2022 OMNICHANNEL LEADERSHIP REPORT

NEWSTORE

"As a retail industry, we now have the platform, the resources, the necessity, and the people to reconnect the world. Our sector will be forever altered, but we now have the responsibility to each other and our customers to be our best and connect more deeply than we ever needed to before."

- Ron Thurston, *Retail Pride*

OMNI

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OMNICHANNEL LEADERSHIP REPORT

INTRODUCTION

Over a year of the pandemic is behind us, with a sea change in retail unlike anything we've ever seen before. For months, sales shifted to online and mobile commerce while brick-and-mortar struggled to find a new normal. To keep up with demand from new sources and different directions, brands invested in digital and bolstered their fulfillment strategies. This helped restore a sense of control for shoppers, while opening up new revenue streams for brands.

In what felt like a matter of minutes, the pace of brand-level innovation went from crawling to running. Incremental improvements were made, but critical good practices were overlooked. Time simply wasn't there, and in many cases, the resources weren't available either.

As a result, there are a lot of fragmented experiences across the industry. This couldn't be further from what customers expect, and from what brands know they need to deliver. Today's savvy and purposeful shopper wants to feel digitally empowered online, in-store, and on mobile. Service needs to align with their definition of it, and value needs to be added at every touch.

With the **2022 Omnichannel Leadership Report,** we assess the state of the retail industry post-pandemic. Specifically, we identify which brands made a challenging time their opportunity by doubling down on or investing in omnichannel. Last year, we saw hockey stick growth across many data points. This year, it seems as if the momentum has stalled. Customers want more and in order for brands to meet these expectations, they need to increase the rate and depth of their transformations. Those that fail to keep up today will not be relevant tomorrow.

RESEARCH METHODOLOGY

The Omnichannel Leadership Report is a critical assessment of 250 leading luxury, premium, and lifestyle retail brands. In this post-pandemic edition, our team of researchers audited each brand's website, mobile application, call center, and in-store experience. As secret shoppers, we looked for key capabilities and services across touchpoints, and also assessed how store associates do their jobs. We specifically looked for the seamlessness of each use case and workflow, and importantly, if brands are delivering on what customers actually expect today.

"It is time to recognize new behaviors and reprioritize what shoppers really want."

The pandemic accelerated the timelines for many digital transformations and omnichannel projects. For retail brands, neither would be possible without a focus on the customer or associate. That is why this report maps data into four overarching categories: Digital Engagement, Omnichannel Convenience, Customer Experience, and Associate Enablement.

Research Objectives

Determine
if the industry has made omnichannel progress post-pandemic

Assess
the availability of critical solutions and services across key brand properties

Review
if and how brands enable and empower their store and customer service staff

Evaluate
if brands are aligning their technology investments with customer expectations

Provide
leading brands with fact-based data about their customer experience

Digital Engagement

Solutions that give customers flexibility and choice around how they engage with your brand.

Omnichannel Convenience

Solutions or features that unify channels, making it easy for consumers to shop across digital, physical, and mobile.

Customer Experience

Solutions or interactions that have a positive impact on brand perception or the shopping journey.

Associate Enablement

Solutions or capabilities that make it easier for retail employees to provide omnichannel customer experiences.

Each audit question across the four sections was analyzed against a relevance scale (low to high), which looks at how significant of a role the capability, process, or experience plays in omnichannel. Depending on the relevance, the question received between 1 - 3 points. These points determined each brand's section score, as well as overall score and report ranking. In the case of two or more brands sharing a ranking, each was assessed against individual section scores and the top results of NewStore's Ideal Associate Profile survey, which identifies the associate capabilities valued most by customers.

IDEAL ASSOCIATE PROFILE

As an addendum to our annual Omnichannel Leadership Report, we surveyed nearly 600 U.S. consumers to find out their post-pandemic expectations for modern retail and store associates. Respondents were asked to use a 1 - 5 scale to rank how strongly they agreed with statements related to shopping behavior, checkout, convenience, and clienteling. The goal was to understand how consumers feel about shopping in-store and what services and experiences they value from their favorite brands.

What We Learned

The pandemic was an accelerant not just for omnichannel services, but also omnichannel expectations. Top of what matters most to shoppers today are store associate interactions that make their lives easier and more convenient. Things like providing curbside pickup and selling something from another location. These are seemingly table stakes at this stage of omnichannel, or at least they ought to be.

