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84%

OF E-TAILERS SAY CHECKOUTS ARE ABANDONED BEFORE THIS...

NEW RESEARCH REVEALS KEYS TO CONVERSION AND LOYALTY

10 TIPS

TO OPTIMIZE FOR ETAIL

PAGE 10

10 WAYS

TO MAKE SURE YOUR MAIL GETS DELIVERED

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ONE COMPANY

AMAZONIFIED ITS SHIPPING

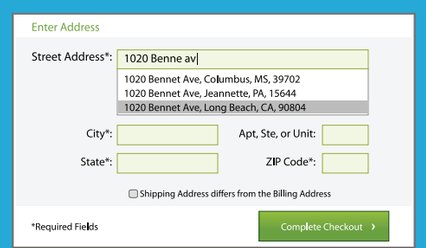
PAGE 8

Speed Up Checkout and Increase Sales

EXPRESS ENTRY AUTOCOMPLETE

Melissa's Express Entry simplifies and speeds the checkout process by autocompleting verified address and email address information as your customer types.

- >Decrease cart abandonment
- >Prevent data entry errors and address correction fees
- >Ensure only accurate billing and shipping info enters your system
- >Format global addresses for faster processing and timely fulfilment



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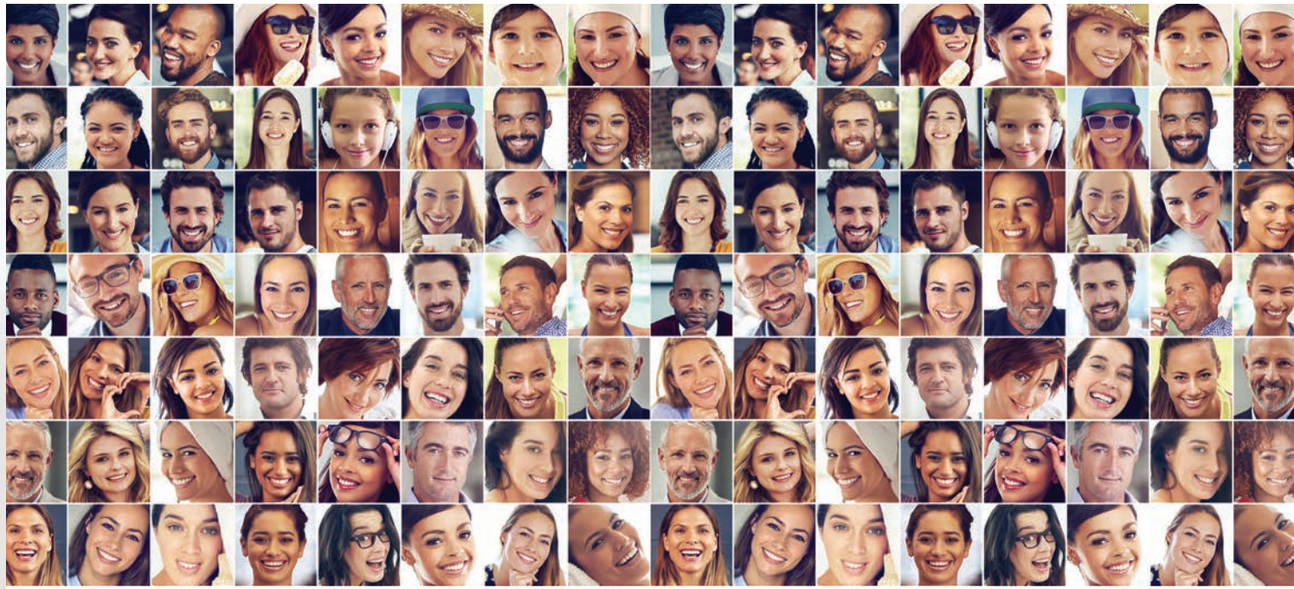

THE CUSTOMER EXPERIENCE STARTS WITH PEOPLE DATA

In the age of international digital business, your data is one of the most valuable assets you have. With good data, you can do business with anyone, anywhere in the world. You can give them exactly the experience they want to help drive not just sales, but loyalty and evangelism.

With bad data, your competitors get to do that business.

And, up to 2 percent of your data goes bad every month.

It's a big job to keep that information fresh, viable, and actionable to expand your business and reach your goals. And, it's an important job. As you'll see on page 12, in an exclusive survey we conducted with NAPCO Research, it is impossible to build a great customer experience without great data.

At Melissa, we're here to help you build great People Data – the kind of data you find in your CRM, ERP, call center, and/or e-commerce systems. Every day we help businesses like yours improve their data quality and make better-informed business decisions. And, after 32 years experience, we've gotten pretty darn good at this.

This magazine is full of case studies, best practices and tips to help you do better things with your data, as well as some examples of how we've worked with companies like yours to clean up data and improve data collection processes that were holding them back.

It's our gift to you. We hope this magazine will help make the big, crucial job of building great data a little more manageable. And, whatever difficulties you may find there, remember, we're here to help.

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DEDUPING FOR A GOLDEN RECORD

When it comes to international addresses, sometimes they are speaking Greek

BY KEITH MALLOY

Say what you want about the United States Postal Service®, at least it offers standardized addresses. This is not the case internationally.

Because of countless local postal and cultural nuances, deduping international data is vastly trickier than deduping domestic data.

For example, there are hundreds of thousands of Zhang Weis in China and countless Aditya Patels in India. Deduping records containing those names without deleting valid customer records is a database-management minefield.

Deduping international data also involves different languages, numeric vs. alphanumeric postal codes, differing quantities of address fields, different content in the address fields and different prefix and suffix indicators.

Some countries have simple two- or three-line addresses. Others require as many as seven lines for the mail to be delivered. Some countries use descriptive addresses such as: "The third-floor apartment in the blue building next to the supermarket."

But with more and more companies operating globally, the need to dedupe international data presents itself as an increasingly complicated proposition.

How can you keep this data clean enough to deliver great customer experiences? Your database is filled with the nuggets of golden information. It's simply a matter of refining them into the golden records you can use.

44% of marketers in our survey (Page 12) said they ship internationally. And 11 percent more plan to start in the next six months.

3 TIPS FOR FINDING THE GOLD

1 The first order of business in deduping international records is standardizing them so they can be put through the process. This is a process that needs highly customized rules that are specific to your data, or a data partner that has extensive experience in the process.

2 Be prepared to save more data than you normally would in single-country deduping. A database may include a record of verifiable shopping behavior at an address that doesn't exist. The past-purchase behavior is verifiably accurate, but the address is clearly not. Do we delete the record? No. The accurate information is too valuable.

3 The best solution is to find other records for the same customer and collapse the valid portions of them into the best record possible – a Golden Record, so to speak. The result is one powerful record that offers the best chance possible of sending accurate, relevant and wanted communications to the customer or prospect connected to it.

PRODUCT SPOTLIGHT:

MELISSA GLOBAL ADDRESS VERIFICATION (GAV) AND MATCHUP

Standardize and Dedupe Customer Data to Improve Deliveries and Single Customer View

As etailers tap global markets for expansion, they run into challenges with international data. Among these challenges are a wide variety of address formatting rules and unique character sets and writing systems for different countries. Not only do these issues present a challenge for timely fulfilment, but they also cause headaches when trying to dedupe and consolidate international customer records. Melissa solutions work hand in hand to meet this important and difficult challenge.

GLOBAL ADDRESS VERIFICATION

Approximately 20 percent of the addresses entered online contain errors: spelling mistakes; wrong house numbers; incorrect postal codes; and sometimes formatting errors that don't conform to specific country postal regulations. This can be a big, and costly, concern for etailers fulfilling international orders.

Melissa Global Address Verification (GAV) solutions verify addresses for 240+ countries in real-time, at point of entry, to ensure only valid billing and shipping addresses enter your systems. GAV will:

- Return a complete and standardized USPS® address including ZIP+4® using a CASS Certified™ engine
- Correct international addresses by adding missing components such as postal codes, region, etc.
- Standardize addresses to meet local country formatting rules
- Transliterate many popular native character sets into Latin

GAV supports many different language sets and can transform non-Latin writing systems (Cyrillic, Hellenic, Simplified Chinese, Kanji, etc.) into Latin characters so addresses can easily be standardized and validated. This process also helps improve the accuracy of deduping as well.

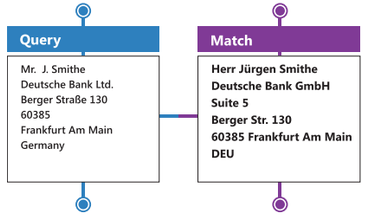
Global Address Verification (GAV) is available as an on-premise API, Cloud service, or as a plugin for Magento®, Shopware®, Salesforce®, Microsoft Dynamics® CRM and Excel®.
For a free trial, visit www.melissa.com/e-gav

MATCHUP

Melissa MatchUp® is the most powerful and accurate matching and deduping solution on the market. What sets it apart from the rest is its intelligent parsing capability to understand and parse the various components of international addresses. By combining deep domain knowledge of international address formats with powerful fuzzy matching techniques, MatchUp gives you the ability to identify and merge/purge even the most difficult to spot duplicate records.

- Save time and avoid embarrassing customer situations with cleansed data
- Increase the accuracy of your customer data: business or consumer, local or international
- Reduce postage and mailing costs by eliminating duplicates using advanced matching technology

MatchUp employs three types of deduping to meet your unique needs. Choose read/write dedupe to compare records from one or more databases simultaneously. Use incremental deduping to compare incoming records against your existing database. Or, opt for hybrid deduping that allows you to customize the process – ideal for both real-time data entry and batch processing.



Global MatchUp's advanced deduping can see through diacritic equivalents to Latin characters and interpret keywords that are the same but spelled differently (i.e. Germany and DEU).

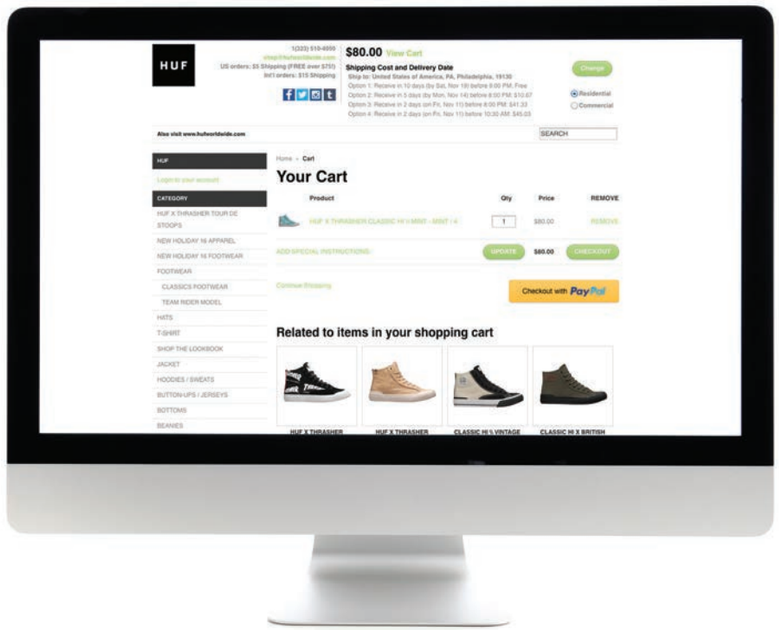
MatchUp is available as an on-premise API and works with both U.S. and international records. MatchUp is also available as a plugin for Salesforce and Excel.
For a free trial, visit www.melissa.com/e-matchup

CASE STUDY:

HUF'S COOL TRICK

Predictive shipping helps online skateboard retailer close sales, increase profits

BY CHRISTOPHER HOSFORD



For every business that relies on e-commerce, Amazon has ruined things. The e-commerce leviathan has so perfected the smooth online shopping process that others are scrambling to meet high expectation.

