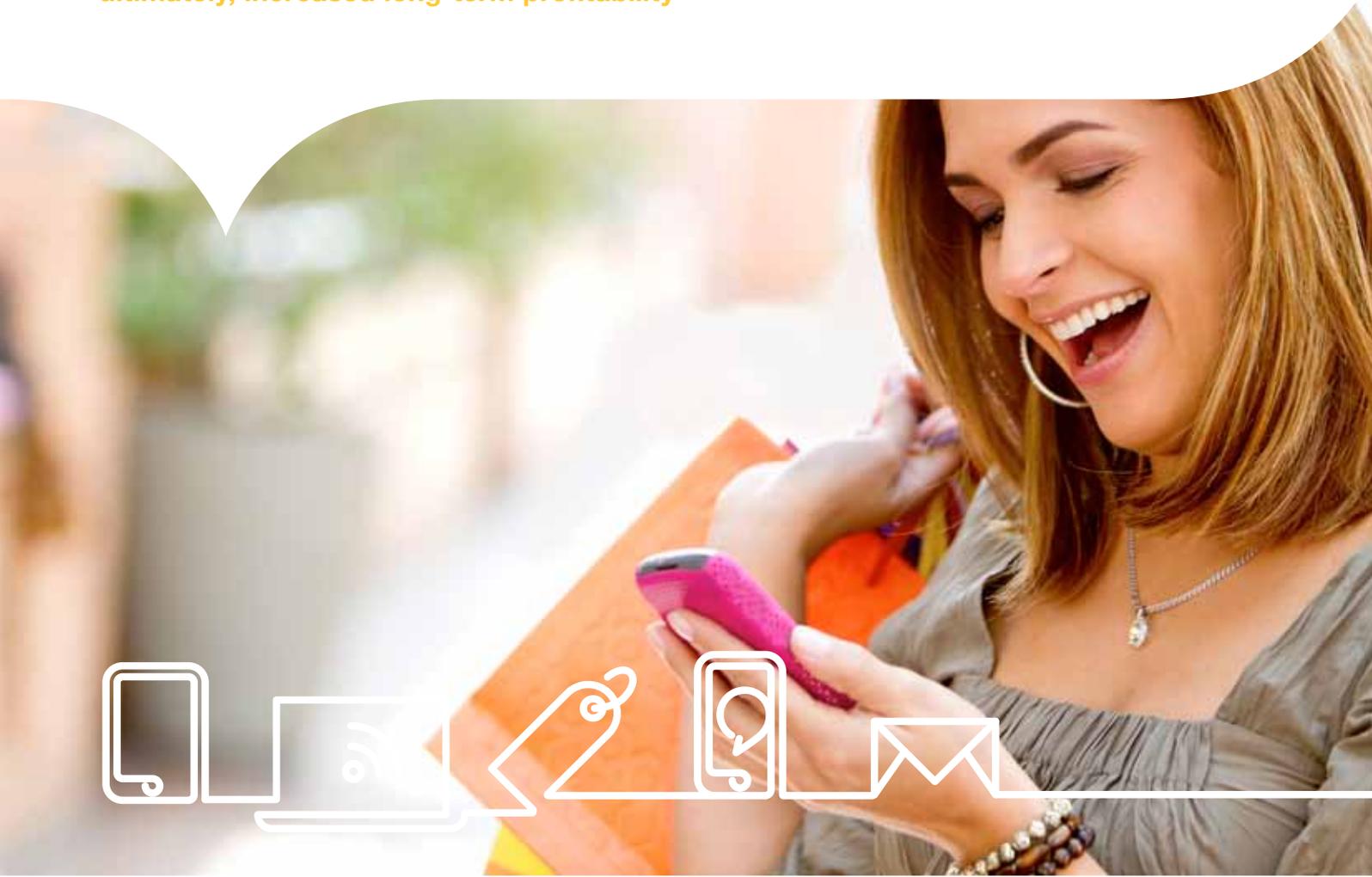


It's All About Them: Your Customers' All-Channel Experience

Creating differentiated "moments of truth" can drive shopper loyalty, advocacy and, ultimately, increased long-term profitability

