

BY JOE SKORUPA

OPTIMIZING THE POST-SALE OPPORTUNITY

A successful post-sale engagement plan begins with a digital receipt

Is a nice smile, a wave and “Come back soon” all you’ve got when a customer leaves your store? Do you have post-sale engagement processes in place? If the answer is “no,” then you are not alone in retail, but more importantly you are flying blind and missing out on a world of possibilities to drive store sales and nurture long-term loyalty.

Most retailers, according to findings in this month’s *RIS* Custom Research report, are indeed flying blind after a purchase is made in a store (less than a quarter follow up a purchase with a digital receipt), and the time is right to make a change. Retailers are struggling with a multi-year cycle of declining foot traffic and sluggish store sales. Many chains are closing stores and a shocking number of shopping malls are growing weeds in their massive parking lots. Since this trend is not likely to reverse any time soon, it is time for retailers to explore successful ideas from the digital commerce realm that can deliver real results in physical stores.

Many techniques commonly used online are highly effective in fueling the booming growth of digital commerce, such as embedding cookies and remarketing ads. Unfortunately, concepts like these are impossible to replicate in brick-and-mortar stores. Instead what is needed is to find digitally inspired techniques that have the ability to transition from online to in-store, and chief among these are digital receipts and personalized marketing messages.

In this Custom Research report we examine the business potential of post-sale engagement for brick-and-mortar purchases, especially the techniques that begin with the digital receipt.

Key Takeaways from the Study

Major takeaways from the study center on findings that identify business drivers that support investing in digital receipts, establishing a timeline for return on investment (ROI), understanding obstacles that need to be overcome, and focusing on high-priority metrics to measure success.

- Today, less than a quarter (22.7%) of retailers are sending digital or e-receipts for in-store purchases. Some survey respondents report that their POS software will not enable them to do it. Others say they are unsure of the ROI.

- Does the low adoption percentage mean that digital receipts are unimportant to retailers? The answer is “no.” On a

Figure 1



Figure 2

Investment timeline for sending digital or e-receipts for in-store purchases

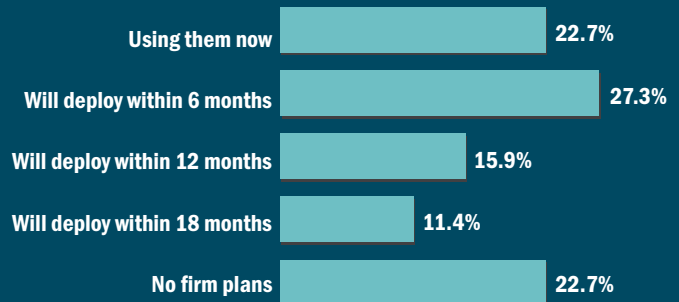


Figure 3

Top business reasons for deploying digital or e-receipts

Delivering personalized marketing messages	56.8%
Offering coupons and discounts	40.9%
Encouraging repeat business	40.9%
Determining customer satisfaction	36.4%
Making product recommendations	34.1%
Fostering communication-based engagement	34.1%
Stimulating customer interactivity	29.5%

Figure 4

What is the open rate for e-mail campaigns to current customers?

