

The Recipe for the Perfect Omnichannel Experience



[WHITE PAPER // OMNICHANNEL]



Omnichannel makes sense for customers

Your customers don't really care whether they shop with you online or in a physical store. They care much more about what they buy and the service they receive.

In concrete terms, this means that if a customer comes into your store and asks for a certain shoe in blue, they won't buy it in black if that's the only colour you have on your shelves. They'll go and find the blue version somewhere else after confirming the right size with you.

But if you offer to send the shoe in the right colour to the customer's home, they will buy from you.

Omnichannel is about creating seamless experiences for your customers that ensure they buy from you again and again. Luckily, there's a recipe to make sure this happens. And we're going to reveal it to you. You'll get it all. Even the secret ingredient...



Why omnichannel?

Does omnichannel even make sense? Isn't it just a fancy buzzword? Is the investment too expensive compared to the return you get from it?

There may be many objections to embarking on omnichannel, but don't worry. It can make sense. However, you need to do it the right way. But before we get into the how, we'll give you two quick whys.

[01] **Because customers are buying more and they're doing it more often**

Our business partners find that omni-customers consistently buy more and more often. For example, customers at BabySam make purchases twice as often, and their basket is up to 260% larger. This means a significantly increased customer lifetime value.

[02] **Because customers already have an omni-mindset**

The ROBO effect (research online, buy offline) clearly shows that customers don't necessarily differentiate between analogue and digital. 54% of non-food purchases are made in physical stores, but 1/3 of these purchases are researched online beforehand. And the effect goes the other way too, with 16% of online purchases being researched offline before they are made. Customers use multiple channels. Do you?

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The necessary ingredients

To create a great omnichannel experience, it's necessary to see the physical and online store as two sides of the same coin. The businesses should not be seen as separate but as two different entrances to your universe.

Otherwise, it won't make sense to customers. They don't care if you use different systems online and in-store, they don't care about your supply chains and back-end.

They don't accept these arguments as meaningful explanations because they've seen omnichannel work seamlessly in other businesses. The necessary ingredients are what make customer journeys simple and seamless, whether they do business with you online, in-store or both.

So, how does this manifest itself?

It manifests itself in the fundamental services you offer customers.

- Can customers buy the item for the same price online and in-store?
- Do customers earn bonus points for the loyalty club, regardless of where they purchase an item?
- Can a gift card purchased online be used in-store and vice versa?
- Can customers return items purchased at one location at another?
- Can customers collect goods ordered online in-store (click & collect)?

List for inspiration

Omnichannel covers a wide range of different initiatives and business logics. You don't need to be able to tick off every initiative to be able to say you have an omnichannel solution, but many of them are essential ingredients in creating a great customer journey.

Initiatives worth considering:

- Promoting in-store events digitally.
- Next-day delivery – or even faster.
- Offering wish lists across channels (e.g. mobile, PC and in-store access).
- Promotion of online store in physical stores.
- Live chat with employees in physical stores.
- One point of contact for customer service, regardless of where the customer has made a purchase/wants to make purchase.
- Make it clear online which physical stores have a given item in stock.
- Option to reserve products in store.
- Cross-channel loyalty programme.
- Give store employees the ability to ship items from online inventory directly to customers' homes.
- Option of customising personal preferences.
- Give customers the ability to get more information about a product in the physical store using your app or by accessing your webshop.

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In-store online experiences

Omnichannel isn't just about click & collect and having a fantastic website. It's about giving customers the benefits of the physical store online – and vice versa.

So, what are the typical benefits of shopping online?

To name a few: a large selection of products with many variants, easy access to information, flexible delivery and no queuing. So, how do you make sure customers have the same experience in-store?

You can provide your customers with the large selection they're familiar with from online shopping by utilising the endless aisles concept. It's the idea that in a physical store you obviously can't have all your products in stock all the time, but that your online inventory can also serve as your store's inventory, ensuring that customers can easily have the product they want sent to their home, example in a different colour or size.





This means you can expand the assortment of products you have in each store exponentially because you no longer have to stock everything in-store. However, it places demands on your logistics, as customers rarely want to wait many days for a product. You should be able to deliver to them as soon as possible.

Another online advantage that should be integrated into physical stores is access to good product information. In-store, there is rarely room to provide adequate information for all products. This means you should take advantage of the opportunity to give customers more information about individual products by allowing them to scan barcodes or QR codes with an app that lead directly to the PDP in your webshop.

Online in-store experiences – the click & collect experience

The entire flow around click & collect also requires some attention. The experience you offer your customers when they enter your store is quite important. Do they get a seamless, queue-free experience where they can walk right up to their item and pick it up, or do they have to wait to be served like every other customer?

Should you create a dedicated pick-up area that functions as an in-store parcel shop? Or do you need more flexible solutions that enable all employees to find and hand over parcels to customers? This could be through mobile POS devices that can scan and register parcels.