One area in particular that shoppers have come to appreciate – actually, to demand – is the option of free shipping. The Wall Street Journal recently reported that a majority of orders shipped in the previous year were shipped for free. According to a study by AlixPartners, shipping cost is the second-biggest reason (at 36 percent) online shoppers abandon orders.

Quick feedback on shipping costs and options, as well as delivery times, are hallmarks of what online shoppers now expect.

"Bigger companies are offering free shipping and cost options for faster delivery," said Jino Choi, general manager at HUF, a seller of skateboarding, street wear, and sneaker fashion. "These days you have to be very creative with shipping; you don't want that to be a factor for people to be willing to shop."

ENCOURAGING SHOPPING WITH SHIPPING INFORMATION

Choi, under pressure to create a smoother online shopping experience, turned to tech startup Decimal™.io, whose technology – driven by information supplied by Melissa – now gives customers quick and accurate shipping feedback.

"Using our technology gives the HUF customer a choice of delivery dates and shipping-cost options in seconds," said Decimal.io spokesperson Prakash Upadhyaya. "This can increase purchase rates dramatically, but 99 percent of online companies don't do it. If you can offer it, it's a big competitive advantage."

While Decimal.io's technology calculates where the shopper is located based on geographical IP lookup, as well as shipping rates to that location, its technology wouldn't be effective without the information that Melissa's Express Entry® adds to the tool.

For example, Express Entry provides address verification, which ensures the shopper's address information is accurate and in the correct format for the delivery service. Catching typos and errors at this early stage ensures the package will get to the shopper, and get there in a reasonable time frame. Both are key items to ensuring customer satisfaction and repeat orders.

Express Entry also calculates the shopper's precise distance from warehousing and shipping points. This, in turn, enables the calculation of shipping costs, and at a variety of price levels, depending on how fast the customer wants to get the product.

Express Entry also determines whether an address is a residence or business, which in turn affects shipping costs. Shipping to a home address may cost the online merchant as much as $2 more than shipping to a business. A mistake here increases costs, which can impact or negate your profits.

THE UPFRONT ADVANTAGE OF COSTS

In contrast to Amazon, which offers shipping costs and delivery date estimates only upon checkout, the Decimal.io/Melissa tool shows the shopper this information when an item is added to a shopping cart. It's revealed at the very top of the web page, allowing the shopper to know shipping options before closing the deal.

"Offering the shipping rate window is good and lessens the chance the shopper will abandon the shopping cart," Choi said. "But seeing this before you complete the purchase is critical. If you buy lots of product and at the end see the shipping rate is too high, you may leave without checking out."

Data from HUF underscores how this feature encourages the deal to be closed. Before implementing the Express Entry, HUF's shopping cart abandonment rate hovered at just about 85 percent. Only a few months after connecting with Decimal.io, that was cut to about 77 percent.

"The shopper is now able to pick out the best rate – free for a longer delivery time, or at some cost for quicker deliveries," Choi said.

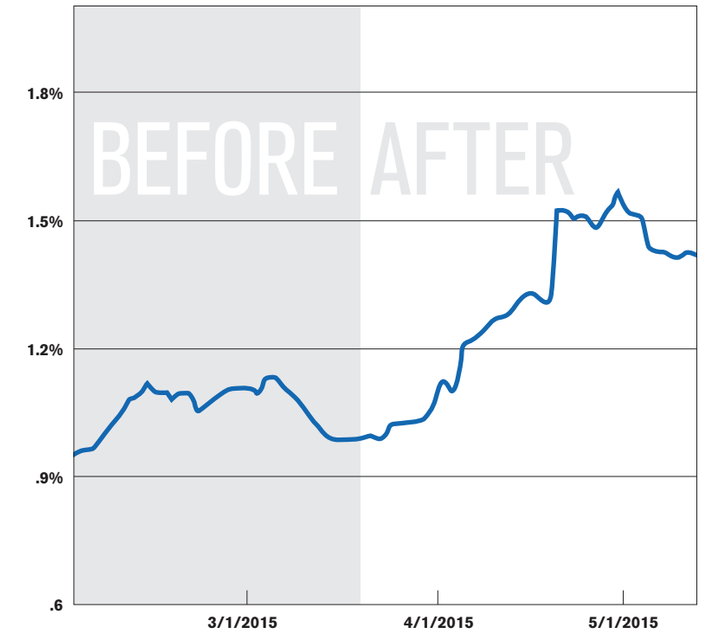
Having the option for faster delivery is appreciated by many, and not just customers. If a shopper opts for faster delivery at a higher shipping rate, the online merchant can build higher shipping margins into higher rates.

Upadhyaya said between 10 and 15 percent of shoppers do choose faster shipping, rather than just free shipping. The added margin helps offset the costs of free shipping, he said, even as the merchant may be able to deliver products on the same or next day.

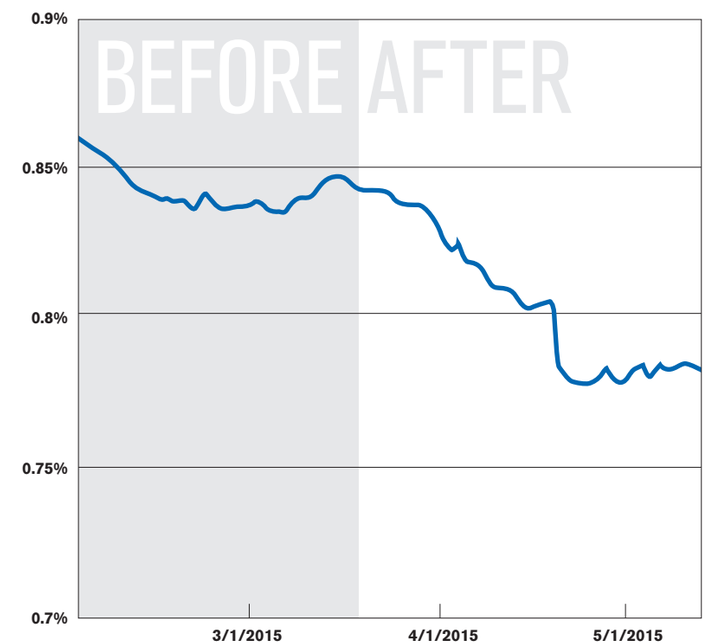
Perhaps the most potent metric associated with Express Entry is increased sales.

"Not only have we been able to reduce shipping rates by 20 percent, but we've probably increased sales by 25 percent since using the tool," Choi said. "And during the holiday season, that's going to be even higher."

30-DAY TRAILING PURCHASES/VISITORS



ABANDONMENT RATE, RECENT (30-DAY TRAILING)



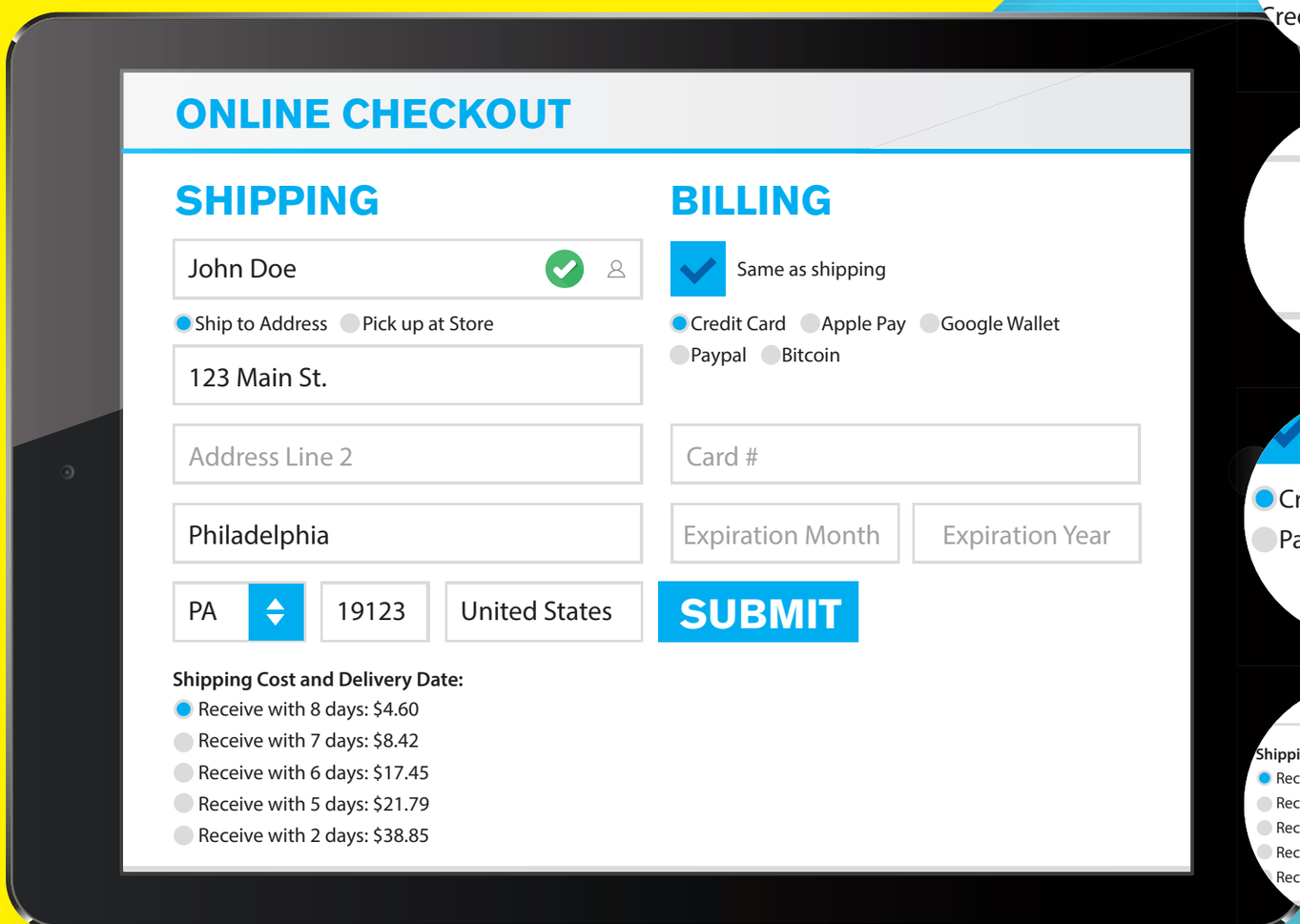
Since implementing the Decimal.io solution, HUF has seen abandoned carts plummet and purchases per visit climb.

