



CILT

Omnichannel Presentation

09 December 2020

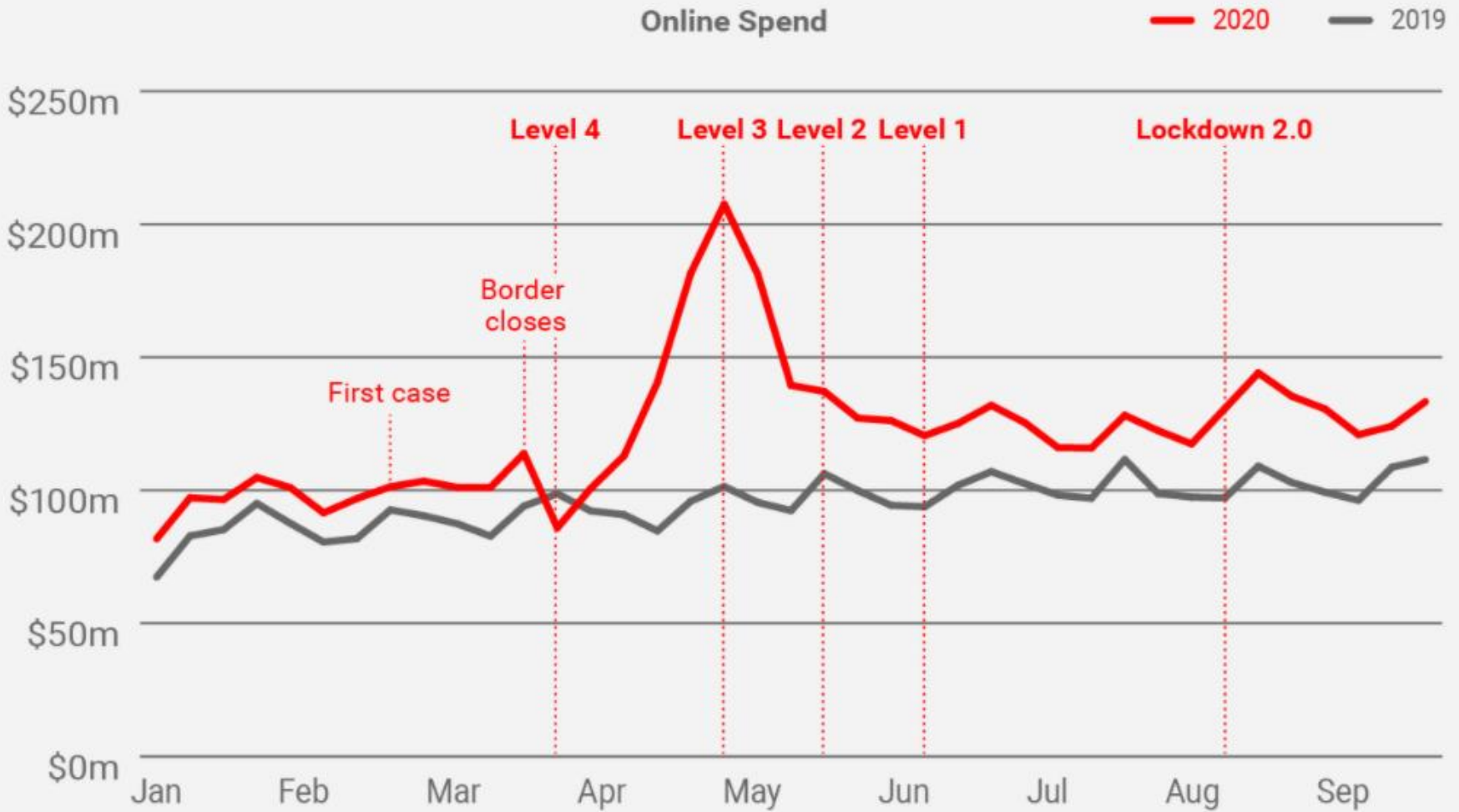


Agenda

1. What is Omnichannel?
2. Why is this important?
3. When do we need to start?
4. Who needs to be involved?
5. Where do we start?
6. How do we start?

