



Leveraging Digital Strategies to Win the Omnichannel Shopper – Both In-Store and Online

Engaging with the Omnichannel Shopper on Their Terms

The omnichannel shopper experience of today is fueled by game changing, rapidly evolving digital innovations. Savvy retailers recognize the increasing role that digital plays in driving sales in-store and are increasing their investments in digital technology at a record pace. Thanks to the massive adoption of smartphones and other mobile devices, the omnichannel shopper is here to stay. In fact, they have become the norm, not the exception.

Omnichannel shoppers want to shop anywhere, at any time. Mobile devices, particularly smartphones, have become revolutionary for retail shopping. This digital personal shopping assistant in the palm of your hand is molding and shaping the path to purchase into a highly customizable and personal experience. According to Google's "Omni-Channel Shoppers: An Emerging Retail Reality," 71 percent of shoppers who use smartphones for research in-store say that it's become an important part of the experience.

With the advent of big data, the retailers that are winning these lucrative shoppers understand the need for another level of personalization that fuels the entire path to purchase, online and in-store. Successful retail digital strategies are in complete alignment with how the omnichannel customer chooses their own path to purchase based on individual needs. If you aren't investing in digital technologies to be where your shoppers are conducting their purchasing journey, you're most likely losing out on potential sales.

The Omnichannel Shopper's Trusted Tech Tools

The omnichannel shopper's path to purchase is complex. With consumers regularly switching between channels to carry out shopping needs, it's imperative for retailers to maintain a seamless shopping experience from online, to the store and easily toward a sale. With 38 percent of grocery purchases starting with online research (according to Boston Consulting Group), the digital experience needs to be engaging and product information must be compelling and accurate to convert browsers to buyers.

The Great Appeal of Apps

Mobile apps are hugely popular these days and it's no different when it comes to the wide variety of apps that exist to enhance the in-store experience as well, all of which



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vary from store to store in terms of features and functionalities. Apps give retailers a great opportunity to make the in-store shopping experience more personalized and relevant while tying into loyalty programs and customer-specific marketing campaigns. From offering recipe ideas and digital coupons to checking inventory levels and building a shopping list, apps help facilitate the omnichannel shopper's path to purchase. For example, Safeway's very successful "Just for U" program has just rolled out to select Albertsons stores and customers will receive personalized offers based on their shopping history, which also includes unique sales price.

Shopping and coupon apps, such as Shopwell and Coupons.com, are also good examples of how personalized product information can drive sales online and in-store. With the growing trends focused on health and wellness, more customers are scrutinizing the foods they eat and purchase. Shopwell offers extensive information on simplifying healthy eating options, while the Coupons.com app gives shoppers instant access to hundreds of deals through digital grocery coupons, e-commerce codes and cost saving offers at nearby stores.

The Convenience of Online Shopping with In-Store Pickup

Busy shoppers are going online to order items and then heading to the store for pickup – either in-store or at the curbside. While a majority of shoppers still prefer to shop in-store, this attractive option is a service many retailers are offering to retain and attract customers. Online shopping helps retailers strengthen their brand and gives them a presence digitally. Walmart reported that shoppers who used a combination of curbside pickup and in-store shopping spent 65 percent more than those who shopped in-store only (\$2,500 vs. \$1,400). These types of personalized and convenient service offerings can open up additional opportunities for retailers to grab more share of wallet and build deeper relationships with their customers

Home Delivery Services Driving New Opportunities

Even busier omnichannel shoppers are

turning to home delivery services such as Instacart and Google Express to order groceries online from any device and get them delivered on their doorstep in an hour. Retailers are taking notice and following suit by partnering with these services and others such as Uber and Lyft to offer expedient shopping, encourage repeat business and stay ahead of the competition.

Beacons Shed Light on Shopper Personalization

Beacon technology or beacons refers to the enabling technology for iOS and Apple devices to alert apps or websites (which the user has opted into) through signals from beacons when someone approaches or leaves a location. For the retail world, that means when a shopper enters a place that has beacons set up, they can detect where a customer is at any given moment. French chain, Carrefour's beacon-based marketing has increased new users by 600 percent, with a 400 percent increase in time spent in app, which resulted in over 50 percent conversion rates. According to Swirl, 61 percent of shoppers would visit and do more shopping in a store with beacon marketing campaigns. Beacon marketing campaigns allow retailers to better connect and engage with shoppers. And shoppers are receptive to them – with 30 percent redeeming beacon-triggered offers at the point of purchase.

