Is your omnichannel strategy ready for 2014 and beyond?

Overcoming the challenges of omnichannel retail integration

While online is the fastest growing channel for retailers, it is only a part of a company's larger retail strategy. The challenge of maintaining a consistent and seamless brand experience across disparate channels is significant, and ultimately, remains a barrier to the customer transacting in a frictionless manner across the channels they choose. Even when a consistent and seamless experience is achieved, retailers also need to offer a personalized experience to loyal customers through product recommendations and contextually relevant offers delivered across channels.

Well integrated channels and relevant personalization increase the chance of a shopping experience becoming a buying experience. According to Forrester Research Inc. in their "U.S. Cross-Channel Retail Forecast, 2012 To 2017" report, 60% of all US retail sales will involve the Internet either as a direct ecommerce transaction or part of a shopper's research before making an in-store purchase. Consumers will shop and purchase on the channels that they find most convenient, and retailers must deliver consistent high quality experience no matter which channels are chosen.

For most retailers, frictionless cross channel experiences and effective personalization remain elusive. Channels have often been developed independently and in isolation without the requirement to deliver an integrated experience from the customer perspective. As a result, the customer may experience inconsistent offers, pricing, and merchandise mix and availability depending upon which channel they are using. This prevents a customer from effectively shopping and purchasing across channels. In addition, information collected on one platform may not be accessible to others, making relevant personalization across channels difficult to achieve.

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These difficulties may extend throughout the entire purchase lifecycle. For example, order orchestration can be challenging as retail locations and warehouse fulfillment are often only loosely coupled to online channels.

Clearly, cross-channel integration is one of the biggest challenges retailers face today. It is the customer who defines and drives the buying experience, and every barrier that prevents a customer from being able to click the buy button puts revenue at risk. Customers are demanding high quality interactions that are consistent across channels, and retailers who can provide these interactions will win.

omnichannel integration

Omnichannel refers to a frictionless experience that allows a customer to have a consistent brand interaction irrespective of form factor. A seamless omnichannel environment accelerates sales by empowering customers to make purchases across channels with equally accurate access to all merchandise. Customers should experience a consistent look and feel across the channels of their choice — brick and mortar, web, mobile, radio, TV, direct mail, catalog, email, and social media. With a well-designed omnichannel environment, customers can always connect with your business. Every smart phone becomes a shopping device, and businesses that recognize this can take advantage of the phone as the connective tissue between the in-store experience and mobile sales.

Omnichannel technology is a foundation that must be built to achieve true personalization across all channels and form factors. Every channel must have access to the same customer information and uses this information to create customer value using the mechanisms best suited to a specific channel. As a result, an omnichannel environment allows customers to interact with your company using multiple channels simultaneously to leverage the best experience overall.

Without a strong omnichannel technology foundation, many retailers will not be able to meet customer expectations. Consider a customer who goes to a shop to look at an item and leaves without purchasing it. Later, the customer wants to buy the item but cannot find it easily on the company website. The customer will then search online for the item, potentially making the purchase with a competitor.

Implementing an omnichannel strategy is essential for today's businesses. It is quickly becoming a core ingredient that directly impacts a business' ability to:

- Retain customers
- Expand across new channels
- Leverage investment in existing channels
- Effectively understand and match customer behavior
- Enable better order orchestration
- Achieve greater customer satisfactwion
- Simplify purchase transactions
- Increase brand loyalty
- Achieve higher revenues

Building an effective omnichannel environment is not easy to accomplish, as many companies have discovered when attempting to walk through the integration process by themselves and falling short of their goals. The difficulty is not in building new channels but in building consistent channels that work together despite the fact that each channel is built upon different platforms and technologies. For channels to be well integrated, specific use cases must be identified for unified integration (for example, search, catalogue, and offers) across web and mobile channels, and brick-and-mortar channels. Your implementation must take into account what is best for your brand, your customers, and your digital assets. This means your ideal solution will be a unique combination of mobile implementations, digital marketing capabilities, CRM, and other technologies. So how do you know which solutions are best-suited for your business?

To help you achieve your vision, **you need a partner** who intimately knows the retail industry and available omnichannel solutions, can navigate business and technology challenges, and can help you make the best decisions for your business. With a trusted advisor, you can understand your options and the available tradeoffs sooner, enabling you to focus your efforts on the choices that are the most suited to your operations. As a result, you'll be able to implement your strategy and get to market sooner with the solution that best matches your needs.

your omnichannel partner

Grid Dynamics can help you remove the limitations of your existing environment and unlock the full potential of your business. We approach the omnichannel challenge from a business, product, and customer perspective. Rather than considering channels as solutions in themselves, we integrate channels as capabilities within a complete retail strategy.

Grid Dynamics offers services and solutions where our team of experts evaluate your needs and business strategy to determine the right technical base from which to build a true omnichannel foundation. We assume direct accountability for your success. Grid Dynamics is committed to working with you over the long-term to assure results and to keep your omnichannel deployment relevant as your business and customer behavior evolves.

"With our in-depth expertise and next-generation solutions," says David Gimpelevich, President and General Manager at Grid Dynamics, "we enable tier one retailers to create an agile and dynamic omnichannel environment that delivers a sustainable, world-class experience to customers. And, by working in partnership with retailers, we ensure the availability of a reliable and consistent platform so you can dominate the marketplace."

With Grid Dynamics as your partner to integrate your omnichannel environment, you will be able to:

- **Achieve peak performance and reliability:** Every Grid Dynamics client experienced 100% uptime during the 2013 holiday season.

- **Accelerate TTM and ROI:** By establishing an infrastructure built around Continuous Delivery practices, Grid Dynamics optimizes testing, deployment, and delivery of services, reducing environment setup time from weeks to under an hour. This allows you to introduce multiple updates per day with greater reliability.

- **Optimize digital commerce:** Grid Dynamics understands cost is a critical factor. That's why your solution will be based on technologies that provide you reliability in a cost-effective manner. Your business operations will be enhanced across both large and small capabilities to optimize operations across all key metrics, improving search, personalization, and fraud management, just to name a few of the benefits.

- **Leverage continuous innovation:** Grid Dynamics keeps abreast of the latest technology to help you achieve agility across the entire services lifecycle. In this way, you have a partner who knows the best options available to you and can bring in the advanced features you need, when you need them.

- **Maintain agility over the long-term:** An effective omnichannel integration strategy must consider long-term goals and tradeoffs. A strategy that focuses on short-term gains alone can comprise a retailer's ability to stay relevant as technology continues to evolve.

Your business needs the agility to flexibly navigate the future and take advantage of emerging trends without limitation. With a fully integrated omnichannel environment, you'll be able to support the dynamic business models required to expand your market opportunities and keep ahead of your competition.

about
Grid
Dynamics

Grid Dynamics is a leading provider of open, scalable, next-generation commerce technology solutions for Tier 1 retail. With in-depth expertise in commerce technologies, wide involvement in the open source community and a modern, global workforce, Grid Dynamics helps great companies gain a sustainable business advantage by implementing and managing solutions in the areas of omnichannel platforms, product search, and continuous delivery. To learn more about Grid Dynamics, find us at www.griddynamics.com or by following us on Twitter @GridDynamics.

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