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Unified Retail:

Bridging the Gap Between Online and Offline Customer Experiences



Today's consumers no longer distinguish between online and offline shopping experiences. They expect consistent inventory visibility, customer support, payment options, and a cohesive brand experience, regardless of where they choose to shop.

Over the years, retailers have strived to create seamless omnichannel experiences. However, due to the fragmented nature of legacy systems, omnichannel commerce often resulted in a disjointed mix of isolated channels and forced integrations. This made it challenging to deliver a consistent customer experience or to maintain a unified view of the customer. This is where unified retail commerce steps in.

Unified retail commerce refers to using a centralized platform that marries the backend operational functions with the frontend capabilities while unifying customer, order, and inventory data. As a result, marketing leaders can focus on the seamless frontend customer experience while technology and operational leaders can focus on connecting customer engagements and data on the backend.

According to Bain & Company, 75% of retailers have ambitious unified commerce strategies, but only 55% have those strategies well-defined. This guide will help you identify some of the challenges of creating a unified customer experience (CX) strategy and how to bridge online and offline channels with modern commerce technology.

The Challenges of Creating a Unified Customer Experience

In today's competitive landscape, creating a unified CX is crucial for businesses to establish and maintain strong relationships with their customers. Today's customers demand seamless experiences across all channels, whether online, in-store, or through other means. However, achieving a unified customer experience presents several challenges. Let's dive into these challenges.

The different channels customers use to interact with businesses

Previously, customers engaged with businesses through just one or two channels. However, the retail landscape has transformed dramatically, especially post-COVID-19, with customers now using a wide range of channels, such as in-person, social media, self-service portals, mobile apps, messaging apps, website, and more.



The challenges of providing a consistent experience across channels

With so many ways for customers to interact, one of the greatest challenges is ensuring a consistent experience across all channels. Providing a unified experience requires understanding customers and maintaining coherence in messaging, service, and integration. Here are some key obstacles retailers face in providing consistent experiences:

Data and Organizational Silos:
Fragmented customer data across departments makes it difficult to integrate information from various touchpoints, leading to:

- Inconsistent customer profiles
- Difficulty personalizing experiences
- Gaps in tracking the full customer journey

Personalization at Scale:
Tailoring experiences across channels is complex. Businesses struggle with:

- Analyzing vast amounts of customer data
- Implementing consistent personalization across all touchpoints
- Balancing automation with human interaction in customer service

Omnichannel Integration Issues:
Customers expect the same experience whether they shop online, in-store, or via mobile apps. Retailers face these challenges in seamless integration:

- Price and promotion inconsistencies across channels, frustrating customers
- Lack of inventory visibility, leading to unmet customer expectations
- Disconnected systems causing inefficiencies in inventory management, order processing, and customer service
- Negative impact on customer retention and business scalability

The challenges posed by monolithic or legacy systems

To deliver a seamless customer experience, investing in modern technologies has become essential. However, many businesses continue to rely on monolithic or legacy systems, which create significant barriers to achieving a unified experience. These outdated systems often limit the ability to integrate new solutions effectively, hindering efforts to provide a cohesive and consistent customer journey.

Common challenges include:

- Issues in integration with modern platforms result in data silos and duplicate information across various systems
- Lack of real-time data synchronization, causing inconsistencies across channels
- Limited analytics capabilities, restricting actionable insights for personalization
- Inability to harness AI for predictive analytics and customer segmentation, weakening targeted marketing efforts
- Insufficient machine learning integration, preventing the automation of personalized recommendations

The Key Elements of a Unified Customer Experience

A unified customer experience is crucial for businesses to succeed in today's competitive landscape. By prioritizing convenience, seamless interactions, consistency, and personalization, companies can deliver a cohesive and satisfying journey for customers at every touchpoint. This approach not only enhances customer loyalty but also strengthens brand reputation.



Convenience: Enabling shoppers to buy where they want to buy

In today's retail landscape, convenience is key. Customers expect to make purchases through their preferred channels—whether in-store, online, via mobile apps, or other platforms. To meet these expectations, businesses must adopt an omnichannel approach that allows customers to move seamlessly between different platforms and complete transactions wherever they feel most comfortable. This adaptability is crucial for enhancing the overall customer experience.



Key strategies for enhancing convenience:

- Implement click-and-collect options
- Offer mobile-friendly shopping experiences
- Provide multiple payment methods
- Enable social media shopping integrations

Seamlessness: Easy buying process from click to home

A frictionless buying process is essential for ensuring customer satisfaction and driving retention. From the moment a customer selects a product to the point it arrives at their doorstep, every stage of the journey should be seamless and intuitive.

