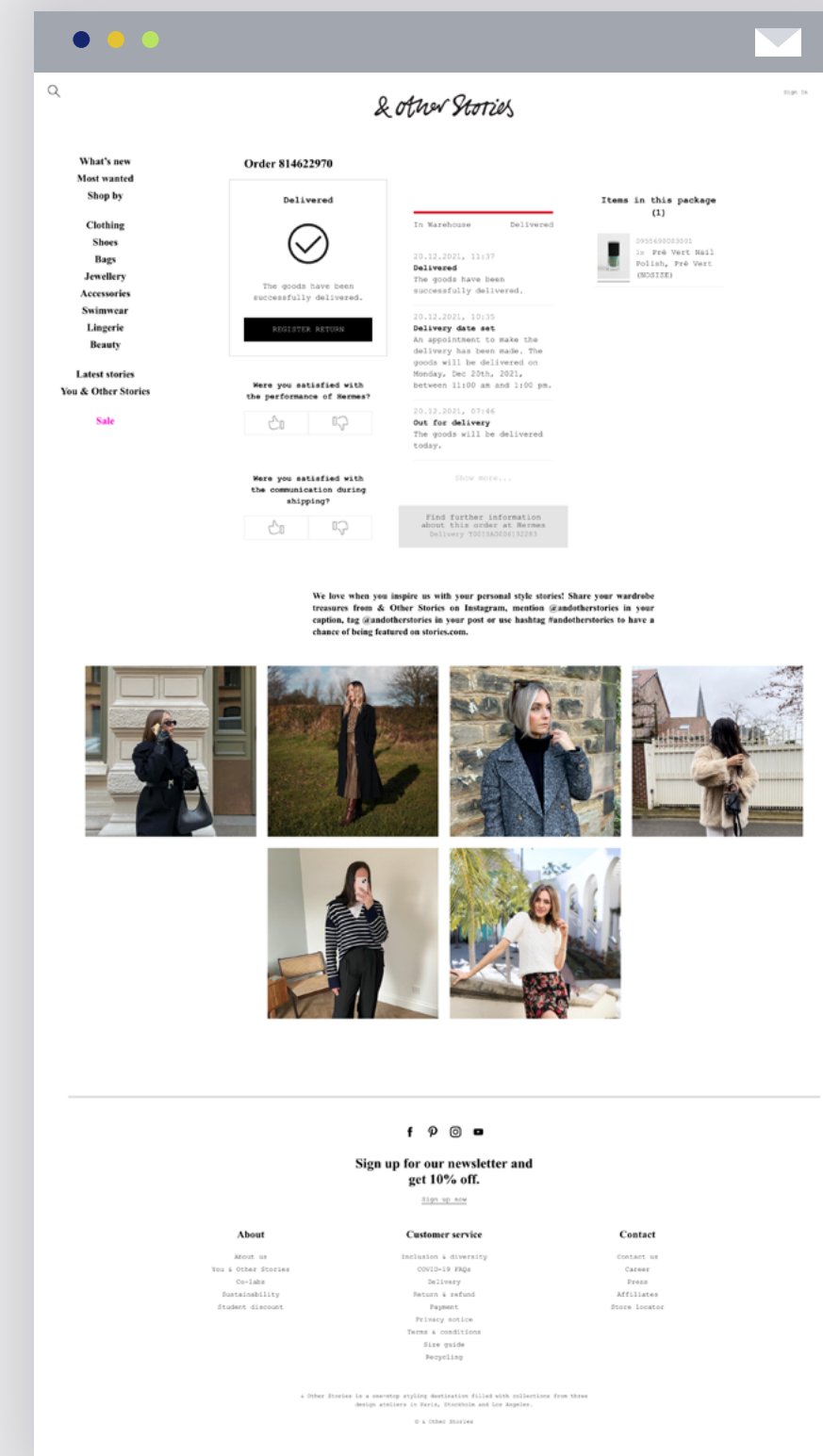
& other Stories

What we liked:

- Influencer content is included on the order status page to give customers style inspiration – this is great for community building
- Email communication includes styling inspiration from their Instagram page. Again, by displaying this they are building a community with their shoppers and encouraging them to follow them on Instagram
- Order status page is hosted in the retailer's domain
- Delivery success notification includes information about returns and link to returns portal – this makes it very easy for the customer to return unwanted items

What & Other Stories could improve:

- Received communication from & Other Stories and Hermes during delivery. The branded comms were much more engaging so the Hermes ones do not feel necessary
- Include product recommendations in shipping communication to promote further purchases



