

The “New Normal” Customer-Centered Omni-Channel Retailing

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2017: The Year of the Retail Apocalypse!!

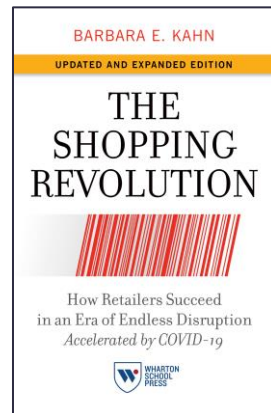


More than 8,600 stores closed in 2017

Worst year on record!!

2020

- 250,000 stores closed during Covid-19
- 12,000 stores EOY 2020



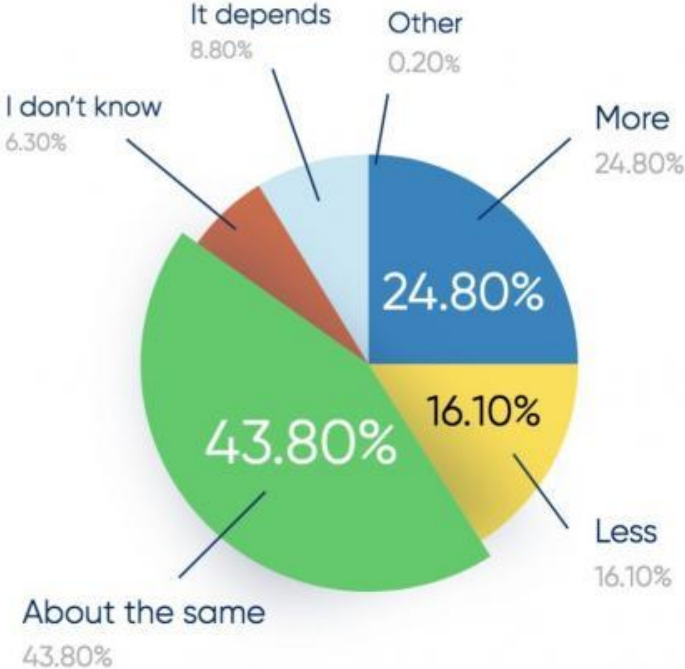
Changes in Shopping Patterns Unique to Covid 19

- More likely to buy online than in the past
- Payment processes move to frictionless
- Consumers expect retailers to exercise good hygiene practices -- ***Low Touch Environment***
- Flexible working patterns; more people working from home



Survey Dec 2020, n=1000

? Do you believe you will shop in physical locations more, less, or the same compared to 2020?



Many consumers still prefer shopping in person. 46% of respondents said that given the choice, they prefer to shop in person rather than online.

Enduring Changes to Retail Post-Covid

- Move to customer-centered omni-channel retailing
- Importance of creating an in-store experience that inspires trust



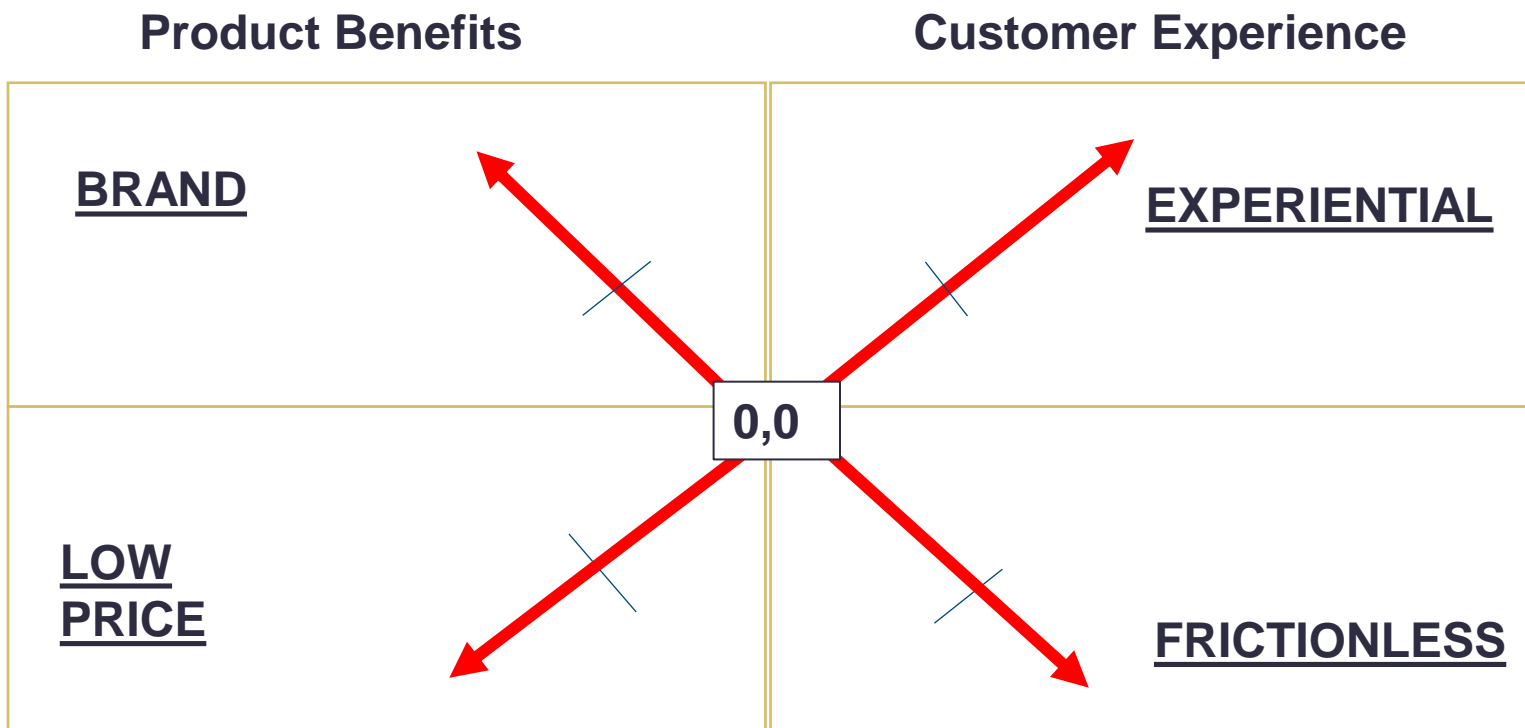
Two principles

Customers want to buy something they value from someone they trust= **Retail Proposition**

