

CASHING IN ON EVERYWHERE COMMERCE

THIS IS THE FIRST IN AN ONGOING SERIES OF MULTIMEDIA EPISODES THAT INVESTIGATE ASPECTS OF, AND STRATEGIC APPROACHES TO EVERYWHERE COMMERCE. WE'RE APPROACHING THIS WIDE-RANGING TOPIC WITH EQUALLY EXPANSIVE PLANS TO TAP OUR NETWORK OF PARTNERS, THOUGHT LEADERS AND DIGITAL INNOVATORS FOR THEIR PERSPECTIVES. THINK OF IT AS NONSTOP BRAINSTORMING WITH A BIAS TOWARD ACTION.

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Open Branding is the bottom-up consumer imperative of the digital age, and one that Resource has been advising clients about since the publication of *The Open Brand: When Push Comes to Pull in a Web-Made World* in 2008. Open Branding fosters participatory relationships with consumers, partners and employees based on shared values and interests, and these are made the basis for everything within a marketing strategy from social media campaigns to corporate social responsibility initiatives. Consumers co-create content, products, services or experiences and, in doing so, shape new use and exchange value that benefits themselves and the brand.

Open Branding has been a driving force behind a spate of shopping innovations over the last three to four years whose density is unprecedented in the history of consumerism. *Collective buying platforms. Swipeable mobile payments. Location-aware promotions. Flash sales. Barcode scanners. Image recognition apps. Facebook commerce.* Most marketers know that through such a proliferation of digital touch points, shopping tools and platforms, it should theoretically be easier to reach, convert and keep more consumers than ever before. And the numbers would certainly seem to confirm that more is more, that this multiplication and diversification is good for business. Forrester Research predicts ecommerce will be 8% of total US retail sales by 2014, or \$248.7 billion, with a 10% annual compound growth rate. But online combined with *web-influenced sales* will be a staggering 53% of total retail sales by 2014. Ecommerce—and its supporting cross-channel cast—is an indisputably solid bet.

Yet the burgeoning of digital shopping and brand engagement options also creates complexity in many forms:

- New consumer behaviors and needs emerge around everything from decision making to impulse shopping
- New touch points' essential functions and interdependencies must be understood
- Technology trends intelligence including adoption rates for new devices and digital platforms is needed for reasonable cost/benefit analyses and go-to-market planning
- Purchase journey models must be updated to reflect increased consumer mobility; social influence and the effects of the "distributed" web of open APIs, social widgets and integrated platforms; and consumers' susceptibility to "continuous partial shopping"—an outcome of our hyperconnected times
- New game mechanics, co-creation and storytelling-inspired methods for seamless and sustained consumer engagement must be invented
- Measurement strategies will have to evolve in accordance with changes in cross-channel marketing and cover objectives ranging from engagement to incremental sales

"all the world's
a store"

Managing such complexity starts with a strategy inspired by "everywhere commerce." **Everywhere commerce is digitally enhanced commerce undergoing exponential channel growth and transformation.** It is also, when *fully* realized, an ideal, "all the world's a store" (to modify Shakespeare a bit) end state we can easily project from the present array of shopping technologies. These technologies are, to borrow from tech philosopher Kevin Kelly, moving toward greater ubiquity, diversity and complexity, all of which create more consumer choice, information and convenience.

Most of the benefits of everywhere commerce that accrue to the consumer have made her more informed and demanding but also more open to new possibilities. Thanks to developments in social networking, mobile computing and the closely related geo-awareness, many, if not most, consumers now expect fully "connected" experiences with their brands of choice. They expect to be **digitally connected** to their preferred brand via their devices and apps, wherever they are online or on the go. They expect the brand to **connect emotionally and practically** to their various needs and desires on a consistent basis. And they expect the brand to facilitate **social connections**, at least with that portion of their social graph that shares interests, expertise or passions relevant to the brand.

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For brands and retailers, the historically unprecedented benefit of meeting such daunting consumer expectations is the **mere potential to fuse sales and marketing functions at every consumer touch point.** This is the result of everywhere commerce's profound and irrevocable impact on the purchase journey. What was once a heavily brand-influenced, mostly mass media-precipitated linear path to purchase that moved consumer from marketing to sales channels is now a custom path through often opportunistically chosen touch points and media, which are increasingly communications-oriented *and* transactional. To frame this change historically: Web 2.0 demonstrated the value of making brand assets and activities shareable, and today's web—its technologies, its users, its new formats—has already revealed the value of making those assets and activities shoppable as well.

