



Omnichannel Marketing

A New Era of Customer Engagement

Contents

- Brief overview of omnichannel marketing
- Benefits of an omnichannel approach
- Examples

WHAT IS OMNI?

Omnichannel Marketing

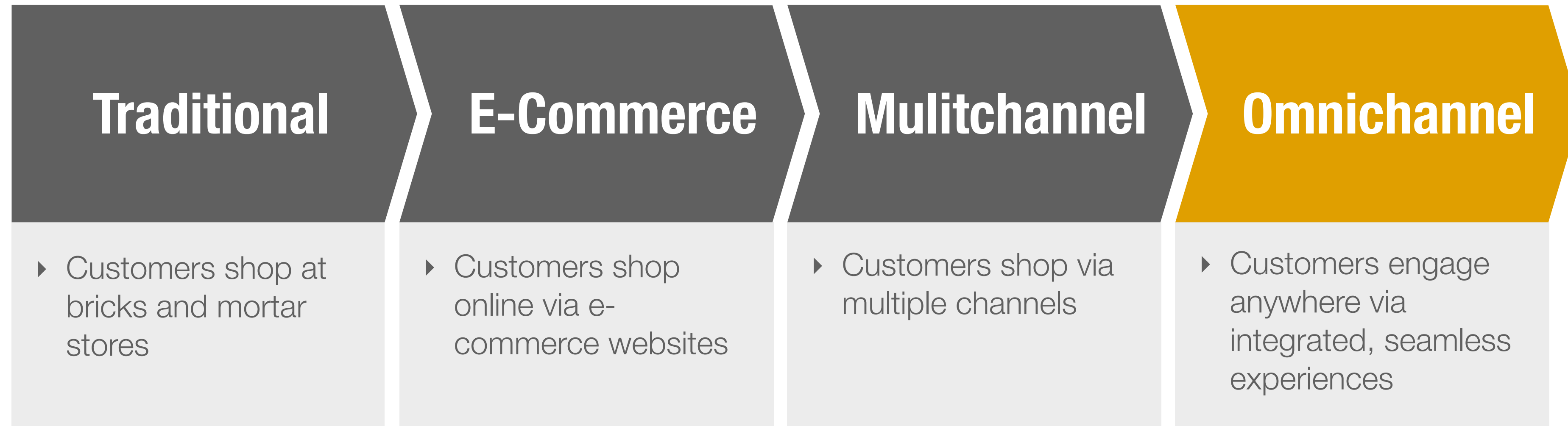
An evolution in marketing strategy and approach

- **Omnichannel marketing creates a continuum of customer touchpoints across multiple channels that together provide an engaging brand experience**
- Multichannel means that a brand is on key channels
- Omnichannel is an evolution of multichannel. Each channel is aware of interactions on other channels. The customer experience is seamless and consistent.
- Omnichannel is in the early stages of adoption, but offers compelling ROI for many companies
- The omnichannel experience is quickly becoming what customers *expect*

The New Landscape

Customers expect omnichannel experiences

Business Model Evolution



Showrooming

Customers shop in physical stores but buy online at lower prices



Showrooming Trends

Showrooming is disrupting traditional models

Increasing Participation

A recent Harris Poll revealed that 43% of U.S. adults have participated in showrooming.

Use of Smartphones

ComScore reported that 66% of showroomers used their smartphones to compare prices.

