

Omnichannel Retailing

Managers Interpretation of the New Strategy

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Abstract

The adoption of the Internet by consumers and retailers has rather been described as an evolutionary process than a revolution. However, the arrival and penetration of mobile devices over the past few years has seemed to act as a trigger for the revolution expected since the dawn of the Internet. Thanks to the mobilization of the Internet, consumers today tend to use multiple channels simultaneously to complete their purchasing process. Given these changes in shopping habits, retailers have adopted a new retail strategy – the so-called “omnichannel strategy” – in order to offer their clients a seamless, integrated and consistent shopping experience across all their channels. While experts and scholars have discussed omnichannel strategizing with a focus on client experience, retailers’ viewpoints were not studied in as much depth. Our study provides empirical insights on how managers interpret the omnichannel strategy. 19 semi-structured interviews were conducted across ten retail companies implementing an omnichannel strategy.

Our findings suggest that for participants, an omnichannel strategy involves two essential components: that of the customer’s experience and that of supply. While the first component supports the various definitions that currently exist in the literature, the second introduces an aspect that considerably impacts retailers’ business model. For many participants, an omnichannel strategy includes providing an omnipresent access to inventory, ensuring supply complementarity among various channels, and responding to growing flexibility requirements on the part of consumers in terms of fulfillment. These particularities suggest that omnichannel strategizing goes further than aligning channels’ practices and integrating the right retail mix to create a cohesive customer experience. Adopting an omnichannel strategy requires a complete revision of internal processes, especially logistics, which entails adjustments to the company’s business model. More research must be performed to further probe the issue and improve our understanding of how the implementation of an omnichannel retail strategy may impact an organization’s activities as a whole.