Improve Your *Post Purchase Experience*
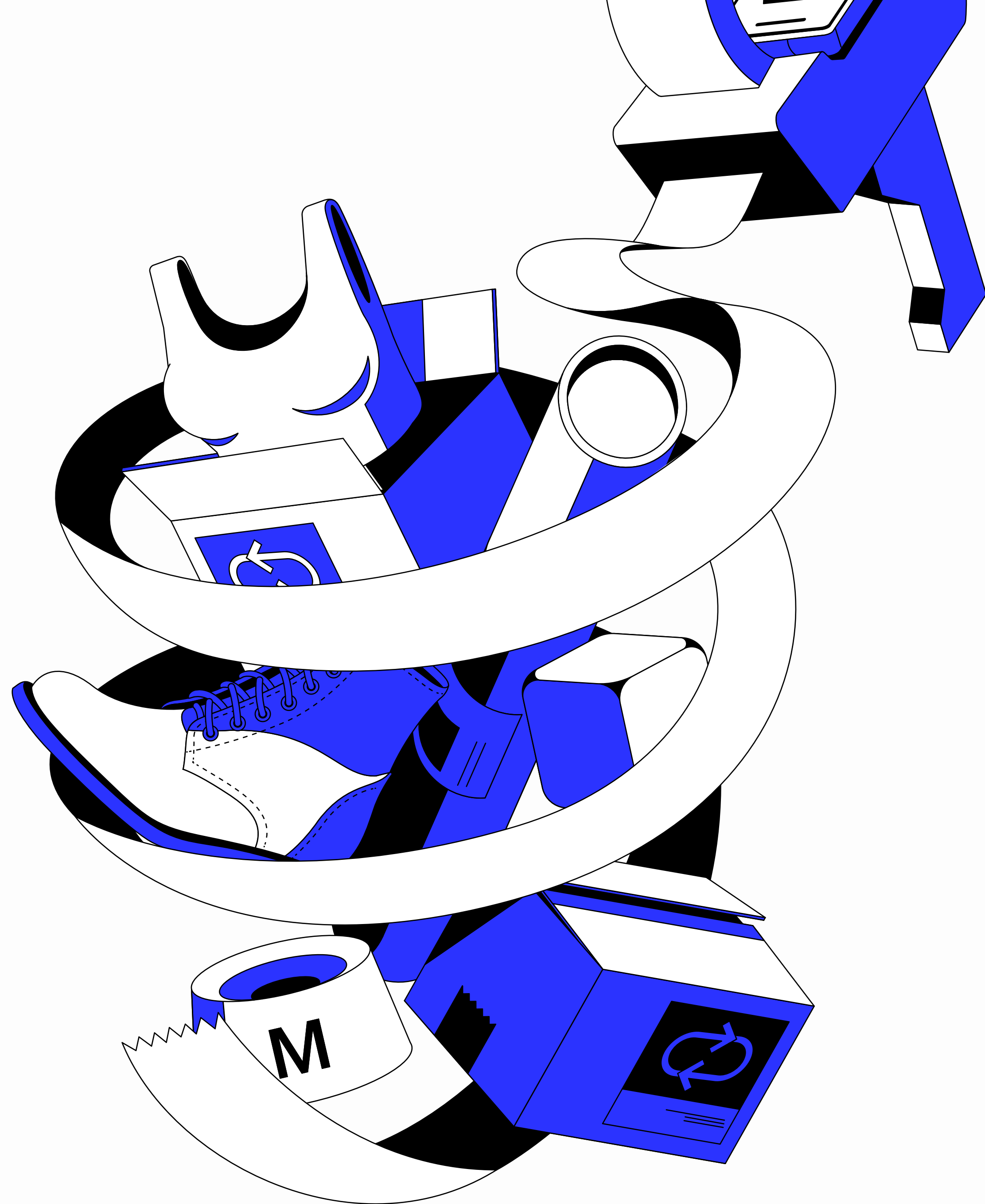
How to build a base of repeat, lifelong customers instead of one-off purchasers

loop

Table *of* Contents

loop

Between Black Friday and Cyber Monday, no doubt your customer base exploded. After all, American consumers spent a whopping $204.5 billion during the holiday gift-giving season, per data from Adobe Analytics, surpassing last year's total spend by 8.6%.

In the weeks and months that follow, your challenge is to survive the returns season without getting too dinged—and to make those first-time buyers loyal customers for life. But how?

In a world where ecommerce has transformed the retail landscape and consumers have more choices than ever, even the smallest bug in your retail experience can send shoppers running for the exits. To build recurring revenue streams and retain devoted consumers who trust your brand—and keep coming back to it—you've got to nail your post-purchase process from the beginning. That means giving your customers a personalized, data-informed, and hassle-free experience.

Check out the game-changing post-purchase solutions below to improve your user experience in the new year and keep sales flowing through 2022 and beyond.

How to invigorate your *post-purchase experience*

Your work is far from done after a customer clicks "pay" on a purchase. Just as important as what happens leading up to their purchase is what happens after. An easy, breezy return policy and targeted promotions can help turn a one-time customer into a brand loyalist and even a brand evangelist. Here are some of the most important building blocks of a quality post-purchase process.

Take the post-purchase pulse

Offering a multiple choice, post-purchase survey is a lowkey way to learn what your customers loved—or loathed—about their buying experience. That information can help you smooth any bumps that consumers are facing in the process. This feedback is valuable and simple and should be a staple of any e-commerce transaction.

Ask your consumers questions like:

- *How would you rate your overall experience?*

- *What almost stopped you from making a purchase? (You want to dig into why nearly 70% of online shoppers abandon their shopping carts without buying.)*

