

MULTI CHANNEL MERCHANT

Merchandise Delivery:

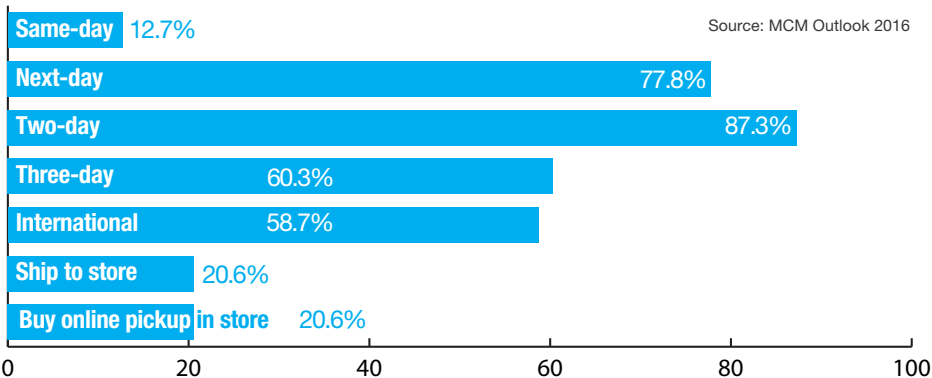
IMPROVE TRANSPARENCY AND COMMUNICATIONS TODAY, INCREASE ORDERS AND CUSTOMERS TOMORROW

When it comes to delivering a superior direct-to-customer experience, the seller needs to maintain control. It is essential that the merchant – whether it’s a reseller or a brand – has the ability to follow through and support the consumer both pre- and post-sale. Once a consumer makes a purchase decision, whom they buy it from is greatly influenced by the options and expectations offered, and their experience with the reseller or brand.

Rising Customer Expectations

With customer expectations rising, merchants are turning to customer delivery for their next competitive advantage. To compete in an ecommerce space dominated by Amazon, retailers must identify and cater to what matters most to each individual customer. Part of that is being able to optimize the fulfillment and delivery experience. While one customer may prioritize fast shipping, others may be cost sensitive or desire a higher quality experience.

What delivery options do you offer your customers?



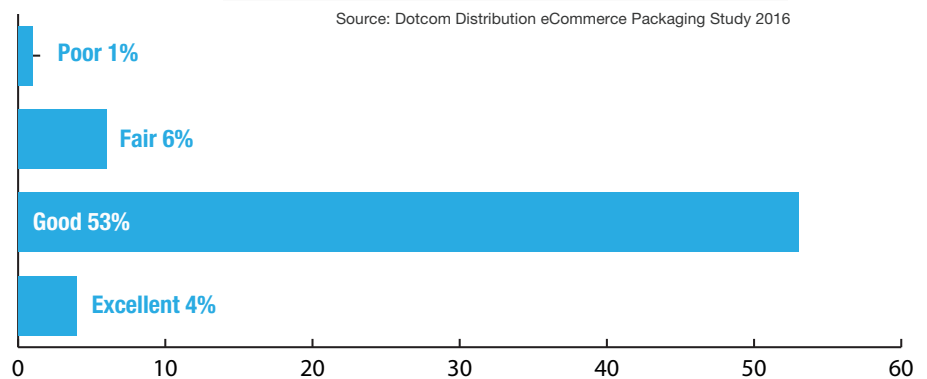
Once the purchase has been made, the information about the package is the number-one thing that the consumer is looking for. Regardless of shipping method – same day, ship-to-store, economy shipping – the customer wants to know that the package was shipped, and when he or she is going to get it. And data has shown that the customer wants to know that information before he or she decides to hit the buy button.

The customer forms impressions about the brand throughout the purchase experience, and these impressions are reaffirmed or destroyed by the experience they receive through the delivery process.

Personalizing the delivery experience can also mean sending personalized shipment updates, either through a self-service portal, SMS or email. In the event that shoppers call, conversations with customer care representatives should have the customer’s purchase history at hand.

Delivering personalized experiences means being able to adapt and potentially diversify delivery options for shoppers based on real-time data. Personal-

How would you rate retailers' communication about the status of your online orders throughout the fulfillment and delivery process?



