parcelLab | SALESUPPLY

REPORT 2024

INSIDE THE UK'S TOP 100 RETAILER'S POST-PURCHASE SECRETS

What services 100 of the UK's largest online shops offer their customers during order fulfilment.
A joint analysis of the post-purchase experience by parcelLab and Salesupply



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INTRODUCTION

In the rapidly evolving world of e-commerce, the difference between leading and lagging increasingly hinges on the quality of the customer experience, particularly after a purchase has been made. The post-purchase phase - from order confirmation to delivery and through to returns - is not just a critical touchpoint but a significant battleground where customer loyalty is won or lost.

This comprehensive report analyses the practices of the UK's top 100 online retailers, revealing how these companies manage and enhance the customer journey post-purchase. With a focus on checkout, delivery, returns and customer care, our analysis provides a clear benchmark against which both established and expanding retailers in the UK can measure and optimise their services.

Collaborating with Salesupply, a leader in customer care and fulfilment solutions, we offer in-depth insights into the effectiveness and efficiencies of customer services across these major retailers. This study not only highlights existing strengths but also pinpoints critical areas requiring urgent attention and improvement - areas that could significantly differentiate retailers in a fiercely competitive market.

We explore how retailers can exceed traditional service offerings to deliver exceptional experiences that resonate with modern consumers. From the integration of cutting-edge technology and sustainable practices to the development of seamless communication and efficient delivery systems, our findings highlight the profound impact of post-purchase experiences on customer retention and satisfaction.

As we navigate through these insights, we invite you to discover actionable strategies that can improve your customer service from satisfactory to outstanding, ensuring that every customer interaction ends as a positive affirmation of your brand. Join us in redefining the future of e-commerce by placing the customer experience at the heart of your business model.

WHY POST PURCHASE?

The post-purchase experience is an often overlooked but crucial aspect of the customer journey. In fact, more than half of all shoppers consider the time between purchase and delivery to be the most emotional part of the shopping experience. Memorable post-purchase experiences lead to more satisfied customers, fewer standard customer service calls and higher sales.

The post-purchase experience encompasses all the processes and activities that take place in the online store after the purchase button is clicked. This includes order confirmation, delivery, unpacking, returns or exchanges and customer care.

How retailers can benefit from a good post-purchase experience

In today's competitive environment, providing an excellent post-purchase experience and customer service can set companies apart from their competitors. In a world where products are rapidly becoming commodities, barriers to entry are lower than ever, and customers are more concerned than ever about value for money due to the rising cost of living, the post-purchase experience is a key differentiator.

A well-designed post-purchase experience can also reduce the number of support tickets and calls. When customers are kept up to date with their orders, they don't call the customer centre to ask where their order is (WISMO). This not only frees up the customer support team to focus on more complex enquiries, but also improves the speed of response and reduces costs. The quality and efficiency of the advice can be further improved through the use of artificial intelligence.

This study shows how service-oriented 100 of the UK's largest online retailers are in the post-purchase phase.

METHODOLOGY

To analyse the post-purchase experience of UK retailers, we place an order with each store and evaluate how they handle shipping, shipping communications, delivery and returns.

For this study, the parcelLab UK team placed a test order with each of the UK's top 100 online retailers in February and March 2024. The retailers were selected on the basis of the RetailX UK Top 500 2023 ranking, published annually by Internet Retailing magazine. Wherever possible, shopping baskets were created in stores offering free delivery. As parcels were delivered to a business mailroom, delivery was successful on the first attempt in almost all cases.

In addition, Salesupply's customer care experts researched all the customer service channels available in the online shops, as well as the opening hours of the customer service team. Inquiries were also made through all available retail channels and response times analysed.

The aim of this analysis is to identify areas for improvement in the post-purchase experience and to provide inspiration. After all, there is always room for improvement.

100 TOP-SHOPS IN THE TEST

ELECTRONICS

AO
Apple
Currys
Ebuyer.com
Robert Dyas

FASHION & APPAREL

Adidas
American Golf
Ann Summers
Bershka
Boden
Bravissimo
Burberry
Farfetch
French Connection
Gant
Gymshark
H&M
Hobbs London
Jack Wills
Jigsaw
Jojo Maman Bebe
Joules
Mint Velvet
Marisota
Nelly.com
New Look
Office
Oliver Bonas
parcelFashion
Phase Eight
Radley
River Island
Russel & Bromley
Schuh
Shoe Zone
Superdry
T.M. Lewin
Ted Baker
Under Armour
Urban Outfitters
Weirdfish
Whistles
Yours Clothing
Zara

HEALTH & BEAUTY

Boots
L'Occitane
Lookfantastic
The Fragrance Shop
Space NK
The Body Shop

HOMEWARE

Amara
Dunelm
Ikea
Leekers
Pavers
The Range
Victoria Plum

JEWELLERY & GIFTS

Ernest Jones
F.Hinds
H.Samuel
Menkind
Smyths Toys
The Entertainer

MULTI-CATEGORY

Amazon
Argos
Asda
John Lewis & Partners
Marks & Spencer
Matalan
Next
Pandora
Ryman
The White Company
Wickes
Zooplus

SPORTS & LEISURE

Blacks
Cass Art
Cotswold Outdoor
Decathlon
Ellis Brigham Mountain
Go Outdoors
Guitarguitar
Hobbycraft
JD Sports
New Balance
Nike
Regatta Outdoor Clothing
Snow and Rock
Sports Direct
The Works
Thomann

TOOLS & DIY

Axminster
B&Q
Halfords
ITS
Toolstation

FOOD & WINE

Holland & Barrett
Majestic
Myprotein
Waitrose & Partners

EXECUTIVE SUMMARY & KEY FINDINGS

RESPONSE EFFICIENCY IN CUSTOMER SERVICE:

A worrying **50%** of online shops take more than five minutes to respond to customer calls, suggesting a need for more efficient customer service processes.

CUSTOMER SERVICE AUTOMATION:

Two-thirds **(66%)** of large online retailers now use chatbots to manage customer queries, reflecting an industry shift towards automation to enhance efficiency and manage customer interactions at scale.

COMMUNICATION DURING RETURNS:

A significant portion **(40%)** of retailers do not communicate with customers during the returns process, which can lead to customer dissatisfaction and potential loss of future business.

DELIVERY RELIABILITY:

Nearly **40%** of retailers fail to meet their advertised delivery times, indicating a gap between customer expectations and actual service delivery.

ENVIRONMENTAL IMPACT OF PACKAGING

A significant environmental concern is highlighted as **58%** of all shipping packaging still contains plastic, highlighting the need for sustainable practices in the industry.

HIGH RATE OF FREE RETURNS YET SIGNIFICANT GAPS:

While a substantial **72%** of the top 100 retailers offer free returns, a notable gap remains as nearly 30% do not, potentially deterring customers who value flexible return policies.

INFORMATION ACCESSIBILITY:

Half **(50%)** of the top 100 retailers fail to provide crucial information about delivery times on their product detail pages, possibly affecting consumer purchasing decisions and satisfaction.

TRACKING AND TRANSPARENCY:

More than half **(55%)** of retailers link their tracking directly to the carrier, improving transparency and trust with customers. However, this also means nearly half are missing an opportunity to enhance customer experience through better tracking visibility.

ACCESSIBILITY OF SERVICE:

Over a quarter **(25.4%)** of retailers are only available to customers during business hours, which could limit access for customers needing assistance outside standard hours.

COST OF DELIVERY:

A considerable minority **(19%)** of retailers always charge for delivery, which could affect their competitiveness and customer perception of value.

FLEXIBILITY IN RETURNS:

Only **9%** offer the flexibility of returns and exchanges for different sizes or colours, which may affect customer loyalty and satisfaction.

SPEED OF DELIVERY:

Similarly, only **9%** of retailers manage to deliver within one working day, highlighting a potential area for improvement in logistics efficiency.

STUDY RESULTS IN DETAIL

CHECKOUT

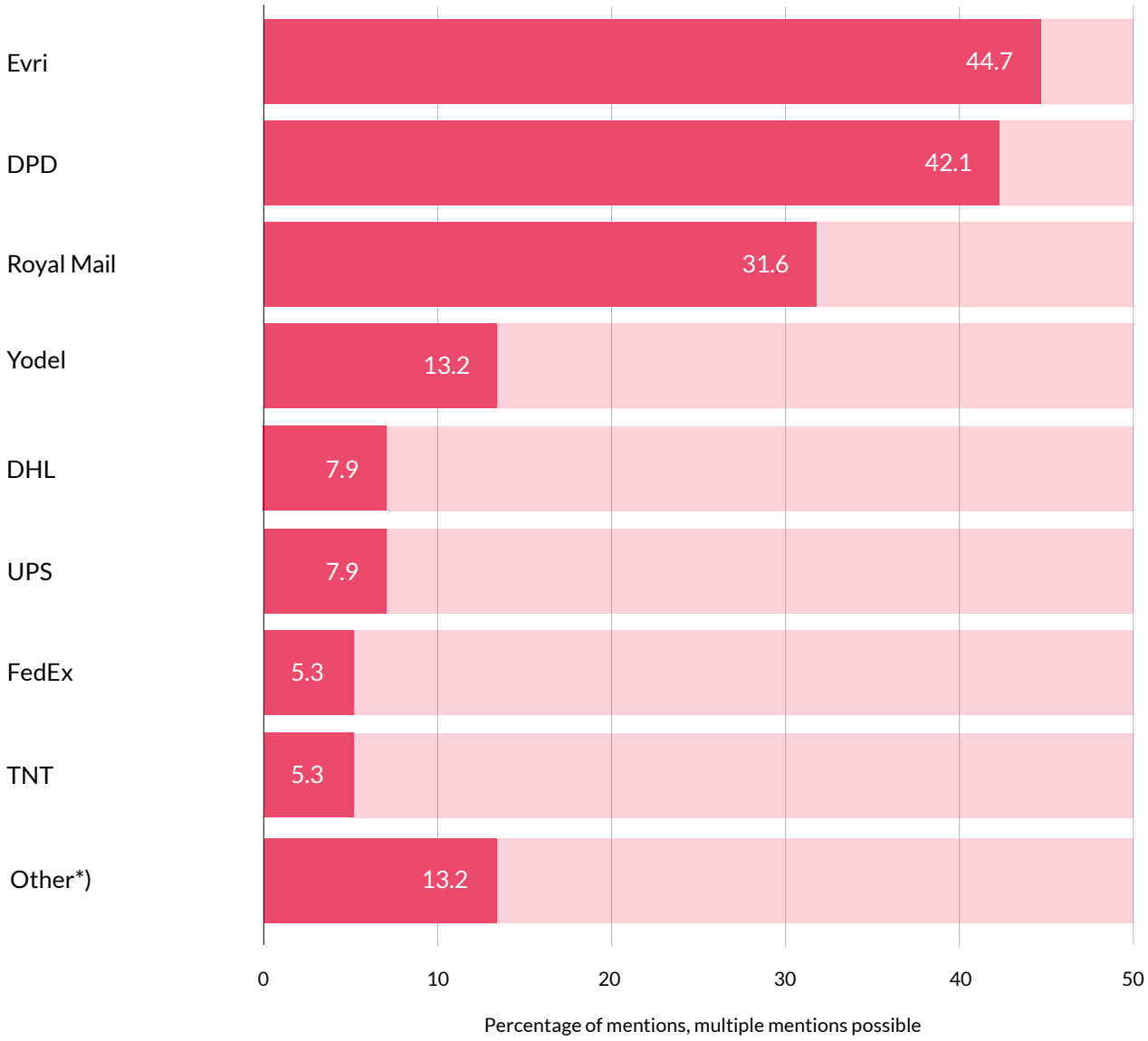
By definition, the checkout is not really part of the post-purchase experience. However, it plays an important indirect role. It sets the course for the delivery experience. Ideally, the customer can decide at the checkout which logistics provider should ring the doorbell and whether the goods should be delivered to their home, office, a collection point or the retailer‘s store. In the best case scenario, they can also choose whether the order is delivered by express or environmentally friendly snail mail.

Royal Mail overshadowed by Evri and DPD

Analysis of the UK‘s leading online retailers shows that Retailers who state on their website which logistics providers they work with prefer to work with Evri, previously known as Hermes until 2022, and DPD. Royal Mail follows in third place.

Logistics Partners

Which logistics partners do online shops mention on their homepage?



**) includes Parcelforce, Panther, ASA, Palletforce*

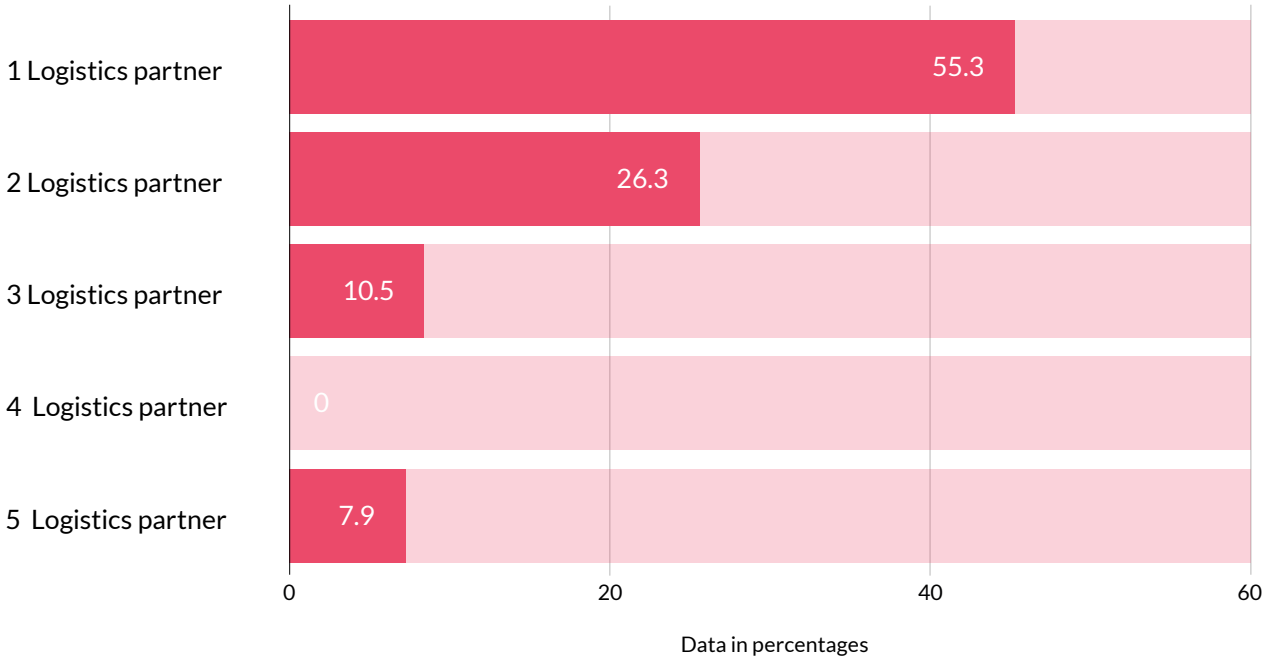
Fig. 1: Evri and DPD are by far the most common logistics partners for most major online shops in the UK.