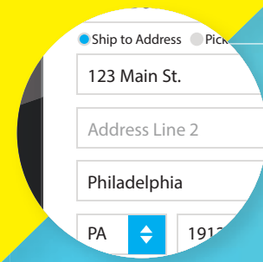
10 TIPS FOR OPTIMIZING CONVERSIONS

HOW TO MAKE ONLINE CHECKOUT THE EASIEST THING ON YOUR SITE

BY ERIC BLAIR

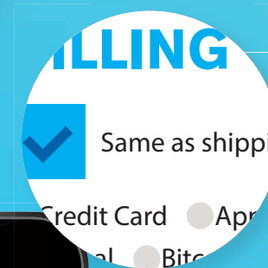
Marketers have a truism: make it easy for customers to give you their money. Creating a checkout interface that is as smooth as possible goes a long way toward achieving this goal. But, designing a customer experience (CX) that facilitates conversions and sales begins long before customers are ready to hit the "buy it" button – and continues long afterward. Here are 10 ways to reduce friction and increase ROI.





AUTO-POPULATE AND VERIFY

Etailers and marketers can smooth the path for customers by using programs that suggest a correct and complete street and email address as the customer types. Solutions like "Express Entry" auto-completion, reduce data entry errors, and ensure only the perfect email and street address enters your system. Verified email and street addresses reduce shipping errors and improve conversions.

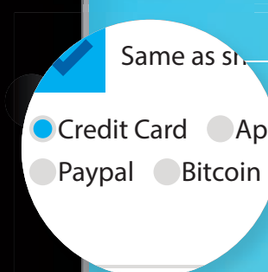


REQUEST LESS

Marketers often don't realize small ways they could streamline the checkout process. For example, if your credit card payment processor can complete transactions without using the card verification value number, they shouldn't ask for it. And, if the billing and ship-to addresses are identical, customers should be able to populate these fields with a single click.

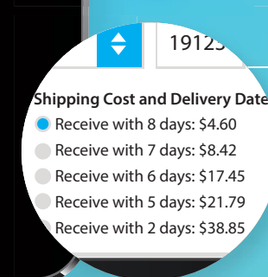
OPTIMIZE CHECKOUT FOR MOBILE

Checkout processes should be completed easily on screens ranging from phones to tablets. These devices' portability means that transactions are less likely to take place while seated in work areas and more likely to be done while the customer is standing or walking in a variety of lighting. Don't get cute with gray-on-gray design. The features on this page should be high-contrast and easily activated.



ACCEPT ALL THE MONEY

Beyond cash and credit cards, customers have several ways to pay, including electronic wallets, Paypal, and even Bitcoin and other alternative currencies. Business-to-business marketers have considerations such as purchase orders and alternative billing options. Customers need to see all accepted payments, and transactions should be easily completed regardless of the option chosen.



AMAZONIFY YOUR SHIPPING

Predictive shipping calculators let you ship, save, and please customers in an "Amazonian" manner. For example, HUF Worldwide uses a solution leveraging "Decimal Shipping Calculator" to predict delivery dates and shipping options on product pages, before customers reach checkout. Boost sales and slash cart abandonment by knowing the rate that will keep shoppers happy and your shipping costs profitable.

BE SENSITIVE TO SHOPPERS' STRESS

Holidays represent the right time to ramp up support staff, or temporarily bring extra processing power online. Customers are likely to express their holiday frustrations by clicking away from the endlessly "processing" checkout page, resulting in an abandoned order.

USE ANALYTICS

The customer checkout experience starts several clicks before the purchase page. If customers are dropping off at specific points, ask whether those pages offer single-click access to checkout. Every unnecessary click is an opportunity for browsers to abandon your site.

TEST, TEST, TEST

Here's a new twist on this classic sentiment: Bring in fresh eyes to test. Relying on in-house testers who know the basic system will skew modification usability results. CX testers should mimic the experience of someone new to, or who has less patience with, the checkout interface.

CONSOLIDATE CX RESPONSIBILITY

Who is responsible for guaranteeing customers have the best possible experiences? If you can't name a specific, single individual, chances are the answer is "nobody."

DON'T BE SHY ABOUT YOUR INNOVATIONS.

Making the customer experience smoother and more rewarding takes work. Done correctly, it results in a more pleasant shopping experience. Why hide this information? Share it! Messaging that reflects your understanding that a customer's time is valuable will be appreciated.

PRODUCT SPOTLIGHT:

MELISSA GLOBAL EXPRESS ENTRY® AND DECIMAL™.IO

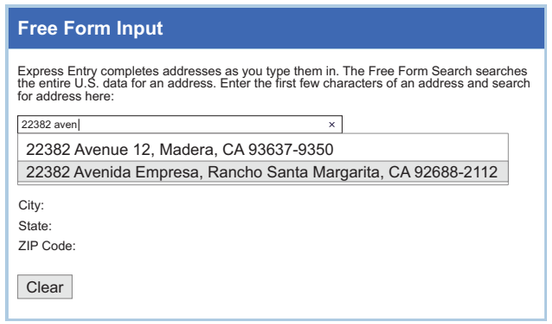
Give Customers the Tools for Easy Checkout and Shipping Options

The key to increasing conversions and sales is giving customers the tools they need for simplified checkout and shipping. Melissa's solutions for address autocompletion and predictive shipping calculations do just that – increase conversions, improve checkout, and slash shipping costs!

GLOBAL EXPRESS ENTRY

Melissa Global Express Entry simplifies the checkout process, helping customers enter their address by suggesting an accurate and complete address as they type. Express Entry also autocompletes email addresses at point of entry. This simple service will save your customers time and prevent typing errors.

- Decrease cart abandonment by checking out quickly
- Ensure only accurate addresses enter your database by allowing customers to autocomplete billing and shipping addresses at checkout
- Standardize and format global addresses to local country format for faster processing and timely fulfilment
- Autocomplete and validate emails during checkout to eliminate the need for confirm email fields while decreasing the chance of bouncebacks



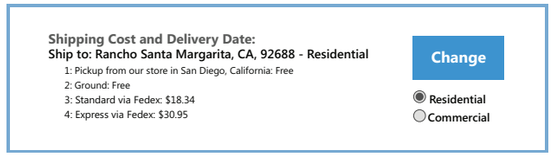
When you enter an address, Global Express Entry's freeform function automatically populates the address fields to complete the address

Global Express Entry validates domains like Gmail, Yahoo, Hotmail, and more while correcting common typographical and syntax errors so you capture only deliverable email addresses as part of checkout and registration

Express Entry is available as a Cloud developer service, or as an easy plugin for Magento® and Shopware® sites, Salesforce®, Dynamics™ CRM, and as a desktop solution for contact centers. **For a free trial visit www.melissa.com/e-entry**

DECIMAL PREDICTIVE SHIPPING CALCULATOR

Melissa's Decimal Shipping Calculator employs shipping-prediction algorithms customized to your business - so you can give customers a range of options for shipping while managing freight costs the way you want. When customers can choose the right shipping option before checkout, they are less likely to abandon their carts at the last minute. It's something Amazon has done for years, and it's easy for you to do it, too! And, on top of that, Decimal integrates real-time processing!



- Increase sales by an average of 15% while reducing shipping costs by 20%
- Better manage carriers and margins with visibility for all available USPS, UPS, FedEx and DHL rates
- Increase warehouse efficiency with advance in-cart box predictions to know which size container your warehouse will use for fulfilment
- Capture the lowest shipping rates with dynamic rate shopping
- Ensure accurate deliveries with instant address verification

Based on IP geolocation data, Decimal is able to calculate the distance from the warehouse to the delivery point and calculate shipping rates based on your rules. Your customers get upfront shipping options before they even start checkout, which increases ecommerce conversions, and because you set the rules, you'll never lose money on shipping again!

Decimal is available as a Cloud service or as a plugin for Magento sites. **Request a free trial at www.melissa.com/e-decimal**

KNOW YOUR CUSTOMER, KEEP YOUR CUSTOMER

Do you have the information to give people a great experience?

BY AMY BRIER AND THORIN MCGEE

Many businesses struggle to understand who their best customers are. This impacts customer retention, the ability to influence repurchase intentions, and opportunities to begin new relationships with prospects that look just like your best customers.

To be successful, you need to know with exactness the wants, wishes, and buying behaviors of individuals. You need to analyze the size of the market and the number of potential new customers that fit your targeted profile. But, there is still more you should know: customers' names; ages; incomes; genders; home addresses; email addresses; marital status; hobbies; tastes; interests; and buying habits.

3 STEPS TO KEEPING YOUR CUSTOMERS

Knowing your customer at this depth is the key to being wildly successful. But, where do you start? Here is a 3-step plan to thoroughly know your customer – and deliver great customer experiences.

STEP 1: CLEAN AND UPDATE YOUR DATA

Data isn't data, it's people. It's who they are, where they are, and how they live their lives. Your data has to capture moving to new locales, changing jobs, getting married, having children, buying property, and more.

As lifestyles evolve and locations change, customer data changes. That means your data decays. It becomes less accurate by about 2 percent per month. Over the course of a year, 25 to 30 percent of your data becomes wrong.

In order to keep your data clean, you need to remove bad contacts and prevent errors from taking over. You must verify and standardize postal addresses, update address data, and validate and update phone numbers and emails.

STEP 2: ENRICH IT

It's amazing how much data you can fill out in your customer records just by running them against other data. Data append services can provide an encyclopedia of useful information for consumer marketing:

- Location
- Full contact information
- Demographics
- Firmographics
- Geographic data
- Buying habits

With that information, you can tailor your message to what the customer wants to hear, and how they want to receive it. This helps with lead scoring, upsell/cross-sell efforts, and more.

The same is true for B-to-B, except instead of personal details, you see all the ins and outs of different businesses. Accessible data includes:

- Company name
- Company size
- Net worth
- Sales volume
- and more

Those enrichments help you focus on your target audience. For example, if your business is selling umbrellas and rubber boots, you would be better served targeting consumers in rainy climates, such as the Pacific Northwest, rather than Arizona or California.

STEP 3: BUILD PERSONAS AND INSIGHTS

Know your best existing customers to recognize your best new customers. How do you do that? Check out a customer look-alike report and get your persona. Persona marketing offers a profile or composite of your best customers.

Within your consumer database is a demographic of individuals with similarities to each other – i.e. look-alikes. They may be the same age, have the same gender, live in similar dwellings, be of equivalent income brackets, be registered with the same political party, use the same social channels, share buying habits, and much more.

