

2021 Omnichannel Guide:

A Four-Pillar Approach to Holistic Commerce Success



The Changing Commerce Landscape

Think about the last time you discovered a new brand. You may have:



SCROLLED PAST AN AD ON
[FACEBOOK](#) OR [INSTAGRAM](#)



READ A PRODUCT REVIEW
FROM SOMEONE YOU TRUST



EVALUATED AN ALTERNATIVE TO
YOUR USUAL BRAND VIA [AMAZON](#)



SEEN AN ITEM IN-STORE AND
GONE ONLINE TO LEARN MORE
— OR VICE VERSA

When it comes to brand discovery, this is just the tip of the iceberg — and it can get even more complex as you progress through the buyer's journey.

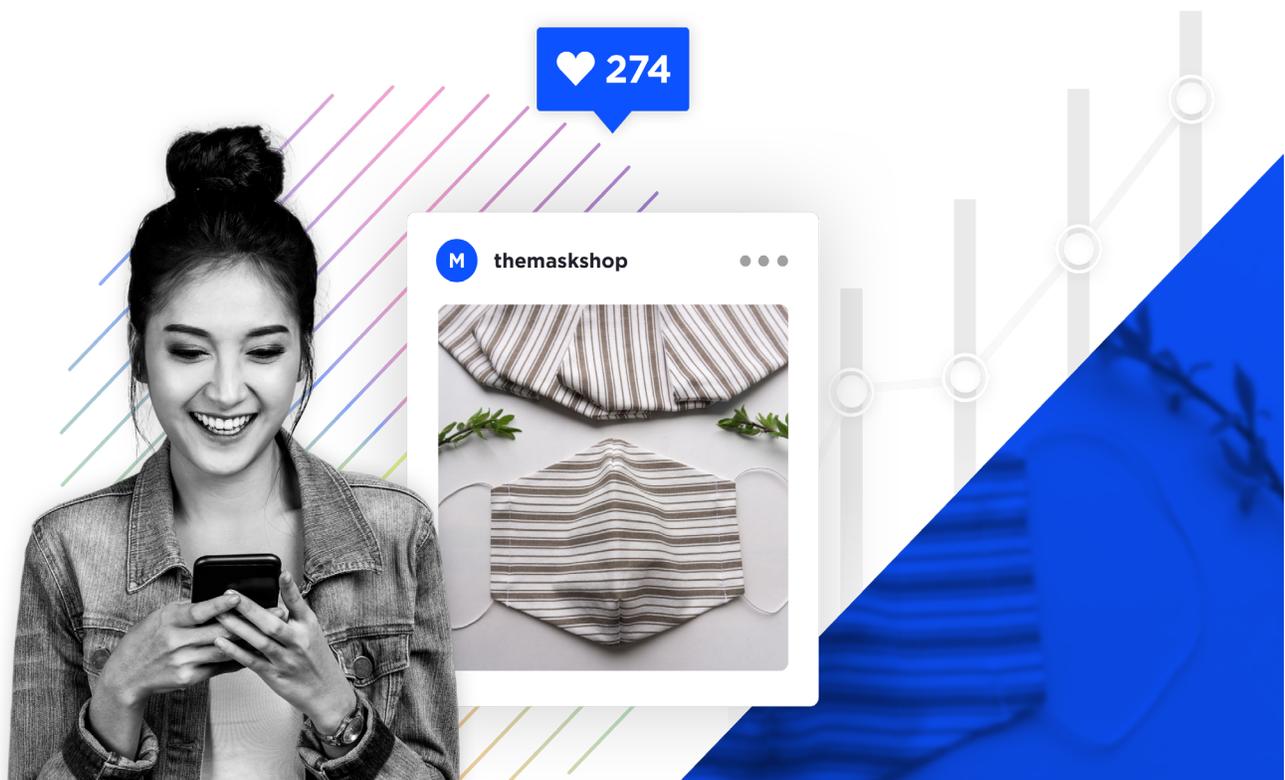
If your business wasn't already working to integrate online and offline sales channels into a cohesive experience across touchpoints, the time is now.

