

SO DIGITAL

**STRATEGIC ASSESSMENT & IMPROVEMENT
OF D2C POST-PURCHASE PERFORMANCE**

CUSTOMER EXPECTATIONS ARE ANY SET OF BEHAVIOURS OR ACTIONS THAT INDIVIDUALS ANTICIPATE WHEN INTERACTING WITH A COMPANY.

CUSTOMER EXPECTATIONS ARE THE FEELINGS, NEEDS, AND IDEAS THAT CUSTOMERS HAVE TOWARDS CERTAIN PRODUCTS OR SERVICES.

CUSTOMERS HOLD BOTH EXPLICIT AND IMPLICIT PERFORMANCE EXPECTATIONS FOR ATTRIBUTES, FEATURES, AND BENEFITS OF PRODUCTS AND SERVICES.

EXPLICIT EXPECTATIONS ARE MENTAL TARGETS FOR PRODUCT PERFORMANCE, SUCH AS WELL IDENTIFIED & COMMUNICATED PERFORMANCE STANDARDS.

IMPLICIT EXPECTATIONS REFLECT ESTABLISHED NORMS OF PERFORMANCE AND ARE ESTABLISHED BY BUSINESS IN GENERAL, OTHER COMPANIES, INDUSTRIES, AND EVEN CULTURES. E-COMMERCE IS NO DIFFERENT.

E-COMMERCE



**CUSTOMER
EXPECTATIONS**

E-COMMERCE



**CUSTOMER
SATISFACTION**

CUSTOMER SATISFACTION IS A MEASURE OF HOW PRODUCTS AND SERVICES SUPPLIED BY A COMPANY MEET OR SURPASS CUSTOMER EXPECTATIONS

CUSTOMER EXPECTATIONS SETS AND RAISES THE BAR FOR ACTUAL CUSTOMER EXPERIENCE AND THE RESULTING OUTCOME : SATISFACTION OR DISSATISFACTION

TRUE CUSTOMER SATISFACTION AND STELLAR CUSTOMER SERVICE CAN ONLY HAPPEN THROUGH A COMPLETE AND PROPER UNDERSTANDING OF THE CUSTOMER EXPECTATIONS

SATISFIED CUSTOMERS WILL PROMOTE YOUR BUSINESS TO OTHER POTENTIAL CUSTOMERS

AS SATISFIED CUSTOMERS WILL BECOME RETURNING CUSTOMERS, CUSTOMER SATISFACTION IS IMPORTANT FOR BUILDING CUSTOMER LOYALTY.

E-COMMERCE



REPEAT CUSTOMERS

REPEAT CUSTOMERS ARE AN IMPORTANT REVENUE AND PROFITABLE CUSTOMER SEGMENT WORTH INVESTING INTO. INCREASING CUSTOMER RETENTION RATES BY 5% INCREASES PROFITS BY 25% TO 95%. (STUDY BY BAIN & COMPANY)

THEY ARE EASIER TO SELL TO, THEY SPEND MORE AT KEY TIMES (SUCH AS HOLIDAYS), THEY ARE 9 TIMES MORE LIKELY TO CONVERT, AND SPEND MORE ON AVERAGE

CUSTOMER LOYALTY AS A PREREQUISITE FOR REPEAT PURCHASES IS THE RESULT OF CONSISTENTLY POSITIVE EMOTIONAL EXPERIENCE, PHYSICAL ATTRIBUTE-BASED SATISFACTION AND PERCEIVED VALUE OF AN EXPERIENCE, WHICH INCLUDES THE PRODUCT OR SERVICES.

IN E-COMMERCE THE CUSTOMER LOYALTY IS LARGELY ESTABLISHED AT THE STAGE OF POST-PURCHASE.

THE LENGTH OF DELIVERY TIME, VARIETY OF DELIVERY OPTIONS, TRACKING VISIBILITY AND COMMUNICATIONS, HOW YOUR PRODUCT IS PACKAGED, THE EASE OF EXCHANGES AND RETURNS—IT ALL CONTRIBUTES TO CUSTOMER EXPERIENCE IN POST-PURCHASE

SURPRISINGLY, ONLY 16% OF COMPANIES ARE FOCUSED ON CUSTOMER RETENTION, EVEN THOUGH IT COSTS AT LEAST FIVE TIMES MORE TO ACQUIRE A NEW CUSTOMER THAN TO KEEP AN EXISTING ONE.

ON AVERAGE, REPEAT CUSTOMERS CAN ACCOUNT FOR UP 40% OF STORE'S REVENUE, SO IT'S IMPORTANT TO HAVE A STRONG POST-PURCHASE STRATEGY IN PLACE

AFTER YOU'VE THANKED YOUR CUSTOMER FOR HIS / HER ORDER, YOU'RE JUST BEGINNING THE MOST INFLUENTIAL PHASE OF HER BRAND INTERACTION WITH YOU

THERE IS A WHOLE WORLD OF THINGS TO DO AND EXPERIENCES TO OPTIMIZE BETWEEN THE MOMENT THE CUSTOMER CHOSSES TO BUY – AND THE MOMENT THE GOODS ARE DELIVERED INTO THAT PERSON'S HANDS.

IF YOU'RE IGNORING THE ECOMMERCE POST-PURCHASE EXPERIENCE YOU ARE DIRECTLY OBSTRUCTING THE GROWTH OF YOUR REPEAT CUSTOMER SEGMENT AND REPEAT PURCHASES AS IMPORTANT DRIVERS OF TOTAL REVENUE GROWTH.