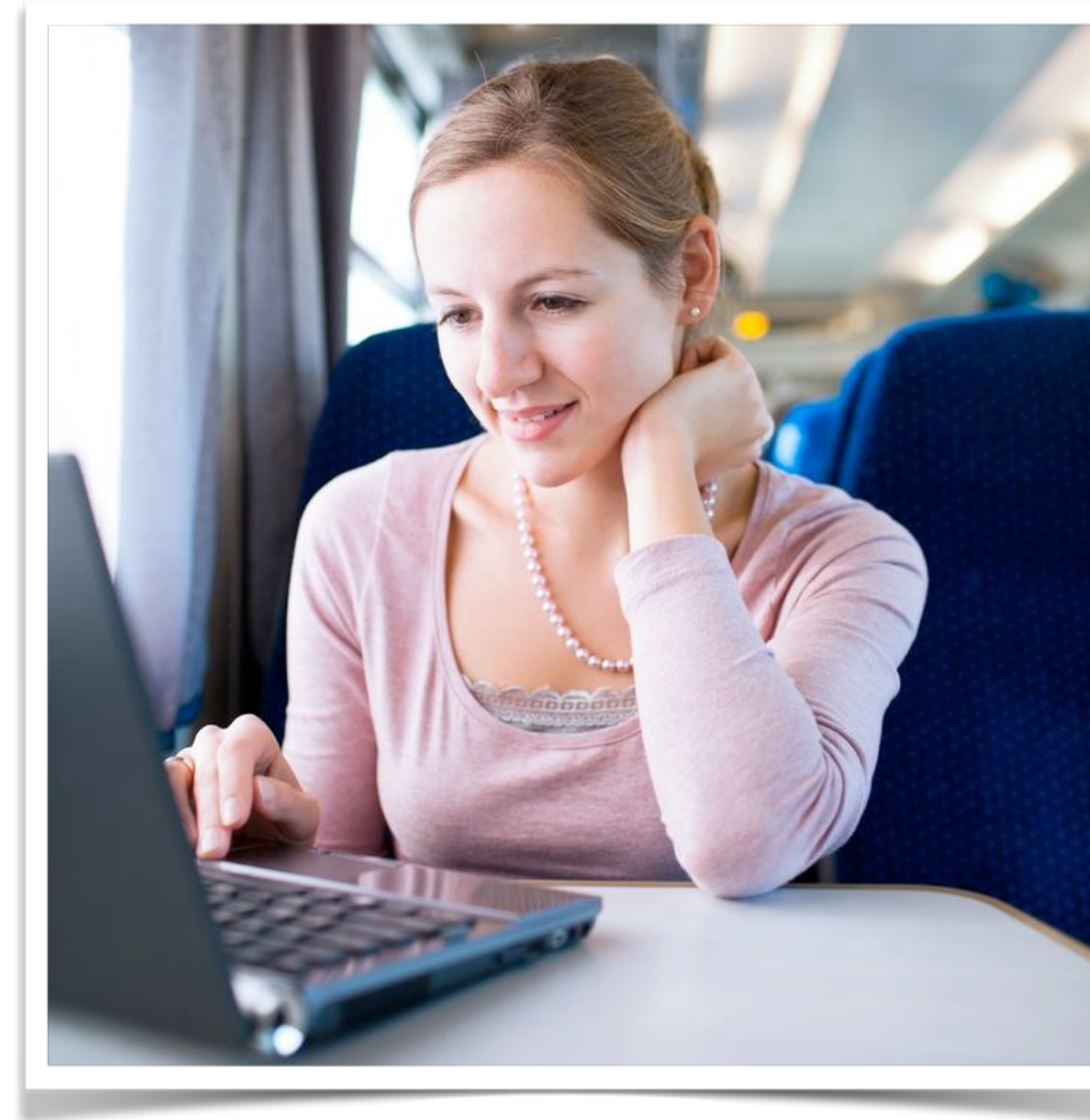
The Amazon Effect

In a recent Harris Poll, 57% of consumers say they most frequently bought from Amazon after visiting a bricks-and-mortar store.

Changing Behavior

Technology & customer behavior are at a major transition point

- ▶ 50% of customers engage with an average of 2 touchpoints to research or purchase products, and 36% engage with an average of 3*
- ▶ They are rapidly adopting new devices and digital touchpoints such as Pinterest
- ▶ Technology has turned customers into moving targets



* Source: 2012 Customer Experience Trends Survey, Endeca Technologies, May 2011

Farewell Funnel

Traditional marketing funnel, you've served us well. But, it's time to say goodbye



