Ashesi University

Adopting the Omni-Channel Model: Identifying and Recommending Methods of Adoption to Shoe and Clothing Retailers in the Accra Mall

By

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ASHESI

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Declaration

I hereby declare that this thesis is my original work and that no part of it has been presented for another degree in this university or elsewhere.

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I hereby declare that the preparation and presentation of this thesis was supervised in accordance with the guidelines on supervision of theses established by Ashesi University College.

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CHAPTER 1: INTRODUCTION

1.1 Background

Following the proliferating use and adoption of the Internet, e-commerce has established itself as a pervasive business phenomenon (Zhu & Thatcher, 2010). The changes that have emerged through e-commerce have dramatically impacted the traditional business environment, and improved both service and product offering delivery (Huang, Yoon & Benyoucef, 2012). A recent study conducted by Alexiou, Riddleston and Singleton found that e-commerce has gone on to impact global consumer behaviors, as represented by the increasing likelihood of consumers to make online purchases (2018). Further, e-commerce has the potential to enable small businesses to compete globally, through closer customer-side and supply-side communications and relationships (Awiagah, Kang & Lim, 2015). This validates the insight that the integration of e-commerce tools into traditional business transactional processes, such as buying and selling, is a source of competitive advantage (Isa *et al.,* 2009). Indeed, as a catalyst to global competitiveness and increased business productivity, e-commerce is capable of strengthening the economic development of developed and developing countries alike (Zhu & Thatcher, 2010). These discoveries shed a light of fact on the assertion that e-commerce tools have created a substantial impact on the business landscape.

The significance of the impact created by e-commerce is seen more profoundly in the global retail industry, whose traditional in-store sales structure is being reshaped by the growth of Internet sales (Hart *et al.,* 2014; Singleton *et al.*, 2016). In Europe, for instance, online sales for 2015-17 were expected to grow by 32%, whereas physical/in-store sales for the same period

were projected to grow by just 3.4% (Centre for Retail Research, 2017). In light of this, as consumers continue to increase their usage of the Internet; conducting the bulk of their commercial transactions online, a growing number of traditional brick-and-mortar retailers continue to pursue strategies that rely on the Internet, as a complement to their physical or offline activities (Müller-Lankenau, Wehmeyer & Klein, 2006). However, it has been found that rather than merely introducing online channels as a parallel to offline channels, retailers are working to coordinate and integrate both channels into one unified system (Gallino & Moreno, 2014; Herhausen *et al.,* 2015). The unification of channels into a single customer experience system has become the goal of retail management in recent times, and the tool that facilitates this process is known as the omni-channel (Frasquet & Miquel, 2017).

The integration of online and offline channels has contributed significantly to the rise of the omni-channel, which has disrupted consumers' shopping experiences by providing seamless engagement across all formats (Bernon, Cullen & Gorst, 2016). According to Accenture, an omni-channel is defined as a model that synchronizes all of a company's channels, and aligns them to form a single consistent platform that faces the customer (2013). Thus, a key element of the omni-channel model is a company's ability to merge and unify its existing channels of customer experience and engagement. The features of the omni-channel are discussed in full detail in the literature review.

Following the changes in consumer purchasing behavior introduced by e-commerce, the omni-channel is the tool that facilitates a consumer's use of different channel and device combinations at each stage of their purchase journey, from initial product discovery to order fulfillment (Berman & Thelen, 2018). In a typical instance of omni-channel behavior, a consumer may view a product physically in a store, search for the best price of that product online, and then ask the in-store retailer to match the price of the online retailer; a practice known as 'showrooming' (Gustafsen, 2014). The future, therefore, lies with the seamless

integration of channels and touchpoints of the consumer journey, into an omni-channel retailing model (Larke, Kilgour & O'Connor, 2018). This will guarantee the delivery of a stronger customer experience (Lemon & Verhoef, 2016).

Based on these insights, the objective of this study was to recommend methods by which shoe and clothing retailers in the Accra Mall in Ghana, can adopt the omni-channel model to boost sales and strengthen the customer experience, and to understand the barriers that these type of retailers face in integrating their current retail channels and formats.

1.2 Research Problem

Retailers who own and exploit offline retail channels only, are unable to provide a shopping experience that allows customers to engage with them using a mix of both online and offline channels, within a single purchase journey. Without an understanding of mixed channel integration, and more specifically the omni-channel, retailers lack the insights necessary to improve their service delivery efforts in purchase journeys that occur within mixed channel environments.

