

Research on the New Model of Omni-Channel Retail

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Abstract: With the advent of the era of consumers' independent choice and the explosive development of information technology, omni-channel retail has gradually become the transformation target of the global retail industry. More and more traditional Chinese retailers are transforming and upgrading in the direction of multi-channel and omni-channel. They want to regenerate enterprises in this way, but the effect is not satisfactory. Many companies have not dealt with the multi-channel model and began to try omni-channel, which makes it more difficult to operate. The article explores the prerequisites for the transformation of traditional retail enterprises from multi-channel to omni-channel, that is, sufficient capital investment and the support of big data. The implementation of omni-channel strategy by traditional retail enterprises should focus on the selection of the timing of omni-channel strategy, the creation of seamless shopping experience and the construction of logistics and big data systems, and adopt differentiated omni-channel strategies for enterprises with different backgrounds.

1. Introduction

As early as more than 20 years ago, the retail industry was born in China, and in the following ten years, it has grown slowly and firmly occupies a leading position. However, with the continuous progress of my country's opening to the outside world, foreign companies have gradually entered the Chinese market, which has had a huge impact on my country's retail market. If my country's retail companies do not restructure and innovate, they will inevitably face the risk of elimination.

Under the omni-channel model, consumers have the initiative, and consumers can freely choose shopping channels to meet their shopping needs. For retailers, omni-channel is the integration and connection of various channels to give customers a seamless shopping experience. From a consumer perspective, omnichannel means that consumers can choose, compare and pay in any channel. Under the omni-channel marketing model, passenger flow, logistics, store flow, information flow and capital flow can be freely circulated, and with the help of social media, users can be provided with a seamless shopping experience.

Through the above discussion, this paper believes that creating a new omni-channel retail model will become the future development direction of my country's retail enterprises.

2. Literature Review

2.1 Research on Omni-Channel Retailing

The application of big data is becoming more and more popular and popular, and the concept of omni-channel retail has been continuously studied in academia. The arrival of the omni-channel era is inevitable. Omni-channel retailing has evolved from single-channel retailing to multi-channel retailing, then to cross-channel retailing, and finally to omni-channel development and transformation since 2012.

Rigby first proposed "omni-channel retail"[1]. Since 2013, more and more companies or sellers have mentioned the concept of omni-channel new retail, which means that companies will use as many online and offline channels as possible. A new retail model that integrates and integrates to satisfy consumers' all-round experience. In addition to traditional channels, omni-channels also include TV shopping, Weibo, WeChat, and email. Basically, every channel of information transmission can be regarded as a retail channel.

Although omni-channel retailing is often mentioned in many different occasions, there has not been much academic research related to omni-channel retailing. Li Fei[2] made a comprehensive analysis of the meaning and causes of omni-channel. He believes that the generation of omni-channel shopper groups stems from the explosive development of information technology in recent years. This change has brought the information age into the era of social and mobile networks, which is the basic condition for the generation of omni-channel shopper groups. A way of information transmission can be a channel, which can generate innovation under the condition that the essence of the retail industry remains unchanged, and choose a multi-channel combination strategy according to the different positioning of different customers. Shi Lei [3] conducted an empirical study on the behavior of consumers to choose shopping channels in the era of omni-channel. The research results show that the management model of retailers needs to be improved, and a good retail channel connection is based on an excellent management model. Above, because in the digital age, consumers are more and more accustomed to using multiple channels to meet their own shopping needs, which means that the era of omni-channel has come, and only by following the trend of retail channel development can it be possible to win in the competition. In recent years, more scholars have begun to pay attention to the positive and negative effects of the integration of different channels of retailers. After analyzing the consumer choice concept and shopping feedback, they have come to the conclusion that the relationship between different channels of retailers is not a relationship of mutual competition and influence. , but can promote and reinforce each other, thus proving that there is indeed a synergistic effect between different channels. The research of Kwon and Lennon [4] found that perceived risk and customer loyalty may be the factors that the image of one channel brand significantly affects the image of another channel brand. Zhang and Wedel [5] studied the effectiveness and synergy of customized promotion in different channels.