"Shoppers want store associate interactions that make their lives easier and more convenient."

Most interestingly in the data, even the lowest ranked of the expectations we investigated are desired by nearly a quarter (22%) of consumers. That is a considerable percentage of each brand's total addressable market. Overall, this suggests that consumers expect store associates to be able to do many things and do them well. However, these expectations are outpacing what brands can currently support. It is time to recognize new behaviors and reprioritize what shoppers really want.

Top Ranked Responses

A store associate should be able to…

69% strongly agree/agree — **Provide curbside pickup**

Facilitate an endless aisle order — **66%** strongly agree/agree

63% strongly agree/agree — **Accept all contactless payment types**

Check inventory levels from the store floor — **66%** strongly agree/agree

56% strongly agree/agree — **Sell items from different locations at once**

EXECUTIVE SUMMARY

The last couple of years have been full of dramatic change and acceleration in retail. In fact, many industry authorities suggest we saw a decade of innovation roll out in months. Brands of all sizes catapulted their organizations forward out of necessity and implemented critical omnichannel capabilities, from safe store pickup to contactless payments. But then stores reopened, and as quickly as many took two steps forward they took one step back.

A lot of the innovation we saw mid-pandemic consisted of solutions for what was needed at the time. Quick fixes to check a box and satisfy a need. They weren't fully baked capabilities and as a result, they were less than ideal experiences for consumers. We're at a tipping point and it is crunch time for brands to finally go all-in on omnichannel. Consumers' expectations are too high for features and functionality that aren't intuitive to use or don't align with their values.

Incremental innovation won't help drive growth in the year ahead. Brands must launch a complete transformation across every business function to win in the age of digital consumers.

"The last couple of years have been full of dramatic change and acceleration in retail."

Data Highlights

4% of brands offer self-checkout in their stores, up from 3% in 2021.

Digital Engagement

74% of brands offer contactless payment options, down from 83% in 2021.

53% of brands offer in-store pickup (BOPIS), up from 40% in 2021.

Omnichannel Convenience

57% of brands offer endless aisle purchases, up from 47% in 2020.

73% of brands offer store-to-door shipping, up from 46% in 2021.

Customer Experience

89% of brands have a cash wrap in store, remaining stable from 90% in 2020.

48% of brands give associates mobile devices, down from 68% in 2020.

Associate Enablement

19% of brands offer mobile checkout, down from 33% in 2020.

Takeaways

Big box brands bet on their revival.

The department stores and big box retailers are beating out their specialty brand counterparts across all research categories. While some of these brands are new additions to the report, their digital transformations have been in play for many years now—and it shows in their results. Across the board these retailers are editing their store fleet, both from a count and size perspective. They are drilling down into locations and formats that best serve digital-first customers, putting their agility and ability to experiment on full display.

The signal to the rest of the industry is that they need to step on the gas pedal when it comes to their direct-to-consumer pivots. Becoming a competitive DTC brand will require enabling the omnichannel capabilities they are missing today, from endless aisle to omnichannel returns and exchanges. It's about utilizing the right resources, in the right places, and at the right times.

"The customer experience is not only the biggest competitive advantage but also today's most important barometer of success."

Basic and luxury brands winning on all measures.

It's an arms race between "basic" and "luxury" brands for the most omnichannel-competent retail segment. The basic brands (moderate price and quality, such as Abercrombie & Fitch) just edged out luxury for overall score, and also took the top score in the Digital Engagement, Omnichannel Convenience, and Customer Experience sections. Luxury (premium price and quality, such as Louis Vuitton) was the clear winner in Associate Enablement.

We saw both segments at the top in 2020 when the research took a similar, comprehensive look at in-store experiences. Rightfully so. Many basic, and oftentimes mall-based, brands have been scooped up by other companies with the mission of evolving, transforming, and reimagining them. With a generally more tech-savvy customer base, these brands have no choice but to up the ante. On the other hand, luxury brands continue to define the gold standard in customer experiences. To align to their definition, it is critical for their associates to provide the very best service, tech-enabled or not.

Brands fail to deliver on top customer expectations.