Further, without relevant knowledge and a guided understanding of the omni-channel, retailers that operate both online and offline channels as separate tools of engagement are faced with challenges caused by their inability to achieve the degree of channel convergence, that is necessary to provide a seamless customer experience and reap the benefits of the competitive advantages that come with providing a better, more integrated customer experience (Johnston & Kong, 2011).

1.3 Research Relevance

Building a competence in providing better customer experiences through the seamless shopping experience provided by the omni-channel, will give retailers a competitive advantage both locally and globally (Awiagah, Kang & Lim, 2015). Additionally, retailers who are able to unify their consumer-facing channels will benefit from a substantial increase in sales performance over time. It has been found that the average omni-channel shopper spends 4% more in-store and 10% more online, than the average single-channel shopper; highlighting the insight that multiple-channel shoppers are more valuable than single-channel shoppers (Berman & Thelen, 2018). As such, the recommendations of this study will prove valuable to the sales performance of shoe and clothing retailers in the Accra Mall, and to the decision-makers of these retail companies who are responsible for making efforts to attain and sustain their firms' competitive advantage.

Further, this research will provide an understanding of customer touch points within a purchase journey. Ieva and Ziliani explain that touch points are the mental connections formed toward a brand or firm by an individual, through verbal or nonverbal incidents (2018). Thus, by analyzing the complex new ways that shoppers engage and interact with a brand, this research will contribute new understanding on the nature of touch points that are formed within purchase journeys which occur across a mix of online and offline channels.

1.4 Research Objectives

The primary objective of the study was to recommend methods for the adoption of the omni-channel to shoe and clothing retailers in the Accra Mall, to the extent that the omni-channel becomes an integral part of the retailers' sales transactions and customer experience strategy. Further, the study aimed at:

I. Understanding what an omni-channel is through the literature review and a comparison with a multi-channel

II. Identifying the barriers to omni-channel adoption and integration among shoe and clothing retailers in the Accra Mall

1.5 Research Questions

Based on the research objectives outlined, the study examined the following:

I. What is the degree to which a model of the omni-channel has been adopted by shoe and clothing retailers in the Accra Mall?

II. What are the barriers to the adoption and integration of the omni-channel among shoe and clothing retailers in the Accra Mall?

III. What methods can be used to adopt the omni-channel into the transactional operations of retailers in the Accra Mall?

1.6 Conceptual Framework of Channel Integration

The study was based on a modified version of the Strategic Alignment Model developed by Henderson and Venkatraman (1993). The underlying assumption of the Strategic Alignment Model is that overall business success bears a direct link to management's ability to achieve and maintain both *functional integration* between traditional business processes and IT-focused processes, as well as a *strategic fit* between external and internal business and IT strategies (Müller-Lankenau, Wehmeyer & Klein, 2005).

The Strategic Alignment Model was modified by Müller-Lankenau, Wehmeyer and Klein, who developed the Model of Strategic Channel Alignment (2005). The model (Figure 1) is

structured along two axes: external and internal along the vertical axis, and general business and online business along the horizontal axis. These axes illustrate the four quadrants of the Model of Strategic Channel Alignment which are: external-general business, external-online business, internal-general business and internal-online business.

The external half of the Model considers a firm's marketing strategy and online strategy; both of which are described as consumer-facing activities. The key distinction between the two strategies is that online strategy involves activities that engage consumers over online channels only, whereas marketing strategy involves activities executed using the general processes and infrastructure that runs a business. The internal half of the Model focuses on a firm's general business and online business, which share similar characteristics such as processes and skills, but differ in terms of scope.

The fundamental essence of the Model of Strategic Channel Alignment is to illustrate that the management of any firm must achieve a *strategic fit* between its external strategies – both marketing and online strategies – and its internal processes and infrastructure. Management must also achieve a substantial degree of *functional integration* between its general business and its online business. Thus, by extension, business managers must work towards merging and fully coordinating their online consumer-oriented business and strategy, with the traditional marketing processes that exist within their firm's general business, both externally and internally, as the arrows that link between the four quadrants in the Model (Figure 1) illustrate.