2.2 Research on the Transformation of Traditional Retail Enterprises

Scholars at home and abroad have studied the relevant content of the transformation of traditional retail enterprises from various perspectives. Domestic companies such as Suning and Gome have combined online and offline marketing to successfully stand out in market sales; while foreign companies such as Wal-Mart and Carrefour have set their sights on multinational chains. European and American countries are in a leading position in the research on channel development in the world. They combine rich theoretical knowledge and advanced management experience, showing unique advantages.

Guo Yan et al[6] believe that under the background of Internet+, traditional sales channels are no longer able to satisfy consumers, and traditional retail enterprises must transform. Thus, it is more in line with the shopping needs of consumers and the development direction of the industry.

3. Analysis of the Current Situation of Omni-Channel Retailing

3.1 Omni-Channel Development Model and its Advantages

3.1.1 The Meaning of Omnichannel

The meaning of omni-channel retailing is to analyze and locate the big data of consumer shopping and integrate existing retail channels to meet consumers' consumption needs under any circumstances. The current omni-channel mainly includes e-commerce channels, physical channels and mobile commerce channels. There are various e-commerce channels. Alibaba Group is currently the largest e-commerce retailer in my country, and its Tmall Mall and Taobao are the No. 1 e-commerce platforms. Convenience stores, supermarkets, shopping centers, etc. are all subordinate to physical channels. The mobile commerce channel appeared relatively late, and the common mobile commerce channels include mobile APPs and micro-shops.

3.1.2 Advantages of the Omni-Channel Development Model

Omni-channel retailing is the latest achievement in the development of the retail industry. Different from traditional single-channel retailing and the popular multi-channel retailing in previous years, omni-channel retailing has obvious advantages. First of all, the development of omni-channel allows various retailers to give full play to their respective advantages to meet various shopping needs; in addition, omni-channel retailing opens up online and offline, allowing them to have unified warehousing and logistics, which greatly reduces the cost of shopping. Transportation and storage costs have improved the core competitiveness of retailers; finally, the omni-channel model allows the coordination and integration of various resources in the retail industry, thereby further promoting the upgrading and transformation of new retail.

3.2 Omni-Channel Development Status of Retail Industry

3.2.1 The Mobile Terminal Occupies the Leading Position

In the period of rapid development of e-commerce, the main part of e-commerce development lies in the PC side, which greatly promotes the development of online retail. However, with the gradual maturity of e-commerce, it is very likely that the mobile terminal will replace the PC terminal. In the future, the mobile terminal is very likely to become the backbone of promoting the development of online retail.

In recent years, major e-commerce companies have turned their attention to the mobile terminal, increasing their business layout on the mobile terminal. Various activities and preferential measures have been launched on the mobile terminal. Therefore, it is not difficult to see that in the future, people will turn their attention to the mobile terminal and conduct more mobile consumption, which also means that mobile e-commerce can play its unique advantages and occupy a place in omni-channel retailing.

3.2.2 The Retail Channel Sinks

With the rapid development of the times, more and more people are pouring into the first- and second-tier cities, which makes the various resources of the first- and second-tier cities tend to be saturated, and so does the consumption capacity. After a period of rising consumption levels, it gradually becomes stable. . On the other hand, third- and fourth-tier cities have gained more space for development in recent years, and consumers in these cities have more spending power, which makes many retailers begin to change their attention, sinking retail channels and conducting third- and fourth-tier tiers. Layout of retail channels in cities.

4. Omnichannel Model Analysis

4.1 Analysis of the Omni-Channel Model

4.1.1 O2O Operation Based on Omni-Channel

The O2O operation based on omni-channel needs to give full play to the advantages of online and offline. Offline brick-and-mortar stores are committed to adjusting the product structure, optimizing the supply chain, and providing consumers with more choices to meet the constantly updated needs of consumers. The role of online channels is more to allow consumers to experience the convenient search, intelligent recommendation and interaction with other consumers brought by big data. The core of omni-channel new retail construction is to allow consumers to choose channels independently and switch between channels at will, which requires retailers to integrate various channels to provide consumers with goods, services and Experience instead of closing the loop for each channel alone, limiting consumers to it.

