The Omnichannel Approach

A Business Imperative for Your Audience

Liferay

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Introduction

Companies are now facing a reality where delivering personalized and omnichannel experiences is mandatory if you want to stay competitive. No longer just a buzzword, omnichannel refers to providing a seamless customer experience across channels, whether in-branch, a mobile device, desktop or any channel. In order to attract and retain customers today, companies must be able to marry omnichannel experiences with customer experience best practices. Not only must the experiences be available via any touch point, they must be continuous and unfragmented.

Consumers Are Already Omnichannel

The average customer will encounter 15 to 20 brand touchpoints before that brand or product becomes relevant in his or her mind. This number is higher than it has been in recent years; in 2013, customers would only interact with four to six touchpoints before submitting an inquiry and we can only expect this number to rise in coming years due to IoT and other new emerging channels.[1]

If companies do not offer a seamless experience in every one of these customer interactions and at decisive moments - like closing a complex purchase - they will lose customers and slow new customer growth. Studies show companies with strong omnichannel customer engagement retain on average 89% of their customers, compared to 33% for companies with weak omnichannel customer engagement (Fig. 1). Omnichannel gives businesses the ability to operate in a customer centric way, providing a consistent experience across all channels, and delivering offers that they are more likely to accept.

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1   How Many Brand Touchpoints Do You Need with an Audience Before They Purchase?

Customer Retention Based on Omnichannel Engagement

Strong Omnichannel
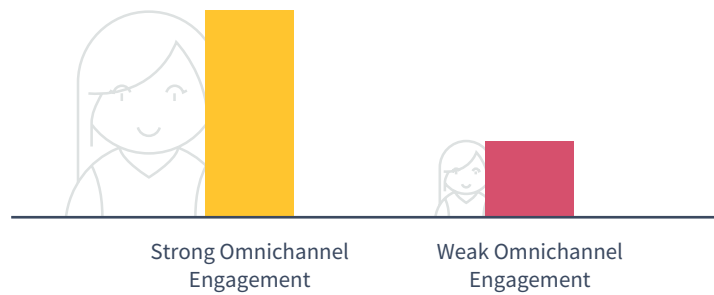Engagement

Weak Omnichannel
Engagement

Figure 1

What Is Omnichannel?

Due to the significant increase in the number and variety of digital channels, such as smartwatches, tablets, kiosks and others, the concepts of crosschannel, multichannel and omnichannel are constantly diffused and discussed in the current environment and used with the same meaning. However, the terms are not interchangeable.

Crosschannel means a customer can use two channels to accomplish an objective. For example, research car rental prices and go in-store to complete the transaction.

Multichannel refers to the customer using various channels to engage with the organization. These multiple channels are disjointed and do not share information about the customer with each other. For example, an educational institution can have a mobile app and a portal for teachers and students, but these channels may not offer all services offered in the institution headquarters. Employees might not even have a complete view of all interactions between these two audiences. This fragmented approach is a step toward omnichannel, but can be frustrating to a customer if expectations are not met.

Omnichannel delivers a seamless user experience integrated across all channels. The customer does not even notice changes in the experiences between different channels. A big retail company can give customers the same services across all channels and allow a more consistent interaction with the store. In this approach, the customer can buy through telemarketing, a website or an app and collect it in-store, while also being able to return the product online or at any store. He or she can also make payments at any of the touchpoints mentioned.