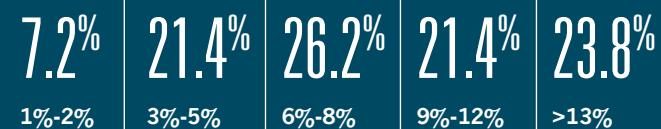


Figure 5
Top obstacles for deploying digital or e-receipts

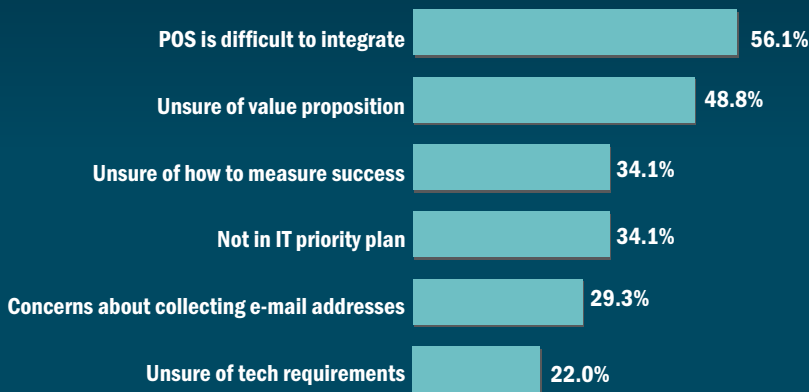


Figure 6
Should a digital receipt or e-receipt deployment fully recover its cost?

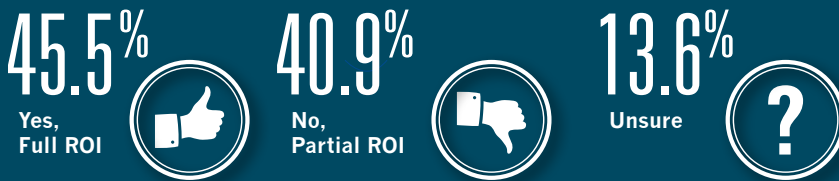


Figure 7
How long after rollout would you expect to achieve ROI?

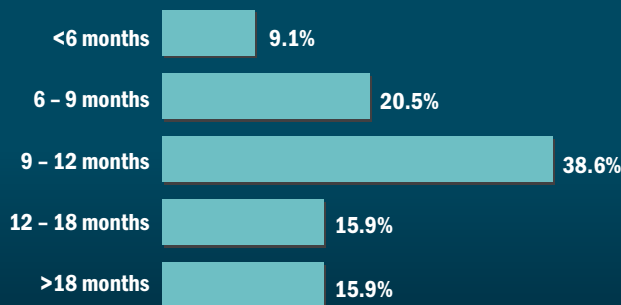


Figure 8
How would you measure success of a digital receipt rollout?

Improved loyalty	47.7%
Increased customer satisfaction	45.5%
Increased return visits	43.2%
Increased revenue per shopper	29.5%
Increased promotional efficiency	29.5%
Reduced time between visits	20.5%
Reduced abandonment	20.5%
Increased revenue per visit	20.5%
Increased customer engagement	20.5%
Driving online revenue	18.2%
Reduced cost to acquire new customers	15.9%

SEND A SMARTER RECEIPT WITH FLEXRECEIPTS

flexReceipts, the leading enhanced digital receipts solution, offers retailers a post-transaction opportunity to communicate and engage with their customers. flexReceipts' electronic receipts are much more than static PDF replicas of a paper receipt. Rather, their patent-pending, innovative technology lets retailers offer their customers personalized e-receipts, encouraging customer interaction Beyond the Sale, once the initial transaction is complete.

flexReceipts' completely customized platform marries a retailer's point-of-sale operation with back-end analytics, enabling them to incorporate product recommendations, unique discount codes, personalized offers based on spending habits, social network sharing, as well as embed video and promotions.

In addition, flexReceipts' enriched receipts build customer loyalty and drive sales. The receipt itself complements a retailer's omnichannel strategy, presenting an on-equity digital marketing vehicle — all the while giving retailers insight into their customers' spending habits and shopping trends.

flexReceipts sees email open rates exceeding 70 percent — nearly double that of traditional e-mail marketing campaigns. And, customers that opt in for an electronic receipt spend 35 percent more revenue than those who don't.

flexReceipts is currently being utilized in nearly 6,000 stores.

flexReceipts is proven, processing nearly 40 million transactions.

flexReceipts' banner clients include Rooms to Go, GNC, Vitamin World and several independent retailers like Hunter Boots and Paige Denim.

Go Beyond the Sale. Learn more at <https://www.flexreceipts.com/>.



Custom Research

scale of 1 to 5 where 1 stands for unimportant and 5 stands for very important, retailers give digital receipts a 4.5 rating. This indicates two things: The first is that digital receipts are well understood to be of value to the retailer's business model, and the second is there is a disconnect between the level of importance assigned to digital receipts and the level of deployment of the technology. Identifying disconnects become opportunities for fast-moving retailers who seek wedges to pry open a competitive advantage.

