

HOW TO STAY AHEAD OF ONLINE PURCHASING

SIX RECOMMENDATIONS

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Responding to the changing environment is not only about digital capabilities. It is about understanding what customers want and need, and then delivering it better and faster than your competitors. Here are six recommendations for how your company can come up with a credible plan to stay ahead of the shifting landscape in wholesale distribution.

RECOMMENDATION ONE: FAST-FORWARD ANOTHER FIVE YEARS

Ask yourself: "What could Amazon do to my sector if they got serious?" Work this through at the level of customers, purchase occasions, and categories.

RECOMMENDATION TWO: GET CRYSTAL CLEAR ON WHAT YOU NEED TO DO TO WIN CUSTOMERS

If your prices are more than 10 percent above Amazon's, it's time to review your pricing policy. If you can't fulfill next day delivery on 90 percent of your products, it's time to review your supply chain.



RECOMMENDATION THREE: STAY CLOSE TO BOTH YOUR CUSTOMERS AND COMPETITORS

Do you collect monthly customer feedback on your local service performance? Do you know how customers rate you versus competitors on key dimensions such as value, product quality, and service? Can you map this versus AmazonSupply? If not, you should.

RECOMMENDATION FOUR: GET SERIOUS ABOUT CUSTOMER RETENTION

Focus on information, services, and apps that you can deliver in a better way to core customers in a multichannel world in order to save them time or make them more productive. Pursue service activities that will enable you to “automate” online, cut costs, and drive up sales.

RECOMMENDATION FIVE: GO ON THE OFFENSIVE

Once you have a robust online catalogue and transaction engine, “re-skin” it for direct sales to consumers. Then, start adding more adjacent product categories. Consider acting as the fulfillment partner for AmazonSupply or a large B2C player.

RECOMMENDATION SIX: START THINKING “MOBILE FIRST”

Today, there are more mobile devices connected to the Internet than personal computers. Mobile commerce is forecasted to quadruple over the next five years. Delivering simple, relevant, highly personalized information, services, and ordering capabilities to customers while they are going about their business will be a competitive game changer.

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