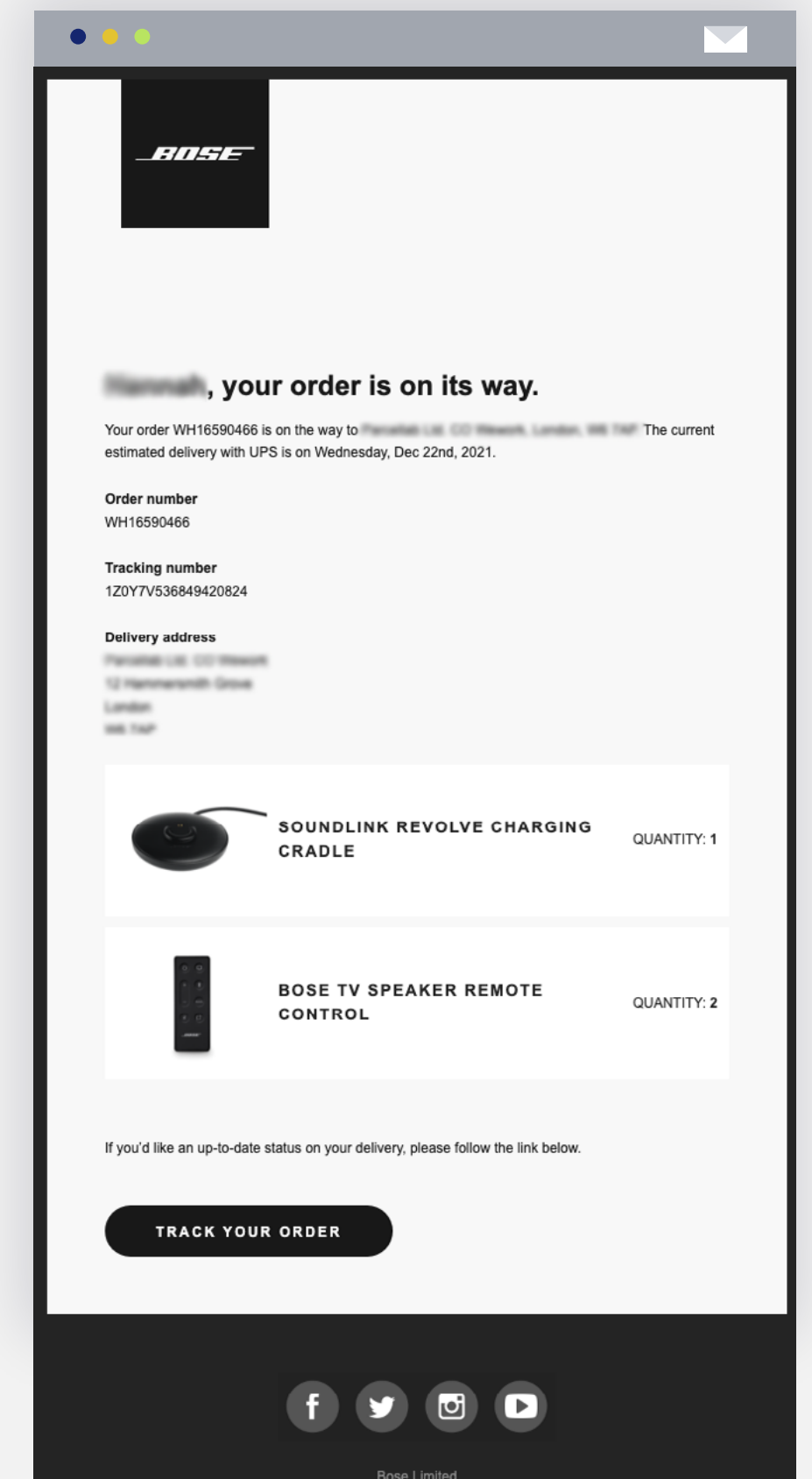
