

All-Channel Experience: Engaging with Technology-Enabled Shoppers



Capgemini's All-Channel Experience approach helps retailers and consumer products companies provide shoppers with a seamless experience across all channels – from the physical store to social media.

The Challenge of Providing a Seamless Shopping Experience

Being a shopper today is more exciting than ever. The consumer products and retail industry is undergoing significant transformation largely because of the way that consumers choose to shop and consume. They are enabled with technology that allows them to approach the shopping process in a different way than they have in the past.

Shoppers expect to find information in multiple sources and formats – and they expect to find it quickly. They are looking for consistency and convergence among different technologies. And they have no predefined views on what “belongs” in specific channels, but will use whichever channel and device is most relevant.

The bottom line: Shoppers are no longer loyal to an individual channel but rather to an experience across channels. Providing a seamless experience across many channels is challenging for retailers and consumer products companies:

- Companies must change from a product- or feature-focused approach to a consumer- and shopper-focused approach across all channels.
- Integrated merchandising, order fulfillment and inventory management processes must be established across all channels rather than by individual channel.

Digital Shopper Relevancy

Today, shoppers' habits are changing and they expect a seamless integration across online, social media, mobile and physical stores.

In a new report, titled "Digital Shopper Relevancy," Capgemini surveyed 16,000 digital shoppers across 16 developing and mature markets about their use of a range of channels and devices for shopping. 60% of respondents expect the convergence of retail channels to be the norm by 2014. Yet more than half said that most retailers currently are not consistent in the way they present themselves across channels. This provides businesses with the opportunity to get ahead of the game and improve customer engagement by reconsidering their strategy.

The study also found that the retail landscape as we know it is set to change. More than half of respondents from both developing and mature markets expect that by 2020 physical stores in some categories will simply become showrooms to select and order products.

For more of the key findings and to download the full report, please visit www.capgemini.com/DigitalShopperRelevancy.

- Organizational structures and goals must be created around value propositions that cut across all channels, with incentive and commission programs to promote cross-channel selling.
- Cross-channel benchmarks and metrics must be developed and implemented.

The Benefits of an All-Channel Approach

Although the all-channel environment brings challenges, it also offers compelling opportunities.

Consider that the majority of shoppers are likely to spend more money at a physical store if they use digital channels to research products prior to purchase, and they will spend more money with a retailer if products are available anytime via any channel.¹

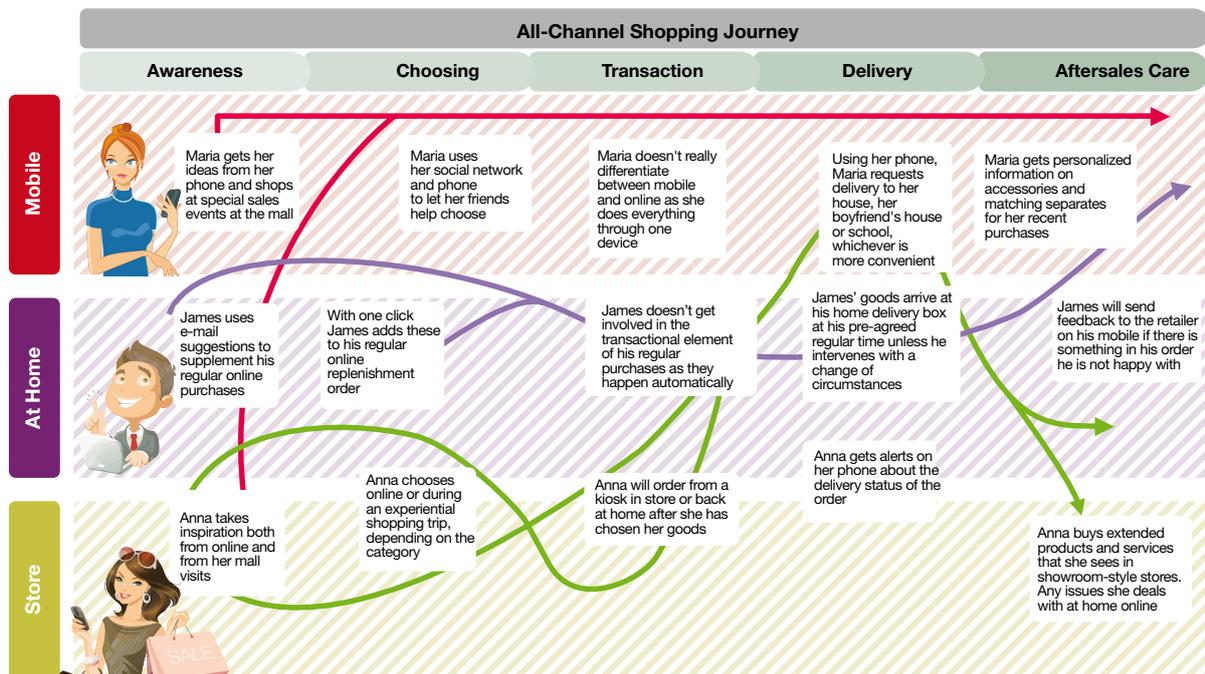
Put the Customer in the Middle

Engaging with shoppers across channels starts with understanding and visualizing the All-Channel Shopping Journey (Figure 1). Consider a couple of examples of what that journey might look like in today's technology-enabled environment:

Marc uses his local supermarket's shopping app to browse recipe suggestions, read special offers and compile his weekly shopping list. Once in store, the app guides him to each item. He scans barcodes for important product information beyond what's on the label. At the checkout Marc pays with his smartphone and the total is automatically deducted from his account, the receipt appearing in his store app.