Customer Lifecycle

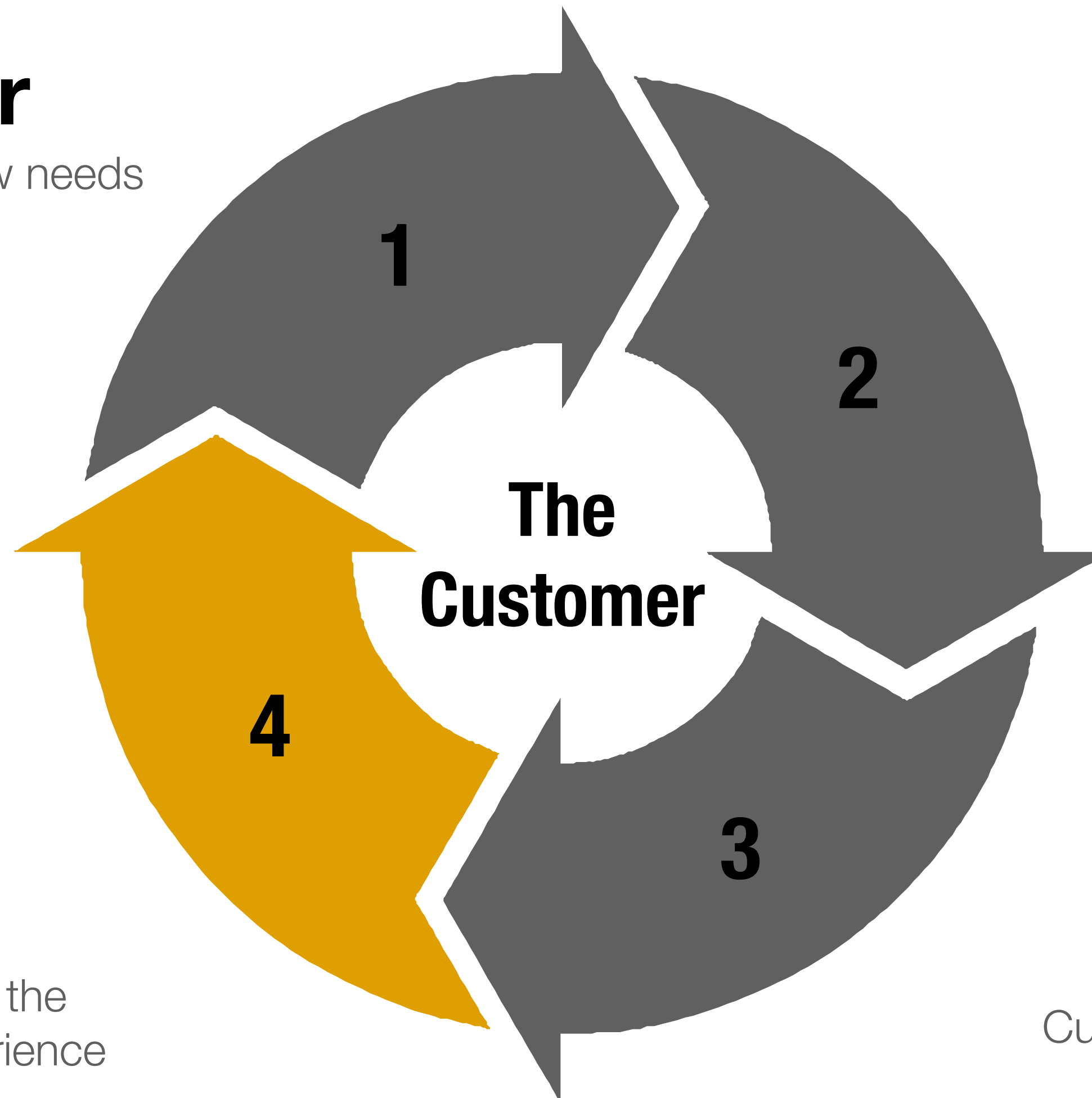
Connected customers define the path--no longer a linear, traditional sales funnel

