The Rapid Shift to Ecommerce Has Upended Retail Profitability

Driving e-commerce profitability will require taking on these 4 customer challenges

1. **Identity and Order Fraud**
   - 16% increase in customer retention rates leading to 25-95% improved profits.

2. **Delivery Package Theft**
   - 1.7M packages stolen daily
     - $255M weekly package theft
     - 36% of consumers who have had at least one package stolen
     - Average daily value stolen: $140
     - Average value of stolen package: $25M

3. **Returns and Reverse Logistics**
   - 42% of customers who return a product in past 6 months
     - 23% expected rise in returns versus year ago.

4. **Customer Service and Cost to Serve**
   - 16% of customers who will switch retailers after a single bad customer experience.
   - Pricing premium for superior customer service in retail.

Optimize the Buyer Journey with Data and AI

- **Awareness**
  - Improve targeting and engagement of prospects
  - Customer segmentation
  - Advertising effectiveness
  - Propensity to buy
  - GDPR/CCPA compliance

- **Consideration**
  - Build customer trust by empowering recommendations
  - Consider customer transactions
  - Consider customer demographics
  - cravingly existing customer insights

- **Conversion**
  - Maximize ongoing sales
  - Upgrade/Cross-sell
  - Landing page optimization
  - Reduce cart abandonment

- **Fulfillment**
  - Increase availability of in-stock items
  - Digital or physical offers
  - Same-day delivery
  - Facilitate cost-effective delivery

- **Retention & Loyalty**
  - Maximize customer lifetime value
  - Step 1: Valuation
  - Customer profitability
  - Customer lifetime value

Explore how brands such as H&M, Starbucks and Dollar Shave Club are unlocking the power of data + AI with the Retail Lakehouse on Databricks.