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# **OMNICHANNEL EXPERIENCE – TOWARDS SUCCESSFUL CHANNEL INTEGRATION IN RETAIL**

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## **ABSTRACT**

This study examines omnichannel experiences in retail. The retail market has changed significantly since digitalization: Internet markets reveal price differences, provide product information, and offer comparison possibilities. The purpose of the present study is to theorize how retailers should integrate online and offline store channels to provide the best omnichannel experience. Empirical data for this study were collected through 20 semi-structured themed interviews conducted with customers who have visited both the online and the physical stores of the same retailer. The data were analyzed through content analysis. Overall, the findings provide several managerial insights into omnichannel management. According to the results, customers expect online and offline channels to support each other. They are using their mobile devices to visit online channels while in physical stores to compare prices and products and expect to see the same products and prices in both channels. They want their experience to be seamless. The results also highlight the importance of channel integration in enhancing positive brand experiences.

**Keywords:** Brand experience, omnichannel retail, omnichannel management

## 1. Introduction

According to Deloitte's (2018) forecast for 2018 many changes will occur in retail markets. The growth of online retailing is continuing, and it is going to have a great impact on traditional retail players. The number of physical stores will decrease, but they will still have important role in retailing. Customer experiences are now more important than ever, and digital technologies will have a key role to the store experience.

Consumers are spending more and more time on smartphones relative to other devices. Typically, they conduct searches on mobile devices and make purchase in physical stores (Singh and Swait, 2017). Today, 8% of time spent online is related to shopping (Mander and Jason, 2017). According to eMarketer's forecast (2017), while 80% of retail sales still occur in physical stores, 80% of all sales consist of web-enabled brick-and-mortar shopping. According to Brynjolfsson, Hu, and Rahman (2015), more than 50% of cell phone owners in the United States have smartphones, and over 70% of them have used their mobile devices for comparison shopping. Thus, understanding the role of mobile technologies in retail has become critical. For example, Apple's Siri application for the iPhone can make recommendations based on customers' location and other factors. It can help out-of-town visitors find local stores and restaurants. These applications open up new opportunities to marketers.

This research of omnichannel experiences can help managers understand the nature of online and physical store integration and provide resources to improve customer experiences. Consumers are searching for information from several sources and are using multiple-channel combinations, including stores, catalogs, and the internet (Shim et al., 2001). Technology is breaking barriers between different retail channels, and consumers are shopping in multiple channels and expecting seamless shopping experiences between channels. Customers use both online and physical stores when engaging in purchase behavior, and their choice can influence their purchase intentions (Verhagen and van Dolen, 2009). Retailers should synchronize all their channels (Shim et al., 2001), as the retail industry is shifting towards helping consumers rather than focusing only on transactions. New channels, such as mobile channels, are becoming more important, and Thakur (2016) noted that mobile shopping has very strong emotional significance for customers, because mobile shopping sites are a source of entertainment.

The purpose of this study was to determine how retailers should integrate their online and offline store channels to provide the best retail brand experience. The research focuses on online and offline store images and their effects on brand experience and examines channel integration from the perspective of omnichannel management. The specific research questions in this study are as follows: 1) What are the characteristics of the omnichannel experience? 2) How should retailers integrate online and offline channels to create a satisfying brand experience? 3) How should firms use digital technologies to improve brand experiences in physical stores?

First, the conceptual framework and methodology are presented. In the ensuing section, the findings as well as theoretical and managerial implications are discussed. We end with presenting the limitations of our study and proposing several areas for further research.

## 2. Retail brand experience in an omnichannel environment

Researchers have suggested various definitions of brand experience. Zarantonello and Schmitt (2010) described it as customers' subjective and internal responses, sensations, feelings, cognitions, and behavioral responses. For example, a good experience plays a critical role when customers are choosing a website from which to purchase (Ha and Perks, 2005). Some experiences are more positive, and the durations and intensities vary between different customers' subjective experiences (Brakus et al., 2009; Zarantonello and Schmitt, 2010). Ha and Perks (2005) show that in the online context, brand experience has an important link with satisfaction and trust. They argue that the brand is connected to intentions for future purchasing in that way.