E-COMMERCE



**REVENUE
GROWTH**

LOYALTY BUILDING THROUGH ELEVATING POST-PURCHASE

ESTABLISH
IMPLICIT & EXPLICIT



**CUSTOMER
EXPECTATIONS**

SATISFIED CUSTOMERS TURN INTO



**CUSTOMER
SATISFACTION**

MEET & EXCEED TO GET



**REPEAT
CUSTOMERS**

SEGMENT DRIVES

TOTAL & RECURRING



**REVENUE
GROWTH**

SO DIGITAL

**CRAFTING THE LUXURY
POST-PURCHASE EXPERIENCE**

CRAFTING THE LUXURY POST-PURCHASE EXPERIENCE

CURATE THE TOUCHPOINTS

The foundation of luxury has always been based on experiences. The post-purchase experience must acknowledge and curate all of the touchpoints to **create nuanced experiences** that make the world of luxury tick.

Post-purchase experience needs to be crafted with extreme care, creating fine-point distinctions **by infusing selected elements of post-purchase with both specific brand values and exclusivity (to market averages)**

Initial selection of post-purchase elements needs to ensure a **mix of hygiene factors and basis of competition factors** which **need to be elevated in a way which will reflect exclusivity.**

New (brand specific) elements can be introduced to ensure lasting differentiation

CREATING EXCLUSIVE POST-PURCHASE EXPERIENCES

ESTABLISH
IMPLICIT & EXPLICIT



**CUSTOMER
EXPECTATIONS**

ELEVATE VALUE ADDING
ELEMENTS TO CREATE



**BASIS OF
COMPETITION**

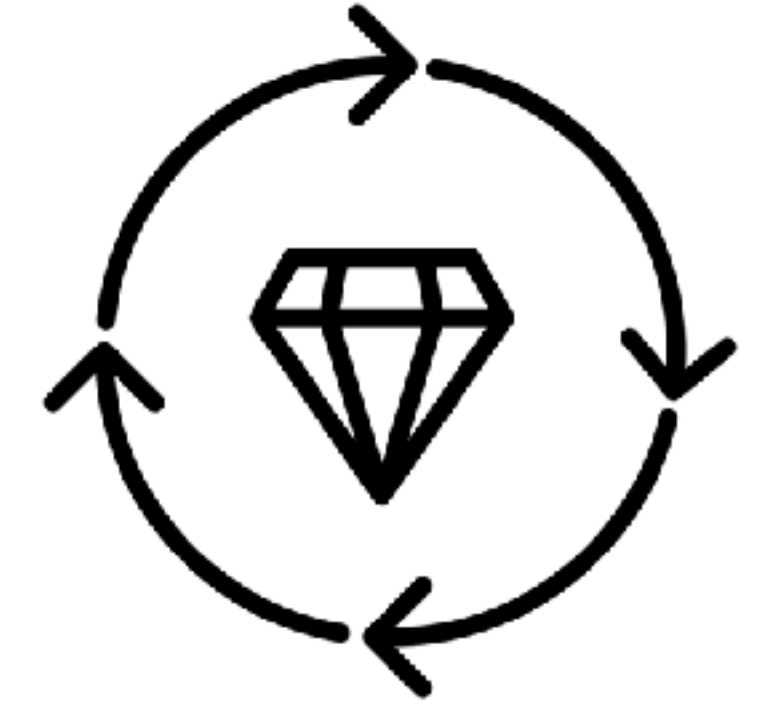
DETERMINE MARKET
LEVEL



**DISTINCT
EXPERIENCES**

MERGING BRAND VALUES
AND EXCLUSIVITY

TO PERPETUATE



**LUXURY
PERCEPTIONS**

STEP BY STEP

ESTABLISH
IMPLICIT & EXPLICIT



**CUSTOMER
EXPECTATIONS**

DEFINE EXPLICIT EXPECTATIONS

1. STRATEGIC ASSESSMENT OF CURRENT PERFORMANCE

HOW DOES THE CONSUMER POST-PURCHASE EXPERIENCE
ACTUALLY LOOK LIKE FOR D2C CHANNELS?

AUDIT OF ACTUAL PERFORMANCE VS. EXPLICIT
(COMMUNICATED) EXPECTATIONS?

FIT-GAP ANALYSIS

REPORT & PRESCRIBE STEPS TO CLOSE THE GAP

STEP BY STEP

DEFINING IMPLICIT EXPECTATIONS

ESTABLISH
IMPLICIT & EXPLICIT



**CUSTOMER
EXPECTATIONS**

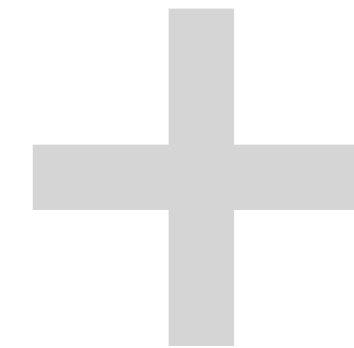
2. STRATEGIC ASSESSMENT OF AVERAGE MARKET PERFORMANCE

HOW DO KEY E-COMMERCE MARKET PLAYERS & CATEGORY
COMPETITORS PERFORM IN POST-PURCHASE?

WHAT IS THE MARKET AVERAGE PERFORMANCE ACROSS
ANALYSED POINTS?

FIT-GAP ANALYSIS

REPORT & PRESCRIBE STEPS TO CLOSE THE GAP



WHAT ARE OUR BRAND PROMISES
AND BRAND VALUES BASED CUSTOMER EXPECTATIONS?

