

Winning over 'omni' people

The convergence of physical and virtual environments allows customers to do more with less, resulting in the new 4Ps in retail customer behaviours:

- **Pervasive:** Let customers shop wherever they are.
- **Participatory:** Let them share their experiences and voices.
- **Personalise:** Make the experience relevant to customers.
- **Prescriptive:** Let them control their shopping journey from browsing to buying.

New terms such as "showroom effect" emerged as traditional retailers lament how their stores are being used as showrooms for today's customers who research their purchase intention online but examine their selection in the stores, especially if it is a complex or high-ticket item, before purchase.

It is no longer business as usual for retailers. Technology has deconstructed the retail industry. For many years, e-commerce was an interesting trend delivering on utilitarian functions such as comprehensive search and competitive pricing. Online, all customers have to do is to type on the search bar. Next, they read, review, order and receive the product, if relevant.

Brick-and-mortar stores, on the other hand, offer an element of serendipity: browse, discover, learn and be inspired. Shopping is entertaining. It goes beyond utilitarian functions.

Yet, traditional retailing is inefficient as retailers display merchandise at their stores, wait for the right customers to come and buy at the right price and time. To create more "reach", they add e-marketing, m-marketing and catalogues. Over time, they became multi-channel. The truth is that retailers do not need another channel. Instead, they need to focus on how to better organise these channels to devise the perfect cross-channel shopping experience for their customers. In the near future, stores will be more technology-enabled to enhance their efficiency.

Given the impact of technology, "omni" is the only way to provide the best of both worlds to customers. Yet, most retailers' understanding of omni



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is still silo-based. Is it shopping via a desktop, laptop, tablet, telephone, catalogue or store? It is about all these things in an integrated manner.

Omnichannel is the new normal

The future retail experience may look like this: Alex and Beatrice just got married and bought a small apartment. They decide to buy a refrigerator, washing machine and dryer. Their first response is to go online to check out the options. When they come across suitable products, they click and save the choices under their wish list.

Because of the complexity of the products in terms of size, features and price, they decide to go to the store to examine the prospective purchases. They find the closest store by searching online and use Google Maps for navigation. When they enter the store, their transaction history and interest are detected and via their smartphone they receive new information such as the exact location of the products, special deals and a sales person is prompted to serve them.

Payment is made via the smartphone and all details pertaining to delivery are processed with no queue. Notification of delivery schedule, installation and e-warranty are completed with just a click. Going forward, new and relevant products and services will be sent regularly to them for consideration.

In another scenario, the way that customers make purchasing decisions has dramatically altered. They stand in stores, using their smartphones to compare prices and product reviews; family and friends instantly weigh in on shopping decisions via social media; and when they are ready to buy, an ever-growing list of online retailers deliver products directly to them, sometimes

on the same day. From in-store research and price checks to payment capabilities that offer checkout options beyond waiting in line, technology affects every stage of the customer shopping journey.

Omnichannel requires new capabilities

For a long time, retailers have focused on a single channel, largely their stores. Today, customers shop across different channels: online and offline. There are opportunities to engage them. To do so, retailers need to understand how to connect with their customers across the channels.

New skills in building and engaging experiences across the channels are key.

1. Gain deep customer insights

Capture and crunch data to gain deeper insights into the customers' shopping journey. Deep insights enable retailers to understand how their customers would like to be engaged across the channels. Achieve 360-degree view of customers to get their full portrait instead of snapshots of their actions in a fragmented manner. Integrate and make sense of their browsing history, social media posts and transaction history so that retailers can better engage their customers across the channels.

2. Create and innovate, not duplicate

Customers have full control over where they will focus their attention. Retailers need to craft compelling customer experiences tailored to each stage of their shopping journey. Create and deliver "always on" marketing programmes that engage customers exactly where it matters.

3. Work across multi-disciplinary teams

Seek ways to work across channels to fulfil the brand value proposition strongly. The brand experience across the channels must be clear and consistent. Collaborate, analyse, iterate and work as a united team.

To ride the digital wave instead of being swept away, retailers need to "omni" their people, not just their process. ra

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