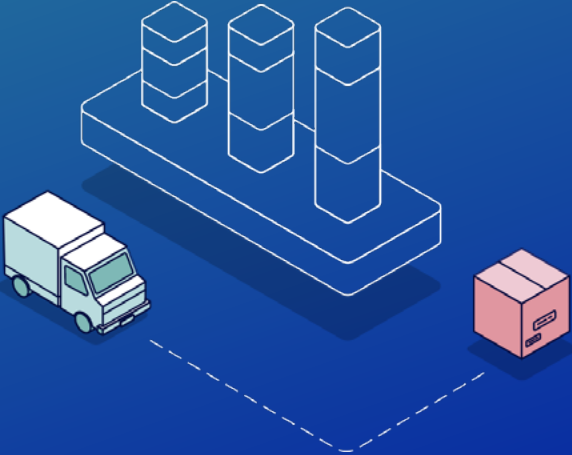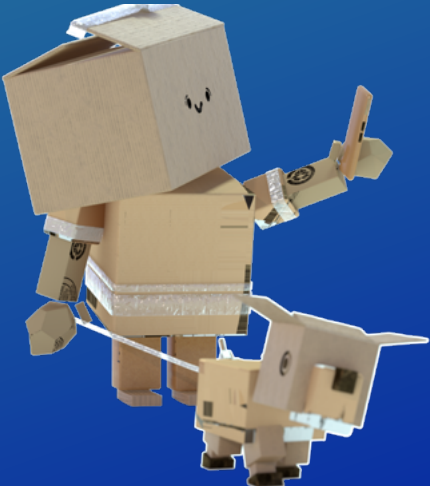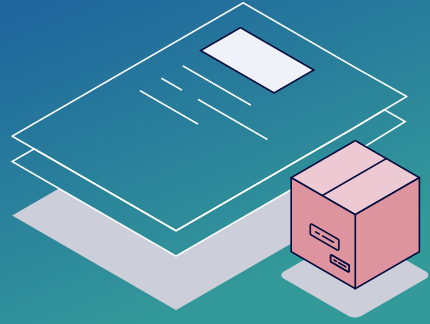# Beyond the box

Turning deliveries into a business-building experience
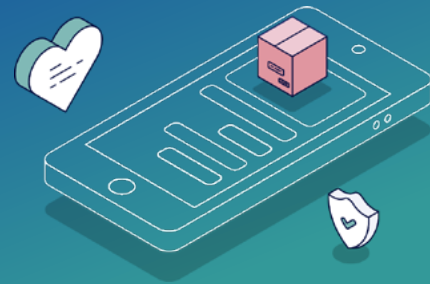
nShift

Contents

This report encourages retailers to think of deliveries as more than a world of boxes. Done well, deliveries are the growth engine for the business.

They can be at their most effective when logistics and ecommerce teams work together to deliver the right customer experience.

Introduction:
the centrality of the customer experience

The customer experience has never been so central to ecommerce.

Some 71% of people recommend a product or service because they received a great experience. But one in three customers will leave a brand they love after just one negative encounter. Almost two-thirds (65%) of consumers confess that a positive brand experience is more likely to win them over than great advertising.

When it comes to online and multi-channel retail, the way that orders are shipped and delivered is essential to the customer experience. Deliveries mark the moment of truth when a customer first has "real world" contact with the retailer. If something goes wrong with the delivery, trust is damaged.

But deliveries also create opportunities to grow the business. Getting shipping right increases conversions at checkout and builds customer loyalty. It can also lower costs and protect margins – for example by streamlining the returns process and encouraging revenue-protecting exchanges.

Achieving this winning formula depends on close, effective collaboration between retailers' ecommerce and logistics teams.

This report encourages retailers to think of deliveries as more than a world of boxes. Done well, deliveries are a growth engine for the business.

The pages that follow explore the business opportunity and explain how retailers can invest in the technology that enables them to shape the right experience.

