

## **Key Theme:** Seamless Omnichannel Strategies for Retailers

Understanding customer expectations and delivering exceptional experiences across all channels are long-term success essentials. Consumers expect seamless and personalized shopping experiences. Strong supporting systems, flexible architecture, and new AI technologies enable retailers to offer exceptional experiences that deliver on their brand promise, differentiate them from competitors, and drive profitable growth.

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Recap: In a recent RetailWire LIVE session on LinkedIn, RetailWire, SAP, and Molton Brown executives discussed omnichannel strategies. Details of Molton Brown's own journey, initiatives, and approaches were shared. The industry experts also addressed the importance of underlying technologies needed to support omnichannel operations and exchanged views and tips on using data and AI to engage consumers and grow market share.

Retailers must consistently deliver fresh, exceptional, and unique experiences that meet customer expectations, regardless of channel. Merging physical and digital engagement builds brands, drives loyalty, and boosts revenues. A customer-centric omnichannel approach requires transformation and collaboration across all functional areas, powerful and flexible core systems, and the ability to turn insights into action using data and Al.

"All retailers, regardless of segment or geography, are really trying to understand how to blend experiences. In the space of omnichannel, physical, and digital, it's not a one-size-fits-all recipe. It's about understanding the value proposition of your brand and the consumer and being able to differentiate."

# MOLTON BROWN

LONDON

#### **About Molton Brown**

Born on South Molton Street, London, in 1971, Molton Brown is an icon of uniquely British style. Today, Molton Brown is one of the leading global brands in Kao Corporation's global cosmetics portfolio.

Growing from small-scale artisans into the international fragrance brand it is today, its pioneering presence is felt in stores and websites, travel retail, luxury department stores, and the most esteemed hotels around the world.

The company's Eaux de Parfum and Toilette and Bath, Body, Hair, and Home collections have been Made in England since day one. Sourcing only the best ingredients in exceptional fragrance concentrations, Molton Brown's quality has been awarded with a Royal Warrant from Her Majesty Queen Elizabeth II. As part of its ever-evolving sustainable journey, Molton Brown runs its own manufacturing facility in Elsenham and champions beauty that is kinder to the environment.

### Constructing a Seamless Customer Journey

Molton Brown is known for its brand promise of efficient sustainability, cruelty-free practices, and commitment to never test products on animals. These tenets are the basis for producing products, designing stores, and creating customer journeys. Its program "Return. Recycle. Reward" is based on the brand value proposition. Molton Brown's engagement and business metrics from this initiative are robust:

- 50% return consumers
- 20% to 30% increase in average transaction value for return customers
- Higher click-through rate for return customers
- 97% of waste recycled in 2021
- Most bottles are made of 50% recycled plastic

"We always have our brand promise in mind, because ESG [environmental, social, and governance standards] is the number one KPI for our organization. We engage our customers in the sustainability journey and educate them in terms of our sustainable heritage. We want to keep it authentic and ensure that consumers get what they want in terms of the product and a seamless experience."

A customer engagement strategy that bridges the intersection between physical and digital spaces is especially critical for Molton Brown. The change from standard, static content to more engaging, personal content spanning across different channels is a cornerstone of connecting with customers.



"Whether you go in person or whether you go to different digital channels, you have content based on your needs — you don't see the same content [as others]. Whether you go to any social media channel or any website, the content is different based on consumer needs. It's a high-touch rich brand experience, and we want to make sure it resonates with shoppers."

SAP Commerce Cloud

This is especially important given the number of venues where the products reside: own retail stores, flagships, e-commerce, social media, travel, and wholesale. Molton Brown customizes customer journeys online and offline by personalizing marketing and social media efforts, having a digital "fragrance finder," training in-store associates, and offering services like click-and-collect.

"Since we are a very high-end brand, we want to make sure that whether the consumer walks into a standalone store or goes online, the consumer will always have mirrored content. All this enhances the personalized journey. And even our associates are well trained across the store to enhance this brand reputation."

Krishnamurthy and his team have a continuous improvement process where they learn how consumers react and anticipate what experiences will resonate in the future.