Procuring a look-alike report and persona can help you adjust your brand voice and craft consistent messages that speak to your most loyal base. Once you are armed with this insight, you can look for lead generation products (mailings, sales leads and email lists) connecting you to prospects who share the same demographic persona as your best customers.

3 DATA RISKS TO CONSIDER

While knowing your customers will help you keep them, there's no surer way to lose customers than by failing to protect their data. That's why compliance always needs to be top-of-mind when you're cleaning, enriching, and working with people data. Here are three top risks to avoid.

RISK 1: DATA BREACH AND NOTIFICATION

As we've seen repeatedly in the U.S. economy, any large repository of data is at risk of breach, whether accidental or targeted. When a breach occurs, you may be responsible for identifying what data was leaked, notifying customers and making amends.

The thing is, laws governing this compliance are not settled, and many are moving through various world governments now. So, the liability you had at the time you collected the data may change based on future legislation. Therefore, it is important to keep your data secure, updated, clean, and, where at greatest risk, anonymized through tokenization or other means.

RISK 2: INTERNATIONAL INCONSISTENCY

Just as Canada's spam laws impact almost all American emailers, data laws in other areas – be it Canada, the EU, India, or other regions where your customers may live – impact almost all American companies that keep customer data.

The patchwork of international data and privacy is a topic for dedicated professionals and in-depth study. You are not protected from the EU or other countries' data laws because you are based in another country. But, at the same time, it's not something every business should expect to be able to follow on its own.

That's why it's important to bring the right partners in to help you manage international markets and the data that comes with them.

RISK 3: INDUSTRY-SPECIFIC REGULATIONS

Many data compliance risks that affect all businesses – Is it secure, and what will you do if it's breached? Are you following privacy laws in the regions you operate? – but industry-specific data regulations can be the strictest and trickiest.

Industries like finance and healthcare face significant specific regulation of how they handle data. If you are developing FinTech apps, for example, the U.S. government may want access to that data, and they can get it through the Patriot Act or other laws. Your liability for facilitating that access is something to discuss with a lawyer and ensure you have the capability to deliver.

Healthcare has its own set of concerns regarding patient rights, provider access, and a slate of laws – starting with the Patient's Bill of Rights in the 90s and running right through the Affordable Care Act – that impact how you're allowed to handle customer data.

PRODUCT SPOTLIGHT:

MELISSA PERSONATOR® AND DATA ENRICHMENT SOLUTIONS

Verify and Enrich Data So You Can Know Your Customer; Meet Their Needs

As an etailer, it's imperative that you Know Your Customer (KYC) in order to keep your customer. Melissa's solutions can help you address key KYC issues by ensuring you capture accurate data for timely fulfilment and fraud prevention; as well as enrich your customer data so you have a better picture of "who" your customers are and "where" they are coming from.

PERSONATOR

Personator is a unique, all-in-one Cloud verification and enrichment solution that you can easily integrate into your applications, shopping carts, and forms. Personator leverages a database of over 2.1 billion records to power a variety of cleansing and appending features. You can implement Personator for both real-time verifications at point of entry and periodic batch cleansing to keep your data accurate and up-to-date.

Contact Verification

Personator will verify, standardize, and complete all your people data – name, address, phone, and email as they are entered.

- Verify U.S. addresses and perform aggressive address correction
- Correct email address syntax, lookup domain and update it, and standardize formatting
- Verify phone numbers, update area codes, and format

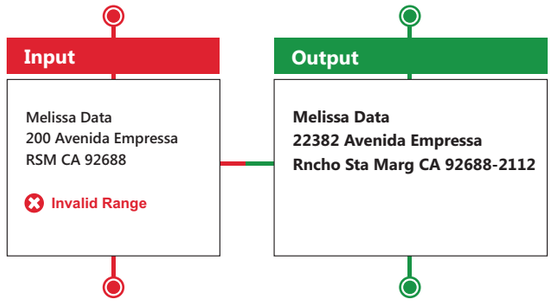
ID Verify

Personator will verify that all the given elements – for instance a name, address, email, and phone number – are correlated. This is useful in performing quick lookups to ensure a name matches a given address for quick and simple ID verification during checkout.

Contact Complete

Personator can fill in missing gaps in your contact database by tapping into a vast, multisourced database to return any and all of the following associated with a contact: consumer/business phone number; email address; name; and/or postal address.

Having complete contact information for your customers helps optimize omnichannel marketing efforts and business insight.



Personator's aggressive address correction identifies an improper street range and taps its comprehensive database of business names to identify the accurate street address for this company.

Contact Enrich

Personator empowers you to add valuable demographic data to your customer and prospect records to identify the traits of your best customers for target marketing, segmentation, and loyalty initiatives. The demographic elements Personator can append include:

- Date of Birth
- Deceased Information
- Gender
- Presence of Children
- Number of Adults
- Marital Status
- Home Owner/Renter
- Household Income (range)
- Length of Residence
- Dwelling Type
- Occupation

Move Update

Personator contains records for U.S. residents that have moved in the past 20 years. By updating your records with change-of-address info, you can improve the quality of your address database and eliminate costs associated with returned shipments and undeliverable communications, including invoices and marketing collateral.

Personator is available as a Cloud service or as a plugin for Salesforce®, Dynamics CRM™, and Excel®. **For a free trial, visit www.melissa.com/e-personator**

INTERNATIONAL GEOCODING

In addition to U.S. and Canadian geocoding solutions, Melissa provides reference data related to postal addresses for 40+ countries including Australia, Germany, Hong Kong, Mexico, United Kingdom, and many more. By converting your international addresses to a precise lat/long coordinate you can build maps and empower location intelligence for network planning, market analysis, and transnational organization problem solving.

Rooftop geocoding combines the intelligence from multiple sources for precise results combined with algorithms that improve matching and processing speed, resulting in the most accurate match to an address for many areas of the world.

Geocoding is available as an on-premise API, Cloud service, or plugin for Excel®. **For a free trial, visit www.melissa.com/e-geocoding.**

IP LOCATION

Melissa IP Location solutions add comprehensive geolocation info to the IP addresses of your web visitors including country, region, city, lat/long coordinates, postal code, Internet Service Provider (ISP), and domain name. Knowing where your website visitors are coming from helps improve website performance by better targeting marketing campaigns, increasing conversions, and identifying potential fraud and abuse of service.

Geo Redirect

Our service provides a wealth of geolocation data on IPv4 addresses for 99% of the Internet, updated weekly. With this data you redirect a website to another URL based on the location of the visitor. Google Search is a great example of a website that uses geo redirection. If you visit Google.com you will automatically be redirected to your country-specific Google search page. Use geo redirection to serve up the appropriate content for your visitors and customers – from country-specific sites to different language landing pages. This helps ensure the most relevant content for higher conversions and an improved user experience on your site.

Fraud Prevention

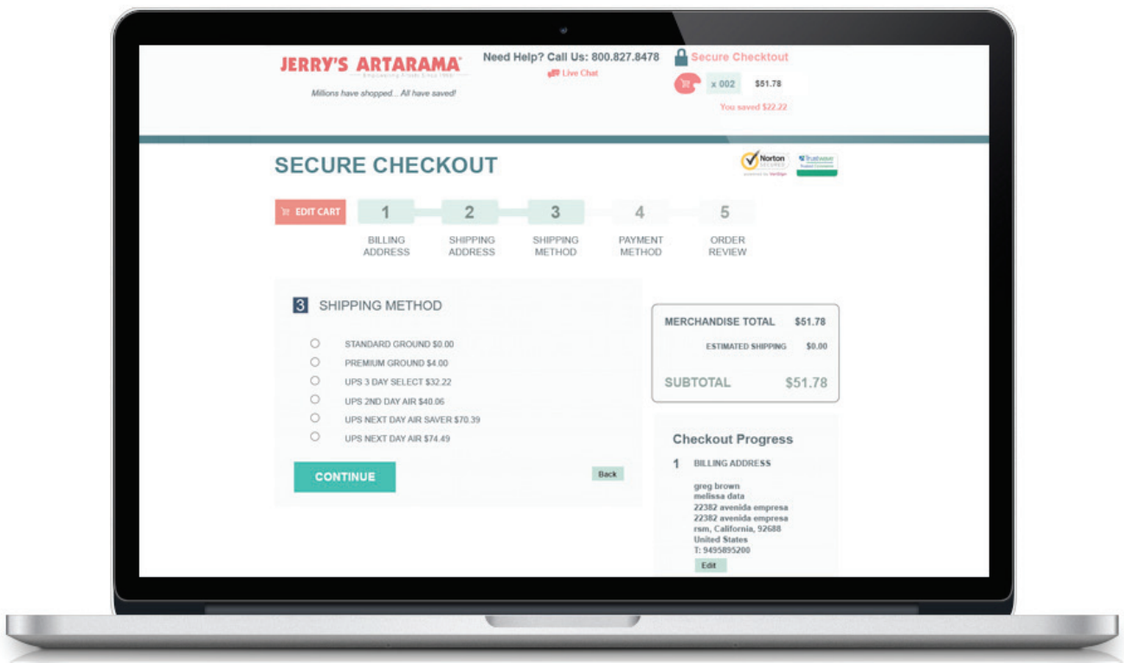
Use IP Location to quickly and easily compare the location of your web shopper with the location of the bill to and ship to address during checkout. If the IP address shows the shopper is in the Ukraine, for instance, and the billing address is in Dallas, Texas – this could be potential fraud. IP Location allows you to flag these transactions for future intervention before completing the order.

IP Location is available as a Cloud service. **For a free trial, visit www.melissa.com/e-ip**

CASE STUDY:

JERRY'S ARTARAMA

How to make e-commerce address verification a fine art



The world of e-commerce has seemingly digitized everything, from shopping to ordering and paying. Quick and easy, right?

Not quite: The one thing that's remained pervasively analog for many e-commerce companies is shipping, and that can often be their biggest weak link. If the shipping or billing addresses are not accurate, even by just a small bit, products might not arrive and customers can get very grumpy.

"Shipping can definitely be a pain point with e-commerce and mail orders, and problems here can really impact customer retention," said Michael Marchetta, director of marketing operations at Jerry's Artarama, a Raleigh, N.C.-based supplier of fine art painting supplies like brushes, paints, easels, and drawing materials. With 16 physical locations in the U.S., and a substantial ordering business, Jerry's is a mainstay supplier for art schools, individual artists, and hobbyists who want professional equipment.

But, as with any ordering process, address verification has been a traditional challenge for Jerry's, Marchetta said. Online customers might mistype their addresses, or provide slightly off destinations during phone orders. Business addresses are usually treated differently than residences for delivery purposes, and misidentifying one for the other can cause lost packages and incorrect shipping address charges.

"And, with the increase in mobile phone orders, the 'fat fingers' syndrome has caused even more incorrect addresses," Marchetta observed.

It's bad enough when customers' patience is stretched to the breaking point because of lost or inordinately delayed orders. Equally painful to any supplier are credit card charge-backs, charges to cover return costs, and additional penalties.