In October, eMarketer increased their 2020 ecommerce retail sales forecast from **20% growth to 30%**, making an omnichannel approach even more important in 2021 and beyond.

“COVID-19 has forced everyone to operate at a much higher level of digital maturity,” said Sharon Gee, General Manager, Omnichannel at BigCommerce. “To succeed today, retailers need to put a stake in the ground and define a unified channel strategy from a digital and physical perspective.”

Retailers need a comprehensive, up-to-date omnichannel strategy that considers how consumer needs and behaviors have changed and recalibrates their understanding of their target customers. That strategy should guide the business to:

- ▲ Deliver a positive end-to-end digital experience wherever your customers buy — including your website, marketplaces and social channels
- ▲ Think bigger than just sales channels and marketing to encompass back-office operations and fulfillment
- ▲ Collect data to determine how needs and behaviors change over time





The Benefits of Omnichannel Investment

According to recent [research from BigCommerce and Retail Dive](#), 46% of retail executives say they'll increase investment in omnichannel moving forward, compared to their investment plans prior to the COVID pandemic.

An omnichannel approach isn't just another way of saying that you sell on multiple marketplaces. It's about delivering a consistent brand experience that transcends specific channels to meet customers where they are and build a personal connection, as well as optimizing your business for the future through channel diversification and comprehensive integration of your data and systems.

Let's break that down into three distinct parts to look more closely at each one:



Solve for complexity in the customer journey by meeting your customers where they are.

The days of the linear customer journey are gone. Today, it's “[dynamic, accessible and continuous](#),” as the customer moves fluidly among touchpoints. Retailers have to consider the entire ecosystem, how all the pieces fit together and how to move customers through that journey without friction.

A smooth, convenient customer journey — even a dynamic, omnichannel one — converts.

According to [NRF's Winter 2020 Consumer View](#), 83% of shoppers say convenience while shopping is *more* important compared to five years ago, and that was from a survey completed in October 2019 — *before* we had ever heard of coronavirus. Now that our lives have been upended by shut-downs and social distancing, convenience is more important than ever.

“Shoppers want the logistics of their lives to be as simple as possible. A strong omnichannel strategy is sensitive to changing consumer behavior and puts the technology and operations in place to meet customers where they are — and where they want you to be.”

SHARON GEE, GENERAL MANAGER,
OMNICHANNEL AT BIGCOMMERCE



To do that requires a deep understanding of your target market — their day-to-day lives, challenges, joys and perspectives on the world around them. And, because the COVID-19 pandemic has had such a significant impact on consumer needs and behavior, you may need to refresh your ideal customer profile.

Remember, every interaction with a consumer is another opportunity to create brand awareness. Making your product available across multiple avenues of the shopping journey — from discovery to research to purchase — helps increase the likelihood that a consumer will buy, no matter where they ultimately decide to do so.

Stand out in a crowded playing field by building your brand across channels.

When shelter-in-place orders closed brick-and-mortar storefronts, a large number of brick-and-mortar-only retailers moved quickly to get online. Having an online presence keeps you in the game, but it isn't the competitive advantage you need — particularly in a time when brand loyalty is decreasing.

Two key behaviors are driving that erosion of loyalty: the need to buy whatever brand is available in times of product shortages, and the desire for increased convenience like touchless checkout, curbside pickup, delivery, etc.

These numbers indicate that shoppers are still taking precautions to minimize close, in-person contact — and they're getting accustomed to the conveniences:

- ▲ In May 2020, BOPIS (buy online, pick-up in store) **YoY growth reached 195%**.
- ▲ U.S. **click-and-collect ecommerce sales** are expected to jump 60.4% to reach \$58.52 billion by the end of 2020.
- ▲ Out of customers who said their return experience was easy, **96% said they would shop with that retailer again.**

Retailers today must deliver a more resonant brand, better shopping experience and great service to lead the competition.

That means adapting to new consumer needs and behaviors and recalibrating your understanding of your target consumer — rethinking product assortment, sales channels, advertising channels and even messaging. Consistently doing this well gives you a better chance of weathering any unforeseen challenges.