Everyone's Omnichannel will be different.

Online spending – COVID Impact





Mighty Ape : Kiwi retailers are getting better with online shopping

Online spending in 2018



\$4.2 billion

the equivalent of **8.9%** of all retail sales in this country



As COVID-19 forces businesses globally to migrate online in a bid for survival, the rate of omnichannel adoption will accelerate in the coming years, with the global omnichannel retail commerce platform market anticipated to hit \$11 billion by 2023

such as Macy's, Nordstrom, and Walmart are expanding their online offerings and introducing new models, such as in-store fulfillment of online orders. Online players such as Amazon and Zalando are opening their own brick-and-mortar stores.

↓ Art

Vertically integrated players such as Bose, Burberry, and Nike are strongly pushing their direct-to-consumer business through both online and new physical stores. And players of all kinds are



1. What is Omnichannel



1. What is an Omnichannel – Definitions

Omnichannel customer experience is defined as a cross-channel customer-centric approach,

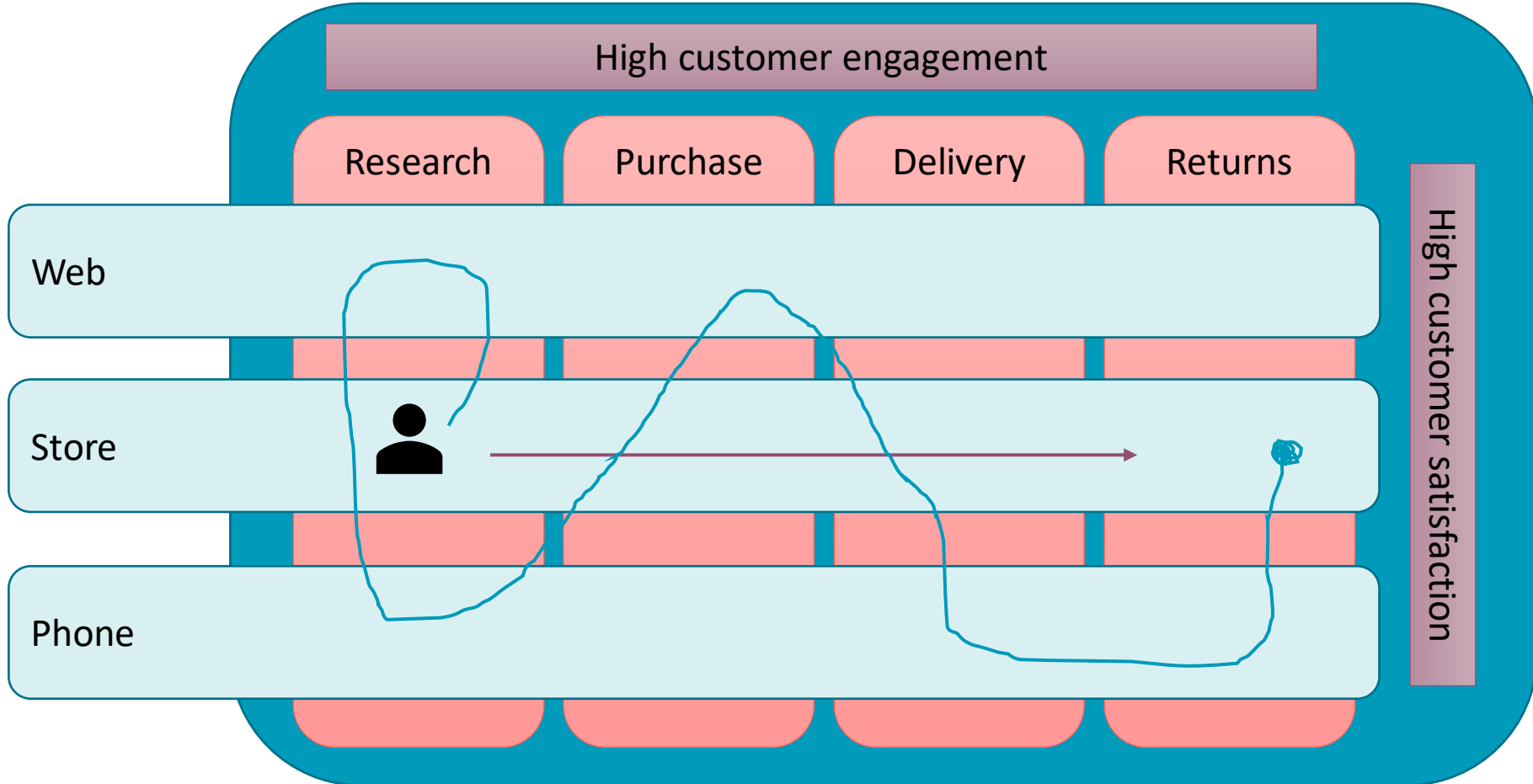
through which a company aims to provide a seamless, unified and contextual customer experience, irrespective of device, channel or platform of interaction