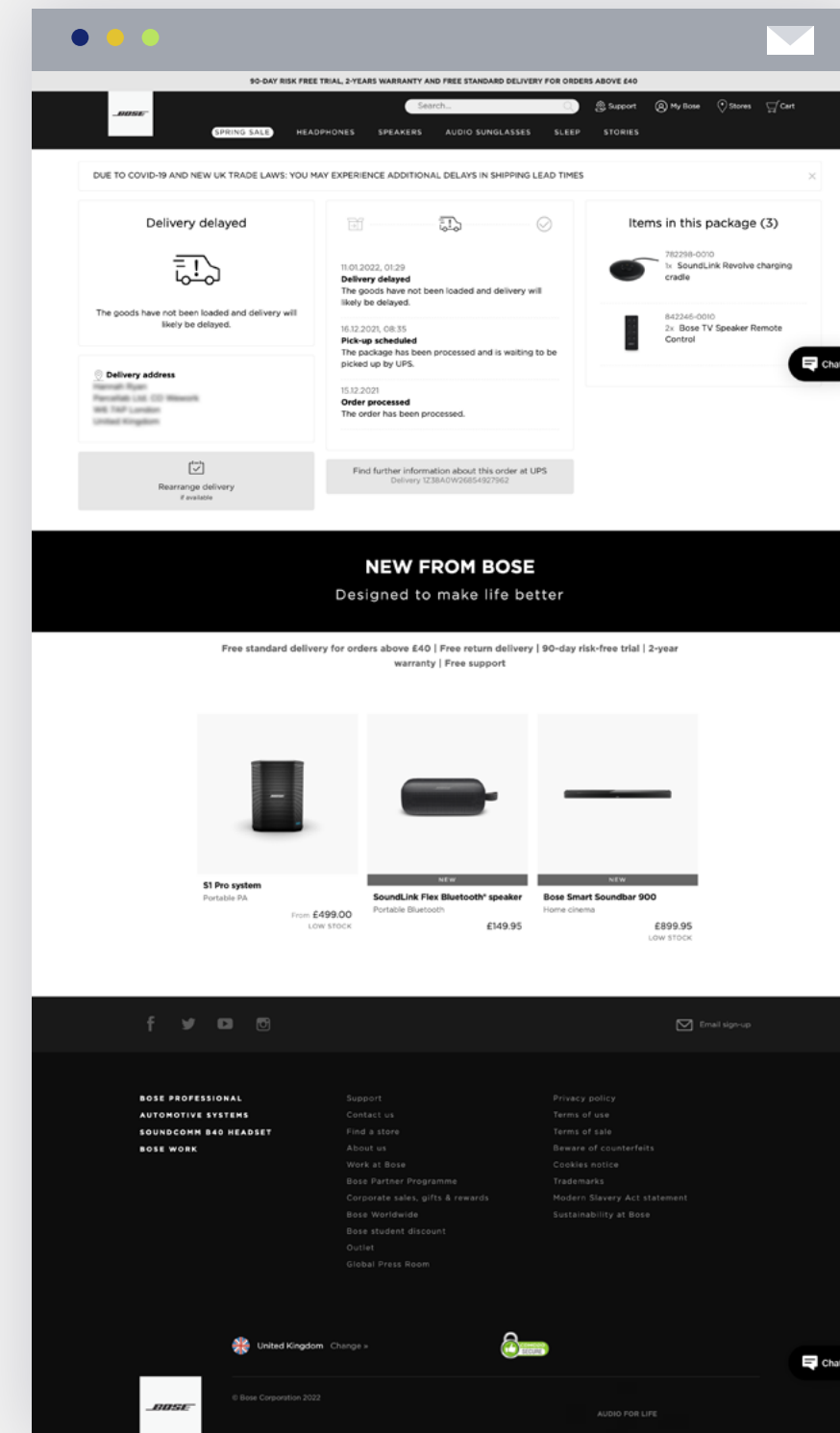