Optimize your business with a robust integration of data and analytics.

COVID-19 showed a lot of retailers how vulnerable their supply chains really were. Shoppers, forced to choose between waiting for long delivery times or purchasing from a different retailer, often picked the latter.

The retailers finding themselves on the losing end of slow inventory are working to create a more resilient supply chain.

Research from BigCommerce and Retail Dive reports that more than 60% of U.S. retailers have implemented — or plan to — buy online, pick up in-store by the end of 2020, and 51% say they'll be increasing investments in logistics and supply chain.

The most resilient supply chains are flexible and data-driven to allow for better balancing of inventory and investments across brick-and-mortar and digital channels. Brick-and-mortar management can be costly, but even more so now with the requirement of more frequent cleanings and social distancing enforcement.

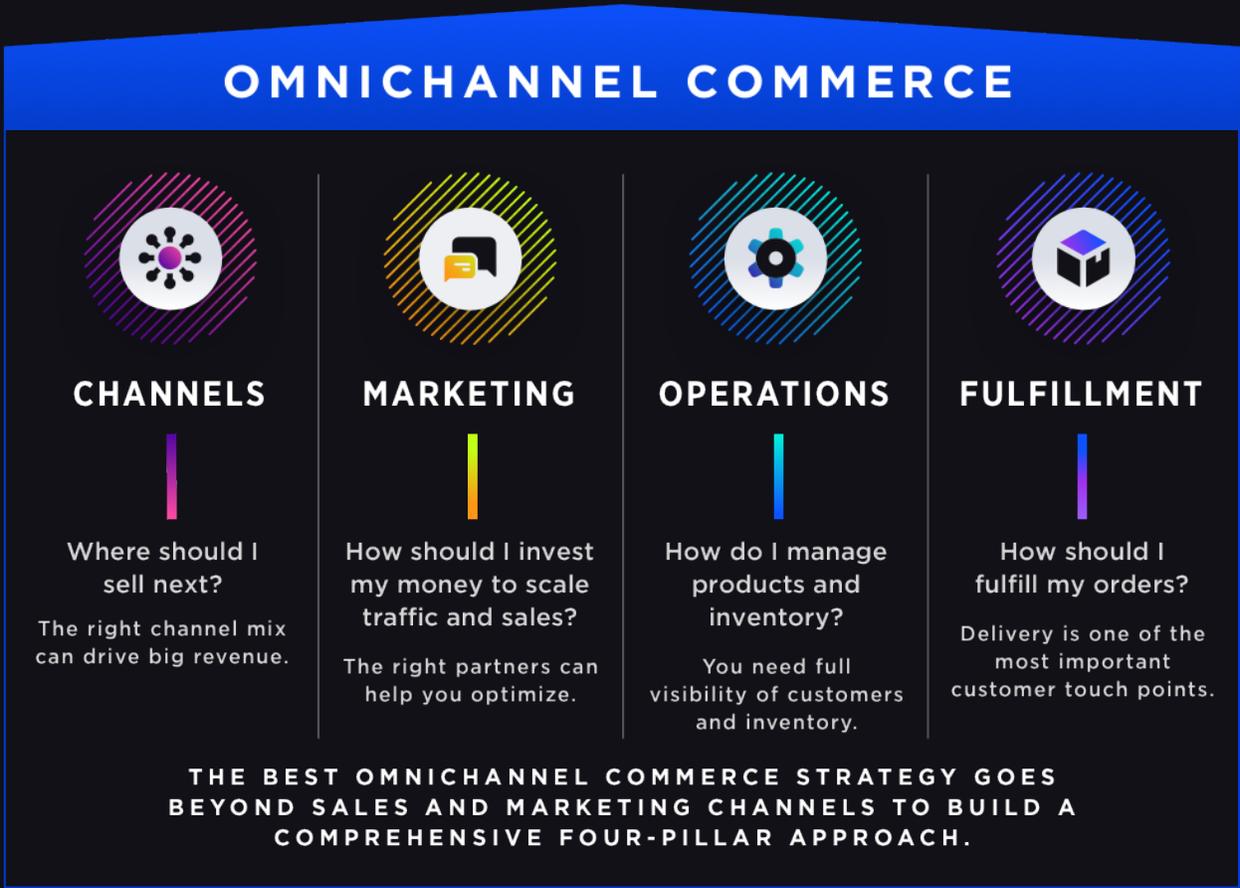
Retailers need to adjust their investments by channel to fully optimize for the new reality. Some retailers, for whom opening at a reduced capacity could just end up a bigger drain on their cash flow, are exploring creative uses for their brick-and-mortar spaces, like turning them into mini-fulfillment centers (i.e., dark stores).