‘anytime, anywhere, from any device’

‘Order from anywhere, Fulfill from anywhere’

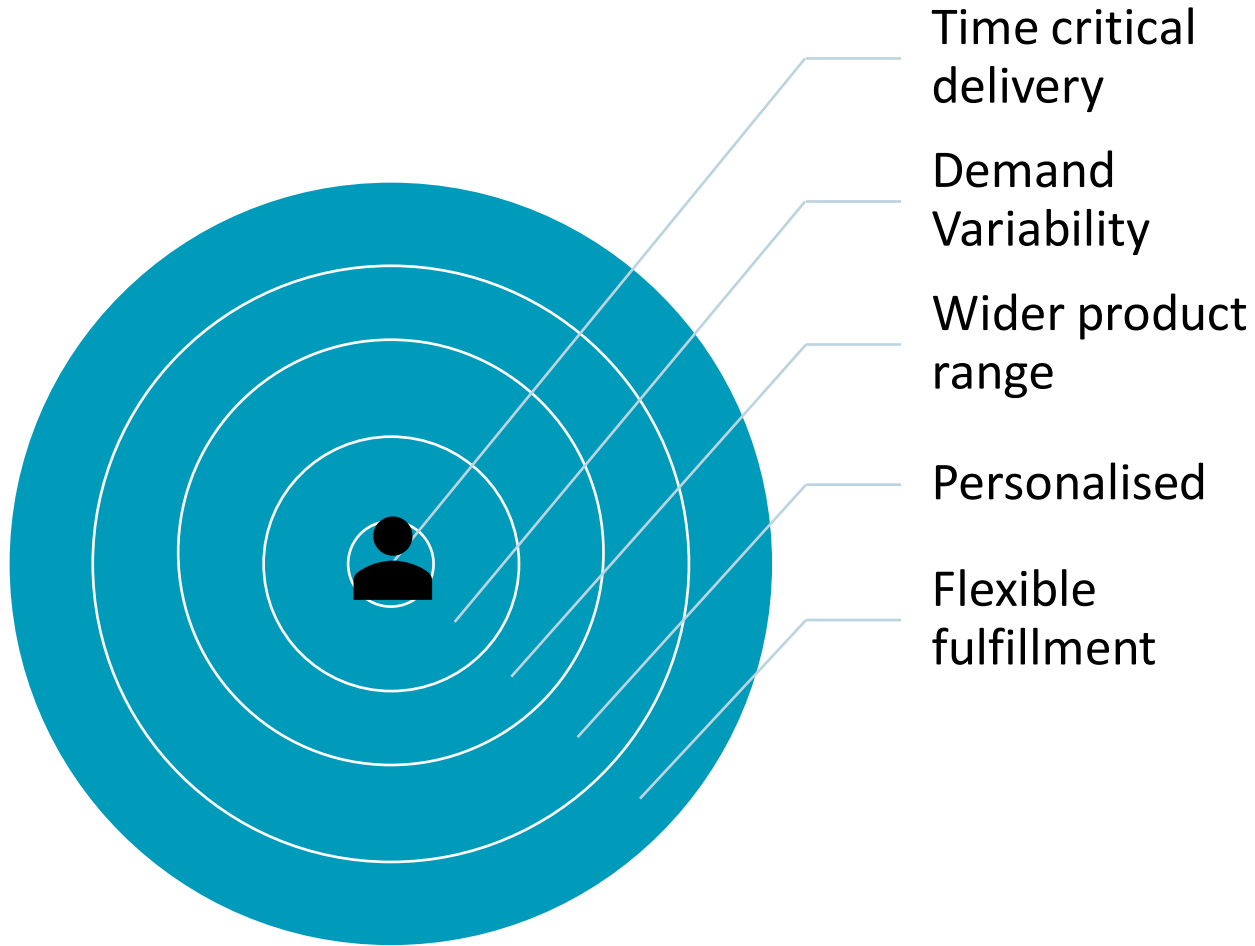


1. What is an Omnichannel – Not Multi Channel





1. What is an Omnichannel – Customer Centricity Demands





2. Why is Omnichannel important

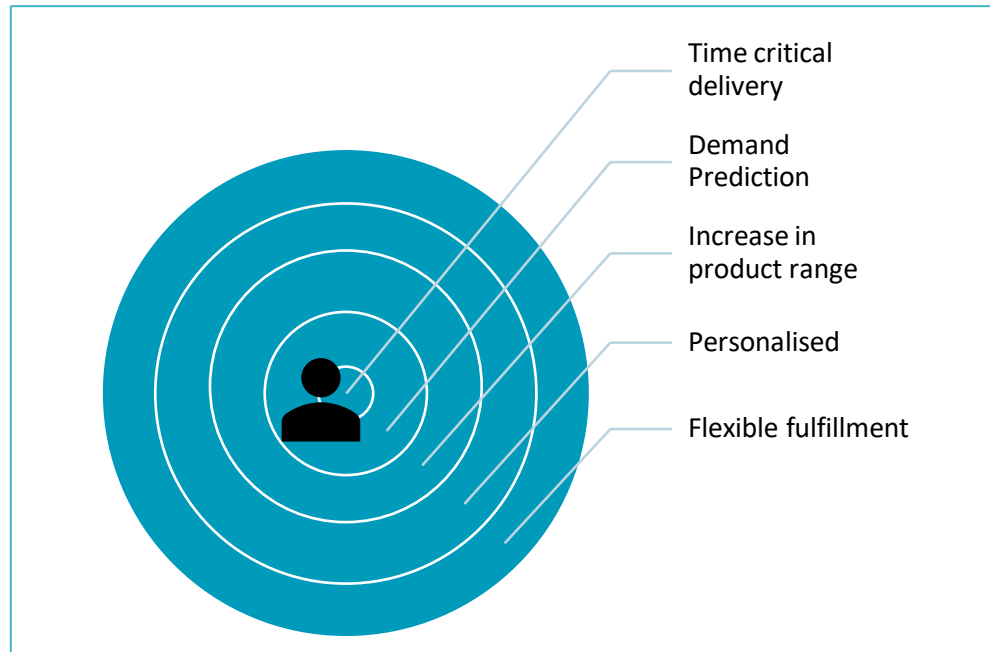


2. Why Omnichannel this important – Impact of Customer Centricity on the Supply Chain

Cross Channel
Inventory Visibility

Optimised Inventory
holdings

Increased Demand
Planning accuracy



Cross Channel
Customer status

Deeper understanding
of the customer

Flexible logistics and
fulfillment means

“Traditional supply chains are not often built for same day delivery WITH excellent service.” mckinsey



2. Why is Omnichannel important – Size of the Prize

KEY OPPORTUNITIES

- Competitive advantage
- New business opportunities
- Cross-channel inventory visibility
- Optimizing inventory
- Providing consistent, high-quality customer service
- Adopting real-time big data analytics and AI
- Migration from or integration of legacy systems and platforms to enable seamless, real-time data flow across the business



2. Why is Omnichannel important – Alignment / Anticipation

Whether you are in house or external logistics provider you need to start to align to the new business models.