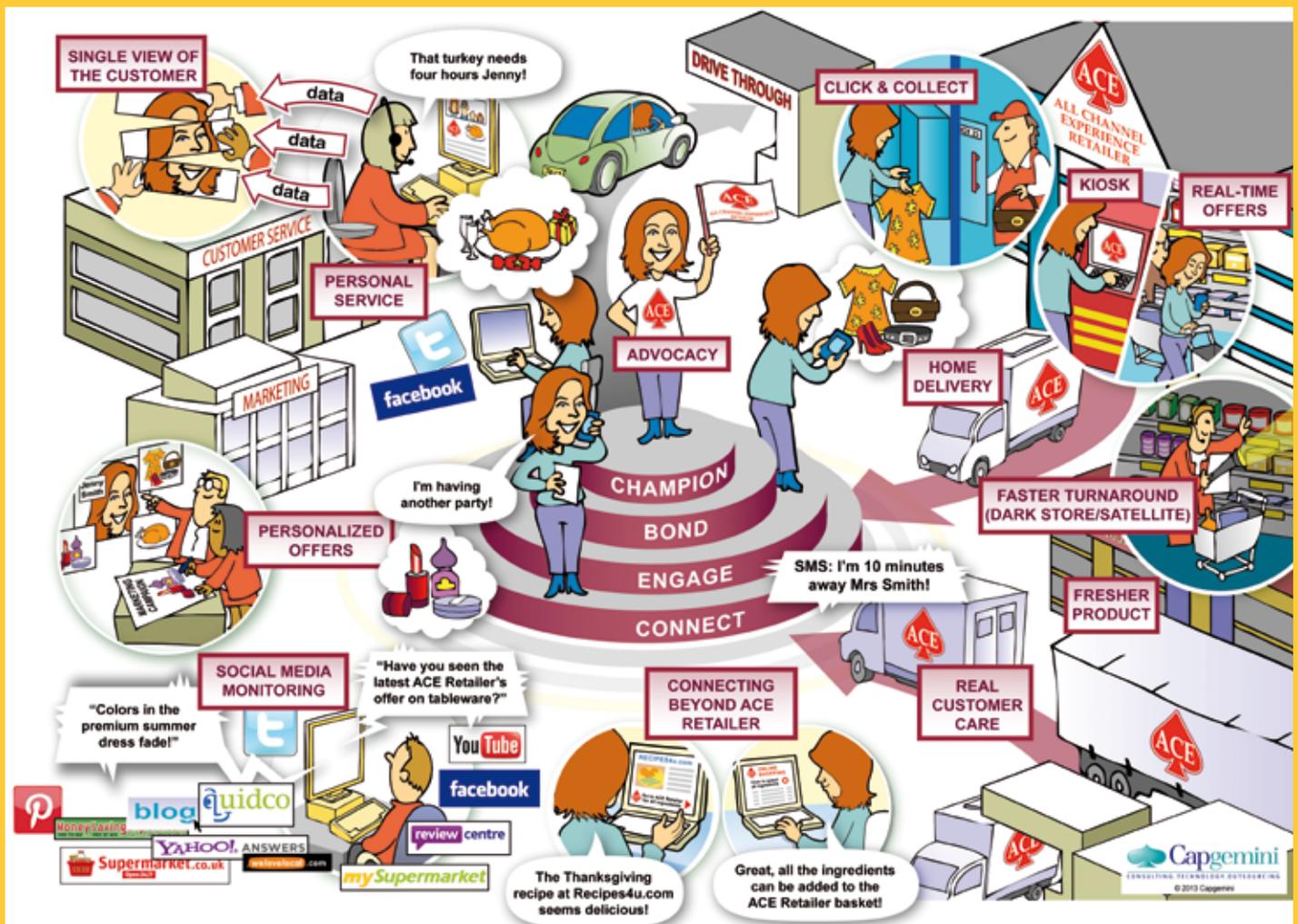


In today's retail world, now is about now. In the blink of an SMS you can win or lose a customer for life; even your share price is Twitter sensitive. New apps from e-tailers turn phones into barcode scanners and your own store into a silent auction room.

Brand awareness is not enough. You don't need customers who are aware of your brand, you need customers who love you; and you need to love them back. You need to connect right then and there. That means knowing what to do, and having the technology and capabilities that enable you to do it. It means providing what we call an All-Channel Experience (ACE).