- *What is one thing you loved about your shopping experience?*

Don't forget to survey your customers when they're in the returns or exchange pipeline, too. This is your chance to sniff out any issues with your products or your process. Maybe a color just isn't reading right on your website or one of your products is consistently getting damaged in transit. That's valuable information you can snag with a simple survey.
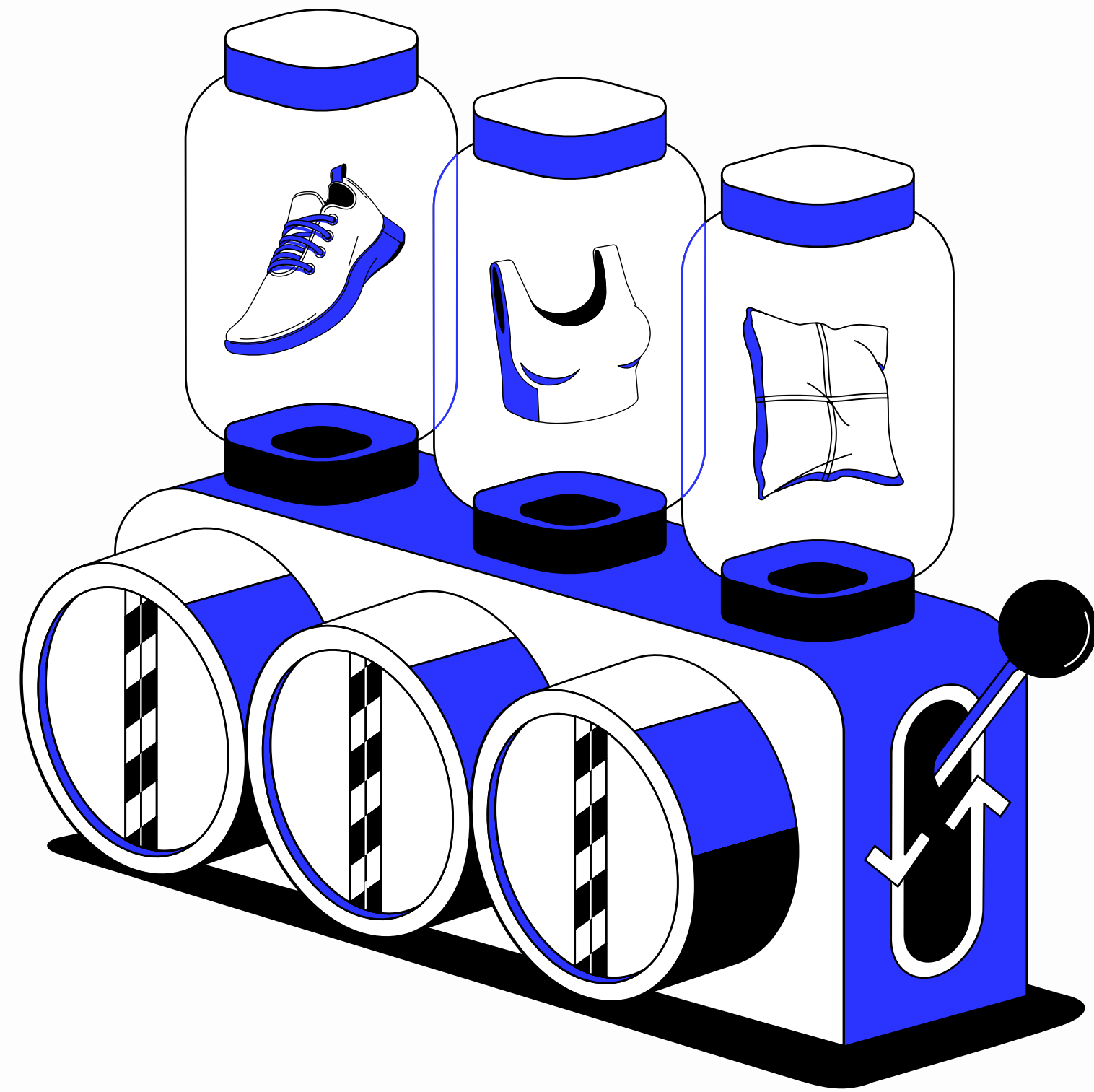
Make returns and exchanges a snap

It's probably no big surprise that consumers are returning more merchandise than ever before. Consumers returned an estimated $428 billion in merchandise in 2020, according to the National Retail Federation (NRF). Less-stringent return policies and more online shopping—where shoppers can't see or feel what they're ordering—are fueling a real returns bonanza.

Your return and exchange policy can actually be a major part of your success. Before consumers buy, they want to be sure they can easily return what they're getting. In fact, 36% of shoppers consider return policies when buying gifts, according to Deloitte's 2021 holiday retail survey.

Make your returns experience as painless as possible. If a product doesn't work out for a customer, don't make them spelunk through your website in search of your returns policy. Instead, showcase it on your homepage with a banner, and add a link to your returns page to your homepage footer. On your shopping pages, under "add to cart," include yet another link to your policy. Consider using it in your ads and including it in your email marketing. In other words? Make it utterly impossible to miss. Making returns and exchanges simple and quick gives customers confidence in making future purchases. (Even that baby blue pleather jacket they're not quite sure they can pull off.)

Loop also offers the option of using Printerless Returns. Rather than a printable PDF, Loop brand shoppers that that opt in receive a QR code they can use to drop off returns at more than 11,000 FedEx Office and Walgreens locations across the United States. It's eco-friendly and easy, and one of our most popular features.

> " *36% of shoppers* consider return policies when buying gifts"

If they like this, suggest that...

Many people would love to have their own personal shopper. But barring that, personalized product recommendations are the next best thing. Once a customer adds a product to their cart, or completes the purchase, you can showcase similar items they may like based on other users' purchases or custom picks based on their own browsing or purchase history.