Brand experiences occur when consumers are searching for, shopping for, receiving, and consuming products and services (Zarantonello and Schmitt, 2010). According to Brakus et al. (2009), product experiences happen when consumers are interacting with products, particularly searching for, evaluating, and examining products. Shopping and service experiences occur during consumers' interactions with a store's physical environment, while consumption experiences involve consuming and using products. Frow and Payne (2007) highlighted the role of marketing communication and advertising, which allow marketers to influence customer's memory-based activities such as subconscious processes, and information processing.

Customer's experience includes the search, purchase, consumption, and after-sale phases—elements which the retailer may or may not be able to control (Verhoef et al., 2009). According to Brakus et al. (2009), brand experience contains four dimensions: sensory, affective, intellectual, and behavioral (See Figure 1). Additionally, Verhoef et al. (2009) stated that the social dimension, such as other customers, salespersons, friends, and family members, also influences the brand experience. Customers find some dimensions more important than others, and the importance varies among consumers (Zarantonello and Schmitt, 2010).

Positive experiences online correlate with fun, recreational and experiential usage of the web (Novak et al., 2000). Customers form relationships with brands they interact with, which leads to satisfaction and behavioral intentions to purchase (Morgan-Thomas and Veloutsou, 2013). The positive online shopping experience, such as searching for product information and purchasing, should be easy (Novak et al., 2000).

### 2.1. *Online channel image*

For approximately 20 years, researchers have shown interest in how retail store images are built up online. Customer experience online is the consumer's response to the stimuli within a website environment, and it is linked to intention to purchase (Morgan-Thomas and Veloutsou, 2013; Verhagen, 2004). Because consumers are better informed about prices online, obtaining information about additional sellers reduces their costs of search. Communication possibilities and transaction capabilities online have lowered search costs for both customers and vendors (Bakos, 1997; Browne and Durrett, 2004). The literature suggests different factors influencing online store image (see Table 1).

**Table 1.**

## Online store image

Author(s)	Year	Sample	Key findings
Childers et al.	2001	274 students in introductory classes in the business school of a large Midwestern university	Online navigation is “self-directed movement through the media” and involves nonlinear search and retrieval methods that increase freedom of choice. Easier navigation with product quality information makes consumers less price-sensitive and decreases the psychological costs of shopping, which may make the experience more enjoyable.
Elliot and Speck	2005	40 college students	Online store merchandise is amount of the assortment, accuracy of the stock, and information about the products offered. Online atmospheres that offer sensory and hedonic stimuli from colors, music, action, and interactivity increase customers’ willingness to visit again. Useable online navigation requires clear organization, uncluttered screens, logical flow, and ease of navigation, which should help customers to process product and purchase information, decrease customer’s search costs, and conduct faster and more effective searches. Online return policies, privacy policies, and third-party assurances diminish perceived risks, such as misuse of personal data, cookies, and spam.
Eroglu, Machleit, and Davis	2003	328 respondents of online questionnaire	Online atmospheric factors, such as website environment, provide information about the retailer. The atmosphere’s effect on customer behavior is indirect, and it is the result of the emotions experienced on the retailer’s website.
Gefen, Karahanna, and Straub	2003	213 online shoppers	Trust encourages customers’ online business activities by reducing the social complexity, such as undesirable yet possible behaviors of the retailer, the consumer faces in online retail.

Hoffman, Novak, and Peralta	1999	Two surveys; 1,555 and 14,014 web users	trust has a link with usefulness of a Web site Consumers do not trust most online retailers and are not interested in giving money or personal information to them. Consumers are worried about misuse of their data and the difficulty of controlling secondary use of their information.
Lee and Lin	2006	165 members of online communities	Online service quality, linked with clear navigation, is a key driver of customer satisfaction and trust.
McKnight, Choudhury, and Kacmar	2002	1,403 undergraduate and graduate students	Website quality and vendor reputation contribute to trust in an online environment.
Verhagen and Van Dolen	2009	685 registered customers of one of the largest bricks-and-clicks music retail stores in the Netherlands	Online store image is a combination of four factors: online service, merchandise, atmosphere, and navigation.

