



# 7 KEY FACTORS FOR A SUCCESSFUL OMNICHANNEL BUSINESS STRATEGY



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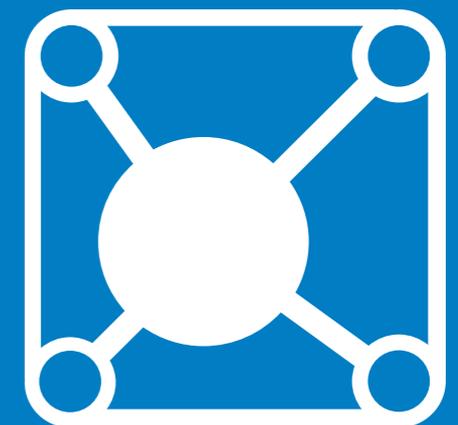
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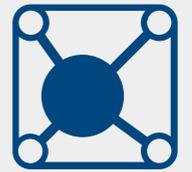
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**OMNICHANNEL**

# What Is Omnichannel?

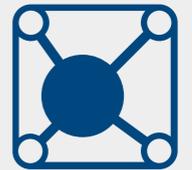


**The modern consumer wants the freedom to research, shop and pay for products and services across multiple channels. An omnichannel solution refers not only to the merchant's ability to meet these needs—but in doing so integrates the various customer engagement channels and provides a seamless customer experience.**

A customer might be looking for the perfect pair of jeans, finds them online but wants to try them on before buying. Once in-store, the customer is delighted to find that the jeans are in stock and dark blue, just as the online store described them. Now ready to purchase, they pay through a mobile app on their smartphone without having to rummage through their wallet to look for a credit card. Two weeks later, the customer calls the support line to inquire about the arrival of the same product, but in a lighter color. When the product eventually arrives in stock, the service representative communicates with the customer over online chat, demonstrating full knowledge of the customer history. In today's environment, customers want a personalized and integrated journey and an omnichannel solution provides an optimum experience by connecting all aspects of customer engagement.



# Multichannel vs. Omnichannel

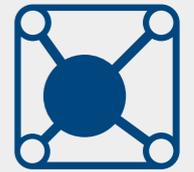


The terms multichannel and omnichannel are often used interchangeably. However, there is a clear difference between the two. While both solutions provide multiple interactive touchpoints to customers, such as social media, website, phone, in-store and mobile, the omnichannel approach connects these channels, bridging technology communication gaps that may exist in multichannel solutions.

Most customers navigate between numerous channels and touchpoints before making a purchase. A hundred different customers will most likely have a hundred different paths to purchase—emphasizing the need for a seamless integration of all channels and a consistent presence throughout each step of the purchasing lifecycle.



# What Does An Omnichannel Solution Do For My Business?



Although the term omnichannel is used frequently in today's business environment, it is not just a buzzword. If implemented thoughtfully, an omnichannel solution can benefit your business in more ways than one.

## Optimizes Engagement

Today's consumer is adept at finding the information they need on their own terms through a variety of channels. An omnichannel solution allows businesses to communicate with customers via their preferred means, increasing engagement and targeting communication. Not only can businesses now reach a larger audience, they can also provide a consistent message across channels.

## Meets High Customer Expectations

The modern consumer expects a seamless, customer-focused experience. Any disconnect between information provided in-store versus online or inability to purchase through a preferred means creates uncertainty over the purchase and dissuades a customer from making a commitment. Integrated systems align these customer experiences and allow businesses to cater to varying demands.

## Enables Better Service

Omnichannel strategies afford businesses the ability to engage and respond to customer inquiries in a timely manner through various channels. The communication between these channels allows the customer to end the conversation on one channel and seamlessly pick it up on another. Business representatives are better informed to service the customer and create an optimized experience.

## Provides Actionable Data

Integrated channels are constantly gathering critical information and service data about customers. This data helps to provide continuous insight into the customer journey, allowing businesses to enhance processes and identify inefficiencies at a faster rate. Improved business practices often result in higher customer satisfaction and loyalty.

Now that we've defined omnichannel and outlined some of the benefits, we'll explore **seven factors** to consider when implementing an omnichannel solution that ensures accessibility across channels and helps put the customer experience at the forefront.



