

Multi-Channel Leaders, We Salute You:

What You Can Learn From John Lewis

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Who said traditional bricks and mortar retail was dead and almost buried? 150 year old retailer John Lewis is more than very much alive; they're also kicking out the doom-mongers with an inspirational strategy embracing all that's good about physical stores, online shopping and mobile communication. They call it 'omni-channel retail'.

The John Lewis channels:



30 department
stores across the UK



9 John Lewis at
home stores

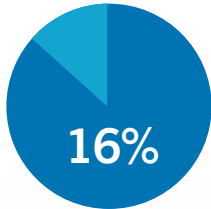


292 Waitrose
supermarkets



Selling online and
via catalogue

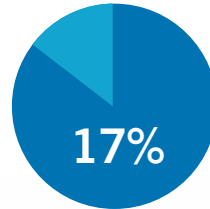
A snapshot of John Lewis' success



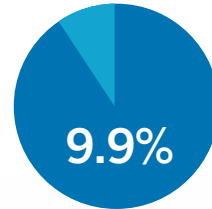
For 2012/2013, profits were up nearly 16%.



1.5 million new customers discovered John Lewis in 2012.



In 2013, all 84,700 partners received a 17% bonus.



Sales in first 11 weeks of 2013/2014 were up 9.9% on previous year.

All routes lead to one brand



John Lewis customers don't buy online, from a local shop, or from a catalogue - they buy from John Lewis. That's the vision behind the omni-channel retail strategy the company is well on the road to delivering.

Omni-channel is all about a seamless customer experience.

Click and collect delivers the goods

Launched in 2009 for John Lewis stores, and more recently extended to Waitrose, [Click and collect](#) is rapidly being adopted by customers. Moreover, it's an online shopping solution that drives footfall into stores.

Click and collect is just one initiative springing from John Lewis' detailed understanding of their customers' journey.

“Click and collect has been fantastic.”

Andy Street,
Managing Director of John Lewis.

The five steps in the buying journey



01. Research

Consumers browse the web, ask their friends and seek recommendations through social media.



04. Delivery

Where, when and how should, as far as possible, be the customer's choice.



02. Purchase

The buying decision is reached and payment made, online or in-store.



05. Returns

The process for returns and refunds should be no harder than that of making the original purchase.



03. Amendments

The customer wants the flexibility to change their mind, even after they've paid.

Almost two out of three buying journeys at John Lewis now involve visits to both a shop and the online channels.

Embracing 'showrooming' and mobile

Consumers want to research their purchase options online and in-store, often simultaneously.

With their focus on the seamless customer experience, John Lewis shows their willingness to play the game by the consumers' rules, and they don't try to impose their own. Through their iPhone and Android apps, John Lewis customers can scan products in-store for more information, read customer feedback, and buy products online if they're out of stock in a specific shop.

“ Mobile is very important; it's the fastest growing area for us. Last Christmas it was up about 200% and it's going to be the fastest growing area this year, particularly in fashion. ”

Andy Street.

John Lewis was acknowledged as multi-channel retailer of the year in the 2013 Retail Week Awards.

Daring to be different

Leading the way in multi-channel retail means taking risks and experimenting with new ideas to learn what works and what doesn't.

The [virtual mirror pilot](#) in Oxford Street allowed customers to 'try on' a huge range of outfits, simply by standing in front of a screen displaying them wearing the virtual garments. Shoppers could then have details emailed to them. But the complexity of information required means it won't be rolled out. An entire virtual John Lewis store operates inside Waitrose in Brighton, where shoppers can scan QR codes of the items displayed. The process of simplifying interaction with the customer needs to be refined before the system can be extended.

Omni-channel in Exeter

In another innovation, [John Lewis opened their first 'omni-channel optimised' shop in Exeter in 2012](#). The ambitious project offers the full John Lewis range in a smaller space, using digital technology to help customers find, and buy, what they want.

“ We understand that customers now shop in many different ways. We have chosen our Exeter shop to test a range of new concepts and trial a selection of interactive technologies for the very first time. ”

Tim Harrison, Head of Format Development, John Lewis.

New technology fuelling omni-channel retail



Interactive displays walk customers through the process of selecting the most appropriate product for their needs.



QR codes turn the mobile phone into a gateway to product information.



Use of 3D cameras allows shoppers to enter a virtual world.



Digitally updatable e-paper replaces printed price tickets.

Making it happen

There's more to delivering a seamless, omni-channel shopping experience than QR codes, flexible delivery options and touchscreens in shops. A truly integrated front-of-house requires an equally integrated infrastructure behind the scenes.

“ There's a quiet revolution underway in our supply chain, information technology and support functions. Our investment in these areas is up substantially and that commitment continues into 2013/14. ”

[Charlie Mayfield, Chairman, John Lewis.](#)

It's not just about the technology

There's more to the John Lewis success story than innovative use of technology. The retailer wins awards for service and satisfaction, because it prioritises the customer experience through everything, from being served at a till in a shop to engaging with frustrated shoppers sending irate tweets.

John Lewis on social media



Twitter:
Over 60,000
followers



Facebook:
Over 650,000
'likes'



YouTube:
Over 5,000
subscribers



Pinterest:
Almost 3,000
followers



Google+:
Over 132,000
followers

Standing still means going backwards

Customers can “ research in one place and shop in the other, they can buy in one place and pick up in the other – the art of sales is consistent across channels, so the whole approach is to make it channel agnostic. They’re not even supposed to know or see or realise which channel they’re using because it’s one overall customer offer. ”

Andy Street

Retail is changing faster now than at any other time in John Lewis’ 150 year history. Today’s High Street is lined with empty properties once occupied by businesses who couldn’t keep up with the pace. But the fundamentals behind retail haven’t changed - keep the customer happy. The continued growth of [John Lewis is founded on this principle.](#)

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