## *2.2. Offline channel image*

The literature on physical store image (see Table 2) recognizes several factors behind store image. Verhagen and Van Dolen (2009) presented a model for physical store image where they introduce factors behind it. Like their online store image model, it includes service, merchandise, and atmosphere factors, but instead of navigation, it includes the offline layout. Along with traditional offline store factors, customers are using their mobile devices in physical stores for information search, and retailers are offering digital in-store solutions to facilitate purchasing (Zhang et al., 2010).



**Table 2.**

## Offline channel image

Author(s)	Year	Sample	Key findings
Baker, Grewal, and Parasuraman	1994	157 students	Service quality is a key component in physical store image. Store merchandise factors, such as quality, styling, pricing, and assortment, influence customers' behavior.
Dabholkar, Thorpe, and Rentz	1996	225 customers of department store chains in United States	Service quality involves physical aspects (appearance and convenience), reliability (fulfilling promises and doing it "right"), personal interactions (helpfulness and inspiring confidence), problem solving, and policy.
Donovan et al.	1994	60 shoppers of two different stores	If the atmosphere evokes the right emotions, consumers enjoy shopping in the store. They spend more time browsing and are more willing to contact salespersons. They may spend more money than they have planned and are more willing to return to the store.
Sweeney, Soutar, and Jonson	1997	Two different samples: an exploratory survey with 609 respondents and a confirmatory survey with 459 respondents	Functional service quality relates to how a service is delivered, responsiveness, empathy, and courtesy, and technical service quality relates to product that was delivered and knowledge about it.
Verhagen and Van Dolen	2009	685 registered customers of one of the largest bricks-and-clicks music retail stores in the Netherlands	Physical store image is a combination of service, merchandise, atmosphere, and layout.
Yoo, Park, and MacInnis	1998	294 customers of the two largest department stores in Ulsan, Korea	Physical store characteristics include assortment, price, service, location, facilities, and atmosphere. Returns, repairs, delivery, installation, and refunds are key elements of offline service.

Zhang et al.

2010

Literature review

Customers are using technologies like ordering hubs, iPads, and display screens to make purchasing easier, which creates a totally new merchandise layout.

### 2.3. Omnichannel perspective

Recently, Piotrowicz and Cuthbertson (2014) examined the role of information technologies in retail. New technologies, smart mobile devices, and social networks increase the incremental importance of in-store technological solutions. The omnichannel concept is defined as using many channels, like the internet, mobile devices, and physical stores, all within the same transaction process. The shopping experience should be smooth, and because the channels are managed together, customers should be interacting with the brand, not with the channel. Virtual screens, virtual mirrors in fitting rooms, digital signage, intelligent self-service kiosks, vending machines, and dynamic menus are in-store technologies used to improve customer's experience.

According to Verhagen and Van Dolen (2009), online and offline stores are part of the same customer experience (See Figure 1). Previous studies (Vahie & Paswan, 2006; Yoo et al., (1998) have proposed the relationship between store image and customer's brand experience. Yoo et al. (1998) found positive relationship between in-store image and emotional experience and brand attitude. Vahie and Paswan (2006) got similar results between store image and private label brand quality and affective perceptions. Oh et al. (2012) stated that retail channel integration has positive effects on firms' performance and competences. With IT, firms are able to integrate their resources to create satisfying customer experiences. Both online and physical stores should serve cross-channel consumers, and successful channel integration may improve retailers' performance. In addition, Blom et al. (2017) noted that omnichannel retailing has a positive influence on performance and experience. Thus, we propose that:

*P1.* Online and offline store images should be integrated smoothly to provide positive brand experiences.

