

Get in touch Top five tips for successful retailing in the digital age

1

Present a unified and consistent view of the brand while ensuring consistent pricing to customers across physical and digital channels



2

Ensure the use of up to date back-end operations with real-time product information, inventory and order tracking data across all channels



3

Explore ways in which customers can use 4G and Wi-Fi in-store, thus allowing vouchers, product information and discounts to be sent to smartphones



4

Showcase local store availability across all digital channels – which might include targeted emails, use of social media and text messaging where appropriate



5

Guide online visitors to offline stores to exploit sales through ROPO (Research Online, Purchase Offline) or the click and collect phenomenon



The hi-tech high street is fighting back

Developments in ‘omnichannel retailing’, including greater mobile phone integration, are improving in-store shopping. **Chris Price and Ashley Norris** report

In a world when you can be sitting on a beach and order products to be delivered to your home via your smartphone, the traditional store is no longer just about bricks and mortar. Instead retailers need to adapt to an environment where consumers will make purchasing decisions from different devices using different apps and in different locations. Known in marketing speak as “omnichannel” retailing, it is a key strategy for companies looking to expand. Essentially, it means that customers expect to have their buying desires fulfilled at any time – whether that is using their smartphone during a TV ad break or from information terminals inside a store. While consumers take for granted that they can move from platform to platform to make their choice, retailers face the technical challenge of making sure their entire inventory is collected in a centralised platform that is digitally accessible. Not surprisingly, the UK lags behind the US when it comes to connected retail. According to data from LCP Consulting, a specialist consultancy in business operations and supply chain

management, 43 per cent of US retailers have a fully integrated omnichannel approach compared with 27 per cent of UK retailers. Stuart Higgins, retail partner at LCP, says: “Our research has revealed that, although the US and UK are at different stages in developing their omnichannel capability, they are agreed that the greatest overall benefits are an enhanced business model and increased sales.” What is clear is that despite the challenge of online growth and changing consumer shopping patterns, the physical bricks and mortar store remains as important as ever. According to research from global management consultancy Accenture, 13 per cent of shoppers plan to increase their in-store purchasing. This is compared with 6 per cent in 2012. However, Accenture also points out that key for shoppers is retailers must improve in-store shopping. Thirty-five per cent said retailers need to make the experience more fulfilling compared with 19 per cent who said that there needed to be an improvement in online shopping. Interestingly, the study also

found that it was younger consumers (those born between 1980 and 2000) who expected to purchase more in conventional stores in the future, rather than the Baby Boomers born between 1946 and 1964. Helen Merriott, managing director of Accenture’s retail practice, says: “The survey results indicate that retailers have a real opportunity to capitalise on in-store sales, but only if they make the experience worthwhile for consumers. A one-size fits all approach to retail in the UK will no longer work as young people now find shopping in-store more convenient than shopping online.” One of the major retail trends is towards Researching Online and Purchasing Offline (ROPO). Click and collect is one popular example of this phenomenon where consumers

reserve a product online before picking it up in store. According to Google, 38 per cent of all buyers now research online before buying in store, with home improvements and home electronics the big growth areas – up 29 per cent and 25 per cent respectively between 2012 and 2013. For retailers, click and collect has proved a major way of combating falling sales from the phenomenon of “showrooming”, where buyers research which products they are going to buy in-store and then buy them more cheaply on the internet. But ROPO is not the only example of omnichannel retailing. One particularly important growth area is in-store shopping and research via a smartphone or tablet. Far from discouraging consumers to use their phones in-store by removing barcodes

to stop people using price comparison apps, many enlightened retailers are now positively encouraging it. This has become important in the US where consumers now expect to use their mobile as a way of accessing real-time promotions in-store as well as checking stock availability. One way of encouraging mobile use may be by offering free Wi-Fi in store, another may be to ensure that in-store prices are the same as those online. According to Accenture’s study, more than three-quarter of respondents (77 per cent) said they now expect in-store and online pricing to be the same while 60 per cent expect retailer promotions and offers to be the same across all shopping channels. Importantly, customers also want to be able to use their mobile phones to check stock online during their visit. Obviously, one way of improving the bricks and mortar shopping experience is by training the staff to be as helpful and knowledgeable as possible. Equipping staff with Wi-Fi and 4G-enabled tablets with additional product information may be one way to boost staff knowledge in a bid to make the

shopping experience more satisfying. Some retailers are even going one step further by creating interactive areas where customers can sample products, such as food and wines, for free. They can then order via web tablets in-store. Other retailers are experimenting with NFC (Near Field Communication) technology which is now built into many mobile phones for making contactless payments and even downloading vouchers, coupons and loyalty points from a retailer. Ms Merriott concludes: “The lines between the different shopping channels are blurring, but the good news for traditional retailers is that the importance of the store is growing.” It is not just retailers who are embracing 4G. Fitness First has fitted EE public Wi-Fi, some of which is powered by 4G, in its clubs. From connecting bikes and treadmills with 4G-enabled displays to replacing posters showing class times with giant touchscreens, the changes allow clients to customise their routines. Fitness First says Wi-Fi registrations are up 540 per cent and average wireless session durations up 670 per cent.

How EE can help

Mobile technology is changing how retailers, banks and restaurants interact with customers, in-store and beyond. EE has brought together key components with industry-leading expertise on the UK’s biggest and fastest network to provide bespoke solutions that can create new revenue opportunities and make workforces more productive. This development promises unrivalled access to insight and data, vast technology experience, mobile devices and applications – all this for the first time via public Wi-Fi and supported by EE’s superfast network.