The industry has seen seismic shifts in consumer behavior in the last few years. Shoppers expect brands to not only have a pulse on these changes, but also to be delivering services that support them. However, the brands in this report consistently lost points on five capabilities that our Ideal Associate Profile (IAP) research found to be top consumer expectations. They are: reserve online, buy in-store; mobile checkout; buy in app, pick up in-store; mixed cart; and mobile inventory lookup.

These capabilities epitomize omnichannel retail, unifying digital and physical while making shopping simple and seamless. They also represent the biggest opportunity for the industry according to our research criteria, and have the potential to move the needle on results in the next annual report. Therefore, closing these expectation gaps is a must-do now. The customer experience is not only the biggest competitive advantage but also today's most important barometer of success.

OMNILEADERS

NORDSTROM

Nordstrom has been committed to providing customers the best possible service for 120 years. The brand's dedication to this mission is what has helped it evolve into one of the leading omnichannel retailers. Core to Nordstrom's success is how it integrates every selling channel. This opens up key data around customers and inventory. From a store perspective, Nordstrom is bucking trends with its Local concept and men's and women's-only locations. At the same time, it's driving down the walls of the store by making stylists fully available via its TextStyle app. A truly seamless experience for its loyal shoppers, anytime and anywhere.

DSW

DSW believes that shoe shopping should be easy. Since 2015, it's made that a reality for its customers by investing tens of millions of dollars into enhancing its omnichannel capabilities. Specifically, it has expanded its customer access to inventory across the full DSW network. The brand has also rolled out curbside and in-store pickup, and enables self-checkout for shoppers right from within the DSW app. With a robust loyalty program of shoe lovers, and mobile-equipped store associates, it is able to personalize the customer experience, drive engagement at every touchpoint, and inspire self-expression.

LOUIS VUITTON

Louis Vuitton is all about luxury, from its products and store designs to its digital and mobile experiences. It wants every brand interaction to surprise and delight existing customers and win over new ones. It does this in-store by pairing every customer with an associate so that they have a high-touch and personalized experience. The salespeople have everything they need at their fingertips on the store floor, enabling them to swiftly and enthusiastically support every sales scenario. They are no longer just sales professionals, though—they are brand ambassadors and style influencers who support each service across the customer journey.

BERGDORF GOODMAN

Bergdorf Goodman is taking shopping to the next level with a full suite of premier services. Supported by a recent $500 million tech investment, the brand is focused on personalization, faster delivery, and tech-enabled stores to elevate every facet of its customer experience. Bergdorf is known for its white glove service, which its associates can now elevate with the company's remote selling and clienteling solutions. This is just the beginning for the brand that leads with love in everything it does. It plans to acquire Stylyze, just the first of many intended efforts to build out its digital capabilities.

FABLETICS

Fabletics was founded as a digitally native brand in 2013. Today it has over two million VIP shoppers who benefit from a seamless customer experience across all digital and physical touchpoints. At its foundation is a proprietary platform that bridges all core systems, making it easy to gain a 360-degree view of customers, inventory, and orders. It also uniquely leverages its stores associates across channels, having recently turned them into omnichannel associates who can do it all. With retail expansion plans in place and pop-ups around the country, expect Fabletics to flex even more omnichannel muscle in the year to come.

DIGITAL ENGAGEMENT

The key to customer engagement post-pandemic is digital. While only a certain segment of buyers were digital-first before COVID-19, the majority are now accustomed to the flexibility and ease that comes with browsing and buying online. So, brands need to capture the hearts and wallets of this more comprehensive cohort with an experience that resembles what they love about online. That means implementing solutions that seamlessly bridge digital, physical, and mobile shopping, and creating long-lasting, sticky customer relationships.

Digital Engagement: Solutions that give customers flexibility and choice around how they engage with your brand.

Analysis

Digital is the present and future of customer engagement. Whether nurturing existing customers or acquiring new ones, buyers expect a consistent engagement that is seamless every time. Even more, there is also the desire for an element of self-service. Digital can help empower customers to drive their experiences in whatever way suits them. This not only improves customer satisfaction in the moment, but it also builds trust and lifetime value.

