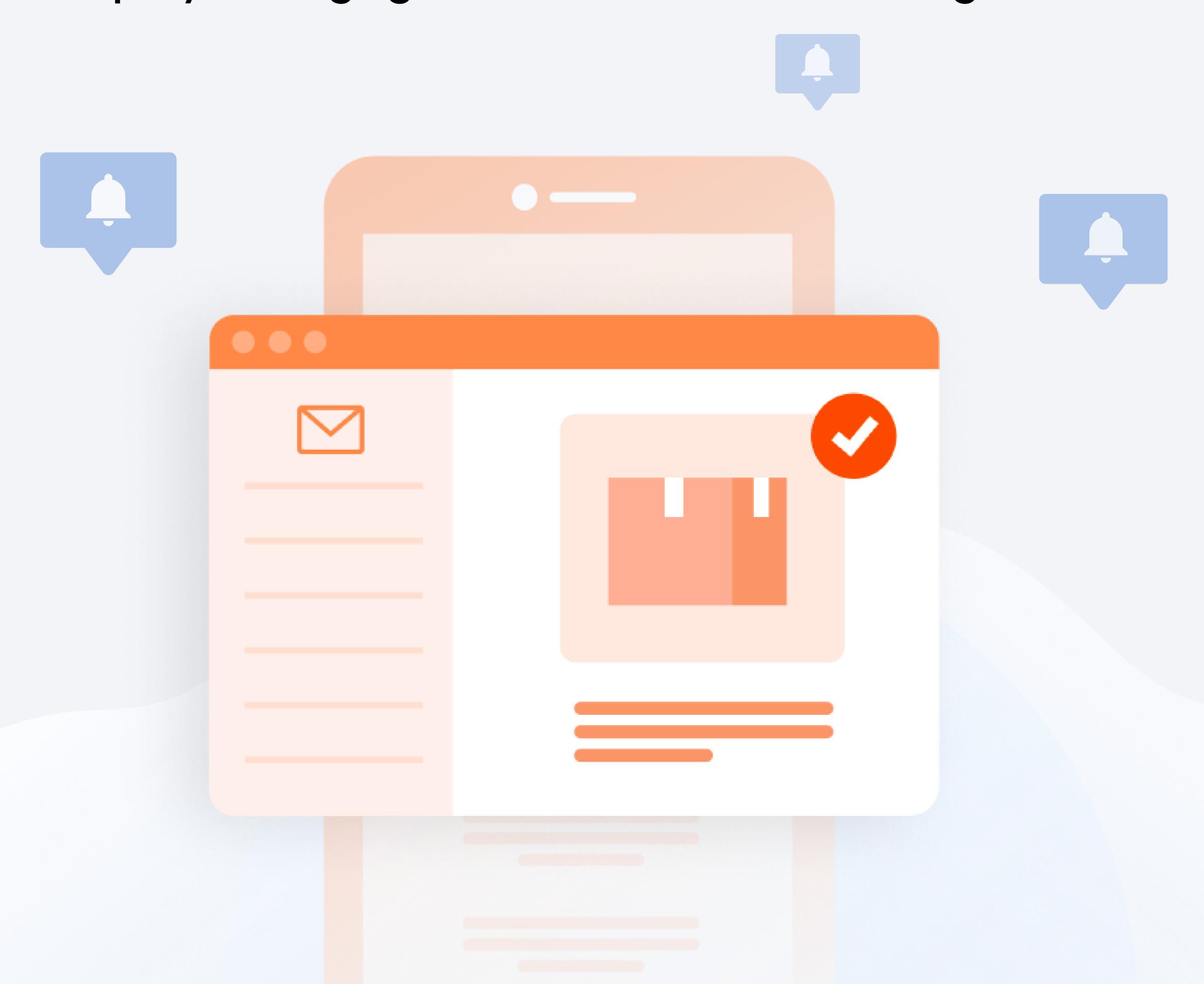


Notifications in the Post-Purchase Customer Journey

What are some proven strategies retailers can employ to engage consumers after carting out?



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01 About the Report

What to Expect

Notifications in the post-purchase customer journey play a crucial role in engaging customers, providing updates, and enhancing their overall experience. After all, **customers check delivery updates up to 4 times per order and open about 62% of these emails.** With this in mind, let us delve deeper into the significance of these notifications and their impact on business success!

Data Methodology

Our benchmarking and <u>carrier performance measurement</u> initiatives involve the collection of **billions of anonymized data points from more than 130 countries** annually. We also harness data from **hundreds of millions of parcels spanning 1,450+ carriers** through our <u>international tracking page</u>, culminating in the creation of high-quality insights.

In addition, our domestic and international data is analyzed on a "trade lane" level, comparing the same combinations of origin and destination to maintain data representativeness. Benchmark data sets have been compiled with strict minimum requirements for data point quantity and comparability.

Want to learn more about our data?

GET IN TOUCH TODAY

Data Source: Rakuten Insight



02 Decoding the Post-Purchase Journey

The e-commerce industry has witnessed an unprecedented surge in recent years, fundamentally reshaping the retail landscape as we know it. According to Statista, **global** parcel shipping volume surpassed a staggering 159 billion parcels in 2021, indicating the sheer scale of online transactions and the corresponding delivery requirements. The same report also predicted this volume to continue rising at a compound annual growth rate of 8.5%, reaching 256 billion parcels by 2026.

