

3.5: Multi-channel Factors to Consider

Learning Objectives

- Identify the factors that need to be adjusted depending on the channel

As you've read, organizational discipline and infrastructure is critical to managing a multi-channel marketing strategy. Specifically, firms need to ensure that consumers, regardless of channels, receive consistency and service during their shopping experience and beyond. Common areas where this can go awry are pricing, promotion, analytics, and technology.

It begins with the customer journey. That is, the specific path to purchase taken by a shopper as they consider, research and ultimately make a purchase. This path is rarely a straight-line. More likely is that it includes multiple iterations, activities, technology and channels. It might be useful to think about a shopping experience to add context to the customer journey.



Let's plan a trip to Disneyworld in Orlando, FL. We need to consider flights. Where should we look for the best options? Should we go directly to the airline? Delta.com? What about an aggregator like orbitz.com or expedia.com? Would it make sense to search for travel packages? Maybe we should look at Disney's Facebook page to see if there are special offers or programs being promoted. How would the search be different for hotels? Would we search marriott.com or hilton.com? What about Disney properties? Or, is our best option an aggregator? The same ones or should we include hotels.com? Should we check Google to find out how far it is from the parks? Maybe we should consider on-line reviews also. There are a lot of blogs to read, if we want. Do we know anyone who has visited recently? Let's e-mail them to get their recommendations. Think about the questions that arise and the searches that they've inspired. Imagine the screen of your phone, tablet or computer. How many browsers, search tabs, or apps are open? Do you see where this customer journey has carried you, before we even consider thinking about the park tickets, rides and characters?

The Customer Journey helps us understand the multiple touch-points consumers have, before they transact. And, equally important, the instances when they could leave the path to purchase, preferring a different channel instead. With this as the backdrop, let's think through again the factors to consider in multi-channel marketing.

Pricing

For our imagined trip to Orlando, we considered shopping for flights on delta.com, orbitz.com and expedia.com. What were we shopping for? The most convenient schedule or the lowest fare? Let's assume it's the latter, and we wanted to find the cheapest possible flights for our trip. What's the message you get if you're able to find cheaper flights on orbitz.com than on the carrier's own website? What would this mean for Delta if flights purchased outside their system were less expensive?

While our planned trip is a simple example of how prices can change across channels and outlets, it underscores the challenges in managing pricing. Firms can manage around this, if they invest and engage in product information management (PIM). These systems help firms by managing product information, which is released to other media, like web sites, print catalogs, and data feeds to trading partners. Without them, however, firms will have difficulty maintaining price consistency across channels.

Promotion

Like our consideration of pricing, firms need to be conscious of how promotions are delivered across channels. Consider our hotel room search. How would we react if we found an offer on hotels.com that wasn't consistent or available from hilton.com?

Firms have finite marketing budgets and a growing number of channels in which to spend them. However, without a clear understanding of the path to purchase, channel roles in each step, and attribution of what each channel contributes, marketers are left making uninformed promotional investments. With better data, firms can target promotional activity in the correct channel at the correct point in the customer journey to support the overall path to purchase.

Analytics

Let's move forward in our planning for Disneyworld. We've purchased a vacation package through a travel agency we found online. The firm continually invests in search engine optimization to ensure that their site is easily found, when shoppers search for vacation packages. They engage in search engine marketing to ensure that they are a top listing on specific consumer searches like Orlando + Disney + Packages. They maintain a Facebook site, where they share the comments of happy customers who have booked through them. They have an Instagram feed where they do the same, posting others' vacation pictures.

With all these channels and all this activity, which requires investment, how does the travel agency know what interaction with a shopper tipped the shopper to visit or to call or to buy? Did a shopper visit each channel or only some? Did they spend time equally at each or not? Are they all equally important, or does one matter most?

The challenge of analysis and attribution is important because it helps you understand shopper behavior throughout the customer journey and illustrates where and how to make investments by channel. Further, attribution can help you understand how each channel performs, which can help you optimize for the best possible customer experience to support conversion, repeat purchases, and loyalty.

Technology

Technology underpins so much in supporting a multi-channel marketing strategy. As you've read, a PIM system manages product information to be shared with other media. In the same way, inventory management systems add transparency in product availability—inventory control, shipping and distribution. And, attribution models help firms understand how consumers engage across different channels, media and assets. In using these tools, and others, firms can ensure consistency and service even across multiple channels.

Firms pursuing a multi-channel marketing strategy need to ensure that consumers, regardless of channels, receive consistency and service during their shopping experience and beyond. This requires a full understanding of the customer journey, so that the firm understands all possible points of interaction with the customer and their needs at each point. To have consistency and good service, firms must maintain focus on pricing, promotion, analytics, and technology.

? Practice Questions

<https://assessments.lumenlearning.co...sessments/9161>

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