TECHNOLOGY TO SOLVE A NON-TECH ISSUE

Some four years ago, Marchetta decided that more technological innovation was called for, – using software tools from data quality software and address verification provider Melissa – when "it absolutely, positively has to be there."

"We had been using Melissa for validating phone orders," Marchetta said. "We then began to expand it, building out its capabilities on the Internet side."

Today, Jerry's Artarama uses Melissa's cloud-based Personator, both to validate contact information and to update addresses for customers who have moved. In addition, the tool verifies the customer's entire record, matching a particular name to an accurate email address, phone, and physical address, while adding geographic and demographic data for better segmentation and targeting by the marketing team.

The process also calculates the shopper's precise distance from distribution points, enabling quick calculation of shipping costs at several price levels, depending on how fast the customer wants delivery.

Marchetta then took things to a higher level, adding Melissa's Magento plug-in to Jerry's ordering site. Magento provides an autocomplete address verification feature; as a customer types in an address, the tool automatically presents a suggested correct version, allowing the customer to choose a valid address that's also easily recognized by shippers.

Magento-based sites also add missing components such as region or postal codes. It's estimated that the automated process cuts data entry keystrokes in half, thus speeding checkout and reducing shopping-cart abandonment.

"The beauty of the Magento plugin is that it shows the customer right away that he's going to get his package delivered to a correct and validated address, while protecting us against fat fingers," Marchetta said.

When combined with Melissa's Global Address Verification cloud service that parses locations in some 240 countries, Jerry's now has address verification technology that covers much of the globe. And that fits in perfectly with the company's expansion plans.

"The international market represents a key opportunity for us," Marchetta said. "Having the correct tools not only means we can verify particular addresses that are matched with their countries, but also to accurately consolidate orders."

KEEPING CUSTOMER ORDERS SAFE

Marchetta noted one more challenge facing all e-commerce sites: fraud. The unfortunate fact is that personal data, including credit card information stored in massive databases at banks and companies, are sometimes hacked by international operatives.

With Melissa tools, Jerry's now has the capability of determining in real time if a customer is who he says he is, cross-validating shipping and billing addresses, phone numbers, email addresses, and even IP geolocation.

"We're taking drastic measures to assure that our customers are protected," Marchetta said. "Because banks can be a little slow to respond to suspicious credit card activity, that leaves us to do a lot of the work. But we'd do it anyway. It's the right thing to do."

Doing the right thing has a happy financial side as well. In 2016, the technologically fortified Jerry's site enjoyed a 30 percent reduction in ordering mistakes, Marchetta said. With both reduced returns and foiled fraudulent orders, significant savings in shipping cost-backs and penalties have been realized. And customer satisfaction and retention mean repeat business, and more cross- and up-sell opportunities.

"Over time, the benefits, savings, and enhanced revenue are going to get better and better," he said. You might say that Jerry's Artarama is getting things down to both a fine art and a fine science.

BY NATHAN SAFRAN

What Kills the Customer Experience?

Exclusive research to help drive conversions and loyalty during the online purchase process

According to a recent comScore survey of more than 5,000 shoppers, consumers this year are buying 51 percent of their purchases on the web. Considering that number was 47 percent in 2014 and 48 percent in 2015, we are clearly seeing a rise that beckons, accordingly, for increased attention to our customers' preferences and behaviors, as well as to our competitors' means of attracting and retaining business.

In answer to that need, data quality firm Melissa recently commissioned NAPCO Research to complete a wide-scale commerce survey of 126 e-commerce managers. Participants were asked to speak specifically about their perceptions regarding 1) obstacles to customer conversion and loyalty and 2) the role of improved data accuracy in approaching these challenges.

Our findings revealed that in the life cycle of the online purchase, two primary "pain points" are evident: checkout and delivery. For customers, these intersections can yield a sense of dissatisfaction sufficient to cause shopping cart abandonment or even refusal to shop at the site in the future. For e-businesses, consumer dissatisfaction can yield dramatic reductions in revenue potential.

Upon further probing into these pain points, general agreement among participants is that customers want checkout to be easier and delivery to be more accurate.

The vast majority of e-commerce respondents acknowledged that improving their websites' user experience at checkout would increase conversion rates and that suboptimal product delivery has impacted their bottom line.

While strategies to attract more shoppers to purchase are a key part of any strategy, the survey results within these pages demonstrate that it represents only half the battle: E-tailers must not neglect the user experience, which both dictates the customer experience and defines data accuracy.

As we usher in 2017, 51 percent of all purchases are now being made online – that is 3 percent more than last year and 4 percent more than 2015. With that increase, the demand for excellent customer service is being felt across e-commerce, and it's only intensifying with more competition to capture consumer business online.

Today's e-tailers are therefore facing a critical need to identify and improve any points of friction and failure existing within the customer experience they provide. Before action can be taken, the right questions must be asked; to that end, Melissa commissioned NAPCO Research to conduct a detailed survey that examines the life cycle of the online purchase, identifies those areas at which customers are most likely to become dissatisfied with their experience, and reveals the impact poor customer experience and inaccurate customer data are having on e-tailers.

electronics, and more. The survey was conducted online and included a mix of multiple choice and open-ended questions, enabling us to obtain both quantitative and qualitative inputs on the issue.

CHECKOUT: A PRIMARY AND COSTLY 'PAIN POINT'

Sellers know that their first priority is to make customers happy. Online customers in particular have ever-increasing expectations of their shopping experience, and their dissatisfaction is often manifested in the abandonment of their shopping carts prior to purchase.

that tracks shopping cart abandonment, the average consumer abandons their shopping cart before making a purchase 78 percent of the time. This figure inarguably represents not only a great number of lost sales, but also missed opportunities for numerous future purchases, both from that individual and other customers they might have referred to the site.

To demonstrate how meaningful the online user experience can be to the bottom line, one study showed that Bank of America increased its customer registration rate by 45 percent upon redesigning the online registration process.

percent who regarded content as the most important aspect.

The existing research is clear: User experience is supremely important to buyers. It contributes, at least in part, to up to three quarters of purchases being abandoned before checkout, and improvements in user experience can have substantial lift on conversions.

How well do retailers understand the importance of a seamless purchase process to driving conversions? Eighty-eight percent of respondents acknowledged it is "very important" that their websites' checkout process be as easy as possible for customers (Figure 1).

This admission suggests that, by now, 15-plus years into e-commerce, retailers understand that a seamless buying process is the price of admission to the online buying party.

Yet, just because they understand how important user experience is, doesn't mean they've necessarily been able to solve all their challenges and make the process completely seamless for their customers.

"A POOR USER EXPERIENCE LETS YOUR COMPETITION WIN."

In October 2016, we surveyed 126 e-commerce managers across a broad range of business sectors, including consumer goods, media/entertainment, antiques and collectibles, sporting goods, financial services, consumer

Yet how prevalent of a problem is cart abandonment? And, to what degree can improvements to the user experience increase conversion rate?

According to October 2016 data from Listrak, a retail marketing firm

Another study showed how important a seamless buying experience is to customers: 52 percent rank a website's load-times and overall performance as being its most important feature. That's a majority, and far more than the 32

When asked to elaborate on how their businesses are affected by poor user experience, owners and managers were eloquent in their admissions:

- "Inefficient data organization leads to confusion … perceived value, especially of higher-end products, must be effectively communicated for the customer to feel confident in completing the purchase."
- "Page load times and confusing 'next step' processes are what kill us."
- "They browse, but get frustrated if the path to purchase is not smooth."
- "Our website is very difficult for our older customers. If we could make it flow better, it would raise sales."
- "We ask for details that might not be critical at that moment … We don't do anything to encourage them to keep completing."
- "It won't convince the user to buy the product. If they get frustrated or mad, they will go somewhere else."
- "A poor user experience lets your competition win."
- "Poor user experience leads to a significant amount of shopping cart abandonment. As a result, revenues decrease."

It's clear that although e-tailers get how important removing barriers to sales are, they have not yet been able to do so to the degree they would like. Next, we'll explore the specific customer experience barriers they are bumping up against.

Continued on page 28.

4 PROJECTS THAT NEEDED HELP

Not all data endeavors can be done by your in-house team

BY JACLYN DEJOHN

Most companies today have an ever-growing hoard of data. It can be a great resource if you have the pieces in place to use it, but many companies don't have those pieces. Whether you're missing essential data, skills on the team or just the time it would take to put it all together, that gap can really hold you back. That's when it makes sense to get some help.

Melissa's Professional Services department handles all custom data projects, developing and executing processes tailored to each of their client's needs and goals. Data cleansing and verification is a common endeavor within the department, which is completed in mass quantities within quick time frames thanks to Melissa's own Personator database.

"We at the Professional Services team have experience gathered from working with our customers and we can leverage them when consulting," says Kevin Ubay-Ubay, professional services manager at Melissa. "We can suggest ideas and make recommendations. We can tell customers what works and what doesn't work, because we work on a ton of these projects."

A common problem this team deals with is that data gets old and needs to be cleansed.

But data cleansing is far from the limits of what Melissa offers its clients. Here are four cases where the Melissa Professional Services Group helped companies like yours get into a position to succeed.

CLEANING 100,000 RECORDS A DAY

A company in the marketing analytics and research industry came to Melissa for an ongoing project. To improve the cost-effectiveness of their marketing campaigns, it needed clean, deliverable mailing addresses.

The company had millions of data points, but there was no way to confirm the validity of these persons and addresses over time. So Melissa developed a custom automated process to clean the client's data, preventing losses on undeliverable mail.

The first part of the project consisted of batch runs, in which names, addresses, phone numbers, and email addresses were checked – and corrected – against several sources, including Melissa's Personator database, USPS®, NCOA, prison, and deceased records. The data sets were too cumbersome for the client to handle on its own. Some lists, recalled Ubay-Ubay, contained 40 million records.

This task would have been insurmountable without Melissa's help.

"With this type of volume, it's very difficult for them to process it themselves," says Ubay-Ubay. "But because we have the hardware and servers, we were able to process that amount of records – half a billion records."

So far, over 39 million prospect records have been verified, while 33 million more have had their addresses appended to their record, reinstating their value to the client. The project continues with 100,000 records processed daily. Summary reports detail the results and modifications, and are coded in an easy-to-read categorical hierarchy so that the client can consider the report from multiple perspectives.

FILLING IN YOUR MISSING DATA

Incomplete, piecemeal data prevented a direct mail marketing company from reaching its full mailing potential. Much of its contact data had missing or incomplete values, making it relatively worthless – even costly – for direct mailing purposes. But the company didn't know where to start on their own.

As Ubay-Ubay explains, the process would be difficult, "unless they had another source where they could correlate the address- name, city, state, and ZIP Code™ – but we already have that data."

So, after running data provided by the client through the Personator system, addresses were found and appended to records with as little as a name and date of birth. The direct mail company went from having a useless list to a plethora of new prospects to contact.

This method of prospecting is far cheaper than new customer acquisition, and can work with a variety of source material.