- In Dec 2017 DHL state that global B2B ecommerce sales overtook B2C sales meaning that logistics providers need to meet demands for more flexibility and visibility.
- How would you align with a partner or your retail department asking you to:
 - Try and buy
 - Delivery to Car
 - Delivery to lock boxes
- Are you well prepared to:
 - Contribute to a shared platform between manufacturers, retailers and logistic providers to provide/gain visibility of customer demand and inventory levels.
 - Data analytics and AI anticipating demand and aiding your agility



3. When do we need to start



3. When do we start – Yesterday !

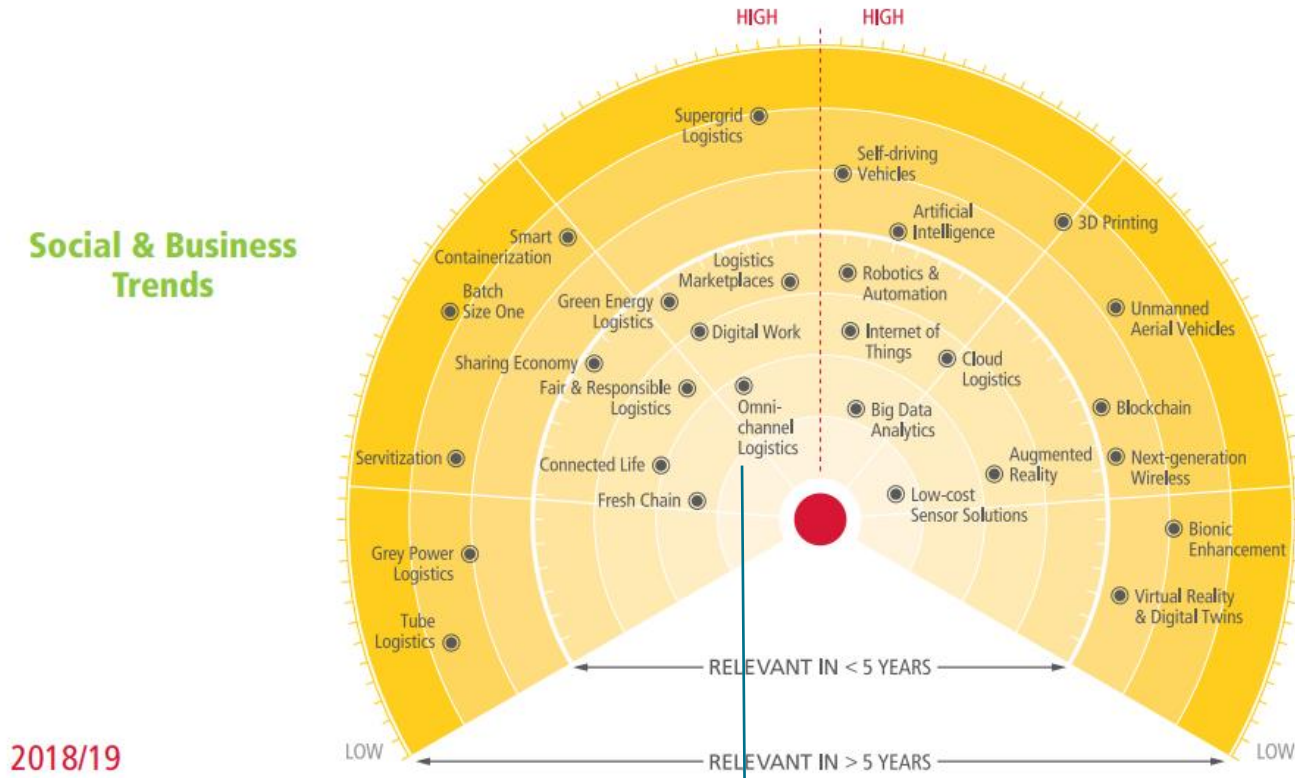
Across markets and categories, omnichannel retail is no longer a future aspiration but a baseline requirement. Tech-savvy customers demand it, and companies can either meet this expectation or watch those customers depart for more digitally savvy competitors.

