

How Data Quality Drives Profit and Customer Retention

Retail leaders are enhancing profitability. Discover how superior data quality solutions can transform retail business.



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Take Control of Customer Data to Drive Retail Efficiency and Delivery

While data is the foundation for enterprise success, [94% of companies surprisingly admit](#) they work with inaccurate customer information. For retail organizations, that gap is more than an information technology problem. It is a margin problem.

With profit margins increasingly thin, retailers cannot afford to incur avoidable costs across fulfillment and customer service. Accurate customer data, especially shipping addresses, strengthens business insights and helps reduce operational waste, while improving the customer experience (CX) at the most visible moment in the journey: delivery.

Melissa helps retailers turn flawed information into measurable operational value through address verification and data cleansing.

Explore this business impact brief covering:

- Common causes and costs of address inaccuracy in retail
- The importance of address verification and data quality
- How Melissa improves data quality
- The business benefits of using Melissa's tools

Common Causes and Costs of Address Inaccuracy

Address errors often look minor, but their impact compounds quickly at retail scale. These inaccuracies can lead to cascading costs across operations.

The financial impact can be felt through re-shipments, refunds, chargebacks, and write-offs tied to undeliverable orders.

Meanwhile, the logistics impact is reflected by wasted carrier capacity, increased exception handling, and delayed fulfillment cycles. This can diminish customer retention and loyalty, leading to loss of trust when a delivery fails, even if the product and marketing are strong.

The Hidden Cost of Inaccurate Data

- Retailers lose an average of [\\$12.9 million annually](#) to poor data quality.
- For every address correction, couriers require shippers to [pay nearly \\$29](#).
- [58%](#) of consumers would change retailers after a negative delivery experience.

The common drivers of address inaccuracy include:

- **Manual Entry Mistakes:** Customers can mistype their details at checkout.
- **Outdated Customer Information:** Retailers may have incomplete or outdated customer profiles saved.
- **Inconsistent Formatting:** Vague address formats can confuse shipping systems.
- **Fraudulent Data:** Fake information can be used to place suspicious orders and execute fraudulent transactions.

The Importance of Address Verification and Data Quality

Poor data quality creates predictable downstream issues, including packages routed to the wrong address, failed delivery attempts, longer resolution cycles, and frustrated customers. Each outcome increases costs and erodes customer trust, directly impacting revenue and brand perception.

Something needs to change, especially since retail delivery is the final and most visible touchpoint in the customer journey. Prioritizing accurate address data is a business control that helps protect margins and retention.

With validated addresses and accurate customer data, retailers can ensure:

- **Higher operational efficiency** due to fewer delivery exceptions, minimal returns, and less time spent on manual fixes.
- **Lower costs** because of reduced carrier surcharges and fewer re-shipments or refunds.
- **Stronger CX and loyalty** due to more on-time and successful deliveries, enabling fewer negative reviews and less churn risk.
- **Limited fraud exposure**, leading to better identity confidence and fewer risky fulfillment scenarios.

20%

Of postal addresses entered online are estimated to contain errors

Calculate the Impact of Data Inaccuracy



Use this [ROI e-commerce calculator](#) to measure how much flawed data is costing you.

What Melissa Does to Improve Data Quality

Melissa supports retailers with end-to-end data quality capabilities designed to improve deliverability, reduce fraud, and strengthen customer record accuracy across systems and channels.

The key [data quality solutions](#) include:



Address
Verification



Address
Autocomplete



Phone
Verification



Geocoding



IP
location



Digital Identity
Verification

Case Study: Why Data Accuracy Means More Sales

HUF, a prominent seller of skateboarding and streetwear, faced high shipping costs and high cart abandonment rates.

By leveraging Melissa's address verification technology, the Seattle-based e-commerce powerhouse was able to:

- Reduce shipping rates by 20%
- Increase sales by 25%
- Cut an 85% cart abandonment rate to about 77% in only a few months

[Read the Story](#)

The Benefits of Using Melissa's Tools

With the strategy, retailers can translate data improvements into business outcomes while aligning retail priorities across logistics, finance, and CX. The [benefits of using proven address verification tools include](#):

- **Better decision-making:** Teams can make faster, better decisions with clean, accurate information.
- **Higher revenue:** Quality data can help retailers save costs through more targeted marketing and higher-level pricing strategies informed by accurate forecasting.
- **Time savings:** Automated verification speeds up selling processes by freeing teams from manually cleansing data and correcting information.

Overview: Melissa's Unison Platform for Customer Data

Retailers can now enjoy the benefits of cleansing and verifying customer profiles without programming. The Unison, end-to-end data quality platform, is designed with business needs in mind, helping retailers use reliable, accurate data to make cost-effective decisions.

With visual interface simplicity, intuitive matching GUI, secure processing, built-in reporting, and fast distributed performance, see how this all-in-one platform enables businesses to maintain data consistency.

[Learn More](#)

See What Customers Say

In the [2026 G2 Grid Report](#), Melissa scored



Melissa Experts Are Ready to Help Retailers

In retail, delivery failures are a preventable source of customer frustration and expense. With address accuracy and broader data quality, retailers can protect profit and reduce operational waste.

Retailers can invest in reliable data management and verification capabilities to deliver memorable customer experiences while maintaining competitive pricing and executing retail operations efficiently at scale. Use Melissa's data quality expertise and tools to reduce failed deliveries and protect customer lifetime value.



Since 1985, Melissa has been a leading provider of data quality and address management solutions. Melissa's data quality software, Cloud services, and data integration components verify, standardize, consolidate, enhance, and update U.S. and global contact data, including addresses, phone numbers, and email addresses for improved communications and ROI.

More than 10,000 companies worldwide rely on Melissa to gain and maintain a single, accurate, and trusted view of critical information assets.

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