1 - Discover

Customers discover new needs

2 - Explore

Customers explore their options



4 Engage

Customers engage with the product or service experience

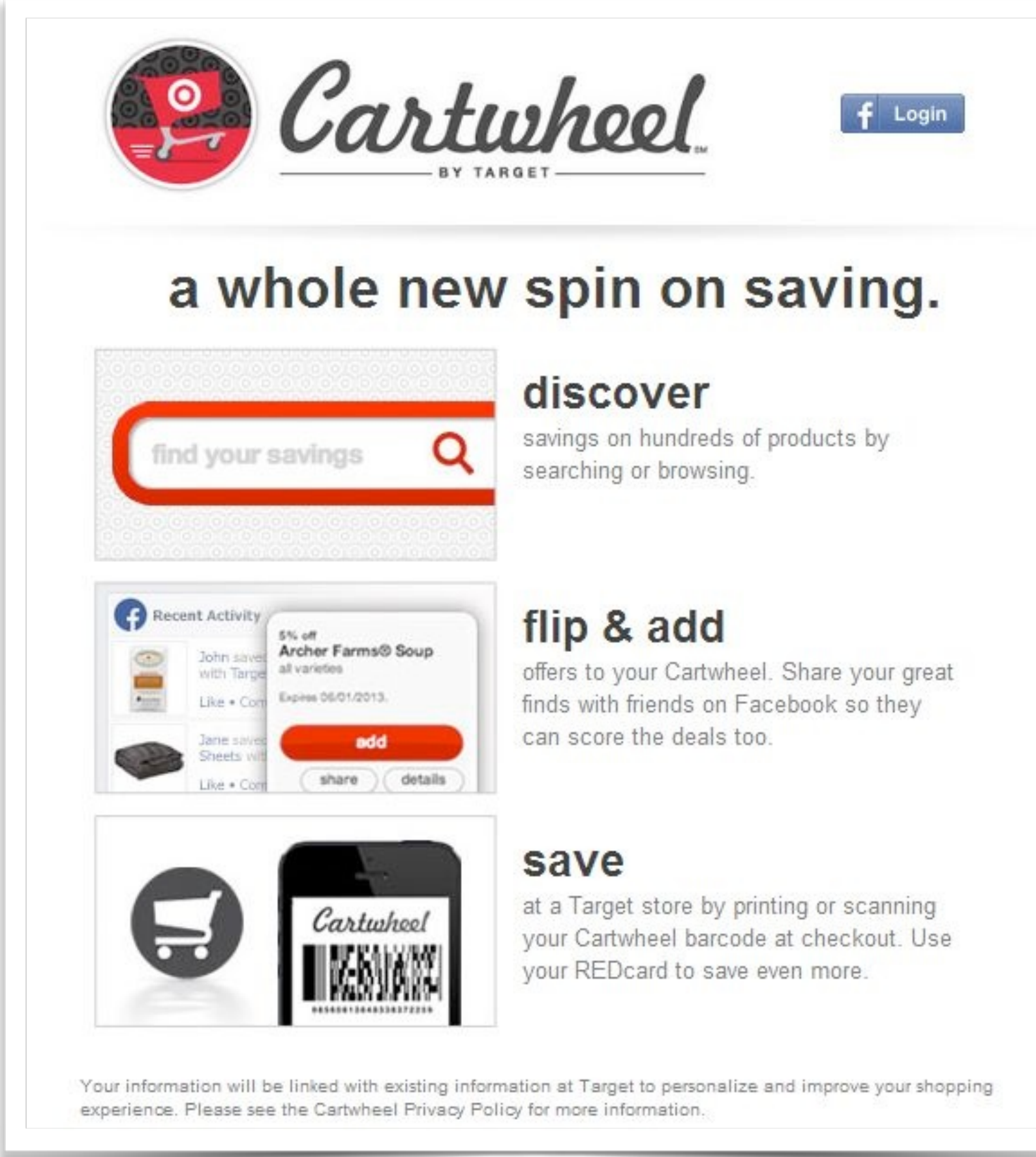
3 - Buy

Customers make purchases


Omnichannel Examples

Cartwheel by Target

- Target is partnering with Facebook
- Offering deals that customers can only redeem in stores on their mobile devices
- Strategy is to get smartphone-carrying customers to visit and purchase in bricks and mortar Target stores
- Response to showrooming



The screenshot shows the Cartwheel by Target mobile app interface. At the top, there is a logo for Cartwheel by Target and a Facebook Login button. Below the logo, the text reads "a whole new spin on saving." The interface is divided into three main sections: "discover", "flip & add", and "save".

discover
find your savings 
savings on hundreds of products by searching or browsing.

flip & add
offers to your Cartwheel. Share your great finds with friends on Facebook so they can score the deals too.

