

The Secret Sauce Of Modern Omnichannel Retail: 10 KEY INGREDIENTS

A Recipe For Together
Commerce



For today's consumers, the shopping experience should be the same across every channel. From a retailer's point of view, this new shopper perspective is a radically different way to look at the business compared with the past — requiring significant changes in culture, process and technology.

Developing a recipe for a complete omnichannel retail environment that reflects a retailer's unique brand means getting all the ingredients just right:

1) Embracing today's digitally savvy consumer.

Shoppers expect a seamless and consistent brand experience throughout the buying process; but, research by Accenture found 49% of U.S. consumers say integrating store, online and mobile shopping experiences are the areas where retailers need the most improvement. Retailers need to provide a multitude of tight, integrated touch points not only across channels, but also across devices in the store. A critical element in developing a plan to satisfy the digitally savvy consumer through omnichannel is recognizing that her mobile device is the glue that brings channels together — for example, via store locators and mobile coupons.

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- Accenture



2) Collecting and analyzing key shopper data points.

This data gathering process needs to be both passive and active, and the active, ask-me-a-question part must be as organic as possible, so shoppers see the value in sharing their personal info. Well-designed touch points can even make it fun and rewarding. The back end must include both real-time and predictive analytics tools, to provide instant rewards as well as the ability to develop actionable insights. According to IBM's *State of Marketing 2013*, 39% of leading marketers adjust real-time offers based on context, compared to 15% of others.

3) Coordinating a consistent brand message across every consumer touch point and across all channels.

That starts with defining a vision for the shopping experience the retailer is seeking to create, executed according to the unique characteristics of each channel. IBM's study also found leading marketers are 2.9 times more likely than others to integrate their marketing programs across channels.

4) Delivering a consistent interactive experience in-store and online.

E-commerce has trained shoppers to expect a wealth of multimedia experiences and information sources around their purchases, no matter the channel. An omnichannel platform facilitates interactivity by making multimedia resources available across channels and devices, and investing in technologies to deliver those experiences, such as mobile apps, NFC tags, digital displays, gesture technology, social media and web sites. The Urban Land Institute found 50% of GenY men and 70% of GenY women consider shopping a form of entertainment as long as retailers keep their offerings fresh and interesting.



5) Building a long-term relationship with loyal shoppers.

Cultivating loyal relationships is all about recognizing and rewarding shoppers according to what they value. That requires infrastructure for collecting and analyzing data and delivering personalized messaging at all touch points. But loyalty isn't just about recognizing and rewarding current customers. It's also about gaining new customers and fostering their loyalty as well.

6) Encouraging consumers to participate in brand building and development.

Loyal customers not only result in higher revenue, they also can become collaborators that define your brand and serve as advocates in social media. An important capability is to identify and track up-and-coming influencers, to encourage brand advocacy — and head off potential negative messaging.

7) Creating a modern store environment with advanced technology.

Today's advanced systems offer a wide array of features to help retailers execute their omnichannel goals. Analysts have identified centralized order management as a critical factor supporting omnichannel retail, because an order is visible across channels and the supply chain no matter where the transaction is captured. The most successful retailers use platforms that share up-to-date order management information across channels. Aberdeen found 62% of retail leaders vs. 37% of followers share up-to-date order management information across channels.

Advanced technology doesn't always mean more complexity. In some cases, technology can greatly simplify processes: Think tablet-run POS operating via WiFi or cell service in a pop-up store. If this is a goal, make sure your platform allows for it.

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- IBM



8) Implementing solutions that motivate store associates to become brand advocates.

As with loyal shoppers, store associates who feel valued, prepared and informed can be highly influential. Technology is a key enabler to provide them with access to information and tools. According to Forrester's CXi (Customer Experience) report, 60% of companies want to differentiate their brand through customer experience, but 79% don't train their employees on how to deliver on that target customer experience, opening opportunity for those companies that do.

9) Offering self-service options to enhance the shopping experience for both employees and shoppers.

Shoppers are in charge, and they demand options for how they want to do business with a retailer. Retailers need to offer a range of tightly integrated touch and transaction points, balanced according to the characteristics of each store location.

10) Ensuring strategic decisions creates a sustainable future for the business.

Often retailers struggle to keep up with managing their IT environments because they are made up of different platforms, devices and vintages. A change in one creates a domino effect of integrations that must be revisited in everything it touches. A sustainable solution builds on an open platform that allows for flexibility and adaptability. According to RSR Research's *The Multi-Channel Retailer's Reality in a Post-Amazon World, Benchmark Report 2012*, retailers say investment in a streamlined technology platform or infrastructure is the best strategy for overcoming obstacles to an omnichannel environment.



Creating The Right Recipe

Omnichannel is testing the mettle of retailers as nothing has before. It requires not only high quality in every ingredient, but also the ability to blend them all together into a five-star customer experience.

As every head chef knows, an experienced sous chef is essential to making a dish come together; and, in the case of technology, that knowledgeable assistant is an experienced technology vendor. In RSR Research's *The Multi-Channel Retailer's Reality in a Post-Amazon World*, retailers said vendor ecosystems/partnerships that make point solution selection easier was a top-five strategy for overcoming obstacles to omnichannel retail. Make sure you partner with a vendor that has the breadth of experience, consultative approach and technology ecosystem to help you develop the perfect recipe for omnichannel success.

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- Urban Land Institute





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