"We're pretty flexible," says Ubay-Ubay. "The more data the customer has, the more accurately we can append the data. But, if we have some combination of name, city, state, person's email address, or phone number ... we can find the person and address based on that."

Out of 110,000 records Melissa received, they were able to append full addresses to an impressive 68,000 contacts, salvaging nearly 62 percent of the client's prospects.

CLEANING UP THE EMAIL MESS

An environmental services company had another type of problem for which Melissa constructed a solution. Its email lists were messy and off-target, often resulting in bounced emails, spam and unreached targets.

Melissa cross-checked the client's lists against its database of real, deliverable email addresses, and implemented processes to detect those that have not yet entered their database, starting at the domain level.

"Say the email address is something like somebody@hotmail.com – we check first if hotmail.com has a mailing server on that domain," Ubay-Ubay explains. If it does, Melissa investigates further.

"We want to check if that mailbox actually does exist, so what we do is send a ping out to the SMTP mailing server."

The algorithms can also detect and correct typographical errors within the domain name, such as correcting "johndoe@yaoo.com" to johndoe@yahoo.com – restoring value to useless data.

Overall, 26 percent of the client's email list was bad. But bad data can be made into good data with the right tools. Nearly 77 percent of the problem email addresses were corrected, while fewer than 23 percent of the bad email addresses could not be fixed.

Disposable accounts, spam traps, and fake email addresses were removed from the client's contact lists, and corrected addresses were appended.

WATCHING WHAT YOUR COMPETITORS ARE UP TO

Data services are not just for cleansing and verification: A real estate investing and research company recently employed Melissa on a market intelligence project. Data mining for market intelligence enables a company to stay ahead of the industry, and look for opportunities to innovate and distinguish themselves from competition.

Ubay-Ubay's team received a list of regions that they were to collect market information on. The company, "wanted to learn more about their competitors – what properties they're investing in, buying, and holding on to. If they see their competitors investing in a certain market, they want to know why."

So, on a monthly basis, Melissa gathers relevant market data from both supply side and demand side sources, building a 360-degree view of the market. County assessors, county recorders, and lending entities contribute information, including when the property was sold, who the owner is, what the owner's address is, property and building metrics, and property values.

"Since we have experience working with property data, we can make recommendations and suggestions based on how the process is going to go," says Ubay-Ubay. "We generate multiple types of property reports."

Though the company approached Melissa for this project, the company developed the project specifically for that client's needs and tailored the process and reports specifically for the client's interests.

If there's a type of data you'd love to have access to, a data partner may be exactly the kind of help you need.

PRODUCT SPOTLIGHT:

MELISSA PLUGINS FOR MAGENTO® AND SHOPWARE® STORES

Address Solutions for Cost-Savings and Headache-Free eCommerce

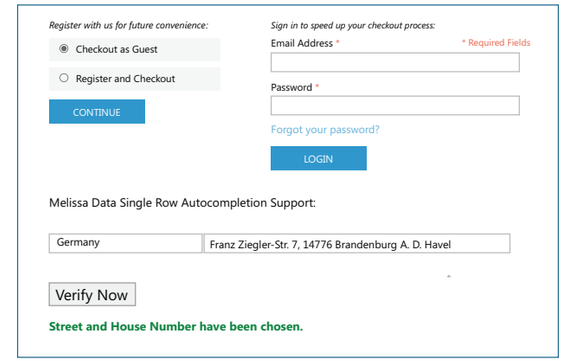
Did you know that 67% of shoppers abandon their shopping cart? It usually happens while completing required checkout fields. Because most shoppers want to buy, why not make it easier for them with Melissa's plugins for Magento and Shopware sites?

GLOBAL ADDRESS VERIFICATION

Our Global Address Verification (GAV) plugin verifies, standardizes, and formats billing and shipping addresses for 240+ countries. Better addresses = better business. Use the plugin for real-time address verification to:

- Reduce address correction charges and undeliverable-as-addressed mailing costs
- Ensure timely deliveries and fulfilment with accurate address info
- Improve communications with customers all around the world

Melissa's Magento and Shopware plugins help you capture and maintain high quality address data during checkout so you can grow sales. We provide:



GAV corrects, standardizes, and formats international address data to local country formats because if it isn't formatted properly, odds are it won't get delivered on time.

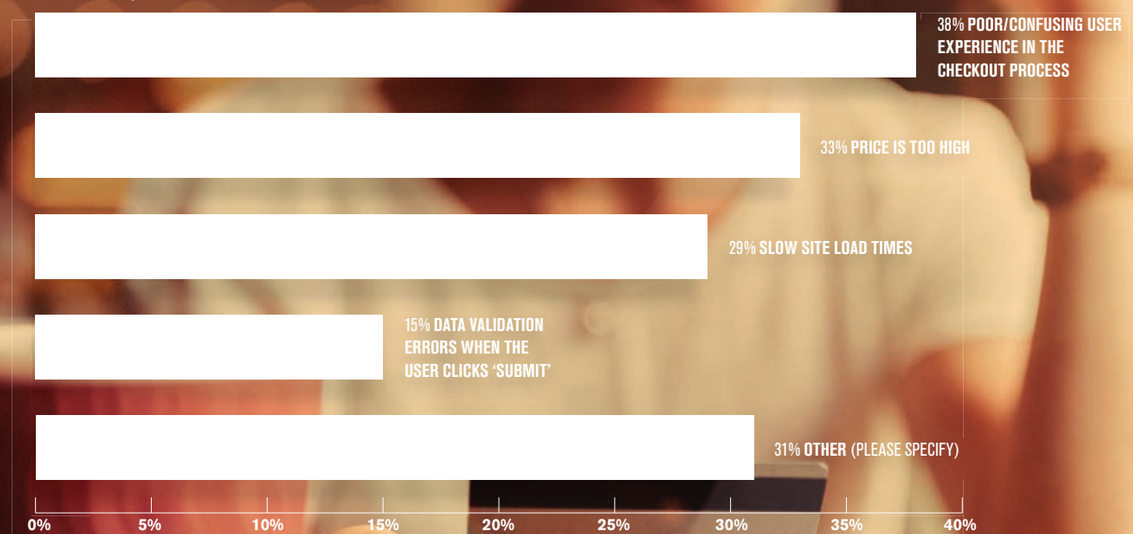
- Easy plugin activation and free trials
- 24/7 availability with 99% uptime
- Free technical support to get you up and running quickly

Both Global Express Entry and **Global Address Verification** are available as plugins for Magento® and Shopware®. **For a free trial of the plugins for Magento, visit www.melissa.com/e-magento; and for a free trial for Shopware, visit www.melissa.com/e-shopware.**

Continued from page 23.

IN YOUR ESTIMATION, WHAT ARE THE MOST SIGNIFICANT REASONS FOR ONLINE SHOPPING CART ABANDONMENT ON YOUR WEBSITE?

FIGURE 2 | N=102



WHAT ARE THE SHORTCOMINGS AT CHECKOUT?

In asking e-tailers to identify the primary customer experience challenges their buyers encounter on their websites, we are prompting a self-reflective process that exposes retailers, warts and all. Respondents were not deterred, however, and the most frequently cited reason for cart abandonment was not related to the cost of the purchase, as one might expect, but rather a "Poor/confusing checkout experience" (figure 2).

Some respondents who chose "other" suggested some customers were 'window-shopping,' adding items to their cart as they browsed the site. This intuitively makes sense when we think about shopper behavior, and there may not be a lot retailers can do about inducing purchase in this case. However, when we focus on factors that can be influenced to reduce cart abandonment, poor user experience in the checkout process stands out from the rest.

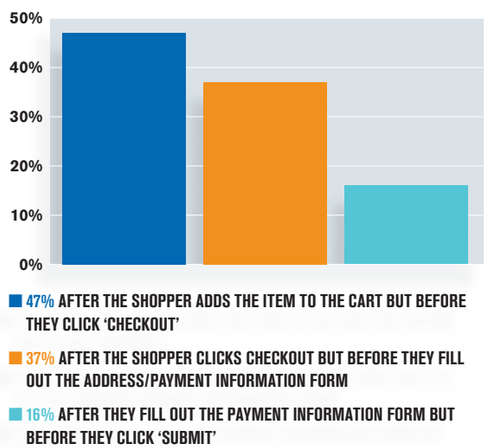
Examples of poor user experience e-tailers say they are still struggling with include:

- "[Customers] are being led to PayPal and may not realize they can check out as a guest."
- "Customers have a hard time editing address information."
- "The form is too long."
- "We need a quick, simple, one-page checkout that works every time on every browser, mobile device and tablet."

CART ABANDONMENT CAN OCCUR ANYWHERE THROUGHOUT THE CHECKOUT PROCESS.

AT WHAT POINT IN THE ONLINE PURCHASE PROCESS ARE YOU SEEING THE MOST SHOPPING CART ABANDONMENT?

FIGURE 3 | N=102



SPECIFIC DEPARTURE POINTS AT CHECKOUT

A customer's sense of satisfaction can deteriorate at any time in the online shopping experience. To narrow the window and provide insight on where e-tail buyers are derailed most, we asked respondents to identify when they see the most cart abandonment.

While nearly half of e-tailers report they are seeing the most cart abandonment after an item is added to the cart but before the shopper proceeds to checkout, a non-trivial percentage (37 percent) reports they see the most abandonment after the shopper clicks "Checkout" but before they complete the payment information (Figure 3). So overall, 84 percent say customers exit the cart before submitting their payment information. Another 16 percent observe customers often completing the payment information, but exiting the site before clicking "Submit."

This pattern – a non-trivial distribution of abandonment throughout the checkout process – suggests that the stumbling blocks, which arise and prevent the shopper from completing a purchase, can emerge anywhere in the buying process.

This should serve as a reminder and call-to-action: To move the needle on reducing cart abandonment, e-tailers must first begin by identifying the problem areas within their specific checkout flow, and the precise effects they are having on business. Once determined, the processes in question may be analyzed and improved

THE BELIEF THAT DATA VERIFICATION WILL REDUCE CHECKOUT PAIN

When asked how our survey participants' online checkout process would improve with upfront address verification and autofill, 31 percent and 55 percent responded "significantly" or "somewhat," respectively (Figure 4).

As discussed in our study opening, respondents see their customers' frustrations as valid and specific: Some shoppers feel forced to choose between filling out a complicated form or using PayPal, and others may have generation-gap-related challenges. A common thread among all is that these online retailers do not, in a word, "know" them.

This is largely due to customer information that is fragmented or scattered, held in numerous incompatible formats, stored in outdated systems, generally not well integrated, and constantly changing without systematic updating.