FIT-GAP ANALYSIS

UK E-COMMERCE AVERAGE MARKET PERFORMANCE | POST-PURCHASE | HIGHLIGHTS

ESTABLISH
IMPLICIT & EXPLICIT



**CUSTOMER
EXPECTATIONS**

BENCHMARKING 2016 | SPORTING GOODS
CONSUMER | FASHION | INDUSTRY LEADERS

Is there any way to select special packaging for your order when placing it?

0%

**SAMPLED RETAILERS OFFER SPECIAL
PACKAGING POSSIBILITY**



Unexpected gift from the retailer when opening the package?

88%

**DIDN'T INCLUDE ANY SURPRISE
(FREE ITEM / PROMOTION**



Was there any kind of personalised message in the package?

0%

**SAMPLED RETAILERS INCLUDED
PERSONALISED MESSAGING**



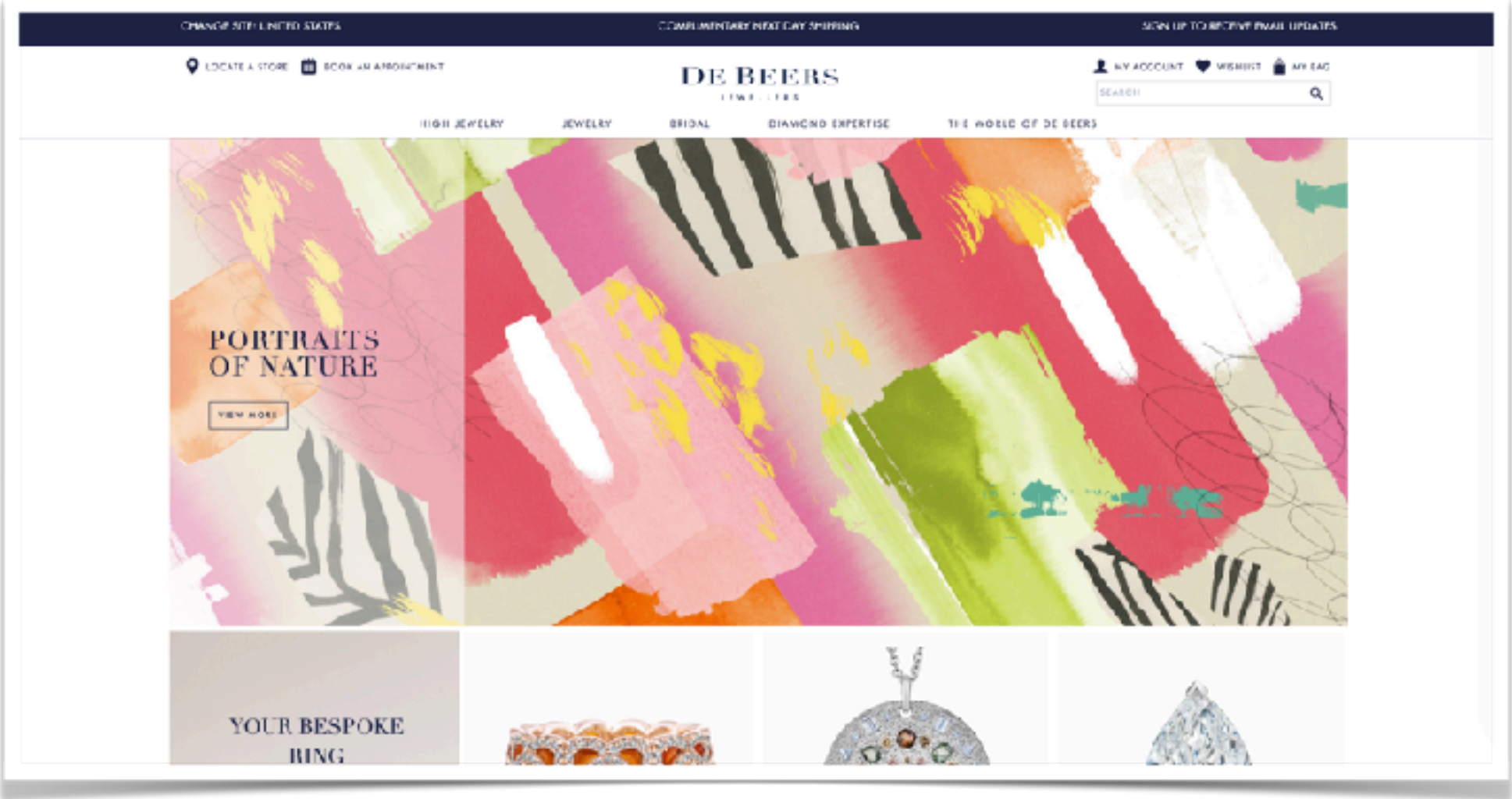
EXAMPLE | PROPOSAL

BRAND PROMISES | IMPLICIT EXPECTATIONS

DE BEERS E-COMMERCE STORE

“ THE HOME OF THE DIAMONDS SINCE 1888 ”

“ THE DE BEERS DIFFERENCE ”



“ WHERE EXPERTISE MEETS EMOTION ”

“ PEACE OF MIND ”

“ INDIVIDUALLY CRAFTED FOR YOU ”

“ DE BEERS TRUE BRILLIANT ”

EXAMPLE | PROPOSAL

BRAND PROMISES | IMPLICIT EXPECTATIONS

ESTABLISH
IMPLICIT & EXPLICIT

DE BEERS BRAND E-COMMERCE STORE



HERITAGE

EXPERTISE

DIAMOND

& related associations

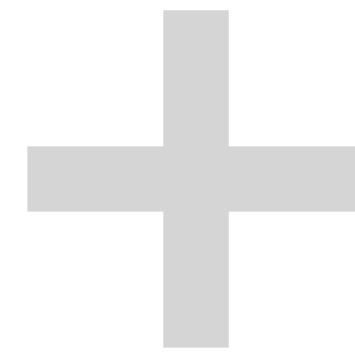
**CUSTOMER
EXPECTATIONS**

BRAND – THE STYLE AND NATURE OF A BRAND, ITS PERSONALITY, HAS A
SIGNIFICANT IMPACT ON EXPECTATIONS.