How May We Help You

65%

of brands offer web chat capabilities

According to eConsultancy, live chat has the highest satisfaction levels of any customer service channel. Shoppers want answers instantly, and 65% of brands are delivering on just that. However, no one wants to live chat with a bot. Our IAP survey found 58% of shoppers want to chat with real store associates. You have the opportunity to take this to the next level with live video chat. 9% of brands do, bringing the physical experience online for high intent customers.

Teleshopping Time

25%

of brands offer virtual appointments

Appointment retailing was supercharged by the pandemic, but it’s an online feature that is here to stay. 25% of brands today are bringing their store associates’ expertise to the digital experience. Because virtual appointments are scheduled in advance and often require a questionnaire, associates can prepare and make the one-on-one time with shoppers worthwhile. This builds loyalty and is the kind of clienteling that helps drive a 4x increase in spending.

Self-Service Wanted

4%

of brands offer self-checkout in-store

Self-checkout experiences can help to blend digital and physical retail, especially if the checkout is just like an ecommerce one. 4% of brands offer their shoppers a self-checkout option in-store, a small jump up from 3% in 2021 and 2% in 2020. This is likely due to the addition of some big box retailers to this research. Self-checkout might not seem to make sense for your brand, but it is desired by 39% of consumers in our recent research.

Tap To Pay All Day

74%

of brands offer contacless payment options

An FIS and Worldpay study found mobile wallets are expected to account for over 33% of global POS spend by 2024. Additionally, digital payments are the second most popular payment method in North America. Good thing then that 74% of brands offer contactless payment options. We did see a slight drop year-over-year from 83%. Why? Well, it might be a lack of advertising these options at the point of sale. Let shoppers know there's another way to pay.

More Than A Text Away

18%

of brands enable texting between associates and shoppers

Most brands today combine automation with direct outreach to stay in touch with mobile-first shoppers. It's an easy way to engage with and sell to repeat customers. However, only 18% of brands enable texting between associates and shoppers. This figure is surprisingly low given the acceleration of remote selling throughout the pandemic. It's a new and worthwhile revenue channel, don't close the phone on it.

LEADERS

Macy's
Louis Vuitton
Nordstrom
BVLGARI
Lululemon

Our Take

The data confirms there is still a huge opportunity for brands to digitize their customer engagement strategies. This section ultimately had the lowest average score in the report, brought down by the lack of alignment and integration between digital and in-store retail. At the height of the pandemic, it was absolutely necessary to invest big in ecommerce to meet shoppers where they were. But, they are no longer in one place. Today, shoppers expect all experiences—digital, physical, mobile—to be driven from some kind of digital engagement. Self-checkout, virtual shopping, modern payments. These things will help you carve out differentiation and serve as a competitive advantage for the long-haul.

OMNICHANNEL CONVENIENCE

The convenience economy has never been more real than it is now post-pandemic. Shoppers feel especially empowered to make decisions that save time and effort because they've seen what's possible. This is what brands are competing on today—not just product or price, but convenience and the resulting experience. To succeed in the year ahead, it's critical to deliver a sense of ease through a combined focus on experience, merchandise, value-added services, and unified channels. Loyalty will follow as long as evolving needs and preferences are always considered.

Omnichannel Convenience: Solutions or features that unify channels, making it easy for consumers to shop across digital, physical, and mobile.

Analysis

Convenience is no longer just a benefit of being able to buy whenever, wherever, or however. It's at the very foundation of retail, proliferated by Amazon's consistent innovation and the rest of the industry's attempts to keep up. However, the efforts to close the gap are happening in earnest. We are seeing consistent year-over-year increases in the number of brands offering cornerstone conveniences. Progress, but not yet perfection.

Click Then Collect Me

53%

of brands offer buy online pick-up in-store (BOPIS)

Store pickup is a sweetheart omnichannel offering. 53% of brands offer this option to their digital shoppers, up from 40% in 2021 and 25% in 2020. However, in some cases BOPIS is really ship-to-store. The convenience is lost when customers have to wait days instead of hours to pick up their order. Similar options that make shoppers' lives easier include curbside pickup (34%) and reserve online pick-up in-store (6%). All in the same family, and all require a seamless web-to-store experience.

No Return Remorse Required

80%

of brands offer buy online return in-store (BORIS)

Research from Invesp found 62% of shoppers are more likely to buy online if they can return an item in-store. That's good news then for the 80% of brands that offer BORIS. Returns are inevitable in retail. A seamless and positive returns experience will help ensure 92% of customers come back to buy again. This alone is why brands need to make "buy from anywhere and return to anywhere" part of their strategic value proposition.