What we liked:

- Branded communication throughout the entire customer journey
- Personalised product recommendations on the tracking page, corresponding perfectly to the purchase
- The rate of emails sent at each new delivery event
- Warning on the tracking page of likely delays
- The collection of customer feedback after receipt of the package

What Bose could improve:

- Little marketing content included in the emails
- Simple and clean email communication that could be more engaging for the consumer with more content incorporated



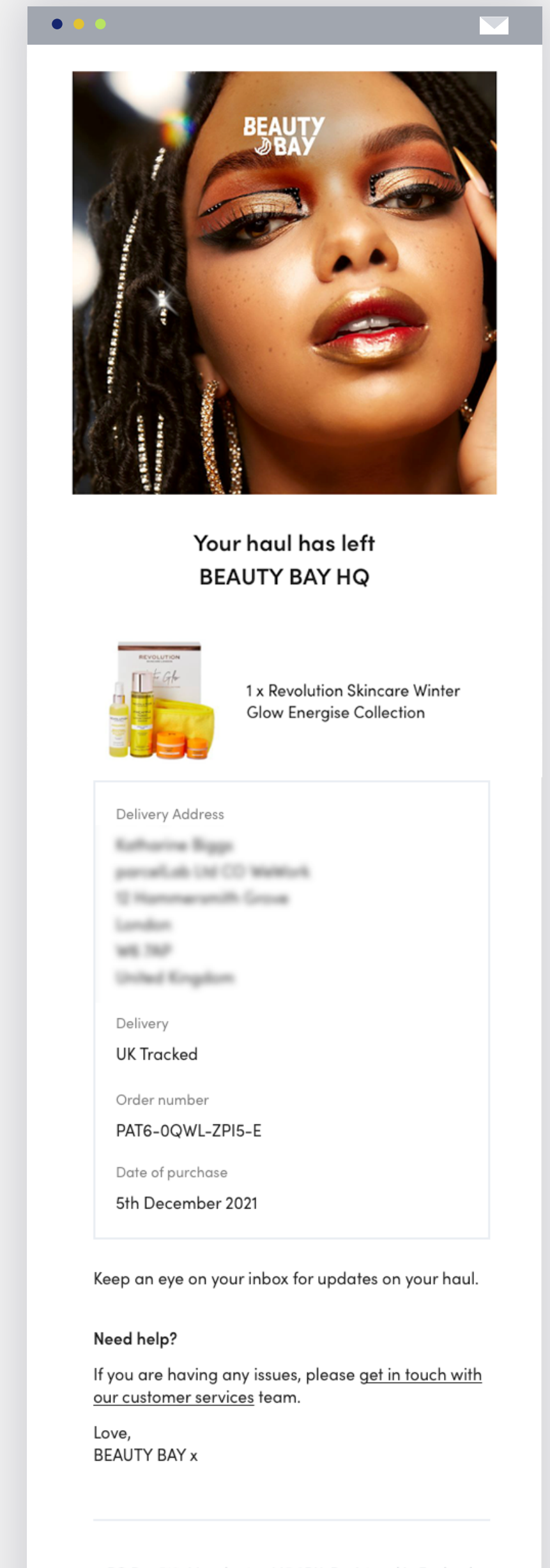
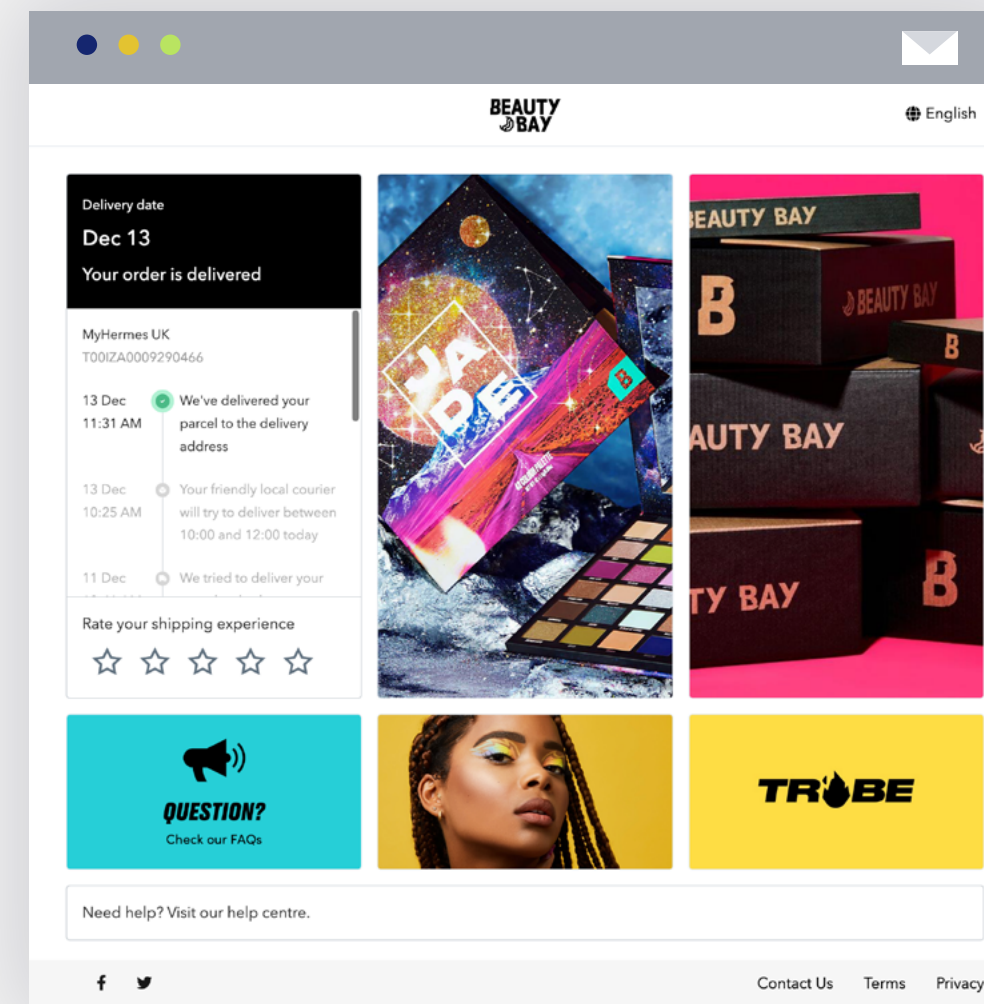