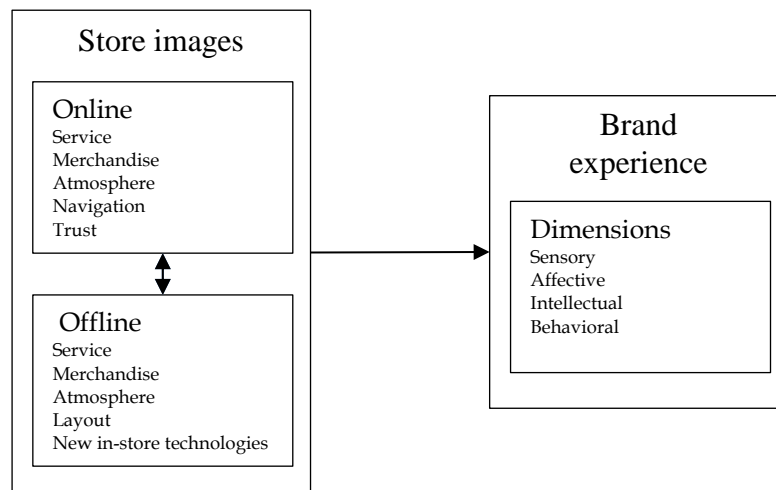


Figure 1 Research model: formulating customer experiences in an omnichannel context (modified from Brakus et al. 2009; Verhagen & Van Dolen, 2009)

Piotrowicz and Cuthbertson (2014) reported that channel integration plays an important role in building customer experience. Customers choose channels depending on their current situations, so easy movement among channels is important. Customers are also using their mobile devices in-store. For instance, they may check prices online before making an in-store purchase, search for information, compare products, ask for advice, and look for cheaper alternatives. Scanning QR codes and bar codes, which allows customers to check cheaper alternatives when they are in the store, has become popular as well. Customers are able to check product ratings from social networks or contact their groups to ask questions, and retailers cannot control these interactions.

Verhoef et al. (2015) showed that omnichannel retail is replacing multi-channel retail. Compared to multichannel management, omnichannel management includes more channels. Omnichannel channel management is interactive, and the mass-communication channels include stores, online websites, direct marketing, mobile channels, social media, TV, radio, print, and customer-to-customer communications. These channels should provide a seamless retail experience because they all influence retail customer experience and each touchpoint influences brand and retail performance. However, is integration across channels always as good as it is usually considered? Lemon and Verhoef (2016) noted that mobile devices are more suitable for searching than purchasing, and some channels are more useful than others at different stages of the buying process. Hennig-Thurau et al. (2010) stated that touchpoints like one-way and two-way interactions between retailers and customers, such as through social media or word-of-mouth communication, influence brand consideration.

Overall service quality perception is a result of customer's interactions with available technologies and service people (Pantano and Viassone, 2015). With digital technologies, retailers have enabled omnichannel retailing dynamics that influence both the consumer and the business (Lazaris and Vrechopoulos, 2014). For example, mobile shopping has strong emotional significance to customers because of the entertaining aspect of mobile shopping sites (Thakur, 2016). Based on these findings, we propose that:

*P2. Digital technologies improve customer experiences in physical stores.*

Verhoef et al. (2015) stated that the main difference between traditional multi-channel management and omnichannel management is the separation of the channels in multi-channel management. The channel integration characteristic of omnichannel management aims to provide seamless retail experiences. While multi-channel management focuses on interactive channels, omnichannel management also uses mass-communication channels to reach customers. Dholakia et al. (2005) examined customer behavior in a multichannel retail context and stated that customers typically use the same channels for repeat purchases. If they are switching between channels, they are more willing to switch between similar channels, such as catalogs and websites, than dissimilar channels such as retail stores and websites.

Brynjolfsson et al. (2013) reported factors that improve the omnichannel experience: First, retailers should provide attractive pricing and good content. Second, retailers should gather new data from social, mobile, and nearby establishments. Transaction data and data from customer interactions are both valued. Next, retailers should avoid facilitating direct price comparisons. Consumers like to compare prices, which may be damaging to sellers. Making direct price comparisons difficult, such as by providing exclusive offerings, distinctive features, or product bundles, can protect retailers from competitors. Retailers should provide information about their inventory that

makes finding products from physical stores much easier. The ability to transfer product knowledge across brands is damaging. Good channel integration attracts consumers who prefer shopping in multiple channels.

