



**GETTING PERSONAL
IN THE LAST MILE
AND BEYOND TO WIN
OVER MILLENNIALS
AND GEN Z**

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UNDERSTANDING THE LATEST CONSUMER AND MARKET TRENDS IS KEY TO BUILDING WORKABLE AND AFFORDABLE STRATEGIES FOR PERSONALISATION AND CUSTOMER-CENTRIC MARKETING IN THE DELIVERY AND POST-PURCHASE PHASES.

This is particularly true for the younger generations - Millennials and Gen Z - because their behaviours break the once predictable evolution of their elders, and because these cohorts are the strongest influencers on emerging shopping habits.

The imperative to personalise across the entire purchasing journey and into the delivery and post-purchase phases, has been building for some years now, but so far progress has been slow. A recent McKinsey survey of senior marketing leaders finds that only 15% of CMOs believe their company is on the right track with personalisation.

There are a number of reasons for this, not least that companies have responded in different ways to the post-purchase opportunity, either finding it too hard, too expensive, or because they feel that what they offer now is good enough.

What is interesting about these different responses and motivations is that they are all part of the decision-making process that any brand must go through in determining what is the right way ahead for them, how best they can engage and re-engage their customers, as well as building their business case.

Research among the media, analysts and industry pundits reveals general advice that now more than ever, brands must personalise across the entire customer journey but particularly in last mile logistics, the delivery and post-purchase phases. In addition, they must consider making more dramatic changes to meet the needs of Millennials and Gen Z consumers.





And to add to their challenges, they must also personalise comprehensively in every channel, not just in outbound email communications, but in apps triggered by GPS, in store to enable product try-out and try-on, and on digital assistants that can curate relevant personal information to make the whole experience more convenient.

Fortunately, the advent of artificial intelligence (AI) has brought a startling range of new opportunities to enable these changes, to introduce hyper-personalisation to generate benefits that span cost to serve, quality of service and competitive differentiation.

**THIS REPORT USES
ORIGINAL CONSUMER
RESEARCH TO
DEMONSTRATE THAT
RETAILERS AND BRANDS
SHOULD URGENTLY
REVISIT THEIR
PERSONALISATION
STRATEGIES AND
CONSIDER ACCELERATING
ADOPTION OF NEW
TECHNIQUES AND
SOFTWARE.**





Personalisation pays, on several levels

[Adobe](#), which commissioned research by Forrester, found that the payoff for personalisation is overperformance in key customer success metrics for 4 in 5 experience leaders. In the study, respondents reported that their personalisation initiatives have exceeded targets and expectations for revenue (68%), customer experience measures (67%) and conversion rates (67%).

The same research also revealed that 73% of consumers and 87% of business customers expect to be delighted both before and after purchase in their buying journeys. In terms of next steps, Adobe recommends that companies orchestrate experiences along a customer's entire journey.



Consumers expect personal treatment

Research from [McKinsey](#) and Company showed that 71% of consumers expect companies to deliver personalised interactions, and 76% are frustrated without it. McKinsey follows this statistic with strong reasons to meet these needs, namely that it enables retailers to "reduce customer acquisition costs by as much as 50%, lift revenues by 5-15% and increase marketing ROI by 10-30%."

Personalisation increases satisfaction

[Twilio](#) Segment found that 52% of consumers agree that their satisfaction increases as digital experiences with brands grow more personalised. Over three-quarters (77%) of consumers prefer brands offering personalised data-based experiences, and 75% prefer it when retailers use personal data to enhance their shopping experiences.





The voice of the customer

Tipped by many to be a major trend for 2023, a year later the call for greater personalisation still goes out.

Original research of over 1,000 UK adults, conducted on behalf of Scurri by Savanta in January 2023, demonstrates both the challenges and the opportunities in personalising across the customer journey.

I'll buy on a recommendation

More than a third of respondents (34%) say they have purchased an item that was personally recommended to them by a retailer (based on 42% of men vs 27% of women). However, inclination to buy on a recommendation rises to 57% of Millennials and 49% of Gen Z.

I won't buy on a recommendation

54% of consumers say they haven't purchased an item that was personally recommended by a retailer (based on 59% of women vs 48% of men). Older demographics are even less likely to buy on a retailer recommendation (61% of Gen X, 65% of Baby Boomers.)