What we liked:

- Order tracking page contained links back to website of loyalty schemes, FAQs and what's new
- Very eye-catching and on brand email colours
- Request for customer opinion after delivery
- The additional content added to emails such as social media links or even the promotion of the application

What Beauty Bay could improve:

- No product recommendations based on the items bought
- Order tracking page not hosted on brand's website directly, hosted by a solution provider
- Frequency of delivery emails could be improved – we received that the order was in transit but not an 'out for delivery' notification
- Last year, Beauty Bay included an infographic on how to recycle the packaging – it is a shame that they have removed this from their communication



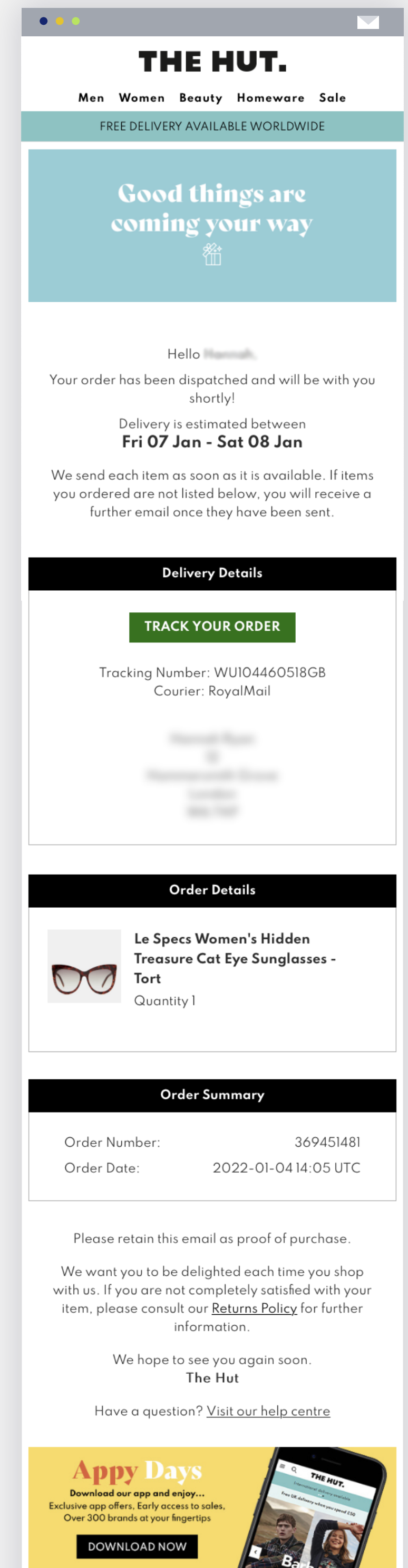
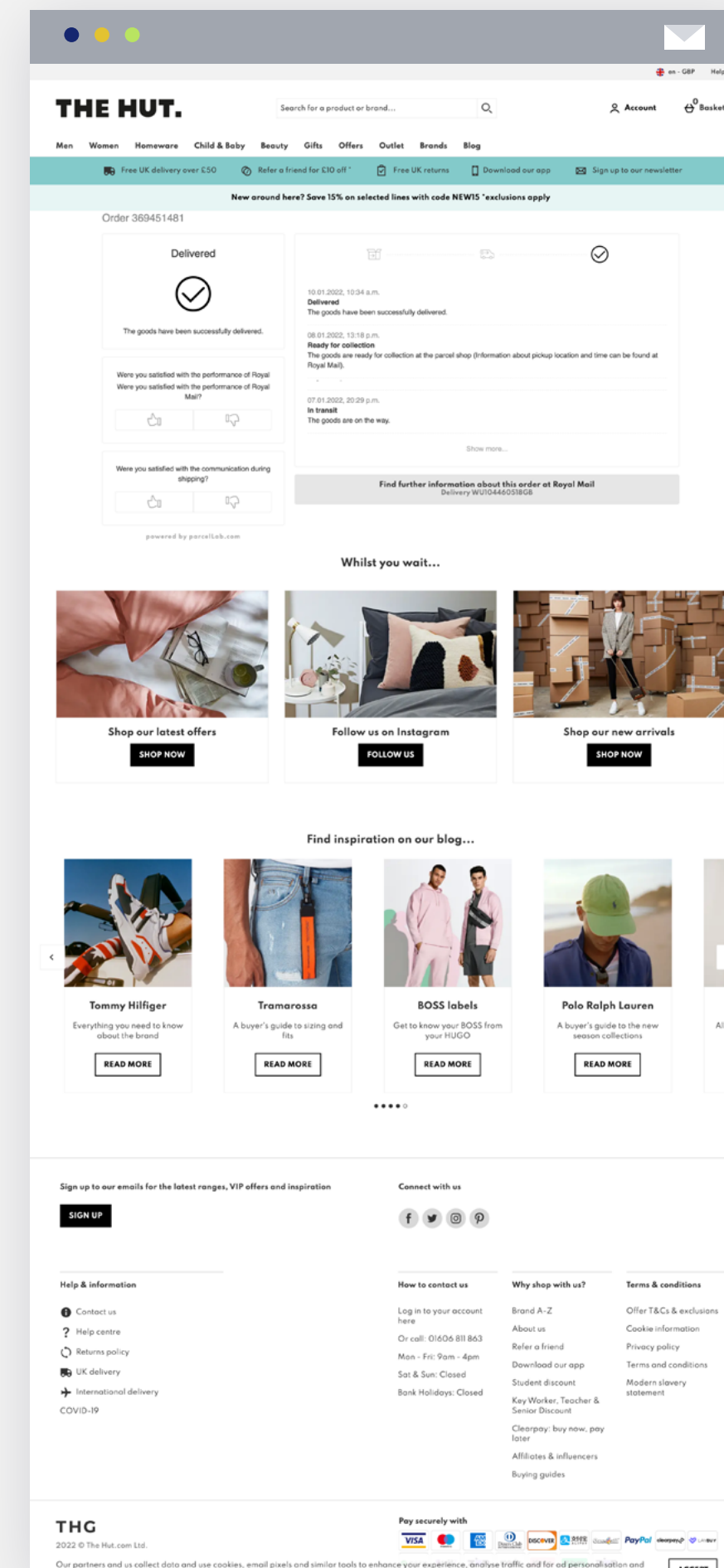
THE HUT.