Owning the Last Mile This Holiday Season

Advertorial

There's still time to turn your shipping issues into a competitive advantage before the 2016 holiday season begins.

Convey offers an enterprise solution focused exclusively on customer delivery that can help retailers avoid holiday shipping disasters, lessen cart abandonment, and preserve brand reputation. The solution enables retailers to offer elegant presentation of additional delivery options, actual delivery times, delivery appointment scheduling and more as part of the shopping and checkout experience.

Convey's Intelligent Fulfillment Platform leverages unique intelligence and proprietary technology and a retailer can be up and running on the enterprise, next-gen fulfillment platform within two weeks. Convey's integrated checkout gives retailers real-time carrier intelligence and allows shoppers to choose from delivery options ranging from threshold to light assembly, schedule delivery appointments, and see the impact of their decisions on delivery time and cost.

Orchestrating Between Carriers and Customers

The platform is agnostic in carrier selection, as Convey can handle data from any carrier, in any mode, in any lane. When a new carrier appears on the scene, all its pertinent data can be included in the decision-making process in 5 to 14 days. Convey normalizes and translates the data from all carriers and combines it with a specific customer's pre-selected requirements for delivery to select the right shipper for the end customer every time.

This analytical approach to delivery has resulted in an 11% average reduction in freight spend and a 22% reduction in average last-mile delivery time for large items for Convey users, with some companies reporting a drop in shipping spend as much as 20%.

"At Jet.com, we are committed to being on the forefront of retail technology and customer experience," says Nate Faust, COO, Jet.com. "Convey's technology analyzes all the different carriers with a complete understanding of rates and performance, schedules the correct carrier, with an eye on cost effectiveness for us and the optimal shipping experience for our customers. It's a win-win situation in the most classic sense, and the technology itself is transparent to the customer. When the kudos roll in, it's all for Jet.com."

Recognizing and Responding to Delivery Issues Before They Occur

In the past, when the weather conspired against retailers' shipping efforts, a company had to throw its metaphorical hands in the air and say, "It will get there when it gets there." This is no longer the case. The Convey solution analyzes thousands of shipments every day, in every lane and mode, allowing it to predict weather (and other) delays before they happen and provide solutions before customers ask.

With Convey, you can immediately reschedule final delivery appointments with customers in the most convenient fashion, via text, online, or phone call. This is a key point of differentiation, as 75.2% of shoppers have said that proactive communication is important to them.

"We knew for some time there was a huge opportunity for more intelligent determination of customer shipping," Marshall Downey, director of direct marketing at Build.com, told *Chain Store Age*."

In 2015, Build.com performed an initial pilot implementation of the Convey enterprise SaaS customer delivery platform. "Convey typically halved our price forecasts and saved 15%-20% per freight," said Downey. "It takes the human element out of deciding what regional companies to use for drop shipment."

Learn more about the Convey platform at www.getconvey.com/technology

izing the delivery experience requires knowledge of the order and customer history to map to the best method of delivery.

Managing Exceptions and Creating Loyalty

Retailers should create processes for managing exceptions, as well as when and how to communicate with the customer to improve the customer experience and maintain customer loyalty.

"Today's top retailers recognize that to succeed, customer loyalty must be a core focus," said Rob Taylor, CEO and co-founder of end-to-end customer delivery experience enterprise solution Convey.

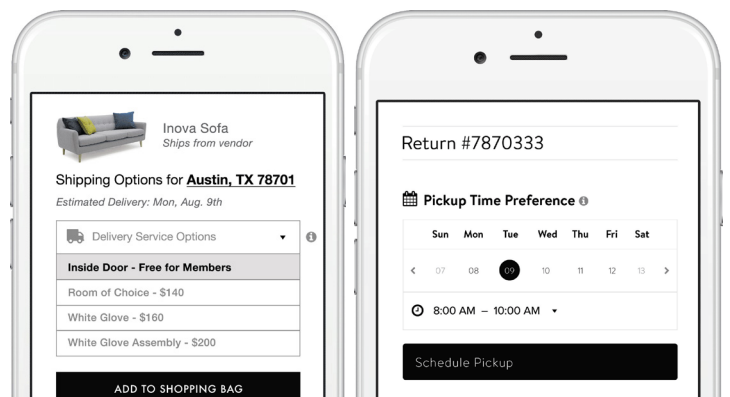
However, Taylor said, creating loyal customers and meeting expectations is becoming increasingly difficult.