In a comprehensive, integrated omnichannel system, retailers can centralize the data from all their channels to determine the most prudent ways to balance inventory and use brick-and-mortar real estate to best serve their customers.

The Four Pillars of Omnichannel Success

The advantages of omnichannel commerce are clear, but the added complexity of managing advertising, inventory and fulfillment across multiple sales channels can be challenging without the right strategic technology and partnerships.

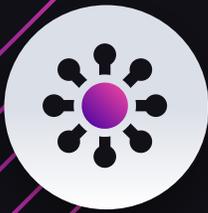
That's why realizing omnichannel success necessitates a holistic approach comprising these four pillars: sales channels, marketing and advertising, operations and fulfillment.



The way these four areas work together in your business can be a game-changer in diversifying your audience and creating smoother back-end processes for you and your team — which translates into a positive shopping experience for your customers.

Let's look at the four pillars of omnichannel commerce and how they come together to give your business a competitive advantage.





Sales Channels

Choosing the right sales channels for your business is the essential core of any omnichannel strategy.

The right mix can help expand customer reach, improve brand recognition and increase revenue. Showing up in the right places online is like having a brick-and-mortar in a prime location on Main Street — you're more likely to get traffic from consumers you wouldn't have reached otherwise.

A diversified channel strategy is also a great way to reduce risk.

“If you are over-invested in any one channel to sell your goods or products, and that channel goes away for any reason, you'll be in a tight spot. That's what many retailers are experiencing today with the COVID-19 pandemic.”

SHARON GEE, GENERAL MANAGER, OMNICHANNEL AT BIGCOMMERCE

Channels can include (but are not limited to):



ONLINE STOREFRONTS/DTC



ECOMMERCE MARKETPLACES



SOCIAL MEDIA PLATFORMS



MOBILE CHANNELS



BRICK-AND-MORTAR STORES
OR ANYWHERE YOU USE A POS



B2B/WHOLESALE CHANNELS

Every business is different — and so is every channel — so the channels you choose have to be based on data around your customers and your industry. Consider where your audience spends the most time (and money), and where products in your category are typically sold.



Which sales channels are right for your business?

Questions to consider:

- *Where does my target market spend the most time and money?*
- *Which sales channels best serve my product category?*
- *With which sales channels is my brand positioning most aligned?*
- *What devices do my shoppers use to browse and/or purchase?*

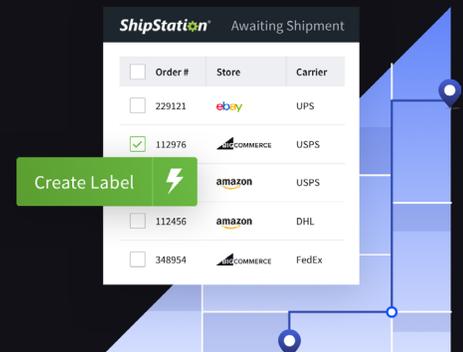


Marketplaces

Amazon, eBay, Wish and Walmart are home to millions of customers across a number of categories. According to Zentail data, single-channel merchants' sales in the height of the pandemic were down on average from pre-pandemic, while those selling on three marketplaces plus their ecommerce storefront were more likely to see big growth.

“Retailers who sell through a single branded ecommerce site like BigCommerce saw a 38% revenue growth after adding a marketplace, such as Amazon or eBay. And selling on a secondary marketplace can increase revenue by 120%.”

