Making Customer Experience Seamless

Playbook For The Athletic Omnichannel Retailer

APRIL 2021
Why A Seamless Customer Experience Matters More Than Ever

The pandemic has created cracks in incumbent retail business models and accelerated a longer-term shift towards integrated physical/digital experiences. Nimble competitors have opened profitable niches, further splintering the traditional retail landscape.

To survive in the new world of retail, organizations need to be as athletic as their digital rivals, while leveraging core competitive advantages that cannot be replicated. These new omnichannel retailers are like decathletes, with their business agility and flexibility enabled by adaptable capabilities, technologies and organizations.

"How might we transform into an athletic omnichannel retail organization?"
01 | Omnichannel Retail Challenges
Omnichannel Retail Challenges

**High Customer Expectations**
Especially for personalized experiences, free and on-demand delivery

**Increased Digitization**
Acceleration of digital adoption due to COVID-19

**Movement to Health & Sustainability**
Healthy, local, sustainable and impactful

**Nimble Competitors**
Digital natives capitalize on shifting customer needs and move without legacy inertia and with different cost models

**Disconnected Stores**
Delivery/returns, shrinkage, ops infrastructure, customer service and partnerships challenge margins for traditional retailers

**Monolithic Architecture**
Legacy systems are heavy and inflexible, impeding business agility and innovation

**Scattered Data**
Lack of data consolidation and productization inhibits customer intimacy and fact-based decision-making

**Siloed/Decentralized Decision-making**
Federated brand/regional organizations, legacy channel siloes and budgeting

**Skills & Talent Pressure**
Rapidly changing technology and business models call for flexible staffing and a culture of continuous learning
No More Linear Customer Journeys

At home, on the go or in the store, athletic retailers need to support an increasingly fluid customer.
Delivering Omnichannel Requires a New Approach

Retailers must adjust internally to provide seamless customer experiences.
02 | The Omnichannel Vision
Our Approach to Athletic Retail

Omnichannel Vision
Setting a lighthouse for customer-centred value creation

Product Strategy & Portfolio
Identifying critical investments weighted by impact/effort

Digital Business & Operating Model
Enabling omnichannel value delivery with speed, efficiency and scale

Omnichannel Capabilities
Combining people, processes and MACH technology
An Omnichannel Vision Looks at the Entire System

A true omnichannel approach requires a holistic vision that cuts across traditional retail siloes and aligns the organization around the direction of travel.
03 | How to Prioritize
Maximizing ROI Starts with Channel Strategy

Omnichannel doesn’t mean investing in everything everywhere. A customer-centric channel strategy maximizes channel strengths and keeps a focus on ROI. Platforms ensure the mix is not static, but adapts at speed based on market need.

**WEB**
Web products leverage SEO to drive traffic into mobile products and stores. Flexible touchpoints meet new and existing customers on their terms.

**CONVERSATIONAL**
Conversational capability ensures scalable customer service for digital business.

**PLATFORM**
Platform products enable business agility, allowing you to experiment with propositions and move quickly and efficiently against customer input.

**MOBILE**
Focused mobile products enable key omnichannel journeys that increase share of wallet and frequency of purchase.

**DIGITAL STORE**
Personalized, connected and hyper-convenient core touchpoints augmented by web, mobile and POS products.
**Product Portfolio Example:**

**Grocery Retail**

---

**WEB**

Web products leverage SEO to drive traffic into mobile products and stores. Flexible touchpoints meet new and existing customers on their terms.

**PLATFORM**

Platform products enable business agility, allowing you to experiment with propositions and move quickly and efficiently against customer input.

**CONVERSATIONAL**

Conversational capability ensures scalable customer service for digital business.

**DIGITAL STORE**

Personalized, connected and hyper-convenient core touchpoints augmented by web, mobile and POS products.

**MOBILE**

Focused mobile products enable key omnichannel journeys that increase share of wallet and frequency of purchase.