Relevant Content
The right content
at the right time

Anytime, Anywhere
Access information 24/7
seamlessly using any channel

Complete Buyer Profile
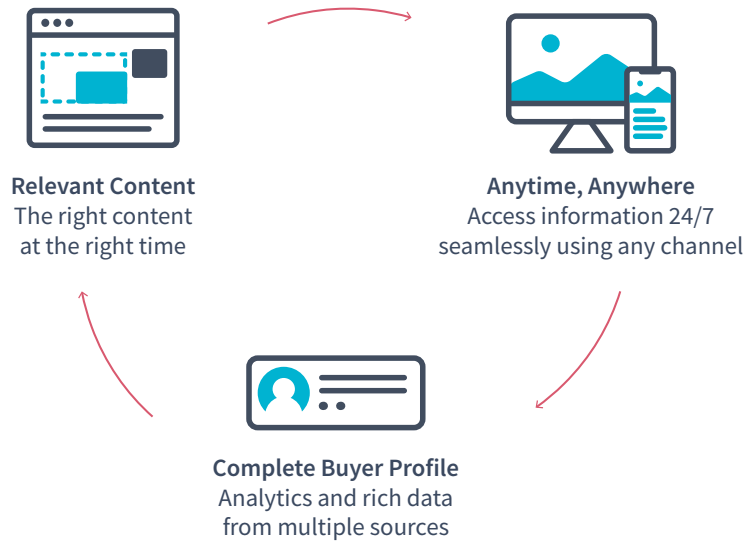Analytics and rich data
from multiple sources

Figure 2

The Potential of Omnichannel

Making the move to omnichannel is inevitable. It requires not only a technology shift, but also a change in the traditional approach — moving from product-focused operations to customer centric. This may be difficult but it provides opportunities for companies to analyze channel information, adjust customer experiences and serve content based on buyer data. Google says that 90% of people change their devices to achieve their goals, including smartphones, tablets and computers.[2] Therefore, adopting an omnichannel strategy gives your company and employees a 360º view of your customers' needs, behavior and preferences in a single place. This leads to greater engagement resulting in increased sales.

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2   34 Enlightening Statistics Marketers Should Know About Multi-Screen Usage

Global Smartphone Usage

2.7 billion

smartphone users
around the world

77%

of Americans
have smartphones

62%

of smartphone users use their
device to make a purchase

[Source: https://techjury.net/stats-about/smartphone-usage/]

According to Harvard Business Review, not only is an omnichannel customer more valuable, spending on average 9% more in comparison to those who used just one channel, but they also are more loyal, having 23% more repeat shopping trips to the retailer's stores and are more likely to recommend the brand to others.[3]

An example would be a customer coming to a store after an online interaction. The employee that will assist him or her throughout the visit would have access to the customer's entire online history with the company. If a customer was searching online for a new data plan and the latest smartphone launched, an employee could suggest plans tailored to their needs, as well as offer special incentives for the mobile device he or she was looking for. Without an omnichannel strategy, the employee may suggest a less appealing product to the customer, something he or she simply was not looking for.

While it is clear that businesses need to make the move to omnichannel, there are obstacles. It takes capital expenditure in terms of technology, resources and retraining employees. Operations and processes will be different and need to overcome operational and organizational silos. It will require ongoing employee education throughout the company to transition away from a product-centered way of thinking.

Understanding the Connected Customer

Customers want their experiences to be consistent and they want to be empowered to do what they want when they want. They expect aggregated account access and the ability to move seamlessly between channels. To illustrate, 98% of Americans switch between devices in the same day.[4] Knowing that the customer moves fluidly between touchpoints daily, it is imperative to understand who the customer is and what his or her buyer journey looks like.

Questions to ask are:

- Do customers combine online, mobile and in-store to access your data and make decisions?

- Which channel do they use first?

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3   A Study of 46,000 Shoppers Shows that Omnichannel Retailing Works
4   52 Mobile vs. Desktop Usage Statistics for 2019

- Which channel converts more?
- How frequently do they access each channel?

Answers to these questions can be achieved through consolidated data and benefit both customer and organization. This can drive marketing messages and create value for the customer.

