

# Crossing Channels

multi-channel retailers create stronger bonds with shoppers

Is it just me, or does it seem that every retailer has a display of Altoids at its cashwrap counter? The tins of curiously strong mints seem to be at the local hardware store, the national health food chain, the neighborhood big-box bed-and-bath store and even the local dry cleaners.

Is there a secret ingredient inside the mint that makes it strangely addictive? No, more likely, the inclusion and placement of the product is an indication of issues in the retail marketplace.

Retailers are faced with never-ending pressure to increase same-store sales and their share of the consumer market basket, while at the same time adding to the number of locations (which cannibalizes the sales of existing stores). A Catch-22 of the rapidly maturing marketplace: overstoreing, commoditization of goods and erosion of existing units. While Altoids may offer a commercial Band-Aid to the comp-store crunch, more enduring strategies are necessary.

## Get Strategic

Make the shopping effort more productive, efficient and interactive for consumers. Create a strategy that can bring new customers and intensify the purchase behavior of your existing ones. The most enduring, positive outcome of the dot-com debacle is a wake-up call to those in all transactional (think "retail") businesses.

The lessons of convenience, specialization and micro-marketing opened the door for traditional brick-and-mortar retailers to broaden their mix and assortment in the areas of sizing or fashion, while conversely also narrowing the focus – allowing consumers to be individuals through elements of customization, personalization and sourcing.

By being less tactical and more strategic, and by empowering the consumer to access the brand in multi-channel ways – versus a series of siloed

channels – the retailer, (or manufacturer or cataloger going into retail) connects in the right way, at the right time, in the right place.

## The Selling Triangle

From the perspective of a place-based retailer, a successful store starts with the selling triangle: The adjacency, point-of-view and visual impact of product, marketing and personnel. Now expand that thought to the catalog, the web site or the circular without the context and store environment and you begin to see why place-based retailers are exceptionally well-positioned to build a retail experience with multi-channel efforts.

A famous wrestling personality, Goldberg, is quoted as saying, "It's never about nothing." The success of wrestling is a great benchmark. Everything is scripted; all aspects of communication are managed, from the event itself down to the action figures of your favorite personality. An effective multi-channel selling triangle demands this type of obsessive attention and leaves no link to chance.

## Create a Virtuous Circle

This crossing of channels, or creation of a virtuous circle, has proven to create a strong bond between retailer and consumer, resulting in a higher percentage of purchases going to the multi-channel retailer. Even more importantly, the actual dollars spent, not only with the retailer but also in the category, increases the multi-channel retailer getting a big slice of an even bigger pie. Multi-channel eliminates the barriers of selection, time and closure that so often defeat the prospective customer from being a willing purchaser.



Multi-channel retailer Ross-Simons provides its customers "at the right time" service through the integration of sales channels: web sites, catalogs and stores.

The integration of channels is one step, the integration of branding another. And in many cases, the brand challenge appears to be the most difficult. Breaking down the barriers of logistics, revenue allocation and information is key to the success of channel integration, but the seamlessness of brand experience is vital.

Finding one voice, albeit with a variety of applications, motivates a seamless flow from store-to-catalog-to-web site that says the brand and its products are a click away, a short drive down the block or as close as your mailbox, depending on your mood, need or physical proximity.

In the end, consumers are finding retailers that get it right – from Brookstone and J. Jill to Hot Topic and Ross-Simons – become a welcome retail partner, not just a store in their time-starved world. ☺

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