Implementing An Online-to-Offline Retail Strategy

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“The business case for online-to-offline retailing is sound and, if done well, positively changes the relationship and mutual benefits between retailer and customer in the long term..."
**The Online-to-Offline Opportunity**

As explored in the first instalment of our series of retail focused whitepapers, *The Business Case For The Online-To-Offline Retail Strategy*¹, there is a huge opportunity for retailers to maximize the use of their online assets to help them to not only survive offline, but thrive offline. By defining, offering and promoting added-value in-store services that cannot be delivered online, and by using an integrated, multi-channel approach to promote and drive uptake of these services, brands can dramatically increase footfall, improve the in-store customer experience, and most importantly generate increased revenue.

This second report in our series drills down into the necessary processes and tactics employed to ensure your online-to-offline implementation is smooth, effective and viewed as an organization-wide success.

In this whitepaper we’ll look at the online-offline implementation journey – from goal setting, planning, communication, roll-out, marketing and branding, to running a pilot and evaluation.

**The Online-to-Offline Opportunity**

Let’s start with a reminder of what an online-to-offline strategy is, what it’s ultimate goal is, and why it is of interest to retail organizations of all shapes and sizes:

> An online-to-offline strategy is broadly defined as an integrated, multi-channel plan of action designed to utilise online assets to re-establish in-store value with a view to increasing revenue.

The beauty of an online-to-offline strategy is that it doesn’t require a complete revolution, it’s about utilising all of the resources already at your disposal (in store and online) to re-invigorate your in-store proposition; giving your online community a compelling reason to head into stores.

In order to restore the value of offline retail and become truly omni-channel, retailers should utilise their existing online channels and assets to promote and drive uptake of in-store services that simply cannot be offered online.

¹The Business Case for Online-To-Offline Retail Strategy whitepaper can be found at: http://www.bookingbug.com/docs/The-business-case-for-the-online-to-offline-retail-strategy-BookingBug.pdf
By offering services, education and expertise alongside products in store brands can dramatically increase footfall, improve the in-store customer experience and, crucially, generate increased revenue.

### Figure 1: The benefits of an online-to-offline strategy

- Increased in-store footfall
- Improved online and offline customer experience
- Maximized upsell opportunities
- Improved online and offline customer engagement
- Increased loyalty and customer lifetime value
- Improved customer profiling and data
- Better understanding of staffing requirements
- Increased revenue

**Beginning the Online-to-Offline Journey**

When executed effectively we have seen retailers implement an integrated online-to-offline campaign within as little as six working weeks. So what can you expect as you begin your journey – and where should you begin?

Of course setting goals and putting a plan of action in place are critical, as with the start of any project. However the great news is that much of work needed to roll out an online-to-offline strategy within your organization will actually already have been done. Shop staff are likely to be already offering in-store services in an ad-hoc or unstructured fashion, and your web assets, marketing channels and social media outlets are already in place – this all simply needs bringing together in a cohesive manner to start realizing the true value from your in-store services and expertise.

The key to making this happen is marketing and promotion of your in-store services, making them as visible, attractive and accessible as possible. Best practice suggests that taking a queue from lean project methodology, an online-to-offline strategy should be approached as part of an on-going cycle of implementation, review and optimization, rather than viewed as a linear project. This means flexibility and on-going evaluation and adjustment are critical.
Let’s take a holistic view of the online-to-offline retail cycle. There are six core phases to the implementation of such a strategy: Identify, Structure, Communicate, Prepare, Implement, and Evaluate.

![Diagram: The three types of retail business with regards to defining in-store value](image)

Let’s break down each of these steps and take a look at what is involved in terms of planning, implementation and roll out:

1) **Identify the Value Add**

The first step is to review and identify the source of your in-store value to the customer – above and beyond the products you sell. Think about in-store service provision, education, excellence in customer service, a personalized customer experience, specialist knowledge sharing or consultation. Where can your organization add value to the customer in a way that cannot be delivered online, either by you or your competitors? At this stage clearly outline your objectives and ensure they are closely aligned with wider marketing and business objectives.

2) **Structure the Service Offering**

Once you have identified what that added-value in-store service offering is, define it within the context of your organization. Is it learning or classes (photography, cookery, art, fashion),
clothing or equipment fittings (suits, bridal wear, sports equipment fitting), personal shopping (fashion, home ware, wedding lists), specialist consultations and advice (electronics, kitchen fittings, vehicles), all of the above, or something completely different? Perhaps this is actually something already happening at a store-level in an undefined, un-managed way, and therefore un-monetized way.

In fact when speaking with organizations looking to roll out an online-to-offline strategy we find that in the majority of cases these “services” are already being offered on some level in an ad-hoc manner. Think about how you can make these services as attractive and accessible as possible to the customer. Take that a step further and map out how you can then use that opportunity to add value, improve engagement and customer experience and, ultimately, upsell to drive new revenues.

3) Communicate Internally

The key to implementing a successful online-to-offline strategy is ensuring your objectives are in line with, and supportive of, wider business objectives. This is explored in more detail in our first whitepaper from this series. The cross-departmental nature of an online-to-offline strategy means you will almost certainly need buy-in from stakeholders spanning several different parts of your organization, which may include (but are certainly not limited to) marketing, IT, e-commerce, store management, retail operations and the C-suite. Once you have outlined the scope and timelines for the project, identify all the relevant stakeholders early on and be sure to keep them briefed on all stages of planning and implementation.