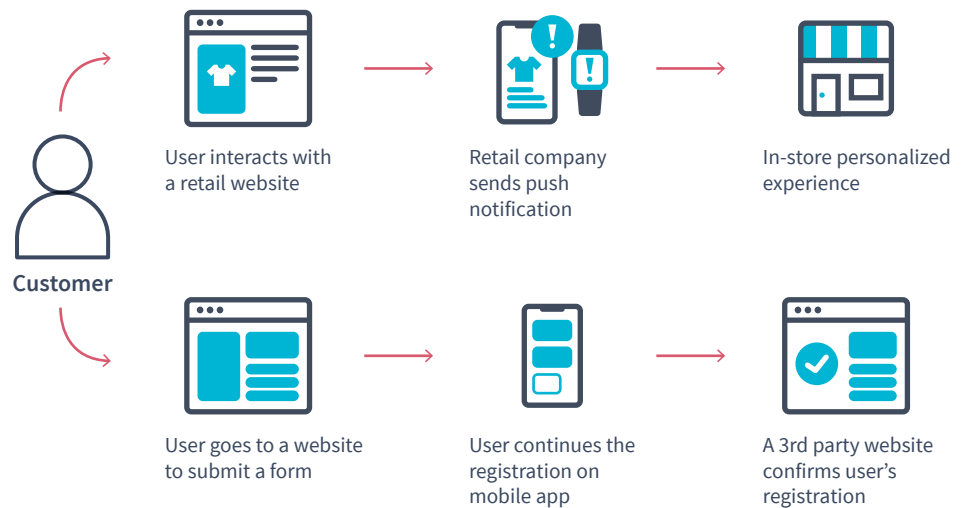A Connected and Personalized Experience for Your Customer

Customer

User interacts with a retail website

Retail company sends push notification

In-store personalized experience

User goes to a website to submit a form

User continues the registration on mobile app

A 3rd party website confirms user's registration

Figure 3

Technology Drives the Omnichannel Experience

Omnichannel is about integrating disparate channels into a single, unified experience. To obtain the cross-channel visibility that's needed in order to deliver successful omnichannel experiences, the IT team needs to be heavily involved in integrating back-end systems to present personalized information across channels, while delivering advanced analytics capabilities to core teams.

Uniting Multiple Channels

Different technologies, such as a digital experience platform or an omnichannel platform, can help businesses unite their disparate touchpoints and eliminate existing barriers, which will facilitate the operations of the entire team. It is essential to use a flexible platform designed to integrate your backend with various channels, either with solutions from your own portal, mobile applications or services hosted on third-party platforms.

Additionally, robust technologies will provide decoupled architecture which allows developers to leverage a headless CMS.[5] Traditional CMSs were created when marketers and developers only need to manage one website; however, with the number of delivery layers increasing, content uploading becomes more burdensome for both developers and marketers. But the key benefit of using a headless CMS is the freedom for front-end developers to build as many presentation layers as they want, using the front-end technologies they prefer. They are enabled to deliver experiences for websites, apps, kiosks, smartwatches and even future channels much more quickly because these front-end presentations are no longer tied to the page layout system of a CMS.

Bringing Data Together

When businesses are able to integrate and unite millions of data points across systems, equipment and processes, they will be able to derive actionable insights across the entire value chain — everything from product design to operations to customer support.

Processing data from the frontend layer becomes faster, generating an immediate response to the various channels. That is, shared backend services provide the necessary continuity and consistency at touchpoints. In addition, integrating systems improves the customer experience and leads to more closed business. A client can buy a product in-store and track its delivery status through a website. Using core technology, such as an omnichannel platform, companies can unite information from multiple sources and use the data to provide a rich customer experience (Fig. 4).
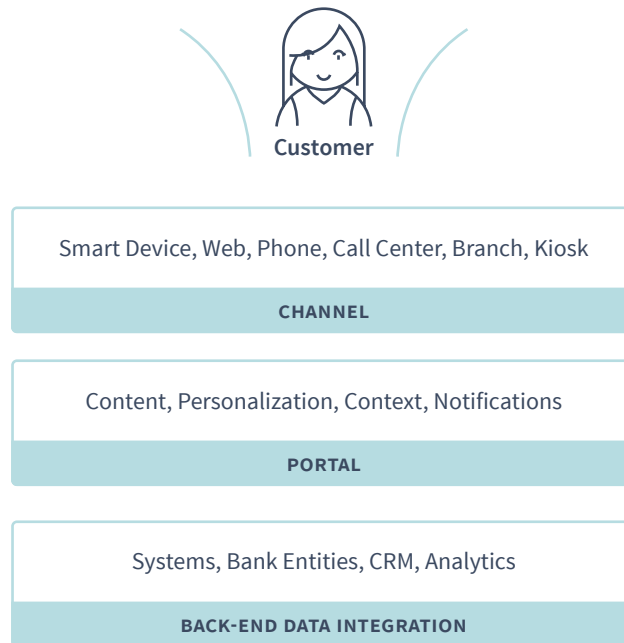
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5   A Guide to Headless CMS