UNTIL CONSUMERS GET A FEELING THAT THEY'D LIKE TO GET AGAIN AND THAT THEY DIDN'T/
CAN'T GET ANYWHERE ELSE, YOU HAVEN'T PROMISED THEM ANYTHING GREAT AT ALL.

YOU DON'T PROMISE AND THEN DELIVER. IN REALITY, YOU HAVE TO
DELIVER FIRST, AND THAT BECOMES THE PROMISE.

EXPLICIT & COMMUNICATED
PERFORMANCE EXPECTATIONS



UK MARKET LEVEL IMPLICIT
PERFORMANCE EXPECTATIONS

BRAND PROMISES
AND BRAND VALUES BASED
CUSTOMER EXPECTATIONS

CLIENT UK E-COMMERCE STORE

POST-PURCHASE EXPERIENCE

TRACKING

DELIVERY

PACKAGING

RETURNS & REFUNDS

POST-PURCHASE EVALUATION ELEMENTS

BEFORE THE "BUY" BUTTON

BEFORE THE ACTUAL CLICK ON "BUY" BUTTON, RESEARCHERS LOOK UP ALL "PROMISED EXPERIENCE" PRODUCT-RELATED INFORMATION ON THE WEBSITE - SUCH AS ESTIMATED LEAD TIME ON CHECK-OUT, POSSIBLE DELIVERY DAYS, PLACE AND AVAILABILITY CHOICE, AND ALSO TRY OUT CROSS-CHANNEL FUNCTIONALITY. AVAILABLE SERVICES LIKE CASH & TRY ON DELIVERY, CANCELLATION WINDOW, SUSTAINABILITY PROMOTION AND PAYMENT OPTIONS ARE CHECKED AND RECORDED. ORDERING PROCESS BEGINS.

DELIVERY PHASE

ACTUAL DELIVERY TIME AND POSSIBLE ORDER ISSUES ARE TRACKED. COMPARISON TO A "PROMISED" EXPERIENCE BEGINS.

TRACKING

CONVENIENCE AND VISIBILITY OF TRACKING ORDERS ARE CHECKED. RELIABILITY OF ESTIMATED DELIVERY DATE AND ITS DISPLAY AT CHECKOUT AND IN TRACKING EMAILS ARE COMPARED, AND COMMUNICATIONS ANALYSED - SUCH AS ORDER CONFIRMATION, SHIPMENT AND DELIVERY CONFIRMATION.

PACKAGING - OUT OF BOX

OUT OF BOX EXPERIENCE, PACKAGING, BRANDING, PRODUCT PRESENTATION, AS WELL AS GIFT WRAPPING AND MESSAGING EXPERIENCES ARE TRACKED ALONGSIDE WITH PHOTOS. SPECIAL PACKAGING, PROMOTIONS AND PERSONALISATION ARE ALL LOOKED INTO.

RETURNS

EASE OF RETURNS LIKE AVAILABILITY OF DROP OFF POINTS, COLLECT AT HOME OPTION AND EXCHANGE POSSIBILITY, RETURN POLICY, PROCESS AND ITS SIMPLICITY, SEAMLESS RETURNS AS WELL AS RETURN FEES ARE TESTED.

REFUNDS

REFUND LEAD TIME, AVAILABILITY OF INSTANT REFUNDING AS WELL AS REFUND TRACKING COMMUNICATION ARE RECORDED AND ANALYSED.