The Challenges and Opportunities of the Omnichannel Shopper

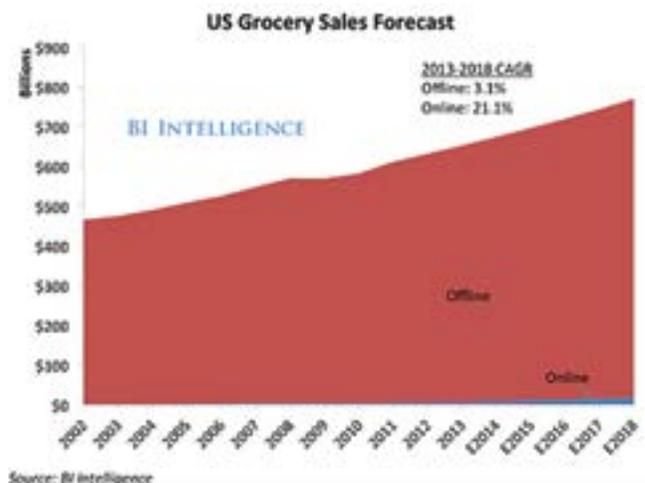
As the path to purchase evolves and shopping experiences expand to include multiple channels, more and more retailers are recognizing the need to support the shopper who is browsing, researching and even making purchases online. They also recognize, by supporting the shopper online, they also drive and support in-store sales.

A retailer's strategy can no longer look at online and in-store as two separate channels or it will face the likelihood of hindering the ability to create a seamless, end-to-end customer

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experience. Omnichannel retailing can raise brand awareness and drive additional sales growth. In fact, retailers who meet expectations for omnichannel experiences are outperforming those that cannot.

Even in this increasingly digital world — where a growing number of shoppers purchase products via tablets and smartphones — the bulk of spending still happens at brick-and-mortar stores. According to [2013 BI Intelligence report](#) on the \$600 billion grocery industry, online grocery sales will grow at a compound annual growth rate of 21.1 percent reaching nearly \$18 billion by 2018 and current trends seem to support that prediction. Although in-store sales were noted to rise by only 3.1 percent annually during the same period, the result is that in-store sales would still constitute over 95 percent of total sales. This statistic is consistent with the [“New Digital Divide”](#) study from Deloitte Digital that noted 94 percent of all retail sales take place within the confines of a physical store and that the digitally



influenced consumer converts at a 20 percent higher rate than those who don't use digital devices in-store.

While retailers are working rapidly to implement digital strategies to improve online shopping capabilities, introduce mobile apps and enhance website user experience and inventory availability, many also view these investments with an eye toward driving in-store purchases.

For many retailers, technology isn't just about creating a better online experience. It's about making in-store and online work better together to create a whole new personalized shopping experience. A recent survey from Synquera shared 85 percent of shoppers wanted personalized online offers reflecting their past shopping behavior. Digital innovations of today deliver personalization in a variety of ways that drive in-store traffic. They also provide the retailer ways to gain even further insights into shopper preferences.

Digital offers can be personalized based on specific highlighted product attributes and online browsing sessions can be tracked to see how deep a shopper goes to learn about a product – from a simple search to a further click to see product details or reviews, to an even further click for greater details by zooming in on an image or accessing a 3D view.

Consistent, Compelling, Accurate Product Data: the Backbone of Omnichannel Success

As digital drives traffic to your stores, it is imperative all digital product content is kept updated and reflects an accurate digital representation of each product available for purchase. There's a critical need for omnichannel coordination, so shoppers' needs are met. The key is serving up experiences and content so rich, valuable and information-heavy that shopper loyalty is solidified and lifetime value increases.

Accurate, consistent and comprehensive digital product content is needed to fuel what you're doing online and in-store, including personalized offers, shopping lists and online ordering. It is vitally important to ensure those products being promoted are the products that are available when they are placed in the customer's shopping bag or delivery box.

To drive sales growth online and in-store, all areas of the company that are engaged with supporting a shoppers path to purchase– from store operations, to marketing and advertising to digital commerce to supply chain–must work together to share a consistent source of product information to meet shopper needs.

To effectively market and sell products in today's digital age, retailers need a comprehensive and accurate representation of each item, including multiple images and detailed product attributes as well as access to rich content such as lifestyle images, spec sheets, videos or other marketing material that can be easily accessed and configured to meet the retailer's specific shopper engagement strategies across the enterprise.

