

# Return of digital consumers to the real world

How can brick-and-mortar retailers win them back with omnichannel commerce?



## About Elavon

Elavon is a leading global payments company with more than 4,300 employees and operations in 10 countries.

A subsidiary of U.S. Bancorp (NYSE:USB), Elavon provides businesses with the technology needed to accept payments from customers, whether they are shopping in stores, at home or on the go. Its platform is distinctive in that it is common across countries, making it easier for businesses to get their payment system up and running quickly and securely.

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## Online has won, offline has lost?

### Physical retail is not dead, retail of the past is

Retail is going through a huge, irreversible transformation, where consumers define new rules of engagement.

Realising that things will never be the same, retail giants have been shaping up, investing tens of millions of dollars to offer convenience and fulfilment to consumers at every possible access point – whether it is physical store, online, desktop, or mobile.

Brick-and-mortar retailers that do not grasp the changes in consumer behaviour are losing their customers, revenue, and possibly their entire business. Even retailers that were seen as too big to fail have fallen victim to the changing retail landscape underneath them.

Digital consumers are willing to return to physical stores. They are no longer just sitting at home and ordering online. Equipped with smartphones, they bring their digital lifestyle everywhere they go.

That is good news, and a huge opportunity for brick-and-mortar stores.

In this shifting retail environment, the stores that are able to offer digital touch points across multiple channels will prevail and win back their customers.

Retailers have to familiarise themselves with new trends and concepts in the consumer journey.

Only then, they can decide on their game plan, which will make them successful now, and in the future.





Even small businesses can be open 24 hours a day – and that's right because consumers want to engage with you whenever they choose. Even if your shop supports a local geographic area, people can still order online from wherever they are —at home, at work or en-route through mobile platforms. Businesses realise that they need to provide the option to buy whenever and wherever consumers are located. This can be the difference between winning or losing a sale.

#### Kevin Salaman,

Head of Global Omnicommerce, Global Product & Innovation, Elavon

## Omnichannel is changing everything

### How do you win consumers back?

Smartphones have entirely transformed the behaviour of almost all consumers. Searching mobile, buying online, purchasing or returning in physical stores – consumers are increasingly demanding a uniform experience across multiple sales channels. It is an evolution called **omnichannel**.

The tide is slowly turning; omnichannel is gaining prevalence with every passing day, and there is no going back. Omnichannel gives retailers the leeway they need to compete against their online-only rivals.

Emerging omnichannel trends show that customers are still interested in physical retail – but with digital touch points that enrich the shopping experience.

To win customers back, physical retailers have to embrace the lifestyle of their customers and offer them convenience and fulfilment.

Surprisingly, the most important digital touchpoint retailers need is already there – it is the consumer smartphone. They use it to find a store, track its inventory, and retailers need to embrace smartphone use in their store.

Unlike in the past, it is now possible to use off-the-shelf cloud technologies to set up a digital presence and create touchpoints in just a few hours and be digital everywhere.



## 5 types

## of consumers challenge merchants today

Most consumers still enjoy shopping in physical stores – but increasingly demand a certain level of convenience and fulfilment.

They don't see themselves as strictly online or offline buyers, they switch between channels based on individual preferences and patterns.



The **rover** strolls through physical stores or searches online. She gets inspired but rarely buys something. Merchants, who are present on Instagram or Pinterest, can win her over and convince her with great offers; online and in-store.



The pre-informed customer does his research online in advance and comes to the store well-prepared. He reads product reviews and gets triggered by convincing information and offers.



The **go-getter** knows exactly what she needs. She searches for a certain product to get the best price and just wants to get it done as quickly as possible. She's very likely to shop in a store where she can find convenient payments and fast delivery methods.



The power shopper buys everything online – unless she needs a product right away. A great chance for physical stores: She is interested in great offers and wants to purchase quickly.



The **shopping muffle** finds it exhausting to even select and buy a product. He is distracted by too much choice and needs guidance. The easier and quicker he finds his favourite product, the better.

### Attract online consumers to your store

Customers pick up or return items in the physical store for a number of reasons; it is convenient, instant, cost-efficient, and is environmentally friendly.



#### **Click & collect**

While traveling for work, Christina found new nightstands in the newsletter of a furniture company near her home. She loves the style and immediately adds it to her shopping cart and pays online. She asks her husband to pick up the item from the store and texts him the collection number for him to show at the pick-up counter.



#### **Attractive in-store deals**

Greg loves fashionable shoes, but always wants to make sure they fit well. He checks the website of his favourite shoe store from time to time to see new arrivals and store-only deals. He sees that there is currently a 50% deal on most shoes, and immediately reserves a pair. Later on, he goes into the store, where his shoes are already set aside for him to try them on. After trying them on to ensure they fit well, he completes the purchase in store.