Consumers react in different ways to personalisation

Our research shows clearly that some consumers resist a personalised approach for a number of reasons, including data privacy, fear of just being sold old products, or worries that recommendations are not accurate.



60%

say they don't want personalised product recommendations – they know what they want and will just search for those items.



54%

say personalised product recommendations just re-serve products they have previously searched for

51%

say personalised product recommendations scare them as they show how much personal data retailers store and use



50%

of respondents have been served wildly inaccurate product recommendations



However, many consumers welcome personalisation, which is the clearest indication yet that retailers and brands must invest in understanding exactly who their best customers are so they can retarget the most active and loyal. Blanket 'me-too' or 'batch and blast' personalisation is going to be ineffective and expensive. True personalisation means impressing consumers with the products that are deemed relevant and served up to overcome current preconceptions. The response brands are looking for is, "wow I really like that product and it is exactly what I want".

A word of caution here - a lack of breadth in product range or availability issues can blunt these expectations, so the promise made up front must be balanced with the back end, and that depends on greater collaboration by brands with their supply chain and relevant partners.

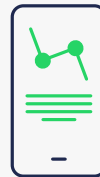


Yes, please personalise ...



48%

say personalised product recommendations show that a brand or retailer knows what the customer likes.



45%

say online personalised product recommendations provide inspiration in their shopping journeys



44%

say that when they visit a website as a repeat customer, they expect a personalised experience



43%

have found a product or brand online which they have repeatedly purchased from a personalised product recommendation



**Engagement –
what goes around, comes around**

**ENCOURAGING
ENGAGEMENT IS
ONE OF THE KEYS TO
PERSONALISATION
AND THE GOOD NEWS
IS THAT THE MORE
OFTEN CUSTOMERS
ENGAGE, THE GREATER
THE OPPORTUNITIES
ARE TO ENGAGE WITH
THEM IN RETURN USING
PERSONALISED CONTENT
AND MESSAGES.**

On average, the UK consumer has between 10 – 11 interactions with a brand or retailer before buying domestically. This is slightly higher for men (12) than women (10).

This rises to as many as 15 for purchasing internationally, while the number of interactions rises dramatically for Gen Z with 19 for food, 18 for electricals and 17 for health & beauty, fashion and general retail for both domestic and international purchases.





The importance of personalisation in delivery and returns

Our research demonstrates just how important the delivery and post-purchase phases are for consumers in deciding where and how to shop.

While the biggest considerations impacting purchasing decisions by channel remain price and trust for in-store purchases, there is significant placing for elements of the post-purchase experience, particularly speed of shipping and ease of returns. This is even more the case for online purchases, which shows that shipping costs are second only to price and both speed of shipping and ease of returns are also more important than for in-store. Marketplaces stand out as the channel for which post-purchase considerations are strongest, because loyalty tends to be lower while there are high expectations on price and delivery.



In-store

- Price of the item 74%
- Trusted brand 47%
- Product selection/assortment 32%
- Ease of returns 29%
- Access to loyalty points / rewards 25%

Online (DTC)

- Price of the item 70%
- Shipping cost 52%
- Trusted brand 46%
- Shipping speed 40%
- Ease of returns 37%

Online (marketplace)

- Price of the item 72%
- Shipping cost 53%
- Trusted brand 44%
- Shipping speed 43%
- Ease of returns 37%

Social media

- Price of the item 59%
- Trusted brand 44%
- Shipping cost 39%
- Shipping speed 27%
- Ease of returns 27%



Loyal customers prioritise post-purchases

Moving in closer to the purchasing drivers for consumers when making a purchase from a retailer they had already bought from, post-purchase considerations rise to the top of the list. Persistence and consistency pays when retargeting active customers given the higher return on investment compared to new customers.



The top 6 purchasing drivers when repurchasing from a retailer :



Free delivery

Either online or in-store



Free returns

Either online or in-store



Subscription

The ability to purchase a subscription to ensure regular product deliveries



Sales

Access to exclusive product sales or advance product sales



Rewards

A loyalty programme that offers rewards



Discount codes



However, even when making a purchase from a new brand or retailer which respondents hadn't bought from before, consumers are prioritising delivery and return costs



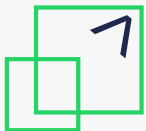
Free delivery
Either online or in-store



Free returns
Either online or in-store



Discount codes



Fulfilment
A good selection of fulfilment options



Rewards
A loyalty programme that offers rewards



Personalising post-purchase based on an insight into behaviour

Looking across all the research, there are huge opportunities for retailers that personalise based on an understanding of the particular preferences and behaviours of individual customers.