In a 2018 Epsilon survey, 80% of respondents indicated they were more likely to do business with a company if it offered personalized experiences. Keep that in mind.
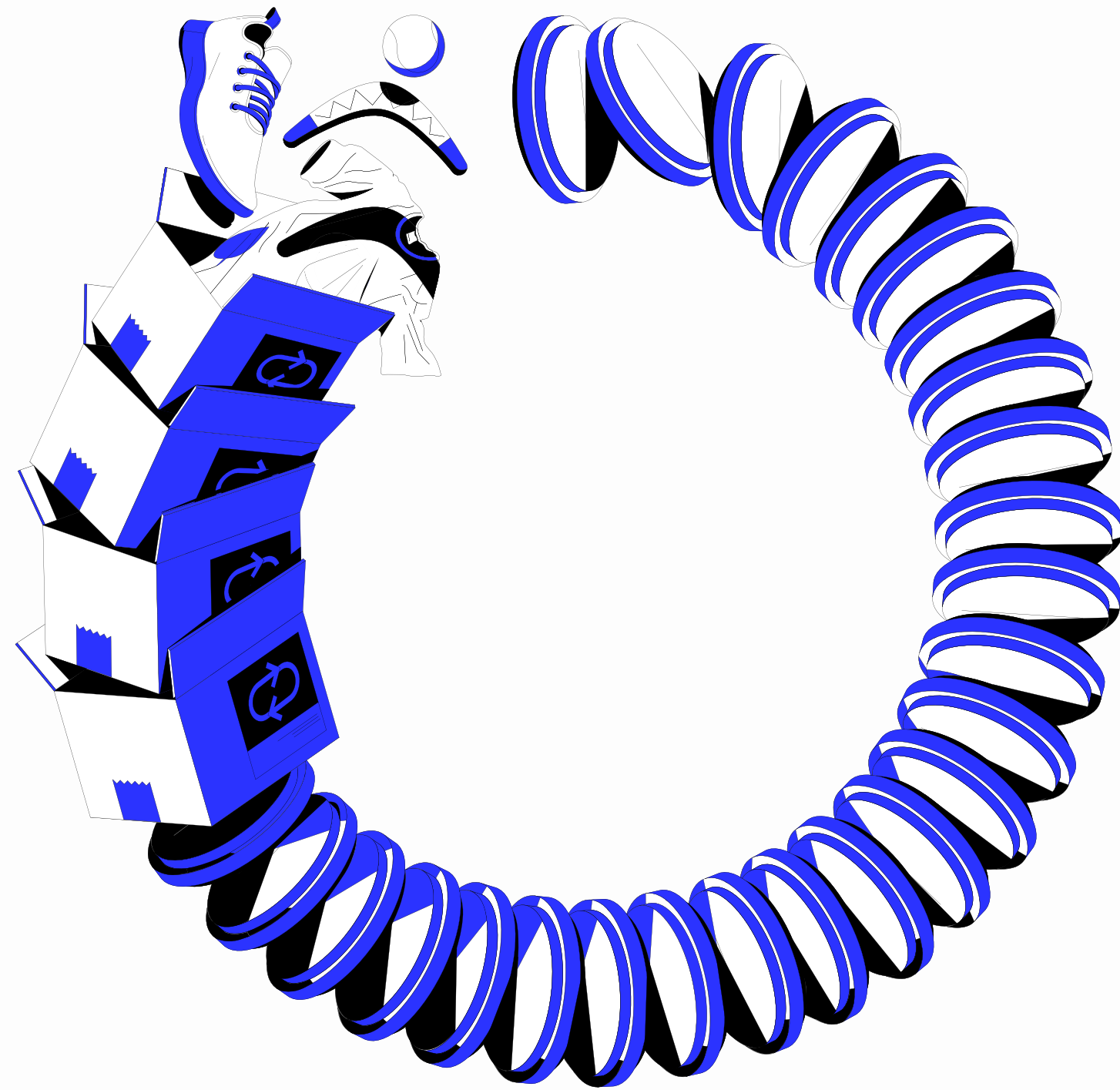
> " *80% of respondents* indicated they were more likely to do business with a company if it offered personalized experiences "

○ loop
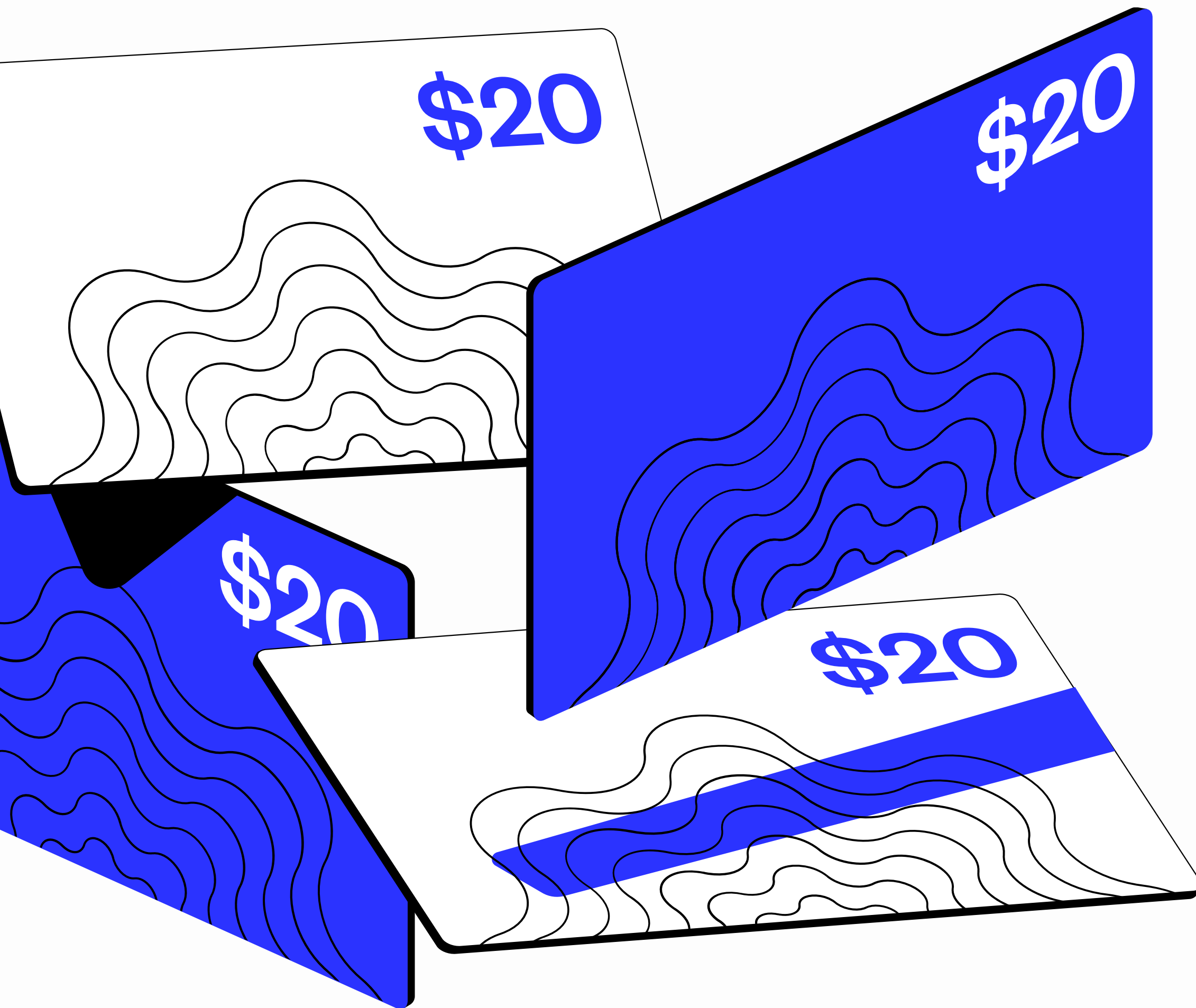
Offer promotions and reminders to re-up

Staying in touch with your customers can truly pay off. So don't be shy. Post-purchase emails are your chance to continue to provide value to your customers even after they've bought something.