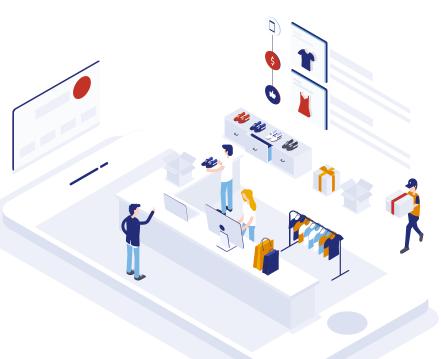


#### Buy online, return in store

Julia found a great looking pair of sunglasses online. She immediately made a purchase and ordered them to her home. Upon delivery, she realises she doesn't like how they fit. So she goes to the physical store to return them. While in store she decides to buy more expensive sunglasses that suit her better.



of customers who buy online and pick up in store buy additional products while picking up their item. (Cognizant)



### Mobile is at the core: Embrace it

Customers mainly engage via mobile to get inspiration, to make a purchase, to research, and to share deals. Become mobile-friendly to turn smartphones into gateways of interaction, and extend your shopper's experience.



## Mobile interaction, product engagement at the shelf

Smartphones enable customers to directly engage with the product. Right at the shelf, they can scan QR codes or barcodes to get more information, share it on social media, or make a purchase.



#### Make your store mobile-friendly

Consider offering free Wi-Fi access in store to encourage mobile use in store. Retailers can target customers around their physical store area via relevant mobile notifications, coupons and promotions.



## Smartphones aid product engagement in-store

From customers using their smartphones to look up products online and compare prices, to product demonstrations and reviews; there are countless other uses for mobile engagement in store.



of shoppers use their smartphones as shopping assistants in physical stores.

(Google/Ipsos)



## Synchronise inventory information

Retailers can increase foot traffic and sales in their store by synchronising inventory information across all channels; offline, online, as well as on search engines like Google, which is already offering Local Inventory Ads.



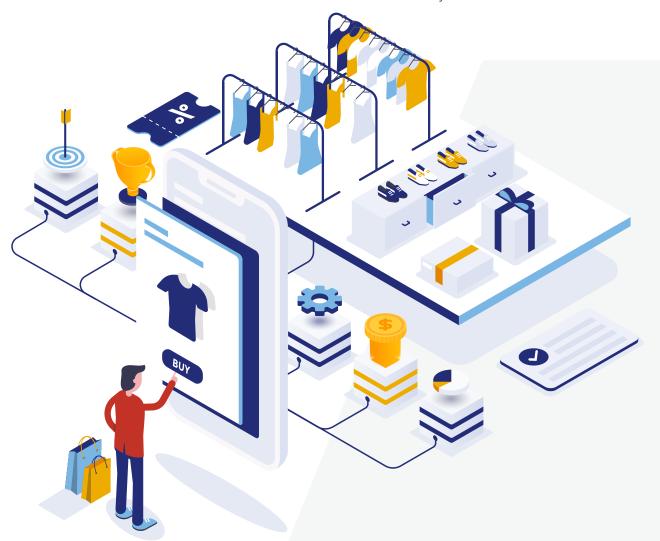
## Stock information online brings them to store

Every year Jack is late getting a birthday present for his wife. On his way home, he searches online for "cashmere scarves" and finds a nearby store that has an item in her favourite colour in stock. He visits the shop and picks up the present.



## Inside the store: Let customers engage digitally

Sue is decorating her new apartment. She's done her research online and decided that she wants a pendant light. To get a real feel of the item, she visits a department store. As she enters the store, she notices a digital display to search for items. She enters the search term "pendant light" and sees items that match her taste and knows exactly where they are located in store.



### Know and serve your customers better

Many online stores are giving personalised recommendations to customers based on their previous shopping behaviour.

Bringing digital insights about your customers can create a massive benefit for your physical business to understand their needs and preferences, so that you can make them appealing offers.



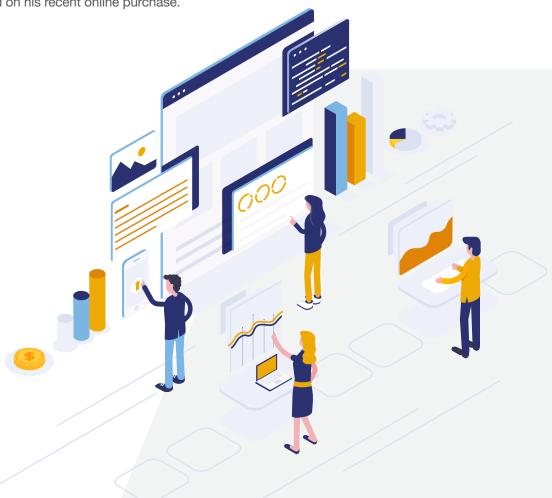
## Give them personalised recommendations

Stephen finds it difficult to make decisions. He enjoys personalised offers as he looks for inspiration. After a long search, he bought a watch from an online store last week. Now, he pays a visit to the local store of the same company to look for a matching leather strap for his watch. A sales associate gives him personalised recommendations based on his recent online purchase.