Show Me The Goods

44%

of brands show store inventory availability online

Real-time store inventory visibility is critical for in-store fulfillment. It's why many brands combine the two online, showing inventory information as part of their store pickup feature. Well, at least 44% of brands do this. And these are the ones getting it right. Showing store inventory online builds trust with consumers that your products are where you say they are. In the near-term this will save them time and a headache, and over time it will add up to their lifetime loyalty.

26%

Book Now, Shop Later

of brands offer in-store appointment booking from the web

The pandemic accelerated the need for appointment shopping in-store. It helped mitigate crowds and was the safety-first experience consumers needed at the time. While policies and priorities related to health have since shifted, the allure of store appointments has not. 26% of brands now offer these one-on-one touchpoints, up from 20% in 2021 and 9% in 2020. Why? Because they typically draw really purposeful shoppers. People who will buy.

No End In Sight

57%

of brands support endless aisle purchases

The role of the store is changing, and carrying fewer sizes and not as many color combinations will become commonplace. In the past, brands might have just recommended buying online. But now, 55% of brands can shore up the sale in-store by accessing and selling inventory to customers from across their networks—up from 47% in 2020. Finally, gone are the days of saying no or leaving customers to their own devices (maybe even literally) to make a purchase.

LEADERS

Sephora
Abercrombie & Fitch
Bed Bath & Beyond
Dick's Sporting Goods
Home Depot

Our Take

Next up: ways to enhance and deliver convenience beyond the status quo. It's not enough to simply offer a solution like store pickup. There is very likely another brand out there doing it more efficiently and effectively. For example, you fulfill from a warehouse and they fulfill from a store that is physically closer to customers. What you're up against in this scenario is the type of convenience you offer (store pickup in a few days) versus the type of convenience a customer expects (store pickup this afternoon). Brands need to invest today in the systems and processes that will help them keep up with the evolving nature of convenience.

MOBILE SPOTLIGHT

Mobile was a vital shopping channel for consumers during the pandemic. Seemingly overnight, it became the primary way to browse and buy while physical stores were closed or operating at a limited capacity. Mobile apps, specifically, had a shining moment. Some leading retail brands reported app downloads doubled year-over-year and that the number of in-app visitors grew by 50%.

Apps are another entry point for customers into a brand. They are a significant source of engagement and also a huge revenue stream—if built and marketed correctly. Really, the experience has the potential to be richer and more robust than a website. Not just because apps provide unique content and services and a responsive design, but because they can integrate with stores and provide that much-desired human touch.

In this research, 34% of brands have a shoppable mobile app, up from 27% in 2020. We expect mobile apps to become the next wave of ecommerce, therefore these numbers should steadily increase.

"We expect mobile apps to become the next wave of ecommerce."

Up until this point, mobile app usage has largely been dictated by the dynamic changes in the industry. However, the pandemic cultivated a captive audience around mobile commerce. There is a huge opportunity for brands to make their apps a shopping utility and an integral part of the buying experience. Customers are on mobile, it's paramount to be there with them.

Data Highlights

26% of apps allow you to pay using a mobile wallet

29% of apps allow you to favorite items or add them to a wish list

29% of apps have a store locator

21% of apps allow you to buy in-app and pickup in store

3% of consumers can use the app to check themselves out in-store

9% of apps allow you to use NFC or QR codes in-store to access content in the app

6% of brands have signage in-store promoting their app

CUSTOMER EXPERIENCE

Customer experience is a make or break in retail for loyalty. According to PwC, if brands get it right, they can benefit from a 16% price premium on products and services. If they get it wrong, even just once, 32% will walk away. There is a misconception that experiences need to be cutting edge and over the top every time. In reality, shoppers want simplicity and convenience, enabled by technology but executed by knowledgeable store associates. This is the golden thread for leading omnichannel brands.

Customer Experience: Solutions or interactions that have a positive impact on brand perception or the shopping journey.

Analysis

Digital and human connection are among the top North Stars driving customer experience efforts today. These two things are not at battle, though; rather, the brands who are getting it right are the ones taking advantage of digital to enable meaningful customer connections. Data is what brings the two together. It has the potential to guide long-term decisions and also real-time actions. Optimize for both digital and connection and you'll find retail harmony.