Crucially, this guide shows how delivery and experience management (DMXM) – an integrated approach combining the delivery management and the post-purchase experience – holds the keys to helping retailers stand out from the ever-growing ecom crowd.

[1]https://www.superoffice.com/blog/customer-experience-strategy/

The delivery experience: the power and the potential
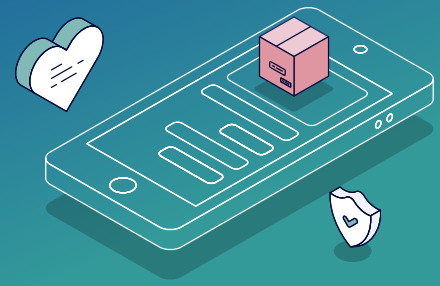
To online shoppers, the way that their items are shipped and delivered is a crucial part of their experience. The handing over of the parcel marks the moment of truth between the retailer and their customer. Has the brand delivered on its promise?

So, it's no surprise that research continually finds that deliveries act as an engine for business growth. Specifically:

1. Deliveries get people buying

- Some 55% of people abandon their shopping basket because of delivery-related reasons.[2] Offering the right range of delivery options at checkout can boost conversions by 20%

- Research shows that 72% of new customers consider a choice of delivery options to be important. This is more than those who prioritize payment options. Just 50% think different payment options – such as buy now, pay later – are important[3]

2. Deliveries keep people coming back for more

- If something goes wrong with the delivery, 85% will consider abandoning the retailer. But a positive experience can lead to repeat purchases[4]

- If ecommerce deliveries are managed well, two out of three customers will shop again

[2]https://startups.co.uk/news/shoppers-admit-to-abandoning-shopping-carts/
[3]hhttps://www.retail-week.com/shopper-unlocked-report
[4]https://chainstoreage.com/survey-reveals-perils-poor-delivery-experience

5. Deliveries are at the heart of the shopping experience of the future

- When it comes to younger shoppers (GenZ and younger millennials), the delivery experience holds the keys to ecommerce growth

- 21% of 18-24 are likely to abandon a basket over poor delivery timeframes compared to just 14% of over 55s

- 25-24-year-olds are the most likely age group to abandon online baskets due to a lack of convenient delivery options

- 71% of 25 to 34-year-olds say that choosing the date and time of delivery is important, compared to just 53% of over 55s

- Click and collect options are most popular with the 25 to 34 age group, with 51% deeming them important

The delivery experience really matters. Let's take a look at what a great one looks like.
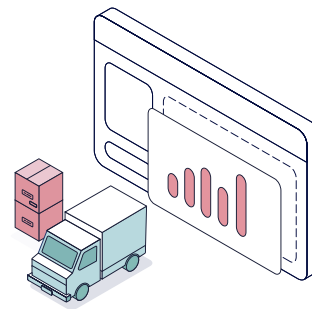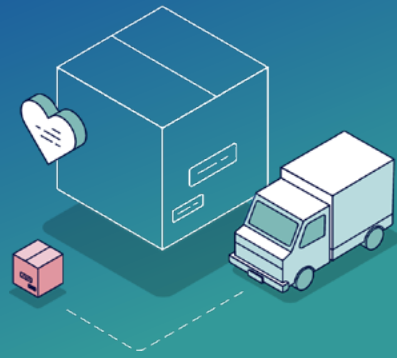

3. Deliveries build the retailer's reputation

- People are more likely to leave negative reviews than positive ones. Ensuring a great delivery experience can help guard against customers feeling the need to take their tales to social media

- The vast majority (90%) of consumers trust brand recommendations from friends. Leaving customers satisfied helps sow the seeds of growth

4. Deliveries create new marketing and sales opportunities

- Customers are far more likely to read messages about deliveries and returns, which they are expecting, than they are other unprompted messages from retailers. These present opportunities for retailers to weave in relevant product promotions, and to drive repeat sales

- Operating a digital returns process makes it far easier to offer exchanges which mean retailers can retain the revenue. Typically, digital returns convert 30% of returns to exchanges.