Source: parcelLab, as of March 2024, based on n= 38 top online shops in UK (Source: RetailX UK Top 500 2023) that mention shipping partners on their websites

It is also noticeable that more than half of the online shops that list their logistics partners on the website only mention one name. Around a quarter work with two carriers and just over a tenth name three partners. However, the actual number of logistics partners is likely to be much higher.

Number of Logistics Partners

How many logistics partners do online shops mention on their website)*



**) Analysis based on information on the website; the actual number of partners may be higher*

Fig. 2: More than half of the online shops that mention their logistics partners on their website mention only one name.

Source: parcelLab, as of March 2024, based on n= 38 top online shops in UK (Source: RetailX UK Top 500 2023) that mention shipping partners on their websites

Choice of logistics provider remains with the retailer

Regardless of whether online retailers work with different logistics partners or not, customers generally have no control over which carrier delivers their order. Only 11 of the largest online shops in the UK allowed testers to choose their preferred logistics provider.

Choice of Shipper

Do online retailers allow their customers to choose the shipper?

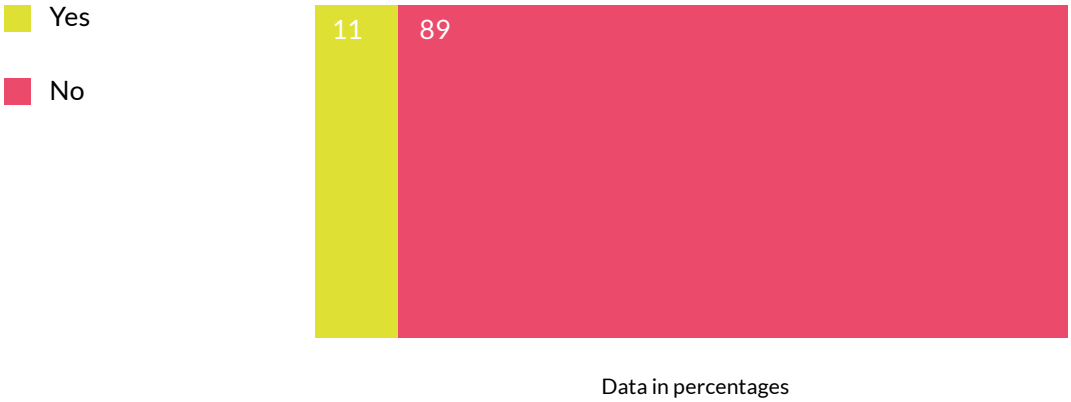


Fig. 3: Typically, the customer cannot choose which logistics company delivers the package to them.

Source: parcelLab, March 2024, based on n=100 of the top UK online shops (Source: RetailX UK Top 500 2023)

On the other hand, UK retailers are exemplary when it comes to express delivery: more than eight out of ten online retailers in the test offer fast delivery and charge an average surcharge of around £7. Cosmetics, health products and jewellery have the lowest average surcharge for express delivery. Jeweller Ernest Jones even offers free express delivery for orders over £50.

Costs for Express Shipping

What is the average price charged by online retailers for express shipping?

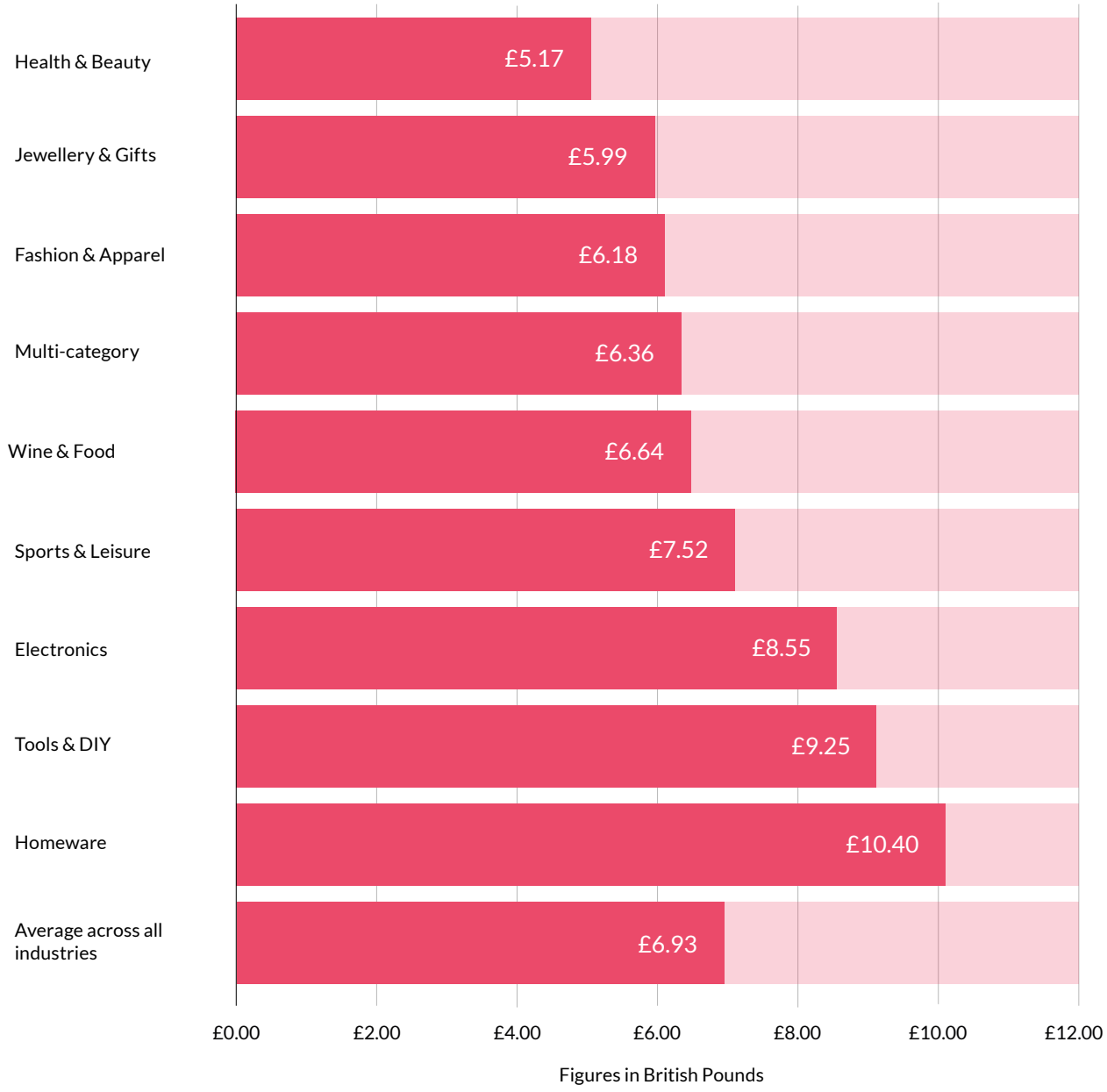


Fig. 4: On average, online retailers in the UK charge a surcharge of £6.93 for express shipping.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

More than one in three UK online retailers offer Sunday delivery on request

The study shows a mixed picture when it comes to delivery options. Alongside home delivery, click & collect is the absolute standard for retailers who have both a physical store and an online store. At 77 per cent, the proportion of retailers offering home delivery from their local store is also very high. 38 per cent of retailers also offer convenient weekend delivery.

Delivery Options

What delivery options besides home delivery do online shops offer their customers?

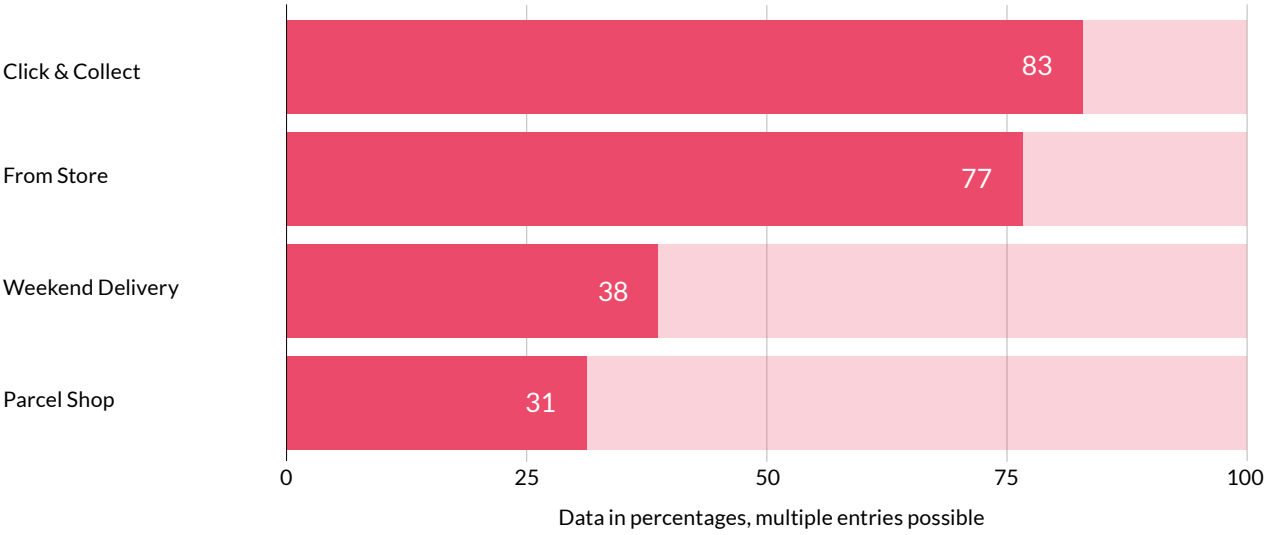
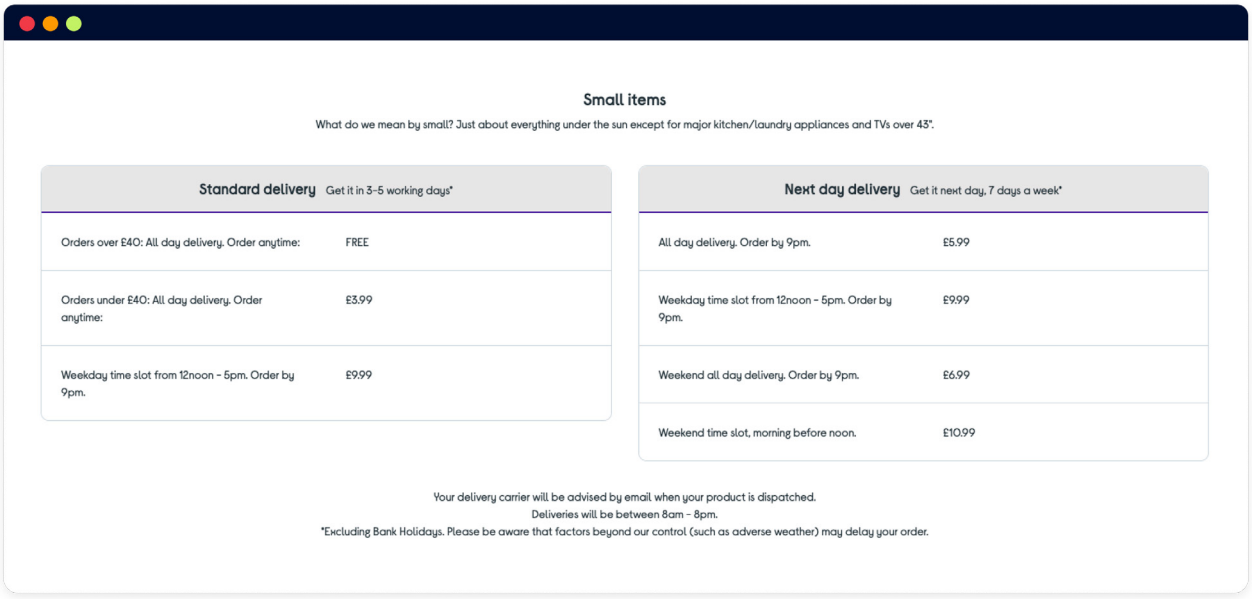


Fig. 5: More than one third of retailers also offer weekend delivery.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Currys is a positive example of customer-friendly delivery options. Not only does the retailer offer customers a choice between standard and next-day delivery, but it also offers delivery at a specific time slot for an additional charge - even on Sundays.



Small items

What do we mean by small? Just about everything under the sun except for major kitchen/laundry appliances and TVs over 43".

Standard delivery Get it in 3-5 working days*	
Orders over £40: All day delivery. Order anytime:	FREE
Orders under £40: All day delivery. Order anytime:	£3.99
Weekday time slot from 12noon - 5pm. Order by 9pm.	£9.99

Next day delivery Get it next day, 7 days a week*	
All day delivery. Order by 9pm.	£5.99
Weekday time slot from 12noon - 5pm. Order by 9pm.	£9.99
Weekend all day delivery. Order by 9pm.	£6.99
Weekend time slot, morning before noon.	£10.99

Your delivery carrier will be advised by email when your product is dispatched.
Deliveries will be between 8am - 8pm.
*Excluding Bank Holidays. Please be aware that factors beyond our control (such as adverse weather) may delay your order.

Currys offers customers a broad portfolio of different delivery options

SHIPPING COSTS

Shipping costs are one of the most controversial issues in online retailing and a key lever for optimising conversion rates. However, rising energy prices and the high cost of sourcing goods are forcing online retailers to at least share the cost of shipping with their customers. In our test, only six online retailers offered unconditional free shipping. Three-quarters of retailers charge for shipping if the order value is below a certain limit. And around one in five retailers always charge for shipping - regardless of the order value.

Shipping Fees

Do online retailers charge shipping fees?

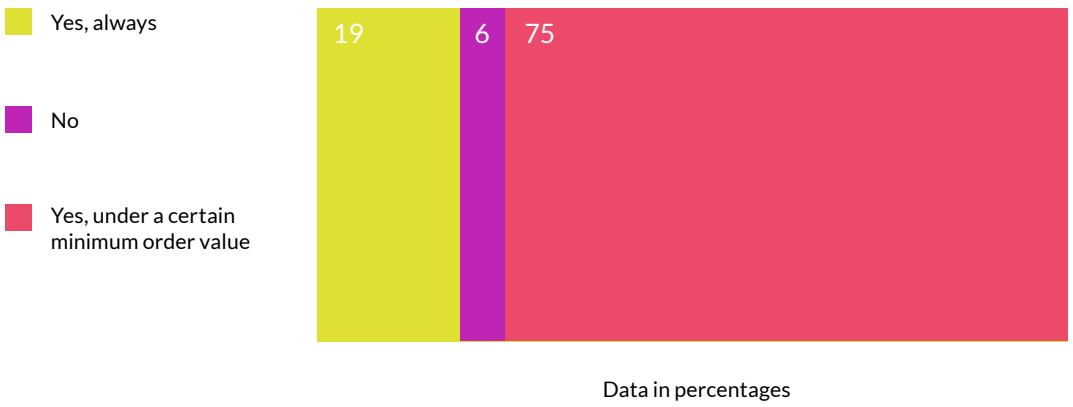


Fig. 6: Only six out of 100 major online retailers in the UK offer free shipping unconditionally.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

A closer look at the free shippers reveals the following: In the multi-category, sports & leisure, health & beauty and food & wine categories, none of the major retailers in the test offered free shipping. And in the other categories too, there are very few accommodating retailers:

Electronics: Apple
Fashion & Accessories: Shoe Zone and Burberry
Tools & DIY: B&Q (free delivery on thousands of products, but not all)
Homeware: Victoria Plum
Jewellery & Gifts: Ernest Jones

Shipping: £3.00 to £4.99 is normal

When it comes to shipping costs, the picture is relatively consistent. Six out of ten major UK online retailers charge between £3.00 and £4.99. The average across all sectors is £4.13.