Figure 4

Personalized Across Every Touchpoint

One important strength of a unified platform is its ability to deliver highly personalized experiences across channels to a targeted audience, leading to a cohesive, consistent user experience. The platform used in this way acts as an integration framework so all channels can talk to each other. This ensures that users encounter consistent data and processes — such as registration, login, activity history or documents — depending on who they are regardless of which interfaces they use to interact with the company. The underlying platform in your solution provides the ability to make digital content dynamic based on customer profiles. For example, a company may present suggestions for what "customers like you" have purchased. So not only are businesses empowered to unite multiple experiences throughout these touchpoints, but also personalize experiences throughout these for the entire audience.

Guiding the Entire Customer Journey

The customer journey doesn't end after the first purchase. Businesses must leverage the channels they have to further increase customer retention and loyalty. Triggers can be set based on customer actions or criteria met to initiate content delivery or a personal call from an account representative to increase customer retention and loyalty. Platforms can also include workflow and business process management tools to define multi-step procedures or stages in a customer journey, guiding customers along a seamless path.

Strategies for Omnichannel

As described earlier, customers expect to use various channels in a consistent way, each offering rich functionality. Omnichannel lets companies remove siloed information and integrate data to use effectively regardless of touchpoint. It is a complex undertaking.

Consider the following three strategies for achieving omnichannel goals:

1. Focus on Using a Single Unifying Platform

Merge the marketing presence of your company and the transactional portion. This will help with being able to better control the user experience and will provide the context for engagement.

2. Learn How Customers Want to Engage

Rather than reacting to customer expectations, get ahead of them. Gain a better understanding of how your customers want to interact with your business. Whether that's through mobile, kiosks, smart speakers or other technologies, ensure that all channels are optimized based on user wants and needs and that all experiences throughout are consistent. If the physical interaction/in-store or call center experience is poor, customers may look elsewhere even if they love the digital experiences.

3. Look at Increasing Sales Efficiency

Greater efficiencies for your business can happen through an awareness and understanding of customers' experiences across all channels — online, mobile, call center, ATM, in-branch, etc. A holistic view of the customer and targeted messaging can lead to better margins. For example, if a

customer owns a home, a customer service operator can offer a line of credit rather than reciting a laundry list of all ongoing offers. If a customer is almost finished with a purchase on a mobile app, register his or her data and send a notification that his or her shopping cart is available by mobile app or at the closest store.

Conclusion

Even though omnichannel is a difficult undertaking, it's a necessary one. The most successful businesses know that being able to deliver seamless and consistent experiences throughout touchpoints will serve as a competitive advantage that not only brings significant rewards to the business but also provides engaging and desirable experiences to customers.

Moving Forward

Want to get started on your omnichannel strategy? Start with a headless CMS to empower your team to be able to deliver powerful customer experiences on any platform. Read our e-book on why a headless CMS is integral for reaching customers across a myriad of digital touchpoints.

Read Now >

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Liferay makes software that helps companies create digital experiences on web, mobile and connected devices. Our platform is open source, which makes it more reliable, innovative and secure. We try to leave a positive mark on the world through business and technology. Hundreds of organizations in financial services, healthcare, government, insurance, retail, manufacturing and multiple other industries use Liferay. Visit us at liferay.com.