"When it comes to customer perception, the delivery experience is one of the most influential factors," Taylor said. "Meeting these expectations and efficiently improving the delivery experience is pivotal to both top line revenue and bottom line cost."

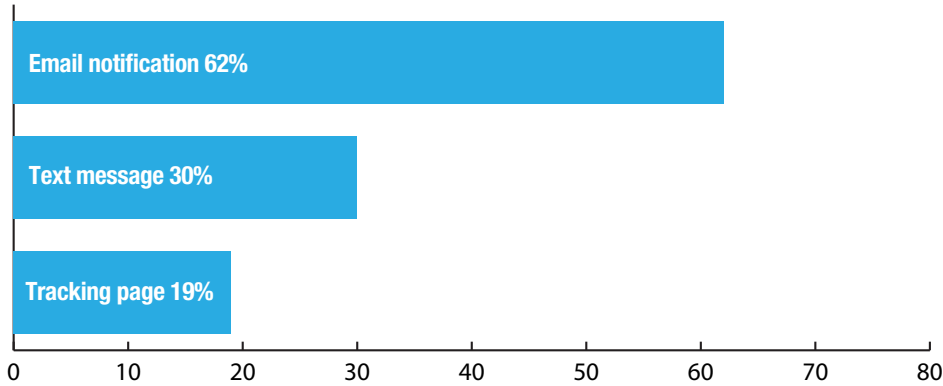
In June, Convey released the findings of a consumer survey titled [The Cost of Poor Delivery: Four Steps To Go from "Cost Center" To "Competitive Advantage,"](#) which highlights how the delivery experience shapes consumers' opinions about a retailer and the overall customer experience.

Convey's survey found that 66% of commerce shoppers consider delivery a decisive factor of the shopping experience. In addition, 70.1% of consumers report they are unlikely to return after a poor delivery experience.

According to the Convey survey, few consumers (only 11.3%) say delivery experience is a strength of retailers today. Less than half (43%) of shoppers expect their delivery experience to be personalized based on their order and purchase history, with 39% expecting to receive a better experience if they've shopped with a retailer before.



For shipment issues, the method of communication is important to brand perception. Shoppers prefer:



Source: The Cost of Poor Delivery: Four Steps To Go from "Cost Center" To "Competitive Advantage"

Convey’s survey results show that three out of four (75%) of shoppers believe proactive communication is important, with 38% expecting to be notified immediately in the event of an issue. More than half of shoppers (54%) have indicated that delivery concerns are at least somewhat likely to prevent them from making large-item purchases online.

“There are certain times when a customer wants to be communicated with, and confirmation is a rare occasion when a customer wants to get an email, and open it,” said Cynthia Kleinbaum, the former Senior Director of Marketing at Gilt Group, “After that, everybody wants to know when their package has left the distribution center, and a lot of people like to get that push notification.”

Customer Transparency

The Dotcom Distribution Ecommerce Packaging Study 2016, released in September, validates Convey’s results, and finds that online shoppers also value fulfillment transparency.

When asked to rank brands, and retailers’ communication about the status of an online order throughout the fulfillment and delivery process, about four in 10 (41%) ranked it as excellent with the rest indicating good or fair.

However, brands and retailers that fail to provide transparency during the fulfillment process will see consequences. The Dotcom Distribution Ecommerce Packaging Study 2016 shows that almost half (47%) of shoppers have chosen not to order from a retailer again because of poor order transparency or a lack of insight into the status of a package throughout the fulfillment and delivery process.