## And it's a great opportunity for cross-selling and upselling.

You can send answers to frequently asked questions, showcase products they might like based on past purchases, hand out discounts or promotions and remind customers when it's time to reorder. Study your email marketing data to learn when you're getting the most opens and conversions, then automate your send accordingly.

Create a social community

It can boost your brand to create a place for your customers to talk about you. Take time to establish groups on your social media channels where customers can go for advice, share tips, and gain valuable feedback from fellow community members. That can reduce customer service support requests and build affinity and good will for your brand.
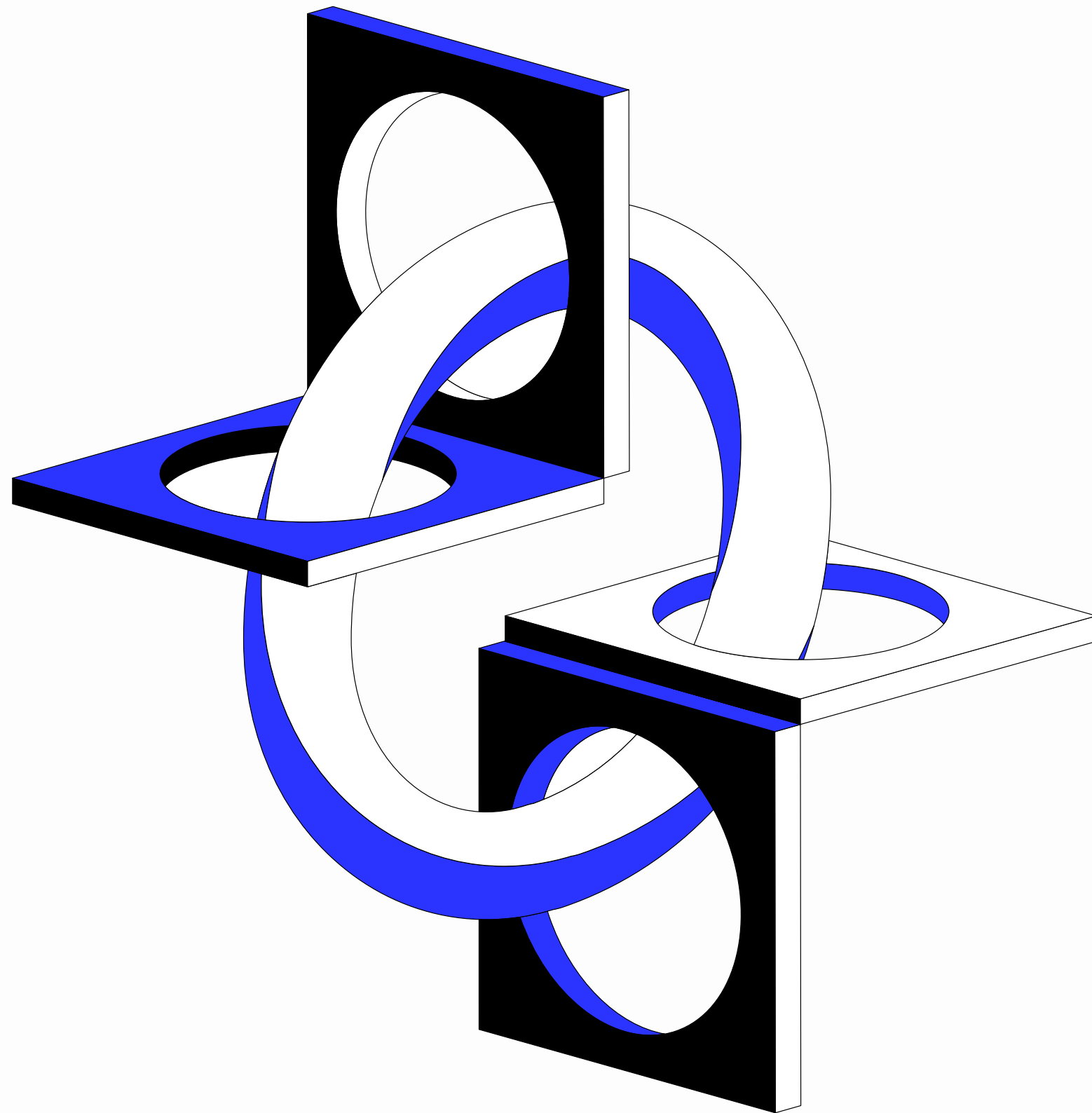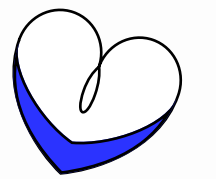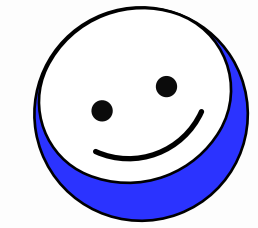
Publishing tutorials on YouTube or conducting live demos through Facebook Live events are also smart ways to keep your customers coming back to you for information.
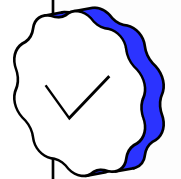
Why the *post-purchase experience matters*

The challenge isn't just to convince consumers to buy something from you—it's to convince them to buy something from you again. How you treat your customers after they've made a purchase can go a long way toward inducing return business. Here are other ways this important stage of the buying experience can benefit your company.

loop

Finding out what makes customers tick

If you're not gathering data from your customers after they've purchased from you, guess what: You aren't doing your level best to understand them. And not understanding your customers makes it harder to create a strategy that serves them. Conversely, learning the ins and outs of your shoppers' behavior can help you retain the best ones—and find new potential customers that could become brand devotees down the line.

Dig into your customer satisfaction data. Who are your most loyal customers, and what are they buying? Use social listening tools to mine social media for customer insights, and track complaints and praise.

Pay attention to how customers are interacting with your customer support team, and watch for themes. Is there a product multiple shoppers are complaining about? An aspect of your website functionality, for example, or return process that's bumming them out? Take those insights, and find the right fix.

