

ISSUE

OMNI-CHANNEL
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ARE YOU READY?



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There is considerable discussion and comment about the omni-channel revolution... but is it really a revolution and can an evolving inevitability be labelled as such? As customer and relationship marketing experts/evangelists we're naturally firmly in favour of anything that has 'customer centricity' at its core.

WHAT IS IT?

At its very simplest, an omni-channel shopper is one whose purchase journey includes both online and offline touch points. Every day their number increases; it's suggested that currently 40% of US customers already behave this way. It also differs immeasurably from 'multi-channel' and relegates what was once seen as the brave new world into what it usually is; bolting on an online presence to an existing off-line proposition.

With omni-channel, it's often commented that there are three dimensions that figure when considering an evolution strategy, with the first two likely to feature in all but dedicated pure-play propositions:

BRICK TO CLICK

In-store consideration to online selection/purchase and the reverse where in-store collection (and return) is preferred, both seamless and convenient for a prospect to glide between the two.

DEVICE TO WEB

Enabling the prospect to reach a common web store through all inter-connected touch points such as phone, laptop, tablet, app and kiosk; one log-in and cross-device cognisance.

eAve TO WEB

Connecting through eAvenues/online markets such as GroupOn, eBay and Amazon, served through a central database and prospect fulfilled through web, store, device and eAve.

You only have to set up a Google alert for omni-channel to see not only how ubiquitous the term is, but also to see how much spurious and unconnected content is being tagged as relevant and of value. In paid search in particular,



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competing to be 'first page' requires a commitment to c.£15 a click; a sobering demonstration of how valuable (and potentially lucrative) development in this area is deemed to be.

Irrespective of whether you call it omni-channel, or see it from the customer's point of view and label it simply as 'shopping', there are actions you can take to assess the level of the task ahead and then identify the support you need to set the plan in motion.

So, save yourself £15! In a world of 'grey' and 'edges' the refreshing aspect of omni-channel is that there's really only two ways to approach it. Two answers to the question of how brands position themselves as being ready for the 'Connected Customer', but two that couldn't be more diametrically opposed.

The majority naturally see it as a continual process; evolving and connecting – a process where there's no end in sight and therefore challenges for a business to support with no finish line or certainty on budget/cap ex implications. It could be compared to 'turning the tanker', although we'd argue customers' expectations already moving faster than this proverbial tanker can turn. This isn't to criticize this approach as it's one that's harder to circumvent the larger an organisation you're working with. But it does remain a potentially slow and short-sighted approach that risks losing both opportunity and share to competitors.

The less common response is one that recognises the importance and inevitability of having a seamless approach to the customer experience, and then looking at the latest date you can realistically consider deploying a thorough omni-channel strategy until and working back from this. An approach that simultaneously throws the challenge out to departments and suppliers alike to respond on how (not if) this can be achieved, as more often than not it requires an organisation to look beyond current resource and experience.

There are other factors to consider. One of the beauties of omni-channel can be the interconnectedness of objectives. For example, when considering opening up your in-store inventory to online customers it then facilitates the opportunity of stores becoming mini fulfilment centres, which in turn could enable the return/replacement of online orders as well as those ordered in-store.

The omni-channel experience shows that despite a customer's path to purchase being highly fragmented they don't seem to mind going back and forth between online and offline channels; this would suggest they're not rivals, but complement each other and is a serious consideration when harnessing the collaborative efforts of channel managers.

However it's been suggested that consumers don't think in terms of channels but brands, meaning the brand promise has to be consistent everywhere. A difficulty is that there are many omni-channel permutations, but it only takes one failure to satisfy the consumer to result in damaged brand value and affected loyalty. As Essential Retail stated, "It's easy to forget that there is a customer at the end of that supply chain, eagerly awaiting their order – and may judge future loyalty on this transaction."



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SO HOW DO YOU KNOW WHICH APPROACH IS BEST FOR YOU?

There's no easy answer until you've gathered the stakeholders and agreed the objectives. Whichever approach you favour, they still require one thing to remain at their core – the customer. And that's where the perspective and insight of a customer-focused, data-savvy, department-neutral strategic partner could bring real value to the process at the outset.

It may just help you prevent falling into the trap of thinking that merging all your available channels into one cohesive brand experience is 'job done'; if you haven't put your customer at the heart of the process and redesigned the process outwards from there then prepare for some additional challenges to emerge as the landscape and technology inevitably evolve.

And don't be too offended if along the way someone tells you that you really need to have an efficient back-end - they're only trying to help!

To find out how we could reveal true insight and uncover new opportunities for your business please telephone **Ruari Kirwan** or **Cliff Walton** on **0113 234 1788** or email **discover@dr-agency.com**