PWC 2017

3. When do we start – Yesterday !

At a Glance: the Logistics Trend Radar

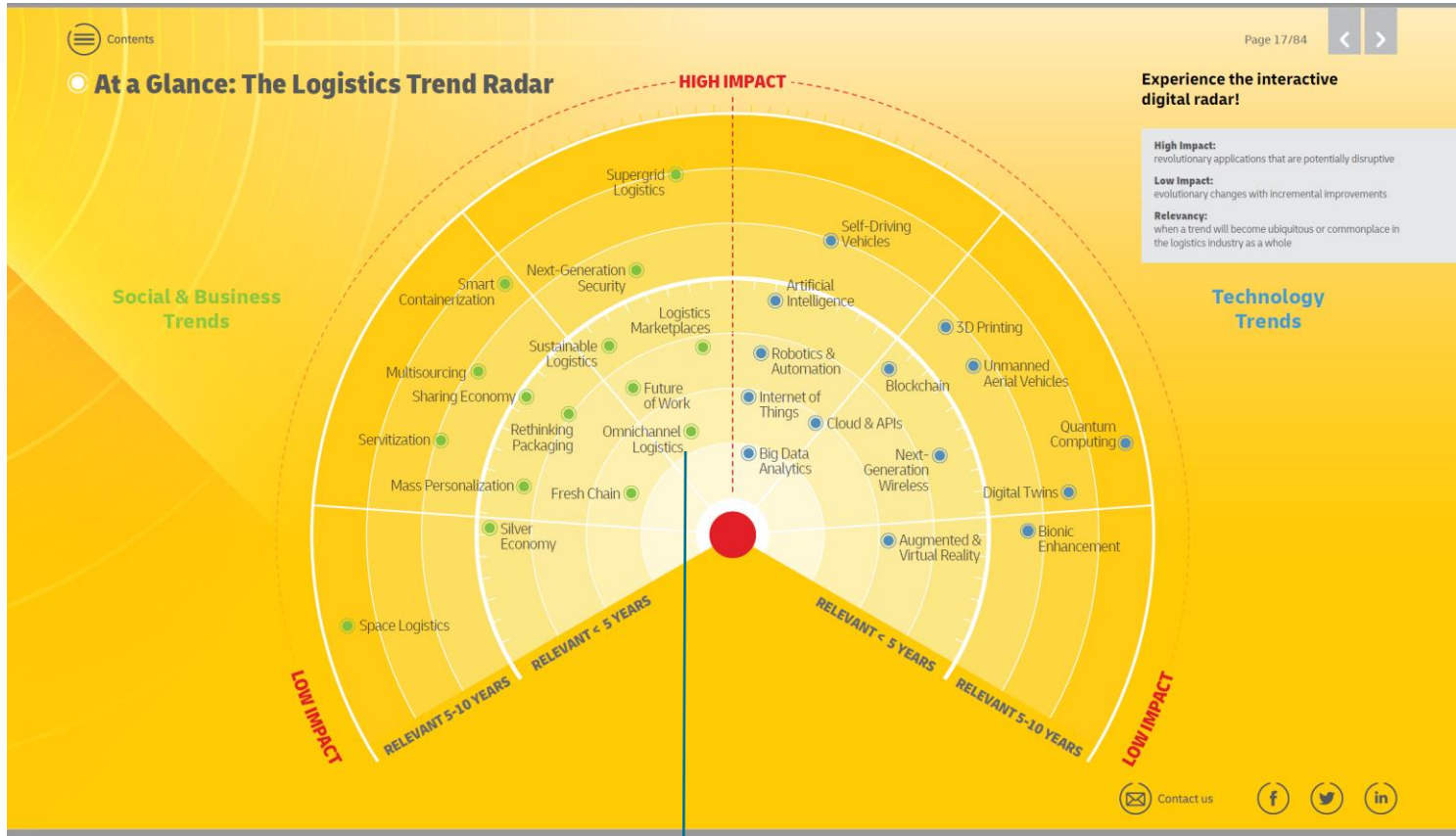
↑ HIGH: Creates new (potentially disruptive) ways of doing business
 ↓ LOW: Provides incremental improvement opportunities



