

A person's hands are shown interacting with a tablet computer. The person is also holding a smartphone. The background is dark with bokeh light effects. The text 'PRONTO WOVEN' is overlaid on the image.

**PRONTO WOVEN**

The future of retailing  
in an online world

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“Technological innovations and a hyper-connected world have significantly influenced consumer behaviours and expectations. As a result, retailers are faced with a scary reality: change or become obsolete.”

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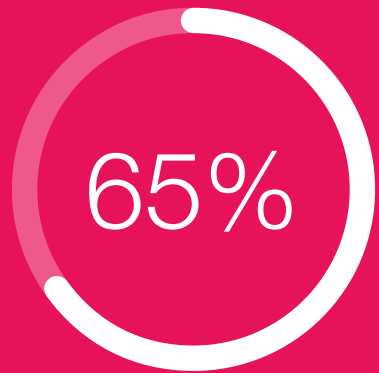
**The retail industry** continues to evolve at a rapid rate, driven largely by consumers growing wants and needs. Businesses who want to thrive during these rapidly changing times need to be forward thinking and stay ahead of the curve.

Anticipating the future needs of your customers is not an easy thing, but there are some emerging trends, to which retailers can look to respond to ensure they remain relevant to their customers.

A photograph of two women in a pottery studio. The woman on the left, wearing glasses and a denim apron, is smiling and holding a smartphone. The woman on the right, wearing a floral dress, is looking at the phone. The background shows shelves with various pottery items and a large ceramic pot on a table. The image has a blue tint and a semi-transparent text overlay.

Mobile optimised sites  
are imperative

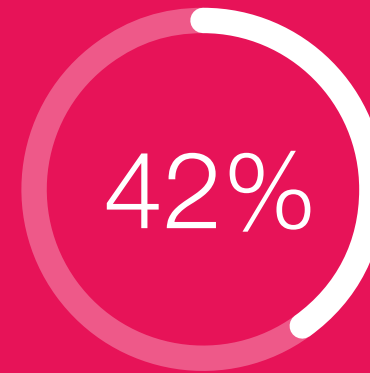
**Not just sites that are mobile friendly,** but sites that are fully optimised for use on a mobile device are essential to respond to the wants of today's consumers. With many Australians turning 'downtime' into 'browse time' there is significant demand for retailers to be catering to the mobile shopper.



Browsed shopping websites on their smartphone



Browsing weekly



Have made online purchases using their smartphone

Of respondents in a 2015 Deloitte Mobile Consumer Survey, 65% have browsed shopping websites on their smartphone, with 40% browsing weekly. Nearly two-thirds of respondents under 35 have made online purchases using their smartphone, as have 42% of all users.

**Driven by consumers** who are increasingly using their mobile phones for shopping, Google responded by updating its algorithms to penalise websites that were not mobile friendly. This has forced retailers to make changes to their online strategies and websites, which have further driven the channel forward.

To optimise your website for a mobile device it is important to consider the full range of devices that consumers now use during a single purchase process and to build a site that almost becomes agnostic of its device. Usability, look and feel needs to be consistent across the range of devices through which your customers engage, including the bricks and mortar store that may be a collection point.





The growth of  
'click and collect'



**When online shopping first began** to emerge as a contender for customer share of wallet there was a distinct divide between bricks and mortar stores and online stores. Many retailers justifiably felt that online stores were a real threat to their business, leading to price pressure and customers treating stores as a showroom for their online shopping needs.

Online stores certainly offer significant benefits that customers enjoy – convenience and price competitiveness. They can sit at home in their PJs and shop from the comfort of their own home at a time that suits them. On top of that they're able to 'shop around', visiting various retailers at the one time and making sure that they're getting the best product/price whilst reviewing other people's experience with the same items.

The reality is that you can either choose to engage online-only stores in a battle to the death fight, or you can change the nature of the game by playing to your strengths.

Bricks and mortar stores are able to offer an immersive experience that complements the other channels they are shopping through. For instance, you can have a one on one conversation with a salesperson who embodies the brand, understands the merchandise and can help guide a decision making process. Additionally, consumers are able to make the purchase then and there, and enjoy instant gratification.