After testing the Model of Strategic Channel Alignment on four retailers, Müller-Lankenau, Wehmeyer and Klein concluded that the functional and strategic convergence of a company's online and general business and strategies, leads to an optimization of the customer experience offered by a firm that aligns its channels of customer engagement (2005). Therefore, by

extrapolation, this study is based on the understanding that strategic alignment and unification of a business's online and offline channels is a key to delivering richer customer experiences.
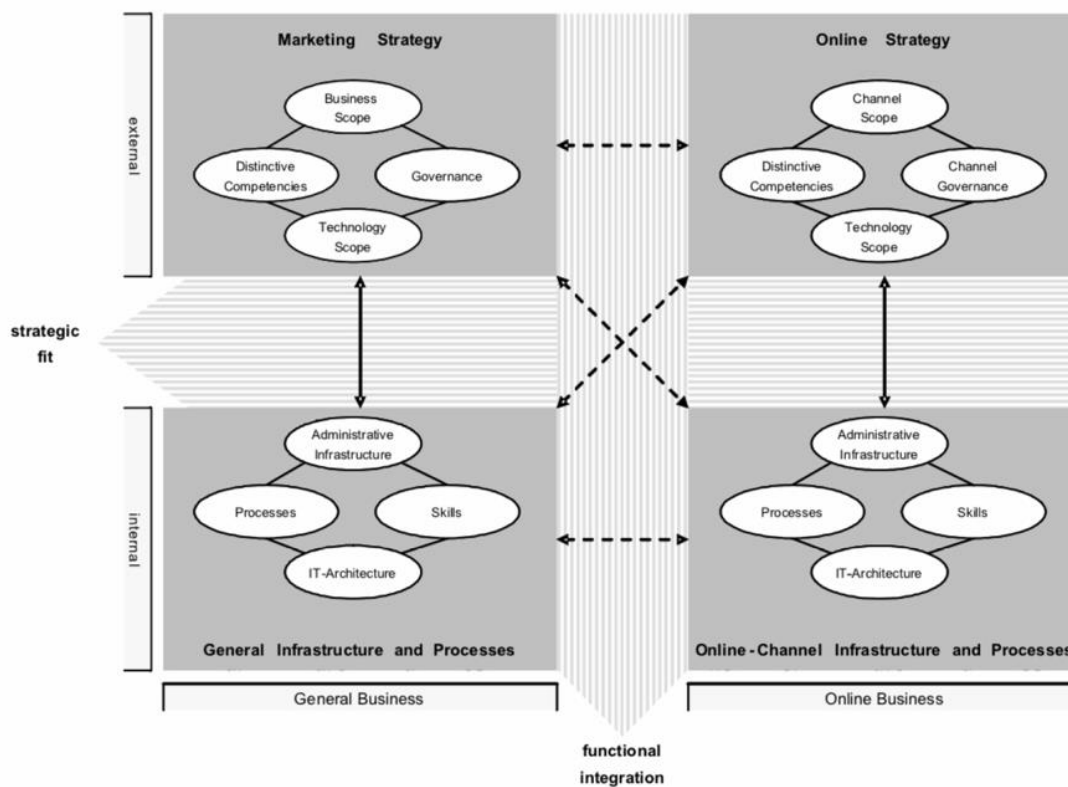

Figure 1: The Model of Strategic Channel Alignment

1.7 Organization of The Study

The study is structured in six chapters. The first and introductory chapter gives an overview of the study; the background of the research topic and the objectives, relevance and problem identified for the study. The second chapter presents a review of the literature that exists pertaining to the research topic. Chapter three focuses on the study's research methodology. In this chapter, the research design, sampling strategy and data collection and analysis will be presented. Chapter four is a detailed discussion of insights gathered from the data analysis, and chapter five provides recommendations to retailers in the Accra Mall. The sixth and final chapter provides a conclusion to the study and outlines the limitations of the research.

CHAPTER 2: LITERATURE REVIEW
2.1 From Multi-Channeling to Omni-Channeling

The omni-channel is perceived to be an evolved version of the multi-channel (Rigby, 2011; Piotrowicz & Cuthberston, 2014; Verhoef *et al,* 2015; Kang 2019). In its most effective form, a multi-channel allows a retailer to expand the variety of its purchase and sale points of interaction with consumers, by offering them a broad spectrum of channel formats to engage through, such as physical stores, websites, catalogues and social media (Mirsch, Lehrer & Jung, 2016; Parker & Wang, 2016; Stojković *et al.,* 2016; Ramanathan *et al.,* 2017; Rosenmayer *et al.,* 2018). However, discoveries have revealed that there has been an expansion in both the number and nature of the touch points created within the typical purchase journey, which has put pressure on retailers to redesign the nature of their customer engagement, by moving towards achieving full convergence of the variety of their electronic and physical channel offerings (Pantano & Viassone, 2015; Simon *et al.,* 2016; Hall & Towers, 2017; Ieva & Ziliani, 2018).

