

9 Steps to Multichannel Commerce

David P Himes
Direct Commerce Advisors

9 steps

1. product master
2. order management system
3. single view of inventory
4. warehouse management system
5. product delivery
6. content management system
7. customer service
8. web store
9. marketing

product master

everything you know,
or might need to
know, about any
product you sell

- product numbers,
- descriptions,
- images,
- specifications,
- suppliers,
- pricing alternatives,
- internal buyers
- what else?
- single source of product information

order management

- a cross-platform, cross-channel order management system [OMS].
- support transactions and customer service in
 - one or more physical stores
 - in a call center
 - at a web site
 - on a mobile site
- include Amazon or eBay or any other ancillary channel.
- *Your customers should be able to transact with you in a manner that suits them, rather than in a manner that suits you.*

inventory

- single view of inventory, updated in near-real-time.
- rules about inventory allocation, updating various channels
- enables selling the “last available unit”
- optimal inventory utilization calls for matching inventory availability to demand
- If you can sell any unit thru any channel, you’re most likely to get the highest value for that unit.
- synchronizing inventory across multiple channels (especially, if it includes brick & mortar stores)

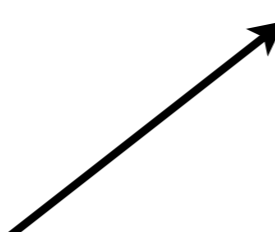
warehouse management

- capable of item-unit-picking and parcel shipping (fulfillment processing)
- shipping to stores v shipping to consumer.
- pallet v case v unit picking
- retail fulfillment v consumer fulfillment.
- Consumer Fulfillment
 - more complicated picking
 - variable picking strategies
 - more difficult packing (“slower”)
 - slotting optimization (to reduce picker travel time)
 - more sensitive cut-offs for picking orders
 - coordination with multiple parcel carriers for pick up, class of service
 - near-real-time updating of order, inventory status

product delivery

- getting the products the customer ordered into her hands, when she wants or expects them
- timely Pick, Pack,
- timely Shipping
 - class of service
 - carrier selection
- monitored Delivery
- customer updated on status

content management

- capture all the content you develop about your company, your products, your services, your people, etc.
 - make all your content available, in a consistent way, for use in any media.
 - web sites
 - emails
 - social media
 - content becomes a significant asset, which should be created, maintained and leveraged as much as possible. A CMS enables these functions.
- a private publishing solution, which enables you to build your own subscriber base, present your own content, and advertise your own company.
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customer service

- Goal = have knowledgeable staff available to a Customer at the moment of need via a convenient medium.
- direct commerce media = SMS, chat, Twitter, email, Facebook, phone
- staff cost is the major obstacle, regardless of channel
- Seth Godin, Sep 26, 2012, wrote: The simplest customer service frustration question of all ... “Why isn’t this as important to you as it is to me?”
- *the reality is that a customer’s problem is rarely as important to the merchant as it is to the customer*

web store

- 900 ecommerce platforms
- your business is not as unique as you think it is. **avoid customization**, unless you can prove it adds value
- find an ecommerce platform that has:
 - experience in your industry
 - experience with your other applications, such as Product Master, Inventory, OMS, WMS
 - uses a technology your staff is already familiar with, so you can make minor changes and fixes, yourself
 - an effective user interface, which merchandisers, customer service reps and others can be quickly trained on
 - a plan to stay up-to-date on marketing and technology improvements
 - already supports your current marketing activities
 - supports your current payment processors
 - a good cultural fit with your present staff
- include every department in the decision.

marketing

- unending variables
- recognize the difference between the channel or medium and the activity
- multichannel commerce generate sales thru multiple channels
- **channels for commerce:**
 - *brick and mortar stores (fact-to-face)*
 - *paper mail (flyers, postcards, letter packages, catalogs)*
 - *electronic mail*
 - *social media*
 - *web store*
 - *smart phone app*
 - *tablet app*
 - *telephone*
 - *direct response broadcast*
- If you can't measure it, consider not doing it.
- **Things to measure:**
 - *customers who got an offer*
 - *customers who bought*
 - *how much they bought*
 - *how many they bought*
 - *what it cost to make the offer*
 - *what it cost to fulfill the offer*

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david@directcommerceadvisors.com

www.directcommerceadvisors.com