When asked about the level of transparency they currently have into the fulfillment and delivery process, shop-

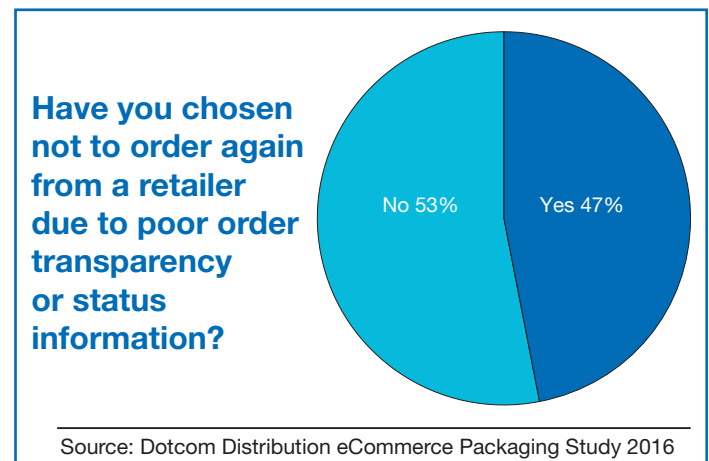
pers surveyed by Dotcom Distribution said they have the most insight into order status when their order is shipped (35%) and the least insight when their order is placed (39%). However, respondents said having more information about order status when their package is in transit would make them more likely to purchase from a retailer again. But it’s worth noting that consumers generally ranked these phases evenly across the board, indicating that transparency at each phase of the process is equally valued.

While most shoppers surveyed by Dotcom Distribution said they find communication when a package is in transit most important, consumers want to know where their order stands at all points throughout the entire process and will remain loyal to the brands and retailers that provide them with the degree of transparency they crave.

Nina Alexander-Hurst, Vice President of Customer Experience and SWAT Stylists at omnichannel accessories seller Baublebar, said her company uses the shipping confirmation as a way to also introduce its customers to its customer experience team.

“When you get the shipping confirmation, instead of going straight to USPS or UPS, it’s a landing page that’s branded, and the FAQ’s on that page are specific to where your package is in transit,” Alexander-Hurst said.

When a package is first shipped, the tracking numbers don’t initiate immediately, and Alexander-Hurst said Baublebar gets a lot of inbound calls asking why the tracking number does not exist.



“So instead, that screen will have that information that it has just shipped, and the FAQ’s about this part of the shipping and delivery process,” Alexander-Hurst said. “If it’s an overnight shipment, the FAQ’s are different.”

Giving Holiday Shoppers the Shipping Options They Want

It’s not too late to fine tune your 2016 holiday operations and improve the customer experience across the board. There are some problems that will just have to wait until after the holiday season to address, but you can address poor delivery experiences and deliver dramatically improved results and customer satisfaction in that area in the next few weeks.

Customers are demanding more from retailers today. In fact, 51% of shoppers want a guaranteed delivery date at checkout and 53% are not satisfied with their ability to change that date if they are not able to be home, according to the 2016 UPS Pulse of the Online Shopper study. Shoppers want to know before they check out exactly when something will arrive and what it will cost. If something goes wrong, they

expect to be notified immediately about their new expectations and offered a solution for the inconvenience.

Consumers expect more options at checkout and more transparency when it comes to shipping, and while most retailers do offer more than one shipping strategy, many don’t offer the range that retail shoppers want and expect, according to Temando’s The State of Shipping in Commerce 2016 report.

Modern retailers need to be able to offer a variety of delivery options: whether it’s white glove, LTL, parcel, or same day, no single carrier can consistently support every mode nationwide. This reality is forcing retailers to build a complex network of local, regional and national carriers capable of these different modes of delivery.

In response, 70% of small and medium online sellers said they use more than one parcel provider, and of them 73% said they do so to ensure the best price, while 68% said they do so to mitigate risk. Even when asked to picture a scenario where one provider covered all their service needs, 65% said they would still prefer to work with multiple carriers, according to a 2016 study from Accenture.

About Convey

Convey is a passionate and unique team of ecommerce leaders, company builders, scientists and freight transportation experts reinventing how retailers engage consumers post-purchase.

Convey believes that true post-purchase experience reinvention is required as consumers buy more online, particularly larger items where tracking data is often inconsistent and spread across many freight and white glove carriers. There is little that can churn a customer faster than a poor delivery experience marked by lack of real time tracking and proactive communication, inconvenient returns and even a failure to recognize a consumer’s high lifetime value when decisioning carrier and mode.



MULTICHANNEL MERCHANT

MULTICHANNEL MERCHANT delivers in-depth analysis of trends and best practices, as well as news, research, tactical/how-to and resource information to help marketing, ecommerce, operations and senior management at companies that sell merchandise through multiple channels and deliver the merchandise to the customer wherever they choose- at home, work, store or other locations.