"Buy" Button



Delivery



Tracking



**Packaging
Out of box**

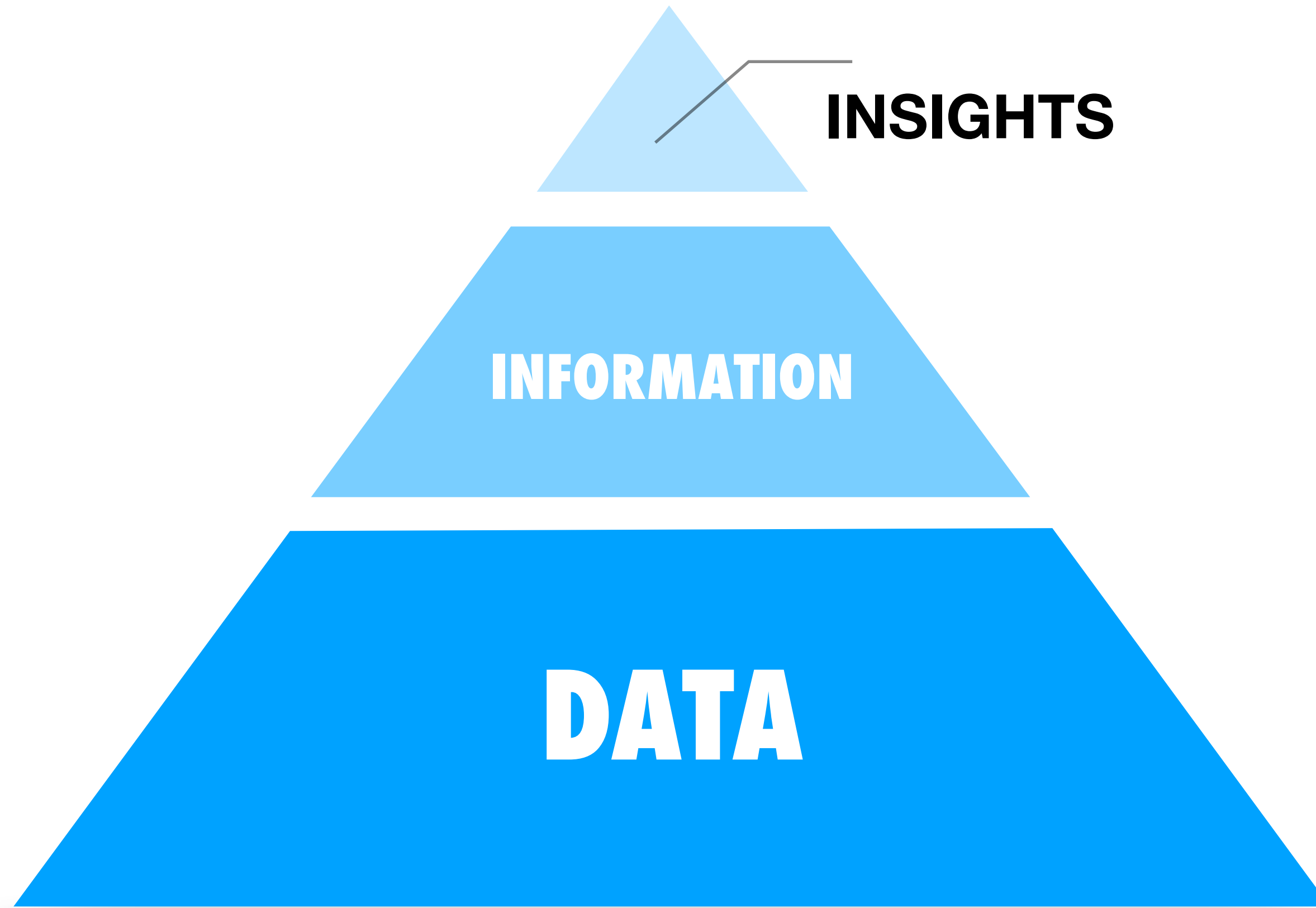


Returns



Refunds

SO DIGITAL E-COMMERCE EXCELLENCE PLATFORM



INSIGHTS

GENERATED BY ANALYZING INFORMATION AND DRAWING CONCLUSIONS THAT INFLUENCE DECISIONS AND DRIVE CHANGE.