The appropriate response to everywhere commerce, the best way to meet and exceed consumer expectations, then, is through a **Connected Brand Commerce Experience** strategy. Connected brand commerce experiences are—to the extent that it's technologically feasible and context-appropriate—three-dimensional experiences: *triggered, shareable, and shoppable*, and they not only span and integrate digital touch points such as the web, social, mobile, kiosk, interactive TV and vending machine, but offline brand touch points as well, from print to billboards. More importantly, they are experiences that through either ecommerce enablement or pre-commerce and post-commerce calls to action effectively compress the purchase journey, eliminating actions, basic barriers or shopping intervals—anything that could be characterized as "friction", so that a pressing need, triggered inspiration or sheer impulse can immediately be met with purchase satisfaction. Ultimately, shorter purchase journeys lead to more of them—more moments with a brand or retailer that make shopping in particular more relevant and satisfying than it used to be.

A **CBCE strategy** accomplishes the following:

1. Using consumer segment insights and data, and trends intelligence about device and digital platform adoption patterns, a CBCE strategy defines a brand or retailer's essential purchase journeys, comprised of those touch points and right-time-right-context triggers likeliest to create and sustain brand "flow"—the ultimate gift to a consumer in the form of a psychological state of continuous, immersive (not interruptive) involvement with a brand's assets. Triggered touch points are more important than ever as marketing noise increases, and should guide any media planning or content distribution initiatives.
2. It devises ways to remove friction by providing either **immediate motivation** (e.g., discounted, limited edition or time-sensitive offers; compelling content; loyalty points; simple email reminders to act) or **means** (e.g., alternate payment options, social and product decision support, etc.) to buy online or in-store. In this way, the strategy can minimize the consumer's time and/or intervals from product discovery to purchase—think Facebook commerce and well-executed digital and physical pop-up retail—by maximizing the conversion potential of each consumer touch point. Ultimately, each touch point is evaluated as a potential triple threat of triggered, shareable and shoppable.

Triple-Threat Touch Points are:

Triggered = a touch point that is hyperaware of a consumer's needs/desires; preferences, past purchases and other digital behaviors; device usage; and immediate context, and/or uses this information for delivering maximum impact of a marketing event, even one as simple as a reminder

Shareable = a touch point that enables and encourages high- and low-involvement sharing of consumer actions in order to harness network effects and social influence for the brand

Shoppable = a touch point that is ecommerce-enabled or contains pre- or post-commerce calls to action so that no messaging ever goes without the consumer opportunity to act immediately

3. It ensures each touch point has the right mix of **On-Demand, Personal, Engaging and Networked** experiential attributes, using the O.P.E.N. framework.* This framework also provides a means of measuring consumers' purchase intent and likelihood to recommend, and a brand or retailer's competitive benchmarks.
4. It outlines a sequential roadmap for success leading from baseline to strategic to visionary stages, based on the inherent functional and historic strengths of all consumer touch points and their inexorable drift towards multifunctional "convergence."

LITMUS CASHING IN ON EVERYWHERE COMMERCE

For many, the fragmented nature of the phenomenon of everywhere commerce has obscured its magnitude. It may very well be an “e-volution” we’re in the midst of, but everywhere commerce’s impact on brands’ and retailers’ businesses—from their growth plans to their operational and organizational aspects—will be quite revolutionary. The business value of a Connected Brand Commerce Experience strategy lies in the fusion of brand equity—building, social interaction and direct sales that creates bias towards action for consumers; and the perpetuation of a consumer/brand relationship pre- and post-purchase through experiences that provide either practical or pleasurable non-product values. The flip side of this, the consumer appeal of connected brand commerce experiences, lies in the near simultaneity of branded inspiration and purchase possibility—the capacity to buy or come closer to purchase when excitement about a product or service is highest. It is also for consumers the increasingly converged nature of their digital experiences that resonates: an appealing blend of socializing, shopping, self-expressing and self-identifying with those brands and retailers who prove themselves indispensable and delightful companions throughout their day and lives.

To learn more about Everywhere Commerce, follow our episodes as we delve deeper into the follow questions:

- What are the key technological drivers of Everywhere Commerce?
- What specific consumer behaviors are emerging that require new ways of thinking and fresh paradigms, including but not limited to the “purchase journey” and the “shopping trip”?
- What are the most pressing challenges in delivering Everywhere Commerce at scale—strategic, organizational, technological?
- What do brand marketing executives need from their agency partners to successfully navigate this complex digital terrain?

* Introduced in *The Open Brand: When Push Comes to Pull in a Web-Made World* (New Riders: Berkeley, CA, 2008) by Kelly Mooney and Nita Rollins. To inquire about the O.P.E.N. framework, contact Melissa Dorko, mdorko@resource.com.