Shipping Cost Amounts

How much are the shipping costs charged by online shops?

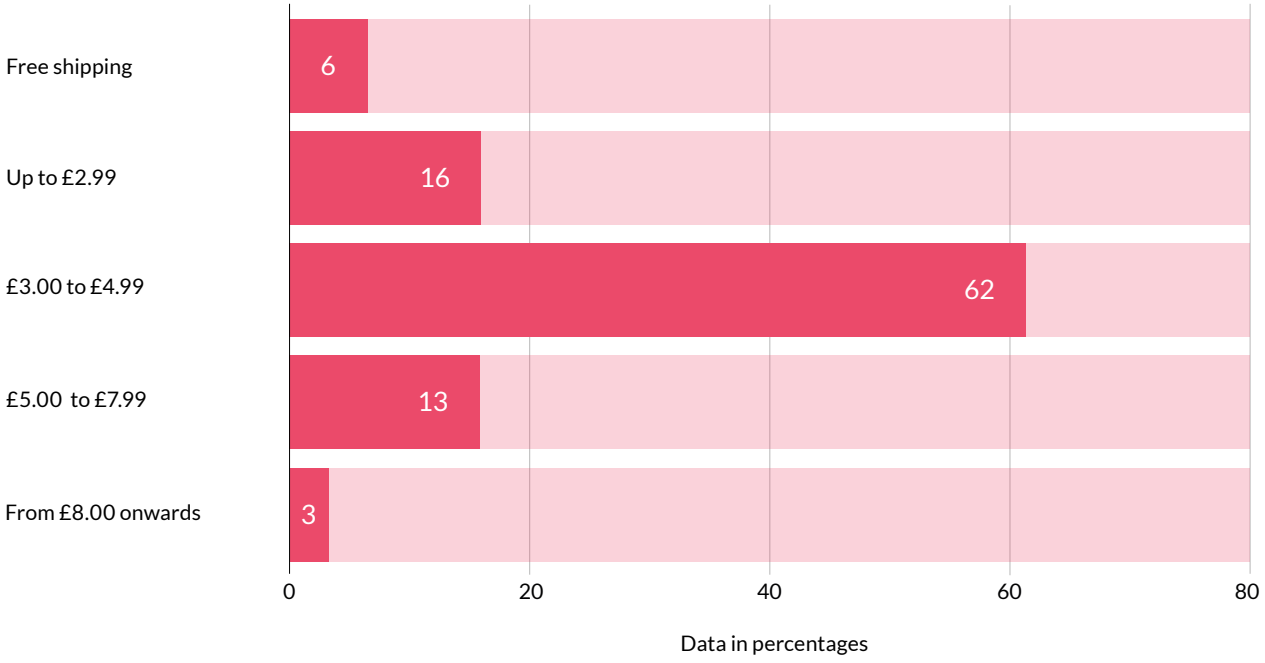


Fig. 7: On average, online retailers in the UK charge their customers £4.13 for shipping.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

It is also interesting to look at individual sectors. Sports mail order and online wine and food sellers charge the highest shipping costs, while jewellery retailers charge by far the lowest.

Average Shipping Costs by Industry

What are the average shipping costs charged by different industries?

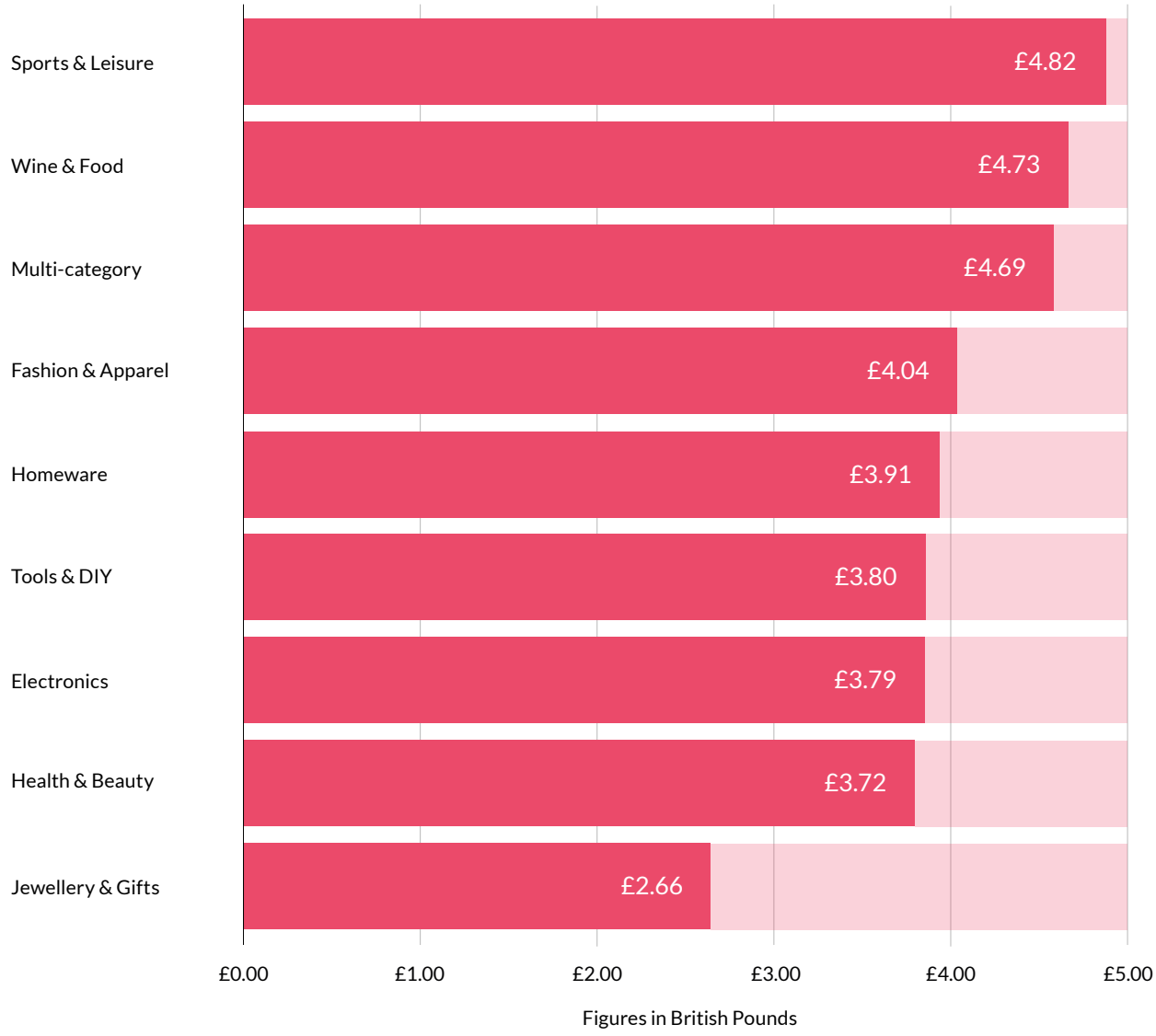


Fig. 8: The highest shipping fees are charged by online shops in sports and food industries.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

While shipping costs still appear to be relatively consistent, there is a wide range of minimum order values for free shipping across the major UK online retailers. A quarter use values between £40 and £60, while 13 retailers only offer free shipping on orders of £100 or more.

Minimum Order Value for Free Shipping

What minimum order value (MOV) do online retailers set for free shipping?

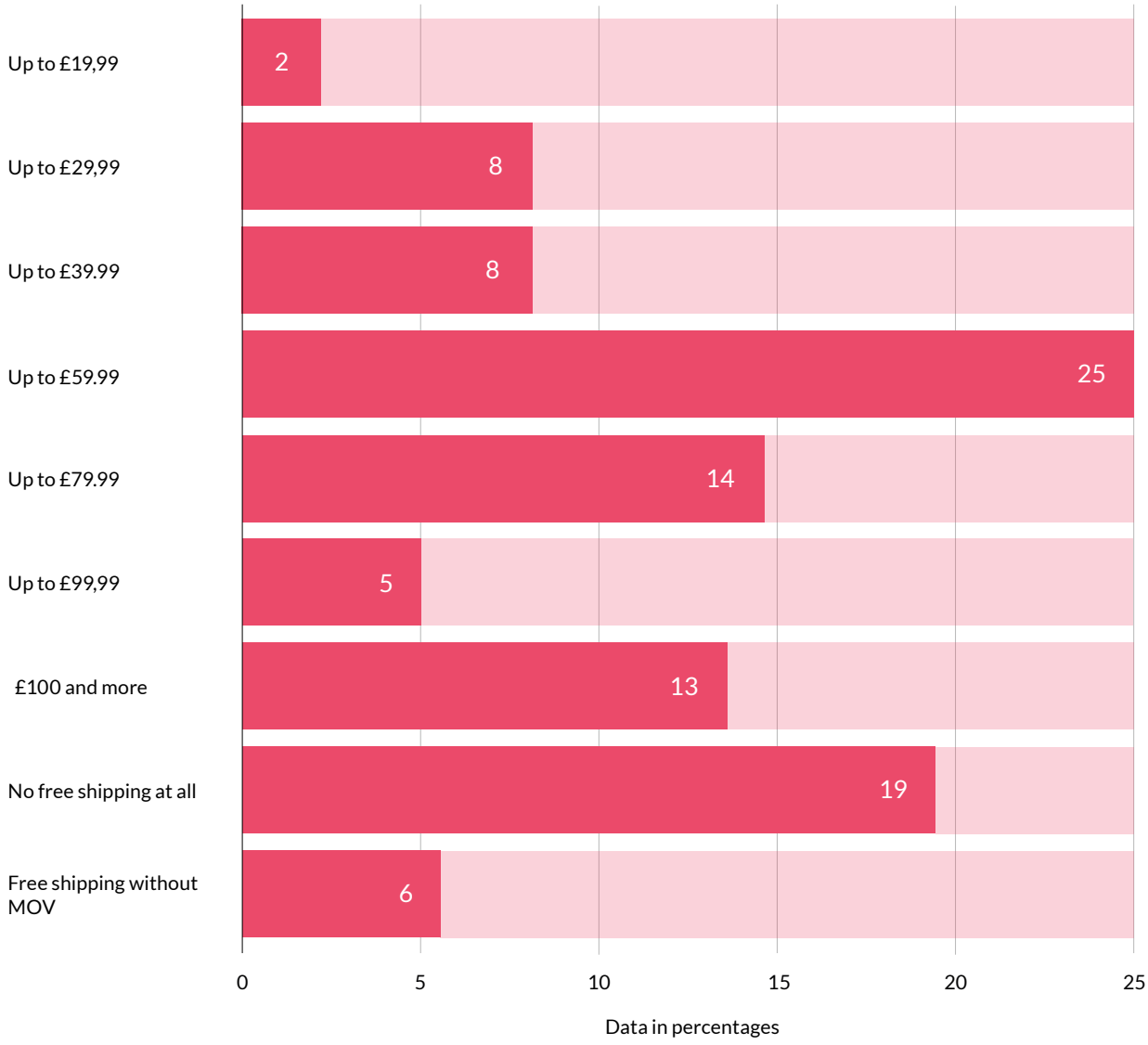


Fig. 9: The majority of retailers set a minimum order value of over £40 for free shipping.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

However, some of the differences are category specific. As with shipping, sports and fashion online retailers are the least generous with an MOV of around £83 each. Homeware retailers follow in third place with an MOV of £63.33.

MOV by Industry

What minimum order value (MOV) do retailers of different categories set for free shipping?

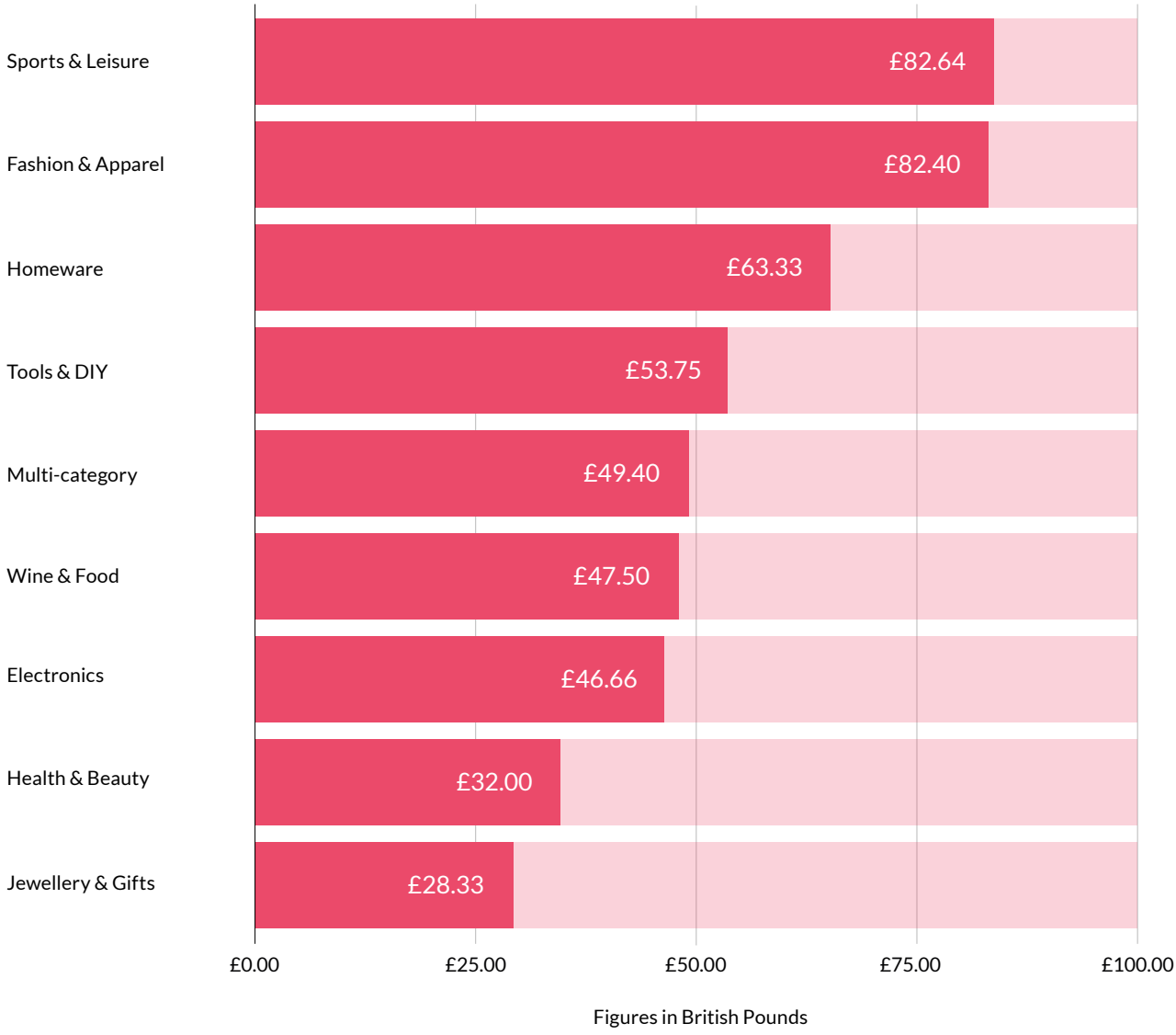


Fig. 10: Sports and fashion retailer set the highest MOVs.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Free shipping not used for customer retention

Another interesting detail from the study is that, contrary to what the success of Amazon Prime might suggest, major online retailers are reluctant to offer a delivery subscription or free shipping as a loyalty programme benefit. Only 15 of the retailers surveyed offer their customers a delivery subscription for shipping - at an average price of €10.63 per month. And only 10 per cent of the large online retailers that run a loyalty programme have included free shipping as a benefit. The vast majority rely on other incentives such as discounts or early access to exclusive products.

