Tackling the omnichannel retail reality

By Lauren Hartzenberg

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‘Omnichannel' is not merely a business buzzword, it's the new retail reality. At the Seamless Africa conference that took place in Cape Town recently, Amanda Herson, e-commerce director for the Cape Union Mart Group, shared her thoughts on “tackling the omnichannel beast.”



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Her use of the word 'beast' is understandable considering that the Cape Union Mart Group houses five major retail brands – Cape Union Mart, K-Way, Poetry, Old Khaki and Tread + Miller – and boasts a collective of roughly 250 stores. “It’s tricky to always be where the customer is,” she admitted.

Customer focus

“Who wants a one-night stand with a retailer when they can have a relationship with them instead?” Herson asked, not really needing an answer. The route to the modern customer’s heart is through offering a seamless shopping experience, only possible in today’s always-on world with an omnichannel strategy in place.

This strategy should be driven by customer focus. “Omnichannel is about focusing on the customer, not so much the technology. Focus on the customer regardless of the channel. Be channel agnostic and customer centric.”

Paradoxically, Herson also urged that one must improve back-end systems (what customers don't see) to deliver well on what they do see.

Omnichannel engagement

Omnichannel retail rests on the quality of customer engagement. “Leverage technology to listen to your customers and assist with engagement.”

Herson explained that the way brands speak to customers and how customers search has changed. Desktop search has flattened, while mobile search has soared. Marketing is also now more about conversation that shouting messages at the consumer.”

South African progress

South African online shopping has taken a massive leap in the last few years, according to Herson. She thanked big e-commerce players like Takealot, and “those with deep pockets”, for making South Africans more comfortable shopping online.

But while online has progressed positively, Herson believes in-store environments have largely remained the same. “We need to invest in amazing in-store experiences, not just focus on online.” These out-of-the-box experiences, she said, should encourage engagement with people and the store’s products.

In terms of payments, South Africa has leapfrogged other regions with its flexible payment options, but there is room for improvement. According to Herson, mobile checkout needs to catch up with to desktop checkout and in-store point-of-sales systems need to be overhauled to allow more payment flexibility.

Company culture

Citing a popular quote, Herson stated: “customer service is not a department, it’s an attitude.” Often treated by shoppers as shrinks and punching bags, Herson believes customer service employees to be the heart of the organisation – deserving of appreciation and by her own practice…cupcakes.

While in-store and online teams work separately and often competitively, Herson suggested incentivising store staff to push online sales. But she also said that omnichannel integration goes much deeper than sales. “Retailers need to work hard to build a culture of ‘omni’, not just in sales.”

As a strategic imperative, she said, all departments – be it logistics , IT or other – need to embrace omnichannel strategy. “The days of separate online teams are over; they *must* be integrated.”

Failing fast

Omnichannel, as with any new business strategy, will inevitably involve a great degree of failure. If the Cape Union Mart Group was to embark on its online journey from scratch, Herson said she would remember the following things:

• Online captures richer data, but know what to do with it! Data warehousing is becoming the holy grail.
• Omni is about constant testing. The group’s first online sale was a near disaster, but the failure has been learnt from and the process improved.
• Hire great people and then empower them.
• Focus on department integration from the start.

“When implementing omnichannel, company culture comes first, incentives that motivate staff correctly come second, and lastly you need to be willing to fail fast.”

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