Verhagen and Van Dolen (2009) found a positive influence of online store image on offline store purchase intentions. They also propose that offline store image affects online store purchase intentions. Huré et al. (2017) discovered that all omnichannel touchpoints should be managed specifically but not in isolation. According to Herhausen et al. (2015), channel integration leads to purchase intentions on both online and offline channels. Therefore, we propose that:

*P3. Good channel integration encourages consumer to use multiple channels.*

### **3. Methodology**

This paper utilizes a qualitative approach to investigate omnichannel experiences through one-on-one, in-depth, semi-structured interviews. The chosen primary data collection method leaves space for deeper discussion and understanding of the phenomenon (Järvenpää and Lang, 2005). Interviews followed a semi-structured guide that determined the topics of the study. However, the semi-structured interview format allowed interviewees to express their own viewpoints. Therefore, the respondents provided data on their own subjective experiences. The interview guide was designed to discover personal thoughts and opinions about omnichannel experiences. The aim was to collect reflections regarding channel use and integration.

Participants were selected using a purposeful criterion sampling method to gather knowledge and experience about the researched topic (Patton, 2002, 40–46). In this research, the following criteria were used: informants should be adults, both men and women. All informants should have had experience visiting both online and physical stores of the case firms. The age of the interviewees ranged from 19 to 29; people in this age range are the most active in using different channels for shopping.

Quiet locations were selected for each interview to facilitate recording. After each interview, the recording was transcribed, and interviews were lettered word for word. Respondents had time to think about their answers and felt free to answer as they wished. Further questions were used to keep the discussions going and to gain deeper insights. If an answer was unclear, the researcher asked follow-up questions to obtain a deeper understanding.

Miles and Huberman (1994) described three stages in successful content analysis: data reduction, data display, and conclusion drawing. In this research, the analysis phase followed their framework. In the reduction stage, data was organized according to the main themes. Interviews were read individually and then coded to categories.

In terms of gender, the sample (n=20) was evenly split to men (50%) and women (50%). Close to half of the interviewees (45%) were between 25 and 30 years old. Half of the respondents (50%) were students, and the rest were employed full-time. The average duration of the interviews was approximately 18 minutes. The profile of the sample (sex, occupation, age, and the duration of interview) is shown in Table 3.

**Table 3.**

Profile of the sample

Sex	Occupation	Age
Male	Student	21
Male	Student	22
Male	Working	23
Male	Working	23
Male	Student	23
Male	Student	25
Male	Self-employed	27
Male	Doctoral student	27
Male	Working	27
Male	Working	29
Female	Student	19
Female	Student	21
Female	Student	21
Female	Student	21
Female	Student	23
Female	Student	24
Female	Working	25
Female	Working	28
Female	Working	29
Female	Working	29

## 4. Findings

In the findings, the images of different retail channels are discussed first. Second, channel integration opportunities and problems are described. Third, the role of digital technologies in traditional offline purchasing is introduced.

### 4.1. Online and physical store images

Our data suggests that both online and physical stores are behind customer's impression about brand. Physical stores are only more important than online stores if the product is not important to the consumer. Some respondents thought that the product that they are buying has an impact on which channel they find more important. In some cases, the online store may be satisfying, but the offline store is not, or the reverse may be true.

“The physical store has a bigger effect. If I visit a physical store and have a negative experience, it has a bigger impact. If I'm visiting an online store and have some problems with the internet connection, it isn't such a big problem for me.”—Male, 25

“I think that usually if the offline store is good, the online store is also. It is possible that smaller retailers are not very active in updating their websites, but the service

at physical stores is good. I think the physical store is more important to my brand experience.”—Male, 27

“If products are not very important for you and you can find them anywhere, the online store is more important. For example, if I’m ordering a package of nails.”—Male, 29

Over half of the respondents (65%) found the ability to see, touch, and try physical products prior to purchase the most important reason to visit physical stores. Thirty percent of respondents also wanted to get products immediately and found return policies to be better in physical stores than online. In addition, some of the study participants mentioned that offline shopping is an easier way to make purchases than through online stores because the purchasing process is physical.