Elements of a seamless buying process:

- User-friendly website navigation
- Streamlined checkout process
- Real-time inventory updates
- Efficient order fulfillment and delivery
- Support for omnichannel customer journeys like BOPIS (Buy Online, Pick Up In-Store), BORIS (Buy Online, Return In-Store), ship-to-store, ship-to-home, curbside pickup, and more

Consistency: Same experience no matter where they shop

Maintaining a consistent brand experience across all channels is crucial for building trust and recognition. Whether a customer engages with a brand in-store, online,
or through customer service, they should experience the same level of quality, messaging, and values at every interaction.

Ways to ensure consistency across channels:

- Unified brand messaging and visual identity
- Consistent pricing and promotions
- Standardized customer service protocols
- Integrated customer data across all touchpoints

Relevancy/Personalization: Relevant and personalized experiences

Personalization is a crucial differentiator in enhancing customer experience. By harnessing data and advanced analytics, businesses can tailor their offerings and communications to match individual customer preferences and behaviors.

Strategies for effective personalization:

- ersonalize email marketing campaigns
- Offer customized loyalty programs
- Provide personalized in-store experiences using digital technology



Focusing on these elements helps businesses create a unified customer experience that not only meets but exceeds expectations, fostering loyalty and driving long-term success in a competitive marketplace.

Bridging Online and Offline Channels with Technology

Some of the most important capabilities needed to achieve unified retail span across inventory management, composable commerce, and omnichannel order management. For example, think of a buy online, pickup in-store (BOPIS) experience. This requires real-time inventory visibility across store locations (inventory management) and presenting the closest locations to fulfill the order (omnichannel order management). Bridging the gap between online and offline channels requires an integrated and interoperable tech stack.

Single User Interface With Unified Data and Reporting

A single user interface (UI) with a unified data model is essential for delivering a cohesive retail experience because it acts as a central hub for all functions—whether it's eCommerce, order management, inventory management, or subscriptions. This consolidation ensures that every aspect of the business is aligned, providing a single source of truth that enhances accuracy in reporting and decision-making. With all data flowing through a unified system, businesses can streamline their daily operations, eliminating the inefficiencies that arise from juggling multiple platforms. This integration not only improves operational efficiency but also ensures that all departments are working from the same playbook, reducing errors and enhancing overall productivity.



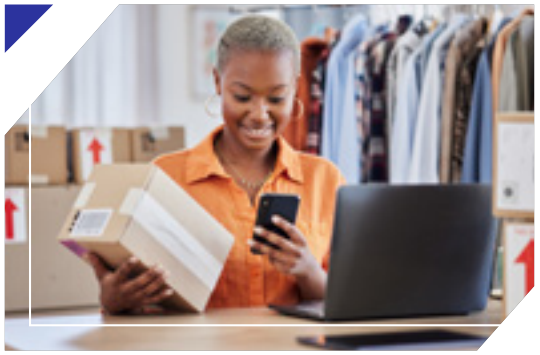
Moreover, a single UI democratizes access to critical tools and data, empowering both technical and non-technical users within a retail business. Non-technical users can easily navigate the interface, allowing them to respond to customer needs more swiftly and provide personalized, consistent customer experiences across channels, without needing to rely on IT support.

Meanwhile, technical users benefit from a system that allows them to dive deeper into data and adapt quickly to evolving market demands. This unified approach enables a more agile business model, where data-driven decisions can be made on the fly, and customer service can be optimized to meet the dynamic expectations of today's consumers.

Omnichannel Order Management

Flexible fulfillment is a crucial element of omnichannel commerce, allowing consumers to choose how, when, and where they receive their orders, whether through in-store pickup, curbside delivery, same-day shipping, or other methods. To achieve this, businesses must integrate various channels, such as brick-and-mortar stores, eCommerce sites, and mobile apps, into a seamless order management system. This approach not only meets customer expectations for convenience and flexibility but also enables retailers to manage complex inventory and distribution models, enhancing their ability to stay competitive in a dynamic marketplace.

By leveraging their entire network, from physical stores to warehouses, businesses can efficiently fulfill orders while empowering customers with greater control over their shopping experience. Strategies like BOPIS, curbside pickup, last-mile delivery, and vendor drop-ship exemplify the role of flexible fulfillment in enhancing the omnichannel shopping journey. These strategies are designed to boost online sales, increase in-store traffic, and maximize conversions, making flexible fulfillment a key driver in the evolving retail landscape.



