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White Paper

OMNI-CHANNEL RETAIL AND CUSTOMER EXPERIENCE

Creating the right customer experience across multiple channels
that compels your customers to buy again and more

Omni-channel - Introduction

Modern day customers are always connected; either through their mobile devices or through their computers. They want the retailers' offerings to be available on-demand, on their smart phones, tablets, laptops or physically in a conveniently located store.

Today, existing and potential customers are offered a variety of options to interact, compare, browse and make their choice. There are traditional channels like the different formats of retail stores e.g. speciality stores, kiosks, malls, multi-brand stores, etc. and the new channels like own website, third party portals, mobile applications, social media, etc. Information Technology has played a major role in delivering these services at the doorstep of customers, as per their choice and across all channels.

A customer expects a seamless and consistent experience, whether she is walking into a store or accessing a company's portal through any multi-media or mobile device, any place and any time, at her convenience. For a customer, the purchasing journey begins with the understanding of the product or service. This can be through print/electronic media, online portals or social networking sites, etc. Once she decides on the product to be bought, she has multiple choices to make the purchase. There are several customers who would like to carry out detailed research using online sources but would like to visit a store to get a look and feel of the product and then buy it. Many customers would like the in-store experience of personal interaction with the store-staff, as they finalise their purchase. Companies are often changing the layout and display of their products in the stores, to enable the customers to browse the products on display without disturbance. This allows them to choose the product while the store-staff is available for help. However, there are those who would base their decision on research and would like to place the order electronically, from the comfort of their homes and offices. And then, there are some customers who would simply indulge in impulse purchases while walking past a store window.

- Smartphone
- Videos
- Social Media & Blogs
- Website
- Events & Exhibitions
- Webinars
- Physical Store
- **Multichannel Marketing**
- Direct mail
- Print Ads
- Public Relations
- Brochures & Catalogs
- Broadcast Media
- Email
- Web Ads

Apart from quality products, customers usually seek a pleasant store ambience, easy-to-access merchandise with correct labels, helpful and informative staff, as part of the overall in-store experience. The challenge for the retailer is to ensure customer satisfaction level remains consistent across multiple channels, during the entire customer interaction journey – pre and post purchase. It is important that all customer touch points portray the brand uniformly, e.g. it could be "Everyday Value", "Innovative Design", "Engineered for Speed", etc.

Some of the common customer touch points are:

- Marketing: website, brochures, VM, social media, online apps
- Sales: stores, e-commerce, call centre, catalogues, returns, CRM
- After-sales: service, complaints, home delivery

Unfortunately, these are often different departments, functioning in silos and sometimes outsourced. So what is the solution to delivering on the brand identity?

- Investment in training of the brand 'value'
- Same source of data across the enterprise - focused on the customer
- Continuous feedback from customers and rewards for employees who upheld the brand identity

Omni-channel - Expectations

For ages, traditional channels had distinct ways of promoting their products. Product launches through mailers, advertisements and promotions, incentives for early birds, shop-floor merchandising were some of the tried and tested techniques. Beyond customer surveys and trends, it was not possible to clearly understand individual preferences.

With the advent of internet, social networking, data analytics and various other technology tools, the entire approach to product launch and promotion has changed. Social media is now used extensively to promote or pilot launch new products, to test and gain customer feedback which is realistic, timely and cost effective.

Competitive pressure continues to reduce 'time to market'. Customers quickly lose interest in products and therefore companies have to continuously launch newer products and phase out slow moving and non-moving inventory across channels. There are database technologies that allow large data to be captured to identify volumes and variable demands. Increased use of forecasting tools have resulted in predicting seasonal demand and exceptions, if any. Analytic tools have enabled understanding of customer insights and buying behaviours. They have also helped in creating loyalty programs that suit different types of customers.

Mobile technology has brought information from laptop to smartphones. The younger generation, especially, enjoys the ease and power of purchasing at a click of a button or swipe of a finger.

Cloud technology has helped large and small companies to manage their IT expenses by keeping investments and risks at a low level.

Truly, time and place have now lost relevance for the customers.

Although a wide range of technologies are available, the challenge for retailers is how to effectively make use of them to offer a unified customer experience across research, purchase, payment and after-sales service.

Unifying Cross Channel Management

1. **Customer View:** The view of the customer should remain same irrespective of the channel being used to engage with the brand.

2. **Product Offer / Brand Management:** Uniformity in product offering, price and promotions across all channels with innovative design.