[5]https://blog.shift4shop.com/brand-recommendations

# What does a great delivery experience look like?

We've seen how a great delivery experience can make a huge commercial difference. But what does it look like?

A great delivery experience cannot be disjointed. Every aspect must chime together from the checkout to the doorstep – and even beyond. This means prioritizing:

- **Choice at checkout** – people expect to find the delivery option that suits them. For some customers, price is paramount. Others would rather pay for a more sustainable delivery. For many, their priority will vary, depending on what they are buying. What matters is that shoppers find what they want quickly. It's important to provide a range of choices without overwhelming busy consumers with a crowded checkout

- **Relevant communication** – some 78% will change brands or retailers if they don't receive regular updates on their delivery.[6] Today's shoppers expect these communications to be on the digital channels they use every day, directly from the retailer – and not from carriers

- **Reliable and high-quality delivery** – as we have seen, if something goes wrong with the delivery it damages trust between the retailer and the customers. It's crucial that vendors monitor the performance of carrier companies, iron out any issues and don't risk their reputation through avoidable errors

- **Clear returns** – many won't buy from a retailer if it's not clear how they can send something back. In today's retail landscape, there is no "one-size-fits-all" returns policy that works for all vendors. But whatever policy a retailer adopts, they must make it clear to the customer

Understanding what makes a great delivery experience is only half the battle. To take advantages of the opportunities it brings, ecommerce and logistics teams need to work together to develop a plan to create such an experience.

[6]https://nshift.com/solutions/track
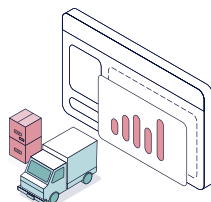
How can retailers make great delivery experiences happen?
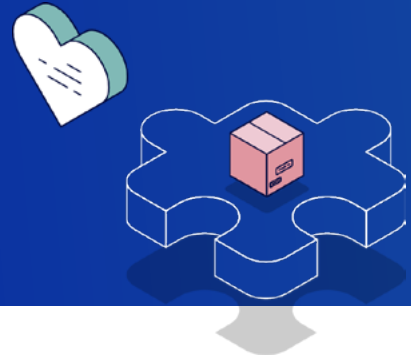
Developing that plan relies on an effective partnership between logistics and deliveries leads, in charge of the last mile, and ecommerce leads, who oversee the customer experience.

This partnership is well placed to turn deliveries into business growth. Questions ecommerce and logistics leads might consider together include the following:

- Do our current carrier providers offer the choice customers expect – including out-of-home deliveries, zero-emissions, and express options?

- How effective are our carriers – with day-to-day delivery support, and particularly during peak season?

- To what extent could more delivery choices improve conversions, customer loyalty, and/or reduce costs?

- How could the retailer better entice customers with new offers during the post-purchase phase? What needs to be done to achieve that? How could the returns process be adjusted to reduce the revenue hit to the business and/or encourage exchanges? What should the customer experience look like, and what do carriers need to do to support it?

These conversations will help focus minds on the role of deliveries in building customer loyalty. The right software infrastructure can help retailers join up deliveries and the customer experience. We will explore this further in the next chapter.

Delivery and experience management: the toolbox for success

The right software supports the team-level collaboration between ecommerce and logistics.

Mattias Gredenhag, nShift's Chief Technical Officer explains: "Different parts of the delivery process are disjointed and fragmented. The basic administration might be managed from a book and print system, that books the carriers and prints shipping labels. But a business may use separate applications to set up the delivery options on the website or manage the returns interface. What's more the order tracking or returns platform often has no interaction with the delivery management system, which holds the crucial data on the status of the delivery."

Delivery and experience management (DMXM) from nShift is different. We bring together the core components of delivery management – including a ready-built library of over 1,000 carriers – with customer facing applications and fully built-in solutions. This creates a better experience for the customer. At the same time, it helps retailers better understand customers, track carbon emissions, and improve performance.

