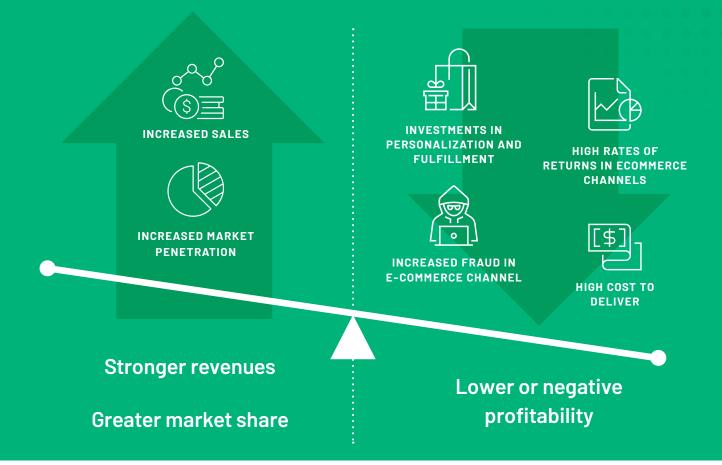


# **The Rapid Shift to Ecommerce** Has Upended Retail Profitability

Offsetting big investments in 2020 and reducing higher cost to serve in ecommerce is a top priority across most Databricks Retail customers in 2021.



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



#### 1. IDENTITY AND ORDER FRAUD





account takeover fraud

<u>\$6.4</u>B

Owners of e-commerce and retail will lose due to fraud



#### 2. DELIVERY PACKAGE THEFT<sup>4</sup>

# 

1.7M° Packages stolen daily

36% Consumers who have had at least one package stolen <u>\$1</u>40° Average value of stolen package

\$25M° Average daily value stolen (\$(\$)\$(\$)\$(\$)\$(\$)\$(\$)\$



Source: 4 The New York Times | 5 Ring Report | 6 News Channel 5 | 7 C+R Research | 8 Clutch



#### **3. RETURNS AND REVERSE LOGISTICS**

42% Customers who have

returned a product in

past 6 months.

23% Expected rise in returns versus a year ago.



Average processing cost per order excluding freight to handle returns.

Source: <sup>9</sup> Shopify | <sup>10</sup> Narvar | <sup>11</sup> Springer Link

#### 4. CUSTOMER SERVICE AND COST TO SERVE

16%"

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5%

Customers who will switch retailers after a single bad customer experience.

33%"

Pricing premium for superior customer service in retail.

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Source: 12 Qualtrics | 13 Harvard Business Review

### Get ahead of these customer challenges with Data and Al



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

#### LEARN MORE

