



Clicks & Mortar: Maximizing the Shopping Experience For Your Customers

EXECUTIVE SUMMARY

BUSINESSES NEED TO MANAGE CUSTOMER SERVICE, AWARENESS, INFORMATION, NAVIGATION AND EXPERIENCE VS. EXPECTATION ON THEIR INTERNET SITES

Brief Overview

As the Internet continues to grow in size and stature, more businesses are looking to represent their bricks-and-mortar companies online. They already have the advantage of name recognition that Internet-only businesses do not have. However, name recognition, alone, is not enough to compete in the fast-paced Internet world.

Bricks-and-mortar businesses need to create sites that contain all the qualities that define bricks-and-mortar locations. For instance, if a business is known to have above-average customer service in its physical stores, consumers should expect that same level of dedication on the Internet site as well. Failing to carry over that feeling will drive the gap between the two channels further apart. The overall goal of any bricks-and-mortar business should be to become a true “clicks-and-mortar” company where there is little to no difference between the two channels. The more they can resemble one another, the more seamless consumers’ transitions from offline to online will be and vice versa. In the end, it should matter little to consumers whether they are shopping via the Internet or walking into the actual store because their shopping experiences will be the same.

To integrate the two channels successfully and create an experience that meets consumers’ expectations, businesses must create a fluid combination of customer service, consumer awareness, information, and navigation. Once this balance is achieved, and the virtual and physical presences are working together, they will both strengthen and generate leads for one another.

PRACTICES AND IMPERATIVES IN CUSTOMER SERVICE

Lessons learned regarding customer service in the physical store



- In the physical store, consumers do not want to wait for customer service while shopping. They want an employee within arm's reach at all times to answer questions. Similarly, when shopping on the Internet, a medium that thrives on speed, consumers should not have to wait days or hours for assistance. They want to obtain assistance immediately.
- Web sites need to offer customer service in a manner that does not intimidate consumers. Consumers should never feel pressured by a representative. When they feel pressured, they will likely click to another site. Consumers expect customer service on the Internet to answer their questions, not attempt to make sales. If your business uses a proactive instant messaging form of customer service, it is in your best interest to offer a 'No Thanks' button so that consumers do not feel pressured to respond.
- While in the physical store, consumers enjoy the personal attention that comes from dealing with a real person. One challenge of the Internet is re-creating that personal feel. When consumers request customer service, through whatever means, they should know they are communicating with a real person. It is one of the benefits that makes toll-free numbers so popular. Instant messaging can take that one-on one experience further.

PRACTICES AND IMPERATIVES IN AWARENESS

Lessons learned regarding advertising/awareness campaigns

- Advertising must convey a direct benefit to consumers. Monster.com, for example, has managed, through its television commercials, to convey to viewers that "a better job is out there," and that Monster.com will help them find it. Simply by watching monster.com's commercials, users know they can improve their lives by taking advantage of this site.
- In order to convey benefits, advertisements must first get the consumers' attention. When competing in a market as dense as the Internet's, companies must differentiate themselves so that consumers will remember them when they get in front of their computers. Unfortunately, Cyberian Outpost.com took this concept too close to heart. It created a campaign in which everyone knew the name of the company, but no one knew what Cyberian Outpost.com offered.
- The difference between advertising and creating awareness is that advertising campaigns are typically developed to acquire customers, while awareness campaigns are designed to convert existing customers. As an



example, within two weeks of creating in-store awareness campaigns traffic to The Sports Authority's Web site increased 378%.

- The Gap was able to double its e-mailing list when it offered new email consumers a ten- percent discount on their first online purchases. With consumers signing up online, The Gap was able to send electronic newsletters to these new consumers informing them of sales and new products. The newsletters also included links to featured items, and to the Web site, allowing consumers immediate access.
- Businesses must avoid creating awareness and advertising campaigns that are intrusive to consumers. Often, the more a company seems to push, the more consumers will resist. Overall, consumers found several kinds of "in your face" advertising very distracting and bothersome, and agreed they would consciously avoid using sites containing that kind of material. Conversely, a subtle means of creating awareness tends to communicate a sense of convenience to consumers.

PRACTICES AND IMPERATIVES IN INFORMATION

Lessons learned regarding information as it relates to availability and consumer comfort

- In a physical store, consumers in need of information generally turn to the sales associate. Consumers are generally trustworthy of the one-on- one interaction with a salesperson. Circuit City, for example, offers well-trained sales associates who are knowledgeable about products, to aid consumers. In an attempt to continue that one-on-one feel Circuit City has carried over that personal experience to the Internet.
- Consumers like the option to compare products in the physical store. This helps them decide which product would be best for them. Sears.com has brought this experience online by allowing consumers to compare similar products side-by-side, and listing each item's features and benefits to make the comparison quick and easy.
- In the physical store, consumers have the advantage of seeing products firsthand. They have a chance to push the buttons and kick the tires. Most customers take this experience into consideration when making a purchase decision. However, once they go online, they can typically see only a brief description and an image of the item. In an attempt to have customers "touch" items through virtual reality, many businesses are