JENNIFER RUBIN,
PARTNER MARKETING MANAGER AT SHIPSTATION



Social Commerce

The latest innovations in social commerce, like [Facebook Shop](#) and [Checkout on Instagram](#), enable shoppers to complete the whole purchase process without ever leaving the platform. This can create a much shorter path to purchase and make the checkout process more convenient for social shoppers. The benefits of social commerce are clear.

36%
OF U.S. ADULTS REPORT HAVING
MADE A PURCHASE THROUGH
SOCIAL COMMERCE

9%

OF U.S. ADULTS SAY THEY
USE SOCIAL COMMERCE
REGULARLY

\$23.26B

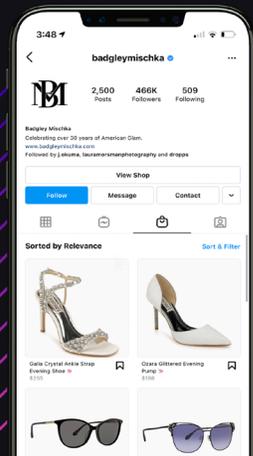
EXPECTED SOCIAL
COMMERCE SALES IN 2020

\$31B

EXPECTED SOCIAL
COMMERCE SALES IN 2021

“Checkout on Instagram has given us the ability to turn beautiful imagery into shoppable experiences for our customers, allowing them to buy new items while scrolling through their feed, all without missing a beat.”

KATIE OUAKNINE, CEO & OWNER OF [BADGLEY MISCHKA](#)



Point of Sale

While brick-and-mortar had a challenging 2020, making an emphasis on digital channels critical to future success, point-of-sale will still be a key channel for many brands. It may, however, be necessary to rethink your channel mix when it comes to traditional stores versus digital, and pay close attention to what customers need now to feel that shopping in-person is safe and convenient.



Marketing and Advertising

No matter which sales channels you choose, consumers aren't going to find your products naturally — even the best products and the best websites need a marketing strategy to drive traffic and sales.

Digital Advertising

Prior to working with Ampd (previously Metricstory) to manage their Google Ads, [Cordova Outdoors](#) ecommerce manager Sean Andreas said the company had been spending a lot of money on advertising without a clear idea of whether it was having an impact.

“Once we began using [Ampd](#), the analytical insights gave us greater visibility into the inner workings of our online activities and helped inform our business decisions,” Andreas said.

Surfacing the right message at the right time and in the right place — all tied together by a consistent brand experience — can make a huge difference to your bottom line.

“For instance, between December 30, 2019 and May 25, 2020, we spent \$2,000 and realized a nearly \$72,000 return using [Ampd Ads](#). Having this functionality built into the web platform makes things so much easier.”

SEAN ANDREAS, ECOMMERCE MANAGER AT CORDOVA OUTDOORS

Google search and display ads play a significant role in the advertising landscape — and if you need support in managing your Google spend, companies like Ampd and [Glopal](#) can help. But there are a lot more options out there to evaluate for retailers looking to scale.

Let's look at some of the most recommended digital advertising channels for retailers going forward.



Google Shopping Ads

Google Shopping Ads are expected to increase — and have the potential to do a lot of top-of-funnel heavy lifting: “Google Shopping Ads can be an incredibly effective marketing channel because you can **reach shopper specific-search queries** with clickable images at the very top of the search results (above organic results),” according to a blog post from Tinuiti.



Marketplace Advertising

Advertising on ecommerce channels (e.g., Amazon, eBay) is **expected to grow 38.8%** YoY in 2020, and that's expected to continue as retailers work to surface their products above their competitors'. Amazon represents three-quarters of that spend, but Walmart's marketplace is one to watch. eMarketer forecasted their 2020 growth would be a whopping **73.4% year-on-year**.

“Ecommerce channel ads are gaining popularity as brands realize the value of targeting prospects exhibiting purchase intent within the large ecommerce marketplaces. The trend has only accelerated during the pandemic as ecommerce accounts for a higher percentage of most brands' and retailers' sales. While Amazon has already proven itself as an ad platform, the next wave of ecommerce power players is now making more aggressive moves in the space.”