DMXM enables retailers to:

- **Grow beyond limits** – with a library of 1000+ carriers, nShift enables retailers to expand internationally and offer more delivery choices to customers at checkout. This increases conversion rates

- **Connect every stage of the customer journey**, by offering the right delivery options at checkout (including popular zero-emissions and pick-up, drop-off deliveries), a superior tracking experience, and simple returns which maximize revenue retention

- **Enable data-tight ecommerce**, by combining data from carriers, logistics, and other business systems. DMXM brings this information together, helping retailers sharpen customer insights, break down internal silos, and drive operational efficiency

- **Out-perform competitors** – whether by engaging with customers in new ways or increasing the throughput of deliveries and fulfilment teams. nShift helps retailers stay one step ahead of the rest by investing five times more in R&D than its closest competitors

Ten practical ways to strengthen delivery & experience management (DMXM) with nShift
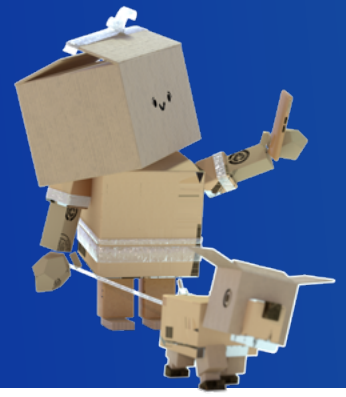
1. **A/B test delivery options** – our Checkout solution enables retailers to A/B test different delivery option configurations, helping them identify which drive the highest basket conversion. Different customer groups may heavily favor certain options such as PUDO (pick up / drop off). That means it's important to get real data about the solutions customers seek

2. **Seamlessly display delivery options at checkout** – nShift supports multiple checkouts across different webshop brands. The system assigns each delivery checkout a unique "delivery checkout ID". An enhanced rules engine makes it easier to tailor delivery options to different customers. There's now more support than ever for out of home (OOH) deliveries, including one million PUDO locations

3. **Set up automatic rules for delivery options and carriers** – setting up rules for each delivery option is straightforward. Geolocators ensure the right carriers are automatically selected for each customer

4. **Automatically book carriers and print labels** – multiple carrier companies will require a range of information that currently sits within the ERP, WMS, order management and ecom systems. nShift pulls all of this together, automatically booking the correct carrier and printing the right label. The label will even contain the track and trace code generated by the carrier

5. **Real-time parcel tracking** – we create a user-friendly track and trace page so that logistics teams can keep on top of deliveries. The data it displays can either come from the nShift user ID or the track and trace code generated by the carrier. This data provides the basis for a reliable customer-communications program that increases customer satisfaction and creates opportunities for further product plugs and marketing

6. **Embed sales messages into customer communications** – it's easy to set up a branded-tracking page and then send SMS and social media notifications to customers. A user-friendly message editor makes adapting messages straightforward. Retailers can automate at what stage in the delivery journey the messages are sent

7. **Compare performance between carriers** – logistics teams can access carrier performance reports from the nShift portal. These provide data on how the carrier is performing against their service level agreement. This makes it easier to identify issues and improve the overall delivery experience for customers

8. **Offer exchanges more easily** – we provide a consumer-friendly returns interface. This makes it easier to offer exchanges when people are no longer happy with what they've ordered

9. **Quickly check returned items back in** – by scanning the label's barcode, warehouses can check items back in less than 10 seconds. This makes it easier to get the item back into the warehouse and to resell it, rather than taking the revenue hit

10. **Learn from returns** – nShift provides a Returns Analytics module. This enables retailers to identify trends and issues. Solving these problems can reduce the overall volume of returns (such as varying clothes sizes)

Conclusion:
customer-centered deliveries

Consumers continue to demand more from the shopping experience. And this includes deliveries.

With the right technology underpinning teamwork between logistics and ecommerce teams, retailers can tailor the delivery experience to the needs of the customer. Done well, this will increase conversions, boost customer satisfaction, and keep shoppers coming back for more.