A practical form of this expansion is seen in the increasing instances where consumers use a simultaneous mix of online and offline channels along their purchase journey; beginning transactions in one channel and completing them through another channel, thereby varying the nature of their touch point engagements, and increasing the level of convenience they enjoy (Aubrey & Judge, 2012; McPartlin & Feigen Dugal, 2012; Mirsch, Lehrer & Jung, 2016; Hoelhe *et al.,* 2017). Shopping practices and processes such as click-and-collect, buy-online-pickup-in-store (BOPS), buy-in-store-ship-direct (BSSD) and 'showrooming', are rendering traditional brick-and-mortar retailers obsolete; an effect that extends to the multi-channel. Channel unification, therefore, becomes an imperative strategic means of adoption in response

to what Brynjolfsson *et al* (2015) and Mirsch, Lehrer and Jung (2016) have identified as the blurring lines between offline and online physical channels of retail.

In essence, while the multi-channel is considered a standard retail business model, studies conducted have identified that the changing landscape of traditional retailing requires a seamless, convergent model that integrates channel formats and touch points into one system (Larke, Kilgour & O'Connor, 2017; Berman & Thelen, 2018; Ieva & Ziliani, 2018, Mosquera *et al.,* 2018). And, as has been discovered in the literature, the business tool that facilitates channel unification and offers a consistent, seamless and integrated to across and within channels, is the omni-channel (Beck & Rygl, 2015; Rosenmayer *et al.,* 2018).

For this reason, coupled with the insights gathered on its comparative competencies over the multi-channel, and the several opportunities it brings to the retail shopping landscape, this study has chosen to analyze the omni-channel as a tool that can potentially deliver strong results for selected retailers in the Accra Mall, and will therefore attempt to recommend methods by which the omni-channel can be adopted by the selected group of retailers in the Accra Mall. The understanding offered by this section helped in the generation of hypotheses for the study.

2.2 Features of the Omni-Channel

At the heart of the omni-channel's functionality is a seamless customer shopping experience across all available retail channel formats (Piotrowicz & Cuthberston, 2014; Beck & Rygl, 2015; Bernon, Cullen & Gorst, 2015; Hoelhe *et al.*, 2017; Murfield *et al.,* 2017; Mosquera *et al.,* 2018; Rosenmayer *et al.,* 2018). This is the result of *channel agnostic* consumers who have no channel preferences, and are thus willing to use a mix of channels simultaneously to successfully find and purchase the products they desire (Aubrey & Judge, 2012; Mosquera *et al.,* 2018). The omni-channel therefore positions itself as a tool that offers customers the dual experiential benefit of shopping across different channel formats, and

interacting with the brand anywhere and at any time; a benefit that is being facilitated by various degrees of technological advancements, which have expanded the number and nature of retail shopping formats that are available and accessible to consumers (Vrechopoulos, 2014; Beck and Rygl, 2015; Melero *et al.,* 2016, Mosquera *et al.,* 2018).

In the synergetic environment of the omni-channel, retailers operate with full integration of their customer-facing points of engagement. This facilitates the seamless customer experience offering that is largely typical of the omni-channel's functionality. One feature of the omni-channel that best represents this experience is how an omni-channel retail system gives a shopping customer the flexibility to search up information about a product from inside a physical store, while simultaneously using their smart devices to get more information about the product such as promotional offers like discounts, and customer reviews which will inform the final purchase decision that will be completed either in-store or online (Kim *et al.,* 2013; Rapp *et al.,* 2015; Hoehle *et al.,* 2018). This is what Bernon, Cullen and Gorst discussed when, in their research, they identified how shopping customers have the opportunity to evaluate product alternatives and become more familiar with a product prior to purchase, as a result of comprehensive product searches conducted both in-store and online; a feature and a benefit that is missing within the multi-channel context due to the separation of online and offline channels of engagement (2016).