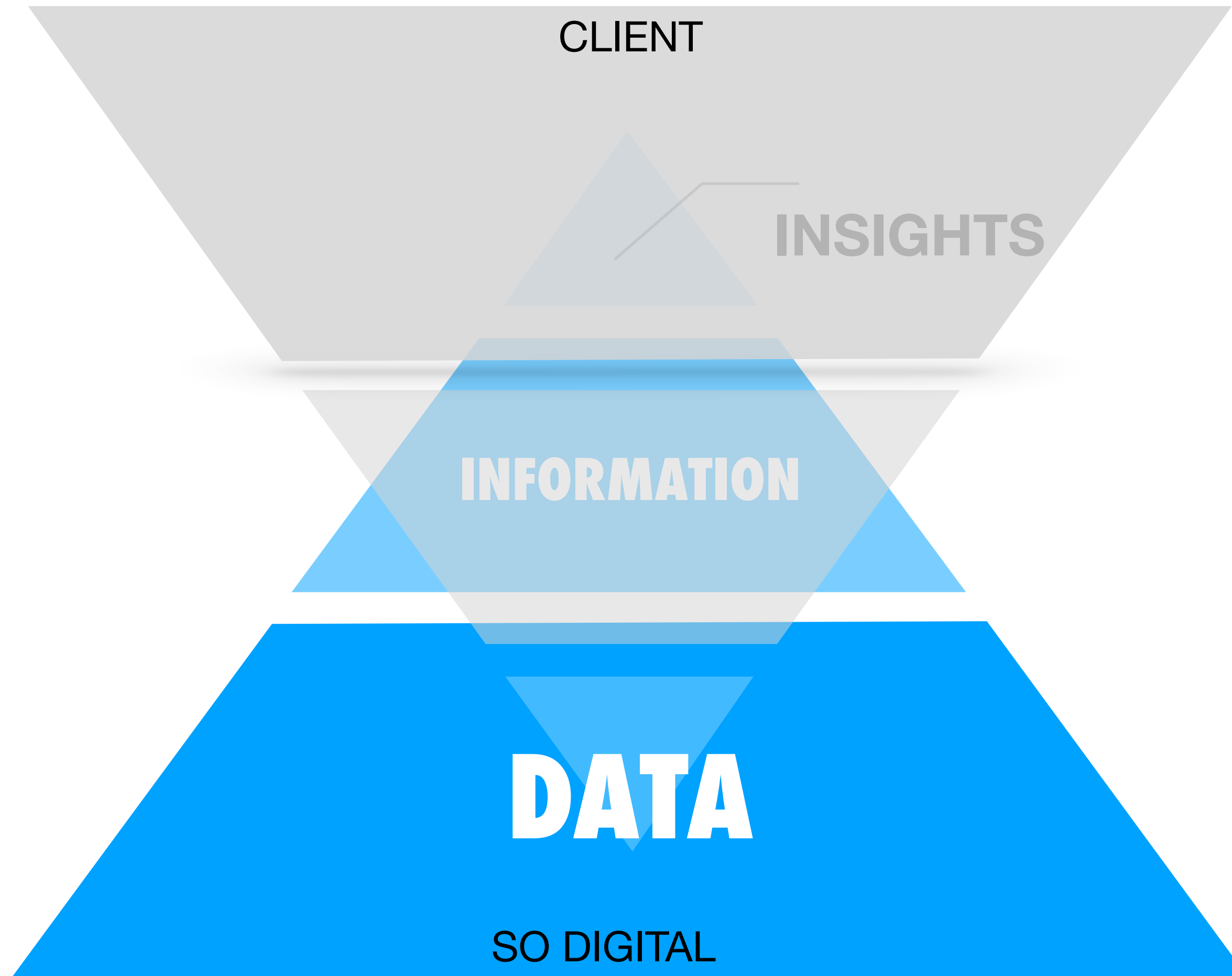
INFORMATION

PREPARED DATA THAT HAS BEEN PROCESSED, AGGREGATED AND ORGANIZED INTO A MORE HUMAN-FRIENDLY FORMAT THAT PROVIDES MORE CONTEXT.

DATA

RAW AND UNPROCESSED FACTS THAT ARE USUALLY IN THE FORM OF NUMBERS AND TEXT. QUANTITATIVE (MEASURED) OR QUALITATIVE (OBSERVED)

SO DIGITAL | CLIENT COOPERATION



SOLUTION PROVISION PARTNERSHIP

ONGOING COOPERATION WITH CLIENT ON A FUNCTIONAL IMPROVEMENT OF E-COMMERCE POST-PURCHASE PERFORMANCE. SOLUTION IMPLEMENTATION

GOAL ORIENTED RESEARCH PROJECT

SO DIGITAL WORKS ON A SPECIFIED USE CASE PROJECT LEVERAGING TARGETED AND TAILORED MARKET RESEARCH - INT. E-COM EXPANSION, LOYALTY IMPROVEMENT ETC.

PLATFORM SUBSCRIPTION

CLIENTS ARE PROVIDED WITH ACCESS TO MARKET LEVEL BENCHMARKING RESEARCH DATA TO USE AS THEY WISH. OPTIONAL TAILORED RESEARCH PER CLIENT CRITERIA POSSIBLE.

POST-PURCHASE EXPERIENCE PERFORMANCE

**CLIENT UK
E-COMMERCE
STORE**

VS.