“When I have to see the physical product. I can see if the size is suitable and try it.”—Male, 23

“You can go to Intersport and buy a jacket and then walk out with that jacket and use it instantly.”—Male, 23

Respondents set their expectations for physical stores based on their experiences in the same retailer’s online store. They expect the same prices in both stores. Also, if the online store’s website navigation is not clear and the site atmosphere is not pleasant, customers will expect to have a similar experience in the physical store. Some respondents note that in this digital age, every physical store should also have an online store.

“Prices should be same as in the physical store if the retailer is same. That way I can find the same product with the same price from the physical store.”—Male, 26

“Online and physical stores should look the same. If the retailer has good quality online, I will expect the same in the traditional physical store. The images should be convergent.”—Male, 29

“If the web store’s layout doesn’t make a good impression or if there is news from last year and I notice that the site isn’t updated, I will think that prices and products are not correct. The website could have positive or negative effects. The layout doesn’t have as big of an effect as the updating, but if it is confusing, I will choose another web store. The maintenance is important.”—Male, 27

“Both online and physical stores have influence on my impression of the brand – if one is dissatisfying, the whole brand is ruined” –Male, 27

Why are customers visiting online stores? The larger assortment was the main reason for seven respondents. They noted that online stores offer more options, including the ability to visit international stores. Moreover, as with physical stores, some of the study participants see online shopping as an easier way to make purchases, one that saves time and effort because they can visit online stores from their homes. Men were more interested in functional value of online channel than women, for example searching for

information and comparing products. Social media was more essential for women, who got inspiration from blogs and Instagram.

“There are more products available because I can also visit foreign markets.”—Female, 21

Another key experience outcome from online stores was that comparing products is easier online. They see more alternatives in a shorter time. Customers are comparing products, prices, and assortment among different stores.

“I visit online stores because comparing products is easier. You can compare, for example, prices and assortments between stores. From one place you can see many different stores.”—Male, 22

#### *4.2. Channel integration*

The importance of seamless channel integration is undeniable. The experience narratives point out the relationship between the experienced problems and differences in prices and assortment. Respondents noted that sometimes prices are different between the physical store and online store. If a retailer is offering a certain price in its online store, the customer is expecting the same price if he walks into a physical store. Some retailers also have problems updating their product availability on their websites, and empty shelves disappoint customers. However, around one third (35%) of the respondents did not face any problems at all if a retailer had both online and physical stores.

“It feels like they don’t update product availability in real time. You are expecting that there should be still some products left but go to the store and find empty shelves.”—Male, 27

“I’ve checked that there are products in the store, but when I went to the store, there weren’t. And then they told me that there wasn’t anything left in the warehouse.”—Female, 21

“There have been situations in which the price is lower online. But the price difference is usually so small that I’ve bought the product from the physical store anyway.”—Female, 29

Some of the study participants thought that online and offline stores should support each other by allowing consumers to search for or try products online and purchase them offline. If retailer only has a small amount of stock in its physical store, it might be acceptable to have lower prices in the online store.

“There should be more physical stores where you can try products before you order those products with short delivery times. There is only a small stock in the physical store, and the products will be shipped from a bigger central warehouse.”—Male, 29

Customers are often searching for arguments to confirm their purchase decisions. In some product categories, online information is not sufficient to allow them to make a



decision, and customers are trying to find more information from physical products in physical stores.