Know Thy Shopper

62%

of brands can look up shoppers' profiles

McKinsey reported a positive customer experience can yield 20% higher customer satisfaction rates, as well as a 10-15% boost in sales conversion rates. It all comes down to personalization and having a holistic view of the customer. This is why being able to visualize omnichannel shopper profiles is so important. 62% of brands have this complete picture of their relationship with their customers, enabling personalized touchpoints and even upsell opportunities.

No Receipt Needed

83%

of brands can look up a customer's receipt information

Our IAP survey found half (51%) of consumers believe store associates should be able to facilitate a return or exchange without a physical receipt. It is part of having a full view of the customer, including their purchase history across channels. 83% of brands are in a great spot to deliver on this expectation—up from 46% in 2021 and 44% in 2020. As digital and physical become more integrated, we expect this to be one area where brands can always say yes.

Last Mile Luxury

73%

of brands can ship a purchase from the store

Store-to-door shipping, a last-mile delivery option, is one way to finalize an in-store sale with a “white glove” touch. And 73% of brands can make it happen. It’s a nice treat for all customers, but especially those who are or who have been hesitant to shop brick-and-mortar. You can win them over by presenting them the opportunity to experience the best of both physical and digital retail: immediacy and convenience, respectively.

89%

Wrap Up The Counter Use

of brands have a cash wrap or checkout counter

The large majority of brands (89%) still use a traditional cash wrap in-store. Although they can be functional, they are part of the old-school store design layout. Not only do they take up precious floor space, but they also are the reason for lines—which consumers want nothing to do with. Slowly brands are starting to do away with them (90% of brands had a checkout counter in 2020) which is a step in the right direction toward a more experiential store.

Order There, Pick Up Here

42%

of brands have a specific spot for store pickup

Customers choose store pickup for its convenience. But whether it’s a seamless process will decide the shopper’s experience. Today’s fickle shoppers want to be in and out, not waiting in line or trying to figure out where to go or what to do. 42% of brands have taken the guesswork out of this service for buyers with designated locations for online order pickup. Whatever this looks like for you, make sure it follows the KISS (Keep It Simple, Stupid) principle.

LEADERS

Bed Bath & Beyond
Crate & Barrel
DSW
Gap
Lowe’s

Our Take

Research from Accenture and Adweek found 80% of brands think they deliver a superior customer experience. Only 8% of their customers agree. It’s hard to believe such a delta exists in the age of customer-first retailing. However, too many brands still believe products sell themselves. In reality, the shopping experience sells products. And behind every customer’s experience is the brand’s staff. Customers want to engage with knowledgeable, engaged retail associates. Not just in-store, but across every channel. Thus, a core consideration to improving the customer experience is improving the associate experience. Associates enable experiences that sell products.

ASSOCIATE**ENABLEMENT**

The last two years have turned retail employment on its head. First, the job changed in response to store closures and restrictions. Overnight, the store associate became a service agent, virtual stylist, and social influencer, all while managing every day store operations. Now, retail is dealing with a labor shortage. Like before, there is a need to leverage the store staff who are available. Make them feel motivated and engaged. Raise the standards in the industry so every invaluable associate is recognized as a valuable contributor.

Associate Enablement: Solutions or capabilities that make it easier for retail employees to provide omnichannel customer experiences.

Analysis

One of the notable takeaways from the pandemic was the integral role store associates play in the shopping experience. They're irreplaceable, really. Services teams will never be as deeply connected to the brand as the store staff who physically bring it to life. This doesn't mean brands can't offer a similar experience in the digital realm. They can if they extend the talents of store associates across their network and enable them to do their job in new ways.

48% **Missing Mobile Momentum**

of associates have a mobile device available

RIS' 2021 Retail Technology Study found that among the top in-store investments are mobile devices for associates. However, only 20% have up-to-date devices in place today. This could be why we've seen the mobile availability number go down from 68% in 2020 to 48% this year. Associates aren't incorporating mobile devices into their workflows because they are outdated and not helpful. They need intuitive tools that make their lives easier, not more difficult.