ANDREW LIPSMAN, EMARKETER PRINCIPAL ANALYST AT INSIDER INTELLIGENCE

The more channels you add, the more complex it will be to manage the spend. Technology platforms like **Teikametrics** and agencies like **Tinuiti** can help you scale your ad spend across Amazon and Walmart marketplace channels and even manage your ad spend for you.



Retargeting Ads

Using ads to retarget users who browsed or expressed interest in your site or products in some way can have a huge payoff. In a [2020 holiday shopping report](#), eMarketer points out that “Retargeting campaigns will be critical to finding those customers most likely to convert.”

Google and Facebook are strong platforms for retargeting. According to Tony Capetola of ad technology firm Sales & Orders, Facebook’s [dynamic product ads](#) often show up to a “20x return on ad spend.”

[Sales & Orders](#), as well as [ROI Hunter](#), [Dynamic Creative](#) and [Logical Position](#), all offer services and/or solutions to help retailers manage their Google and Facebook advertising campaigns.

Social Media

Social media platforms continue to be one of the most important places for retailers to connect with their audience. That’s particularly true for [Facebook](#) and [Instagram](#), both of which have proven ability to drive traffic and revenue.

[Facebook leads the pack](#) in terms of total ad revenue. Instagram and Snapchat, on the other hand, are seeing the most growth, with [estimated ad revenue up 32% and 21%](#), respectively, in 2020.

As social channels continue to grow their commerce capabilities, retailers’ advertising strategies will become even more important.

Email and SMS

One of the most valuable and cost-efficient methods for customer retention is to capture customer phone numbers and/or email addresses and communicate regularly with your database.



In a [March 2020 study](#) of how U.S. adults preferred that brands communicate with them, email came out on top, alongside TV advertising, at 37%. Email is still proving to be effective, too. **20% of consumers** say they've visited a website as a result of an email marketing message, and 12% say they've made a purchase.

SMS messages also scored high on the list of communication preferences — above both digital and social media advertising. It's no surprise, then, that the percentage of U.S. retailers planning to invest more heavily in messaging and SMS increased by five percentage points between January and June of 2020.

SMS gives you one of the most personal connections to your customers available today. With more and more shoppers browsing and making purchases directly from their mobile devices, that makes text messaging a convenient touchpoint.

Software platforms like [Klaviyo](#) can help you automate and optimize your email marketing program as well as facilitate social advertising, campaigns and SMS.

“Klaviyo allows us to do a better job at targeting and ultimately growing our reach. Currently, 20% of our revenue comes from marketing campaigns involving email.”

JOHN MERRIS, CEO AT [SOLO STOVE](#)



A more robust shop might want a customer relationship management system like [Gorgias](#), which delivers personalized shopping experiences, live chat, and a holistic view of your customers.

For an all-in-one platform for omnichannel marketing activities, consider a solution like [dotdigital](#) Engagement Cloud. “dotdigital enables us to automatically import contact, subscriber, product and order data into our account,” said Toolsaver Ecommerce Manager Neil Bruce. “It helps us better target our customers with segmentation and set up automations, which streamlines our outreach.”



Operations

Inventory visibility is arguably one of the biggest barriers to proper omnichannel inventory management. Without it, you can't access data for accurate reporting or promise customers items will be back in stock on all platforms. And when you're expanding to new channels, you must have centralized inventory visibility so you never miss a beat between sales platforms.

From an operational perspective, the key to an efficient, end-to-end omnichannel approach is connectivity. Let's look at three types of tech solutions to consider for greater visibility over your multichannel inventory.

Listings

Listings solutions or providers (aka feeds) automate your ability to publish products to new sales channels, adopt niche sales channels, optimize product content per channel and unify order management.

Listings solutions, like [Feedonomics](#), [CedCommerce](#) and [Codisto](#), are best for retailers who:

- ▲ Want to optimize and syndicate product content
- ▲ Have an existing IMS/OMS or Enterprise Resource Planning (ERP) system that doesn't already offer listings
- ▲ Currently only fulfill via one warehouse and/or one vendor
- ▲ Want to manage all orders within their native order manager



How are PIMs different from listings solutions?