“Sometimes I find products from web stores, but I’m not sure if the size is right. I would like to see how it would look if I wore it. I might go to the physical store if I wasn’t sure about the purchase and buy it there.”—Female, 25

“I might try products in physical store, but buy them online. But then I always use online store of that same brand”

#### 4.3. *Digital technologies*

Digital technologies play a key role in customers’ shopping experiences today. The findings reveal several important factors related to the use of digital technologies in physical stores. The role of traditional channels is becoming more indistinct, as two-thirds of customers are using their mobile devices in traditional physical stores. When respondents were asked how they use their mobile phones when they are visiting physical stores, comparing products (35%) and searching for information (30%) were the main answers. Customers like comparing products and checking prices from different stores. They are also finding more information about products, especially if they are making an impulse purchase.

“Usually I’ve done comparing before I visit the store. But if I’m making an impulse purchase, I will do quick check to make sure the price is correct.”—Male, 27

“I’ve compared products. I’ve checked different options, for example colors, and done some price comparison.”—Male, 23

Retailers have many opportunities to improve the shopping experience with digital technologies in physical stores. Overall, respondents said that stores should offer more product information through digital technologies.

“Some extra product information. If you were buying sports equipment, for example, you would have more information about skis and waxes. You would be able to search for waxing reports.”—Male, 29

“If there is something that I don’t have enough knowledge about and no salesperson available. For example, if I’m buying Frisbee-golf discs and don’t have a clue about them, I need some advice. Maybe I can get some information from digital solutions?”—Female, 24

In addition, respondents pointed out that retailers should offer digital solutions to facilitate product comparing. However, the ability to compare prices is a double-edged sword: If the retailer is not the price leader, consumers might choose other options.

“If the retailer is marketing its stores as a price leader, could there be an iPad where customers can check and compare prices?”—Male, 27

Respondents said that they would like to receive more personalized and targeted marketing. They noted that retailers today are able to personalize messages and content through technology.

“I get offers to my email. Maybe they could make more personal offers. Today, it is possible.”—Female, 25

Respondents also hoped for applications to help customers locate products in stores. Easier locating would save customers time and effort.

“For example, in big supermarkets there should be something that helps you to find products so you don’t have to walk through the whole store.”—Female, 29

#### *4.4. Summary of study findings*

The results of investigating offline store image factors show that customer service and merchandise were the most important factors. In addition, digital technologies play an important role in physical stores. Good customer service is often behind positive offline experiences. Physical store layout helps customers navigate and find products in store. Physical store atmosphere also has an impact on the customer’s perceptions of the online store. If the impression is good, customers expect a similar experience in online stores as well.

In the online context, the results show that merchandise was the most important factor. Customers expect a large assortment and good prices in online stores. In addition, customer service is important—but only if there are problems with purchases, products, or delivery. Atmosphere and navigation are linked. Navigation should be clear because customers want to save time and effort, and clear online navigation contributes to a good atmosphere. Information availability also plays a significant role. The online experience should be smooth, as respondents find online shopping to be an easier way to make purchases than traditional offline shopping. They are expecting to save time and effort through clear online navigation and good availability of information.

However, although customers are expecting good prices in online stores, they want the same prices in physical stores. Consequently, differences between channels may lead to negative brand experiences. In addition, customers expect online and offline channels to support each other. They are using online channels with their mobile devices in physical stores to compare prices and products. With digital technologies, retailers can facilitate such comparisons, which respondents find very important for their experience. With digital solutions, retailers can offer extra product information and help customers to find products. Respondents noted that personalizing offers and advertisements with digital technology is also a possibility.

## **5. Discussion and conclusion**

### *5.1. Theoretical contributions*

The study’s objective was to characterize the omnichannel experience, to offer information about integrating online and offline channels to create satisfying brand

experiences, and to indicate how firms should use digital technologies to improve customer experiences in physical stores. This study provides several insights into the omnichannel management. According to Piotrowicz and Cuthbertson (2014), the importance of channel integration is growing. Customers are choosing channels depending on their current situations and are using mobile devices in-store to search for product information and compare products and prices. We proposed that online and offline store images should be integrated smoothly to provide positive experiences. As theory (Piotrowicz and Cuthbertson, 2014) suggests, customers expect online and offline channels to support each other. As Blom et al. (2017) proposed, omnichannel retailing can have positive effects on the customer experience.