No Mo' Lines **19%**

of brands offer mobile checkout

Mobile checkout brings the point of sale to the shopper. With this solution, customers can check out from anywhere on the store floor. But, only 19% of brands offer mobile checkout, despite our IAP survey revealing that 33% of shoppers want this quick and easy experience. Shoppers don't want to queue up in lines. Give them a streamlined way to pay, and associates the chance to execute more sales.

Answers On The Spot

27%

of brands can look up inventory from a mobile device

IHL has said inventory visibility is a $1 trillion problem between out-of-stocks, overstocks, and returns. What it boils down to is that you need to be able to track every single item across its lifecycle and your network. 70% of brands have this enterprise-wide inventory visibility from a traditional POS system, while 27% of brands can see inventory data on mobile. Having accurate inventory will be an accelerator for all retail processes in the next few years. Time to step it up.

21%

I Wish I May I Wish I Might

of brands can see online wish lists in-store

Wish lists are a great indication of what shoppers are interested in, even if there isn't an immediate intent to buy. This is why it's helpful for store associates to have access to this information —they can use it to personalize in-store and remote selling experiences, ultimately turning browsers into buyers. Less than a quarter of brands (21%) surface online wish lists to their store associates. It's an easy way to extend digital into the store at the benefit of shoppers.

Two Is Not Better Than One

13%

of brands can facilitate a mixed cart transaction

How stores are stocked has changed in the world of experiential and omnichannel retail. So, it's common that customers will need to buy one item on the spot and another requiring shipping. 13% of brands can make this mixed cart transaction happen. The key to this being seamless, though, is not needing to run the customer's card twice. In fact, 57% of shoppers in our IAP survey said they expect one single transaction, regardless of where their items are located.

LEADERS

Restoration Hardware
Acne Studios
Hermès
DSW
Fabletics

Our Take

Higher customer expectations mean added pressure for associates to do each task with greater efficiency. In order for this to be a reality, retail staff need to be trained and equipped with the right technologies. More times than not, a mobile device is the answer. However, when we looked at if an associate could do something from a mobile device—from looking up inventory to placing an endless aisle order—on average only 20% could. If associates are to support omnichannel, they need to be prepared. Not only that, they need to feel empowered and fully enabled. Investing in associates is investing in customer experiences. An undeniable win-win.

CONCLUSION

As if the last few years weren't hard enough, retail is experiencing residual challenges from the pandemic today, including labor shortages and supply chain disruptions. Even so, the overall future of the industry is bright. The National Retail Federation (NRF) has said sales are growing at a rate not seen in over 15 years. And, despite cries that physical retail is dead, it also reports the number of stores has increased in the last three years.

All of this is not to say there isn't work to do to truly reap the rewards of record growth. Most brands are meeting a minimum number of consumer expectations for omnichannel capabilities. In fact, 80% of the brands in this research racked up 50% or less of the points available on the scoring scale. It's not points lost in this report, really, but rather revenue and loyalty left on the table in the real world.

Brands did react quickly to consumers' needs over the last few years, there's no denying that. However, short-term fixes will create long-term problems. While a range of pressures still exist, that's no reason to pump the brakes on digital transformation and omnichannel. These are the bridges to the future of retail.

ABOUT NEWSTORE

NewStore is a turnkey omnichannel store solution for global DTC brands. In over 20 countries, the company delivers Omnichannel-as-a-Service with the first cloud platform combining POS, order management, inventory, and clienteling. Store operations from endless aisle to mobile checkout to fulfillment are possible with just two remarkably intuitive iPhone apps.

NewStore customers include brands such as Burton Snowboards, Decathlon, GANNI, Goorin Bros, Marine Layer, Outdoor Voices, and UNTUCKit. It is backed by General Catalyst, Activant Capital, and Salesforce Ventures. **Learn more at www.newstore.com**.

Your Results

Want to know how your brand performed in the Omnichannel Leadership Report? We can produce a research brief for you that includes:

- Your overall score and data highlights.
- Your results compared to your segment and the industry.
- Anecdotal commentary based on our mystery shopping experience.

Request a custom brand report today at OLR@newstore.com.