Relevant in the next 3 years and High importance



3. When do we start – Still Yesterday !





4. Who needs to be involved?



3. Who needs to be involved – Enterprise Effort

“Hard for companies – easy for customers” [pwc](#)



Sales and Marketing



Operations



IT, Analytics and Integration



Customer



PMO / CMO



CEO and Exec Team



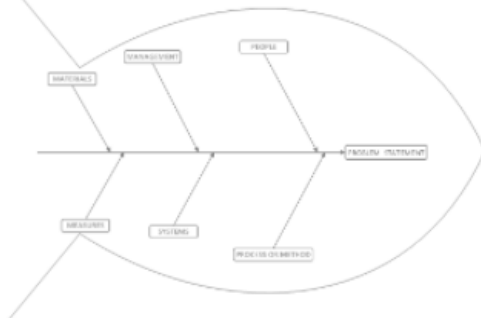
Logistics partners

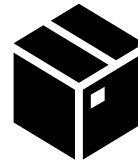
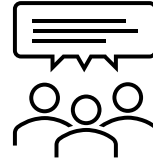


5. Where do we start



5. Where do we start – Understand your own problem

A3 Owner:	A3 Reviewer:	Version:	Last Edited:	
Key Words: MS365, Intere Software, Guide to Use, Teams, SharePoint, Planner, Delve				
Problem Statement				
Current Condition – The Background				
•				
Current Condition – What is happening				
•				
Cause Analysis				
				
Target Condition/Goal – what should be happening				
Risks and Constraints to Consider				
Team to advise				
Implementation and Follow-up Plan				
Action	Who	When Due	Status	Follow-Up Date
Results				
Outcome Area	Plan / Expected Result	Actual Result	Check Date	Responsible