We proposed that firms use digital technologies to improve customer experiences in offline stores. Our results support Verhoef et al.'s (2015) findings that digital technologies offered by a retailer facilitate shopping and improve customer experiences. For example, retailers can use digital technologies to offer information, facilitate product comparison, or help customers locate products. Our results underscore the fact that retailers can reduce the negative effects of crowd in physical stores with digital self-service technologies, as Piotrowicz and Cuthbertson (2014) noted. Customers are expecting service, but that is not always possible because of the crowd. With digital technologies, retailers can offer some of the same benefits that salespeople do. If customers are able to find information in another way, they will not have a critical need for service representatives. Lemon and Verhoef (2016) also stated that mobile channels are better for searching than for actually making purchases, and our results support their observations.

Our last proposition was that the good channel integration motivates consumers to use multiple channels. According to our results, the online channel is seen as an easy place to make purchases. Customers want to save time and effort. The study supports findings of Brynjofsson et al. (2013) that product comparison is easier and the assortment may be bigger online. With digital technologies, retailers may be able to offer some online benefits in physical stores as well. According to Verhoef et al. (2015), customers still want to see physical products, and this study strongly supports their findings.

## *5.2. Managerial contributions*

The aim of this research is to create understanding of omnichannel experiences. According to the findings of this study, retailers can differentiate their brands from competitors by offering superior experiences. Positive customer experiences satisfy customers, which leads to loyalty. Thus, retailers should develop retail channels that improve customer experiences. Not only online and offline store images but also other channels, such as conversations on social media, newsletters, media, and product reviews, are important.

Customers are seeking seamless omnichannel experiences. They want to browse and compare products with their mobile devices while they are in physical stores. With digital technologies and mobile applications, retailers can facilitate the information search process, thereby improving customers' experiences.

According to this study, problems with customer service were the most important driver of negative customer experiences in physical retail stores. When the store is busy, it might be impossible to serve all customers. With digital solutions, retailers can offer some of the same benefits that service representatives provide. Customers are searching for support for their purchase decision from service representatives, and digital

technologies can help customers to find information and compare products. If customers are able to find same information in another way, they will not have a critical need for service representatives.

In terms of managerial implications, our results indicate that with seamless omnichannel experiences, a retailer can make customers loyal to its whole brand, not only to its online store. The main challenge is how to integrate all the channels. This study shows clearly that channels should interact with each other and should not contain contradictory information.

### *5.3. Limitations and future research*

As with any study, the results must be evaluated in the light of certain limitations. It should be noted with regard to the validity of this study that the theoretical framework was tested with only 20 interviews. However, the interviews provided interesting insights about the study's themes. The interviewees were local citizens, and therefore it is not possible to confirm that the set of participants is a representative sample of all customers. Thus, future studies should collect more empirical data about the topic.

Because of the face-to-face connection during the interviews, the interviewees were not able to answer anonymously. This may have caused them not to be truthful and may lower the credibility of the study. In an interview study, researchers should avoid asking questions that are too leading, and the questions were designed to avoid being leading.

One possible limitation in this study is self-selection bias. According to Robinson (2014) it is not possible to avoid it in interview-based research. Because interviewees reported a self-selected experience, self-selection bias could have influence on results. Their general opinion towards retailing might be more positive because they were willing to participate in our interviews. In other words, our results might be biased towards people who are really shopping. We attempted to rule its effects out by evaluating its possible impact on results.

These limitations present opportunities for further research. The omnichannel perspective is quite a new topic in marketing research, so there is not much research about it. New technologies are developing all the time, and customer behavior changes with these new solutions. The omnichannel perspective should be further researched and the theory updated as technology develops. Conclusively, future research should further test the effects of store images on brand experience by using quantitative methods such as longitudinal surveys or experiments. New channels, such as mobile applications and social media have now their own influence to experience, and further research might quantitatively verify their relationship with online and offline store, and impact to brand experience.

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