Fact: Almost 70% of consumers would like to choose from several delivery options with different price points.¹

The All-Channel Experience Vision – Putting Your Customer at the Heart of Your Business



Source: Capgemini Analysis

An All-Channel Experience enables you to act in exactly the right way at exactly the right moment across all channels. It gives you the latest technology and capabilities so you can orchestrate individual customer relationships, and hit the right note when you need to.

“Do You Speak SoLoMo?”

“Look left Jenny Smith – yup, that’s us waving. Get here in 10 seconds and you can have 80% off our shoes, 12 seconds you can have 60% off, 14 seconds you can have 40% off... **RUN!**”

There’s a new language out there. The convergence of Social, Local and Mobile (SoLoMo) technologies to create down-to-the-second, down-to-the-footstep customer experiences changes everything. Imagine people sprinting to your outlet, arriving breathless, elated and wild about purchasing your latest offer. Welcome to last year.

That’s why a savvy retailer in Guatemala started combining innovation with GPS and mobile technology to “push”

real-time discounts as customers walked into a competitor’s store. It’s extreme, but it’s the direction of travel for retail.

So what are other retailers doing? Most of them are still “thinking.” To a large extent, that’s because talking is easy – understanding the practical steps to achieve an All-Channel Experience is much harder.

Here are our Magnificent Seven steps that comprise the ACE proposition:

1. Connect Elegantly
2. Delight and Entertain Daily
3. Charge Competitively
4. Deliver Flawlessly
5. Measure Relentlessly
6. See Completely
7. Transform Effectively

Fact: More than three-quarters of e-business professionals plan to replatform their e-commerce platform in the next two to three years; just one in every twenty is doing something about it.²



² “The Forrester Wave™: B2C Commerce Suites, Q3 2012,” Forrester Research Inc., September 2012

The All-Channel Experience Proposition – Driving Value for Your Customers and Your Business



Source: Capgemini Analysis

Fact: Consumer spending on B2C e-commerce grew 21% in 2012 to top \$1 trillion.³

Big Blunt Data, Small Sharp Insights

“In this context
the best use for Big
Data is to create
Small Insights.
Love ‘Jenny,’ not her
demographic.”

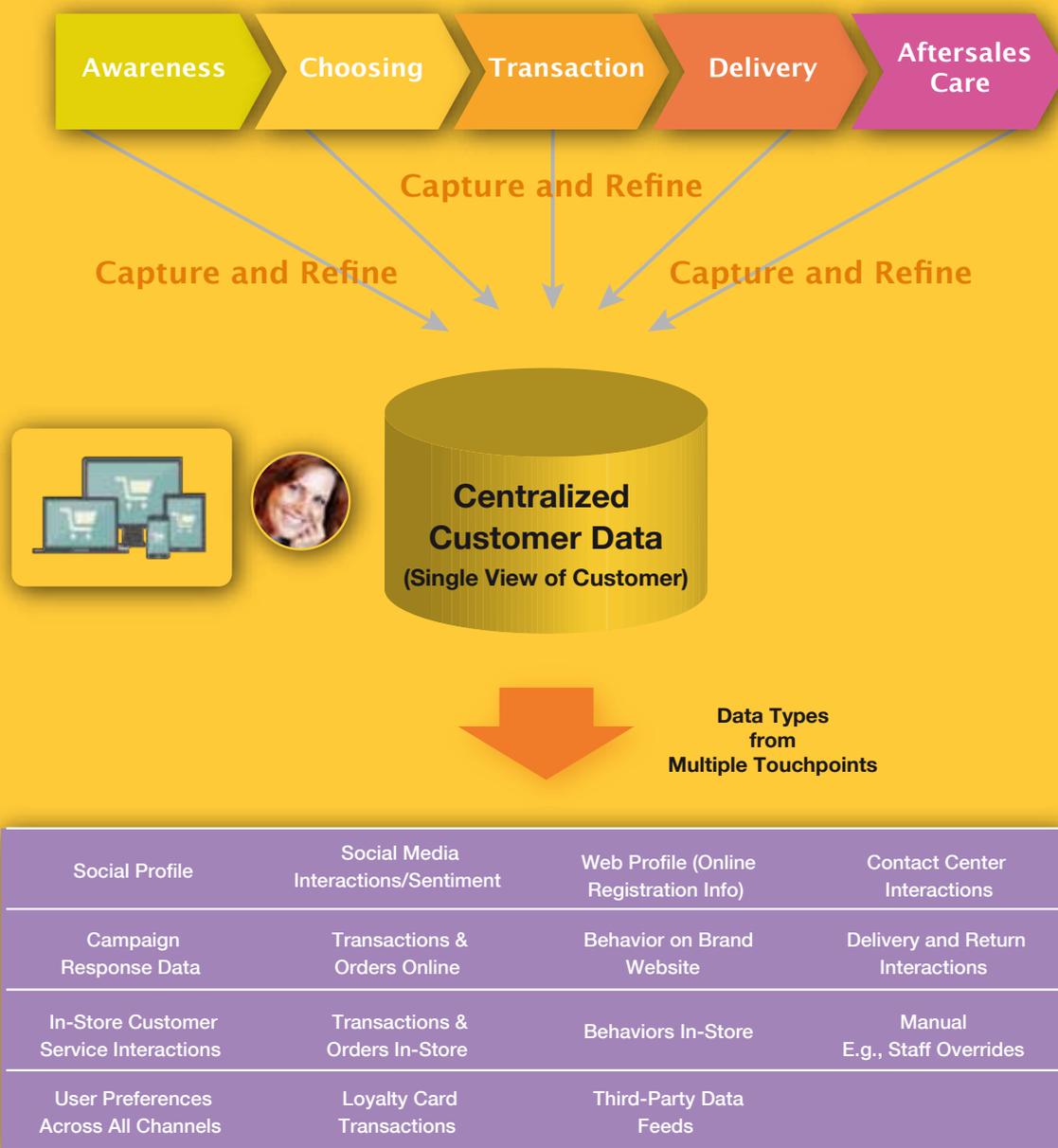
Peta-bytes of data are created across every vertical, every day. The trick is distilling information from the data, and insights from the information. Interestingly the new world of “data democracy” is driving previously unthinkable corporate behaviors – some US stores even share their daily scan data with external research firms and suppliers. Those third parties then consume the shopper insights “live.” This opportunity to mine valuable data from a number of sources can dramatically change retailers’ view of their customers. You can aggregate information from every angle and make deductions accordingly. This is where the ACE proposition stands apart: It provides a wraparound “single view of the customer.”