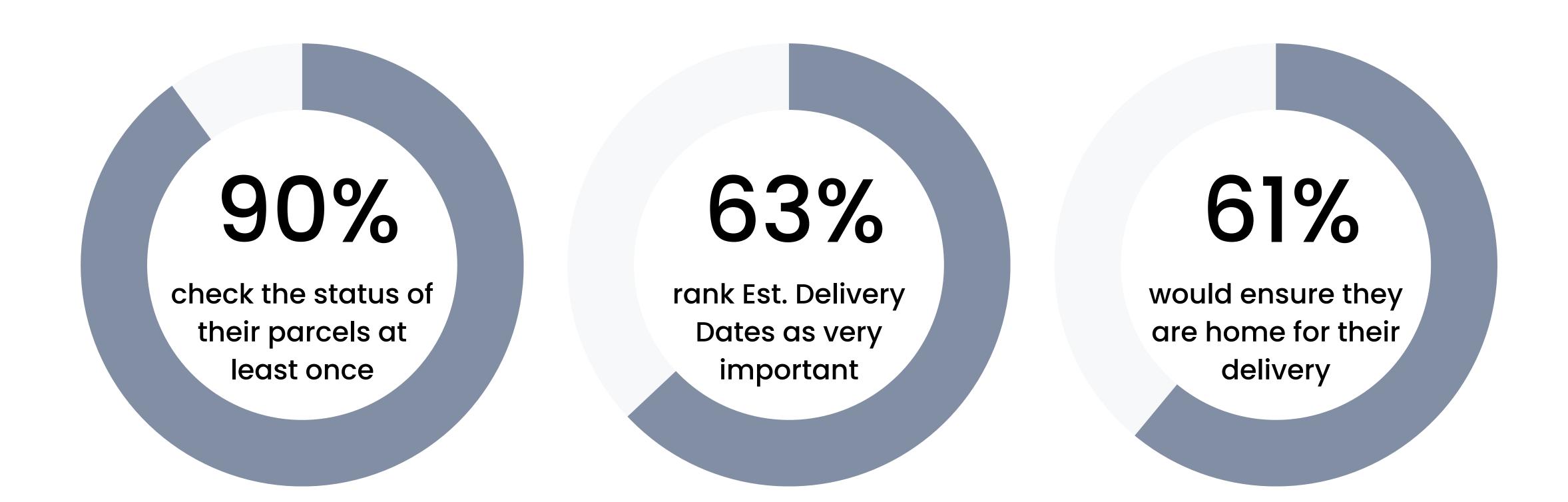
As online shopping continues to flourish, businesses have come to realize the importance of the post-purchase journey in securing their long-term success. While the initial purchase holds its own importance, it is the subsequent phase of the customer journey that truly differentiates successful enterprises within the fiercely <u>competitive e-commerce market</u>.

By focusing on the post-purchase journey, companies can **enhance customer satisfaction**, **encourage repeat purchases**, and **foster long-term relationships with their customers**. This includes effectively utilizing notifications, providing order updates, ensuring prompt and hassle-free last-mile deliveries, offering <u>exceptional customer support</u>, and <u>personalizing</u> the <u>overall experience</u>.

Are you a retailer seeking to enhance your e-commerce logistics operations? <u>Discover your ideal logistics partners here.</u>



02 Decoding the Post-Purchase Journey

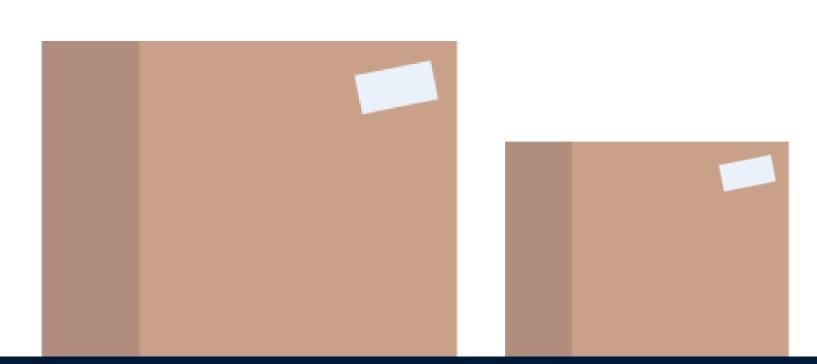


Delivery notifications play a crucial role in the post-purchase customer journey, especially given the significance of Estimated Delivery Dates (EDDs) among customers today. Based on Rakuten Insight's latest survey, 90% of Southeast Asian (SEA) consumers check on the status of their parcel deliveries at least once, with a notable 12% doing it 5 or more times per shipment. In another survey, 63% of the region's participants ranked EDDs as a very important factor, with 54% deeming any delay beyond 1-2 days from the EDD unacceptable.

By including EDDs in delivery notifications, businesses can empower customers to plan and prepare for the arrival of their orders accordingly. After all, modern customers value being informed about the expected delivery timing, as it enables them to make any necessary arrangements to **ensure someone is available to receive the package at home**. While this sentiment was shared by **61% of the SEA respondents**, 14% of the same group said they would rather leverage the EDD information to reschedule the delivery date instead.

When businesses prioritize effective communication and maintain consistent updates to keep customers informed during the delivery process, they have the opportunity to foster a seamless post-purchase experience. This approach not only contributes to building trust with customers but also positions the business as a reliable and customer-centric brand within the competitive e-commerce landscape.

Here are 5 of the best post-checkout experiences of 2023.



03 Driving Customer Lifetime Value With Notifications

In today's highly competitive e-commerce landscape, businesses are constantly seeking ways to maximize **customer lifetime value (CLV).** In the most simple terms, CLV is a metric that calculates **the total value a customer brings to a business over the entire duration of their relationship**. When customers feel valued and keep coming back, it's not just beneficial for the business's bottom line, but also for creating a loyal customer base that can contribute to long-term success.

Looking for ways to increase your customer retention rate?

Check out these 6 proven methods to encourage returning customers.

The Importance of Delivery Notifications in Boosting Customer Lifetime Value

First and foremost, delivery notifications help to **alleviate customer anxiety and uncertainty** by providing real-time updates on the progress of their orders. Customers appreciate being kept informed about the whereabouts of their packages, which **reduces concerns about potential delays or lost shipments**. This proactive approach to communication addresses customer anxiety and creates a positive experience, increasing the likelihood of repeat purchases.



Furthermore, delivery notifications allow businesses to proactively address any delivery issues or delays. By notifying customers in advance and providing alternative solutions or options, businesses demonstrate their commitment to customer satisfaction. Resolving delivery problems promptly and effectively helps retain customers for future purchases and increases the likelihood of long-term loyalty.



Personalization is another benefit of delivery notifications. Businesses can **tailor notifications to include targeted recommendations or promotions** based on a customer's previous purchases or browsing history. By suggesting related products, cross-selling or upselling complementary items, or offering exclusive discounts, businesses can drive additional purchases and increase CLV.

03 Driving Customer Lifetime Value with Notifications

Next, delivery notifications also serve as a channel for gathering customer feedback and encouraging reviews. By including a feedback request or review invitation in the notification, businesses can collect valuable insights about the customer's delivery experience and overall satisfaction. Positive reviews and feedback not only contribute to the business's reputation but also attract new customers, leading to increased CLV in the long run.

Lastly, effective post-purchase notifications play a pivotal role in minimizing "Where is my order?" (WISMO) calls. This not only helps businesses reduce the expenses associated with resolving WISMO inquiries but also allows them to redirect their customer service resources towards more valuable endeavors such as tackling intricate issues or offering personalized assistance. By optimizing the allocation of resources, businesses can prioritize building stronger relationships with their customers and fostering long-term loyalty.