**Click and Collect** is the convergence of these two channels. Retailers have come to understand that these two channels can effectively work together to bridge the gap between bricks and mortar stores and online stores. It gives customers the ability to consider their choices, research the items and price compare from the comfort of their homes, whilst offering immediacy and convenience by allowing them to collect locally. This is something that shoppers are embracing as reported by the [Sydney Morning Herald](#).



**For retailers** wanting to optimise their click and collect programs there are a few things they need to consider to make the junction between front-end customer experience and the backend logistics seamless.

The front end of your website needs to be user friendly; this means it needs to be easy to navigate, show the product in its best light, give the information customers want and may ask for in-store and have a simple shopping cart. Inclusions like user-generated content (reviews, comments and more) can be extremely effective and can keep site content dynamic.

**From a backend perspective** you'll need to consider how each order gets distributed to the right location, how quickly stock can be moved between locations and what communication your customers receive about the process. Your in-store POS system and stock control system should integrate with the same inventory systems as your online stores. This will allow the online store to be presenting up-to-date information to customers and can prevent the unpleasant situation of promoting and selling something online that you don't have the capacity to fulfil.

**Don't forget staff in the process.** To effectively make click and collect work as a strategy, retailers must make sure their online site is properly integrated with the in store experience. Your strategy around logistics needs to be clear and concise so staff and customers alike understand the process. In-store staff should be friendly and responsive to customers collecting orders and can also use the opportunity to cross sell, capturing the immediacy of another purchase while the customer is in store.





Social media continues  
to impact sales

There has been a general consensus for a long time that retailers need to be active in social media – but not everyone is completely clear about how this can be successfully done in relation to driving sales.

A recent study from [Shopify](#) analysed data from 37 million social media visits that led to 529,000 orders to better understand how social media is impacting the ecommerce industry.

And it turns out, when it comes to ecommerce, being social really does matter.

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- **Facebook still dominates** as a source of social traffic and sales, with almost two thirds of all social media visits coming from Facebook.
- **Perhaps most interesting and surprising was community style site Polyvore** which is generating the highest average order value - ahead of Facebook, Pinterest and Twitter.
- **Also noteworthy in this category is Instagram**, which is also generating higher average orders than those same sites. This is especially impressive considering the only clickable links in Instagram are those in profile bios.



**Moving forward**, social media will continue to play a big role in the shopping journey, with consumers using social networks to discover, talk about, rate and share products. Consumers have always used peer-to-peer review and referrals as part of the shopping process - it is just now across a much wider network of platforms with a much more rapid ability to contribute and search. Social media is the tool often used to for these reviews and referrals. Therefore businesses should continue to invest in their social media strategies.

For retailers wanting to step in or step up their social media presence, it's important to remember that these interactions are often only the first step to a purchase. Consumers will review a retailer's social media page(s), tags, links from other consumers and how the retailer interacts with consumers via these channels. Therefore all posts and social media interactions should maintain a consistent brand voice and be used as a way to engage with customers in the early stages of purchasing.

A video camera monitor is the central focus, displaying a close-up of a person's hands holding an open makeup palette. The palette contains various shades of eyeshadow and blush. The person is wearing a plaid shirt. The monitor is attached to a professional video camera, with various controls and buttons visible. The background is a blurred crowd of people, suggesting a public event or a busy environment. The entire image has a dark blue overlay.