Delivery Subscription

Does the retailer offer customers a delivery subscription?

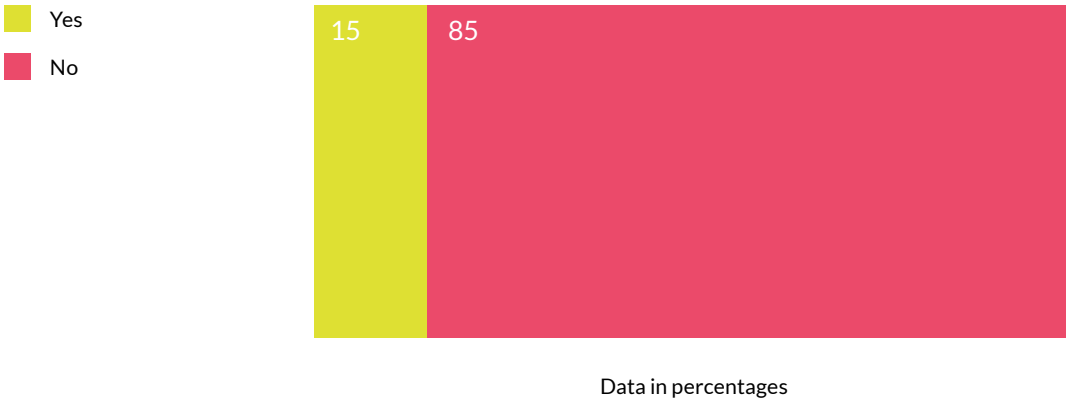


Fig. 11: Only about one in seven major online retailers in the UK tries to retain their customers with delivery subscriptions.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

DELIVERY

For many customers, a key factor in deciding whether or not to buy from a particular retailer is when the desired product will actually be delivered. The more specific online retailers can be about the delivery date, the more likely a customer is to place an order.

The study reveals: Almost all major online retailers in the UK now provide a delivery forecast at checkout. On product detail pages, however, one in two online retailers does not provide this information. And only a fifth of retailers dare to give a specific delivery date. The rest make vague statements such as „delivery in a few working days“.

Delivery Forecast

How do online retailers inform on their PDP and at checkout about the delivery time?

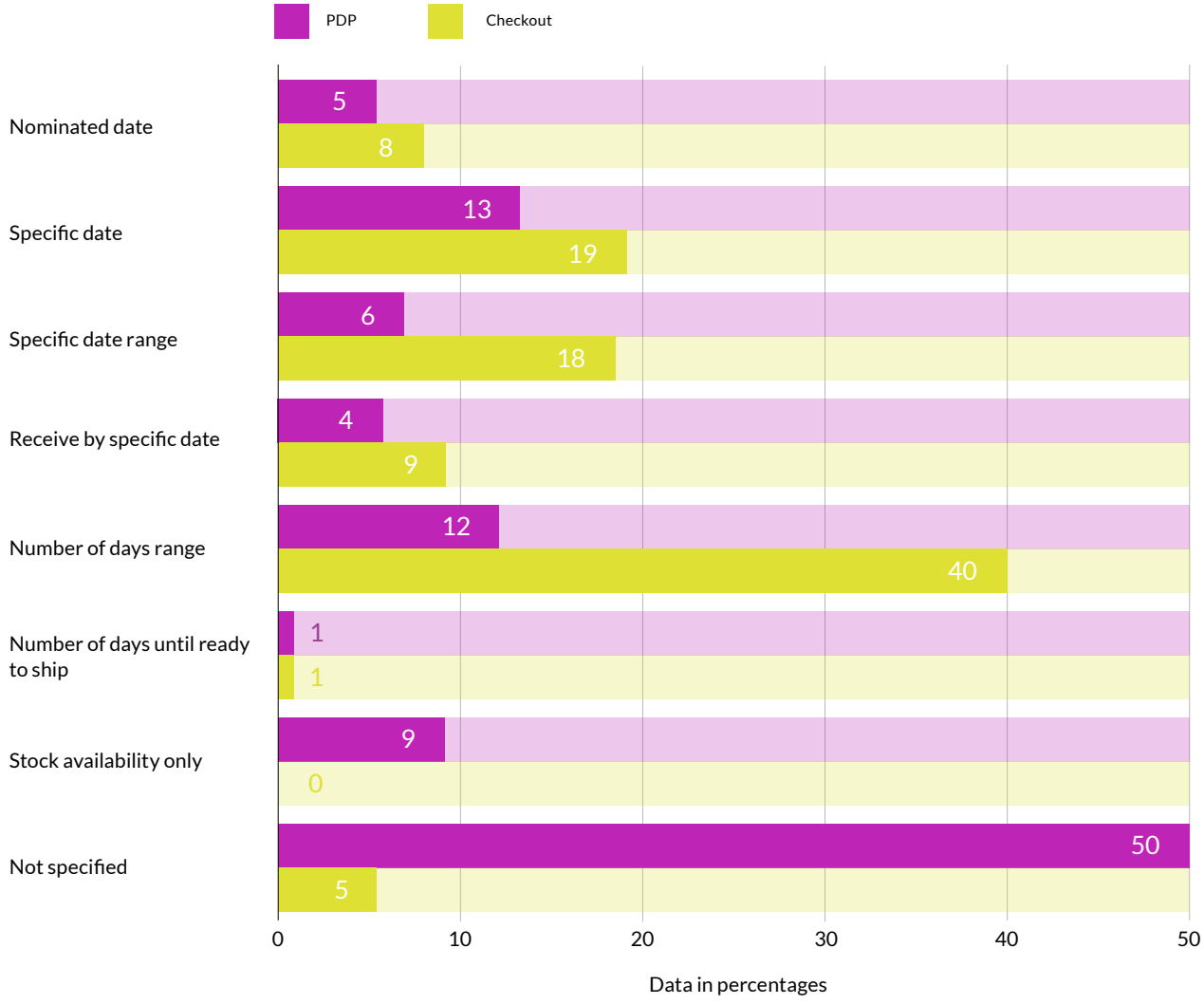


Fig. 12: Every fifth retailer specifies an exact delivery date at checkout.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Precision is a matter of luck and next-day delivery is rare

And how reliable are retailers‘ delivery forecasts? Our test orders show: Only just under two out of three orders for which a delivery time was given actually arrived on time. A quarter arrived late, and the rest arrived earlier than advertised. At first glance, this may seem like a pleasant surprise for the customer, in the spirit of „underpromise, overdeliver“. However, customers who try to plan the delivery time so that they can be sure to receive the parcel at home will react just as angrily to an early delivery as to a late one.

Delivery Precision

Did the orders arrive within the specified delivery timeframe?

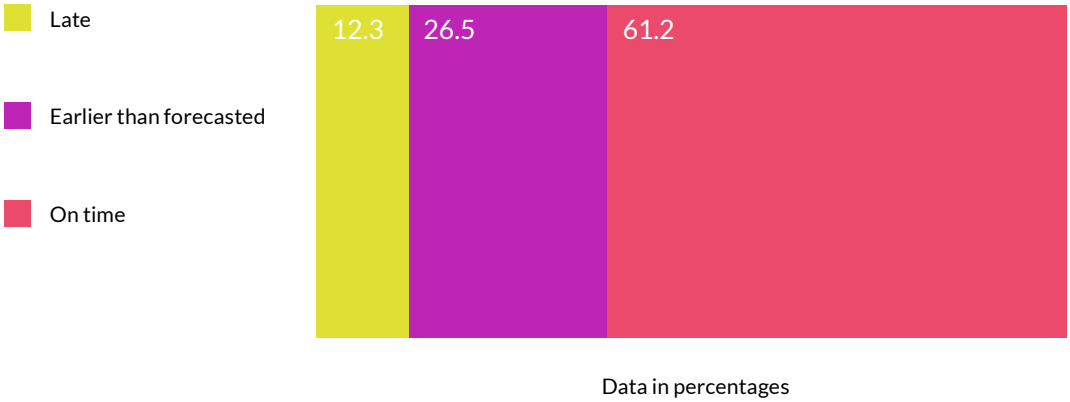


Fig. 13: More than one third of online orders do not arrive within the specified delivery timeframe.

Source: parcelLab, March 2024, based on n= 50 top UK online shops (Source: RetailX UK Top 500 2023) that provide delivery forecasts

The average delivery time in the UK is around 3 working days. Only 9 of the major online retailers managed to deliver within one working day. And almost one in four of the retailers tested took between 4 days and a week to deliver.

Delivery Duration

How long did the delivery take?

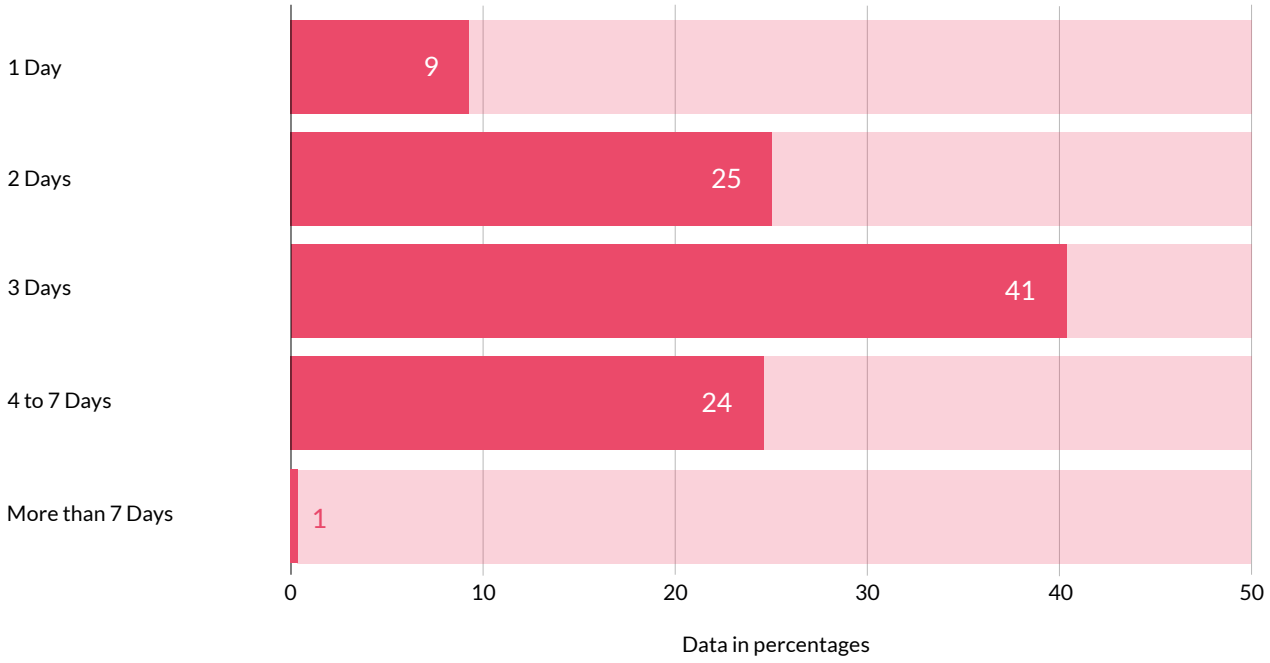


Fig. 14: Next Day Delivery is rare; the average delivery time is 3 business days.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

PACKAGING & SUSTAINABILITY

The most emotional part of an online order is not choosing the perfect product or clicking the buy button. It is the moment when the parcel is handed over and, more importantly, unpacked. While some retailers even tell their in-store staff what gesture or facial expression to use when handing over the purchase, some of the retailers tested organised the receiving and unpacking experience in a comparatively sober manner.

Half of the orders in the test arrived in a shipping box. Film packaging was used by 39 retailers, while cardboard or paper packaging was used by only 11 retailers.

Shipping Packaging

How do online shops package their orders?

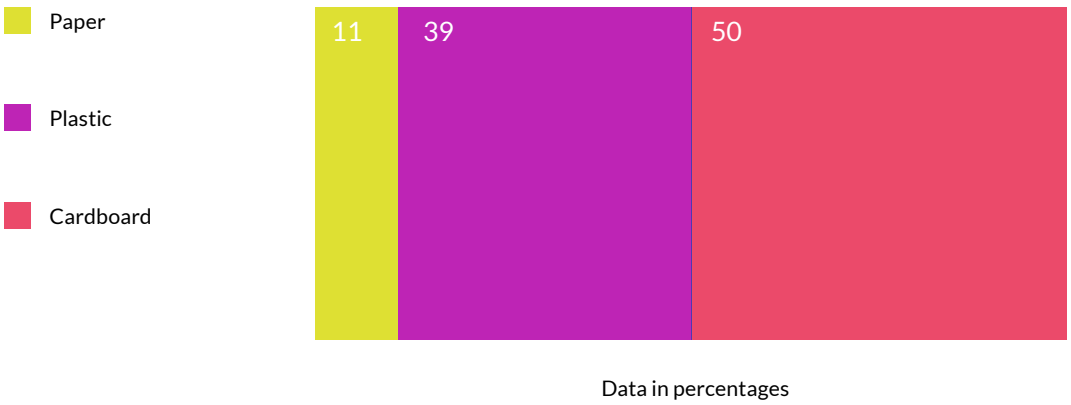


Fig. 15: Half of all orders are shipped in cardboard boxes

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Almost half of all parcels were branded or at least sealed with a parcel tape with the company logo printed on it. 51% of retailers did not indicate the sender of the parcel on the packaging. And some of them probably have a good reason. Apple, for example, which is usually a model pupil when it comes to marketing and branding, does not use any logos when sending out online orders. Not even the sender‘s address identifies the company as Apple. Otherwise the theft rate would probably be much higher.

