

How retailers like Sephora, Nike, and Amazon bridge the digital-physical gap

Article

Embracing mobile gives consumers access to a branded experience both online and in-store, while in-store technologies bring the digital world into the physical. To cater to shoppers no

matter where or how they shop, brands should also make sure they're balancing in-store and online rewards as well as D2C and wholesale commerce.

Here are four tips to boost your omnichannel strategy.

1. Focus on the mobile experience

An increasing amount of online purchases are made on mobile devices. This year, US retail ecommerce sales from smartphones will total \$428.1 billion, up 16.7% from 2022, according to our forecast. Over the next four years, that number will grow to \$793.0 billion.

Mobile also has a place in brick-and-mortar retail. One-third of US shoppers say that finding or redeeming coupons or deals is the top reason they use a retailer's mobile app in-store, according to a 2022 survey from Kantar and Google. Other top reasons include checking inventory availability, reading product reviews, or locating or finding products in-store.

Follow the leader: With Sephora's mobile app, customers can buy online and get same-day delivery; buy online and pick up in-store; or shop in-store with app-provided recommendations, reviews, and pricing information. This strategy ensures that no matter where consumers are, they can browse, research, and shop Sephora products.

Pro tip: If you want to encourage mobile app use in-store, make sure customers have free Wi-Fi.

"Not having good, [free] Wi-Fi or making the password available just makes it a friction-filled experience," said our analyst Suzy Davidkhanian on a "[Behind the Numbers: Reimagining Retail](#)" podcast episode. "In today's world, there is no reason to not have free Wi-Fi, especially if you want me to use your app."

2. Bring the digital experience in-store

Besides mobile, there's a variety of ways to use digital to enhance the customer journey.

- Smart shopping carts, like the ones [ShopRite and Fairway Market are testing](#), let shoppers scan and pay for items without having to wait in line at checkout.
- [The Kroger Co.'s smart cooler screens](#) act as both in-store advertisements and a place for customers to learn more about products.

- Amazon is giving consumers a safer, easier way to checkout with **biometric payment tech** at Whole Foods Market.

Follow the leader: Late last year, **Nike opened its first US location for its Nike Rise** concept. The store features LED screens that display real-time sports moments and seasonal brand campaigns, as well as city-specific member data from the Nike Training Club and Nike Run Club apps. There's also a Sports Hub where Nike members can access services like buy online, pick up in-store; digital returns; curbside pickup; and scan to learn.

“Digital drives everything from consumer insights, store design, online-to-offline services, in-store fitness experiences, and workouts via our digital app ecosystem,” David Kelsay, vice president of North America stores at Nike, told Forbes. “Our aim is to create digitally enabled and differentiated retail experiences to create seamless shopping and fitness journeys for our consumers across our marketplace.”

3. Offer physical and digital rewards

If a brand's rewards program leans too heavily toward in-store or online, it's not going to foster a true omnichannel experience. Be sure to offer deals that cater to online shoppers, in-store shoppers, and those who lie somewhere in between.

Follow the leader: Amazon Prime Day started in 2015 as a purely online shopping event. But as Amazon added more physical stores under its banner (by acquiring Whole Foods and expanding its own branded locations), the company has expanded its Prime Day deals to include in-store shoppers.

This year, **Amazon offered exclusive in-store deals** for shoppers at Amazon Fresh, Amazon Go, Amazon Style, and Whole Foods.

This not only serves to keep in-store shoppers from seeking deals elsewhere, but also gives a **boost to Amazon Fresh stores** at a time when the company's grocery business is struggling to find its identity.

4. Be where your customer is

Brands of all kinds have struggled to find the right mix between wholesale and D2C commerce. To truly get it right, brands need to understand where—and how—their audience

is shopping. That may mean moving into a new channel or dialing back on a strategy that just isn't resonating.

Follow the leader: As a D2C company, **Solo Brands generates most of its business through its ecommerce site**, said John Merris, CEO of Solo Brands, at last month's CommerceNext event. As it's grown, the company has had to rethink how and where it sells its products.

"We want to own the relationships, but we also want to be available to our customers where they are and [where it's] convenient [for] them," said Merris, noting the brand's move into retail spaces is directly related to calls from customers wanting quicker, easier access to Solo brand products.

This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).