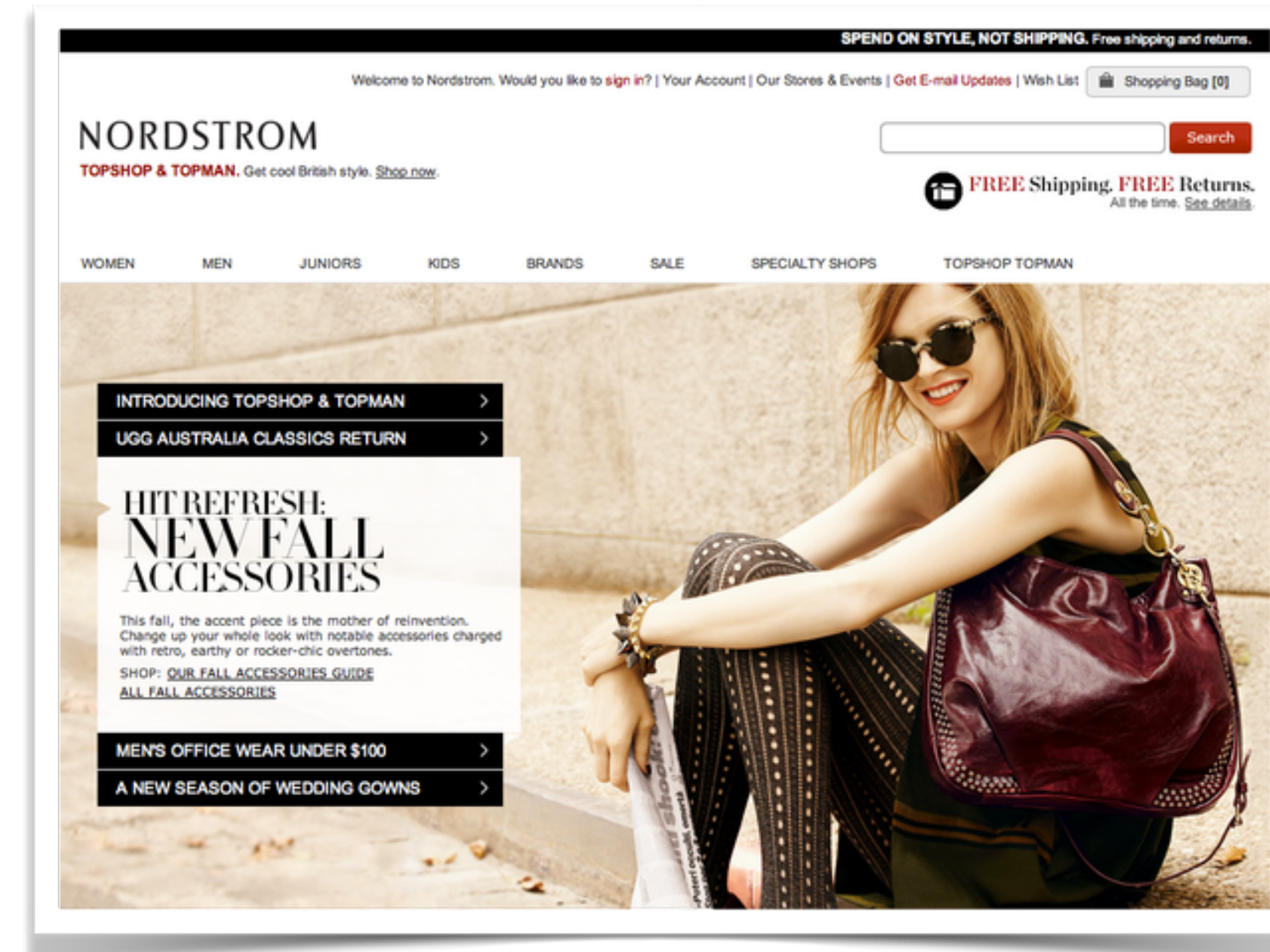
save
at a Target store by printing or scanning your Cartwheel barcode at checkout. Use your REDcard to save even more.

Your information will be linked with existing information at Target to personalize and improve your shopping experience. Please see the Cartwheel Privacy Policy for more information.