Mobile POS devices are also brilliant for taking advantage of one of the obvious benefits of click &

collect – upselling. Customers picking up parcels in store regularly buy an extra item while they're there and see the full range of products in the store. It's important to offer a seamless customer experience where you're not sent to another checkout because the parcel area can't handle sales.

One final detail about the click & collect process is that it is often marketed as the most sustainable delivery option. If customers receive click & collect goods packaged as if they were to be sent on a bumpy ride, the sustainable aspect is lost. Make sure not to overdo the packaging with plastic, cardboard and packing chips.

Physical experiences online

The benefits of shopping in a physical store are typically the ability to feel the product and try it out for yourself. At the same time, it's also about the personalised service and the ability to take the product home with you straight away.

How do you create similar experiences online?

Of course, you can't feel an item online, but you can make it easier to see it through, for example, AR technology. With an AR filter, you can see what a sofa would look like in your living room before you buy it or check which lipstick colour perfectly matches your skin tone. The virtual layer can bring products close to your home and your body.

Simpler solutions also play an important role in promoting the physical aspect of the online experience. For example, you could create a size guide that helps customers find clothes in the right size based on their

measurements. Another benefit of this is that customers will return fewer products because they are the wrong size.

The most fundamental initiative is to include lots of images. If customers can view the product at multiple angles and detailed shots, they'll be able to get an impression of the product far more easily. It's also great if customers are able to see the product with different backgrounds or perhaps as a 3D model that is easy to rotate and zoom in on. It's basically about simulating standing in front of the product and getting the complete visual impression.

Getting a product delivered is slower than grabbing a product directly from the store shelves, but you can create solutions that get products to customers quickly. For example, in-store click & collect within a few hours, or fast delivery directly to customers' homes. In larger cities, even same-day delivery is possible.

Physical experiences online continued – personalised service

Personalised service can also be both simulated and created online. Either by using advanced chatbots that are able to truly help customers or, even better, by providing a live chat function so that customers can communicate with an employee in real time. Maybe even an employee who works in the local physical store and can provide guidance from there. This allows customers to get answers to all the questions they need to ask.

Another way to make personalised service part of the online experience is to give customers the ability to schedule an appointment with an advisor in the physical store. This ensures that time is set aside for the customer next time they visit the store. This means

that customers will enjoy the online experience of not having to queue and be able to access and speak to a knowledgeable employee at their convenience.

Customers who book an advisor are high-value customers, as they demonstrate a high purchase interest. They are far along in the customer journey and just need that final nudge to be convinced. Many will also feel “obligated” to make a purchase after booking an appointment with an employee.

Including this option is a great opportunity to drive customers with a high purchase interest to the physical store.

CASE

At Matas, there are no boundaries between the physical and digital

Matas is one of the biggest omnichannel successes in Denmark, and with the acquisition of KICKS, it has become the largest health and beauty chain in the Nordics. Both online and physical stores are growing rapidly and influencing each other positively. In the last financial year (2023), online turnover grew by 26%, and turnover from physical stores grew by 3%. This was partly due to well-designed omnichannel solutions that give customers unique benefits.



Matas have all the standard offerings like click & collect and a functional cross-channel loyalty club, but they also have solutions that set them apart from the crowd. Items ordered from stores in major cities can be delivered the same day and typically within a few hours.

Matas' app has an in-store mode which, among other things, allows customers to scan barcodes in-store to get better information about any products and find more variants online.

Matas has also ensured that customers can get easy access to professional service from their staff, whether customers shop online or in-store. Customers can live

chat with in-store staff who can showcase products and guide them as if they were in the store.

At the same time, it is also possible to book a private appointment with an employee from a physical store who can advise you. It's a great way to drive relevant traffic to stores with a very high conversion rate. Most people who book a private appointment make a purchase.

Matas embrace omnichannel everywhere and let customers interact with them where it makes the most sense for them.



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At Matas, we have come a long way with omnichannel, but we constantly dream about utilising our customer data even better across channels to create relevant customer experiences.

Janne Andersen
Head of Marketing - Matas

Matas are among the very best at omnichannel. They rank among those who have made the most progress by far, but that hasn't diminished their ambitions.

See for yourself in the video.



Glory Solutions

The most important omnichannel initiatives to get right are, of course, the basics – the ones that make online and physical stores work together for customers. But there are also more advanced solutions and initiatives that can provide customers with a high degree of added value.

One example of such a glory solution is clothing stores that allow customers to make a booking to try on clothes in specific sizes in-store. This means that the customer can walk directly into a fitting room where the clothes they want to try on are already waiting on hangers. This reduces friction for high-intent customers who are very close to making a purchase. At the same time, it also creates the opportunity to upsell to the customer in the store, as once they've tried on party dresses, they need to see which shoes would look great with the dress.





Another glory solution is the use of augmented reality or virtual reality to try out a given product. For example, customers might be able to test different colours on a wall before buying a tin of paint or see where a new bed would fit in their bedroom. This creates well-informed customers who move closer to making a purchase before they contact your stores or online.