As has been discussed thus far, the omni-channel has the ability to facilitate a seamless customer shopping experience through the integration of online and offline channel formats, and also permits simultaneous product searches that are aggregated from both mobile and in-store sources of product information. An additional feature of the omni-channel is its potential ability to create value for both the shopper and the retailer. This was found by Larke, Kilgour and O'Connor, who discovered that maximizing both customer and business value is a fundamental feature of the omni-channel, especially since both forms of value are more

difficult to ascertain in the siloed system of the multi-channel (2018). Their study focused on the process of transitioning toward an omni-channel retail system. Their study, along with other similar studies, have identified that omni-channel retailing gives a shopper a substantial degree of control over the decisions they make along their purchase journey, which in turn increases the customer satisfaction factor that comes from a richer customer experience. This represents value to the shopper. On the retailer's end, the variety of touch points introduced by the online shopping element of the omni-channel system, increases brand loyalty and purchase frequency. (Pauwels and Neslin, 2015; Larke, Kilgour and O'Connor, 2018). This represents value to the retailer as delivered by the features and design of the omni-channel.

The discussion of features of the omni-channeling facilitate a solid understanding of the system, and support the generation of the hypothesis that the omni-channel can be used to create better shopping experiences for the customers of the sample of selected retailers in the Accra Mall.

2.3 Limitations of the Omni-Channel

The omni-channel presents considerable opportunities for providing a seamless customer shopping experience, promoting simultaneous digital and physical routes for product information searches and increasing value for both shoppers and retailers (Rosenmayer *et al.,* 2018; Hoehle *et al.,* 2018; Larke, Kilgour and O'Connor, 2018; Kang, 2019). However, the omni-channel is not without its limitations and factors of risk. One substantial limiting factor attached to the successful implementation of the omni-channel, is the investment associated with setting up an effective system of channel unification under the omni-channel (Piotrowicz and Cuthberston, 2014; Pauwels and Neslin, 2015; Hübner, Kuhn and Wollenburg, 2016; Larke, Kilgour and O'Connor, 2018).

Studies have discovered that the addition of new channel formats and the introduction of a new variety of touch points, constitute a considerably high investment that must be made in optimizing pre-existing channels, to the point where they can fully support a new integrated retail channel structure (Hübner, Kuhn and Wollenburg, 2016; Larke, Kilgour and O'Connor, 2018). This limitation is aggravated by the multiplicity of product categories, whereby each product category or product type will require individual, product-specific investments to be made, in support of the newly added channels and touch points (Hübner, Kuhn and Wollenburg, 2016; Larke, Kilgour and O'Connor, 2018).

Another limitation of the omni-channel is the degree of meticulous strategic planning that retail managers must undertake, in order to successfully achieve full integration of channel formats (Hübner, Kuhn and Wollenburg, 2016; Larke, Kilgour and O'Connor, 2018). A framework developed by Hübner, Wollenburg and Holzapfel (2016) that summarizes the process of transitioning from a multi-channel to an omni-channel, illustrates that integrated channel formats are themselves developed from individual systems over long-term periods (2016). This emphasizes the need for strategic planning that will support the individual retail elements such as inventory, delivery and returns management, as a retailer attempts to transition toward channel unification under an omni-channel retail system.
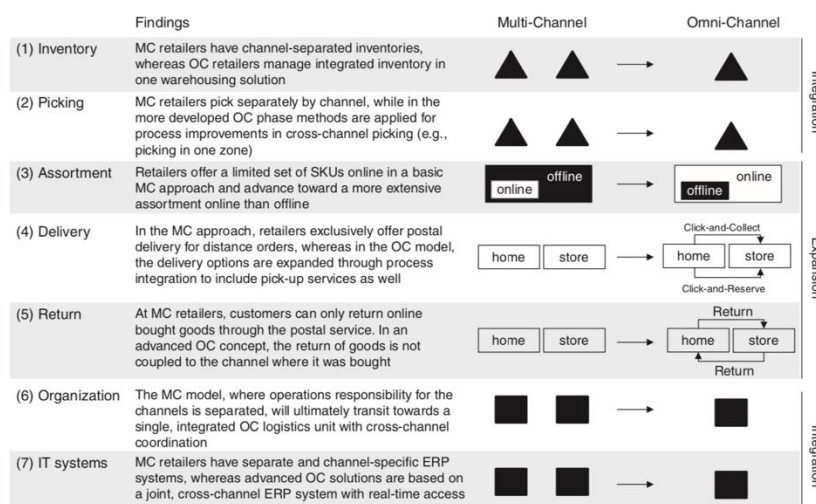
Figure 2: The framework of the transition from multi-channel- to omni-channel logistics

2.4 Research Hypotheses

Based on the findings presented and discussed in the literature review, and the insights gathered from the study's conceptual framework, the following hypotheses were generated for this study:

H_1: Shoe and clothing retailers in the Accra Mall have not adopted the omni-channel as part of their retail customer experience offering.