- UNDERSTANDING THE OMNICHANNEL CUSTOMER
- PAYMENT CHANNELS
- SMARTPHONE—THE TRUE OMNICHANNEL DEVICE
- MULTINATIONAL AND CROSS-BORDER PAYMENT INTEGRATION
- CUSTOMER SERVICE AND DATA MANAGEMENT
- CROSS-CHANNEL SECURITY
- AGILE STRATEGY



## Understanding The Omnichannel Customer

### Buyer-Controlled Market

Now more than ever, consumers hold the power of information. Product and service information can be obtained through a variety of means, presenting a challenge for businesses to meet their customers via the channels that matter most.

### Search Usage

Self-reliant omnichannel customers are adept at finding the information that they need on search engines. They utilize search engines at each stage of the purchasing cycle, reviewing everything from product and service evaluations to price comparisons.

### Social Media

The growth of social media has created a common, central space for the exchange of information. This environment of connected consumers allows businesses to meet customers on their own terms, providing information and engaging in real-time.

### Review Sites

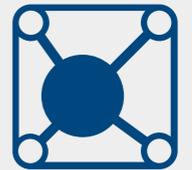
88% of online shoppers report that they incorporate reviews into their purchasing decisions. It is critical for businesses to showcase a strong online presence and create a positive customer experience.

<https://www.thinkwithgoogle.com/research-studies/the-zero-moment-of-truth-macro-study.html>



**“Macy’s found that customers who shop across channels are **8x** more valuable than those who shop in a single channel.”**

<https://www.thinkwithgoogle.com/interviews/macys-reorganizes-for-omni-channel-success.html>



## Payment Channels

Technological advancements have led to increased capabilities and convenience when it comes to the checkout process. Consumers are steadily moving away from carrying cash and credit cards and embracing mobile wallets and other payment applications. 83% of consumers agree that businesses should look at adding more electronic payment options for their customers. When it comes time to check out, consumers want choices. Businesses are challenged not only to provide new and convenient payment methods, but also to implement these capabilities in-store, online and through mobile.

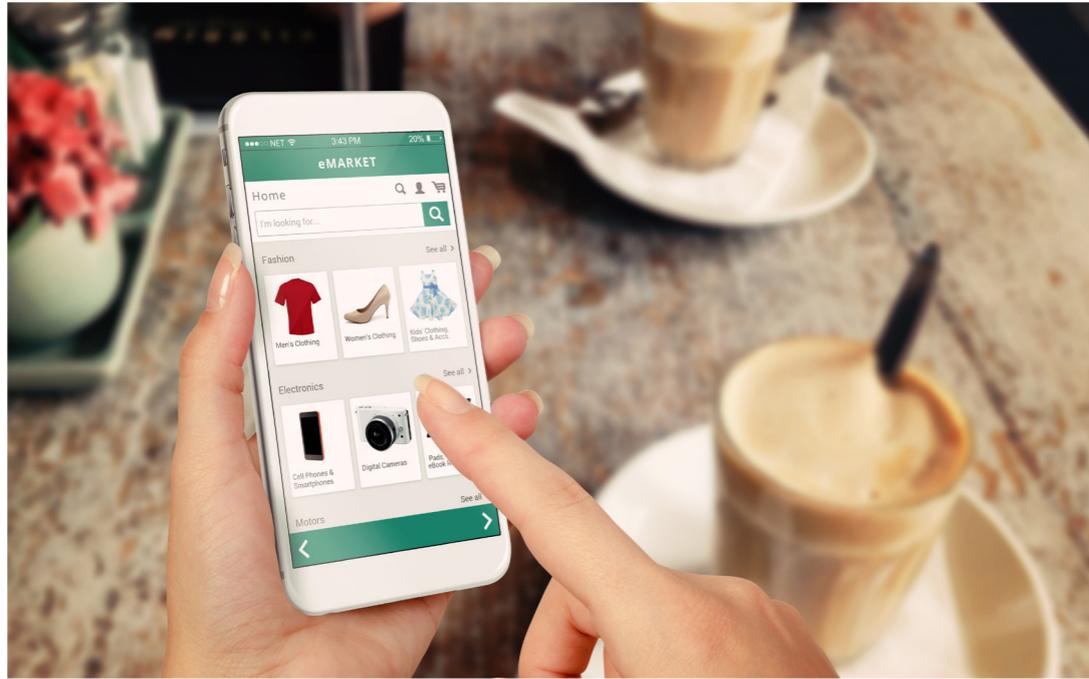
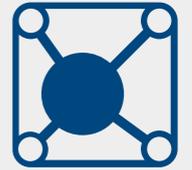
It is important to remember that solely possessing these channels is not enough—they need to communicate and integrate to be a true omnichannel solution. Connected payment solutions can have lasting benefits for both businesses and customers, as they eliminate siloed applications that may otherwise hinder a streamlined payment process. Businesses can eliminate inefficiencies and time spent managing duplicate systems, while customers may experience frictionless payment and checkout.

