Chapter 13

Omni-Channel Retailing: Enriching Customers’ Shopping Experience

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ABSTRACT

Omni-channel can be defined as a synchronized operating model in which all of the retailer’s channels are aligned and present a single face to the customer, along with one consistent way of doing business. In this model, companies replace the many views of the customer they often hold today with one unified view of the customer—enabling them to respond in a consistent way to the customer’s constantly evolving needs. This paper concentrates on various challenges faced by retailers in implementing the omni-channel and strategies implemented by them to achieve highest customer satisfaction. Also this chapter talks about future outlook for the Omni-channel retailing in terms of challenges and opportunities for the players in this industry. As part of our research, this chapter covers some of the well known companies’ strategies from their annual reports, earnings call and other company presentations. Other articles from top supply chain magazines/websites have also been referred for the study. A mix of both qualitative and quantitative methods have been used for analysis.

INTRODUCTION

Omnichannel can be defined as a synchronized operating model in which all of the company’s channels are aligned and present a single face to the customer without moving away from the current mode of operating. By moving to Omnichannel retailing, companies replace the multiple customer touch points, which they often hold today with one unified view of the customer—enabling them to respond in a consistent way to the customer’s constantly evolving needs.

This paper concentrates on various challenges faced by retailers in implementing the Omnichannel and strategies implemented by them to achieve highest customer satisfaction. Also this research
paper talks about future outlook for the Omnichannel retailing in terms of challenges and opportunities for the players in this industry.

The Research has been formulated by studying well known companies’ strategies from their annual reports, earnings calls and analyst presentations of the company. Authors had referred to other articles from top supply chain magazines/websites for their study. A mix of both qualitative and quantitative methods for the study.

**BACKGROUND**

Becoming truly customer-centric is at the top of every retail company agenda, as the buying behaviour of the customer is changing as well as the retailer’s relationship with the customer. In today’s world, the customer has become a gadget-savvy and always explores the channels to figure out the right product at the right time at the right price to derive the best value for their money. As retailers are facing with eroding customer loyalty, they are trying to attract the customers with offerings which are innovative in nature and more personalized to the end customers. Like most of the retailers diversified their businesses to span across various areas such as grocery, general merchandise, electronics, fuel and entertainment similarly, they are now interacting with their customers through multiple channels such as in-store, online, social media, mobile, direct mail and kiosks. Creating a unified view of the customer is recognized as a fundamental pre-requisite for customer centricity and personalized engagement.

Close to 70% of retailers cited a customer service strategy as a leading priority, a 13% increase over 2010, according to the National Retail Federation (NRF) in its 2011 Retail Horizons report. The traditional customer lifecycle, as shown in Figure 1 followed a sequential path is being replaced by a non-linear shopper journey spanning multiple

*Figure 1. Customer lifecycle*
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