Rise of the  
long form content

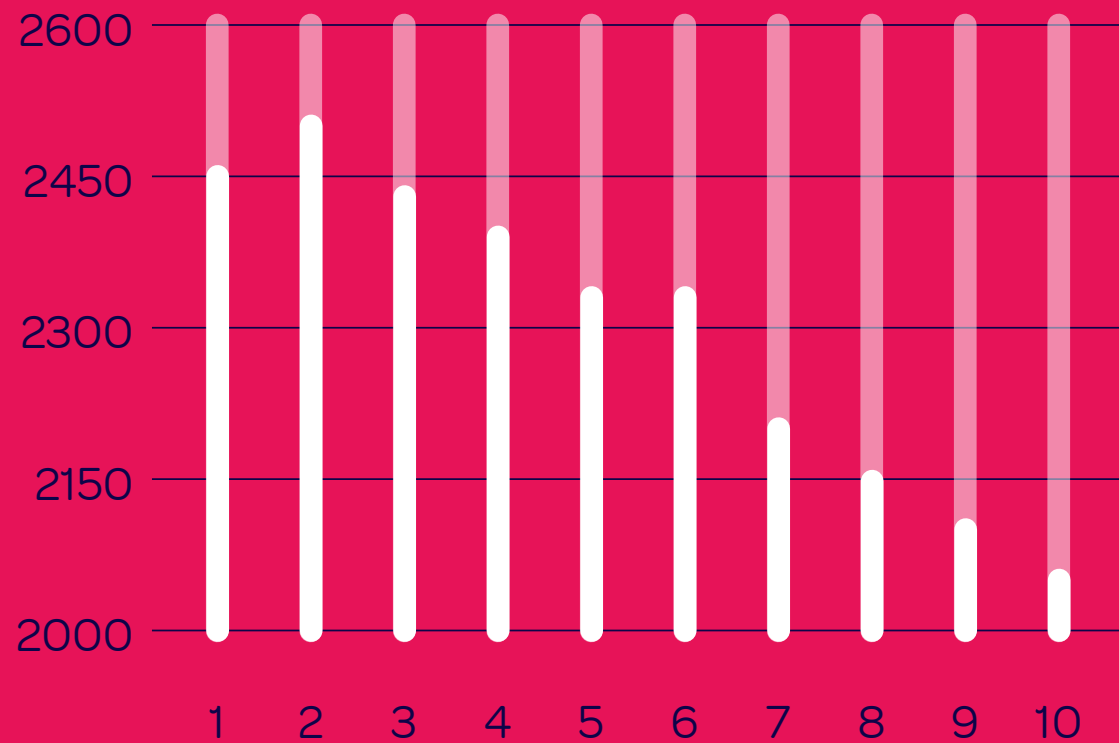
Australian consumers are collectively looking at their smartphones more than 440 million times a day.

With the amount of time spent 'connected' increasing significantly over the past few years - it stands to reason that people are more interested in browsing looking for content which offers more entertainment, education and substance. Hence, the rise of long form content. Long form content – blogs, guides, videos, articles, profiles and branded collabs - is generally incorporated into a content strategy is to increase user engagement.

**Additionally,** long form content ranks very well. In 2012, serplQ conducted a study involving more than 20,000 keywords. The results showed that the average content length of each of the top 10 results was more than 2,000 words. The average number of words for the content in the #1 spot was 2,416.

Furthermore, the longer the content the more opportunity to create backlinks and the more the backlinks the better the content will rank.

# Avg. number of words of Top 10 Results





If you're looking to engage with consumers on a deeper level and increase your organic search results, you should consider long form content as a part of your strategy. Long form content allows consumers to gain comfort in a retailer's credibility within a category, similar to the conversation that a shopper might have in-store with a knowledgeable staff member, helping them through decision-making.

A young woman with blonde hair is smiling and looking at a smartphone held by another person. The image is overlaid with a dark blue gradient and white text. Two horizontal white lines are positioned above and below the text.

All of these trends lead to the ultimate focus for retailers in 2016 – an omnichannel strategy. And, despite the industry or how complex the operations, bringing online and offline together effectively will be vital for retailers.

### When talking about omnichannel we mean a multichannel approach

that provides customers with a seamless shopping experience, regardless of whether the customer is shopping online from a desktop or mobile device, by telephone or in a bricks and mortar store.

The difference between an omnichannel customer experience and a multichannel customer experience is the brand consistency as well as the integration between the various channels in the backend. Integration on every level should be seamless. In-store, online, over the phone and via web chat, the retailer should be able to reference the customer's previous purchases and preferences.

Realistically the customer should be able to, and increasingly will, commence their purchase process through one channel, continue in another and complete their order via another. Every touch point with the brand needs to be consistent in an omnichannel strategy and needs to incorporate the right channels to appeal to the each of your consumer target markets.

For many retailers this strategy will require an overhaul of the way they think about their bricks and mortar stores. Retailers need to ask themselves

## “What role will my brick-and-mortar stores play in a multichannel world?”

To answer this tricky question, retailers need to start by finding out what customers truly care about. By identifying what customers value, and the way they want to interact, retailers can begin to explore and understand the various strengths and opportunities their different channels provide for driving sales, brand affinity and customer loyalty.