\$5 is the average cost to resolve each "Where is my order?" (WISMO) case

• parcelmonitor

How our global carrier database can help you excel this fiscal year

Gain In-Depth Analysis of Delivery Performance

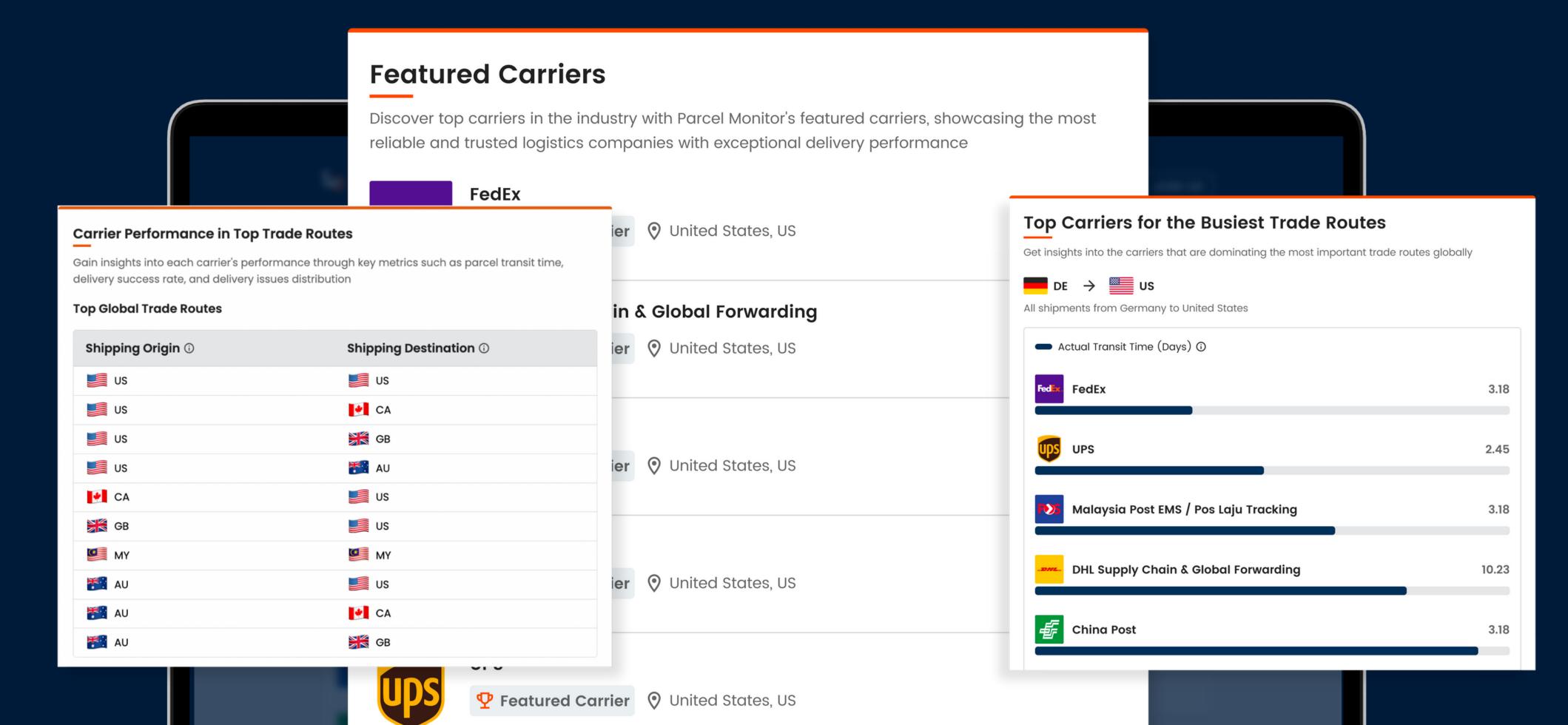
Retailers can utilize our carrier performance data (e.g. parcel transit times) to select the most suitable logistics partners capable of handling the increased e-commerce order volume in the coming months.

2 Unlock Exclusive Access to Market Data

By <u>being our esteemed partner</u>, retailers and logistics carriers can gain access to exclusive market data that can provide them with a competitive edge and facilitate well-informed decision-making this holiday season.

Forge Strategic Partnerships With Industry Peers

Businesses can leverage our <u>carrier listings</u> to identify and forge strategic collaborations to achieve operational efficiency, cost savings, and better <u>delivery experiences</u> for end-consumers during the peak season.



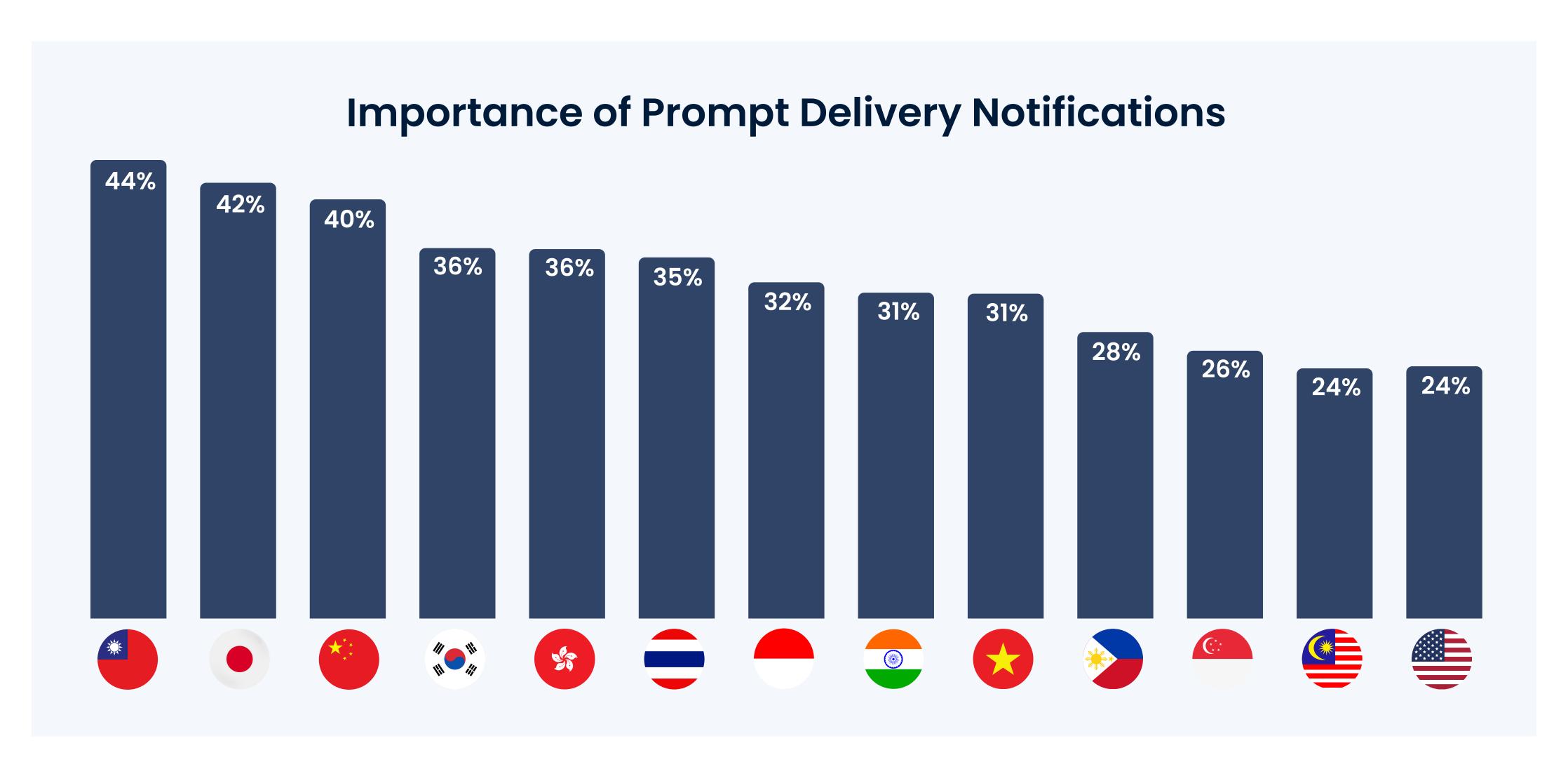
04 Building a Successful Notifications Strategy