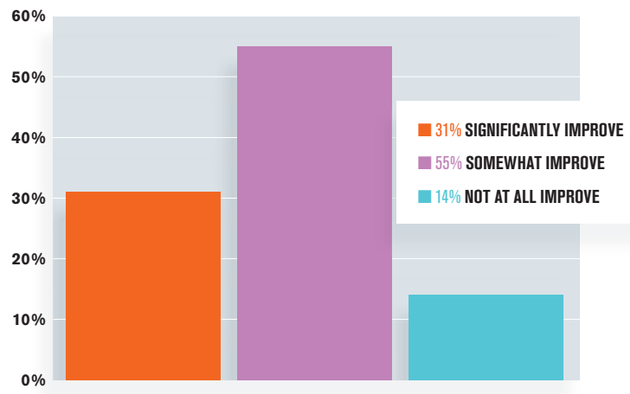
Fortunately, data quality tools and techniques can help resolve the problem of "muddy" data and enhance checkout with an ideal, single view of the customer that eliminates the need to self-identify at every purchase.

Dual-step autocomplete: One form of data verification critical to the smoothness and accuracy of online checkout is pre-verification of the customer's full name, current residential address, and primary email address as confirmed through the use of a data verification solution.

When customers' browser-based autofill functions are employed on their own, shoppers are required to enter fewer keystrokes. However, the advantages end there: The autofill step at checkout may be rife with errors from prior information entry – resulting in, for example, confirmation emails sent to the wrong email address and shipments sent to the wrong residence. Only verified data facilitates truly accurate checkout and shipping.

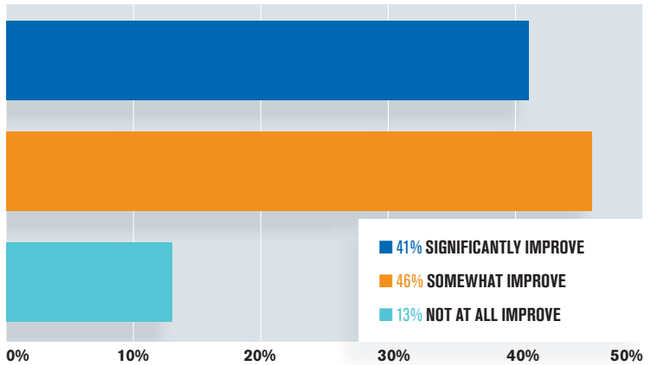
TO WHAT DEGREE WOULD YOU ESTIMATE YOUR WEBSITE'S CHECKOUT PROCESS WOULD IMPROVE WITH UPFRONT ADDRESS VERIFICATION/ AUTO-COMPLETES?

FIGURE 4 | N=106



TO WHAT DEGREE, IF ANY, DO YOU BELIEVE IMPROVING THE USER EXPERIENCE (E.G. AUTO ADDRESS COMPLETION, ETC.) ON YOUR ONLINE STORE WILL ULTIMATELY IMPROVE CONVERSION RATES AND REVENUE AT CHECKOUT?

FIGURE 5 | N=102



CHECKOUT SUCCESS A PRIORITY FOR HIGHER REVENUES

Our research has shown the importance of user experience from the shopper perspective, recognition of that need from e-tailers, and the stumbling blocks that prevent e-tailers from reducing buying friction.

While nearly all e-tailers agree that reducing barriers to sale is at least theoretically important, to what degree do they think it's actually impacting the bottom line?

Eighty-seven percent said that improving their sites' user experience would "significantly" or "somewhat" improve conversion rates and revenue at checkout. This suggests e-tailers view improving user experience as more than a theoretical exercise, and that doing so has importance beyond simply making the process smoother: it has real implications – or at lease e-tailers believe it does – on the bottom line.

One stumbling block for e-tailers is prioritization of user experience improvements against other priorities.

For example, the current e-commerce news is abuzz with profit projections from engaging customers in the latest and greatest "bells and whistles" – technologies like virtual reality, augmented reality, and 360-degree visuals. E-tailers must be cautious about not focusing valuable budget, resources, and attention on the latest and greatest to the exclusion of latent growth hidden in user experience improvements on their website.

69 PERCENT are either much less likely or simply less likely to shop with a retailer in the future if an item they purchased is not delivered within two days of the date promised.

THE SECOND 'PAIN POINT': PRODUCT DELIVERY

At the advent of e-commerce in the 90s, its pioneers were certain that customers would care only about price. The concepts of shopping on the web and customer loyalty, they posited, would never intersect; they were thought to be almost mutually exclusive.

It has remained true that online shoppers consider price an important factor, and that little can discourage them from comparison shopping from site to site. It is equally evident, however, that customer loyalty is felt as frequently online as in brick-and-mortar stores, with the most loyal online shoppers being even more likely to check their favorite sites for new products than those who are primarily in-store shoppers.

This surprising degree of customer loyalty has enormous potential to impact the bottom line, as it is the loyal customers who:

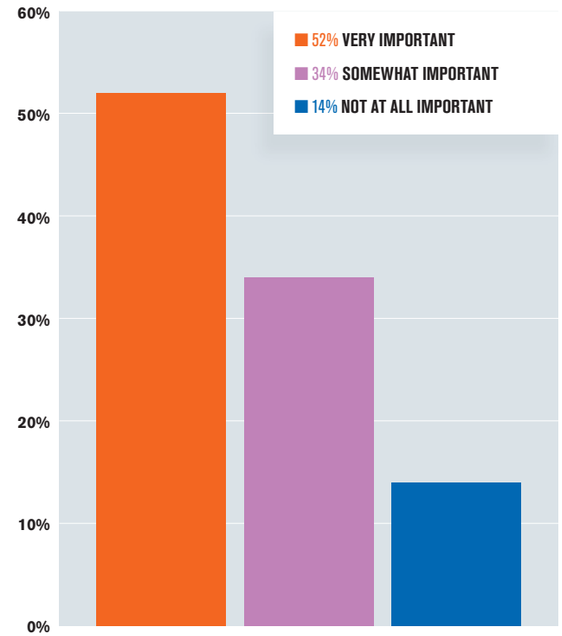
- Spend the most money on the site in general
- Purchase the highest-priced items in particular
- Refer the most new customers
- Buy when the site expands its product line into adjacent categories. For example, almost 70 percent of Gap Online customers said they might buy furniture if it sold at gap.com.

How is customer loyalty affected by product delivery? According to a recent study of 500 online consumers asked to describe their expectations regarding the delivery of items purchased online or by phone, 69 percent are either much less likely or simply less likely to shop with a retailer in the future if an item they purchased is not delivered within two days of the date promised. Additionally, 16 percent of respondents will cease shopping on a site altogether if they receive an incorrect delivery just one time, and 14 percent will do so if they receive a late delivery just one time.

This demonstrates the degree to which consumers are intolerant of delivery mishaps, and may come as a surprise to e-tailers – few likely would have predicted a non-trivial percentage to cease shopping after one incorrect delivery. Such is the rationale for having a system to verify and cross-verify address information.

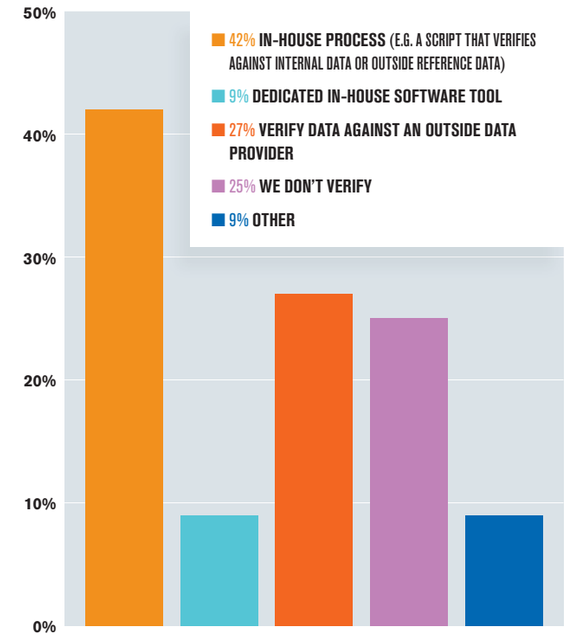
HOW IMPORTANT IS IT FOR YOUR BUSINESS TO REDUCE OR REMOVE FAILED DELIVERY FEES AND COSTS ASSOCIATED WITH FAILED DELIVERIES?

FIGURE 6 | N=123



HOW ARE YOU CURRENTLY VERIFYING CUSTOMER INFORMATION (E.G. ADDRESS, PHONE NUMBERS, EMAIL)?

FIGURE 7 | N=96



FROM RECOGNIZING TO RESOLVING SHIPPING-ACCURACY PROBLEMS

Beyond the risk of customer dissatisfaction, missed delivery fees cost e-tailers real money. One study put the cost of a single shipping-error correction as being $35 to $70, based on the size of the order. These fees quickly add up and end up impacting the e-tailers' bottom line.

Our survey participants agree that this is a formidable problem that they are determined to mitigate: 52 percent say is it 'very important' to reduce failed delivery fees with another 34 percent saying it is 'somewhat important' (Figure 6).

Even with 86 percent of e-tailers attaching some measure of importance to the reduction of failed delivery fees, the largest percentage of respondents (42 percent) rely on an in-house process (e.g. a script that verifies against internal data or outside data provider) vs. a technology solution, whether in-house (9 percent) or external (27 percent) to cross-reference customers' shipping addresses, phone numbers, and email addresses. Despite acknowledging that failed shipping impacts their bottom line, only 13 percent of e-tailers have multiple layers of validation and are using more than one verification method (Figure 7).

Since an external data provider adds an additional layer of validation above and beyond what can be achieved with in-house solutions, there may be a latent opportunity for e-tailers to achieve their goal of reducing failed shipping costs by adding an external data provider to their order fulfillment process.

At minimum, retailers who think external data solutions too costly should undertake an ROI exercise: Identify the dollars lost on failed shipping costs; identify the cost of an external data solution; and estimate cost savings from reducing failed shipping costs. Some may find the investment unjustified, but others will immediately add to their bottom line by adding an external validation partner.

MORE THAN HALF
OF E-TAILERS SEE REDUCING DELIVERY PROBLEMS AS 'VERY IMPORTANT.'

73 PERCENT

OF U.S. CONSUMERS LIVING IN RURAL AREAS (DEFINED AS REQUIRING AT LEAST A 10-MILE DRIVE FOR EVERYDAY SHOPPING) ARE NOW FREQUENT ONLINE SHOPPERS

SHIPPING ACCURACY REQUIRES VALIDATED DATA

The United States Postal Service® updates its address database monthly, relying on mail carriers and postmasters to report any changes or additions within their municipalities. Both the United Parcel Service® and Federal Express® also rely on dedicated systems for maintaining up-to-date address banks. For all three shipment entities, however, accurate documentation of the United States' 120 million home addresses is virtually impossible.

Rural addresses: While the nation's urban and suburban neighborhood addresses are generally familiar to postal carriers, some states – such as West Virginia, Alaska, Mississippi, and Alabama – are more than 95 percent rural. For many such areas, house numbers are neither posted on the exterior nor stored in the databases of USPS®, UPS® or Fedex®. Many roads are even unmarked. Only through the use of cross-referencing address-specific data technology can e-tailers ensure that carriers have the required shipping information to deliver to these areas.