In the bad old days everyone received an offer beeping through at 3 a.m. Now we can see when “Jenny” wants to be contacted and when she doesn’t, we can see how to do it without being intrusive and through what channel. Don’t assume things – just ask, and let Jenny guide you!

Today’s technology means retailers can get it right. You can be relevant with offers using today’s IT – using yesterday’s, you were often constrained to being irrelevant and potentially impertinent.



Integrated All-Channel Experience – Sharing Data and Insights Across Your Business



Source: Capgemini Analysis

The “Wow” . . .

Fact: Personalized purchase recommendations based on previous consumer interactions can increase conversion rates by as much as 20%.⁴

The beating heart of the ACE proposition is creating differentiated “moments of truth” that stick and aggregate in a consumer’s mind to create that golden phrase “Brand X, oh I love them, do you know they...” The little things matter. We’ve thought hard about what characterizes those “Wow” moments in a consumer’s world: They are relevant, personal, engaging, rewarding, novel, value-driven, often humorous. They brighten that person’s day.

It can be as complex as an accessory upsell, handled by a store manager on collection of purchases who knows you have arrived because the vehicle license plate recognition system has texted him to say so. Or as elegant as a coffee machine with a 27-inch facial recognition screen asking if you want a

double espresso like you had yesterday. It can mean scanning goods on your smartphone and walking straight out because you paid for it in the same instant.

In fact, it doesn’t matter what it is – the technology is there. What the technology delivers is what really counts: loyalty, advocacy and, ultimately, increased long-term profitability.

. . . And the “How”

