

The Role of the Store: The Power of Brick and Mortar Retailing in the Omnichannel Experience

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Despite the current surge of technology, innovation and a mad dash for the “latest and greatest,” brick and mortar retailers still dominate the retail landscape, representing about 92 percent of total retail sales. Retail operators of all sizes face pressure to meet customer demand, and to effectively utilize brick and mortar to fulfill omnichannel expectations.

Rather than being viewed as an undervalued resource and even considered fading, physical stores should instead be regarded as a significant source of competitive advantage. Retailers must leverage information and behaviors from other channels to surprise, delight and drive customer loyalty in their stores.

“Risky Business”

Customer needs and expectations vary from retailer to retailer and from channel to channel. Customer use of technology and the overwhelming need for instant gratification has created a level of customer expectations that all retailers must understand whether a large chain or an independent, one-store location. These expectations include things like online presence, seamless checkout processes, visibility into product availability, the ability to receive customer service, easy product returns, etc.

The first task a retailer must undertake in accommodating today's omnichannel environment is a thorough assessment of key elements that drive customer expectations dictated by overall company strategy, product and service offerings.

Some strategies will require a stronger store associate focus on delivering hands-on, personalized customer service, while others are tasked more with operational aspects.

Deciding on a particular level of service is not without risks. In an omnichannel environment, a store may offer “pick up in-store” as a fulfillment option, which opens the store to both physical and digital shoppers. Having two customer bases vying for the same product can lead to customer dissatisfaction if inventory levels are not managed properly. Additionally, if a retailer offers a mobile website or app that enables a shopper to locate items in a specific store, this same functionality should be available to store associates so they are at least as empowered as their customers. There is nothing more frustrating for a customer to seek help only to find out that the employees have less information that they do about their own store or products.

The Power of “Feel”

Traditional retailers must leverage the distinct advantage of the customer experience. There is no better forum or captive audience for retailers to showcase their brand, product offerings and competitive differentiation. A great in-store experience can lead to increased customer traffic and higher sales. A customer who has a great in-store experience is more likely to join a loyalty program, sign up for offers, and utilize the retailer's social media.

The customer experience can be greatly impacted through a number of touchpoints: a helpful salesperson, a cheery register associate or even store greeters in the entrances. In contrast, a negative experience,

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especially one stemming from an associate's negative attitude, can cost the retailer greatly in lost sales, customer service and word of mouth.

Arguably one of the most challenging aspects of retailing: finding associates who embrace customer service as a passion must be viewed by retailers as a business requirement, not as a bonus achieved after shelves are stocked. Even in low-touch service environments, where customers do not expect significant interaction with the store staff, a single bad experience with sales associates who are not fully engaged in supporting the retailer's customer service value proposition can cause irreparable harm.

Through integration of customer data, a driven and trained sales force, and an organizational structure that embraces personal customer experiences, the "Power of Feel" can be a potent asset.

"Service, Not Selling"

The largest and most complex changes in traditional retailers will come from the ranks of over 4.5 million hourly employees that they employ. The role of the sales associate will change and evolve from a "doer of tasks" to a "creator of experiences." Whether it relates to fulfillment options, item knowledge or convenience of checkout, as brick and mortar's role in the omnichannel environment continues to evolve, the responsibilities of these employees will never be the same.

The customer should never know more than the employee about the retailer's products or services. Nothing leads to customer frustration faster than unhelpful associates due to inadequate tools, lack of training, company policies or apathy. This simple concept has become progressively complicated with the increasing use of consumer UPC and QR code scanning as well as mobile shopping.

Employees need technology solutions and training that enable them to speak concisely and accurately not only about the retailer's products and services, but also regarding payment and delivery options to accommodate customer desires.

Additionally, all employees must be empowered actors. While this should be intrinsic to all retailers, it is especially powerful in an omnichannel environment as stores work towards the customer desire for instant gratification in the selected channel.

Employees should be engaged, involved and passionate drivers of great service who can immediately solve customer issues. Company rules, incentives and expectations should be tailored to reward customer-centric behavior, and training should reflect and explain what omnichannel success looks like: seamless marketing, technology and inventory management coupled with personalized shopping experiences and loyalty that drive sales and word of mouth.

Final Word

Unquestionably, brick and mortar is not fading, and successful retailers have tremendous opportunities to reshape the industry.



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