---

**Example:**

**Grocery Retail**
**How Do We Prioritize?**

EPAM uses a horizon model to drive investment within a product portfolio. A fact-based, effort impact approach to business casing guides investment focus across horizons. Using an investment model like this, product teams are empowered to drive customer value.

<table>
<thead>
<tr>
<th>Horizon</th>
<th>Yearly Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Top &amp; Bottom-line Impact (12 MONTHS)</td>
</tr>
<tr>
<td>H2</td>
<td>Top &amp; Bottom-line Impact (12-24 MONTHS)</td>
</tr>
<tr>
<td>H3</td>
<td>Innovation &amp; New Revenue (24+ MONTHS)</td>
</tr>
</tbody>
</table>

Suggested yearly investment split:
- H1: 60%
- H2: 30%
- H3: 10%
**Example: Grocery Retail**

**H1 – Top & Bottom-line Impact**

*(12 MONTHS)*

We see Digital Store, In-shop (including click and collect eCommerce) and Loyalty mobile experiences as having the biggest top-line impact in 1-2 years. All capitalize on the existing customer base, drive omnichannel growth and can be brought to market quickly. A design system has the biggest bottom-line impact, ensuring that both experiences can be foundational for any number of other propositions.

**H2 – Top & Bottom-line Impact**

*(12-24 MONTHS)*

A Delivery mobile proposition and a Full eCommerce web proposition are viable areas for further investment, with longer timelines for impact. As multiple products are brought online, API and data platform products ensure a unified view of the customer and tight feedback loops.

**H3 – Innovation & New Revenue**

*(24+ MONTHS)*

Inspiration is a secondary value proposition behind convenience and value, but key to the planning stage of the customer journey, as well as a key driver of traffic and monetization. B2B opens a new line of revenue.

Suggested yearly investment split

<table>
<thead>
<tr>
<th>H1 – Top Line</th>
<th>H2 – Middle Line</th>
<th>H3 – Bottom Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>30%</td>
<td>10%</td>
</tr>
</tbody>
</table>
04 | How to Make It Real
Digital Operating Model

Joint Strategy Management
A Digital Hub coordinates across brands/regions/touchpoints and sets priorities, targets and investment focus

Product Management
Responsible for building and optimizing customer propositions

Platform Management
Responsible for driving efficiency and scale across the product portfolio

Product & Platform Services
Cross-cutting disciplines focused on driving quality, efficiency and coherence across product and platform landscapes
Organizing Product for Omnichannel Value Delivery

EPAM Continuum’s end-to-end capabilities, combining award-winning strategy, innovation and design; alongside scaled DesignOps, DevOps and Delivery sets your business on a course for **digital native customer focus** and the ability to deliver it.
A MACH Approach to Capabilities & Technology Ensures Enduring Athleticism

Business agility is powered by MACH omnichannel platforms which leverage microservices and APIs to employ best of breed technologies.

M
Microservices

A
API enabled

C
Cloud-native

H
Headless
Olive is a prototype omnichannel platform developed by EPAM that demonstrates the levels of customer-centricity, personalization and convenience that can be achieved by bringing every customer touchpoint together in one space.

Olive incorporates:
- In-store and Click & Collect
- eCommerce
- Inspiration
- Loyalty
- Delivery
Playbook for Omnichannel Business Agility

**Omnichannel Vision**
Setting a lighthouse for customer-centred value creation

**Product Strategy & Portfolio**
Identifying critical investments weighted by impact/effort

**Digital Business & Operating Model**
Enabling omnichannel value delivery with speed, efficiency and scale

**Omnichannel Capabilities**
Combining people, processes and MACH technology

**Outcome:**
Organizational alignment around the direction of travel

**Outcome:**
A fact-based, effort/impact, portfolio and prioritization model for flexible investment

**Outcome:**
Adaptive retail organization at speed and scale

**Outcome:**
Future-proof capabilities and technology
Interested in discussing how your brand can become a truly athletic retailer?

Contact us today to find out how a consultation with our experience designers and strategists can provide you with a timeline and actionable next steps to achieve truly seamless customer experience.

ENQUIRIES@EPAM.COM