Branding of Shipping Packaging

Is the shipping packaging branded?

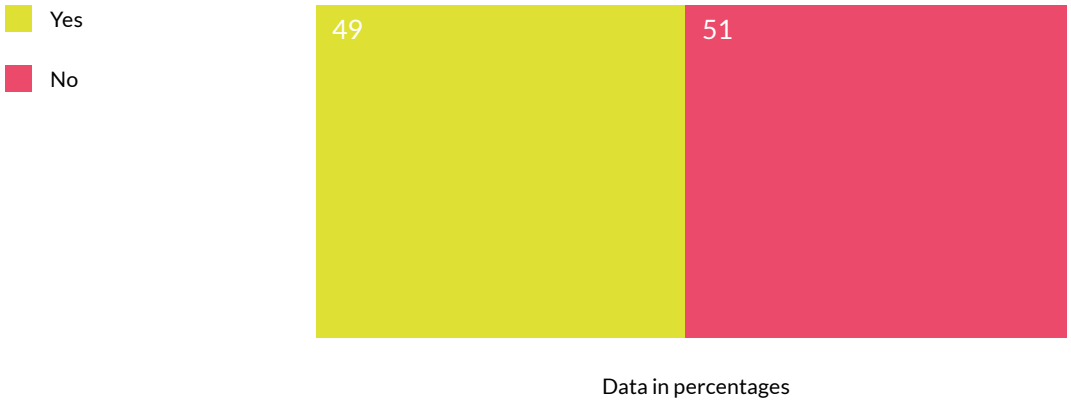


Fig. 16: Half of all orders are shipped in cardboard boxes

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Packaging: mostly appropriate, but still too often plastic

When it comes to sustainability, the picture is mixed: 80 percent of retailers manage to ship products in packaging that is the right size for the contents of the parcel. However, more than half of parcels still contain plastic components. And only 36 per cent provide information about environmental measures on the packaging.

Sustainability of Shipping Packaging

Do online retailers focus on sustainable shipping packaging?

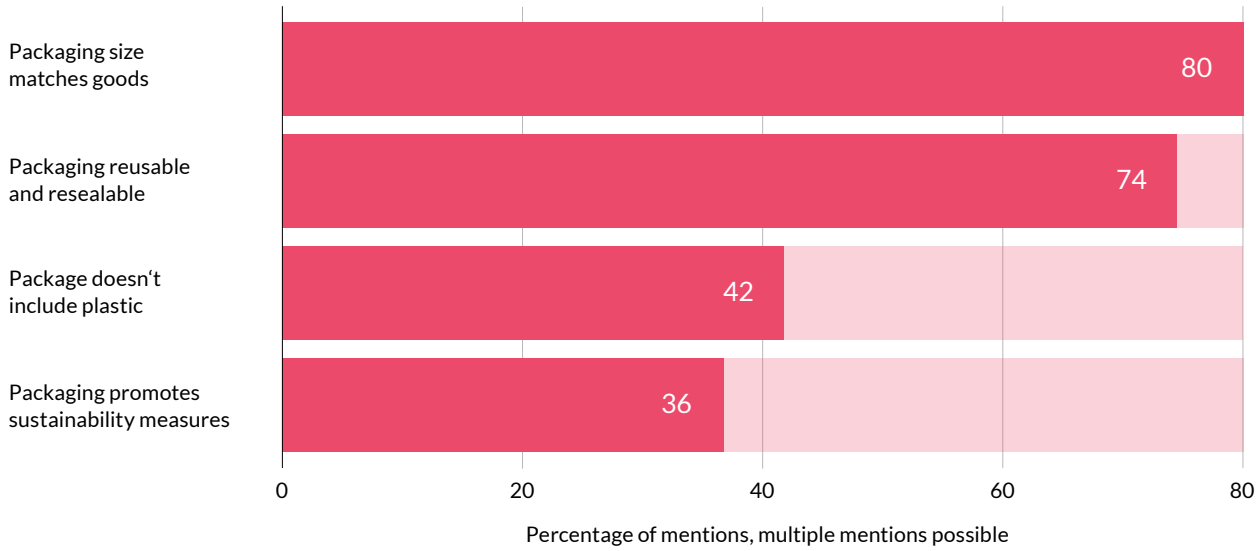


Fig. 16: In terms of sustainability of shipping packaging, there is still room for improvement, particularly in the use of plastic.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Zara is one of the best practice examples in the test. The fast fashion retailer allows its customers to choose at checkout whether they want to receive their goods in a used or new box.

However, CO2-neutral shipping is not yet widespread. So far, only 6 retailers offer the greener shipping alternative. High energy prices are likely to have a negative impact on environmental awareness. In the battle for profitability, the environment is being sacrificed when in doubt.

Sustainability

Do the online shops advertise Co2-neutral shipping?

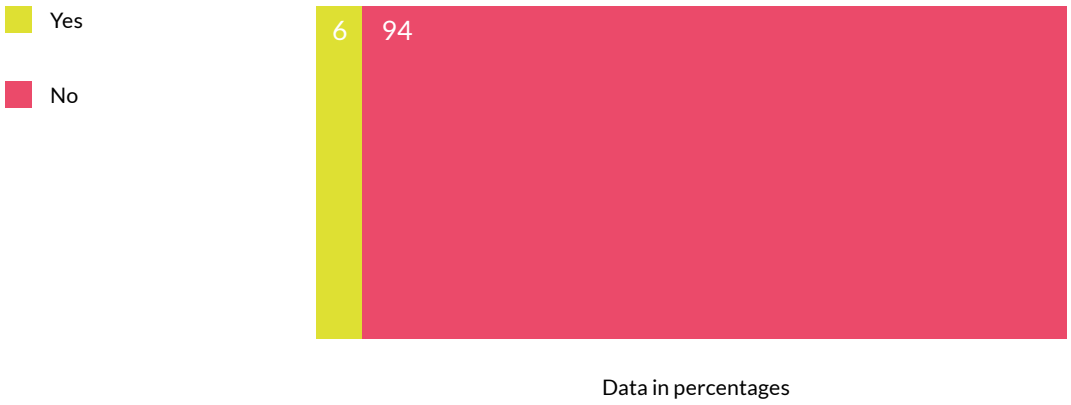


Fig. 17: Co2-neutral shipping is still not very common in the UK.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

RETURNS

In addition to the evolution of shipping costs, the issue of returns is one of the central themes of the Online Ordering Study. As with shipping costs, the industry has been debating for years whether making customers pay for returns negatively impacts conversion rates or sales, and how long return periods should be optimized. The study also examines the effectiveness of various returns portals, including retailer-owned and third-party systems.

The graphic illustrates the distribution of return methods used by 100 UK online shops. The most common methods are retailer-owned portals and third-party portals (both 26.2%), followed by carrier portals (19.4%). Less common methods include customer service queries, paper labels, and self-organized postage.

Distribution of Return Methods

Analysis of Return Methods and Returns Portal Usage

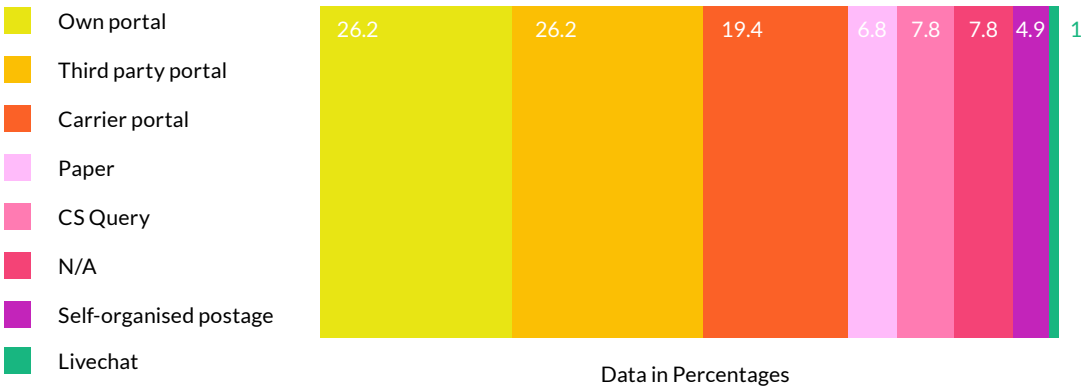


Fig. 18: Distribution of return methods used by UK online shops

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

An analysis of the returns policies of 100 UK online shops shows that two-thirds give their customers a cooling-off period of up to 30 days. Around a fi fth of all retailers give their customers just two weeks to think about whether or not to buy. A further fi fth have extended their returns period to more than 30 days.

Return Periods

How long do online retailers give their customers to return items?

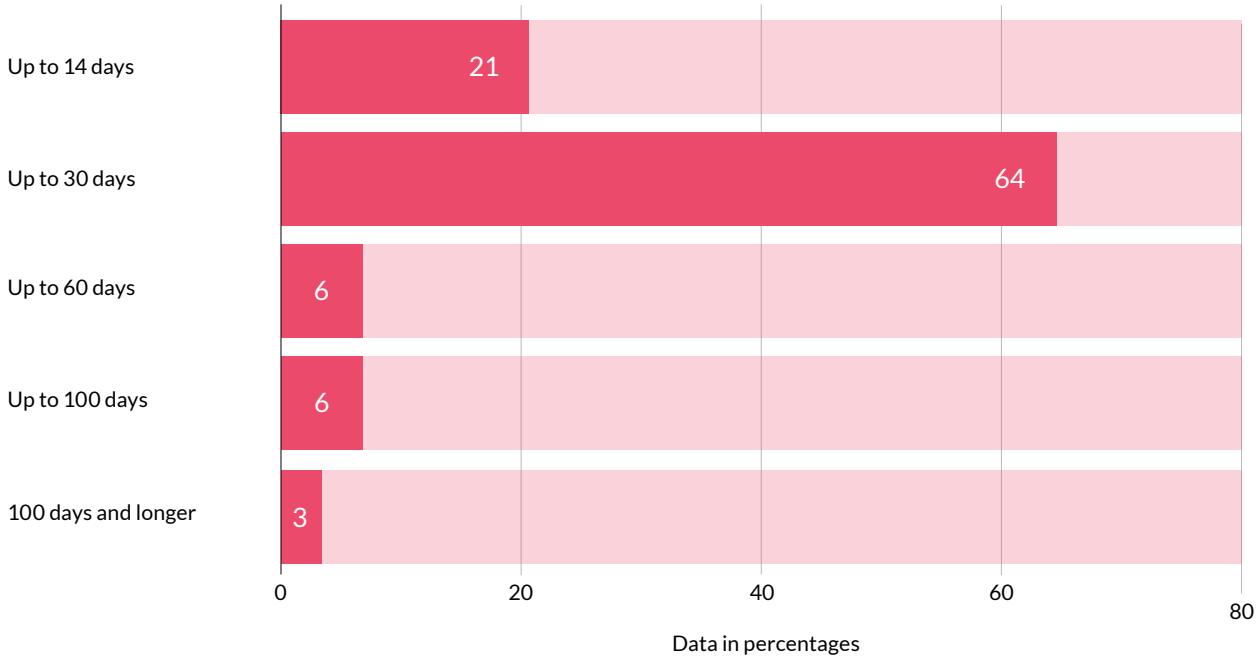


Fig. 19: Four out of five online retailers allow more than 14 days for consideration.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Homeware retailers offer the longest return periods (73 days on average), followed by DIY (42 days on average) and fashion & clothing (41 days on average). In contrast, electronics retailers (20 days) and grocery mail order (18 days) are the least accommodating.

Return Periods by Categories

How long do online retailers give their customers to return items?

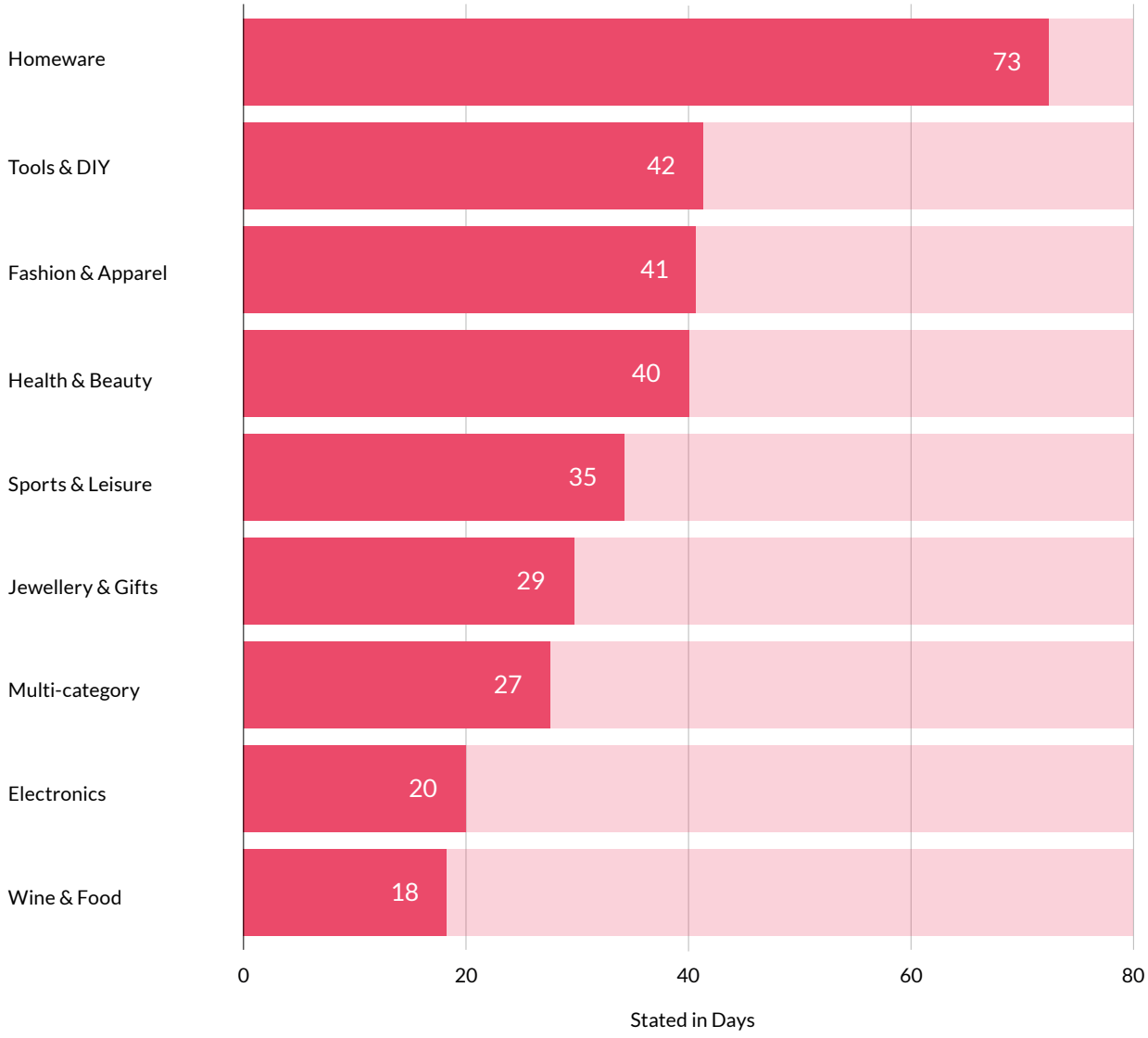


Fig. 20: Online retailers in the homeware, DIY and fashion sectors offer the longest return periods.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Hardly any customers have had to pay for returns so far

In contrast, retailers continue to be generous when it comes to the cost of returns. While free shipping is becoming a dying model, almost three quarters of large UK online retailers (72 per cent) continue to offer free returns. Only a quarter of retailers charge for returns. And four retailers in the test excluded products from exchange.