4.1.2 Omni-Channel Support System Construction

The key to omni-channel construction is the construction of a logistics system, which can be divided into self-built warehousing logistics and third-party platform logistics. Under the concept of omni-channel retail, there is a new interpretation of the traditional "people, goods, and market". In terms of "people", by integrating various online and offline channels and using the big data information base of Alibaba and JD.com users to create hidden consumption opportunities for potential consumers, rather than passive in the traditional sense Consumption. In terms of "goods", the combination of online and offline has greatly reduced inventory costs, and can deliver fast delivery to consumers as soon as they pay. In terms of "field", the traditional restrictions on the venue are cancelled, and the offline data is moved online, which greatly reduces the cost of the venue.

4.2 Omni-Channel Model Comparison

The traditional marketing model theory has undergone corresponding changes after the birth of the omni-channel model. No matter how the channel model changes, the core positioning point marketing and profit remain unchanged. The omni-channel model should carry out customer segmentation and marketing positioning according to the omni-channel, and combine the elements of the marketing mix according to the omni-channel positioning.

The process of channel marketing management can be divided into target determination, environmental analysis, planning and implementation. Alibaba recognizes that the trend of online and offline integration is inevitable, so it focuses on omni-channel and takes omni-channel construction as the goal. However, Taobao, Tmall, etc. previously owned by Ali are all pure online

retail, and have accumulated a large amount of customer data and information over a long period of time, while Intime is a giant enterprise in the physical retail industry, with a wealth of Alibaba hopes to change the positioning of Tmall from pure online to omni-channel retail that integrates online and offline through the acquisition of Intime, and under the environment of collective transformation of retail enterprises to omni-channel, it will take control of itself. The combination of online big data and Intime's offline resources has resulted in the effect of "joint forces". In the case of the same price and the same style, physical stores can indeed have more advantages than online stores, and consumers can have a personal experience. This is also where pure online retail such as Tmall is inferior to omni-channel.

4.3 The Path of Omni-Channel Transformation and Upgrading

In the research on omni-channel retail, the theoretical system is richer than the practical system, that is to say, many companies have begun to consider the construction of omni-channel, but they have not fully kept up with the actual construction. The theory is seriously out of line, and such development will inevitably hinder the transformation of enterprises, which is also the focus of this article. In this era of big data, no matter whether retailers are ready to enter omni-channel, it is inevitable under the influence of the big environment, so no matter the size of the enterprise, it is necessary to find an omni-channel path that suits them as soon as possible.

5. Conclusion

5.1 Analysis Conclusion

Adequate capital and the support of big data are a foundation for the transformation of traditional retail to omni-channel new retail. In the process of transforming to an omni-channel model, whether it is to borrow a third-party platform or to build a self-built system, the ultimate goal is to create an omni-channel retail model that suits them. In the process of omni-channel construction, strengthen the integration and docking of online and offline channels to improve the competitiveness of retail enterprises in the future market. With the application of capital and big data, accurate marketing positioning is carried out through big data analysis, increasing the service capacity of the enterprise is greatly reduced and the cost is greatly reduced. The research conclusions have a certain theoretical guiding role for the transformation of traditional retail industry to omni-channel retail in the era of big data. Large traditional retail companies can build their own omni-channel retail platforms with consumers as the center, and small traditional retail companies can also Channel layout to carry out its own transformation road.

5.2 Suggest

With the advent of the era of big data, the traditional retail industry is faced with the problem of having to transform. The construction of the omni-channel model is not a choice direction for the retail industry, but an inevitable choice for the future development of the retail industry. Only companies that implement an omni-channel strategy can continue to develop in the era of big data. The omni-channel era is coming, and the traditional retail industry must integrate online and offline channels to start the construction of an omni-channel strategy. From the perspective of the way traditional retail companies carry out omni-channel transformation, retail companies with different backgrounds are basically the same in general direction, while the differences are reflected in the different emphases between online and offline channels of different companies. In terms of online and offline collaboration, the goal of the department store industry is to shift more online traffic to

offline, drive physical stores to carry out a sales model that integrates goods, services and experience, and transform online traffic into real consumers. Supermarkets pay more attention to building an online platform, so that consumers can complete the process of searching, ordering and after-sales information feedback online as much as possible. Therefore, for traditional retail enterprises of different backgrounds, under the condition of joint digital empowerment, they should give full play to their own advantages according to their own business models and sales positioning, so as to build their own new omni-channel retail model.

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