



Why Omnichannel Is Another Word for Engage

A more engaged customer, after all, is a more loyal customer, and loyal customers drive profitability.

As retailers pour millions of dollars into providing their customers with an omnichannel experience—seamless, consistent interactions across all channels—it’s easy for them to lose sight of what they’re trying to accomplish through omnichannel in the first place: *better, more meaningful ways to engage the customer.*

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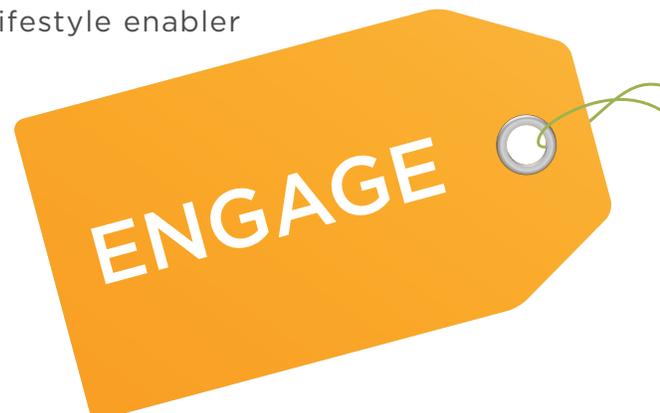
Not providing an omnichannel experience, on the other hand, is increasingly costing retailers money. Those who have so far failed to line up their technologies, processes and org charts behind a clear omnichannel strategy estimate it’s costing them 6.5% in annual revenue, according to a fall 2013 survey conducted by *RIS News*. For retailers generating revenue of \$1 billion a year, that’s \$65 million—gone.

When considering which omnichannel capabilities to pursue, retailers need to stay focused and to constantly be asking: What’s in it for my customer? What does she want access to, and how? They also need to remember that just using omnichannel capabilities to facilitate retailer-customer interaction across channels isn’t enough. That’s because retailers have to do more than just push to customers; they have to engage them.

WHAT IT MEANS TO ENGAGE, LETTER BY LETTER

Breaking down the word *engage* reveals both what it means in retail and the subsequent benefits retailers who engage their customers can expect to realize:

- E**stablish an interaction that surpasses a transaction
- N**urture a meaningful relationship with your customers
- G**ain the opportunity to be a lifestyle enabler
- A**chieve top-choice status
- G**row the business profitably
- E**arn sustainable loyalty



THE CHALLENGES—AND THE SOLUTION

To be sure, successfully engaging customers by way of omnichannel is no easy task. At minimum, it requires retailers to:

- » **Develop a consistent view of customers across channels**
- » **Leverage—in real time—demand generation and fulfillment data across stores, e-commerce, mobile, social and search**
- » **Manage consistent master data for customers, products, marketing and locations across channels**
- » **Utilize business intelligence—including predictive analytics and data visualization—to quickly identify actionable insights**
- » **Establish enterprise inventory visibility and multiple fulfillment capabilities**
- » **Link marketing and merchandising along customer-centric lines**
- » **Create localized/personalized experiences through product, marketing and other touchpoints**

To get there, retailers need to develop a customer engagement roadmap. By using a roadmap, retailers are challenged to take the long view—to continually evaluate their strategies, capabilities and structure in light of how they impact customer engagement. At Kurt Salmon, we structure a retailer's customer engagement roadmap so that it clearly defines which omnichannel investments will drive the most profitable and meaningful engagement.

OUR CUSTOMER ENGAGEMENT ROADMAP



KURT SALMON

Kurt Salmon is the leading global management consulting firm specializing in the retail and consumer products industry. We leverage our unparalleled industry expertise to help business leaders make strategic, operational and technology decisions that achieve tangible and meaningful results.

CONTACT INFORMATION

Michelle Bogan
Partner
michelle.bogan@kurtsalmon.com

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Retailers looking to offer their customers an omnichannel experience are on the right track, but seamless retail-customer interactions regardless of channel don't equal omnichannel success. Success can be had only through meaningful customer engagement—the very thing omnichannel was designed to facilitate in the first place.