At the same time as pleasing customers, managing deliveries well can increase efficiency and cut costs. We work with retailers and warehouses across the world, helping them treat deliveries as more than boxes and as an engine for growth.
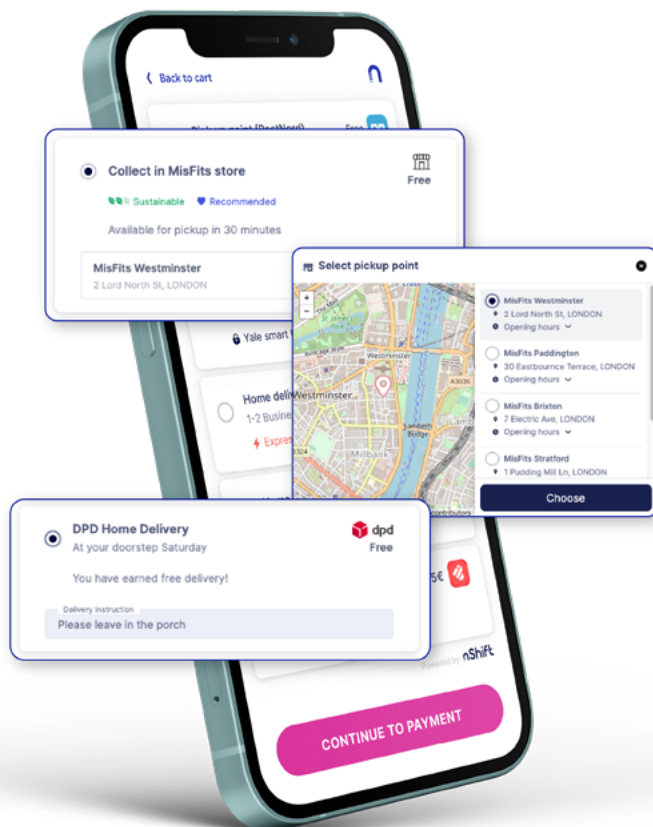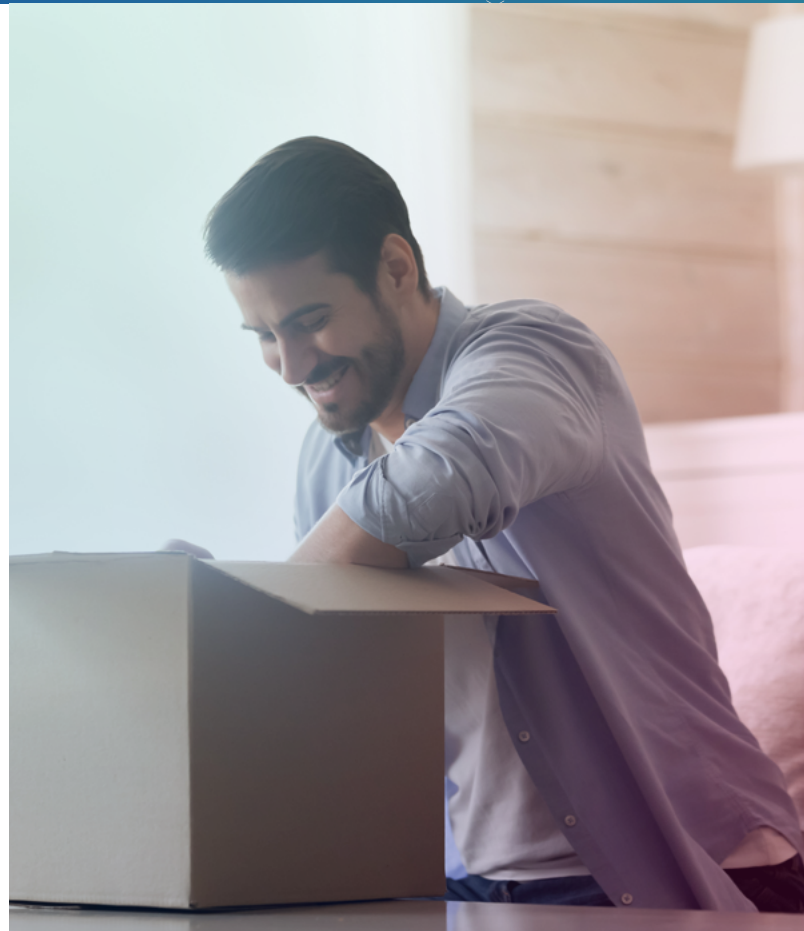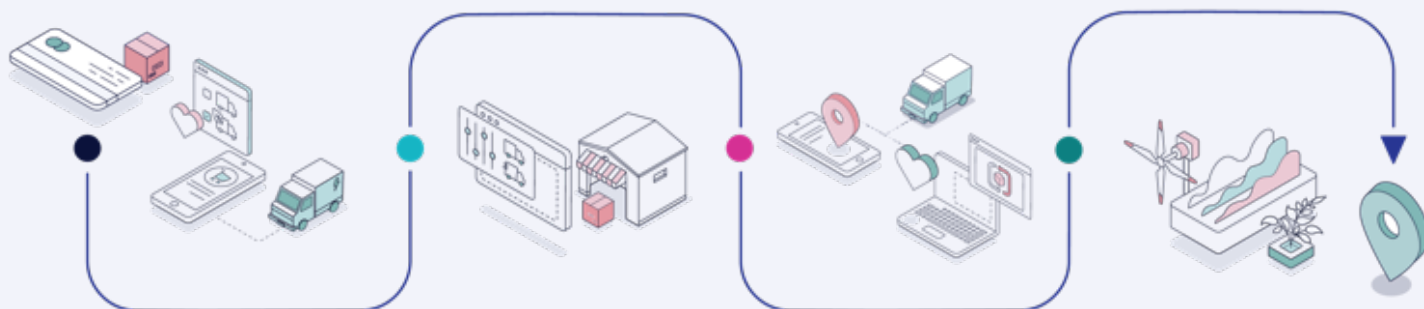
Get in touch

