



BAKER
Retailing Center



The Great Payoff of Delivering WOW! Experiences
*Consumer Study Reveals that Retailers Who Deliver WOW! Experiences
Increase Repurchase Intent by 12%-58%*

Wharton Baker & Verde Group US Consumer Loyalty Study

January 2021

Background and Objectives

In October 2020, The Baker Retailing Center at the Wharton School and The Verde Group – a global customer experience consultancy, conducted its third and largest in a series of studies focused on understanding the impact of customer experience on customer loyalty.

During this study, respondents were asked to evaluate 18 statements that covered potential WOW! shopping experiences. The primary objective of this WOW! analysis was to understand the increase in repurchase intent if indeed the shopper experienced WOW!

As retailers continue to battle for market share, one thing has become more and more evident, consumers expectations of a frictionless experience have not waned. However, when it comes to WOW! Experiences, shoppers have expressed that the bar may not be as high as some retailers may believe it is – and the potential economic advantage may be significant.

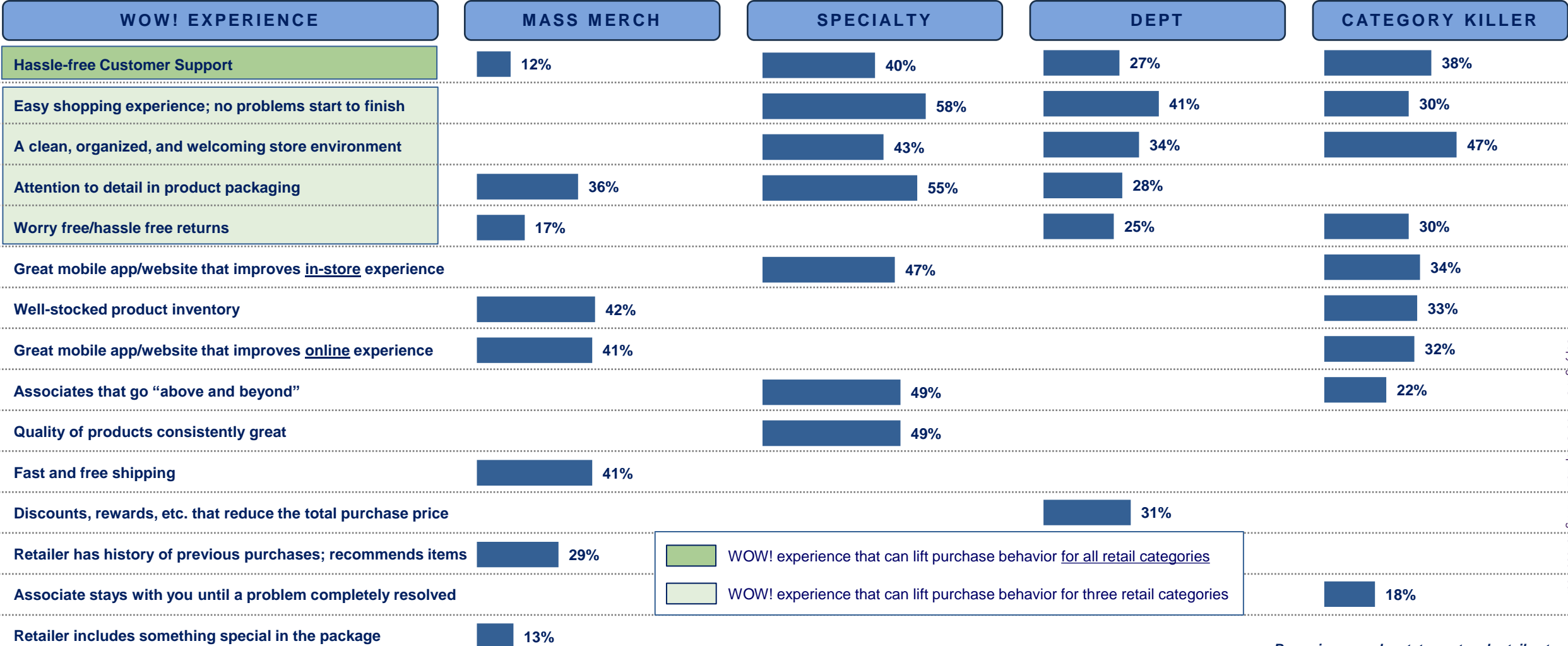
According to the study, **retailers can increase shopper repurchase intent by nearly 60%** by consistently delivering a WOW! experience.



The findings from the study also indicate that delivering WOW! Experiences does not require personal acts of heroism or an employee going “above and beyond”. The study of over 9,400 U.S. consumers found that consistently delivering WOW! Experiences at scale may be more within the grasp of all retailers than one would believe.

While there are slight differences between the retail categories explored, there are five experiences that deliver the broadest impact to all retail formats with one impacting all of the industry sub-sectors included in the study. The most influential experience is delivering “hassle free customer support”. The study also found that repurchase intent is highest when retailers solve problems to a customer’s complete satisfaction. This is not a surprise as often the folks providing customer support are also the ones dealing with resolving customer problems.