Omnichannel Examples

Nordstrom

- New stores equipped with mobile point of sale devices
- Top salespeople given iPhones to contact customers
- Significant investments in IT to ensure online experience matches in-store experience
- Company has integrated inventory and fulfillment for stores, the Internet, and mobile devices



Omnichannel Examples

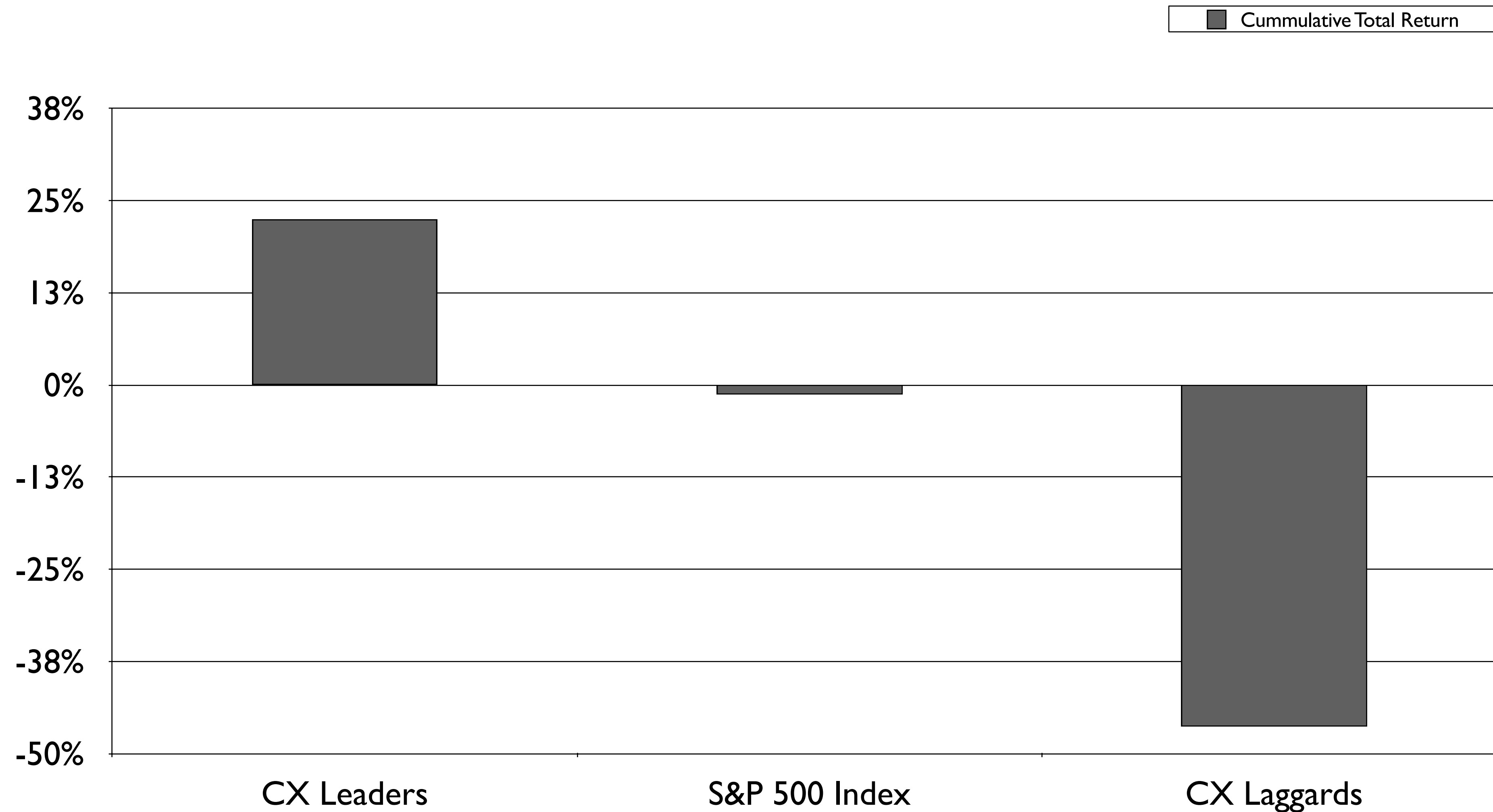
Starbucks

- Disciplined, consistent approach to Starbucks brand across all channels
- Leveraged robust IT platforms to launch new loyalty program
- Loyalty program users can join the program and also make purchases using their phones
- Now coffee can be purchased directly with a smartphone