<http://www.electronicpaymentscoalition.org/resource/new-data-shows-consumers-want-innovative-options-to-stay-protected-at-the-register/>



**51%** of purchases are now made online and **44%** of smartphone users make purchases through their device.

<http://fortune.com/2016/06/08/online-shopping-increases/>



## Smartphone—The True Omnichannel Device

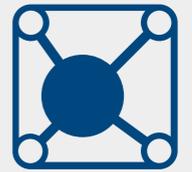
As a centralized, mobile information source, the smartphone has emerged as the essential customer engagement tool. A reported 80% of internet users own smartphones, utilizing them constantly throughout their daily lives—at home, at work and in the midst of making purchasing decisions. The popularity and convenience of smartphones have placed them at the center of the omnichannel environment, reinforcing the need for a streamlined mobile customer experience.

A Google & Nielsen survey found that three out of four mobile searches trigger additional user actions. Whether these actions are a store visit, a phone call or further research, they can have a valuable outcome for a business. Since we know that today's consumer will most likely abandon a task if they are met with any friction, businesses are required to take steps to align with mobile customer demands. While mobile sites serve as appropriate, practical tools for many businesses—especially as their functionality continues to improve—native mobile applications are currently providing the most value to customers. Apps provide smartphone users optimized navigation, personalization, speed and connectivity while helping businesses to convert users at a 200-300% higher rate than mobile sites. Moreover, by adding the integration of mobile payment applications such as Apple Pay®, Android Pay™ and Samsung Pay, businesses can create a frictionless experience from introduction to checkout.

- On average, people check their phones **150 times per day** and spend **177 minutes** using them
- **87%** of users always have their smartphone at their side, day and night
- **82%** of users say they consult their phone while shopping in-store

<https://www.thinkwithgoogle.com/research-studies/micromoments-guide-pdf-download.html>

<http://www.marketwatch.com/story/millennials-engage-with-their-smartphones-more-than-they-do-actual-humans-2016-06-21>  
<https://www.thinkwithgoogle.com/research-studies/creating-moments-that-matter.html>  
<https://inc42.com/resources/push-notification/>



## Multinational and Cross-Border Payment Integration

Cross-border ecommerce demand has steadily gained momentum over the past few years as online consumers have become increasingly comfortable shopping abroad. With some looking to find better deals or more inventory, many consumers expect the cross-border online experience and checkout to be seamless. Businesses looking to meet these needs require ecommerce capabilities that not only support multiple countries, but integrate any and all transaction currencies. Benefits such as alternative payment methods, dynamic currency conversion and multi-lingual checkout help businesses to address the varying demands of a global audience.

The key to solving this challenge is to utilize a payments partner who has extensive experience in worldwide payment technology expansion and can help simplify the complexities. Working with a partner that possesses global expertise and oversight, paired with a local market presence and support, provides the foundation for a streamlined omnichannel process and consolidated payments system.



Asia-Pacific is anticipated to become the largest global online market, with **40%** of all cross-border sales being shipped to the region.

<http://www.pfsweb.com/PDF/whitepapers/Online-Retail-Cross-Border-Sales-FINAL.pdf>



**By 2020, customer experience will overtake price and product as the key brand differentiator for business-to-business organizations.**

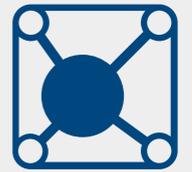
<http://www.walkerinfo.com/customers2020/>

## Customer Service and Data Management

Customer service and engagement is generally considered to be the most crucial aspect of a successful omnichannel solution. As consumers are utilizing numerous channels to interact with businesses—phone, social media, website, email and in-store—they expect businesses to be easily accessible, respond to inquiries in a timely manner and provide a seamless customer service experience between each channel. A well-executed omnichannel solution can provide businesses with the foundation for continued growth and sustainability.

