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## **The multi-channel key**

- Why in-store cooperation makes or breaks multi-channel projects

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### ***Executive Summary***

Today's retail environment rewards retailers that provide seamless customer service throughout multiple channels. Bridging the gap between an in-store and online experience is a crucial element in facilitating profitable multi-channel behavior.

When in-store employees fail to hold their end of the bargain however, the result is un-met expectations to the customer and failed ROI on multi-channel capital projects.

This brief examines this issue and outlines strategies to mitigate capital project risk.

### **The maturation of multi-channel commerce**

More and more retailers are realizing the benefits of multi-channel retailing. Leveraging brand equity in multiple touchpoints has been proven to drive loyalty and interaction among consumers. With trends clearly showing the Internet as the core component to pre-purchase research, brick and mortar brands can ill-afford to take a wait and see approach as it relates to core multi-channel offerings.

Three core enhancements must be executed flawlessly to have true multi-channel integration:

- **In-store associate kiosks**

Leveraging the eCommerce store within an in-store environment solves fundamental out of stock situations, provides a new channel for up/cross selling, and maximizes profitability per square foot.

- **In-store pickup**

Incorporating buy online and pickup in-store functionality eliminates the barrier of shipping in the online sales equation. With shipping costs being the number one driver to why shoppers choose to not purchase online - this initiative help reduce key customer based purchase inhibitors while drive incremental sales in-store traffic. The solution also provides added convenience and satisfaction to the consumer, as they no longer have to wait to receive their merchandise.

- **In-store returns**

Returning products that were bought online, in-store, can bring many back-end technology bottlenecks to the radar screen. Forward thinking retailers must accurately map their order processing and inventory data to empower service associates with the data they need to reconcile and close the transaction efficiently at the POS.

Slow processing and a poor return experience will virtually erode a consumer relationship that was costly to start and maintain.

## **Getting your organization on board with change**

Convincing company executives that these initiatives deliver ROI may be challenging, but that challenge pales in comparison to what is faced in your store network. The perspective change within the rank and file employees in your organization will prove to be your most daunting task as it relates to these initiatives.

Within all three of the solutions above, **the web transaction integrates with the physical store**. The store is the final piece of the puzzle in all three scenarios, making it the most crucial element to deliver a proper transaction. If your employees do not execute properly on this level, the result will be an un-utilized solution, or even worse, a customer perspective that your employees are incompetent.

The key is getting your employees aligned with multi-channel change. This happens by **driving two key operational strategies** in conjunction with a multi-channel technology solution.

- **Training**

Store managers must take the lead in understanding multi-channel solutions, while leading efforts to replicate this knowledge among customer-facing employees.

Prior to solution launch, be sure to **communicate the internal and external value** among the manager base, create a **solution handbook** for employee questions, and bring managers in to the home office for a ½ day **workshop** to become experts right before the solution goes live.

- **Incentives**

Employees must feel that the web-generated order still has some benefit to them. To drive accountability, some type of carrot must be given to ensure that employees have reason to treat the web-driven transaction seriously.

Because in-store employees receive bonuses for comp sales, create some type of **awards program for efficiency** as it relates to in-store multi-channel solutions. Or provide a piece of all web sales, distributed on a regional basis.

Understand the dynamics of your employees - how they work and what motivates them. By closing the gaps in **training and incentives**, multi-channel success becomes much closer to being reality.