We work with ambitious ecommerce and multichannel retailers around the world providing a multi-carrier delivery management solution that meets their needs. Please get in touch to discuss how we can help.
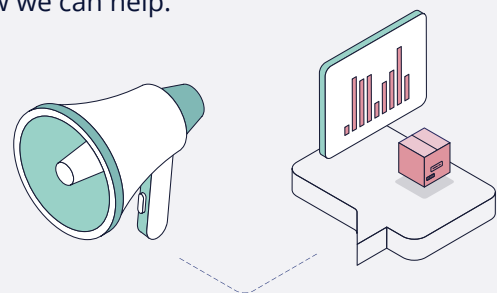
www.nshift.com

Enabling multi-carrier delivery & experience management – from Checkout through to Returns

Pre Purchase

- Delivery personalization
- Sustainability options
- Delivery checkout
- Estimated delivery date
- Pick Up & Drop Off locations

Delivery Management

- Book & Print
- Carrier integrations (+1000)
- Shipping Rules
- Freight cost optimization
- Insurance

Post Purchase

- Retailer brand experience
- Delivery Tracking
- Notifications
- Self-serve returns
- New marketing channel

Emissions Tracking & Reporting

- Standard emission values
- Global shipments
- Historical calculations
- Data Export/Import
- Business Intelligence

A seamless solution to benefit you

CARRIER MANAGEMENT

8% cost savings with optimized carrier management

nSHIFT CHECKOUT

Up to 20% higher conversions with nShift Checkout

SUPPORT CALLS

60% reduction in customer support calls

CARRIER BOOKINGS

Up to 50% time savings with automated carrier bookings

Are you interested in nShift or do you have any questions?

CONTACT US   BOOK A DEMO

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