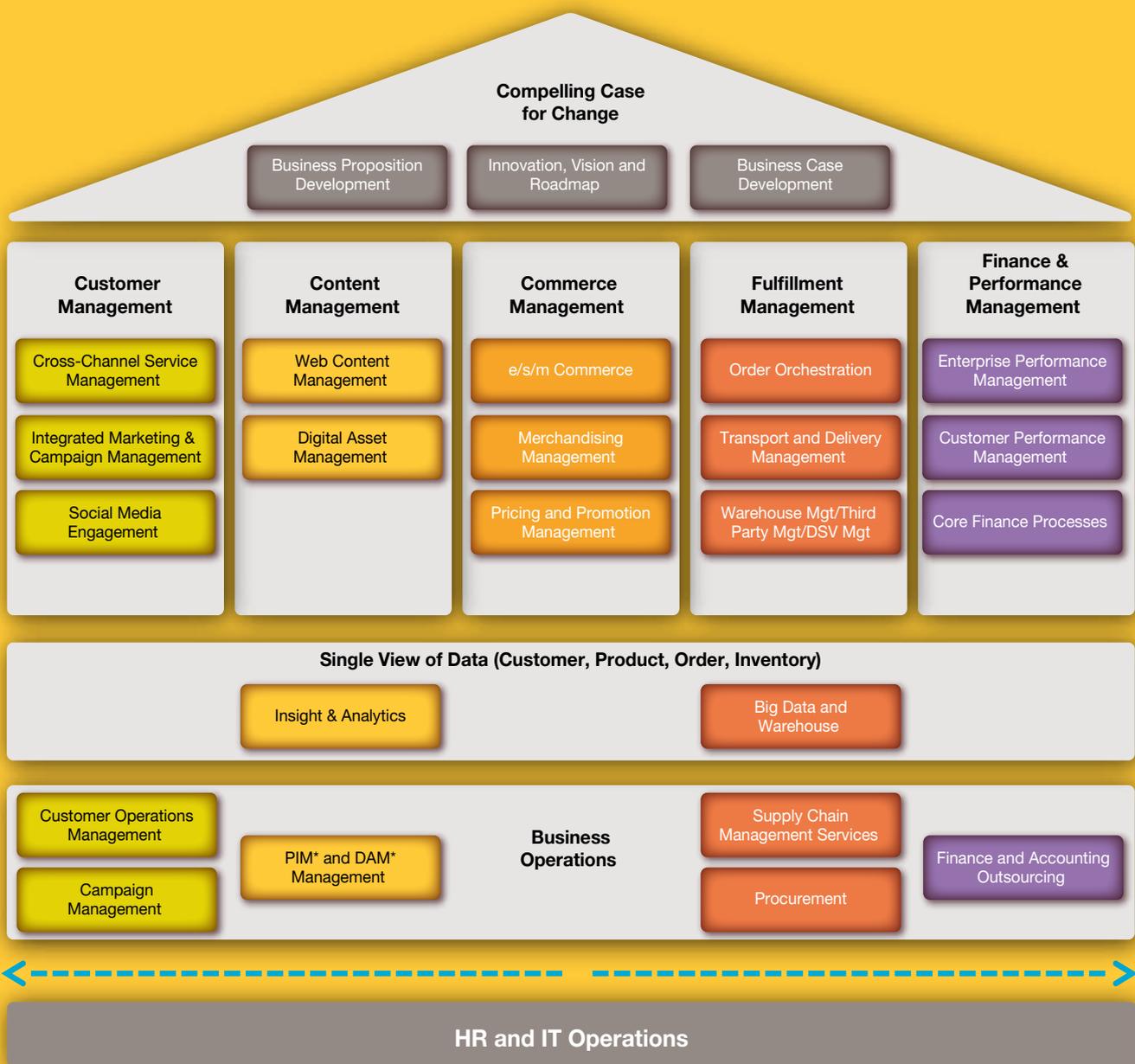
So how are these delighting, engaging experiences delivered? The way we see it, you need to think strategically, and focus on the seven key areas we outlined earlier.

Get the blueprint perfect before you start to build. Every company, every customer and every offering is slightly different. So think about your brand, your customer and where they touch, then respond to that insight with a

personal dialogue. Inspire customers with high-quality rich content across all channels and let them transact how they want to transact. Ensure they get their merchandise when and where they want it and then measure how you’re doing. Finally, see clearly, with a common dataset of real-time information for all strategic, tactical and operational activities.

⁴ “Global Online Shopper Report,” WorldPay, 2012

The All-Channel Experience Framework – Leading-Class Capabilities to Deliver the Vision



* PIM: Product Information Management; DAM: Digital Asset Management

We Could All Use a Technology Head Start

Of the many ways to get ahead of the field, starting first is the surest. The All-Channel Experience is based around best-of-breed solutions, delivered and managed in the Cloud. More than half a decade before market analysts formally recognized that, Capgemini was delivering it. Our offering has now been rolled out or leveraged across fashion, travel and grocery leaders.