Businesses are constantly obtaining important customer service information and operational data through various channels. The integration of these service channels allows internal representatives to be better informed regarding the customer journey. And businesses can utilize this real-time data to take actionable steps in optimizing processes and removing inefficiencies within areas such as workforce allocation and inventory management. Personalized customer service, paired with improved business practices leads to satisfied customers and higher customer loyalty. A study conducted by the Aberdeen Group, Inc. concluded that companies with the strongest omnichannel customer engagement strategies retain an average of 89 percent of their customers, while their weaker omnichannel counterparts sit at 33 percent.

<http://www.aberdeen.com/research/11426/11426-RR-Omni-channel.aspx/content.aspx>



## Cross-Channel Security

With the development and adoption of new engagement channels, increased security measures are needed to protect both businesses and customers within the omnichannel environment. Executing a secure omnichannel strategy involves protecting customer information and minimizing fraud for both card-present and card-not-present transactions.

In card-present transactions, businesses are obligated to protect customers' sensitive card details from the risk of being stolen by hackers. The use of end-to-end encryption, which encrypts the card data, paired with tokenization, which replaces the data with "tokens", makes customer information unusable to criminals. A third security tool, EMV, uses embedded microchip technology to minimize illegal transactions and makes cards nearly impossible to duplicate.

While the same threats exist for card-not-present transactions, the approach to security screening is slightly different. Using a strong Secure Sockets Layer (SSL) authentication for data protection is a good start, but applying tokenization and/or implementing a Hosted Payment Solution—which removes customer data from a business's environment—further protects customers from hackers. In efforts to minimize fraudulent transactions online, businesses can employ an additional level of authentication or choose a fraud management tool that blocks or holds suspicious transactions. The monitoring of real-time and post-transaction security risks enables a safe, reliable omnichannel solution.



**80%** of retailers are operating siloed fraud management teams, monitoring and managing fraud by channel rather than working as holistic, integrated teams.



## Agile Strategy

The consumer path to purchase has moved from a linear format, to a complex process that requires businesses to diversify engagement. Mobile technology has made access to information a 24/7 reality and expanded access has escalated the need for leading-edge security measures. Evolving consumer needs and industry demands require businesses to implement strategies that are flexible, scalable and promote communication across channels.

A successful agile strategy involves the integration of people, processes and technologies that are primed to help expand the business and adapt to changing customer behavior. Leveraging customer data and intelligence to improve internal operations allows businesses to evolve with future shifts in customer behavior while creating personalized and targeted experiences—making customer experience a brand differentiator. Businesses that are prepared to provide an agile response to market trends, technology innovations and customer needs have an immense advantage in the ever-changing commerce environment.



**Agile payment solutions can integrate with new or existing systems and help to improve the total cost of ownership.**

# 7 Key Factors for a Successful Omnichannel Strategy



The evolution of major technologies has had an enormous impact on the way that businesses and consumers interact with one another. Examining our 7 factors for omnichannel success and how they fit into your business strategy can help put customer experience at the forefront and ensure you'll be ready for whatever comes next.

- **Understanding The Omnichannel Customer**
- **Payment Channels**
- **Smartphone—The True Omnichannel Device**
- **Multinational and Cross-Border Payment Integration**
- **Customer Service and Data Management**
- **Cross-Channel Security**
- **Agile Strategy**

Global Payments' omnichannel solutions provide businesses the ability to offer a unified shopping experience by integrating advanced ecommerce technology into any new or existing payment technology system. We offer one platform that consolidates channels to function harmoniously for a seamless transaction.

Global Payments is a forward-looking, global commerce company focused on delivering quality services driven by customer needs around the world. As a leading provider of payment technology services, our worldwide partnerships and expertise enable us to provide a broad range of products and services that help businesses innovate and grow.

[globalpaymentsinc.com](https://globalpaymentsinc.com)