- hoping to install computer software that will show products three dimensionally, thus making the items seem more real and helping with the purchase decision. Installation of such a program will also help to cut down on the number of product returns.
- While consumers generally trust information provided by sales associates, they are far more likely to feel that a Web site's information is biased toward making a quick sale. As a result, businesses must go out of their way to ensure consumers that all education on the site is neutral. The best way to do this is to let consumers seek out the information. If consumers have to request information, they are more likely to view it as educational. Information should not be difficult to find and should always be available at the user's request. Vitamin Shoppe has achieved this by creating a separate site that is purely informational thus removing any feelings of sales pressure on consumers.

PRACTICES AND IMPERATIVES IN NAVIGATION

Lessons learned regarding site navigation as it relates to the physical store

- Businesses still think Internet sites' designs are linear. As such, the means of getting around the site remains rather consistent throughout the entire Internet. But that is not what consumers want. They want to have the offline experience recreated, as if they are walking through the aisles of the actual store. Wal-Mart has begun to think along these lines by offering consumers a store map, instead of a site map. Since the site is so similar to the actual store, consumers find it familiar and easy to navigate; some even begin to feel an attachment to the site.
- To save time for consumers who have slow connections to the Internet, many companies offer text-only versions of their sites. However, if a company advertises one, it should have one. Victoria's Secret's Web page has a "text-only" version. But activating it merely takes the user to a site map at the bottom of the front page, something that could have been achieved simply by scrolling down the main page. Moreover, that is the only page of the site that is text-only. Any selections made will take consumers to the non-text site.
- To make the online experience as efficient as possible, consumers should be allowed to search for items in a variety of ways. A prime example of this is eToys.com. Once arriving at the site, consumers have a multitude of search methods, including the child's age, type of toy, or price range.



PRACTICES AND IMPERATIVES IN EXPERIENCE VS. EXPECTATION

Lessons learned regarding an online experience that lives up to expectations

- Because Levi Strauss's Internet site failed to satisfy consumers' simplest expectations, the company quickly closed its electronic doors. Consumers were looking for a place to buy jeans, but Levi Strauss was attempting to create an entertaining, creative site where Generation-X consumers could "hang out." Since Levi Strauss lost sight of consumers' expectations, its site was a failure. The company eventually stopped trying to sell jeans online.
- Convenience is also a major factor in consumers' decisions to shop online. This includes making it just as easy for a consumer to return a product as to make a purchase. Upon arriving at The Gap's Web site, consumers are greeted with a message proclaiming: "hassle-free returns: doesn't fit? Wrong color? Return it to any Gap store." Knowing their problems can be solved easily will put consumers more at ease with their online experience.
- Many consumers believe they can purchase items on the Internet at a lower cost than at a physical store. To combat this, Circuit City offers a price protection program. If consumers purchase an item on the Internet, and choose to pick it up at the nearest store, Circuit City guarantees the lowest price for that item by comparing the online price with the price in the physical store on the day of pick-up. The consumer will pay the lower price.

INSIGHTS INTO BEST METHODS OF SITE AND STORE INTEGRATION

All businesses need to consider certain factors that exist in the physical store

Stages of Innovation takes the following factors into account when examining how best to integrate bricks-and-mortar presences onto Internet sites. These are just several ideas that are crucial to the success of any coherent, combined, consumer-centric clicks-and-mortar design.

Are the physical store and the Internet being treated as one business or as separate identities? Is there a benefit to keep them apart? Is the URL of the Web site the same as the business name?



How is customer service handled in the physical store? Do sales associates approach consumers or wait to be approached? How is customer service dealt with online? Is there consistency? If not, why?

What are the best means of creating awareness for an Internet site? How are competitors doing it? How well does the physical store support the Internet site?

Is the Web site advertised separately from the physical store? Does it make more sense to have a singular campaign that emphasizes both the bricks and mortar and Internet sites, or two separate actions?

Have the same reasons used in creating the layout of the physical store been applied to the formation of the Internet site? Would the site benefit from creating a virtual version of the physical store? Would the familiarity it brings the consumer be beneficial?

How can consumers access information online? How is it different from how they obtain it in the store? Does the Internet site have enough information to stimulate consumers' experiences in the store? Do consumers have the option of requesting further information, or is it all given to them right away?

Does each medium honor the other's policies with regard to returns, pricing and advertisements? Does not recognizing these elements hurt companies more than honoring them would?

Do consumers feel they have complete control over their experiences on the Web site, or are they forced to go through certain pages to get where they want to go? Is it easy for them to move around the site?

About Stages of Innovation

Stages of Innovation helps companies achieve their growth objectives through new products, sales and channel development, and through the buying and selling of businesses. You can reach us via the web at www.stagesofinnovation.com.