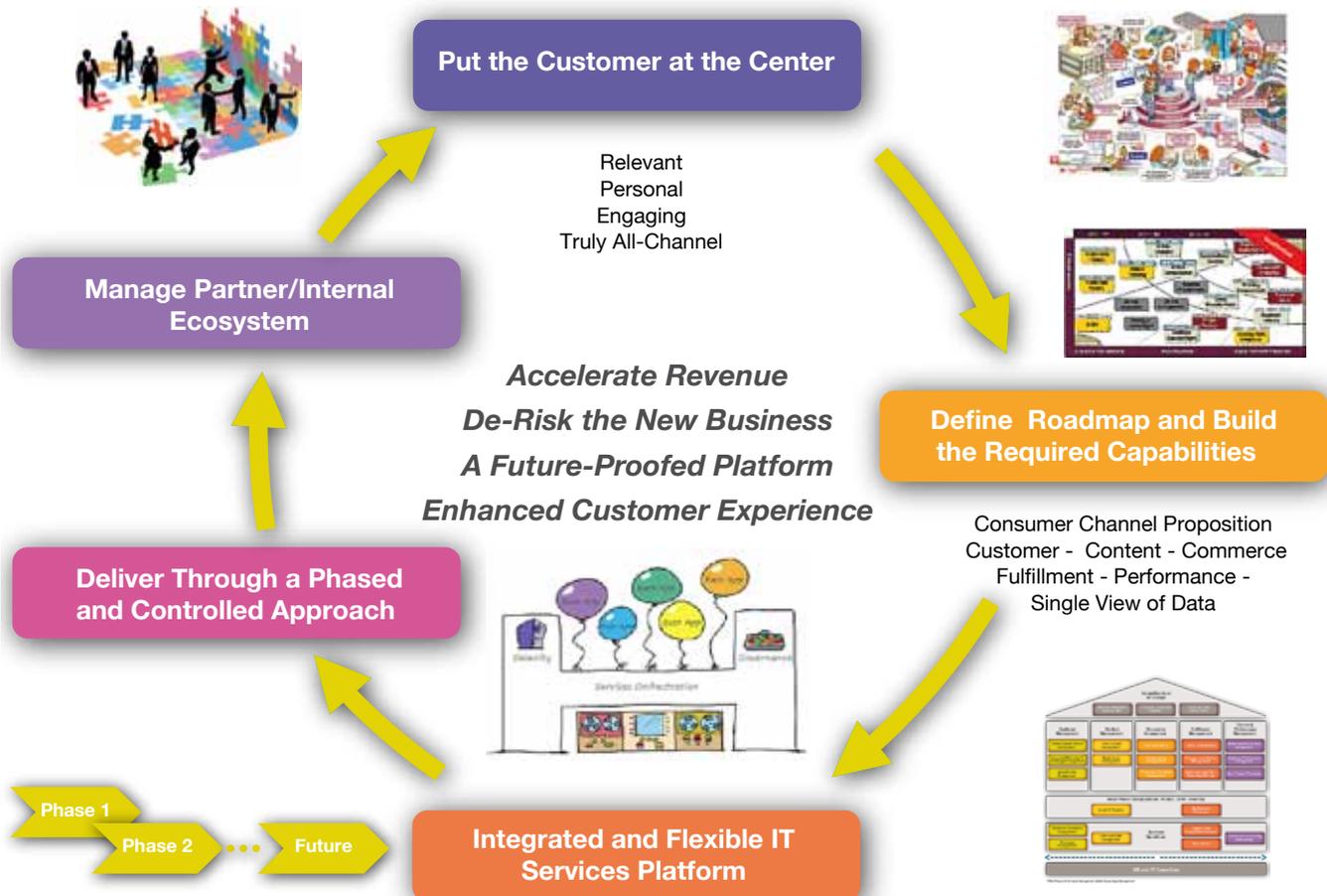
In the accompanying visual it's the "H" that sits at the center of the technology solution.

There are three key parts to the All-Channel Experience: first, the services required to deliver your differentiated offering; second, an Enterprise Service Bus that connects your on-platform legacy applications to those services,

meaning you can operate a plug-and-play model; third, a service integration layer that enables you either to consume services from others, or expose yours for consumption by them.