Clearly, customers respond differently depending on their circumstances as well as the nature of the update. By making updates more relevant to individual preferences, retailers can start to address the perennial issue of emails providing tracking details but not details of the order they relate to.

Why consumers open these tracking and shipping update emails:

38% of respondents always opened tracking or shipping updates

34% will always open tracking or shipping updates to ensure there are no delays

24% will open tracking or shipping updates if they are not going to be home to receive their order

20% will only open tracking or shipping updates if they know which parcel the notification relates to

19% will only open tracking or shipping updates if they can identify which retailer or brand is trying to communicate with them

17% will only open tracking or shipping updates if the delivery of their item is time sensitive



Tracking / shipping updates – who should send these to consumers?

The standout finding is that customers will open emails if they are from the retailer or brand as distinct from a third party fulfilment company. They will often continue to open the emails from a third party but this is not preferred. While fulfilment companies can also start to personalise updates, there still appears to be no better solution than direct communications from the retailer.

82% of respondents are more likely to open emails from a retailer or brand if they are updating them on the progress of their delivery



81%

will always open emails from a retailer or brand if they are updating them on the progress of their delivery

71%

of respondents have more confidence in the tracking or shipping update information if sent directly by the retailer

69%

of respondents are more wary of unbranded or third-party delivery updates as they think they might be scams – increasing to 76% of Gen Z

54%

of respondents don't care who sends them a delivery update as long as they get an update



53%

say tracking updates should come from the retailer rather than a delivery partner

53%

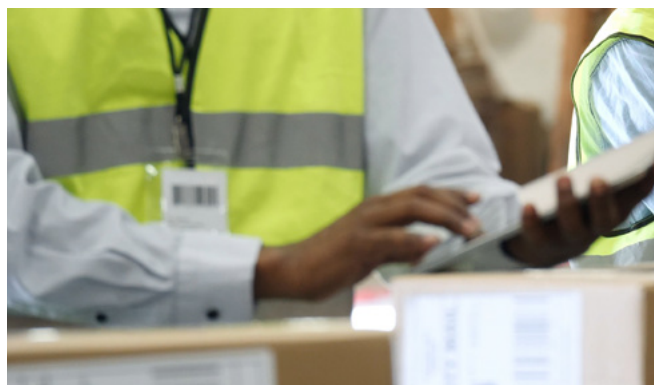
of respondents find receiving unbranded updates from a carrier or courier company confusing as they don't always know which order it is referring to – increasing to 65% of Gen Z and Millennials



Personalised offers in tracking / shipping updates

OUR RESEARCH INDICATES THAT MIXING UP TRACKING UPDATES WITH MARKETING PROMOTIONS IS NOT GENERALLY POPULAR AMONG CONSUMERS, BUT IT CAN DEPEND ON HOW THE TWO ARE COMBINED, PARTICULARLY FOR THOSE WHO ARE HAPPY TO RECEIVE PERSONALISED OFFERS BUT NOT ON AN ONGOING BASIS.

Greater personalisation here is essential given the almost even split between people who like personalised offers in a shipping update and those that do not.



**61%**

of consumers say personalised offers in tracking updates are a marketing technique to get them to spend more money

**55%**

are happy to receive personalised offers in tracking and shipping updates but only if they can opt out of ongoing brand comms once the item is delivered

53%

are happy to receive personalised offers in tracking updates but only if they're not sent too frequently

47%

say personalised offers in shipping updates are trying to get them to buy last season's items or slow moving stock

44%

say receiving personalised tracking or shipping updates gives them more confidence in the brand they are buying from

42%

say receiving personalised offers in tracking or shipping updates is a benefit that makes them more likely to repeat purchase

**41%**

say personalised offers in updates would make them more likely to try new products or ranges from the retailer

**39%**

say personalised offers in tracking or shipping updates would make them more likely to try new products or ranges from another retailer (product or brand recommendation)





Personalisation techniques

RETAILER AND BRAND STRATEGIES FOR PERSONALISATION SHOULD ANALYSE AND ENHANCE CAPABILITY ACROSS THE FOLLOWING CATEGORIES, BUILDING IN CARRIER PARTNER COMPARISONS SO THAT THEY CAN ENHANCE THE PROMISE MADE TO CUSTOMERS.





