

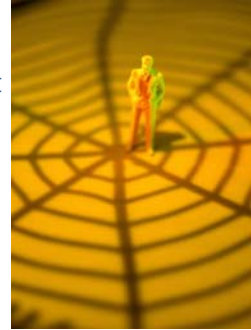
## Integrating Physical and Online Strategies

### Knowing How to Offer Products, Services through Any Channel

In the late 90s, marketing and financial experts predicted the extinction of long-established businesses as relics of the Industrial Age. However, this perception changed when web companies faltered with the dot-com crash at the turn of the century.

As we enter the second decade of the new millennia, businesses young and old are showing success through a potent blend of both old virtues and new technologies.

A business' history and strengths will uniquely reflect how effectively they intertwine their physical and online strategies – *bricks* being the physical, *clicks* being the online. However, how a business successfully marries clicks and bricks shows us that the key elements of a blissful union are the following:



- Early and unflagging support from the top of the organization;
- Meticulous strategic planning based in part with what other organizations have done;
- A click-side operation helps boost brick-side business and vice versa;
- Technology employed not to replace workers but to empower them;
- Allowing customers to switch back and forth from clicks to bricks with a structuring of products, services and functionalities.

### CREATING POWERFUL STRATEGIES WITH THE ELEMENTS

To create powerful strategies as a business owner, you must use each of the aforementioned elements from both bricks and clicks.

#### Start from the Top

Integrating bricks and clicks involve hard work, insight and more than a few frustrations. However, any strategy has to be started by the business owner before someone at a lower level can handle the responsibility. The business owner has to birth and orchestrate the continuous and driving implementation of bricks and clicks to put the business in position for success.

#### Benchmarking

If you're a business owner, you've probably been advised more times than you can count not to reinvent the wheel. The reason for this is simple: it's sound advice! Explore and determine which businesses are marrying clicks and bricks in a way that you might emulate.

*Who's strongest where you may be weakest?*

*What opportunities can you offer for a fair exchange of best practices?*

*How can you encourage internal units to exchange their best ideas?*

#### Righteous Helix of Mutual Aid

Provide incentives for people visiting your business online (your main website for example) to drive sales to traditional outlets and facility-based folks to generate online traffic. That's what Office Depot has accomplished. This Boca Raton, Florida office products retailer achieved its bricks and clicks synergy by getting things right when it first went online.

Office Depot made its web unit an integral and equal part of its overall organization to avoid conflict with its sales department on who would receive commission from incoming deals online. By providing online access to information about store locations and inventory, Office Depot's web sites have increased store traffic. In turn, the stores promote the web sites.

Additionally, the company committed time and expense to fully integrate web functionality with its existing information and infrastructure. This is an often-neglected strategy that can aid Net success. Every Office Depot customer, even one new to web purchasing, has online access to the past 18 months of purchasing history from bricks as well as clicks.

Therefore, Office Depot's experience suggests these strategies:

#### *Incentives*

Always provide incentives for extending click efforts to the brick side and vice versa – ie. Tying part of sales reps' incentives pay to customer use of e-commerce.

#### *Net-Based Sales Valued the Same as Traditional*

You should make net-based sales channels equivalent in structure and status to traditional channels.

#### *Incorporate Web Completely*

Completely tie in web functionality to existing systems as it's introduced.

#### **Technology Goes Hand-in-Hand with People**

New technology is often viewed as a way to reduce manpower. Some dot-coms even trumpeted the fact that they needed no employees at all. However, the businesses that have achieved the most from emerging technologies view them as a way to further empower their people to greater success.

Global retailer and manufacturer Inditex SA of Spain, best known for their hip Zara clothing stores, employs the clicks of their online website to link its people and operations worldwide. This has exponential increased sales from their 2,800 stores spread over 5 continents.

Every Inditex location has computers, where managers and sales reps enter notes on their sales-floor observations. They write not only what products are selling but when, how and why they are over others. Fashion consultants similarly report from the favorite haunts of target customers. All of this input is analyzed in La Coruna by designers and production managers. They're empowered to make decisions on what to make, how to make it, and where to send it. As a result of these observations, there will be a shorter span between field observations and delivery of new fashions.