5. Where do we start – Think through the Challenges

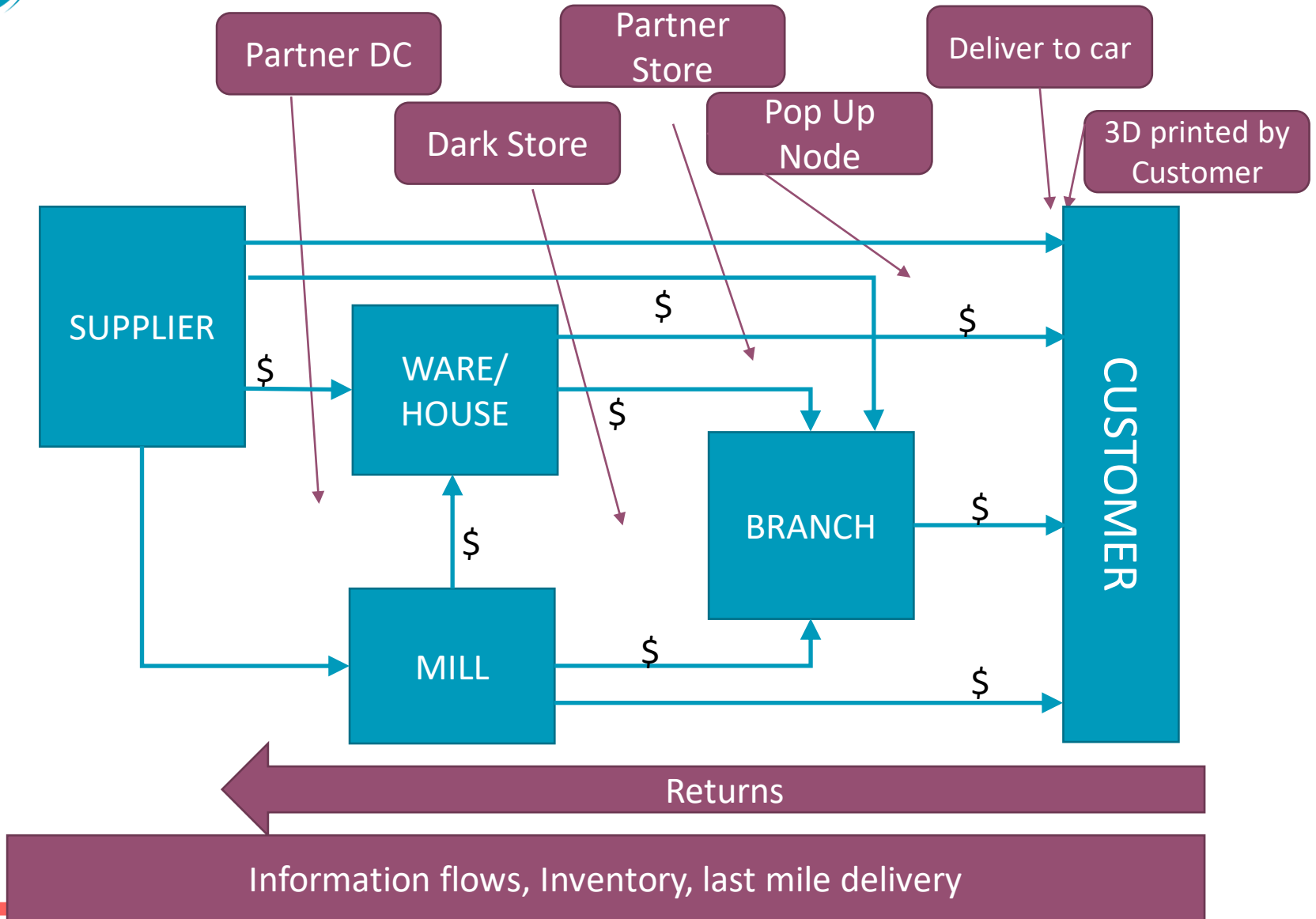
KEY CHALLENGES

- Siloed mindsets
- Challenging customer expectations
- Enabling ease of returns

- Complexity of integration
- Significant investment
- High inertia and effort



5. Where do we start – Value Chain Analysis





5. Where do we start – Touch Analysis

STRATEGY 1 NO TOUCH

CHARACTERISTICS

- Bulk items
- Small or single item order
- NZ or regional supply
- DIFOT standard; 100%, 48 hours

- SUPPLIER – CUSTOMER
- ZERO Inventory

STRATEGY 2 MINIMAL TOUCH

CHARACTERISTICS

- De-vanning and consolidation
- Service and advice is key element
- NZ supply
- DIFOT standard; 97%, instore

- SUPPLIER – BRANCH – CUSTOMER
- MRP/DRP MANAGED Inventory

STRATEGY 3 FULL TOUCH

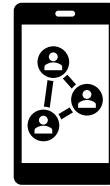
CHARACTERISTICS

- De-vanning and consolidation
- Service and advice is key element
- CORE range product
- International supply
- DIFOT standard; 100%, instore

- SUPPLIER – DC – BRANCH – CUSTOMER
- S&OP managed inventory



5. Where do we start – Data Analysis



Partners Data

Single View of:

- Stock
- Customers
- Orders
- Products



Decision Making:

- SnOP
- Strategic assets
- Product Lines
- Channel strategies
- Segmentation facets
- Inventory points/quantities





5. Where do we start – How Complex is your Omnichannel and where are you on your journey ?

Have you tried to measuring the **Maturity** and **Complexity** of your omnichannel current / future across:

Strategy - Customer Centricity - Supply and Demand – The Transaction
– The Moment of Truth and The Relationship

Then have you defined your Enablers and KPIs to ensure you can deliver and understand whether it is delivering

Could you put your omnichannel on one page for you to be able to easily brief your team and partners.



6. How do you start



6. How do we start – Strategic approach

You could identify lots of incremental projects, but this might not deliver the unity of system and process which on Omnichannel demands.

BETTER

...to set the strategic future state you want and invest in a whole coordinated programme of work.



Enabling a truly end-to-end omnichannel experience requires a new way of supply chain thinking. The supply chain needs to be readjusted based on changing market conditions, and players should pursue an agile approach that enables them to adjust quickly to changing trends, options, and customer expectations. These principles can help determine the approach to building the network and ecosystem of the future.

Mckinsey 2020

To achieve phenomenal results in your business contact us on
09 523 0366, or enquiries@intentgroup.co.nz.