Omni-Channel Retailing (Lux) FA2019 A Term

Course Objectives:

Expose you to real-world examples, strategies, and behind the scenes on how retailers are facing the challenge of taking an overused buzzword and translating it to a meaningful path to executing the right experience, at the right time, for the right customer. This course will consist of lecture, guest speakers, and group project focused on providing students with real world knowledge of the following key topics:

- Define and understand what omni channel means for today’s retailers and the challenges they face in developing a winning strategy
- Create business metrics that rationalize our model and translate those into measurable KPIs
- Ability to read, model, and optimize P&L and develop a rational financial approach supporting key themes and initiatives
- Understand and build a roadmap that drives impact based on people, process, and technology
- Understand the challenges and develop a model for optimal marketing mix allocation, budgeting, and best practices across all channels
- Segment consumers and audience to drive relevant channel and messaging strategy centered around lifetime value
- Quickly and accurately understand audience and consumer behavior
- Understand core components of ecommerce/technology platforms that unlock the ability for growth transformation
- Develop customer journeys and mapping to create an inspirational shopping experience across all channels
- Become acquainted with the next generation of tools and methodologies to drive experimentation and innovation in a digital and mobile first landscape
- Ability to become marketer of the future in capabilities and knowledge that deliver best in class marketing and retail experience
- Develop strategy for todays in store experience
- How to maximize distribution channels that enable greater product speed to customers

Course Outline

Assignments
- Group Project – Naadam
- Store Visits
- Capability Recommendation
- Guest Speakers and Panel Conversation

Weekly Cadence
- Today’s Class – What’s out there? What does today’s landscape look like?
- Customer Experience and Customer Journey
- Technology and Operations
- Digital Marketing and Data
- Other Considerations?
- So what’s next? How do we bring it together?
When it's all said and done what's in it for you?

- My availability and resources – office hours, email, and text
- Ask me anything breakfast sessions
- Introductions

**Grading**

This course requires individual effort as well as teamwork and collaboration. You will need to participate in a group project throughout the course, splitting up work and collaborating efficiently, resulting in a final presentation on the last day of class.

- **Class Participation 30%**
  - Attendance – 15%
  - Class Participation – 15%
- **Individual Work 30%**
  - Two Assignments – 20%
  - One Case Study Analysis – 10%
- **Group Project 40%**
  - Omni Channel Transformation for Naadam

**Group Project**

Using what you learn throughout the course each group will present a Long Range Plan (LRP) to Matt Scanlan, the founder and CEO of Naadam. Each group will be required to visit and evaluate their online and brand experience as well as competitors. Prior to conducting your evaluation each group will review and discuss with Professor Lux why they believe the selected brands are relevant competitors and serve as a benchmark for Naadam. Each group will identify key strategic scenarios by level of investment, effort, and capabilities that will pivot the brand more aggressively into an omni channel experience and deliver $250M Revenue by year end 2022. Each group will make a 20 minute presentation consisting of no more than 20 slides. For key details please refer specifically to the assignment details. Each group will turn in and share a one-page executive summary along with their presentation slides on the final day of class.

**What you need to know**

- All students will be required to turn in all assignments, and late assignments are never permitted – **NO EXCEPTIONS**.
- To prosper in this class, you must attend every class and complete all assignments before the due date. Please email at least 24 hours in advance of a class if you need to request and excused absence. Aligned with Core culture, **students who miss more than 33% of classes (unexcused absences) will receive a maximum course grade of P. Students who miss more than 50% of classes (unexcused absences) will receive an F in the course.**
- There is a **strict no laptop/device policy** in class. Students who have special permission to use a laptop during class must contact me before the first class meeting. Otherwise, if you have a laptop, it must be stored during class. All other electronic devices (phones, tablets, etc.) are also prohibited during class time.
- Please be on time and present for every session (attendance will be tracked). We will have a 20 minute break and around 5:30 each class. Students are expected to return from the break on time and be respectful of our guest speakers
- Expecting cold-calling
• Bringing your nameplates to every class meeting
• Participating in a meaningful way is expected and part of your grade
• Being respectful of the professor and your fellow students (adhering to the Code of Conduct in the classroom)
• Final Project: Students who miss the final presentation (excused) and do not coordinate with the Professor to make it up during an agreed upon time AND do not coordinate with their team will receive a zero for the Group Project grade.

Course Roadmap

Week 1: Today's landscape
The customer is in control of today's shopping experience and is channel agnostic - if they are even thinking in terms of channel. The reality is much of their experience with a brand is now driven by a mobile app/web experience. What is the role of a physical store in the customers' expectations? Is my most dreaded word omni channel even still relevant? We will explore brands that are clear leaders, those that are store focused, ecommerce focused, and brands that a clear laggards in the space. In 2016 and 2017 much of the press focused on the demise of retail stores and brands. In 2018 we are seeing a re-emergence and many brands are talking transformation. We will conclude by setting the way forward and what leaders in the space are doing to capitalize in this new frontier.