Building a successful notifications strategy is crucial for businesses to effectively engage with their customers and optimize the post-purchase customer journey.

In a recent survey done by Rakuten Insight, 32% of participants considered "Prompt Delivery Notifications" to be a crucial factor influencing their delivery experience. This is especially the case in <u>Taiwan</u>, <u>Japan</u>, and <u>China</u> where 44%, 42%, and 40% of consumers respectively gave "Prompt Delivery Notifications" a rating of 1 or 2 out of 5, with 1 denoting the highest level of importance. In contrast, only 24% of customers in the <u>United States</u> expressed the same, suggesting that cultural and regional differences do play a part in shaping customer expectations and preferences regarding delivery notifications.

<u>Download the full market report to explore the U.S. e-commerce Logistics landscape.</u>

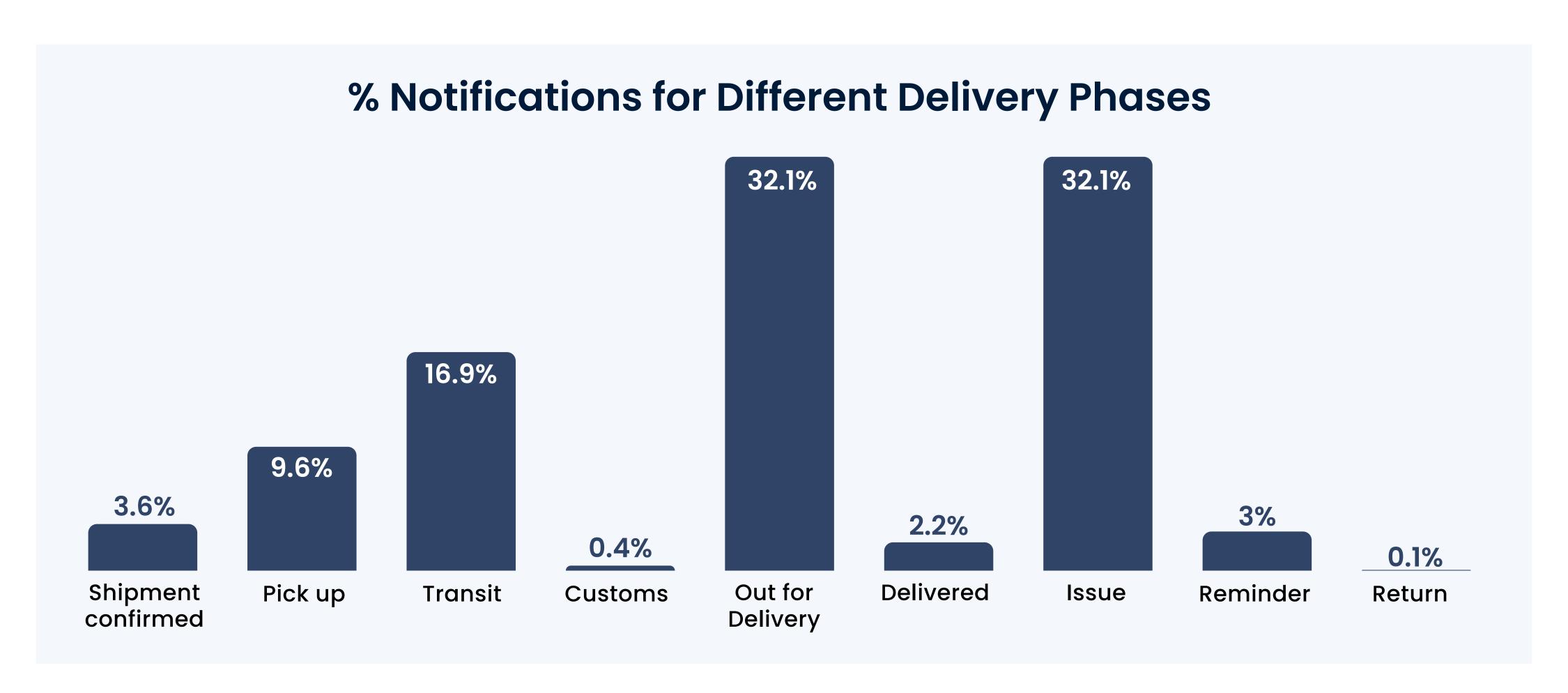
In many East Asian cultures, the values of punctuality and timeliness are of paramount importance. As such, Asian consumers tend to prioritize customer service to a higher degree compared to their Western counterparts. In this context, timely delivery notifications are viewed as a crucial component of customer service, as they instill confidence and alleviate any uncertainties customers may have regarding their e-commerce orders. Complicating matters further, many urban areas in Asia experience high population densities, leading to complex logistics operations and in turn a greater need for accurate delivery notifications.



