

The Future of **E-COMMERCE IS OFFLINE**



THE WORLD OF RETAIL EXECUTION IS GOING THROUGH A HUGE REVOLUTION.

Stores are consolidating and emerging into super-chains, both budget and premium brands are on the rise, and e-commerce is bigger than ever. Furthermore, physical retail is getting completely transformed by mergers between online and offline avenues into one seamless customer experience. The rise of e-commerce and online shopping is not indicative of the death of traditional stores; in fact, many e-commerce stores - some of which have only ever been online - are now migrating offline. In short, the future of e-commerce lies in emphasizing a business's brick and mortar presence.

When the popularity of e-commerce first started growing during the early 2000s, marketers were aware of two things:

- 1. The importance of the information super highway**
- 2. How badly customers wanted an online, one-click, super seamless shopping experience**

The information age gave people a way to shop from the comfort of home and avoid brick-and-mortar stores. Black Friday was countered by Cyber Monday, and many stores saw a decline in sales at physical locations.

But the times are, once again, changing. The omnipresent use of mobile and the rise of retail mobile data collection are allowing brands and retailers to bring the digital world to life. Shopify, one of the world's top e-commerce platforms, has a point-of-sale system that connects physical and online retail. Amazon has a same-day delivery system that thrives because of physical warehouses with delivery personnel ready to hand products off to customers. This is very different from the former online-only method of keeping all inventory in one or two warehouses and managing business remotely.



THE INTERNET IS STILL A LARGE PART OF THE AVERAGE CONSUMER SHOPPING ROUTINE.

About 70% of shoppers research items online before they shop at a store and nearly 25% of consumers use their mobile phones while they're in brick-and-mortar stores. Physical locations remain a cornerstone of the retail experience that customers demand, and retailers need to understand.

Brands, retailers and distributors must tap into the power of the [showroom](#). Warby Parker's marketing strategy offers a working example of just that: 10% of [Warby Parker](#) sales occur offline, but that percentage leads to customer retention and online sales. By opening a physical location, Warby Parker provided customers with the opportunity to experience – try on, touch and test – their products.

It's also important to leverage the power of social media and customer service. Brick-and-mortar stores can personalize the customer experience in a way that can't be replicated online. Store layouts for vendors like Bow and Drape, Bonobos and Birchbox often reflect the online customer experience. Bonobos stocks no inventory, and [Birchbox](#) models their stores from the brand's success on the Internet. Other stores are showcasing a completely innovative design, whether it's using a dining room, kiosk, or selling out of a truck. Starting out with a small presence in the physical world will show you exactly how successful you can be offline.

E-COMMERCE STORES ARE STILL GOING TO MAINTAIN AN ONLINE PRESENCE - THEY WILL MERELY AUGMENT THEIR E-COMMERCE PLATFORM WITH PHYSICAL LOCATIONS.

It's important to use conversion rate optimization in order to combine the power of online sales with brick and mortar, thereby maximizing overall revenue and customer loyalty. You want to convince consumers online that it's worth the time and effort to come see your product in person.



Likewise, you want to optimize your physical location for online users. You can use promo codes in your store to track online sales and referrals, or you can build an email list of people who are already in your store. The move to brick-and-mortar is a great step towards building loyalty programs.

THE COMPETITION AMONG BRICK-AND-MORTAR STORES IS GROWING AND THE WAR OVER SHELF SPACE CONTINUES.

As e-commerce transitions offline, you can expect to see more storefronts pop up, as well as more customers expecting an amazing customer experience when they visit a store.

The combination of e-commerce and brick and mortar means that offline sales are more important than ever, and companies need to make sure to leverage this connection. The transition of e-commerce to brick and mortar validates the need for physical storefronts. Established businesses should be thinking about making the most of this transition right now, and e-commerce startups should consider how this change ought to factor into their business model over time.

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