They buy from retailers who provide superior value=**Superior Competitive Advantage**

Kahn Retailing Success Matrix

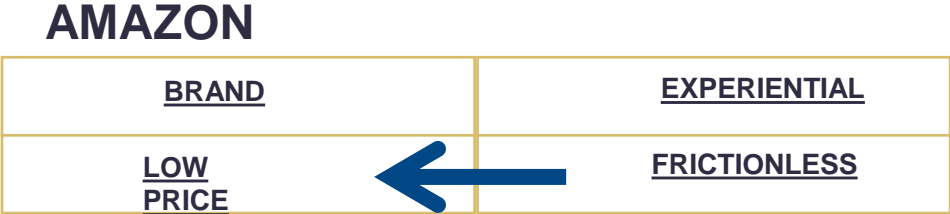




Increase
TRUST/
Pleasure

Eliminate
Pain
Points

Two-Quadrant Winning Strategies

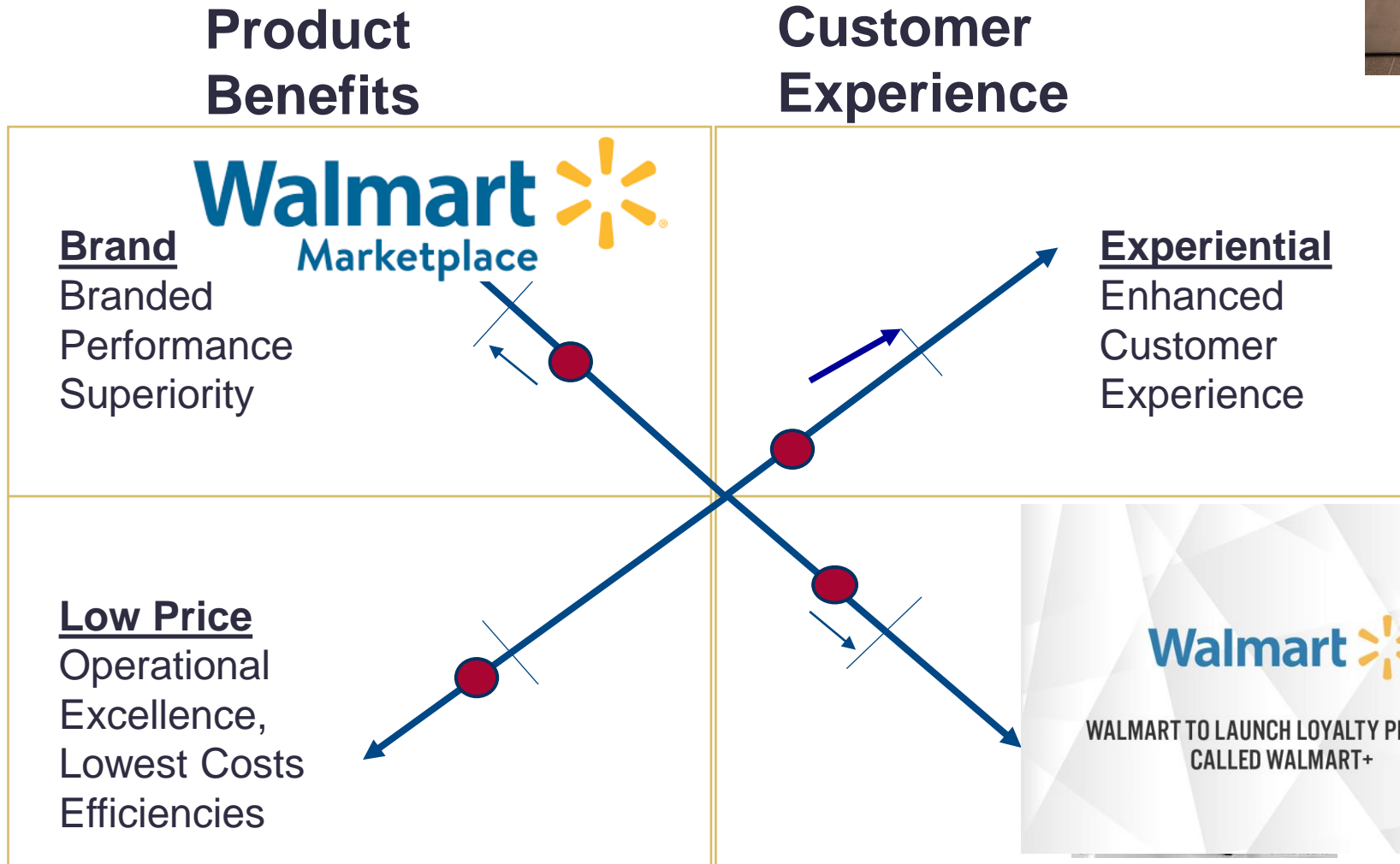


Walmart: EDLP

Walmart: EDLP



Superior Competitive Advantage



Increase Trust/Pleasure



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Retail Proposition