04 Building a Successful Notifications Strategy

Based on our internal data, a **significant portion (32.1%)** of notifications aims to keep recipients updated on the status of their parcels, particularly during the "Out for Delivery" event. This emphasis highlights retailers' commitment to ensuring that customers are well-informed about the estimated arrival time of their packages. Moreover, approximately 17% of notifications are sent during the "Transit" stage, while about 10% are sent during the "Pick up" stage. These notifications play a crucial role in providing shoppers with real-time updates on the whereabouts of their parcels, allowing them to track their shipments and gain peace of mind throughout the shipping process.

Track your e-commerce parcels across global carriers like DHL, UPS, and Royal Mail.



Glossary Carrier has confirmed the recipient's delivery service Shipment confirmed Pick up Carrier has picked up the order from the seller **Transit** Parcel is on the way to recipient Customs Recipient's parcel held at customs and may require follow-up **Out for Delivery** Carrier dispatched recipient's parcel for delivery **Delivered** Recipient has successfully received the parcel Delivery encountered issues e.g. delay or parcel not received Issue For recipient to collect parcel at a collection point (if opted) Reminder Return Recipient's return request is confirmed by the seller

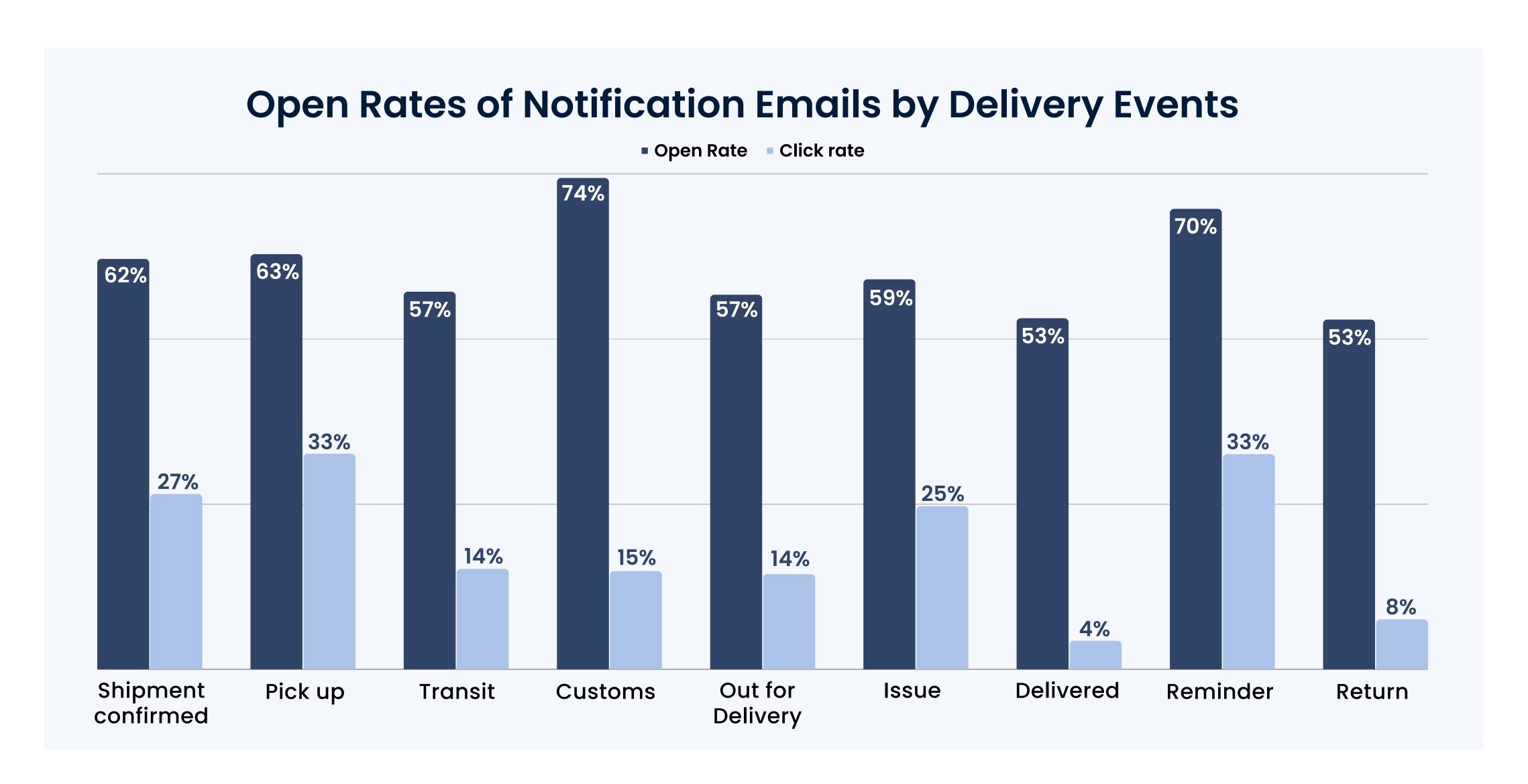
04 Building a Successful Notifications Strategy

In terms of overall performance, post-purchase notifications demonstrate a **62.1% open** rate and a **15.8% click rate**. Among these notifications, the ones sent during the "Customs" and "Reminder" phases exhibit the highest open rates at **74%** and **70%** respectively. This could perhaps be linked to the nature of these emails, as they tend to require the customer's attention and follow-up action.

In the "Customs" phase, for instance, customers may be required to pay additional taxes if the item's value exceeds a certain threshold. Similarly, the "Reminder" phase serves as a crucial point of communication; if a customer fails to collect their parcel within a specified timeframe, there is a possibility that the item may be returned to the seller.

<u>Discover top challenges in returns management and reverse logistics.</u>

Post-delivery notifications, on the other hand, are often associated with **lower click open** and click rates, typically averaging around 53% and 4% respectively during the "Delivered" stage. That being said, this should not discourage retailers from sending these notifications. While their primary purpose is to confirm a successful delivery, they also provide an opportunity for retailers to collect customer reviews on the product or delivery experience. Additionally, retailers can use these emails to showcase recommended products, fostering future purchases and customer loyalty.