Product Information Management (PIM) solutions enable you to edit and manage all your product information and can help reduce manual data entry and labor costs.

PIMs and feeds are often confused — after all, they're both about product data. But here's the difference: PIMs enable retailers to centralize and modify raw product information, while feed managers publish that data to the relevant selling channels.



IMS/OMS

Inventory Management Systems (IMS) and Order Management Systems (OMS), like [SureDone](#) and [Zentail](#), manage complex workflows around order routing, inventory, shipments and purchasing workflows. They also support third-party logistics (3PL) solution integrations and reporting.

Integrated listings/IMS/OMS solutions are best for retailers who:

- ▲ Want greater inventory control
- ▲ Have an existing IMS/OMS/ERP but are unhappy with it
- ▲ Plan to add more channels and warehouses to scale their business

“Software like SureDone bridges the gap between complex communication protocols used with traditional manufacturing ERPs and ecommerce software. Inventory is tracked, orders are shipped and existing processes are augmented instead of enduring a high cost replacement.”

JASON NADAF, CEO/FOUNDER OF SUREDONE

ERP

ERPs combine a number of these back-office operations into one software solution and can offer organizations even greater back-office efficiencies. ERPs like [Acumatica](#) and [Brightpearl](#) include features around inventory and order management, shipping and fulfillment, customer relationship management (CRM) and more.





Shipping and Fulfillment

As you consider expanding your omnichannel presence, you need to make sure that your back-office processes — including shipping and fulfillment — can handle the increased complexity.

“Adding a channel is only beneficial to your business if you are able to handle the increased volume and fulfill orders in a timely manner,” said Jenn Hunt, Head of Customer Success & Strategic Partnerships at [ShipStation](#).

Like almost everything else in your business, if done well, your shipping and fulfillment strategy can give you a competitive advantage — particularly when it enables greater convenience. In fact, recent ShipStation research data shows that, when thinking about a purchase, 84% of consumers say that the delivery experience stands out to them the most.

“Most people see logistics and fulfillment as the technical side of ecommerce, but it’s actually another extension of the customer experience.”

MATT CRAWFORD, GENERAL MANAGER, SHIPPING AT BIGCOMMERCE

Retailers have the option of using shipping software or a 3PL (third-party logistics) company.

- ▲ Shipping software like ShipStation offers specially negotiated rates with various carriers, visibility into shipping statuses, reporting, and the ability to send orders to fulfillment providers.
- ▲ 3PLs, like Amazon’s fulfillment services, [Deliverr](#) and [ShipBob](#) also include other logistics processes like inventory management, warehousing and fulfillment.

Deliverr partners with some channels, as well as with BigCommerce, to offer two-day delivery in certain cases. “We’ve seen 2-day and next-day delivery transform merchants’ websites in terms of ads efficiency, customer lifetime value and average order size,” said Deliverr co-founder Michael Krakaris.



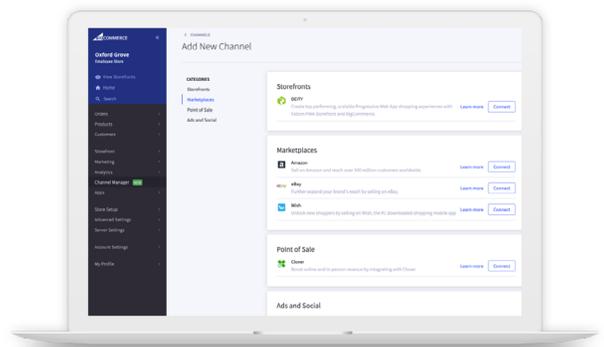
How BigCommerce Enables Omnichannel Success

A comprehensive omnichannel strategy requires a best-in-class partner network to support your needs across different levels of sophistication. It starts with an ecommerce platform that provides the openness necessary to enable extensibility, customization and integrations for the tech stack you want to build your business.