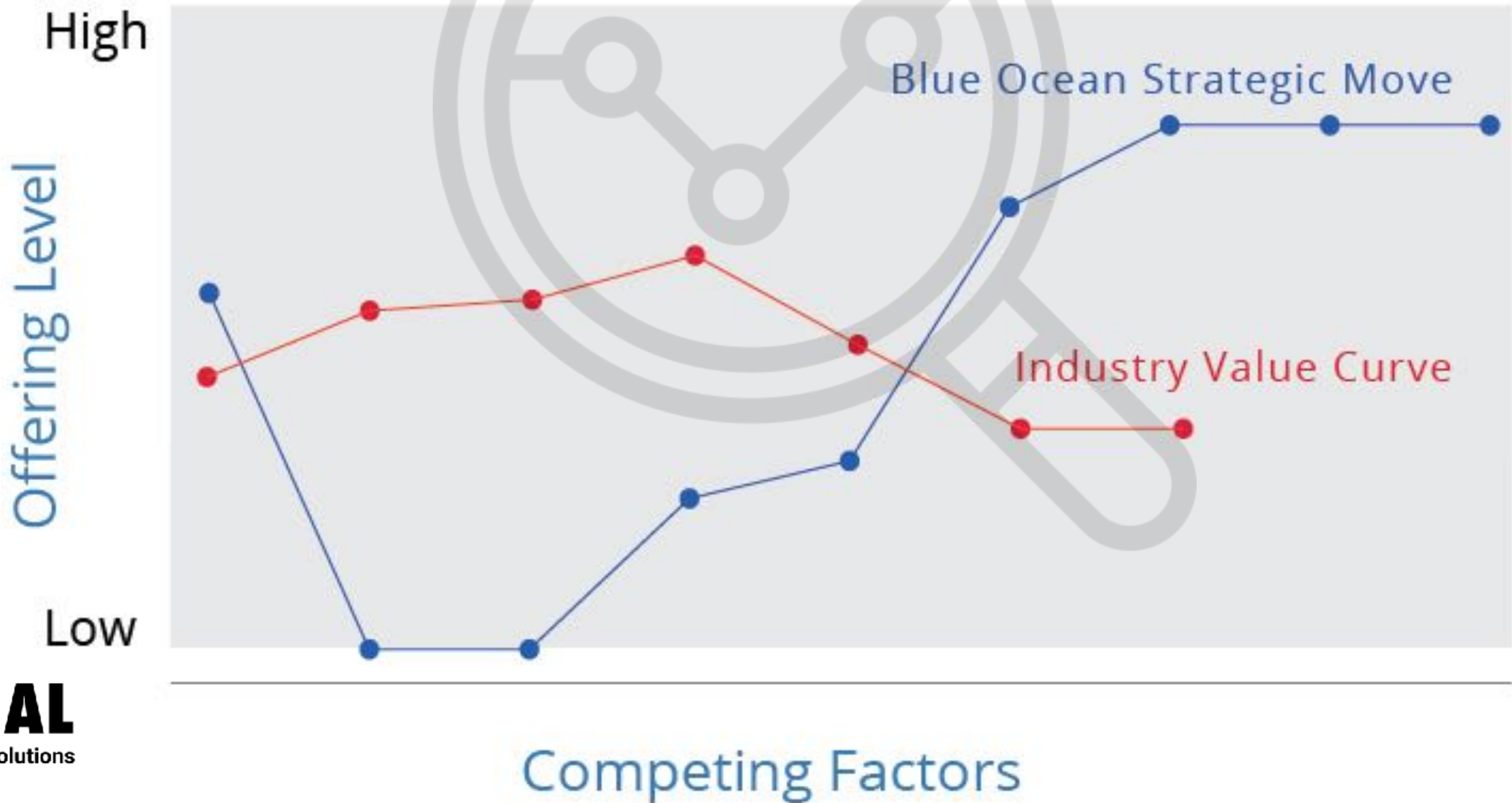
**UK E-
COMMERCE
MARKET**

TRACKING

DELIVERY

PACKAGING

RETURNS & REFUNDS



LEVERAGING BENCHMARKING INSIGHTS | STRATEGIC ASSESSMENT

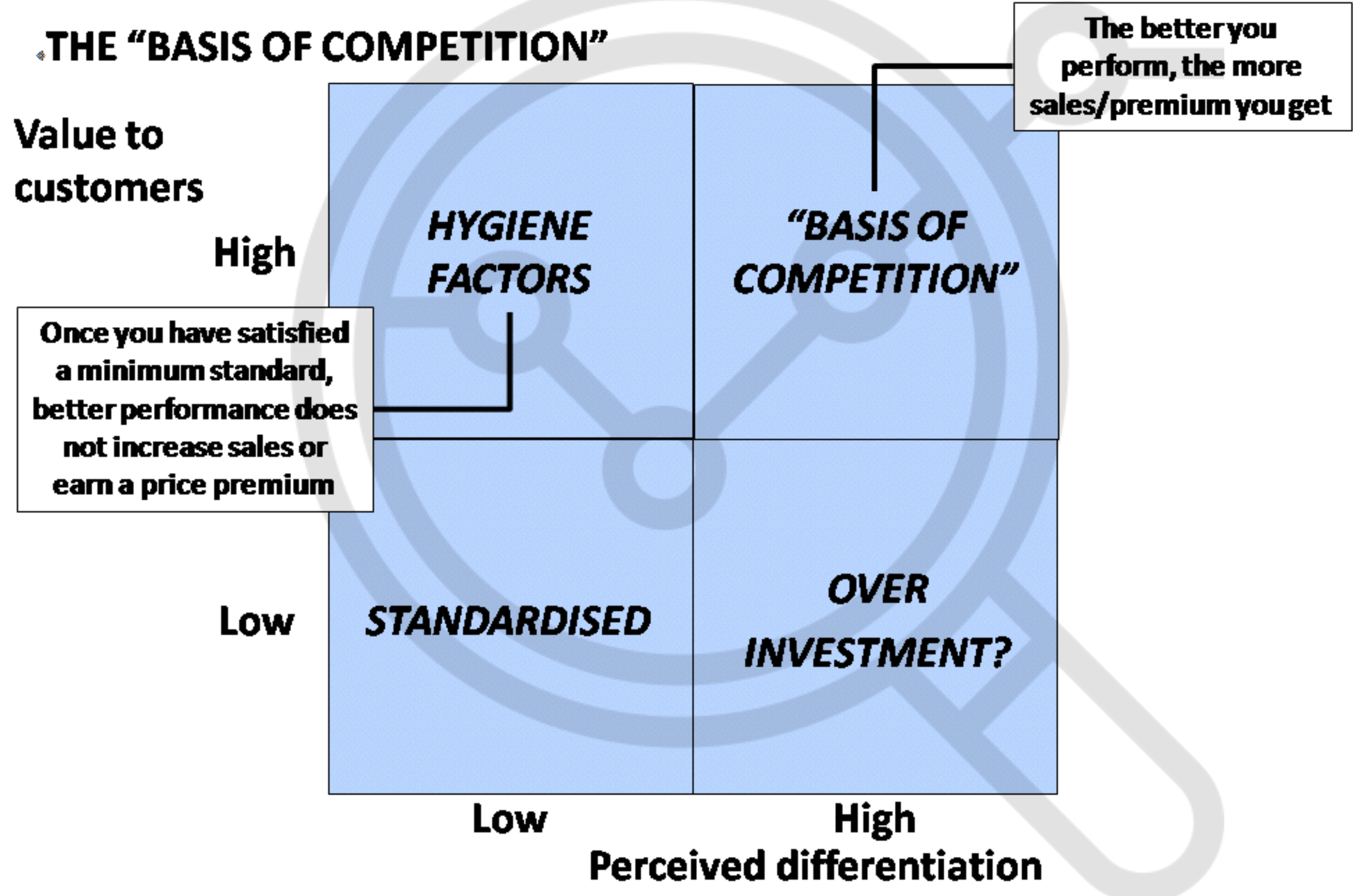
STRATEGY CANVAS EXPLAINED

The horizontal axis on the strategy canvas captures the range of factors that an industry competes on and invests in, while the vertical axis captures the offering level that buyers receive across all of these key competing factors. **A value curve or strategic profile is the graphic depiction of a company's relative performance across its industry's factors of competition.**

The strategy canvas allows your organization to see in one simple picture all the factors an industry competes on and invests in, what buyers receive, and what the strategic profiles of the major players are. It exposes just how similar the players' strategies look to buyers and reveals how they drive the industry toward the red ocean. Importantly, it creates a commonly owned baseline for change.

LEVERAGING BENCHMARKING INSIGHTS | STRATEGIC ASSESSMENT

DETERMINING THE BASIS OF COMPETITION
IN POST-PURCHASE



LEVERAGING BENCHMARKING INSIGHTS | STRATEGIC ASSESSMENT

DETERMINING THE POST-PURCHASE BASIS OF COMPETITION

The “Basis of competition” describes the collection of benefits that are the most important determinants of a customer’s choice between different competing products or services. It is the competitive battlefield where preference is determined. **The basis of competition is not static. It will change over time** as competitors match each other in an area, making it a commodity or because customer needs change.