Inventory Visibility

Inventory visibility is crucial for delivering unified retail experiences because it ensures that both retailers and customers have real-time insights into product availability across all channels. This transparency allows for seamless integration of online and offline sales, reducing the risk of stockouts, overstocking, and mismatches between demand and supply. By knowing what inventory is available, where it is located, and how quickly it can be delivered, retailers can optimize order fulfillment, improve customer satisfaction, and enhance operational efficiency.

Moreover, inventory visibility enables the concept of future available-to-promise (ATP), which allows retailers to provide accurate delivery dates for items not currently in stock. By integrating future inventory data with sales and demand forecasts, retailers can offer customers reliable information on when they can expect to receive their orders, further strengthening the customer experience and trust in the brand.

Omnichannel Pricing and Promotion Management

Omnichannel pricing ensures that the prices of products or services remain consistent across various sales channels, such as websites, mobile apps, brick-and-mortar stores, and social media platforms,
while using the same product data without duplication and managing various feeds. However, omnichannel pricing can also be useful when retailers have different prices based on a shopper's location or they have multiple sites and brands.

When it comes to promotions, having a robust promotion engine is crucial. It should allow users to tailor promotions to specific channels while enabling shoppers to seamlessly apply promo codes across all channels.



Catalog Management

Effective catalog management is vital for creating a seamless and unified retail experience. A product catalog serves as the backbone for managing detailed product information, such as specifications, pricing, and availability. It also enhances product discovery through site search functionality. The specific requirements for a product catalog vary depending on factors like the number of SKUs, product complexity, and the geographic scope of the catalog. A well-structured catalog ensures that customers can easily find accurate and comprehensive product information, which is crucial for building trust and driving conversions.

Key features of an efficient product catalog include comprehensive and accurate product data, rich visual content for compelling product showcases, and seamless integration with real-time updates to maintain accuracy. Additionally, visual merchandising and scalability are essential to handle large volumes of products, ensuring a consistent shopping experience across all channels. By prioritizing these elements, retailers can create a cohesive and engaging customer journey, ultimately strengthening their brand and boosting sales.



AI and Machine Learning

AI and machine learning are increasingly essential for delivering unified retailer experiences by driving operational efficiency, enhancing customer engagement, and improving profitability. Through predictive analytics, AI helps companies anticipate demand, optimize inventory management, and implement dynamic pricing strategies, leading to reduced costs and better resource allocation.

Machine learning models continuously improve by analyzing historical and real-time data, enabling more accurate forecasts and proactive decision-making across supply chains. AI also automates routine processes, such as route optimization and predictive maintenance, further boosting operational productivity and resilience. These capabilities are particularly transformative in eCommerce, where AI is expected to increase logistics productivity by over 40% in the next decade.

On the customer-facing side, AI plays a pivotal role in enhancing the customer experience by enabling personalized interactions and automating service responses. By analyzing customer data, AI tailors marketing efforts, improves customer segmentation, and identifies at-risk customers for targeted retention strategies. Additionally, AI-powered chatbots provide real-time, 24/7 support, significantly reducing response times and improving customer satisfaction.

Platform Architecture: Unified Experiences, Composable Architecture

Composable architecture serves as the cornerstone for achieving unified experiences. By breaking down complex systems into modular components that can be easily customized and integrated, retailers are able to swiftly adapt to changing customer preferences and market dynamics.

This flexibility allows for the seamless incorporation of new channels, technologies, and services into the overall customer experience, ensuring a consistent and responsive approach across all touchpoints. As a result, businesses can better connect with customers and respond rapidly to market shifts, ultimately leading to a unified experience that drives customer loyalty.

Bringing the Unified Retail Strategy to Life: Ace Hardware

Since adopting Kibo eCommerce and Order Management, Ace Hardware has successfully implemented a unified retail strategy that integrates inventory, catalog management, pricing, and more into a single platform. This shift enabled Ace Hardware to provide hyper-localized customer experiences by merging back-office data with online customer interactions, allowing for seamless storefront management.

Agility and Flexibility:

Kibo's MACH-based platform became evident during the pandemic, enabling Ace Hardware to introduce curbside pickup within 72 hours, demonstrating its capability to adapt and enhance the customer experience quickly.

Hyper-Localized Shopping:

Ace Hardware's unified strategy allows for personalized shopping experiences across its 4,900+ locations. Customers receive localized pricing, promotions, and store details, enhancing their connection to local stores.