3. **Fulfilment:** Irrespective of the channel, the customer should enjoy easy and quick payment procedures, packaging and delivery as per customer's choice. Simple and easy return processes and after-sales service are important in all channels. The customer also expects his/her loyalty points to be automatically updated. It is needless to say that the interaction with a showroom's personnel should result in the customer seeking services from the same showroom staff, on her subsequent visit.

4. **Inventory:** Consistent inventory across all channels and regular updates on sales and stock.

5. **Analytics:** Customer insights across channels should be gained using a common database and analytics engine, focusing on customer buying behavior and preferences.

Customer Multi Channel Options

Customer/ People Journey	Media (TV, Print, Display Board, etc.)	SMS	Mail	Tele-Calling	Website (own, 3rd Party)	Smart Tab/ Mobile	Retail Stores (multi format)	Depart ment Stores/ Malls	Social Media	3rd Party compar -ison
Marketing	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Promotion	Y	Y	Y	Y	Y	Y		Y	Y	
Lead		Y	Y	Y	Y	Y	Y	Y	Y	
Research (Comparison / Feedback / Peer View)		Y	Y	Y	Y	Y	Y	Y	Y	Y
Ordering		Y	Y	Y	Y	Y	Y	Y		
Fulfilment / Billing			Y	Y	Y	Y	Y	Y		
Returns				Y	Y		Y	Y		
Loyalty		Y	Y	Y	Y	Y	Y	Y		
Feedback		Y	Y	Y	Y	Y	Y	Y	Y	Y

Some of the challenges and issues of Omni-channel retail

1. Companies are yet to be structured to offer a seamless unified customer experience. They are working in silos with functional rather than process responsibility.

2. Unified approach towards IT strategy is needed if unified views have to be made possible. Companies may have to relook their existing infrastructure and software solutions. It is important to look at evolving technology products while keeping the investments at a reasonable level.

3. Entire key performance metrics need to be aligned across channels and the customer experience.

4. Marketing promotions have to be aligned with the requirements of different channels, while projecting a consistent brand image to the potential customers.

5. Product and pricing decisions, particularly off-season discounts, can be made to vary across channels. This needs to be done without jeopardising channel partners and customer perception.

Benefits

1. Unified customer experience will mean that a channel is transparent to a customer seeking to buy a product or service. This is due to availability of uniform information regarding product, pricing and service across channels.

2. It will lead to better understanding of customer needs and enable better product availability across channels.

3. Integrated backend processes will help to quickly identify slow and non-moving products while ensuring that shelf space is not left vacant. Companies will benefit with lower inventory cost, better stock turns and increased satisfaction.

4. As customer perceptions about the company, its brands, its products and services improve, there will be repeat purchases by existing customers and positive word-of-mouth resulting in more customer acquisition.

Conclusion

What do customers really want? They are tired of too much information.

Keep it Simple. Customers don't want the best brains in the world devising complex schemes and promotions or techies developing complex apps. They want you to make it easy and they will keep buying.

- Easy to come to your store - location
- Easy to buy - people, VM, merchandise, systems
- Easy to return or exchange
- Easy to earn and burn

A retailer can choose various channels, through which he can offer his product or service to customers. Before doing so, he must apply a strategic approach for unified customer experience; helping the company save costs in deployment of technology, avoid duplication and ensure that the backend solutions are in tune with technological developments and are scalable and easily manageable.

Every year, 70,000 retail associates use ETP to serve 200,000,000 consumers, selling USD 18,000,000,000 of merchandise. More than 500 brands in over 24 Countries, across 10 time-zones, at 35,000+ stores, run on ETP.

Singapore   Mumbai, Bengaluru, Delhi   Dubai

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We are present in: Bandung, Bangkok, Bengaluru, Delhi, Dubai, Ho Chi Minh City, Hong Kong, Jakarta, Kuala Lumpur, Manila, Mumbai, Shanghai, Singapore

Founded in 1988, ETP is Asia's leading Omni-channel Retail Solutions company headquartered in Singapore, serving market leaders in more than 22 countries across Asia Pacific, India and the Middle East. ETP's enterprise class, omni-channel solutions include omni-channel POS, Mobility, CRM, Marketing and Promotion Campaigns, Supply Chain Management, Omni-channel Analytics and Omni-channel Connect. ETP has successfully executed over 500 enterprise software projects across 35,000+ stores for 300+ brands. ETP's unique value proposition is its ability to create and deliver innovative products and implement them successfully with domain expertise delivered by hundreds of consultants embodying ETP's best practices. ETP helps its customers get it right in omni-channel retail.

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