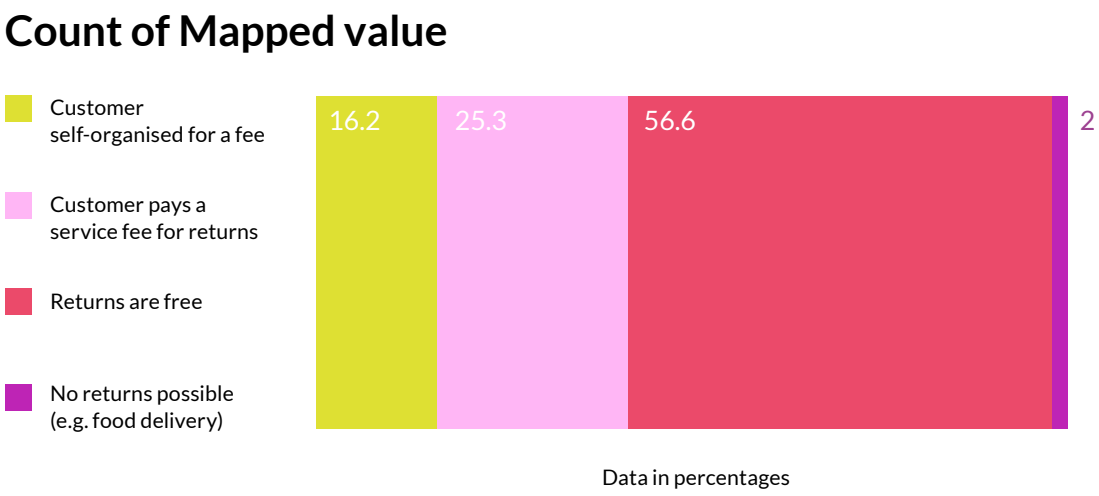


Fig. 21: For just over half of major online retailers in the UK, returns are still free.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Bershka makes an interesting distinction: the fashion label only charges £3.95 for returns after 14 days. Other retailers, such as Majestic and Wickes, offer their customers free returns in-store.

And how do the orders get back to the retailer? There has been a clear trend here for years: The physical return label in the box is on the way out. Only around a quarter of retailers are still providing pre-printed labels, which while sometimes convenient can make it challenging for data-capture, and for the digital-first customer. Instead, customers are increasingly registering their returns in the online shop, or directly with a carrier portal, to then receive the label either directly to print out, as a QR code or by email.

While the benefits of a fully brand-owned Returns experience are clear for the customer, who benefits from a consistent journey with the shop from which they purchased, the brand themselves also benefit from increased data visibility and insights into what is being returned and why.

However, a surprisingly large segment of major UK retailers take no responsibility for the cost nor organisation of returns. Customers are left to find their own carriage, ensure it is sent to the correct address. This means brands have no control over the customer experience and no visibility of how many returns are coming into their logistics centres, and the experience for the customer is extremely poor.

Once the Return is registered, it's time to send it back! While utilising drop-off points for all the major carriers, either standalone locations such as the Post Office, or a plethora of different convenience locations serving as parcelshops for major carriers, this is not the only option. A third of major online retailers in the UK offer home collection, and as mentioned store returns are also promoted for a handful of retailers.

Much of the potential of an online returns portal remains untapped

It would also be customer-friendly if the customer could not only return the goods, but also exchange them for a different size or colour. However, this is only possible at 9 of the retailers tested.

Exchange Option

Do retailers offer the option through their returns portal to not just return items, but to exchange them?

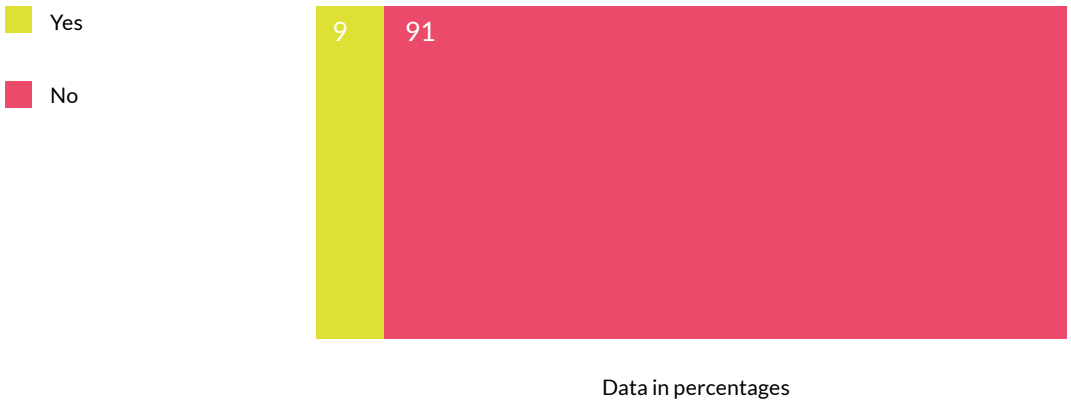


Fig. 22: Not even one in ten online retailers offers customers the option online to exchange products, not just return them, but also swap them for different sizes or colors.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

A returns portal would also allow retailers to prevent the creation of returns labels after the return period has expired, dynamically route returns to where they are easiest to process, enable photo uploads that customers can use to report product defects, etc. However, most retailers have not yet implemented these features. However, most retailers have not yet implemented such features. However, most retailers have not yet implemented such features.

The most important question consumers ask when returning goods is How do I get my money back? The research shows that UK retailers are taking a long time. Almost half of them take more than a week to refund customers‘ money. The average is 8 days.

Refund Duration

How long do retailers take to issue a refund after a return?

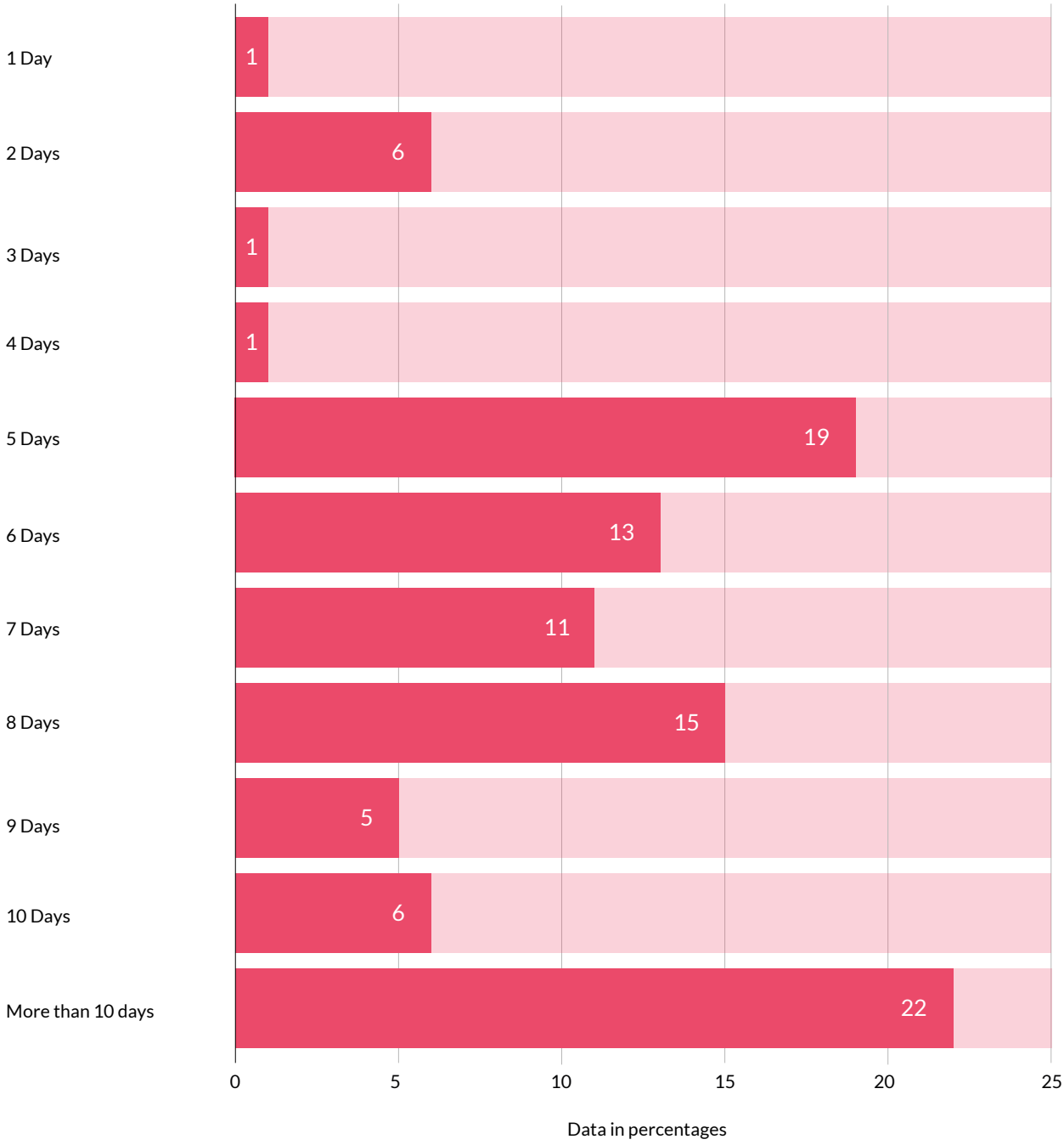


Fig. 23: On average, retailers take 8 days to issue refunds for online orders.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

SHIPPING COMMUNICATION

Vague delivery forecasts from retailers on product detail pages and in the shopping basket can be offset by good shipping communication in the customer account and by email. This significantly reduces the number of WISMO („Where is my order?“) calls to the call centre. But the analysis shows: Retailers have room for improvement here too. While all but one retailer confirmed receipt of the order and 88 retailers informed their customers that the goods had been dispatched, only just over half of the shops sent a status email to their customers after delivery.

Shipping Communication

At which stages in the ordering process do retailers inform their customers?

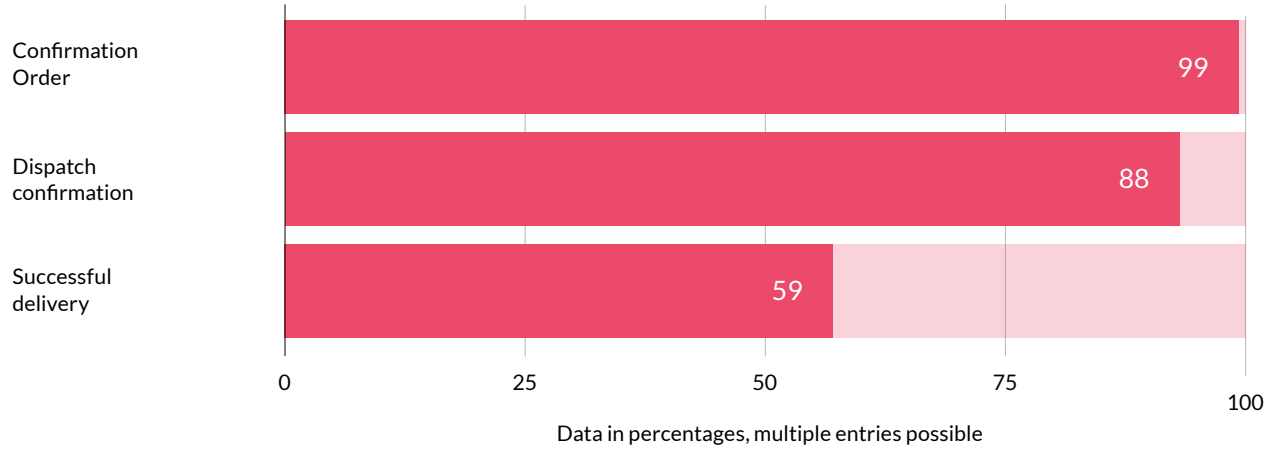


Fig. 24: Four out of ten major online retailers in the UK do not inform their customers that the package has been delivered.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

However, the majority of online merchants who want to keep their customers informed about the status of their orders now see this as their responsibility. Only 29 retailers leave communication entirely to their logistics partner. 28 retailers communicate with their customers themselves and 38 send status emails both themselves and through their logistics provider. When the logistics provider handles the shipment communication, half of them do so in their own branding. However, 46.3% of shipping emails are also sent in the customer‘s look and feel.

Most retailers‘ shipping communication strategy also ignores the fact that shipping emails are a highly relevant touchpoint to encourage customers to return to the store - for example, by pointing out products that complement the purchase they have just

made. However, in our analysis of status emails, we found references to interesting products in only nine emails, and the products were personalised in only two of these emails.

Meanwhile, a good third of retailers send their shipping notifications with no-reply email addresses, inadvertently signalling to their customers that they are no longer available: „If you have any questions - I'm not here for you.

Communication channels are also very limited. 82 retailers only send emails, despite GenZ being much easier to reach via messengers such as WhatsApp. 14 retailers provide status updates via SMS, 2 use messengers such as WhatsApp and 2 use their app for update notifications.

Sender of Shipping Communications

Who sends the shipping communication emails?

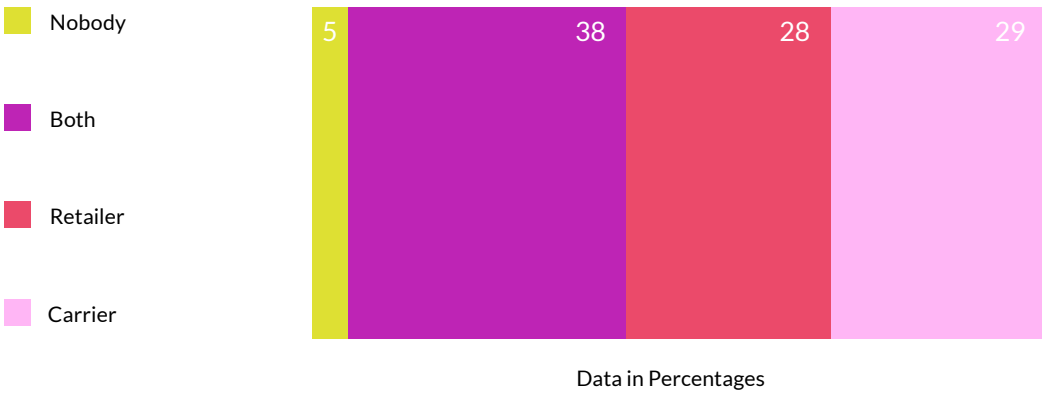


Fig. 25: Two-thirds of online retailers send the shipping communications themselves, while 38 percent also rely on their carrier simultaneously.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

While retailers have taken responsibility for shipping communication with their customers, they still leave half of parcel tracking to their logistics providers. This is a wasted touch point. The retailer who brings the customer back into the store via the tracking link generates new sales potential. It is also up to them to decide what wording to use to inform customers of the current location of their parcel. Carriers sometimes find it difficult to translate their specialist vocabulary into customer-friendly English. Finally, a tracking link also reduces the number of calls to the call centre, as customers can check the current location of their parcel themselves.