BigCommerce Channel Manager

BigCommerce **Channel Manager** makes it easier for merchants to manage their comprehensive omnichannel sales presence.

With access to a unified hub of all native and third-party storefront integrations — including marketplaces and advertising platforms such as Amazon, Facebook, Instagram, Google and Wish, as well as headless storefront channels like **DEITY** — BigCommerce merchants can streamline their back-end omnichannel operations and invest time in growing their businesses.

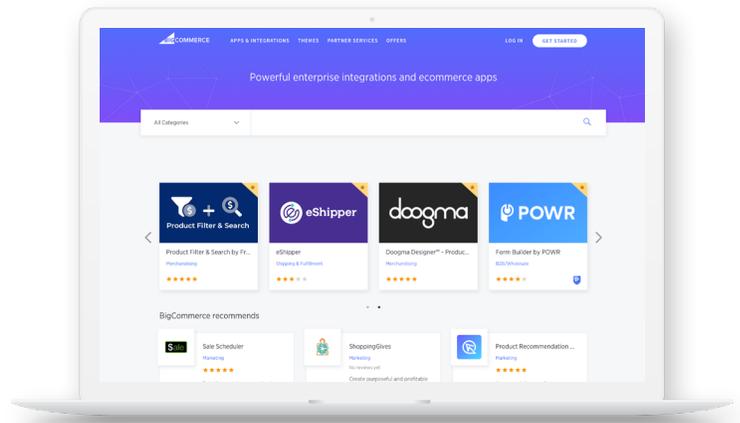


- ▲ Centralize channel management
- ▲ Reach more shoppers faster
- ▲ Streamline omnichannel listing and selling
- ▲ Enhance storefront experience with relevant app integrations
- ▲ Deliver lightning-fast shopping experiences

These seamless integrations allow merchants to rapidly expand potential reach to millions of shoppers and save time spent listing products by using product information already stored in the catalog.

One-click Integrations

BigCommerce makes it easy to integrate apps into the platform with pre-built integrations for a number of popular solutions. Retailers can also build their own integrations using our open API.



“One of the valuable aspects of working with BigCommerce has been the seamless app integration. It was so easy to integrate our logistics solutions and operations into the BigCommerce platform — from inventory management tools to shipping integrations to account solutions. We love the plug-and-play abilities with the third-party apps we use to manage our business.”



JASON MOORE, PARTNER - CREATIVE DEVELOPMENT AT **TRUE LINKSWEAR**



Four Takeaways for Unlocking Omnichannel Opportunity

The commerce ecosystem continues to evolve into new sales and marketing channels — making an omnichannel strategy an imperative. But solving for the added complexity of selling everywhere requires the right strategic technology and partnerships.

That's why this four-pillar omnichannel approach is such a valuable framework. Choose the sales channels you'll use to reach your shoppers, then identify the appropriate channels for marketing and advertising. Once you know the best channels in which to invest these efforts, integrate all your front- and back-end systems so you can easily manage your products across channels, sync inventory and offer a positive final touchpoint with a timely delivery.

These four pillars work together to help you diversify your audience while also creating smoother back-end processes for you and your team — which in turn leads to a better shopping experience for your customers and increased agility for your business.

Here are our four big takeaways:

- ▲ **Sell everywhere your customers are to boost acquisition and revenue:** But not every channel attracts the same consumers or level of intent, so do your research and identify which channels will work best for you.
- ▲ **The lines between sales and marketing channels are blurring:** Major marketplaces are ramping up investment in advertising capabilities and social media platforms are adding commerce functionality. That makes a unified strategy all the more necessary and impactful.
- ▲ **An integrated tech stack is key for customer experience and smooth operations:** All the pieces of your technology ecosystem need to be integrated and actively communicating to ensure that your business processes enable seamless delivery of the experience your customers expect.
- ▲ **A complete omnichannel strategy is circular — not linear:** When all your back-office systems are fully integrated, you can leverage a unified view of your data to optimize everything from your channel mix to your ad creative to shipping options and more.





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BigCommerce to help them deliver differentiated
omnichannel shopping experiences.

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