#### Tailor your offers to their needs

Melissa visits a local toy store every week, where she buys toys for her daughter using her loyalty card. Her store has access to her purchase history both online and offline, and sends her personalised offers. She receives email offers for toys that are a perfect fit for her daughter's age group. She can either go back to the store, or make a purchase online.



### Win customers back on convenience

Convenience of online delivery is deeply ingrained in the DNA of online shoppers. Customers consider carrying large and heavy purchases home as a huge disadvantage of in-store shopping.

Don't let it end up as a lost sale, offer them the convenience.



#### **Currently not in stock? No problem.**

Customers may be able to reserve or buy product variations that are not currently available (sizes, colors, models) to be delivered to their home later.



#### Large, heavy, or delicate? Ship it.

Customers use this method to get certain items that are bulky, heavy, or fragile delivered to their home. Alternatively, they may place an order for home delivery. In doing so, they should be able to conveniently track their shipments.





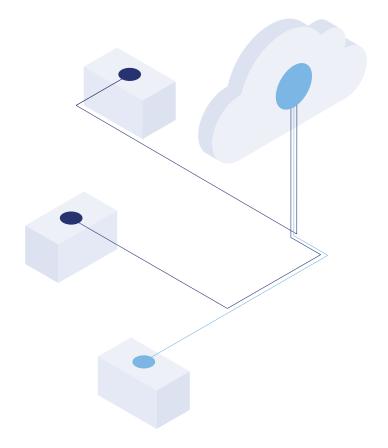
## It is now a reality to set up a digital presence in a few hours

Customers expect to be able to choose when, where and how they purchase products. Managing content and synchronising processes across channels manually, however, is time consuming.

Brick-and-morter retailers can now easily set up a digital presence. By leveraging cost effective off-the-shelf cloud based solutions.

They offer retailers 'pay as you go' omnichannel functionality. Without upfront investment, retailers can bring all their commerce activities together. This way they can maintain contact with customers and offer them convenience and fulfilment.

Cloud solutions are also ideal for businesses of various sizes. There are no limits; businesses can start small, and scale up as their customers' needs change.



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Omnichannel retail is the customer-centric approach to deliver a seamless experience; regardless of channel or device.

Wilfried Beeck,
CEO of ePages

## Choosing the ideal omnichannel solution

#### A platform for all your needs

To provide a smart, seamless, omnichannel consumer experience, retailers should pick a solution that allows for all of their payment touchpoints to be on one platform.

Cloud based solutions are ideal for this; they are always up-to-date and require no prior technical knowledge or IT investment.



#### Payments. All in one place

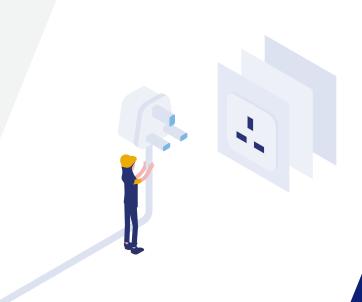
A fully omnichannel solution gives a single overview of all payments, no matter where or how the payments were made. They bring all online and offline payments in one place, helping businesses improve efficiency and reduce costs.

They help the retailer and benefit the customer, providing them with convenient payments regardless of how they want to pay. Retailers can continue to help their customers by adding new payment options and features as they become available.

#### Add new features when you need them

The needs of the consumer are constantly evolving. Retailers need to remain agile by choosing a platform, selecting a flexible solution that scales and updates with the ever-changing needs and demands of the consumer. This approach allows for new features to be added to their platform as their business scales and their needs change.

It also enables retailers to easily integrate with their existing systems such as POS, accounting systems, and CRM.



## Some questions to consider when deciding your digital strategy

- Are you making your product information available online?
- 2. If consumers search online for products, will they find your store?
- 3. Can consumers see your physical inventory online before visiting your store?
- 4. Are your orders synchronised online and offline?
- 5. Do you offer cashless, mobile payments?
- 6. Do you offer Wi-Fi in your store to customers?
- 7. While they are in your store, can consumers research for more content via smartphone?
- 8. Are you using customer data to tailor your offers?

This white paper was written for Elavon by ePages.

ePages (www.epages.com) is the ideal platform for physical retailers to transform their business into the digital future. ePages brings state-of-the-art technology to brick-and-mortar businesses to attract digital lifestyle consumers and enables them to run their business in an ever-changing market environment. You take care of your business, we're the technology platform behind you. A single platform to manage all your commerce activities.

#### Reference

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82% of shoppers use their smartphones as shopping assistants in physical stores.

Consumers in the Micro-Moment, Google/Ipsos, U.S., March 2015, n=5,398, based on internet users. <a href="https://think.storage.googleapis.com/images/micromoments-guide-to-winning-shift-to-mobile-download.pdf">https://think.storage.googleapis.com/images/micromoments-guide-to-winning-shift-to-mobile-download.pdf</a>

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