What we liked:

- They encourage you to create an account in the order confirmation so you can easily track your order and contact support team if anything goes wrong
- Delivery communication highlights estimated delivery date clearly
- Tracking page has plethora of marketing content, including links to blog for inspiration and latest offers
- Tracking page includes NPS option once item has been delivered to rate the carrier
- Tracking page hosted in retailer's own domain

What The Hut could improve:

- Review request came straight after checkout – this felt a bit early as we hadn't received the item yet
- Include product recommendations in email communications as well
- Include styling inspiration in email communications similar to blog links on tracking page



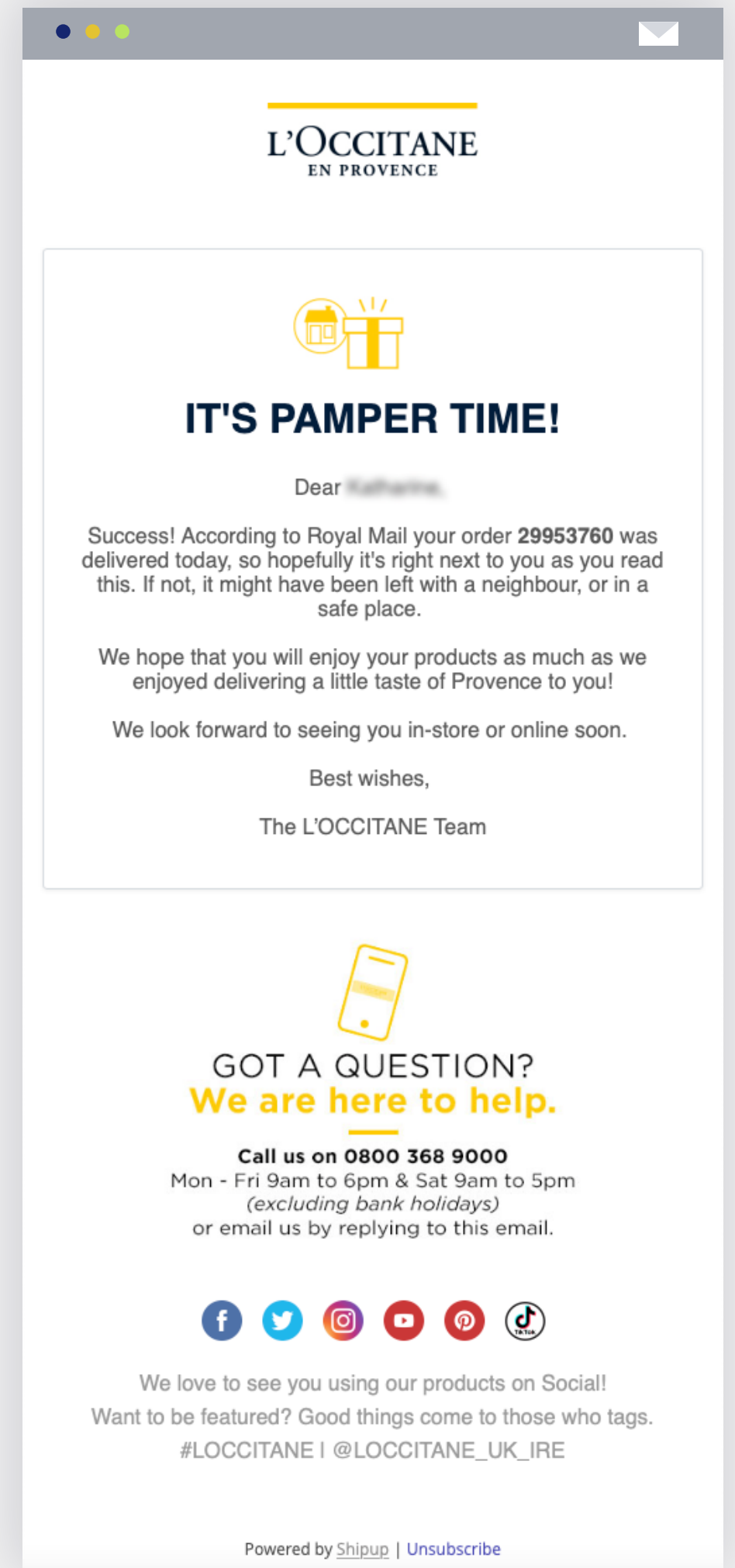
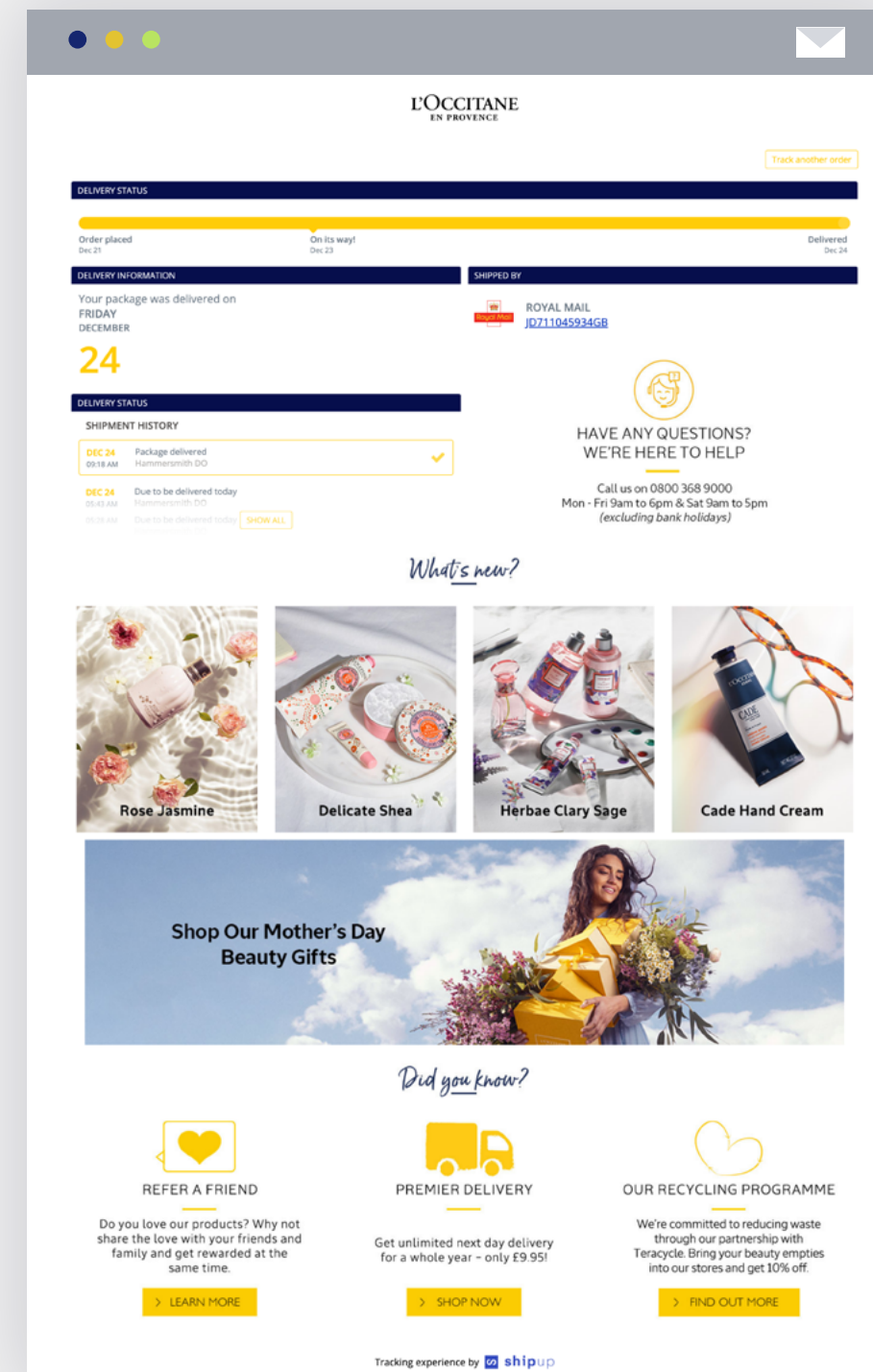
L'OCCITANE EN PROVENCE