05 Key Elements of Successful Notification Emails

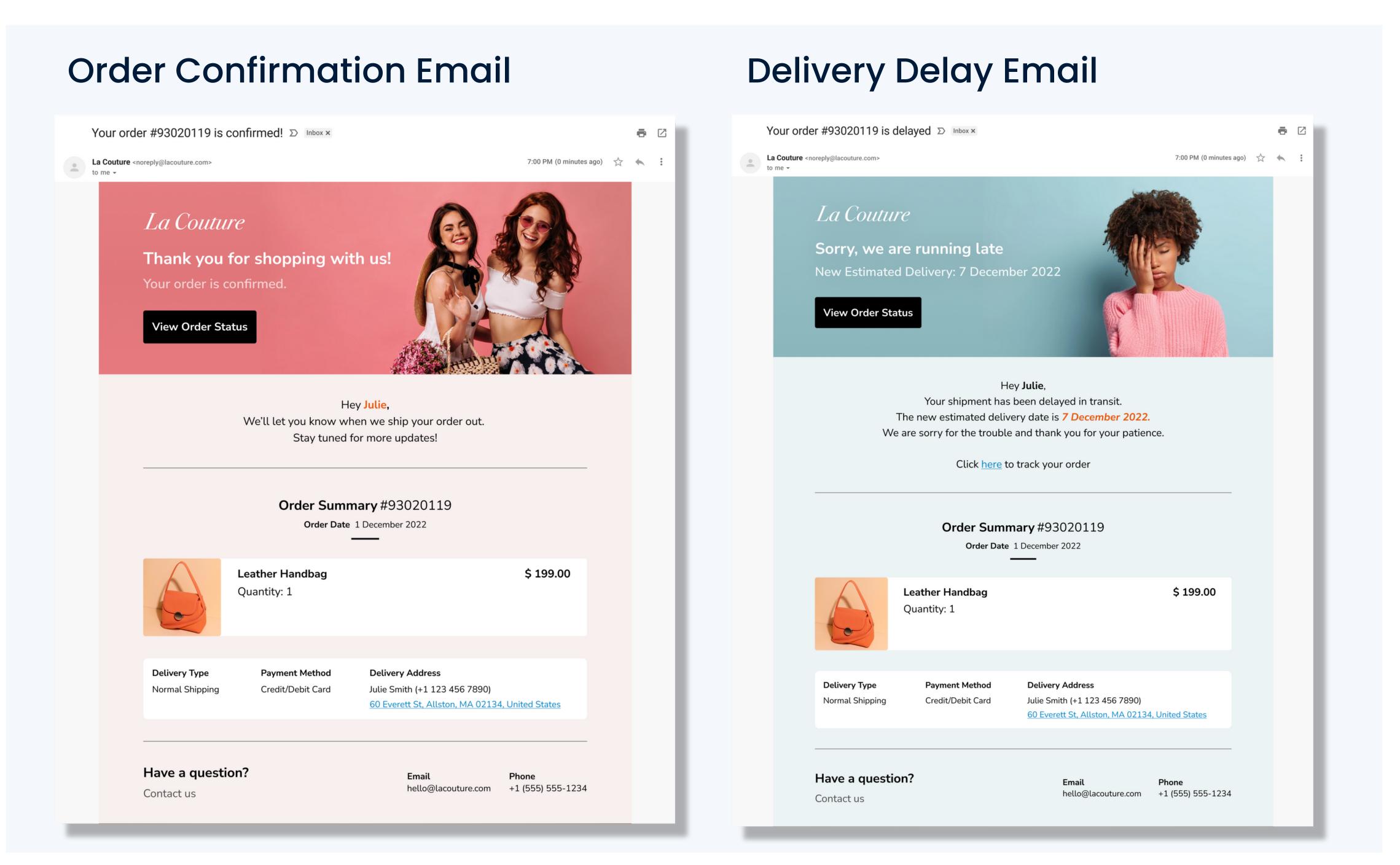
For an effective notifications strategy, retailers should minimally set up **three categories of emails** as follows: <u>order confirmation, delivery issues, and successful delivery</u>.

The Order Confirmation email serves as a fundamental element to reinforce customers' trust in your business post-purchase. To optimize the effectiveness of such emails, it is essential to incorporate their order summary and a reminder of their delivery methods, as well as hyper-personalizing details, such as addressing customers by their names.

Here's everything you need to know about personalization in e-commerce.

In cases where unforeseen circumstances lead to delivery delays, leveraging **Delivery Delay Email** is key to maintaining customer trust. Demonstrate transparency and a commitment to resolving the situation by **providing an updated estimated delivery date (EDD)** in said emails. Moreover, **including an overview of the ordered items** would also help as it can keep customers excited about the forthcoming delivery.

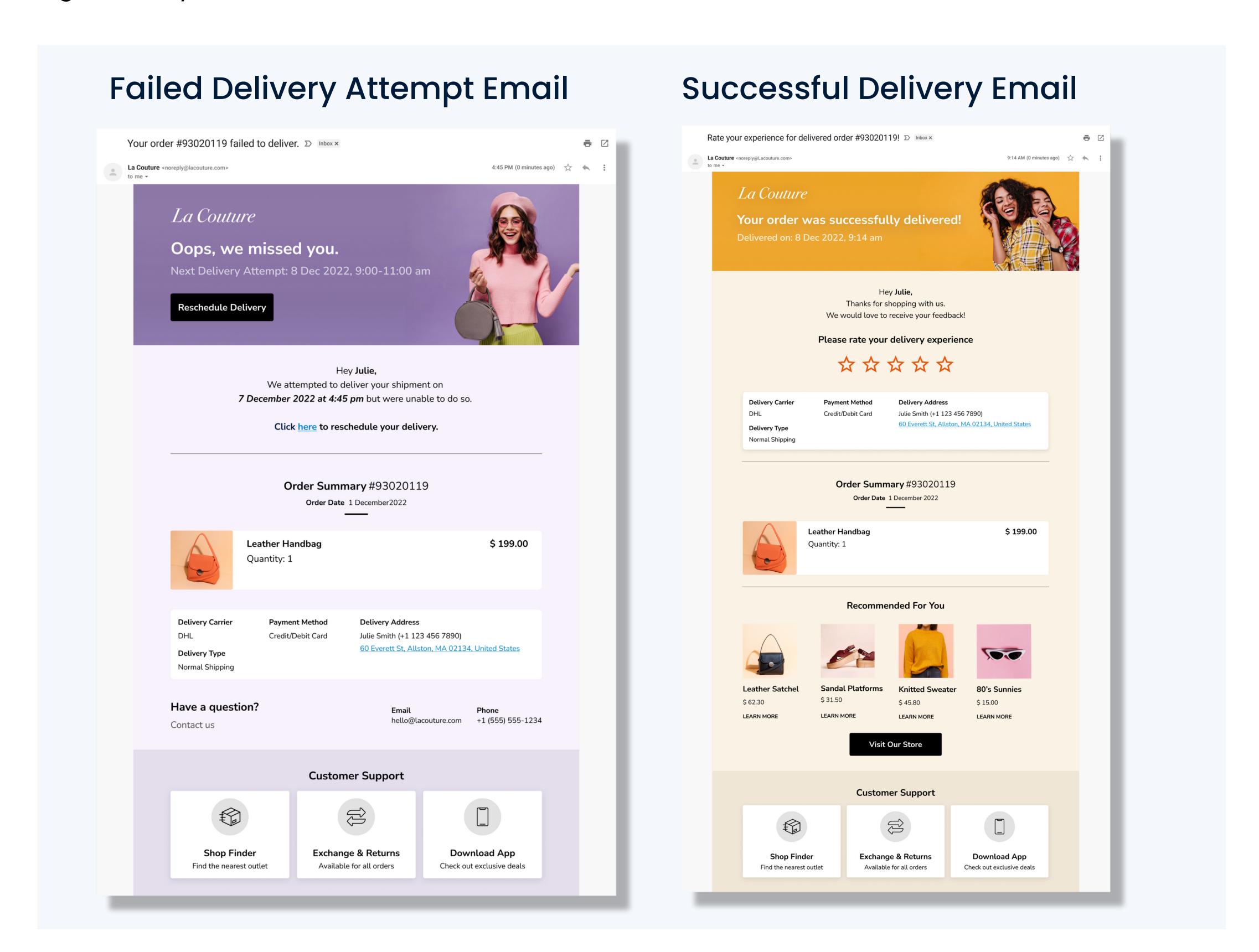
Did you know: 86.7% of SEA customers expressed a preference for a clear & precise EDD? <u>Find out more.</u>