Experience Matters

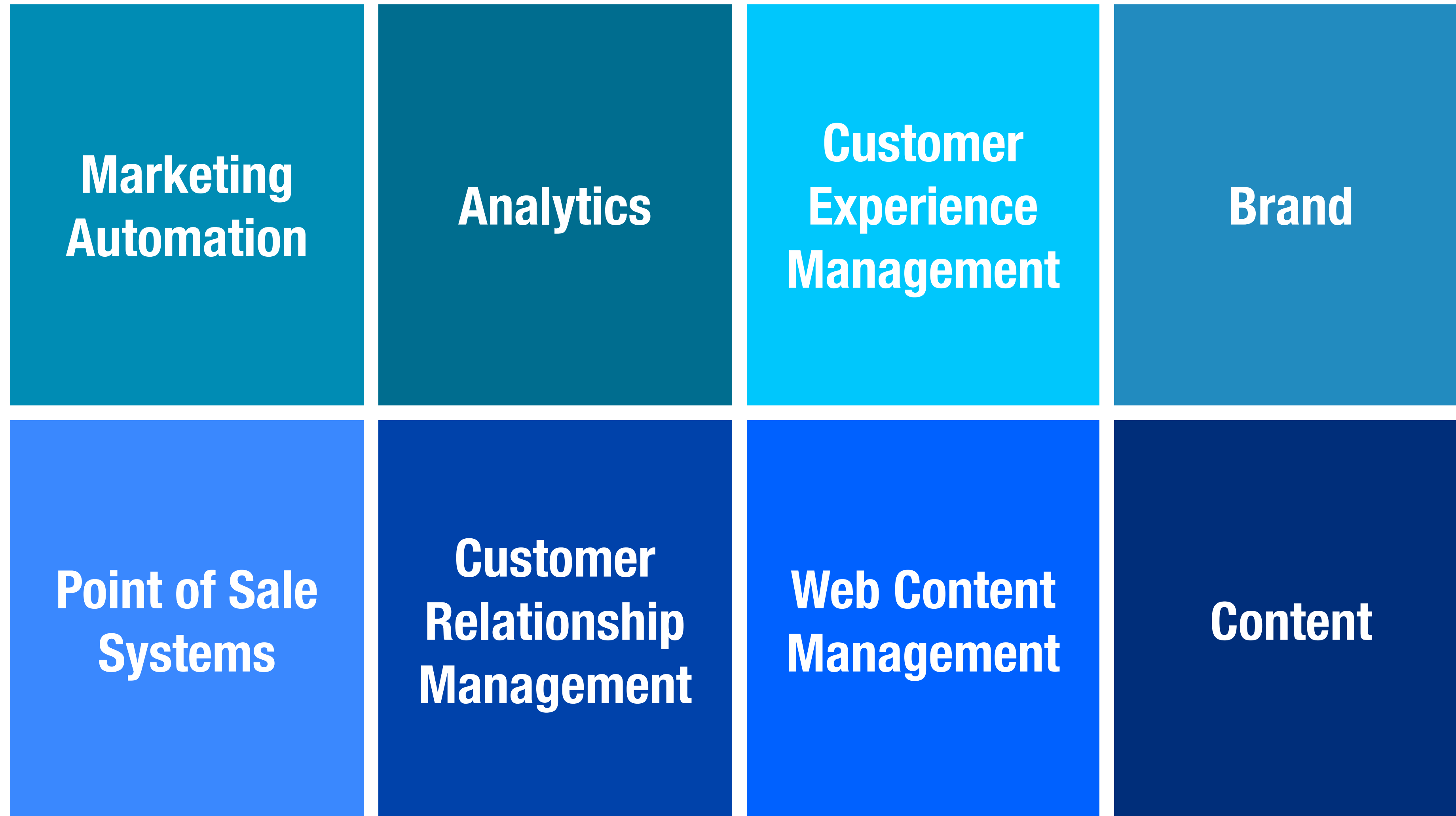
Customer experience (CX) leaders are rewarded



Source: Watermark Consulting Customer Experience Stock Performance Analysis - 2012. Study of cumulative stock returns for the Top 10 and Bottom 10 publicly traded companies in Forrester Research's annual Customer Experience Index ranking

Key Enablers

Omnichannel marketing requires a cross-functional approach across marketing, IT and customer service





**THANK
YOU**

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