

RETAIL

Retail's future lies with omnichannel

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Department stores need to work harder to combat the Amazon problem. Image credit: Bloomingdale's

By BRIELLE JAEKEL

While digital is a vital aspect of retail, in-store associates are not useless and are proving to be an essential part of the customer experience, according to consumers.

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A [new report from Astound Commerce](#) shows that 52 percent of consumers think it is vital for store associates to be able to place an order and 46 percent believe they should have access to inventory information. However, online shoppers are having extremely positive experiences as well, with 86 percent claim their customer service interactions were great, and 42 percent saying excellent.

"Shoppers still want multi-brand retail experiences, but brands are important for a whole host of reasons: 59 percent of shoppers research products on brand sites, and 55 percent prefer to shop directly at the manufacturer rather than retailers," said Lauren Freedman, senior vice president of digital strategy at Astound Commerce, Chicago.

"Associates in stores still play a role, 52 percent of shoppers believe it's essential that associates can place an order in store, and 46 percent want them to be able to access inventory as well," she said. "Eighty-five percent of online shoppers score customer service interactions good or great with 42 percent coming in at excellent.

"More than half of online shoppers are connected to more than three brand manufacturers on social media, and almost half of shoppers connect with brand manufacturers on social media at least weekly."

New retail

Astound Commerce's research is showing how important social media and digital is for driving discovery and purchase intent. For instance, social channels and paid search ads were the biggest traffic drivers to retailers and brands' Web sites.



Chart courtesy of Astound Commerce

The research firm found 51 percent of respondents claimed to have visited a brand's site due to social media and 47 percent claimed the same for search ads.

Bricks-and-mortar and brand Web sites remain the most important parts of the research and discovery phase for a customer, but social media is becoming a major influencer in terms of engagement. More customers cited using social media to engage with a brand than those using applications and browsers.

Integrating digital and bricks-and-mortar may be an even more effective manner of engaging with consumers, as 31 percent smart fitting rooms are vital for the future and will help personalize the shopping process.

Brand shoppers grade high with half receiving an A and little distinction among segments.

"Thinking about all of the purchases you have made over the past 6 months, how would you grade the experiences you received when buying from brand manufacturers online?"



	Male	Female	M18	M1
A	51%	49%	50%	51%
B	41%	41%	41%	41%
C	8%	9%	9%	8%
D	0%	1%	1%	0%

Chart courtesy of Astound Commerce

Twenty-two percent of those surveyed cited interest in chatbots for interacting in regards to customer service and support of the in-store process.

Additional insight

According to a recent report from Leanplum, push notifications, when used correctly, can be a valuable tool for retailers, driving almost 10 times more users to buy.

Push notifications can greatly increase customers' engagement with a retail app. The report found that in-app spend can be increased by up to 16 percent with appropriate use of push notifications ([see more](#)).

The key to retail's survival is the ability to closely integrate ecommerce with bricks-and-mortar business models, especially for luxury retailers.

In a whitepaper published recently, Frost & Sullivan laid out what challenges the retail field is facing, most notably in pressure from ecommerce, and how retailers can stay competitive. Luxury retailers have a different set of challenges than the rest of retail, but ecommerce still plays a major role ([see more](#)).

"Millennials are an important factor in the shift towards brands," Astound Commerce's Ms. Freedman said. "There are clear gaps in expectations and preferences between millennials and non-millennials in the study, which can be seen in brand research, purchase and expectations for brands over multi-brand retailers."

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