Sandra is shopping online for shoes. She identifies a pair she's considering so that her friends in her social network can give her advice. As well as various comments, they also send her links to alternative options from the same retailer. The nearest store to Sandra is alerted to the online conversation and a representative offers to help her find the right shoe at the right size. Sandra visits the store the next day, where her shopping assistant has picked out several pairs for her to try. And Sandra buys not one but three pairs!

Figure 1: The All-Channel Experience in Action



Source: Capgemini

¹ "Digital Shopper Relevancy: Profiting from Your Customers' Desired All-Channel Experience," Capgemini, 2012



Capgemini worked as our trusted partner in developing the business concept for our global online solution and successfully managed multiple complex deployment activities.”

Head of Online Sales, Global Retailer



Our aim was to develop a user-centric [iPhone] application designed to bring real value to our shoppers and customers ...This application opens new horizons in the world of mobility and eCommerce.”

Director of Information Technology Services, Electronics Retailer

Capgemini's All-Channel Experience Approach

To drive value for consumers in this new environment, companies must re-examine their business and technology architecture. Capgemini's All-Channel Experience approach helps retailers and consumer products manufacturers transform their businesses to engage with technology-enabled shoppers.

All-Channel Experience solutions cover the initial strategic roadmap all the way through to the underlying technology and business processes in three distinct areas:

- **Digital Strategy and Transformation:** Assisting retailers and consumer products companies with the development of a digital strategy and roadmap and the subsequent transformation of their overall digital capabilities
- **All-Channel Commerce:** Integrating the commercial activities of retailers and consumer products companies in all relevant physical and digital channels
- **Consumer Dialogue:** Managing the relevant personal interactions with shoppers and consumers via social media channels, mobile applications and location-based services

Capgemini helps retailers and consumer products companies to establish the appropriate IT platforms and solutions that address several key objectives, including flexibility and agility, faster speed and lower risk, making use of current strategic platform investments, and developing customer-centric systems.

Capgemini is well positioned to define, deliver and operate the most optimal all-channel platform architecture. Based on a sound IT strategy, driven by the requirements needed to enable relevant shopper journeys and business scenarios, the application portfolio is analyzed (both current and future state) and recommendations are given. Capgemini leverages its knowledge and experience in the various solution alternatives to conduct effective vendor selections. As part of an overall program plan, Capgemini defines the deployment and integration strategy, and delivers the services to implement and operate the platform.

Experience Counts

Capgemini is working with a number of retailers and consumer products manufacturers to bring them the benefits of an All-Channel Experience approach:

- We assisted an electronics retailer to launch an innovative multifunctional mobile application.
- We are helping an iconic global luxury brand achieve its vision of becoming an end-to-end digital enterprise, providing their customers with an inspiring and consistent experience from any device, anywhere.
- We are working with a global consumer products manufacturer to design its digital strategy, which includes an online channel that connects the company directly to its consumers.
- We are a strategic partner with a grocery retailer in helping create a business that will sell both food and non-food items online and provide significant growth and transformation to the business.
- We helped a home goods manufacturer enter the direct-to-consumer business by designing and implementing its e-commerce operation.

The Starting Point: All-Channel Shopper Diagnostic

How can companies become more relevant to digital shoppers? It's not just a matter of setting up straightforward Internet-commerce sites, mobile apps, Facebook campaigns and in-store technology initiatives. Many companies think they understand what their consumers and shoppers really want, but we find that's not always the case, especially for digital shoppers. For this reason we suggest beginning with an All-Channel Shopper Diagnostic that leverages Capgemini's Digital Shopper Relevancy framework.

This framework helps retailers and consumer goods companies meet consumers' changed expectations regarding the key attributes that matter in their All-Channel Shopping Journeys: access, experience, price, product and service.

Our All-Channel Shopper Diagnostic approach starts with understanding the different shopper segments and their behaviors, and maps this with your current positioning and digital performance (using our All-Channel Benchmark framework). Based on these insights we qualify whether your current positioning needs to be refined considering the needs of the relevant digital shopper segments. We can subsequently define and visualize real-life shopper journeys – in order to understand how their all-channel experience needs can be serviced – and the opportunities this provides. The resulting suggested initiatives are assessed and prioritized into a transformation roadmap, with a clear and coherent growth path to success (including quick wins).

This approach will help companies identify the mission-critical capabilities needed to deliver a seamless and relevant all-channel experience. Capgemini can provide the support to build these capabilities, including organizational transformation and IT platform enablement.

With this approach, retailers and consumer products companies will be able to provide the all-channel experience that matters to consumers and shoppers.

About Capgemini

With 120,000 people in 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2011 global revenues of EUR 9.7 billion

Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want.

A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

www.capgemini.com

Rightshore® is a trademark belonging to Capgemini

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