The demand certainly exists: According to a recent study, 73 percent of U.S. consumers living in rural areas (defined as requiring at least a 10-mile drive for everyday shopping) are now frequent online shoppers, vs. 68 percent in 2014.

International shipping compounds shipping accuracy problems. Forty four percent of respondents currently ship internationally and another 11 percent have plans to do so in the next six months. International shipping presents a whole host of accurate customer data problems: International address formats often differ from the U.S. standard and often become garbled in translation from the host language.

For example, a French address might look like this:

134, avenue de la République
36260 TRIFOUILLIS LES CANARDS

This format differs from U.S. addresses and with unique language syntax, can be challenging for shoppers to enter in a U.S.-formatted checkout form. Validating international data without the support of an external data partner can compound international shipping challenges for e-tailers.

Of those retailers who ship internationally, 23 percent pointed to "verifying customer data" as a significant pain point. Among the specific challenges internationally shipping e-tailers pointed to were:

"Making sure international addresses are correct and the company is listed, not the individual. International addresses in software programs are a NIGHTMARE."

"Very time consuming getting shipping correct."

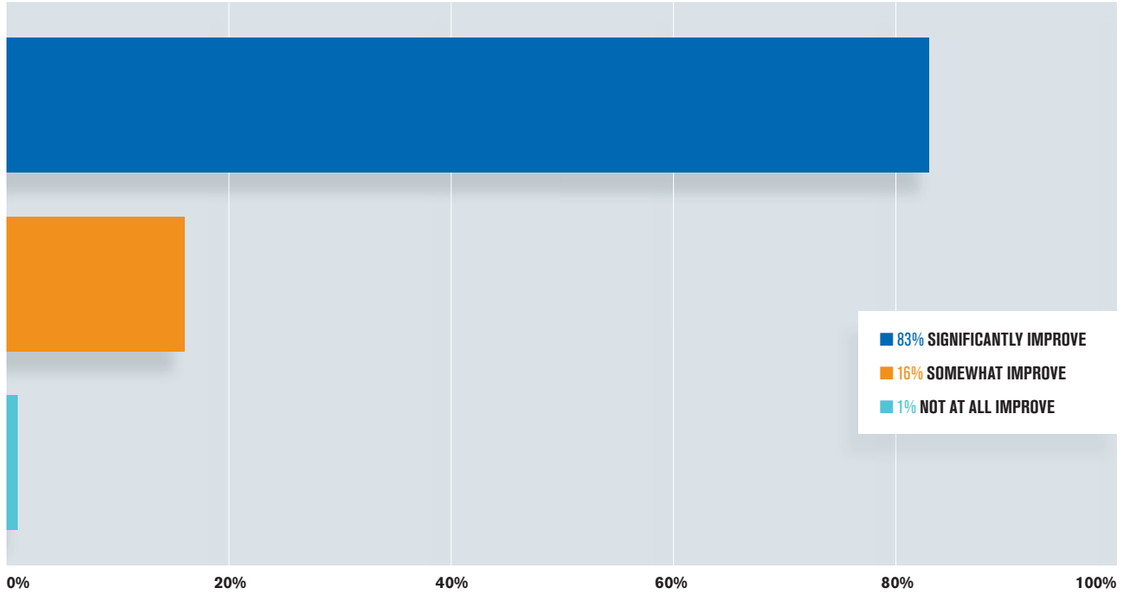
"Accuracy of provided shipping addresses, formatting of provided data files."

User errors in form-filling are another significant roadblock to delivery. Studies have shown that customers make errors 4.7 percent of the time while filling out the shipping address during checkout, causing the shipment to eventually "bounce back" to the warehouse. Although purely a result of user error, most e-businesses will absorb the cost of reshipment in the hope of fostering the customer's loyalty.

The combined hazards of postage database omissions, international shipping challenges, and mistakes in customers' address entries present a compelling case for address verification. When participants were asked to what degree they believed accurate customer shipping data could improve package delivery rate accuracy, 83 percent responded that the improvement would be "significant" (Figure 8).

TO WHAT DEGREE, IF AT ALL, DO YOU BELIEVE ACCURATE CUSTOMER SHIPPING DATA (E.G., ACCURATE MAILING ADDRESS, ETC.) CAN IMPROVE PACKAGE DELIVERY RATE ACCURACY?

FIGURE 8 | N=123



THE ADVANTAGES OF COMPLETE AND VERIFIED DATA

Across e-commerce, entrepreneurs are striving each day to serve an ever-increasing segment of technology-empowered customers. Whereas online shoppers originally may have viewed price as the sole criterion for conversion, today's purchasing habits reflect preferences far beyond the lowest dollar amount. Cost is certainly relevant in 2017, but customer satisfaction is king.

Decoding satisfaction levels during the life cycle of the online customer experience can help e-business identify those areas other than price that can win or lose a customer's positive impression of the site, desire to shop on it again, and willingness to refer it to others. From the surveys described here emerge two key areas – checkout and delivery – that tend to yield suboptimal customer satisfaction, correlating with high rates of cart abandonment, and even revocation of customer loyalty.

Further surveying reflects a frequent commonality between these two often-dissatisfying junctures: a lack of verified and accurate data. Indeed, missing or incorrect information contributes greatly to the frustration felt by customers who are inconvenienced by unnecessarily long forms; the email address errors that go unchecked, causing a loss of future communication; and the disappointment of long-undelivered packages due to unrecognized postal addresses.

This dissatisfaction, along with the bottom-line costs of inaccurate shipping data to the retailer, mandate a need for e-tailers to take action in investigating solutions – technology, user experience improvements, and business process adjustments – that together will enable increases in bottom line revenue and customer satisfaction.

Respondents agree that data verification technology employed for the checkout and delivery stages of a purchase contributes positively to the quality of the customer experience. Thus, as this survey shows, partnership with a data solutions provider to implement data verification technology and improve checkout and delivery is ultimately believed to increase profits.

INACCURATE DATA IS A SILENT THIEF.

TOP 10

DELIVERY ISSUES YOU FORGOT

Key considerations to get it right, deliver it on time and save money!

BY ERIC BLAIR

1. Customers Are Bad at Typing

Especially when filling in small fields on mobile devices. While order confirmation pages or emails can cut down on errors, these are best paired with address verification services. A predictive postal address auto-complete tool alleviates a lot of the headaches that can arise here and leads to much happier customers.

2. Preventive Data Hygiene Saves Money

Database administrators talk of the 1-10-100 Rule: It costs $1 (or 1 pound, or 1 euro, depending on where one is having the discussion) to clean and standardize data at the point of entry, $10 to clean data in batches once it's in a system, and $100 to rectify errors (including make-goods and lost opportunities) if a marketer does nothing.

3. Sources of Data Freshness and Quality Vary

Integrating multiple sources of names and addresses requires determining which source offers accurate information (the "master" data source), and reconciling other sources to it.

4. Headquarters, Satellite Office, Subsidiary or Franchise?

Large corporations can encompass several different purchasing entities, each of which may have its own recipient name or address. Getting these correct can be the difference between being a valued supplier and a would-be one.

5. Data Decays

Roughly 14 percent of Americans alone change addresses each year, reducing the quality of your data. Ensure you data is up-to-date with a Change-of-Address service (also available for many international countries) to reduce undeliverable mail and shipments.

6. Foreign Postal Services Aren't the USPS®

They may have different conventions for basic address fields. Different information may be required to deliver items, or the same information may have to be represented in different order. Work with an in-language, in-culture expert to understand these differences.

7. Name Customs Vary

Family names and given names may be reversed (is the former U.S. Senator from Michigan Spencer Abraham or Abraham Spencer?). In Southeast Asia, a recipient may have only one name (Suharto), or one name and an honorific (U Thant) that can be confused for a first name.

8. So Do Alphabets

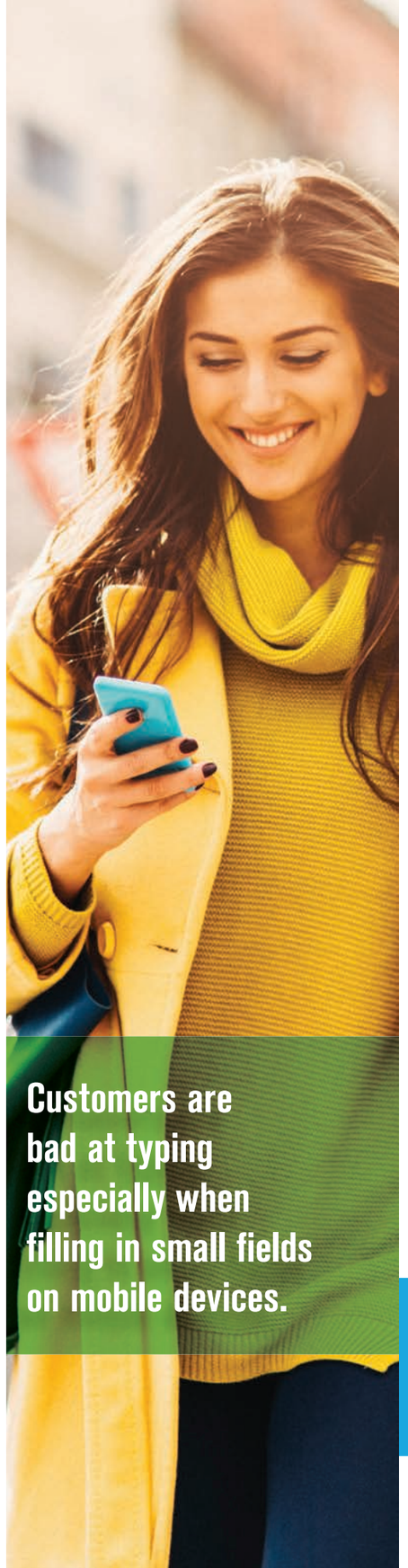
Between diacritics, letters from foreign languages, Asian characters which come in a variety of simplified versus traditional formats, and other characters, addresses may be unrecognizable by postal workers. Learn which formats are most commonly used, and standardize names and addresses accordingly.

9. The Poor P.O. Box

Many non-U.S.P.S. services won't ship to post office box addresses, or Army Post Office or Fleet Post Office addresses. Customers should be prompted for alternative delivery points at the point of purchase when they have entered such an address.

10. Test Mail System Reliability

International postal systems have different standards of reliability. Periodically conduct test mailings and use the results to set expectations regarding how long items sent will realistically take to be delivered – and sometimes whether they will be delivered at all.



WHY MELISSA WHY NOW?

Because accurate, high quality customer data is important to meet all of your customers important needs. But, this data goes bad (up to 25% per year) due to data entry errors and the simple fact that consumers change jobs, move residence, change email addresses, etc.

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- **Verify data** – global address, name, phone, and email verification for 240+ countries
- **Match data** – merge duplicate or similar records for a single view of the customer
- **Enrich data** – add geographic, property, demographic, and firmographic data for better customer insight

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