4) Prepare the Campaign

With your added value defined and objectives outlined, you now need to implement your campaign at store level, securing store buy-in to the overarching campaign – this means briefing retail teams and rolling out your structured in-store service offering. Ensure regional and store management understand campaign objectives and are adhering to standard best practice when it comes to management of and reporting on the campaign and data collected in store. Ensure store staff have appropriate training where necessary, access to required marketing or sales materials, and are aware of all web-based campaign activity planned.
5) Implement the Strategy

This step in the online-to-offline cycle is the crux of any online-to-offline campaign; integrated, multi-channel promotion of your in-store services is key here. Use your existing online channels, lists and communities to promote, raise awareness of, and drive uptake of your value-add in-store offering. Wherever your customers interact with your brand online, you should be promoting your in-store value and services. Your website, social channels and email are all vital, as is mobile.

And don’t forget about more traditional channels too such as above the line advertising, your call centre and in-store promotion. The most successful online-to-offline campaigns are tied to a fully integrated marketing campaign spanning multiple customer touch points.

Funnel online customers through to a specific, fit-for-purpose destination on your website where they can view detailed information about your in-store services, find their nearest location, view availability and book their slot or appointment. Think about continuity of message, follow-up each booking with a confirmation, reminder and post appointment “thank you” via email or SMS. Each one of these touch-points provides and additional opportunity for you to build engagement, loyalty and lifetime value.

6) Evaluate Results

Now your campaign is up and running – with increased numbers of customers consuming your services, and staff using these opportunities to upsell effectively – you will need to evaluate the results, and adapt the strategy as appropriate. The data collected can be used in three core ways:

◆ **Customer engagement**
  ◦ for targeting marketing and re-marketing

◆ **Store management**
  ◦ to accurately assign staff and resources when required

◆ **Service refinement**
  ◦ insight into which services are delivering most value
Use these learnings to make changes, adapt and continually optimize your online-to-offline strategy. Whether you begin with a pilot project in a select group of stores or, a wide scale roll-out spanning several countries, an online-to-offline strategy should be viewed as a fluid, long-term strategy so this final phase in the implementation cycle is critical to ongoing success.

The nature of the online-to-offline approach means you will inevitably generate significant amounts of data on your customer and their behaviours. Make sure you collect, analyze and use this information intelligently to review progress and results and form the foundations of projects moving forward. Ensure you are collecting good data around web traffic, bookings, appointments completed, upsell value etc. from day one of the campaign. Review and report regularly and make adjustments where necessary.

Additional Considerations

Alongside the six steps outlined above, there are some additional success factors to bear in mind. Particularly of note are seamless brand continuity and the value of running a pilot:

◆ Ensuring a seamless customer journey

One of the most critical challenges facing multi-channel retail is 360° consistency of brand and message, and an online-to-offline campaign is no exception. One of the main objectives of this strategy is to improve the customer experience and with elements of an online-to-offline journey spanning many different channels and customer touch points, it’s absolutely critical to ensure complete continuity of both brand and messaging.

From your main website, mobile web or apps, campaign microsites and social media through to email and SMS communications you should ensure that the customer experience is slick and seamless. This applies from the point the customer hears about your in-store services, to arriving at your site, making a booking, arriving in store and meeting staff and any communications following their appointment.
Running a successful pilot

The nature and scope of an online-to-offline campaign (and the organizations in which they are rolled out) can vary vastly, as does the time in which projects can be realized. As a general rule of thumb, from initial planning to first implementation we tend to find timescales ranging from six weeks to several months, with two to three months being a reasonable average.

One way to speed up an implementation and ensure that it is optimized quickly is to run a controlled pilot in a select number of stores. This gives you a quick and effective way to gather insight into what works best for your organization. It can also work as a valuable proof-of-concept should you still be seeking long-term buy-in or commitment from any stakeholders.

We have found that a basic pilot can be rolled out within matter of weeks, and is often run in parallel with the start of more advanced, wider implementation. Again the key here is agility – the sooner a pilot is up and running, the sooner you will be gathering valuable data that will help shape the project as you make your way through the six steps of implementation.

Final Thoughts

As retailers across the board are exploring ways to thrive in this multi-channel, connected world and meet the needs of the new generation of omni-consumers, they should look beyond the boundaries of conventional in-store retail. The business case for a well planned, well-executed online-to-offline strategy is proven.

By carefully defining, offering and promoting added-value in-store services, education and expertise that cannot be delivered online, and by using online to promote and drive uptake of these in-store services, brands can dramatically increase footfall, improve the in-store customer experience, and most crucially generate increased revenue.
About BookingBug

Founded in 2008, BookingBug has un-matched experience in delivering the expertise and technology behind the online-to-offline strategies for retail businesses worldwide, from single store High Street merchants, all the way up to some of the world’s largest corporations including Vodafone, BskyB, Levi Strauss and the John Lewis Group.

To find out more about how an integrated service-based online-to-offline strategy could benefit your organisation or to discuss BookingBug’s retail solutions contact one of our team today on +44 (0)20 3287 9111, retail@bookingbug.com or visit our website at http://www.bookingbug.com/enterprise