- On a positive note, more than a quarter of retailers say they plan to deploy digital receipts within the next 18 months (27.3%). RIS conducts many surveys and they often include questions about planned deployment timelines. A number in the high 20s like this one indicates a strong investment interest, especially for a not-yet mainstream application.

- The top three reasons for deploying digital receipts indicate there are strong business reasons for making the investment. They are: delivering personalized marketing messages (56.8%), offering coupons and discounts (40.9%), and encouraging repeat business (40.9%). The major benefit of sending digital receipts is that it launches interactive processes for post-sale engagement on a personalized footing — you know what the shopper has just purchased and you can tailor a personalized message using this knowledge.

- The top obstacle for deploying digital receipts is that the POS system is difficult to integrate with other software. One retailer said it was “a nightmare” to get his POS to deliver the transaction information required to send an accurate and relevant digital receipt. He added that the work-around to make it happen was “a nightmare,” too. Fortunately, he persevered and made it work. Many retailers would have given up or, after assessing the project in a scope analysis, not even begun.

- The timeframe for achieving ROI was expected to be between 9 and 12 months for the largest number of retailers.

- The top three metrics for measuring success are: improving loyalty (47.7%), increasing customer satisfaction (45.5%), and increasing return visits (43.2%). All three of these metrics are KPIs that track customer engagement, the number one priority in retailing today for retailers who are bold enough to invest in technologies and methods that achieve it.

Conclusion

If you build it, they will come has been proven to be a false premise in the world of the connected consumer. Brilliant brick-and-mortar stores with smart assortments and colorful displays cannot successfully compete on their own today. They require the active support of an ecosystem of consumer engagement tools and techniques designed to keep shoppers interested in your brand and coming back for more.

Active engagement with the shopper begins with a digital receipt, which provides a useful service to the shopper by making record keeping storable, searchable and convenient. The best part of deploying digital receipt technology is that it is just the beginning of a beautiful relationship with the shopper. If managed with care, the digital receipt is the starting point for a profitable, long-term post-sale engagement plan where both sides feel they are getting real value. **RIS**

Figure 9

Rating importance of nurturing customer loyalty to retailer success.

(On a scale of 1 to 5 where 1 stands for unimportant and 5 stands for very important.)



Figure 10

How much more would you predict customers receiving digital receipts will spend with your brand?

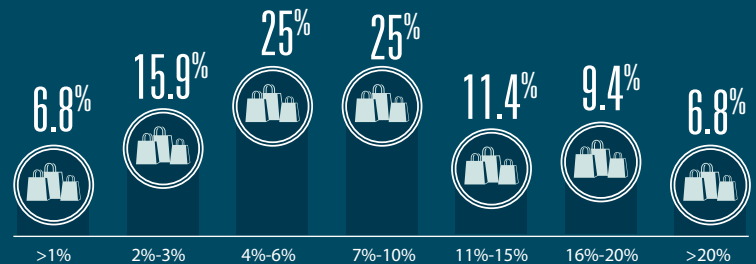


Figure 11

Rating retailer tech capabilities for increasing customer loyalty.

(On a scale of 1 to 5 where 1 stands for unimportant and 5 stands for very important.)

4.0



Figure 12

What is your organization's annual revenue?

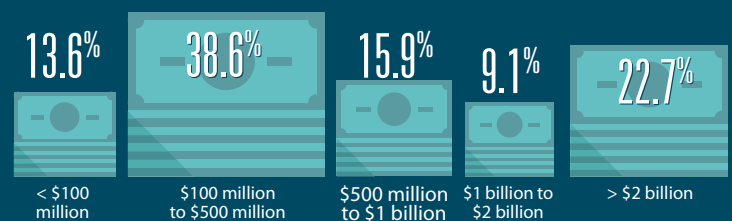


Figure 13

How did your company's sales revenue perform in the last 12 months?