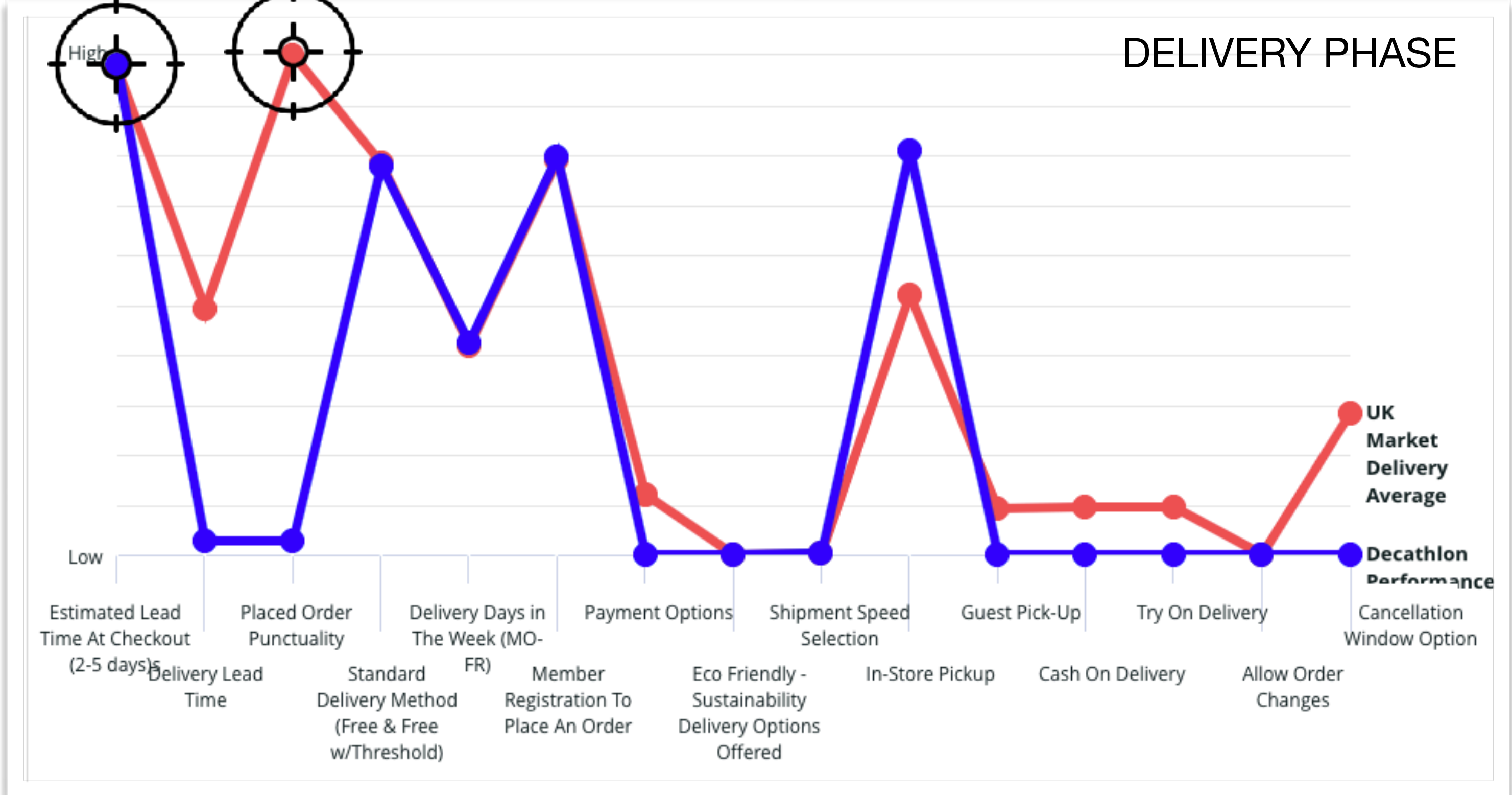
“Hygiene factors” are important to customers, but they perceive little differentiation. On these factors, **you have to exceed a minimum standard or you get no business**, but once you achieve this there is no further reward for improving performance

The “basis of competition” is formed by all product/service benefits that customers value AND where they **perceive a difference** between competitors. On these factors, **the better you perform, the higher premium you get.**

LEVERAGING BENCHMARKING INSIGHTS | STRATEGIC ASSESSMENT

DECATHLON VS. UK AVERAGE MARKET PERFORMANCE

DETERMINING THE POST-PURCHASE BASIS OF COMPETITION



MARKET COMPETING FACTORS (HYGIENE FACTORS)

- 1) Estimated Lead Time - Standard - 3-5 days
- 2) Order Punctuality

LEVERAGING BENCHMARKING INSIGHTS | USE CASES

CRAFTING LUXURY
(POST)PURCHASE EXPERIENCE

TAILORING INTERNATIONAL
EXPANSION

DIFFERENTIATING IN MATURE
MARKETS

LOYALTY BUILDING BY
ELEVATING POST-PURCHASE

OUTCOMPETING IN
E-COMMERCE



EXTENDING THE RELATIONSHIP
BEYOND THE “BUY” BUTTON

DESIGNING WINNING OMNI-
CHANNEL EXPERIENCES

CROSS-BORDER
GROWTH ENABLEMENT

DRIVING GROWTH BY ELEVATING
POST-PURCHASE

SO DIGITAL

GLOBAL BRAND EXCELLENCE SOLUTIONS