Influential WOW! experiences can lift purchase intentions 12%-58%, depending on the experience/retail category. Some WOW! experiences are not influential to purchase intent and therefore, have no applicable lift percentage

Percent of "lift" in purchase intent ("definitely would purchase again") for shoppers that had an especially great influential WOW! experience with the retailer vs. shoppers that did not have the especially great WOW!

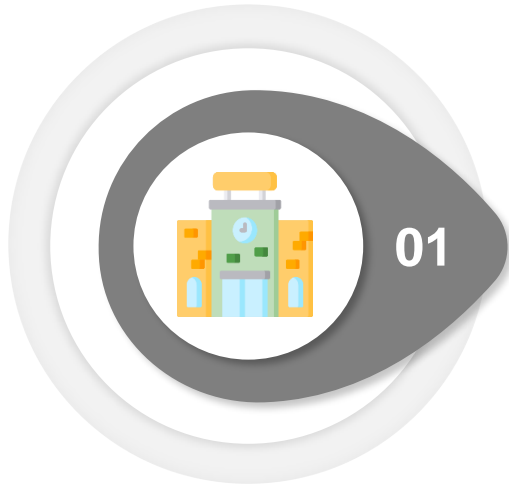


 WOW! experience that can lift purchase behavior for all retail categories
 WOW! experience that can lift purchase behavior for three retail categories

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Base sizes vary by statement and retail category

Understanding the top WOW experiences by retail industry sub-sector.



Mass Merchandisers

For customers who shop at Mass Merchandisers, the WOW! experiences that lift their repurchase intent the most include 1) well-stocked inventory, 2) a great mobile app/website for online shopping, and 3) fast & free shipping



Specialty

1) An easy, enjoyable and frictionless shopping experience and 2) attention to detail in product packaging are the top WOW! experience that are most likely to influence repurchase intent for customers at Specialty stores



Department Stores

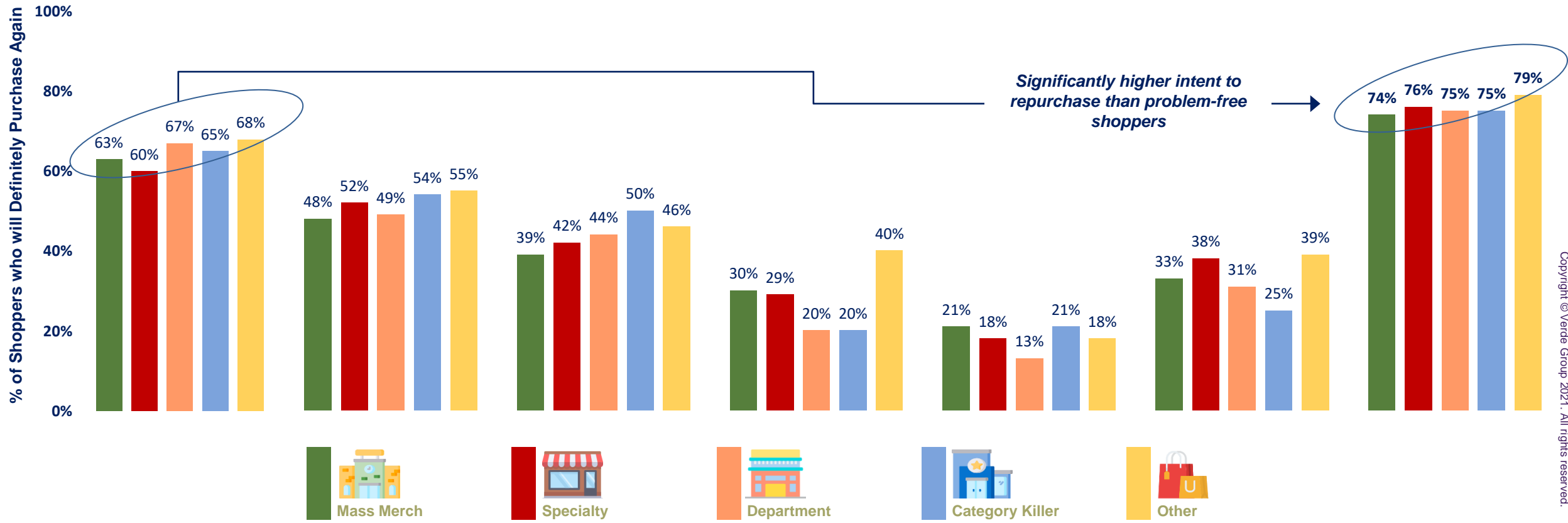
1) An easy, enjoyable and frictionless shopping experience and 2) having a clean, organized and welcoming store environment are the top WOW! experience that are most likely to influence a customer's repurchase intent at Department stores



Category Killers

For those who shop at Category Killers, 1) having a clean, organized, and welcoming store environment and 2) hassle free customer support are the WOW! experience most likely to encourage repurchase behavior

The universal WOW! Experience of Hassle Free Customer Support and completely resolving problems significantly enhances future purchase intent, regardless of retailer type



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