Tracking Link

Where does the tracking link in the shipping communication lead?

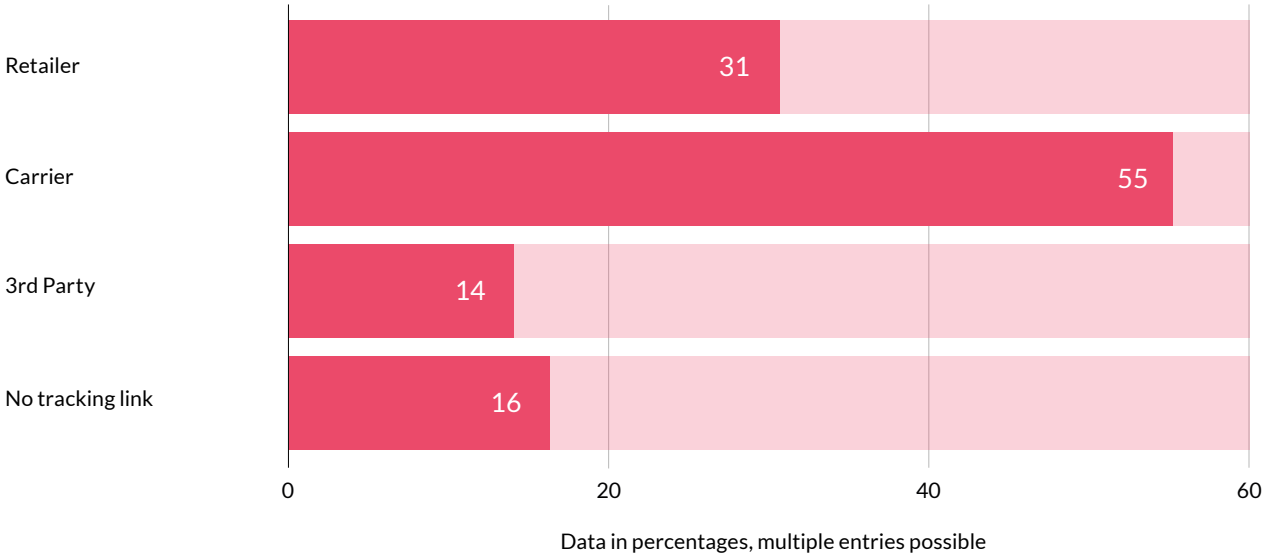


Fig. 26: 16 major online retailers in the UK do not send a tracking link, thus risking inquiries at the customer center.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Returns require even more transparent communication than orders

Transparent communication is almost more important for returns than for parcels. While the onus is on the retailer to prove that the parcel has reached the customer, the reverse is true for returns. In this case, the customer has to trust that the parcel will reach the retailer - and that it will be processed. The relief is great when the retailer sends the signal: We will refund the money.

However, many retailers do not seem to have got the message yet. Four out of ten retailers in the test do not communicate with their customers at all during the returns process. The result is calls from nervous customers to the call centre, which could be avoided with transparent returns communication.

Returns Communication

Who communicates with customers during the return process?

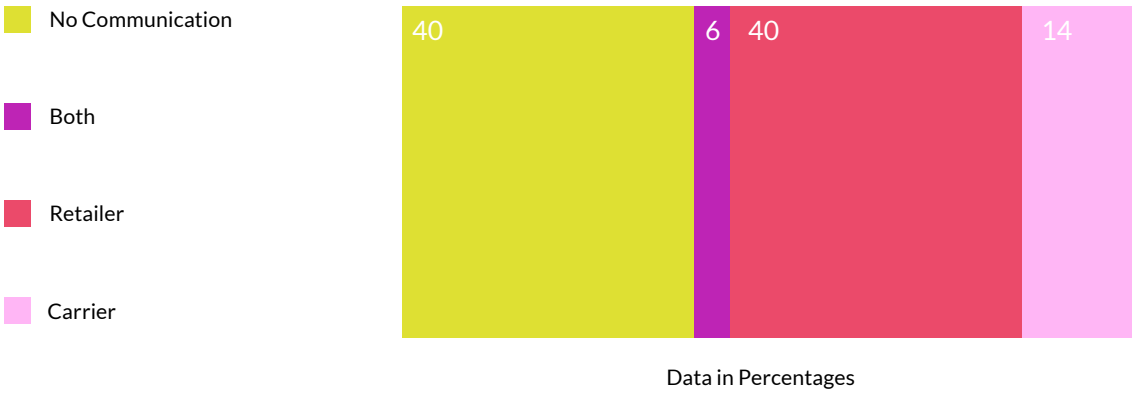


Fig. 27: Four out of ten retailers leave their customers completely in the dark about the status of their return.

Source: parcelLab, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

CUSTOMER CARE

One aspect that strongly influences pre- and post-sales satisfaction is customer service. Good customer service contributes to long-term customer loyalty. Customers are more likely to make repeat purchases from retailers where they feel well looked after. Problems with delivery, returns, exchanges and complaints can also be solved efficiently by a good customer service team, thereby improving the shopping experience.

That is why the Online Ordering Study 2024 devotes an entire chapter to customer service - and has brought on board Salesupply, a proven expert in customer care and e-fulfilment. The specialists analysed the UK‘s top 100 online shops to determine how transparent their contact options are, at what times and through which channels customer service is available, and how quickly the UK‘s largest online retailers respond to customer enquiries. The results show: There is room for improvement.

It starts with the fact that more than a quarter of the top shops do not publish an in-store hotline number. And six of the 100 retailers tested hide it as much as possible from customers. Clearly, these retailers see telephone customer service as an annoying cost to be minimised rather than as another touchpoint in the customer journey to be maximised.

Customer Service Phone Number

Does the store share its customer service phone number on its website?

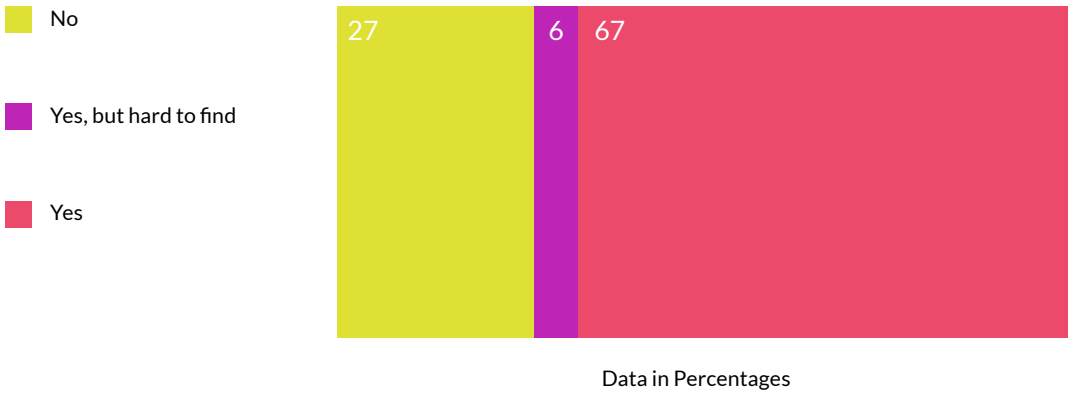


Fig. 28: More than a quarter of major online retailers in the UK do not show a customer phone number in their shops.

Source: Salesupply, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

When customers are shopping, the call centre is off duty

It starts with opening hours: One in four major online retailers in the UK is only available to customers during business hours. And only one in seven retailers has a call centre staffed throughout the day and evening on weekdays and weekends. This is a missed opportunity for retailers as customers like to receive personalised advice from customer service before ordering more complex products. And the peak time for online shopping in the UK is currently between 8pm and 9pm. If you are not available at this time, you will lose potential customers to competitors whose call centres are open longer. The same goes for the weekend. Here, too, almost one in three major online retailers‘ hotline says: "This number is not available today. Please try again on Monday.

Customer Service Hours

At what times is customer service available to customers?

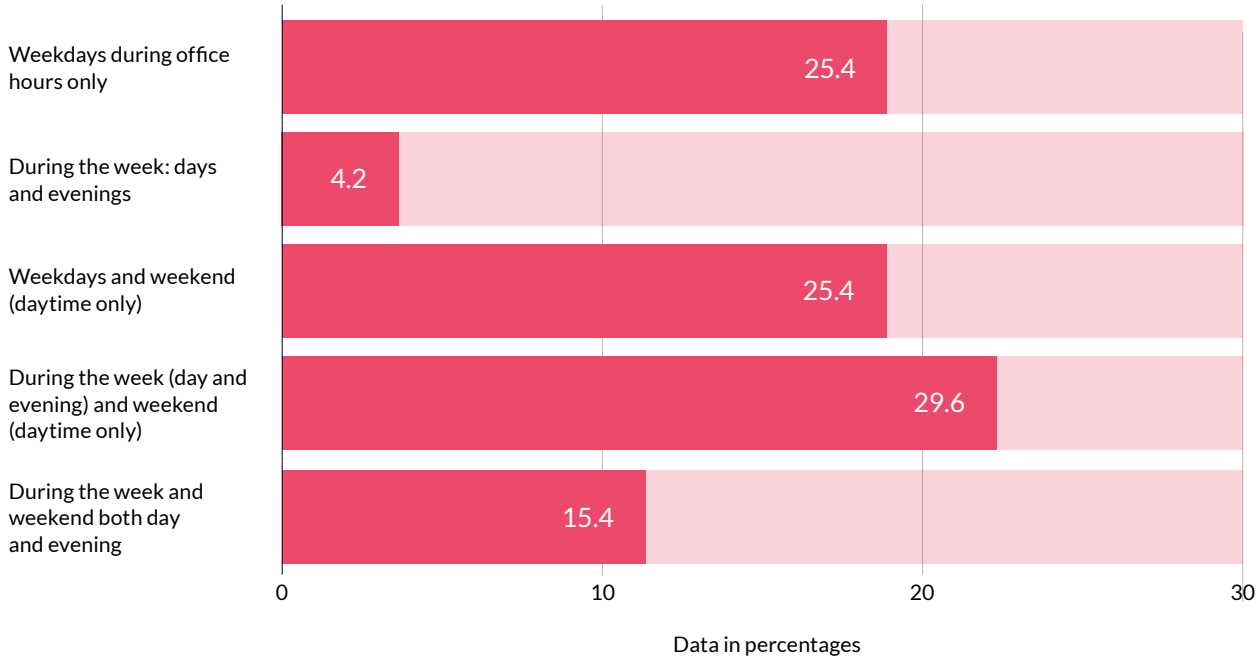


Fig. 29: Only about one in seven major online retailers in the UK has their call center staffed both during the day and in the evening hours on weekdays and weekends.

Source: Salesupply, March 2024, based on n= 71of the major UK online shops (Source: RetailX UK Top 500 2023), that specify opening hours of their call centers on their online shop

Most retailers can be reached through multiple channels

The fact that every customer is different and has different preferences when it comes to how they want to engage with retailers is at least partially recognised by most online retailers in the UK. On average, they are available to their customers through 2.8 channels.

Number of Contact Options for Customer Service

How many channels is customer service available through?

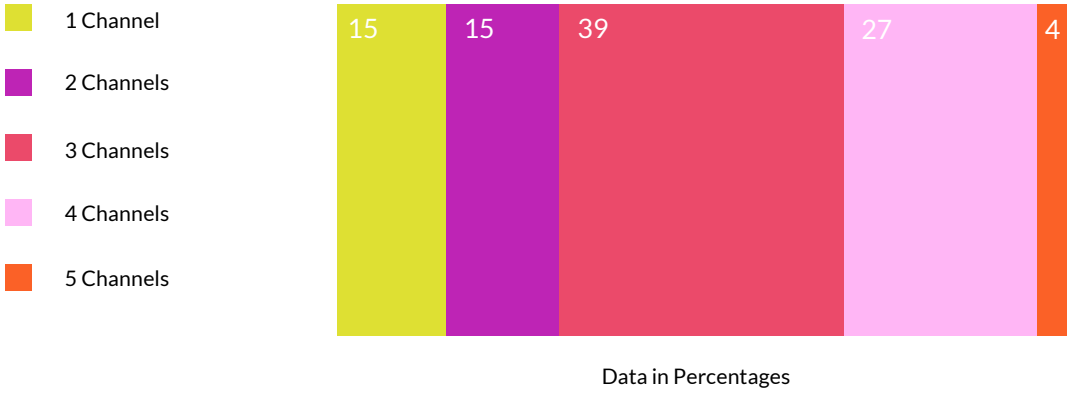


Fig. 30: On average, major online shops in the UK are accessible to their customers through just under three different channels.

Source: Salesupply, as of March 2024, based on n=100 of the top UK online shops (Source: RetailX UK Top 500 2023)

The telephone has the largest share, followed by social media, email or contact form and chat. Only WhatsApp, one of the younger generation's favourite communication channels, is not yet widely used as a customer service channel.

Available Customer Service Channels

Which channels is customer service available through?