1. Real-time tracking and notifications

Focusing on providing real-time order tracking to keep customers informed about their package's location and estimated delivery time provides a level of transparency that enhances the overall customer experience.

2. Customised delivery options

Offering flexible delivery options, such as same-day or next-day delivery, time slot selection, and alternative delivery locations, allows customers to tailor the delivery process to their convenience.

3. Personalised communications

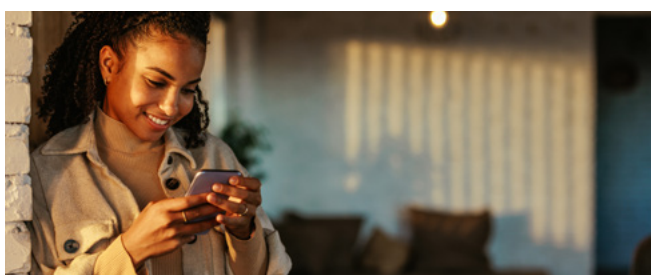
Brands are leveraging customer data to send personalised communications post-purchase. This includes order confirmation emails, personalised recommendations, and feedback requests.

4. Post-purchase surprises

Some companies are incorporating surprise elements in their deliveries, such as personalised thank-you notes, exclusive discounts, or small gifts. These unexpected gestures contribute to a positive overall customer experience.

5. Interactive and immersive experiences

Augmented reality (AR) and virtual reality (VR) technologies are being explored to create interactive and immersive post-purchase experiences. This could include virtual unboxing experiences or product usage tutorials.



6. Customer feedback integration

Brands are actively seeking customer feedback and integrating it into their post-purchase processes. This could involve sending surveys, providing easy channels for feedback, and using the insights gained to improve future customer experiences.

7. Subscription models and loyalty programmes

Subscription models and loyalty programmes are being used to personalise the post-purchase experience. Tailored recommendations based on past purchases and exclusive perks for loyal customers are common strategies.

8. Social media integration

Brands are integrating social media channels into their post-purchase strategies. This includes encouraging customers to share their experiences on social platforms, creating user-generated content (UGC), and using social listening to respond to customer feedback.

9. Artificial Intelligence (AI) and Machine Learning (ML)

AI and ML technologies are being employed to analyse customer data and predict preferences based on their browsing and purchase history, as well as their social media activity. This information is then used to personalise recommendations, promotions, and communications during and after the purchase process.



Case study: Biscuiteers

Luxury gifting company Biscuiteers uses the Scurri delivery management platform to give it full control of its 365 days a year, worldwide customer delivery proposition – from dispatch to customer notifications.



Lauren Juster, Sales and Marketing Director at Biscuiteers, explains, *"Control of the customer experience is paramount. If you get the whole gifting experience wrong, it can really turn a customer off coming back and shopping with you again. And because gifting is a highly emotional thing it feels like it is even more loaded."*

Scurri has enabled greater business efficiency by allowing the company to automate key elements of their dispatch process, including carrier allocation, label generation and carrier notification. Scurri also enables Biscuiteers to effortlessly manage its extensive carrier network to scale to meet peaks in demand, offering access to additional carriers when necessary, avoiding the need for onboarding.

In addition, Scurri Track Plus gives Biscuiteers control over the branding and sending of customer notifications during the delivery process allowing the Customer Service team to have greater visibility and provide a highly personalised service.

"Branding is incredibly important to us, so we really want to bring a new level of luxury to the whole gifting experience. The ability to send carrier notifications from us as a brand is a really big step forward for us because it allows us to grow our direct customer relationships. Additionally, we know tracking emails are the most highly opened across the industry because they contain information that customers really want to know so we get an invaluable opportunity to put the right kind of messaging in front of our customers at the right time," said Juster.



Conclusion

RETAILERS AND BRANDS NEED URGENTLY TO PERSONALISE THEIR COMMUNICATIONS WITH CUSTOMERS, PARTICULARLY POST-PURCHASE. AND NOW, WITH THE RAPID UPTAKE OF AI, THE PROMISE MADE MANY YEARS AGO OF ONE-TO-ONE MARKETING HAS FINALLY COME TRUE.

The post-purchase space has become a major sales opportunity for those companies willing to use data insights into customers and able to adopt automated techniques for engagement and promotion.

Discover why online sellers & senders choose Scurri as their delivery management software.

See how Scurri can help you:
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