Put simply, it's a dynamic platform in a dynamic marketplace. Nobody knows what tomorrow's Facebook will be, but you had better be able to plug it in.

The All-Channel Experience Transformation – An Iterative Approach to Deliver Value and Capability



Source: Capgemini Analysis

Think, Walk, Run, Fly, Teleport... 😊

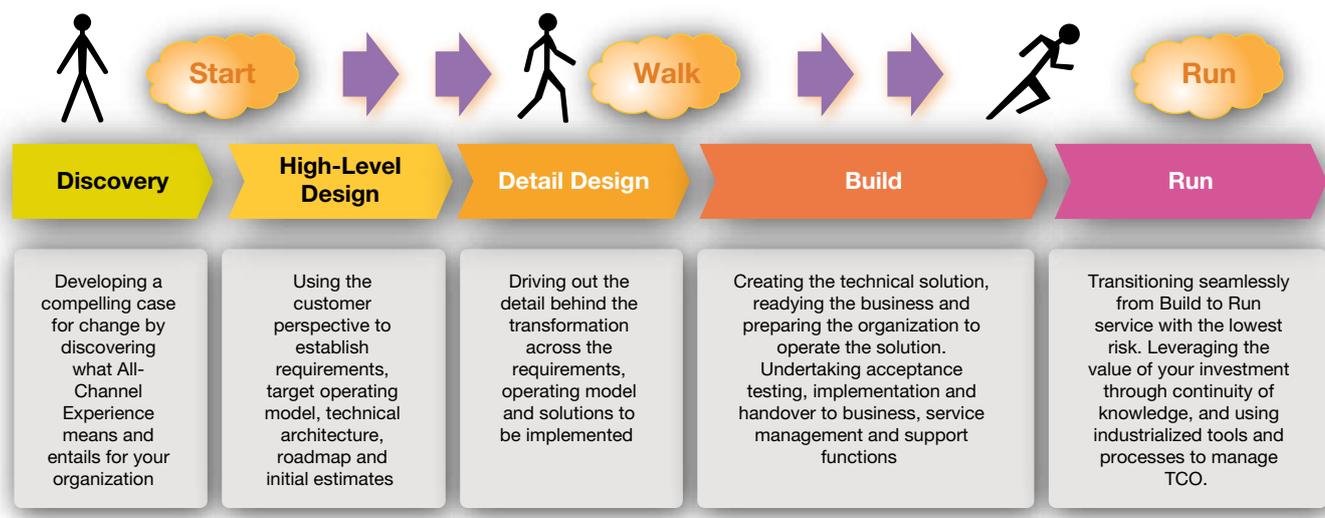
Delivering an All-Channel Experience across the retail sector has meant learning some lessons the hard way. The key lesson is to start slowly. Move at the speed your organization can take, bring it with you, work out what your customer wants before you start buying the technology to deliver it. Too often a faddish “Gotta get me one of those”

approach can land you with a big bill and a small return.

So instead, think simple. Be pragmatic. What channel, doing what things, will pay for everything else fastest? Think it through, then start slowly and don't close doors further down the journey.

It won't happen overnight. Building an All-Channel Experience is more of a journey than an event, and the first steps are crucial. Get them correct, in terms of your organization, your business processes and your technology choices, and the ongoing journey becomes both simpler and less costly.

Your All-Channel Experience Journey – Driving the Right Pace of Change



Source: Capgemini Analysis

In a Nutshell

Noticing that the world has changed doesn't help anyone. Acres of print are devoted to the exponential use of social media and the technology-led, digital-savvy customer. Column after column talks about the need to respond. In this space, as in others, Capgemini are the people who “go do.”

Seeing the direction of travel early enabled us to put the business and technology solutions together that answer our customers' challenges. As with much in modern business, being pragmatic rather than fashionable, using proven tools rather than making your own, and getting engaged before it's too late will be the difference between the winners and losers.



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About Capgemini

With more than 125,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2012 global revenues of EUR 10.3 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.

About Capgemini's Consumer Products and Retail Practice

Capgemini's global Consumer Products and Retail practice works with a majority of the world's largest retail and consumer products companies, plus hundreds more. A team of more than 10,000 consultants and technologists throughout the world helps these clients reap the benefits of industry-specific solutions such as All-Channel Experience, Demand-Driven Supply Chain, Business Information Management and Global ERP Integration.

More information is available at

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