

The Future of Grocery: Why Invest in an Omni-Commerce Experience

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Your customers expect a lot these days, especially when it comes to shopping online. They want the ability to shop online whenever and wherever they feel like, and they want the experience to feel simple and elegant, regardless of the device they are shopping from.

This kind of online shopping experience is called omni-commerce, where data about customers' shopping habits is used to create a personalized experience that is seamlessly synced across all their digital channels and devices. This is the shopping experience customers have come to love and expect from the most forward thinking retailers.

Let's take a closer look at what this looks like and what it means for the grocery sector...

Customer Expectation #1: BUYING SHOULD BE EASY

Whether on a desktop at work, on a mobile while commuting, or on a tablet while in bed at night, customers expect that they'll be able to shop easily with the stores they love. When it comes to grocery shopping, this could mean making their grocery lists at work on a desktop, and accessing those lists on their smartphones once they are in the brick and mortar store. It could also mean starting to fill their online cart on their tablet over breakfast and finishing off their order from work so that it is ready for pick up in the evening.

However the individual likes to shop — on one or multiple devices, all at once or over a period of time — it should feel flexible, continuous and easy.

Customer Expectation #2: YOU HAVE MY DATA, NOW USE IT (responsibly).

Retailers are able to track and collect all sorts of customer data — what products they've looked at, searched for, added to their list, removed from their cart, purchased and returned as well as at what time and on what channels all of this happens. And this is no secret. Customers are completely in the know and are content to give up their information as long as their data is being used responsibly and safely, and to make their lives easier and experiences better: where their needs are anticipated and relevant recommendations and offers are provided at the right times.

What does this mean for retailers?

What does it mean when customers have come to expect, even demand, an omni-commerce experience? According to Forrester, we're currently in the age of the customer, "a 20-year business cycle in which the most successful enterprises will reinvent themselves to systematically understand and serve increasingly powerful customers." Businesses that don't align their strategy around the consumer will quickly fall behind. For those that do adapt, however, the potential benefits could be massive:

"Retailers see an estimated 15% to 25% increase in sales if the transactional email features personalized product recommendations" — [iGoDigital data](#)

"70% of executives identify customer retention as the most significant driver of revenue growth over the next one to three years" — [Progressive](#)

So where do grocery retailers fit in?

There is no question that grocery retailers are late to the omni-commerce game. While clothing and other retail segments have been exploring the space for years, grocery — the second largest retail segment in the US — is much slower to adopt these digital technologies, [with less than 1% of food and beverage sales occurring online](#).

However, grocery shopping habits and the grocery retail marketplace are quickly changing, with the rise of niche online grocery solutions like seasonal produce delivery and subscription meal services, as well as giants like AmazonFresh and Walmart home delivery moving into the space. According to a [report by Business Insider Intelligence](#), “between 2013 and 2018, online grocery sales will grow at a compound annual growth rate (CAGR) of 21.1%, reaching nearly \$18 billion by the end of the forecast period. For comparison, offline grocery sales will rise by 3.1% annually during the same period”.

How can grocery retailers quickly get up to speed?

Here are three simple steps to achieve your 1-to-1 omni-commerce solution:

1. Pinpoint exactly what activities your target customers want to do throughout their online grocery shopping experience. Is it list making? Online purchasing? Click and Collect? Circulars? Loyalty benefits? Food ratings? All of the above?
2. Reinvent your online presence so that you can support these activities across all digital retail touchpoints, and then connect those touchpoints so that it feels like one continuous, seamless process.
3. Treat every digital touchpoint on the shopping journey as an opportunity to have 1-to-1 engagement with your customer, by promoting products based on the customer's ongoing purchase behaviours.

Longo's achieved enormous success by working with Unata to create an omni-channel experience that was specific to their customers' desired way of shopping. Loyalty card-holding customers who used the Longo's mobile app increased their spend 5.7% year over year and those who used the shopping list increased their spend 11% year over year.

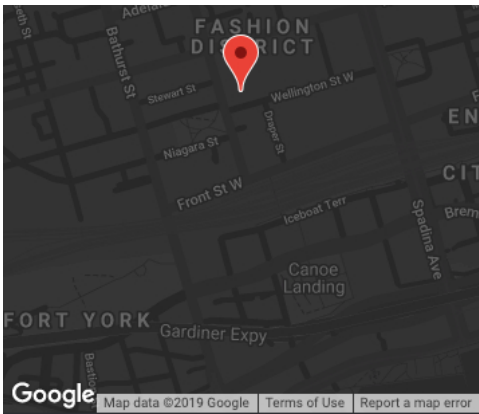
Conclusion

This is a massive opportunity for grocery retailers to not only differentiate from your competitors, but to make sure you're not left behind. It is also an opportunity to give your customers an online experience they expect, are ready for and are already getting from other types of retailers. In short, by creating an online grocery shopping experience that is easier, simpler and better adapted to the modern lifestyle, your customers will only give you love and loyalty in return.

To learn more about implementing a 1-to-1 omni-commerce solution, [request a demo](#).

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