Winning the Omnichannel Shopper Experience by Better Leveraging Customer Data

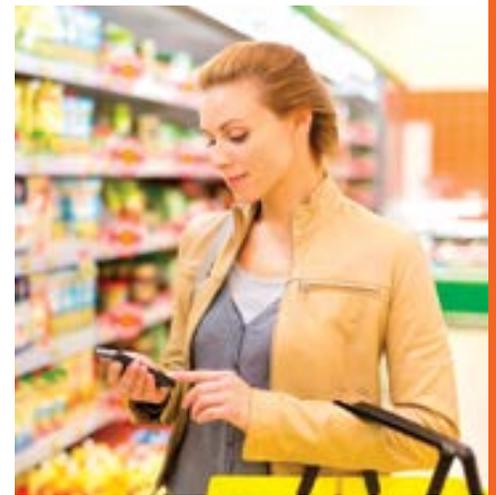
Many retailers are talking about digital strategies but who are the ones actually executing and winning more share of the omnichannel shopper wallet? Those retailers who are using customer data to drive a more personally relevant digital experience are coming out on top. Deemed the best-positioned retail company for online grocery gains in the U.S. by Morgan Stanley in an ecommerce survey, Kroger is leveraging technology across its various banners to offer customers the ability to order and pick up at store. The country's largest grocery chain is also gathering and analyzing data from customers – using it to continually refine and enhance its offerings.

Others are getting in on the action too. For example, Lowes Foods and Unata recently announced the release of a completely new 1-to-1 personalized, omni-channel eCircular.

H-E-B and app-based grocery delivery service, Shipt, also recently announced a partnership to provide 24/7 grocery delivery to make shopping more convenient for customers.

Future Innovations Will Disrupt Retail

The Internet of Things (IoT) is no longer a buzzword analysts and industry leaders



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keep talking about. This network of connected devices, products or sensors is quickly revolutionizing industries, retail included. Recent Juniper Research predicts retailers will invest \$2.5 billion in IoT over the next five years – with most of that investment going toward beacons and RFID.

According to [Accenture](#), the IoT presents an opportunity for retailers to develop a vastly improved ecosystem that connects physical and digital worlds, allowing bidirectional, real-time interaction with shoppers both inside and outside the store. For example, retailers can leverage beacons to interact with a shopper upon entry to their store by sending special offers and greetings. Target is using beacon technology in 50 of its stores to deliver hyper local content to customers. RFID tags along with radio antennae and infrared cameras are tracking merchandise to keep things secure before leaving the store. Another good example of a retailer embracing IoT is Kroger. They equipped refrigerated containers with sensors that check temperatures every 30 minutes to ensure product freshness. This all adds to the shopper experience. When all IoT devices are synced and talking to

each other, as well as the CRM, retailers can capitalize on instant customer feedback and take action.

Smart appliances like Samsung's smart fridge represent where the industry is headed in terms of selling consumers on a smart, connected device in the home. The most talked about feature is the "View Inside" button on the fridge's screen. It takes pictures of the inside of your refrigerator and when you open up the Samsung Smart Home app on your phone, you'll be able to check the latest picture from your refrigerator, while shopping, to see what you are running low on. Is 2016 the year where the consumer is ready to purchase a smart fridge that can support auto replenishment?

Embracing Technology to Enhance Loyalty, Drive Shoppers (and Sales) In-Store

Retailers who want to succeed in today's highly competitive marketplace must evolve and focus on connecting with consumers digitally to drive more sales both online and in-store. IDC study, "[Worldwide Retail 2015 Predictions – It's All About Participation Now](#)," reveals omnichannel shoppers have a 30 percent higher lifetime value than those who shop only using one channel. In addition, 60 percent of customers will pick up an online order in the store and buy additional items while in the store ([Source: Forrester](#)). Online shoppers are valuable to retailers, but the most valuable shopper is the one that engages with a retailer online and in-store.

Consider this, the [Google Shopper Marketing Council](#) reports that 89 percent of U.S. smart phone owners are already using their phone in-store to compare

grocery prices, locate products and get nutritional information.

It all starts with looking internally at your business, breaking down siloes and ensuring consistent experiences for shoppers are happening across channels and from online to in-store. Furthermore, it's critical to build even closer collaborative relationships with your suppliers to ensure the traditional in-store experience seamlessly blends together with digital, into a truly omnichannel shopper experience. It's a strategic imperative for retailers to continue to invest in their digital strategies. Engaging with the shopper across multiple channels and on their terms drives both online and in-store sales.

About Gladson

Gladson offers the most complete, comprehensive and personalized digital product content solution on the market today helping retailers, distributors and manufacturers engage better with shoppers, collaborate effectively, sell more product in-store and online, and realize tangible operating efficiencies.

For more information, visit www.gladson.com



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