Glory solutions are all about making it easier for your customers to buy from you and fall in love with your products. It's about creating features that, ultimately, make it easier for customers to buy from you.

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Store – know your customer

One of the major benefits of omnichannel is that stores can now utilise data from the online business.

The data you collect online is also relevant in the physical store and vice versa. When your sales assistants are able to access information about previous purchases and preferences, this allows you to provide better advice to customers.

This means that the shop assistant already knows the customer a little, and it makes it much easier to get things right in the store. Maybe the customer has bought a coffee machine and needs a refill of capsules. That's easy upselling and great service.

The crazy thing is that it works both ways because data about purchases made in the physical store can also be used to create better online experiences through personalisation. For example, product recommendations in emails and optimised merchandising on PLPs.

But the data you collect isn't just useful for individual customers. They'll also tell you where it's a good idea to open your next store, for example. You might get a lot of click & collect orders from certain zip codes where customers have to drive to reach you. This could be where you should locate your next store.

How to get your employees on board

Implementing omnichannel initiatives isn't necessarily frictionless. Especially if you have not thought out how employees will benefit from the initiatives right away.

A classic issue is if store employees and managers are only judged on sales that come directly from the store and not through online sales. If online sales mediated from the store don't show up positively in employees' statistics, they will find that it takes time away from their most important tasks. This means they may even start to work against the new initiatives. Store employees should never see the online store as a competitor to the physical store. Omnichannel is a "both-and" not an "either-or".

Another issue is that employees' tasks may change, and they may lose the tasks that really made them

happy to work in the store. For example, an employee who suddenly spends a large part of their working day packing click & collect orders and picking up parcels from the warehouse instead of being on the floor advising customers.

That's why it's important to listen to employees' concerns from the start and ensure your solutions are good and truly address such concerns. You do this by creating the right incentive structure so that employees get equal rewards for selling a product online and in-store.

It's also important that you train store management to handle employees' questions and challenges with new tasks.

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CASE

**It's bad luck to take
the pram home
before the baby**

At least that's what the old superstition says. Nevertheless, baby equipment retailer BabySam embraced it.

Becoming a parent is one of the biggest changes you can face in life, and it suddenly creates a lot of new shopping needs, including everything from clothes and cots to toys and car seats. It can be difficult to keep track of everything because there are so many different new products to consider as a parent.

BabySam has made a concerted effort to connect with all new parents and reaches 93%. It is important for both the parents and BabySam that the parents are invited to BabySam's stores and that they book an advisor.

And parents are really eager to visit stores because they have a genuine need for expert guidance in a new, confusing world.

These visits quickly translate into lots of purchases, and it's not necessary to bring everything home at once. That's why BabySam makes it possible to reserve items

and only collect them once the customer actually needs them. And that's why the pram is not picked up before after the baby is born.

BabySam use their stores to provide expert guidance and the opportunity to shop for all the essentials for the new baby. They then use the online store and its storage capacity to manage the logistics of getting the prams and size 68 clothes to the customer at the right time.

Online, BabySam also provides a clear overview of which stores have a given item in stock so that customers can go straight to the store and buy what they are looking for. Which can be a real lifesaver for parents who suddenly need a specific bottle or a new favourite pacifier. For example, 40% of motorized cribs are purchased online between 6 and 9 in the morning and picked up in store later the same day.



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20% of the customers we have who pick up a parcel sent to the store end up buying something in the store.

Kenneth Willenbrack Nørgaard
CEO, BabySam

Click & collect has become one of the most important offerings at BabySam, helping to drive the business forward.

Hear their CEO Kenneth Nørgaard explain exactly how in the video.



The secret ingredient

It's tempting to promise customers the world. To write "5 tips: how to perfect omnichannel in no time at all".

It's just not reality. "Because the secret ingredient to great omnichannel retailing is to be **uncompromising.**" Those are the words of Bizkit's CEO Lars Hedal, who has more than twenty years of e-commerce experience.

When implementing omnichannel, there will be bumps in the road. Big bumps too. Maybe your inventory isn't providing good enough data? Maybe your POS can't communicate with your webshop? Maybe your different stores don't use the same POS? Maybe store employees find learning a new system a hassle?

You will face resistance, and that's where being uncompromising is necessary.

Shifting to omnichannel is a big strategic decision that requires determination to implement. There must be action plans and clear incentives to get store employees to use new systems. Upgrading warehouse systems and POS requires investment. Making it all work can become cumbersome and heavy.

But when the solution works, it all makes sense. Especially for customers, but also for employees, who can suddenly offer a completely different level of service. And it will pay off on the bottom line as customers become more loyal, as they place more orders and as you become more and more relevant to them.

Thank you for reading.

**Want to talk
more about
omnichannel?**



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BabySam: How to Achieve Omnichannel Nirvana

Internal Best Practices