What we liked:

- Consistent colour theme throughout
- Links straight to their loyalty programmes on tracking page (membership and refer a friend)
- Email communication only received from the brand, with no interference from the carrier clogging up the inbox
- Sustainability initiatives in email communication and links on the tracking page

What could L'Occitane improve?

- Some layout inconsistencies between initial order confirmation email and subsequent communication emails
- Product details do not appear in the order confirmation, which can be confusing in the event of a "split order"
- Order tracking page not hosted on brand's website directly, hosted by a solution provider
- Order tracking page does not display detailed delivery information or what products have been ordered
- Generic 'what's new suggestions' on tracking page instead of bespoke individual suggestions



Conclusion



Although there have been some improvements in the post-purchase experiences of the UK's top retailers, the study shows that there is still some way to go for them to be delivering the experiences their customers expect. For most of the retailers, the experience ends when the customer 'checks out' and they are left in the dark about the status of their order. Post-purchase emails are also rarely personalised and utilised to create an engaging experience for the customer and encourage them to return to the web shop to reorder.

The events of the past two years have changed the way society shops for good and retailers need to adapt to keep up. Customers are craving communication in all aspects of life, particularly when shopping online. As such, the vast majority of retailers and brands are failing to deliver the experience that online customers have grown to expect. With high street stores now reopen, online shopping experiences need to be even better. Therefore, the fact that 79% of retailers end communication after dispatch is shocking.

Shipping and delivery are the most emotional part of the buying journey and also the area that, when utilised, can reap rewards for retailers. By taking control of post-purchase communication retailers have the opportunity to personalise each interaction and make each point of contact engaging. In addition, retailers have the opportunity to offer memorable experiences through relevant and reliable updates, as well as reduce WISMO (where is my order?) enquiries – a goal of any customer service department.

Based off the findings, parcelLab recommends that brands:

1. Take control of the post-purchase experience
2. Host order status (tracking) page in own domain
3. Don't rely on carriers to inform your customers about delivery
4. Delays are inevitable, make sure you communicate them!

About parcelLab

The leading Operations Experience Management platform

Together, we can create outstanding customer experiences every day.

At parcelLab, we help brands take control of customer communication. We don't do out-of-the box solutions, we empower brands to deliver end-to-end real-time communication that embodies their brand identity and complements their business goals.

We transform complex operational data into a customer experience of your own design. In other words, our advanced data platform can be fully customised to suit your needs. We'll work with you to create impressive customer focused experiences that manage expectations, build trust and prolong engagement.

And over the years, we've become pretty good at it. Worldwide we've integrated over 300+ partners. It's this that sets us apart and enables us to deliver truly tailored experiences to our 550+ global brands

The Research Team

Hannah Ryan, Marketing Researcher
Katharine Biggs, Head of Marketing Communications EMEA
Dennis Weber, Data Scientist
Bruno de Aviz, Graphic Designer
Olivia Cleverley, Graphic Designer

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Get in touch

