

COLUMNS

How mobile has given rise to the omnipresent customer

October 13, 2010

By **Kevin Hogan**

It was just about 12 years ago when retailers realized that the Internet could serve as a new frontier for additional revenue.

As more retailers entered the online marketplace, eventually defined as ecommerce, organizationally most of them structured their businesses into two distinct channels, direct and store, and ran them as separate businesses.

Around 2004, these same retailers began to realize there was true profitability in the multichannel customer and therefore, looked for ways to converge the online, call center, mail order and store channels.

Hence the trend of multichannel retailing followed. Becoming a true multichannel retailer proved to be difficult and now, in 2010, the environment has changed again.

Let me introduce you to the omnipresent customer.

Omnis on the move

Nearly four years after the first release of the iPhone, the omnipresent customer has emerged the new target of leading retailers. This type of customer is one who crosses multiple channels to perform a single transaction.

The emergence of this new type of customer was never more relevant to me than when I was recently playing the board game, Stratego, with my 11-year-old daughter.

As we were playing, I began to think about how retailers need to predict customer behavior now more than ever before.

The typical retail model centered around trying to pull customers into a store or to an online store.

Now, the retailer's success lies in how well it can follow these omnipresent customers and then predict their next move and offer them what they need when they ask for it.

Today's mobile technology and devices have emerged to provide this capability.

I went car-shopping recently with my father-in-law and as we were on a dealer's lot, he pulled up his BlackBerry and checked other car-selling Web sites to compare prices.

The amazing part about that experience is that my father-in-law is in his sixties and is using a mobile device to help him make a purchasing decision.

This reaffirms the thought that everyday customers do not think of themselves as omnipresent, but rather expect a common set of capabilities that enable them to make purchase decisions.

From a branding perspective, this experience should be transparent no matter which channel they are using.

These new types of customers are no longer confined to a PC or laptop. They are now on the move and it is up to retailers to not only catch up with them, but meet them at the point of need and anticipate their next move. Mobile provides this capability.

No lag in customer-retailer interaction

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UNLIKE the emergence of ecommerce as a new channel back in the 1990s, the biggest mistake retailers can make now is to view mobile commerce as simply the latest channel and go about it the same way that they approached ecommerce.

Convenience is nothing new in the age of the Internet and the cross-channel customer.

Ecommerce Web sites blurred the line between shopping in a store and shopping from a catalog.

The cross-channel consumer is more valuable than ever and a key target for increased profit margins.

However, cross-channel does not tell the whole picture anymore.

Mobile commerce is more than just another channel. It is eliminating the barriers of shopping on the retailer's terms.

Omnipresent customers interact with retailers regardless of time and location. They are on the move and expect to be met with what they want, when they need it.

There is no longer the luxury of lag-time in the customer-seller interaction.

In fact, because of time and location, customers have the ability to shop whenever they see something that inspires them and not just when they are sitting at home on their laptops.

The use of mobile technologies has taken the brand and customer interaction on the go. The ability to understand omnipresent customer behavior and predict the next move and need is the challenge facing retailers in this new age of mobile commerce.

Kevin Hogan is senior manager in the Web solutions practice at Deloitte Consulting, Atlanta. Reach him at kehogan@deloitte.com.

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