BRANDLIST

7 for All Mankind

A

A.P.C.
Abercrombie & Fitch
Acne Studios
Adidas
Aeropostale
Aesop
AG Jeans
ALDO
ALEX AND ANI
Alexander McQueen
Alexander Wang
Alice and Olivia
Allbirds
Allen Edmonds
AllSaints
alo yoga
American Eagle
American Girl
Ann Taylor
Anthropologie
Arc'teryx
Aritzia
Armani Exchange
Ashley Stewart
ASICS
Athleta
AWAY

B

ba&sh
Balenciaga
Balmain
Banana Republic
Bandier
Barbour
Bath & Body Works
Bed Bath & Beyond
Bergdorf Goodman
Bloomingdale's
Bonobos
Brandy Melville
Brooks Brothers
Brunello Cucinelli
Buck Mason
Burberry
BVLGARI

C

Calvin Klein
CAMPER
Canada Goose
Carolina Herrera
Carter's
Champion
Chanel
Charles Tyrwhitt
Chico's
Christian Louboutin
Claire's
Clarks
Club Monaco
Coach
Cole Haan
Columbia Sportswear
Converse
Crate & Barrel
Cuyana

D

David Yurman
Deciem
Design Within Reach
Desigual
Dick's Sporting Goods
Diesel
Dior
Dolce & Gabbana
Dover Street Market
DSW

E

Eileen Fisher
Elie Tahari
Ermenegildo Zegna
Escada
Evereve
Everlane
Everything But Water
Express

F

Fabletics
Famous Footwear
Fendi
Ferragamo
Filson
Fjallraven
Foot Locker
Forever 21
Fossil
Free People
Fresh
Furla

G

G-Star RAW
Gap
Giorgio Armani
Givenchy
Gorjana
Gucci
Guess? Inc.

H

H&M
Hammer Made
Helly Hansen
Hermès
Hollister
Home Depot
Hot Topic
Hugo Boss

I

Indochino
INTERMIX

J

J.Crew
J.Jill
J.McLaughlin
James Perse
Janie and Jack
Jimmy Choo
Jimmy Jazz
Joe's Jeans
John Hardy
John Varvatos
Johnny Was
Johnston & Murphy
Journelle
Journeys

K

Kate Spade
Kendra Scott
Kiehl's
Kith

L
L.L. Bean
L'Occitane en Provence
La Perla
Lacoste
Lafayette 148
Lands' End
LEGO
Levi Strauss & Co
Lilly Pulitzer
LOFT
Longchamp
Louis Vuitton
Lowe's
Lucky Brand Jeans
Lululemon
LUSH

M
MAC Cosmetics
Macy's
Madewell
Marc Jacobs
Mejuri
Michael Kors
Mitchell Gold + Bob Williams
Moncler
Monica + Andy
Moose Knuckles
Movado

N
NARS Cosmetics
New Balance
Nike
Nordstrom

O
Oakley
Old Navy
Oliver Peoples
Oscar de la Renta

P
PacSun
Paige Denim
Pandora
Parachute Home
Patagonia
Paul Stuart
Peruvian Connection
Peter Millar
PGA TOUR Superstore
Pottery Barn
Prada
Primark

R
Rag & Bone
Ralph Lauren
Reebok
Reformation
REI
REISS
Restoration Hardware
Rhone
Rimowa
RITUALS
Rothy's

S
Saint Laurent
Saks Fifth Avenue
Sally Beauty
Sam Edelman
Samsonite
Sandro
Saturdays NYC
Scotch & Soda
Sephora
Shinola
SNIPES
St. John Knits
Stadium Goods
Steve Madden
Stone Island
Stuart Weitzman
SuitSupply
Superdry
Sur La Table
Swarovski
Swatch

T
Talbots
Tamara Mellon
Target
Ted Baker
The Kooples
The North Face
The RealReal
The Vitamin Shoppe
Theory
Thom Browne
Tiffany & Co.
Timberland
Tod's
Todd Snyder
Tom Ford
Tommy Bahama
Tommy Hilfiger
Tory Burch
Trina Turk
True Religion
Tumi

U
UGG
ULTA
Under Armour
Uniqlo
Urban Outfitters

V
Valentino
Vans
Vera Bradley
Versace
Victoria's Secret
Vilebrequin
Vineyard Vines
Vitamin World

W
Walmart
Warby Parker
West Elm
Williams Sonoma
Woolrich

Z
Zadig & Voltaire
Zara
Zumiez