**The next step is for brands** to focus on uniting and aligning all their individual channels underneath a strong brand proposition. This singular brand proposition then needs to be brought to life through a strong customer-centric experience that is based on a map of the purchase process of the customer.

By redefining this process brands can re-look at where and how they engage with customers to deliver an experience that removes barriers to purchase and builds loyalty. This is the basis for creating an omnichannel approach and often requires retailers to reorganise their logistics, operations, marketing, fulfillment and customer service teams to enable them to work together more effectively.

By no means is this a simple task for many, however it is essential for the success of an omnichannel customer-centric approach. It is also a demand of today's customers and the future of retailing in this rapid paced environment.



As outlined in a recent MasterCard report, it is the consumer, not the channel, which has defined and will continue to define retailing. The essence of an omnichannel approach comes down to one thing – the consumer.

By placing the consumer to be at the very heart of an omnichannel approach it becomes easier to look forward into how we engage with our consumers, what experiences they have with our brands, and how this needs to shape the strategy.

With retail changing at such a rapid pace and the expectations of customers driving much of these changes, it can be difficult to keep up with all the ‘buzzwords’ in business. Furthermore it can be tricky to know which you need to take notice of and why.

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Customer experience vs. customer engagement has been talked about for a few years now, however they are often treated as interchangeable, which they are not.

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Customer experience essentially refers to the outcome of an interaction between a brand and the customer, taking into account all of their interactions with the brand up until the time of purchase and their use beyond.

It is essentially a customer's  
perception about a brand at a  
certain moment in time.

Whereas customer engagement refers to all of the individual touch points at which the customer engages with the brand. Essentially, it is how a customer feels about how your brand interacts with them. If your customer has a good experience, they should become more engaged with the brand, which helps preface further interactions and builds the cornerstones of loyalty.

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The growth and swift expansion of technology has powered a huge shift in the expectations of customers. This has led to many brands reassessing and rethinking how they meet these expectations and how to adapt in order to engage and retain customers.

It can be a daunting task to know where to focus – customer experience or customer engagement, especially in the context of an omnichannel approach – but a recent article by [Forbes](#) gives great insight into this ongoing debate:

‘Practitioners and analysts are abandoning the customer experience (CX) label in favor of customer engagement (CE) because, in truth, vendors will never be able to manage or shape a customer’s experience, only customers can do that. What vendors do control is how well they meet their customers’ engagement expectations. The real opportunity lies in understanding and delivering the engagement expectations of customers.

To customers the only thing that matters is their perceived experience.’

This supports an age-old marketing principle that with the appropriate engagement/response even a bad customer experience can be turned around.



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So in focusing our attention on customer engagement in the context of an omnichannel strategy – where should retailers begin?

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**Map the customer purchase journey.** By looking at how and when customers interact with your brand and how they purchase you start to understand the customer decision-making process, which is the backbone to developing an omnichannel strategy.

**Boost customer engagement.** After building an understanding of how their customer behaves, retailers can map out where customers engage with their brand and develop plans to maximize these engagements plus adding to them.

**Collect data at all touch points.** Wherever a customer comes into contact with your brand, you should know what data you're collecting and why it's useful. All of this information helps to define your future interactions with the customer, which in turn helps build customer engagement. In order to do this effectively it is essential that all of the information is flowing into a single, integrated backend.

**In looking forward to the future of retailing** particularly in a digital world, it helps to understand how recent developments in technology and customer expectations are driving current trends, and how these are starting to converge into an actionable approach for businesses – a world in which even online businesses as big as Amazon are seeing a way forward for bricks and mortar store fronts.

In that respect, if we think of a strong brand being a way of shortcutting the decision making process for a consumer, then any way a brand has to reinforce a personality that speaks to the consumer becomes critical. Therefore the future of retailing is clear – the only way to maximise your results is through consistency through all channels.

# PRONTO WOVEN

Pronto Woven is a unique digital team bringing integrated business management solutions to the digital forefront. We work within the fabric of a world class ERP system and weave digital solutions founded on efficiency, practicality and creativity.

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