Customer satisfaction also includes your bestsellers. Track your bestsellers, as well as responses to promotions and discounts. Products that sell like hotcakes through affiliate or referral promotions, or products that always sell well when they're discounted, can tell you something about how satisfied customers are with those items.

loop

Transform a return Into an exchange

Sixty percent of returns at brands powered by Shopify are of items that are the wrong size or style. At Loop, unsurprisingly, the apparel and footwear verticals see the most returns. In our latest Ecommerce Returns Benchmark Report, an analysis of more than 300 Loop brands, we found that 52% of apparel returns were due to sizing issues.

You can do a lot to prevent returns in the first place by offering shoppers smart tools to help them get the right fit. Charts, videos, augmented reality and photos of models with different body types can make the consumers' shopping experience easier.

When shoppers do circle back with returns, entice them to make an exchange, rather than ask for a refund. Loop uses a retained revenue rate to show what percentage of returns are keeping money inside your brand.

With the right incentive at your return touchpoint—say, free shipping only for exchanges, a discount when you exchange, or a bonus credit they can use on whatever product they'd like—you can turn a return into an exchange.

That reduces your refund rate and drives up your retained revenue and exchange rates. You might consider adding a small shipping or restocking fee for returns with refunds, as one Loop footwear brand did. Over a period of two months, by charging a shipping fee, the brand's exchange rate climbed 25.4%, and its refund rate dropped 28%.

Improving your exchange rate can pay long-lasting dividends. Here at Loop, we've found that people who've exchanged products are 33.8% more likely to purchase again compared to people who haven't.

" *People who've exchanged products are 33.8% more likely to purchase* again compared to people who haven't."

loop
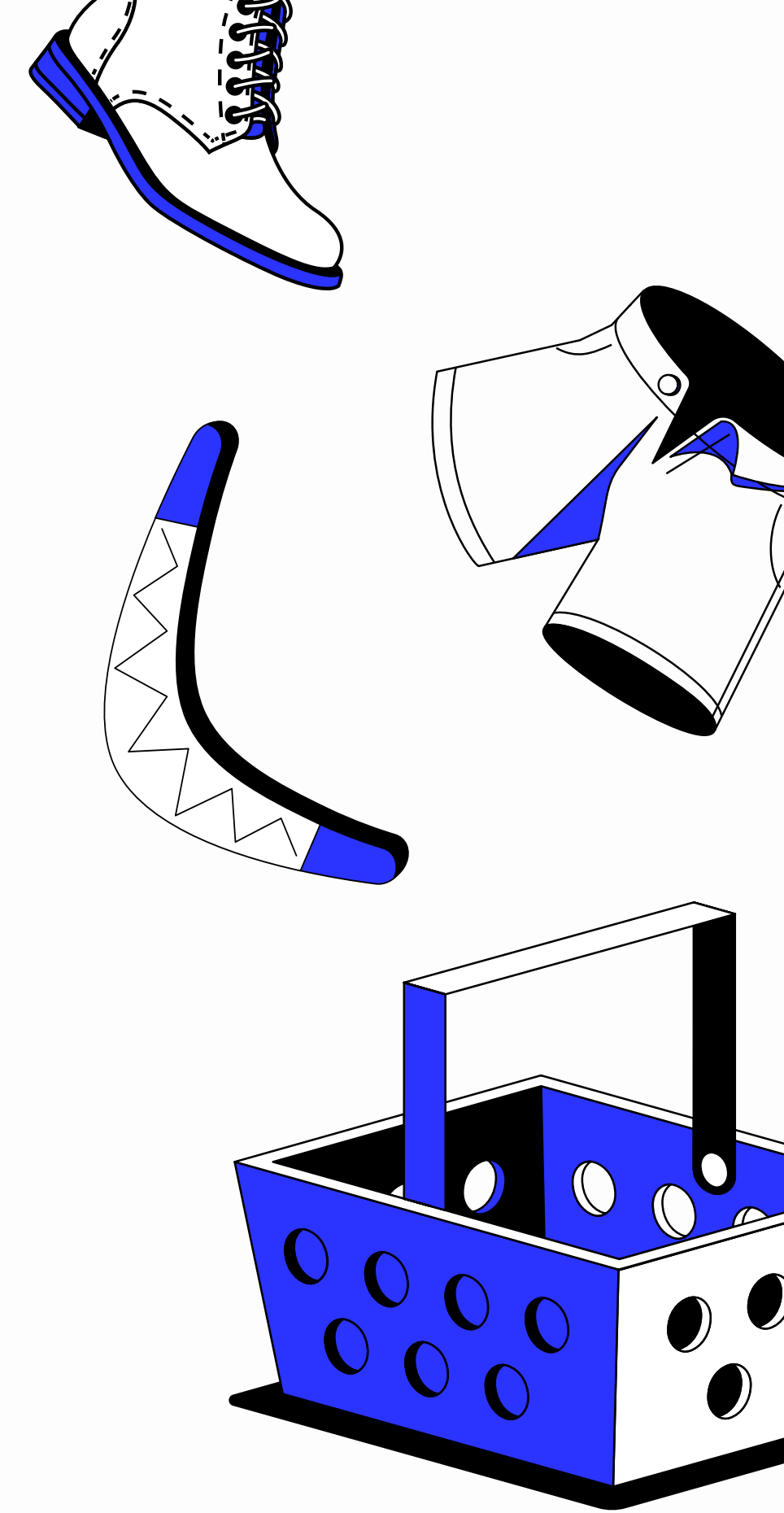
Rethink your policies

It's no secret that it costs more to acquire a new customer than retain an existing one. An existing customer is nine times more likely to buy with you than a new one, per Adobe. If you can make not just the buying experience, but the post-buying experience, optimal for a customer, they will return.

That includes staying in touch with them and providing relevant information— such as coupons, discounts and personal recommendations—but also clearing out the obstacles to their next purchase. For example, a 2021 Pitney Bowes survey found that 20% of respondents can't stand being charged for return shipping. If you charge for your returns, that could be a policy that's costing you more in sales than it is in shipping.

Likewise, maybe it's time to rethink the usual tenets of many return policies: Merchandise in its original packaging, tags on, within 30 days—or else! Sound familiar? A 30-day return window is still the retail industry standard. Processing returns is costly, which is one reason many retailers hesitate to offer more lenient return policies like longer return windows and free shipping. Alas, in our competitive retail landscape, businesses that stick to old school return practices may find themselves losing customers.

Cutting shoppers a break can turn a "Whoops, I spaced on returning this item" into a "Whee, that was easy!" In doing so, you'll inspire positive reviews—another marketing asset you can leverage across your website, ads, emails and social channels.