SAP Commerce Cloud empowers brands like Molton Brown to elevate their online presence and drive success in the digital landscape. With a scalable platform, retailers can enrich customer experiences and increase average order value through real-time personalization, recommendations, and merchandising powered by AI and machine learning.

Read more about enhancing personalization, peak-traffic handling, and speed here.

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### Physical and Digital Intersection

Brands must think strategically about content as well as when and how to engage. Charting a unique experience that reflects the brand promise and is meaningful to customers regardless of where and how they engage will ultimately drive loyalty and growth.

Digital engagement platforms are mission-critical and must be able to scale. Retailers must also connect them with inventory, supply chain, merchandising, and other core systems so that brand promises can be fulfilled for customers.

"A lot of what's traditionally been a back office type of capability really comes front and center into a consumer-facing process in order to connect and deliver on a lot of that great digital and personalized experience."

Connecting channels and functional areas can only be achieved with modern architecture and flexible solutions. Brands can then quickly and easily add new capabilities or take advantage of business opportunities — like trending marketplaces, selling channels, or social apps — ahead of competitors without making significant, costly, and lengthy changes to existing systems and architecture.

"Based on the business requirements and what we want to achieve for the consumer, we want to ensure the technology landscape is ready. Even if it's a complex requirement that comes our way, we want to make sure that we're quick in terms of driving the solution."

## MOLTON BROWN

LONDON

Strong core systems and modern, flexible architecture allow Molton Brown to deliver seamless service in stores and online. Its technology choices help inspire online shoppers, remove friction, and build new customer relationships.

Get more details here:

Learn more about Molton Brown's journey with SAP



Retailers are just learning how to apply new breakthroughs in AI to improve engagement, predict behavior, and enhance operations. Molton Brown is using AI in its new personalized marketing project and plans to implement an AI chatbot to understand how consumers would like to interact. This will allow the brand to be more proactive in dealing with customers.

"Al can really play significant roles in the retail or the consumer business. We can analyze large data sets efficiently, predict behavior in a more efficient way, and also automate personalized communication delivery."

Al is a natural step in data and analytics. It will maximize the investments retailers have made in information management — building data lakes, collecting and connecting data across the enterprise, managing and securing data — and deliver the next level of insight.

"Al is really a suite of technologies, and there's a broad spectrum of capabilities that you can implement quickly to generate a financial return. So we see a number of retailers matching the capabilities of the particular Al technology with the right use cases in their business. This is a technology that lends itself to test and learn and adapt."

## **Al Potential**

Al is reshaping merchandising and supply chain planning by enabling data-driven decision-making and optimizing merchandising strategies for enhanced efficiency and profitability. Whether you are just starting your Al journey or leading the pack, unlock the future of advanced retail.

Read the playbook on transforming retail with A

Like any new initiative, the best way to get started with AI is to select a use case, put it into play, evaluate its success, iterate, and expand projects and scope.

As brands utilize AI, it will be imperative to consider security, compliance, and ethics concerns as well as the overall impact on the organization's people and processes.

"While AI offers tremendous benefits such as increased efficiency and data-driven insights, it also comes with challenges. One must remain very vigilant about data privacy and ethical considerations. As we embrace AI as a strategic approach, it's important to ensure there is transparency, governance, and ongoing training to leverage its full potential while mitigating any risk."

#### Summary

Connecting physical and digital operations offers challenges and opportunities for retailers. By relentlessly focusing on brand promise, implementing strong and flexible supporting systems, and utilizing new AI technologies, brands can create seamless, unified, and personalized shopping experiences across every channel. The ability to connect all functions to fulfill on demand results in greater loyalty, market share, and profits.

"But ultimately, this changing consumer really is looking for almost instant gratification, an instant fulfillment, instant access to content. It's about meeting these consumers where they are — shopping online or in stores. The architecture gives you the flexibility to plug and play as you need to deliver omnichannel excellence."

OGUE

See a recording of the RetailWire LIVE discussion for more details







#### **Sponsor Information**



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For insights about how SAP can help you integrate Al into your industry, visit <a href="mailto:sap.com/ai"><u>sap.com/ai</u></a>.