05 Key Elements of Successful Notification Emails

Next, the **Failed Delivery Attempt email** and the **Delivery Success email** are also equally critical components of a comprehensive notification strategy. The former plays a vital role in **reducing frustration** by giving customers crucial information such as **alternative delivery dates and the option to reschedule the delivery** at their convenience. Meanwhile, the latter offers a chance for retailers to **gather customer feedback** on their delivery experience as well as **engage customers further** by showcasing related products, promotions, or incentives for future purchases.

By incorporating these email categories into their notifications strategy, retailers can significantly enhance customer satisfaction and maximize Customer Lifetime Value.



Want to further refine your notifications strategy?

Analyze cart abandonment data in Southeast Asia countries here.

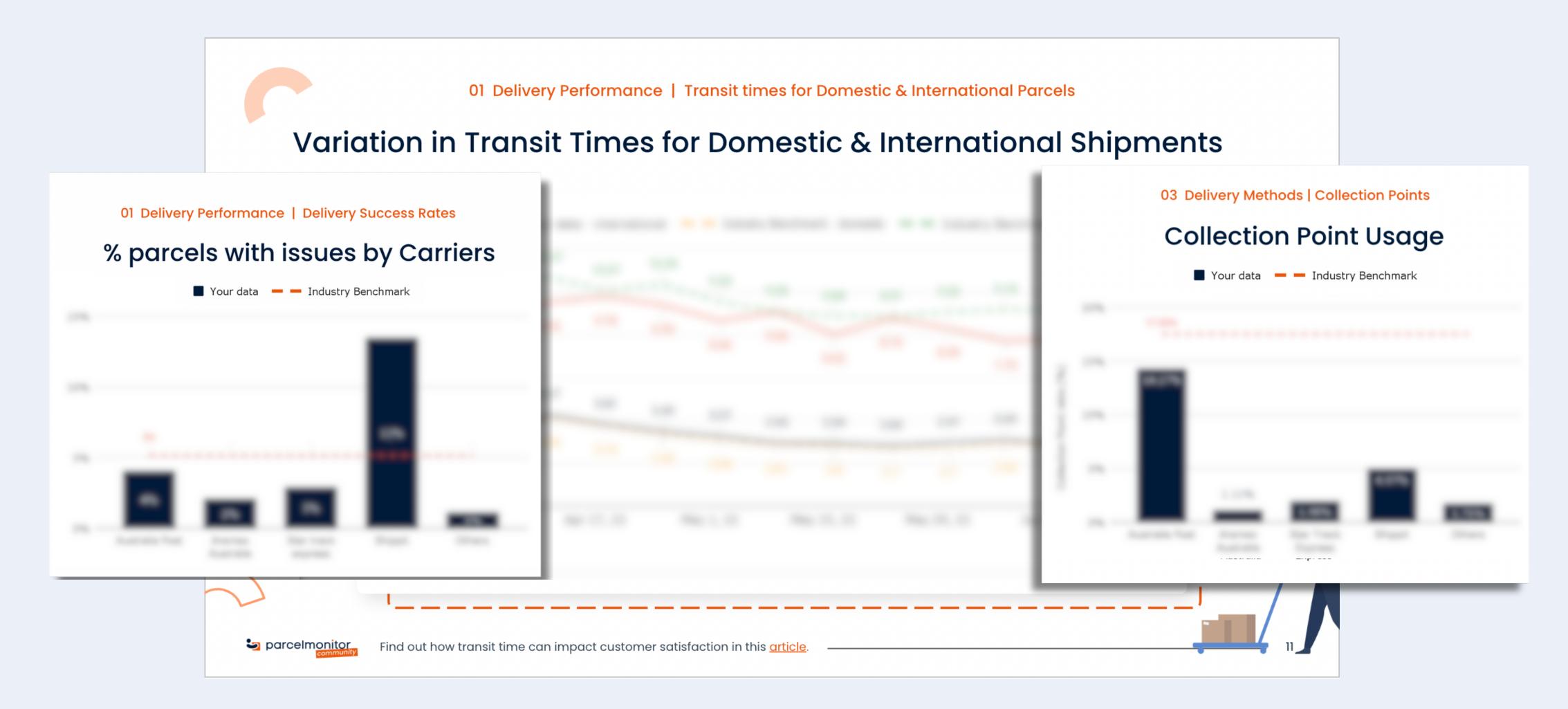
06 Closing Remarks

As we have explored in this report, **post-purchase notifications are a powerful tool in the customer journey**, providing updates on the delivery process and enhancing the overall customer experience. With customers showing a high level of engagement with these notifications, it is evident that they play a **critical role in building customer trust and loyalty**. By prioritizing timely, informative, and engaging post-purchase notifications, businesses can differentiate themselves in the market and build a strong reputation for excellent customer service.