# Using the right tech tools at the *right time*

Choosing the right tools from your toolbox is key to creating a post-purchase experience for the customer that is pleasant, informative, easy and fits their needs and wants. Ideally, it should also cut down on your company's customer support needs. How and when you use these tech tools can help build customer loyalty. That's key considering that 86% of brand-loyal customers are likely to recommend that brand to friends and family, and 66% are likely to write a positive review online, KPMG found. A loyal customer is a brand's best friend.

Get social

Your social media pages shouldn't just be your company dictating to your followers. It's also a perfect place to allow customers to interact with each other around your product or brand.

Allow space for customers to share tips, photos and new discoveries. Reward active community members with badges or other visible perks. Be sure to send out emails inviting people who have newly made purchases to join your social media channels. Your online voice and presence can boost your business. In an Adzooma survey, 51.2% of respondents said they bought something from a brand because of the brand's online voice.
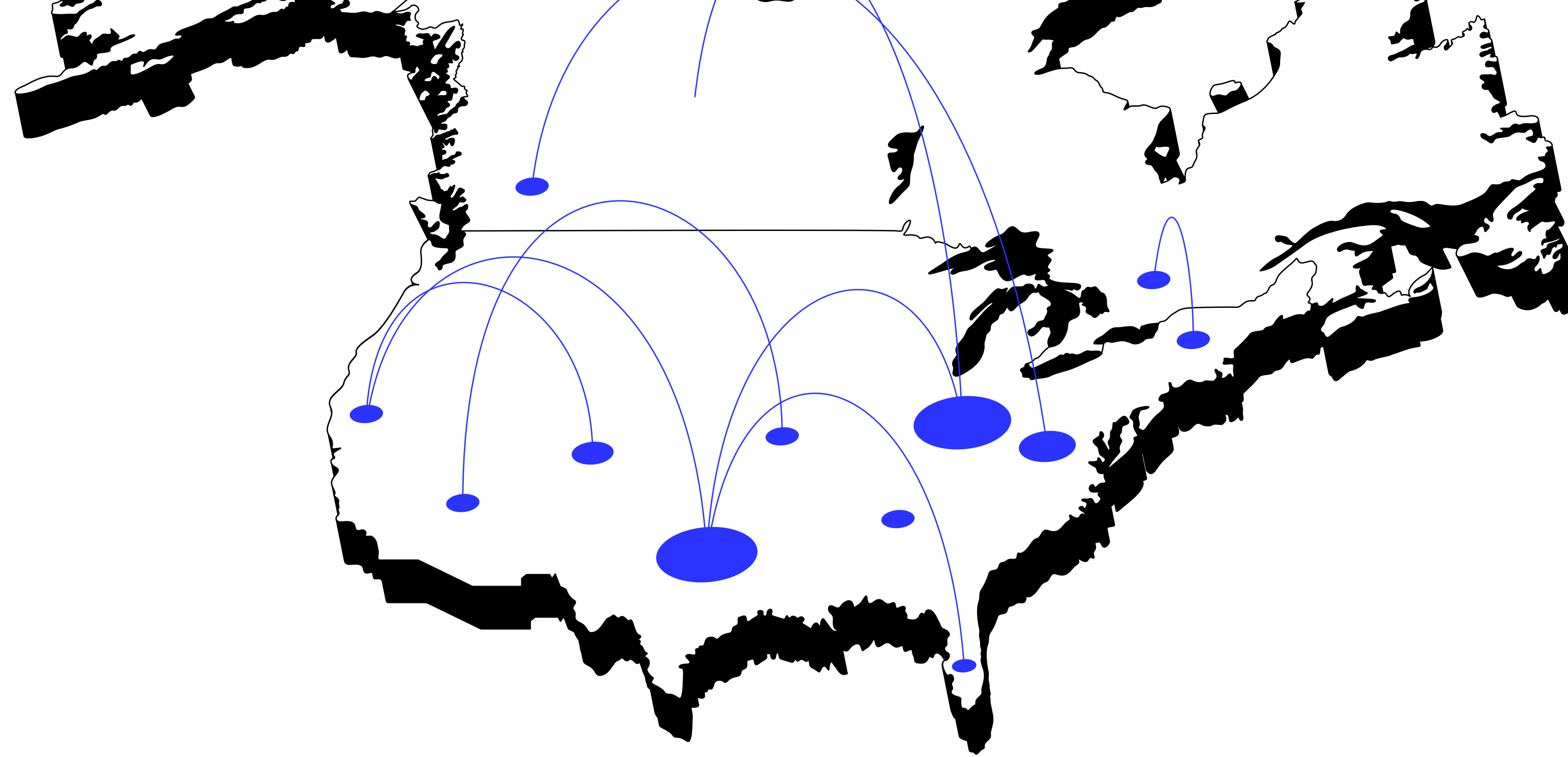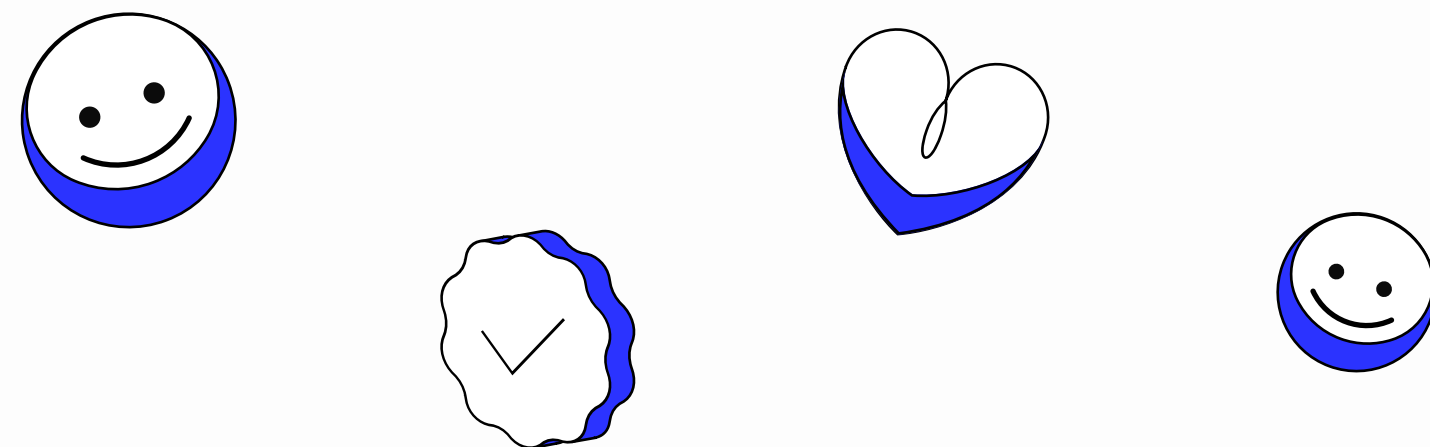
> "*51.2% of respondents* said they bought something from a brand because of the brand's online voice."