1. Today's Agenda
   a. Background on Scott Lux
   b. Course outline and overview – syllabus review
   c. What will you get out of the class
   d. Grading approach and methodology
   e. Why Omni Channel and what will you take away from this series?
   f. What does today's Retail landscape look like

2. Who is Scott Lux
3. Grading methodology
4. What does omni channel even mean and why do we care?
5. It’s the only way to put the customer first and embrace their modern decision making
6. Was 2017/2018 the retail apocalypse?
7. A brief update on retail heading into holiday 2018 – are we optimistic?
8. So what does that mean for us
9. Existing companies playing defense – just getting the basics done
10. New era of digital native companies - and those playing offense
11. It’s a mobile driven world and will only get worse
12. Is there a difference if you are Multibrand versus monobrand
13. Key functional areas
14. The P&L – margin and profit
15. Org structures? Collaboration
16. Technology roadmap
17. This all sounds good but Customers are in control
18. Today's retailers must differentiate themselves
19. Can we look beyond retail? A bit of perspective
20. What sectors are leading the charge – any research on omni channel beyond retail
21. Who is trying but still lagging
22. Who is winning and what does success look like – potential options listed

**Week 2: Customer Experience and Customer Journey**

Many brands focused their efforts on bringing their brand experience to life through digital. Other brands have focused on reimagining their store experience. To be successful in today’s direct to consumer world a brand must be successful in striking a balance and not losing the human element within the store experience. This all starts with an understanding of customer segments and developing a differentiated cross channel experience to meet their needs.

1. Let’s start with the customer
2. Their expectations are changing – digital capabilities are transforming the retail experience
3. How do you uncover the Voice of the customer and understand their expectations?
4. Defining the 360 Customer Experience and Customer Journey
5. Identifying high value opportunities
6. Customer segmentation – all customers are not equal
7. Personas - bringing life to segments
8. Customer Acquisition
9. Customer Retention
10. Customer programs to support segments
11. Loyalty vs perks
12. Do you need a platform or can you fake it
13. In store experience – don’t believe the hype – it’s all about people
14. But what about the store of the future
15. Size matters – 20 to 40 stores is vastly different from 500+ stores
16. Clienteling
17. Will mobile Solve it all
18. Registered users
19. Personalization / Recommendations
20. Customer journey
21. Analytics and attribution modeling
22. Optimize the experience
23. Events
24. Impact of Buying
25. Product – merchandising in store and online
26. The amazon influence on customer experience

**Guest Speaker:** Matt Scanlan, Founder and CEO of Naadam
Week 3: Technology + Operations
People, technology, and process represent the foundational components in developing a unified transformation strategy. Students must be able to develop a roadmap that establishes core elements, experimentation, and of course innovation. Students will learn how to balance their roadmap with the need for short/near term performance (retail is in the moment) with mid/long term strategy that establishes differentiation and relevancy. Consumers now demand real time access to information (store inventory) and leading brands must be able to have the technology and operations to own the end-to-end omni channel experience.

1. Ecommerce is complex in an omni channel world - Digitization of Commerce
2. Critical to support customer journey and engagement across all channels
3. Where do we want to be?
4. What do we have today
5. Prioritization
6. Cost benefit analysis for all capabilities
7. What do your Investors, Advisors, & Employees want
8. Where are competitors moving
9. What is strategically important to your business now & in the future
10. What will drive value for your business
11. Business requirements - foundational and defines what are we trying to solve
12. Identify dependencies and bundle where possible
13. Platforms and capabilities to drive commerce anytime and anywhere
14. Whats the core tech stack needed in todays ecosystem
15. Online payments
16. ETL and Data
17. Email Platforms
18. Analytics
19. Tracking and capturing site behaviors
20. Campaign orchestration and CRM
21. Inventory implications and visibility
22. Catalogs – product and price
23. International
24. Recommendation engines and reviews
25. Optimization tools
26. Content management platforms and CDNs
27. Speed to customer - Order Management systems and store fulfilment
28. Development and operating model/operational excellence
29. Advanced features and their economics or lack of – adoption remains challenging for digital in store
30. What about AI, machine learning, and voice recognition

Guest Speaker: TBD

Week 4: Data and Digital Marketing
While data and digital marketing has been a staple for most brands, very few have moved beyond talking about omni channel capabilities and features (think pick up in store, magic mirrors, endless aisle), few brands have refocused their efforts on understanding how to reach digital first consumers and
driving interactions at all touch points. In this session students will learn how to leverage data and communicate in an omni channel environment.

1. Let's start with Data – it's drives digital and is foundational for exceeding customer expectations
2. Why is it so critical?
3. Identify Sources
4. How to bring it all together
5. Building and driving awareness
6. Consideration
7. Conversion
8. Adoption
9. Retention
10. Expansion
11. Audience management and optimization
12. Managing Paid channels
13. Managing Free channels
14. Social Media
15. Measurement and reporting
16. Cross channel campaigns – myth or reality.
17. Personalization

Guest Speaker: Tasso Argyros – CEO and Founder of Action IQ

Week 5: Are there other considerations? What’s next? How do we bring it all together?
After spending the first few sessions on establishing a foundation, students will shift their focus to exploring what other elements should be considered in a successful omni channel strategy. In this session we will explore the impact Amazon is having on influencing shopping behaviors and expectations.

1. What about Amazon
2. International
3. Entrepreneurial + Social responsibility
4. Is it only about retail? Are the other successful verticals out there – travel
5. A lot to be learned Experience and journey from pre travel, booking, stay, post stay
6. Returns and high operating costs – will this be the downfall of ecommerce and a benefit to stores?
7. Do agencies help or hurt
8. Store of the future - Hype vs reality
9. Creative
10. The retail and digital challenge
11. Increase revenue by evolving the customer experience across all channels
12. Growing and retaining customer base
13. Allow customers to buy products when it meets their needs and on their terms
14. Improve operational efficiency
15. Determine what success look likes and how its measured and optimized – our work is never finished
Week 6: Group Presentations to Naadam
In this session students will review all of the core elements in developing a viable omni channel strategy. Students will present their final project and discuss how their recommendation will drive meaningful impact for Naadam