Cheers,

The Parcel Monitor Team

Looking for more data insights?



Discover growth opportunities & make data driven decisions with:

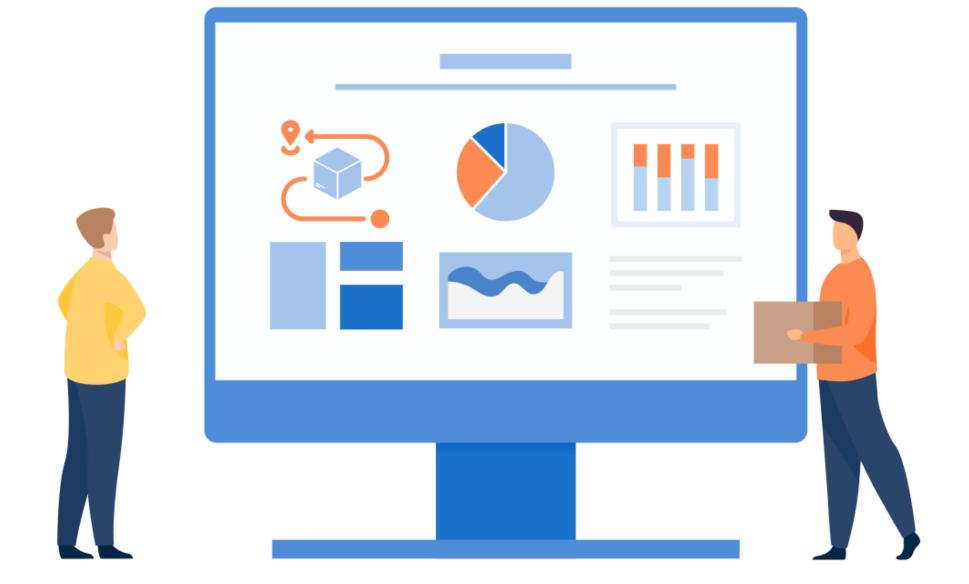
- Peak season performance benchmarks
- Shipment transit times
- Delivery success rates...and more!

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An E-Commerce Logistics Community

Initiated by e-commerce logistics enthusiasts at Parcel Perform, Parcel Monitor is a community that aims to inspire the e-commerce logistics ecosystem to create a better delivery experience for everyone.



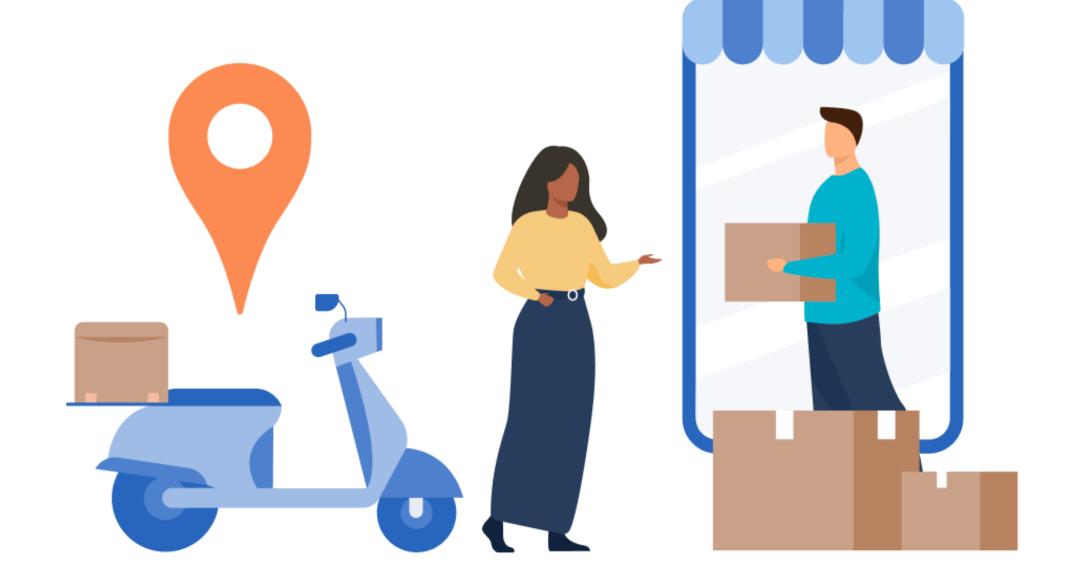


For Industry Professionals

E-commerce logistics professionals leverage our data and resources to derive market insights while forming meaningful collaborations across the entire industry.

For Consumers

Millions of consumers rely on Parcel Monitor's free parcel tracking to monitor the status of their parcels across 1045+ carriers globally on a single platform.



About Parcel Monitor

Parcel Monitor was launched in 2016 as a free parcel tracking platform out of our belief that everyone deserves an outstanding delivery experience. We capture consumer trends, provide market visibility, and derive data insights while fostering collaboration across the entire e-commerce logistics industry.

Whether you are a retailer seeking inspiration from fellow e-commerce businesses, or a professional wanting to pursue in-depth knowledge on specific topics (e.g. cutting-edge retail & logistics technologies and top customer retention strategies), Parcel Monitor has something for everyone.

08 About Rakuten Insight Global

For over 25 years, Rakuten Insight Global has been at the forefront of consumer market research data collection. By combining their 1st party data with the highest levels of quality assurance processes, Rakuten Insight Global has remained their clients' trusted research partner for Asia, US & beyond.

Their proprietary, double opt-in online panels have been developed throughout 12 major Asian markets & the US. All of the panels are managed by dedicated local support teams and meet the highest industry standards. The Rakuten Insight Global team offers 24-hour coverage from 11 worldwide locations, providing exceptional service for 500+ clients across the globe.

Rakuten Insight Global is tasked with leveraging the 1st party membership assets of the Rakuten Group for market research purposes. Having access to such a diverse and unique group of research participants allows Rakuten Insight Global to remain at the forefront of online research.

Rakuten Insight Global, Inc. ("Rakuten Insight") is a wholly-owned online market research subsidiary company of Rakuten Group, Inc., a global leader in internet services headquartered in Tokyo.

Rakuten Insight was established in 1997 as AIP Corporation and became part the Rakuten Group in 2014. Rakuten Insight possesses a research panel focusing on 12 countries and regions in Asia & the US and a panel network covering 60 countries and regions. With offices in 11 countries and regions, Rakuten Insight provides market research for over 500 leading companies around the world.

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