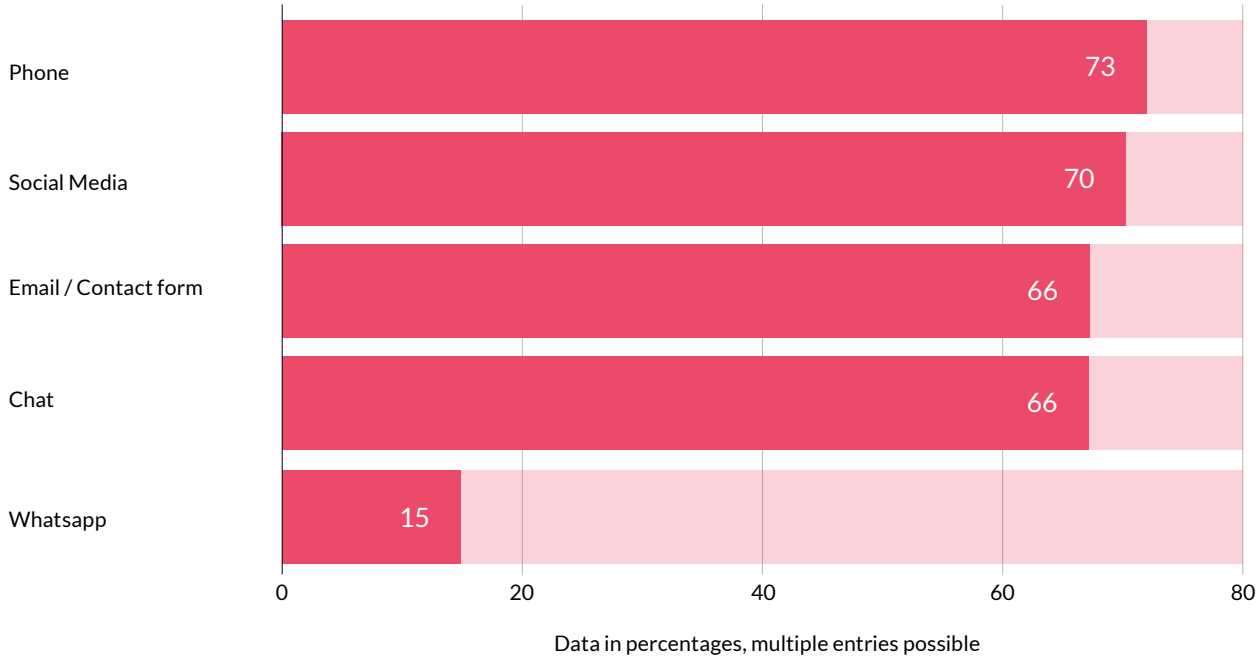


Fig. 31: Phone, social media, email and contact forms, as well as chat, are the most common communication channels for customer service. However, WhatsApp, a channel especially popular among younger demographics, is still rarely used.

Source: Salesupply, March 2024, based on n= 100 of the top UK online shops (Source: RetailX UK Top 500 2023)

Telephone response times: more than five minutes are common

Salesupply‘s shop testers also measured customer service response times across the various channels. The analysis shows: If you‘re in a hurry, don‘t pick up the phone. Half of the online shops tested took more than five minutes to answer customer calls. The average response time was 8:23 minutes. Sports retailer JD Sport set the record for the shortest wait time on the phone queue at one second. One retailer in the test was not available by phone for general enquiries, only for customers with order-related questions. And one retailer hung up without a word after two minutes on hold.

Telephone Wait Times

How long do customers have to wait on hold before customer service answers the call?

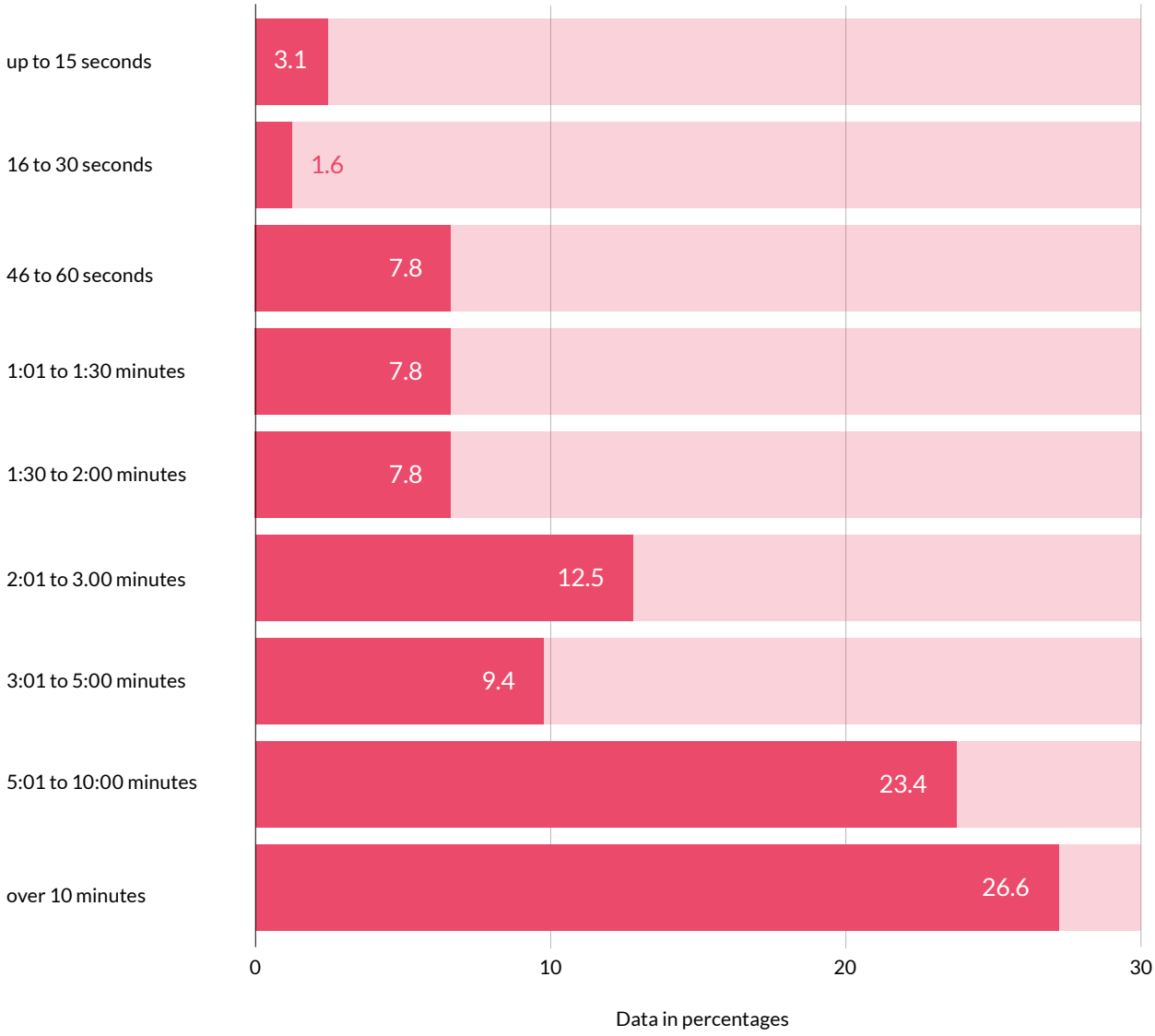


Fig. 32: British consumers need a lot of patience when calling the hotline of an online retailer. Half of the shops take at least five minutes to answer.

Source: Salesupply, March 2024, based on n= 73 top 100 online shops in the UK (Source: RetailX UK Top 500 2023), that offer a telephone hotline

Response times: WhatsApp takes the longest

Retailers also take some time to respond to customer enquiries on the other channels. Email enquiries to customer service were answered after an average of 12 minutes. On social media, testers waited an average of 10 minutes for a response and WhatsApp questions were answered after an average of 15 minutes.

Average Wait Time per Channel

How long do customers have to wait for a response to their customer service inquiries?

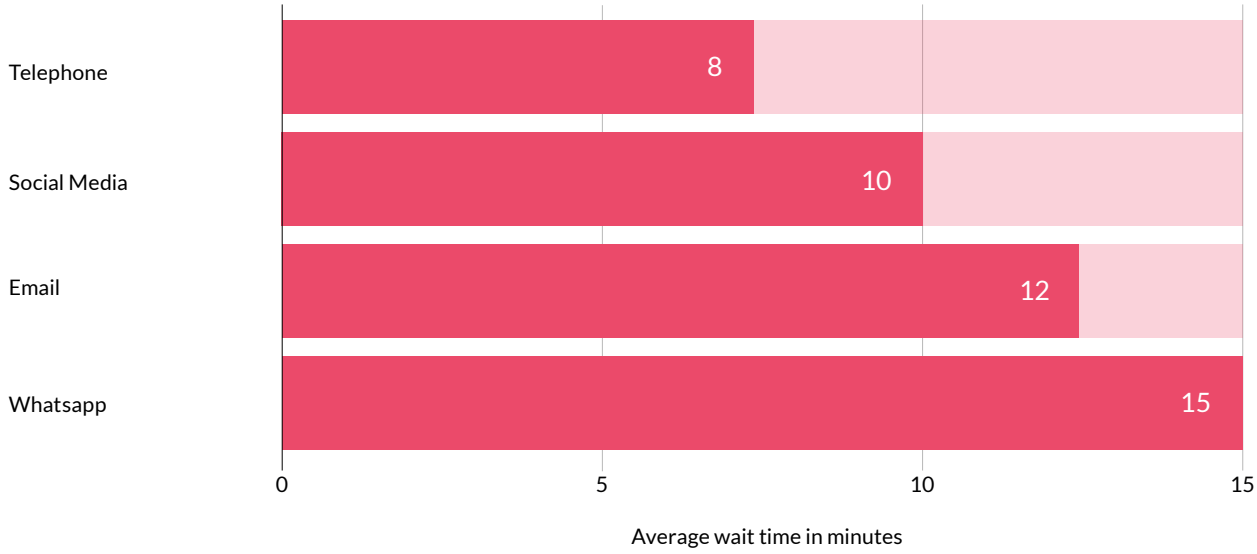


Fig. 33: The longest wait time is on the WhatsApp channel.

Source: Salesupply, March 2024, based on top online shops in the UK (Source: RetailX UK Top 500 2023) that offer the respective service channel (Phone: n=73, Social Media: n=70, Email/Contact form: n=66, WhatsApp: n=15)

Customer chat: colleague bot handles most

Two-thirds of large online retailers in the UK also offer their customers the option to use chat for specific enquiries. In the majority of cases, customer enquiries are handled entirely by a bot. In just under 17 per cent of enquiries, a bot first asks for basic information before handing off to a human colleague. However, one in five retailers still have a human on the other side of the screen to personally answer chat enquiries.

Chat Handling

Who answers the chat inquiries from customers in online shops?

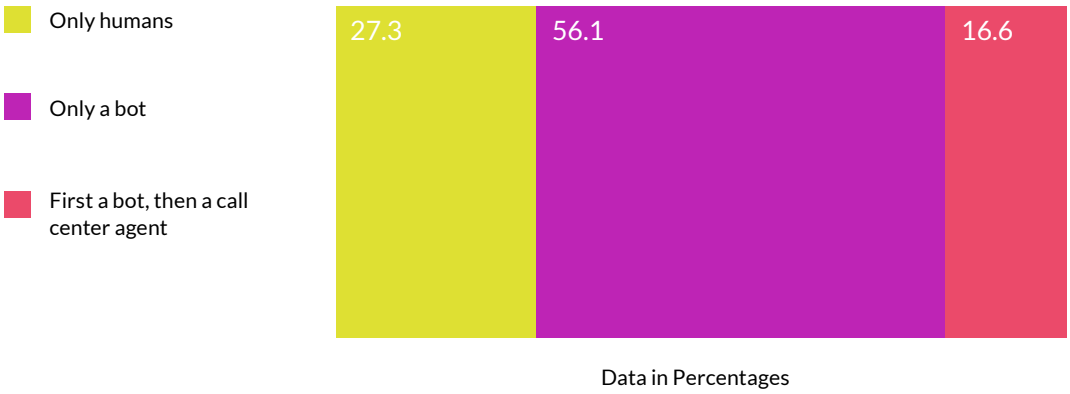


Fig. 34: The majority of chat inquiries are handled by bots.

Source: Salesupply, March 2024, based on n= 66 top 100 online shops in the UK (Source: RetailX UK Top 500 2023) that offer customer service via chat

The waiting time for the first contact is usually shorter than on the phone. However, it usually takes longer to process the enquiry. Pre-populated text modules provided to agents for standard enquiries can help improve the customer experience.

SUMMARY

This comprehensive analysis of the post-purchase experiences of the UK's top 100 online retailers reveals critical insights into customer service practices, delivery reliability, sustainability efforts and technological integration within the industry. Our findings highlight both the strengths and areas needing urgent improvement that could significantly impact retailer competitiveness and customer satisfaction.

FREE RETURNS AND DELIVERY CHALLENGES

While an encouraging 72% of retailers offer free returns, a substantial gap exists as nearly 30% do not, potentially deterring customers seeking flexible return policies. The delivery reliability issue is pronounced, with 39% of retailers failing to meet their delivery timelines. This inconsistency highlights a crucial area for operational improvement, suggesting a need for enhanced logistics strategies.

TECHNOLOGY ADOPTION AND RESPONSE EFFICIENCY

The adoption of technology in customer service is notable, with 66% of large online retailers employing chatbots to handle queries. Despite this, our study reveals that half of the online shops take over five minutes to respond to customer calls, indicating that while automation is prevalent, the effectiveness and responsiveness of human interactions require significant enhancement.

SUSTAINABILITY IN PACKAGING

A concerning finding is that 58% of shipping packaging still incorporates plastic, emphasising the need for a shift towards more sustainable practices. This not only reflects on environmental impact but also on the growing consumer demand for eco-friendly business operations.

COMMUNICATION GAPS IN CUSTOMER EXPERIENCE

Our study points out substantial communication gaps, particularly in the returns process where 40% of retailers fail to engage with customers, potentially affecting repeat business.

Additionally, 50% of retailers do not provide adequate delivery time information on their product detail pages, which could impair the buying decision process.

CALL TO ACTION

Retailers are urged to address these gaps by implementing more customer-focused practices and improving transparency in their communication strategies. There is a compelling need for the industry to enhance delivery reliability, integrate effective human interactions with technological solutions and adopt sustainable packaging options.

As the e-commerce landscape continues to evolve, these findings highlight the critical role of the post-purchase experience in shaping customer perceptions and decisions. Retailers who prioritise these aspects are likely to not only boost customer satisfaction but also gain a significant competitive advantage in an increasingly crowded market.

ABOUT PARCELLAB

parcelLab is the only truly global provider of post-purchase software for the enterprise, enabling brands to increase revenue, reduce operating costs and improve the customer experience in unprecedented ways.

Our award-winning post-purchase platform enables brands to transform everyday touchpoints into personalised experiences. Leading brands such as IKEA, Chico's, H&M and Yeti rely on our platform.

We actively manage the post-purchase experience in 175 countries and track shipping data from more than 350 logistics providers worldwide - bringing people and brands closer together.

Specifically, we help brands

- Increase sales by enabling them to offer their customers a personalised and unique post-purchase experience, making it easier to cross-sell/up-sell, drive additional traffic to their websites and increase eCommerce conversion rates.
- Reduce operational costs and WISMO/WISMR requests with event-driven communications
- Recover more revenue and make returns more sustainable with an easy-to-use returns portal

Delight your customers with proactive communication about their orders and keep them informed, resulting in higher customer satisfaction, engagement and brand loyalty.

ABOUT SALESUPPLY

Salesupply is Europe‘s leading provider of e-commerce customer service and logistics fulfilment. We have offices in UK, Germany, the Netherlands, France, Italy, Spain, Sweden, Poland, Kosovo, the USA and China.

Our network, service and technology enable retailers and brands to increase customer satisfaction and efficiency. Worldwide.

Salesupply offers native customer care in 36 languages in 3 continents. Salesupply's scalable and flexible fulfillment platform enables online stores to compete with local players worldwide through local storage and delivery.

More than 500 online brands and retailers worldwide rely on the services of Salesupply including Carhartt, Jaguar Land Rover, Tory Burch, Segway Ninebot, Secrid and Bears with Benefits.


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