Transparency and Fulfillment Options:

To meet consumer demands for transparency, Ace Hardware uses geolocation and real-time inventory visibility to show local product availability. Customers enjoy various fulfillment options, including ship-to-home and curbside pickup, with a strong preference for in-store pickups.

Business Impact

Ace Hardware's unified retail strategy has yielded impressive results, including 338% revenue growth over three years and 87% reduction in average BOPIS order fulfillment time in a year. Ace Hardware's transition to an award-winning omnichannel model exemplifies the success of a unified retail approach, blending online and offline experiences to drive growth, efficiency, and customer satisfaction.



The Future of Unified Retail

The future of unified retail is being shaped by several key trends that are transforming the shopping experience. Here's an overview of these trends and how businesses can prepare:

1

Seamless Omnichannel Integration:

Retailers are creating truly unified commerce experiences by seamlessly connecting online, mobile, and in-store touchpoints, allowing customers to transition effortlessly between channels.

2

Data-Driven Personalization:

Advanced data analytics and unified platforms are enabling retailers to gather insights from multiple touchpoints, driving hyper-personalized recommendations, promotions, and customer experiences.

3

AI and Automation:

Artificial intelligence is optimizing operations, enhancing personalization, and automating customer service, enabling tailored marketing content, product recommendations, and loyalty programs.

4

MACH Architecture:

The adoption of MACH (Microservices, API-first, Cloud-native, and Headless) architecture is driving agility and scalability, allowing for faster innovation and smoother integration of new technologies.

5

Reimagined Physical Stores:

Brick-and-mortar stores are evolving into experiential spaces, focusing on curated selections and smaller, more productive locations that complement online channels.

6

Order Management Systems (OMS):

Robust OMS solutions are crucial for managing inventory, tracking orders across channels, and ensuring efficient fulfillment, playing a key role in delivering a consistent customer experience.

How Businesses Can Prepare

1

Invest in Unified Commerce Platforms:

Implement cloud-based unified commerce platforms that integrate all sales channels, inventory management, customer data, and analytics. This provides a single view of the customer and enables seamless experiences across touchpoints.

2

Focus on Customer-Centricity:

Put the customer at the center of all strategies. Understand their evolving expectations and design experiences that prioritize convenience, personalization, and consistency across channels.

3

Upgrade In-Store Technology:

Equip physical stores with technology that bridges the digital and physical worlds. This can include mobile point-of-sale devices, digital signage, and AR/VR experiences that enhance the shopping journey.

4

Develop a Robust Data Strategy:

Invest in data collection, analysis, and activation capabilities. Use customer insights to drive personalization, optimize inventory, and inform business decisions.

5

Embrace Agile Operations:

Build flexibility into operations to quickly adapt to changing consumer behaviors and emerging technologies. This may involve restructuring teams, processes, and technology stacks.

6

Prioritize Seamless Experiences:

Ensure that customers can move effortlessly between channels, with consistent information, pricing, and service levels. Remove friction points in the purchase journey.

Conclusion

Achieving a truly unified retail experience requires a thoughtful integration of technology, data, and customer-centric strategies. By bridging online and offline channels, retailers can meet the evolving demands of today's consumers, delivering consistent, personalized, and seamless experiences across all touchpoints. Embracing a unified commerce approach not only enhances customer satisfaction and loyalty but also positions businesses for long-term success in an increasingly competitive landscape. As the future of retail continues to evolve, those who prioritize a unified strategy will be best equipped to thrive in this dynamic environment.

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About Kibo

Kibo Commerce is a composable commerce platform for retailers, manufacturers, distributors, and wholesalers who want to simplify the complexity in their businesses and deliver modern customer experiences. Kibo is the only modular commerce platform supporting experiences that span Order Management, eCommerce, and Subscriptions. Companies like Zwilling, Ace Hardware, Boscov's, Nivel, and REEDS Jewelers trust Kibo to bring simplicity and sophistication to commerce operations and exceed customer expectations.

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About SkillNet Solutions Inc.

Headquartered in San Jose, CA, SkillNet Solutions is a leading provider of consulting, engineering and system integration services. We help enterprises modernize their omnichannel touchpoints to better engage and transact with their end customers. SkillNet collaborates with top industry players like AWS, Cloudinary, commercetools, Contentstack, Mirakl, Oracle, Salesforce Commerce Cloud, SAP Commerce Cloud, Spryker, and VTEX to deliver modern commerce solutions. These solutions are composable, cloud native, and headless, and power all business models such as B2C, B2B, B2B2C, and marketplaces. With a track record spanning over two decades, we have partnered with leading brands across North America, EMEA, APAC & LATAM.

Sources:
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