Insight and data

Public Wi-Fi is a powerful tool for understanding customers. Retailers using EE’s Public Wi-Fi can create detailed usage reports per venue or on a national level, breakdowns of new and returning users who have opted in to the service, and provide real-time visibility of the users logged on. With this, businesses can target customers and make better decisions. As the UK’s largest communications company with more than 30 million customers, EE also has unrivalled network analytics, called mData. From this anonymised and aggregated data, EE gets insight into population movements, journey patterns, demographic profiles and location-based digital behaviours.

Make your business totally mobile

Total Enterprise Mobility does not entail just giving workers a smartphone, it also means using connectivity – mobile devices, applications, and data insights – to better engage with your customers. EE can also help transform customers’ experience, improve employee efficiency, open up new revenue opportunities and improve operational decisions based on extensive insight. With so many elements, EE will work with a business to design a bespoke solution.

Public Wi-Fi

EE’s bespoke solutions start with a fully-managed and branded public Wi-Fi service in-store: fast, reliable and compliant with current regulations. Nearly 80 per cent of shoppers say in-store Wi-Fi influences where they shop – offering Wi-Fi can instantly improve customer

experience. And EE’s unparalleled real-time data capabilities, enhanced reporting and analytics help build a two-way relationship with customers.

Targeted and personalised mobile marketing

Businesses can turn newly-created digital channels, enabled by EE’s public Wi-Fi solutions, into a powerful marketing communications platform. Personalised mobile messages can be sent to customers – from a simple “Thank You”, or targeted offers when customers enter the venue, to getting instant feedback as they exit. EE can also help design and develop apps for customers.

‘It’s like that Martini slogan: anytime, any place, anywhere’

Suzi Spink, chief executive of fashion company East

Upmarket fashion store East has been a multi-channel retailer for many years. Its website www.east.co.uk has been in operation since 2008 and it has had a mobile website for the past three years. In addition, it has 115 outlets, including 60 standalone shops and concessions in a number of department stores. East, however, has also recently adopted an omnichannel, or connected retail, approach to its business. “It’s like that old Martini slogan: anytime, any place, anywhere,” says Spink. “We see it as meaning a single stock view and a single customer view.” In other words, a customer who walks into an East shop in Truro will have access to the stock available throughout the whole business – whether that’s at another store or online. Stock can be checked in-store via iPads or an app on the Google Nexus tablets over Wi-Fi and the purchase can be made by the customer using the devices available. Whereas previously those making an online purchase would

only have seen the stock allocated to the web, now they will see all the stock online and in warehouse. “The customer won’t necessarily know they have much better availability, but it will improve their experience,” explains Spink. Importantly, the omnichannel approach also means that East will know a lot more about the customer – what they are buying where and whether they next shop on the web, via their phone, tablet, or in-store. “We’ll know what percentage they buy in stores, what percentage they buy online, and how they use the different channels,” says Spink. From a customer service point of view, this enables East to talk to the customer with segmented marketing so it doesn’t waste time with offers they are not interested in. East is also focusing on giving customers more reasons to come into the store by offering in-store services, including personal shopping and customer events, as well as click and collect. Shopping is changing but East hopes with omnichannel it can keep pace and continue to grow the business.

CP



Building bricks in our digital world

Olaf Swantee

CEO of EE



Retailers who adapt quickly to technology’s latest challenges and opportunities will prosper

The UK retail sector is the third largest in the world – behind only the US and Japan. With sales totalling £321 billion last year, it is vital to the economy. But for those retailers with a physical high street footprint, the rise of online shopping and the always-on connected consumer are placing their traditional ways of doing business and, in some cases, their future under threat. Retailers need to turn the bricks and mortar store into an interactive digital experience and one that seamlessly touches the consumer across channels and devices. Here are three ways retailers can achieve this:

- **Connect your customers** The logical answer to “showrooming” might appear to be blocking in-store connectivity and engaging in tactics such as removing product barcodes from labels so price comparison apps do not work. But that risks sending powerful and savvy customers to competitors. Research shows that free in-store connectivity can help increase footfall into a store, with 80 per cent of shoppers saying the availability of superfast and robust connectivity influences where they shop. John Lewis even tackles showrooming head-on by encouraging customers to test its price-matching guarantee.
- **Create a digital retail experience** There is still a desire for the physical and social experience of browsing, trying on and buying. In this digital and connected century the retail store needs to become a destination that offers more than just browse and buy. British fashion retailer Burberry, for example, completely redesigned its flagship Regent Street store in 2012 around its digital strategy. It is an impressive experience, mixing high-fashion with ultra-modern technology. Tools include mobile apps, QR codes, digital labels, beacons and mobile payments – all of which can enhance going to a store and offer retailers ways to build brand loyalty.
- **Get to know your customers better** The data that smart retailers gain from understanding customer habits, travel patterns and online behaviours can be powerful. The data generated by the connected consumer is a great opportunity for a retailer to gather new and deeper insights. It can help retailers provide a seamless customer experience across different channels and touch points. At its most advanced, it could help retailers intercept an undecided purchaser with in-store, location-based marketing, delivering targeted and personalised offers.

Total Enterprise Mobility

Everything is better when it’s connected. And nowhere is this more important than in business. EE thinks the key to this is embracing mobility, which is becoming increasingly crucial for the UK. The goal is Total Enterprise Mobility: where all the information you need can flow freely between the people and machines that need it, regardless of where they are.



MOBILE WORKFORCE

Creating a genuinely mobile workforce so everyone is able to work wherever they want as effectively as if they were in the office – if not more so.



ENGAGED CUSTOMERS

Reaching your customers through their mobile devices no longer means just via a website. Social media and apps have a crucial role, too.



M2M

Connecting your machines together, internally and externally. So information can move freely between machines, and from machines to your people who need it.

To find out how total mobility could help your business, visit telegraph.co.uk/ee or call 0800 079 0856