Make customer support easy to reach

Phone, text, email, social media, live chat and chatbots–the options are nearly endless for where and how you can meet your customer. Offering omnichannel customer support isn't just a good idea, it's expected.

If a customer has an issue, but it's resolved quickly, correctly, and easily, that's good customer service. And good customer service is invaluable. 62% of customers would recommend a brand to a friend because of great service. On the flip side, 45% would never shop at a brand again after two bad experiences, according to Gladly's 2021 Customer Expectations Report.

> " *62% of customers* would recommend a brand to a friend because of great service."
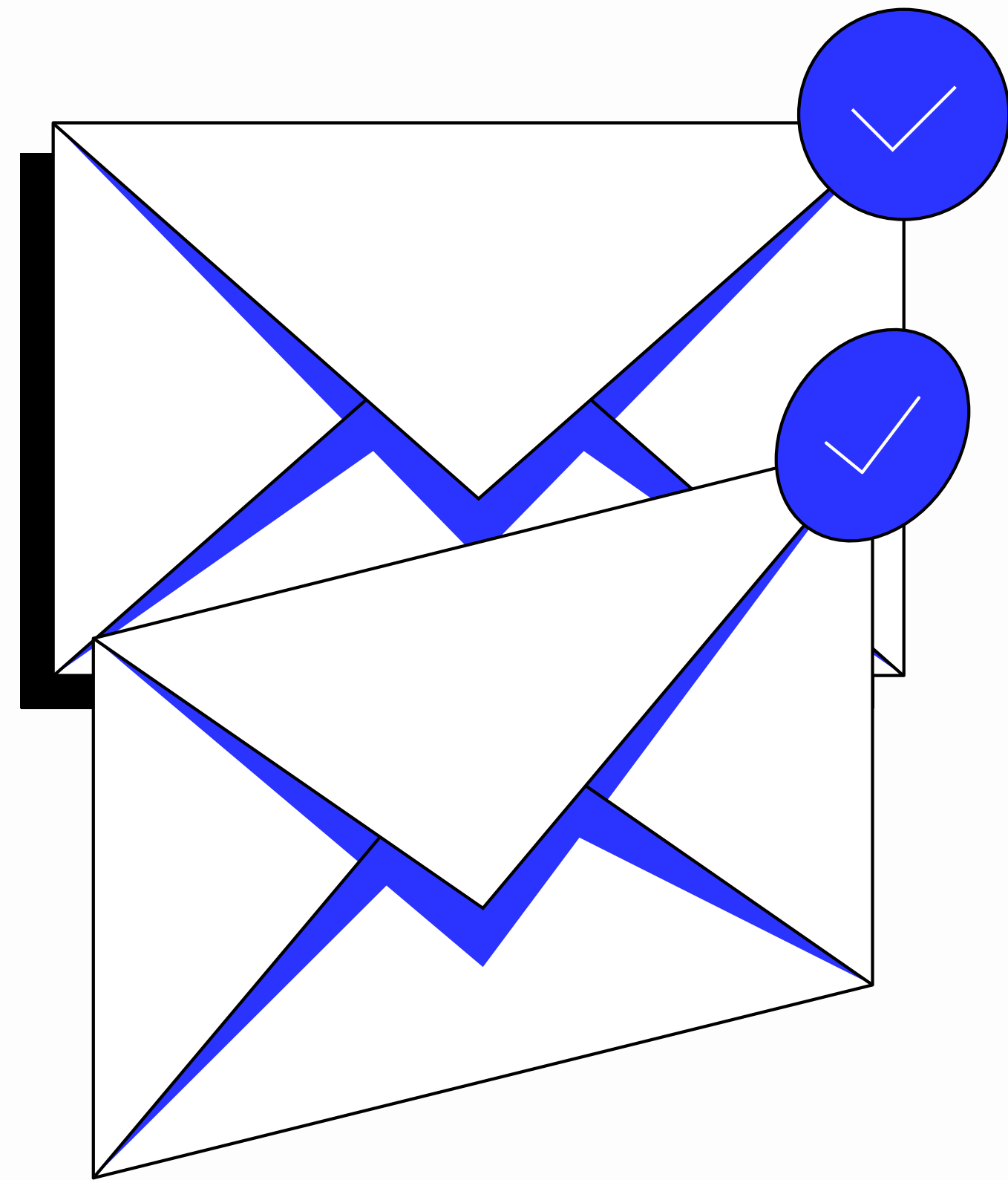
Automate your returns and exchanges

No one likes returns. They can be time-consuming and frustrating for both you and the customer. Here's a case where automation can help. Take exchanges: Many businesses give them the cold shoulder because they're complicated. But when you offer easy exchanges, you're protecting your sales.

Consider that 52% of returns are because the customer needs a different size. Asking them to return an item and then buy the item again in a different size is an unnecessary step. It's also just enough friction to halt the reorder altogether.

Loop encourages brands to use an elegant, on-demand returns portal that makes the returns and exchanges process simple and hassle-free. With a couple of clicks, users can locate the item they want to return in their purchase history, offer a reason for the return and be given the option to exchange it for something else.

On average, consumers who shop with Loop brands who have returned products offer more lifetime value (LTV) than shoppers who've completed returns with non-Loop brands. Take one example, from a Loop apparel brand: Customers with no return events with the brand averaged $165.96 LTV.

But customers with at least one return event under their belts represented an average of $384.22 LTV. That's right: Customers who made returns were doubly valuable to the business. The bottom line? If making a return with your brand is a drag, you're leaving money on the table.

> "*52% of returns* are because the customer needs a different size."
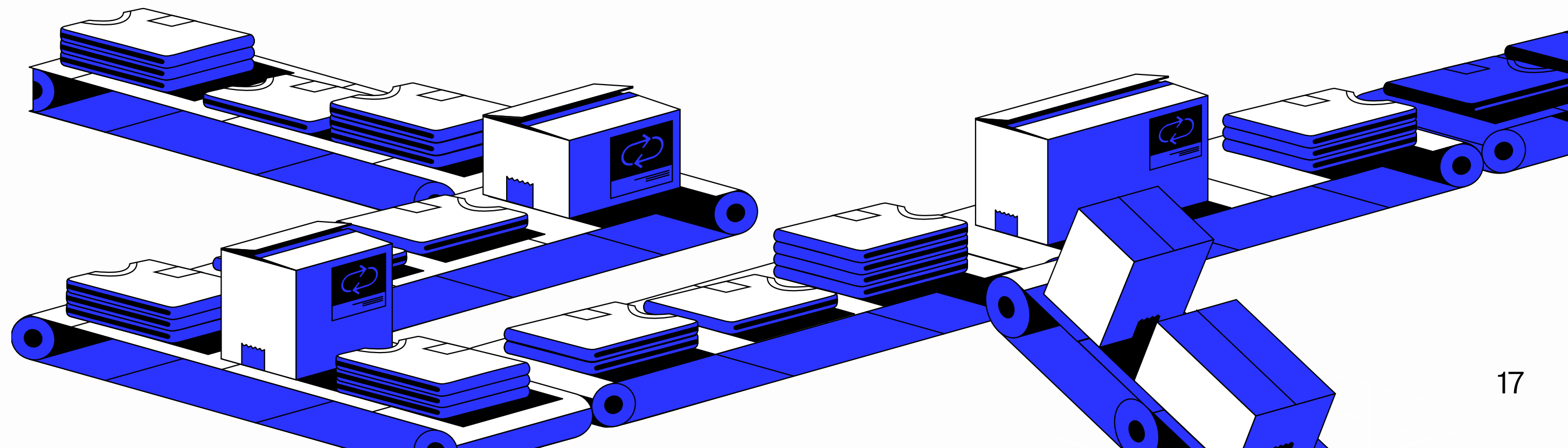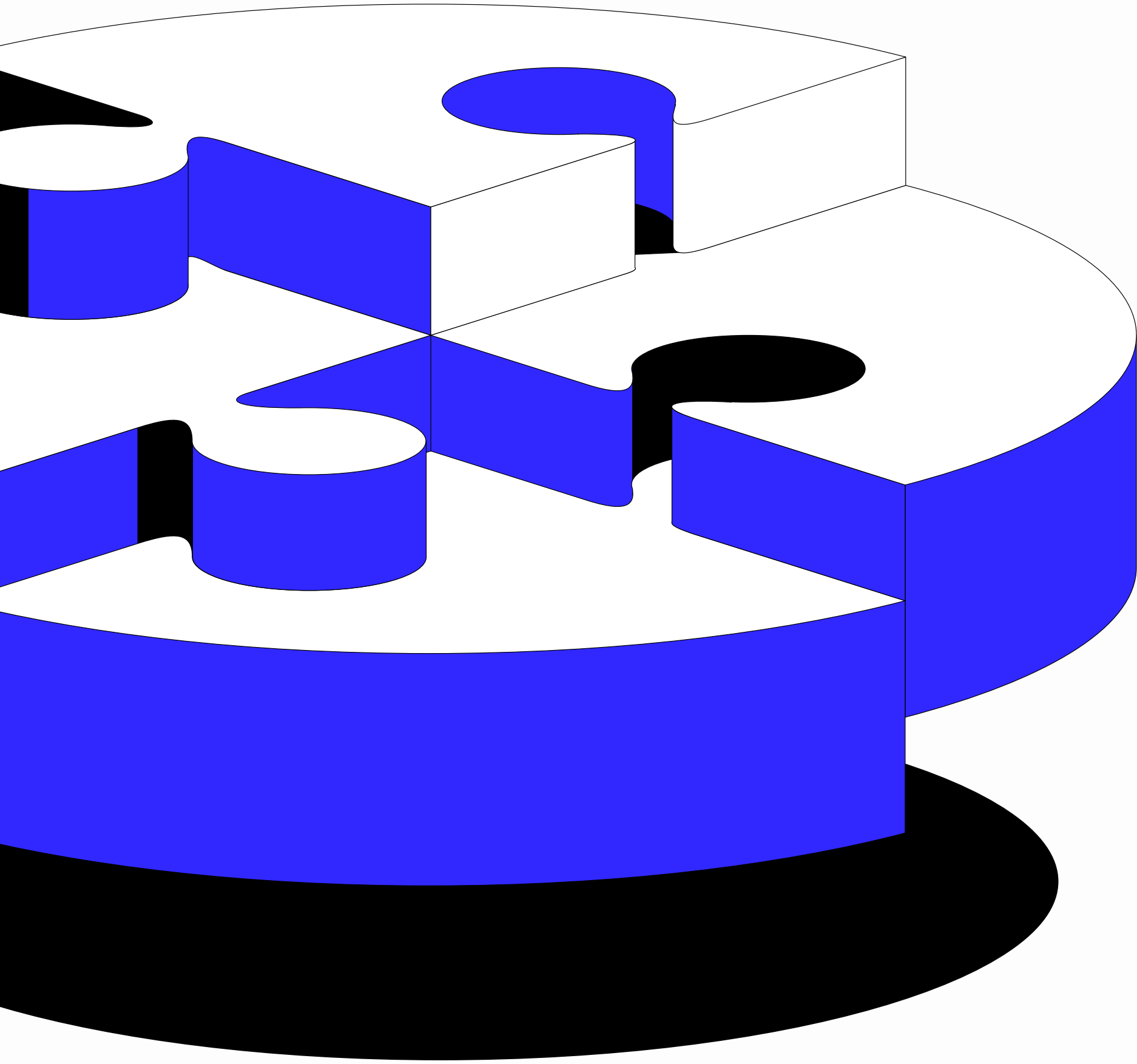
Conclusion

Today's shoppers have unlimited options. To get them to love your brand, you've got to show them the love first by making their shopping and returns experience easy and fun.

With smart incentives, a return can be turned into an exchange. Optimizing and automating your returns and exchanges workflows can put less pressure on your customer support team and improve customer satisfaction overall. Easy returns and exchanges make for happy customers and a better bottom line for you.

Exchange
1007458
APPROVED

Refund
1007291
NEEDS REVIEW

Exchange
1007001
BLOCKED

Store Credit
10072991
APPROVED

Get in *the Loop*

Loop is an automated exchange-first returns platform providing ecommerce brands with tools to optimize their post-purchase capabilities. Want to learn more about what Loop can do for you?

BOOK A DEMO →