H_2: The omni-channel can be used to create better shopping experiences for the customers of shoe and clothing retailers in the Accra Mall.

CHAPTER 3: METHODOLOGY

3.1 Overview of Methodology

In this chapter, details on how the data was gathered is presented. The chapter is structured into sections which outline and describe the research design, research scope, sampling strategy and data collection and analysis.

3.2 Research Design

In order to meet the research objectives and attempt to answer the research questions, the study employed a purely qualitative research methodology. This facilitated an in-depth analysis of both primary and secondary sources of data that were gathered for the study. Primary data was gathered through simulations of online purchases via the websites of the retailers selected for the study, as well as in-store purchases from the sample of selected retailers. Secondary data was gathered from relevant literature, online marketplace websites, web portals of those selected retailers who have, and exploit, a web presence and mobile apps owned by the shoe and clothing retailers which constitute the sample of this study.

3.3 Research Scope

The retailers sampled for this study were retailers who operated in the Accra Mall. Moreover, the sample was composed exclusively of shoe and clothing retailers, based on the assumption that the nature of goods sold by these retailers are frequently purchased by shoppers either online, in-store, or through both channels simultaneously. This assumption is validated by research that shows that a typical consumer's fashion lifestyle is an important feature in determining their shopping behavior in retail settings, since lifestyle has an influence on a shopper's willingness to make purchases online (Jih and Lee, 2004; Ko *et al*., 2007).

3.4 Sampling Strategy

Six retailers were sampled for this study. These six sample members were chosen on the basis of three criteria that were developed for this study, which are: affordability of product offerings, country of origin of the retail brand, and age of operational establishment. These criteria were developed to ensure that the results of the study were unbiased, and were fully representative of different kinds of shoe and clothing retailers.

Affordability of product offerings measures the price point of products sold by each retailer, valued from high-end products to low-end products. Country of origin of the retail brand identifies whether a chosen retailer is a local business or a foreign venture, whereas age of operational establishment considers how long a chosen retailer has been operating in the Accra Mall. Thus, using the assumption of shoppers' frequent purchase of shoe and clothing products coupled with the criteria set, the six retailers chosen to be sample members for the research were: Payless, Bata, TM Lewin, Grosvenor, Mr. Price and Nallem.

Two out of the six sample members, Payless and Bata, are shoe retailers offering a selection of men's and women's shoes. These two retailers were selected out of a total of three shoe retailers in the Accra Mall, therefore, the sample of shoe retailers in this study are strongly representative of the entire population of shoe retailers in the Accra Mall.

The remaining four sample members are retailer brands that sell a variety of men's and women's casual and formal clothing. These four retailers were selected out of a total of eight clothing retailers in the Accra Mall. As such, these sample members represent 50% of the entire population of clothing retailers in the Accra Mall.

3.5 Data Collection

Data about the degree to which a system feature of the omni-channel is currently being utilized by the sample of selected shoe and clothing retailers, was gathered using simulations of online purchases via the websites and mobile applications of the retailers selected for the study. The simulated journey of an online purchase from initiation through to completion, was performed in order to collect data about the degree to which. The essence of this mode of data collection, was its contribution to gathering insights into the nature of the customer experience that the sample of selected retailers currently offer within their online web channels of customer engagement.

Data about the omni-channel was ascertained using the literature review for this study. By identifying the findings presented and discussed by the authorities on the subject matter, data about the omni-channel, including its features, relative limitations and factors of comparison with a multi-channel was gathered. These standard findings were coupled with a few selected literature about methods of planning and implementing an effective omni-channel system, retail consumers' perceptions of online shopping experiences and the behaviors that influence omni-channel behavior. Collectively, these literature were used as tools for gathering relevant data on the omni-channel. The data gathered was vital for achieving the study's objective of understanding the omni-channel, by first analyzing its evolution from the multi-channel, and further presenting details of the features of the omni-channel and common limitations of the omni-channel.

CHAPTER 4: DATA FINDINGS

4.1 Overview

Under this chapter, insights from the data gathered are presented. This chapter is structured in sections that address the research questions of the study. The first section presents secondary data that identifies and categorizes the barriers to e-commerce adoption in developing countries under two broad classifications. The second section presents findings from online web searches, that were conducted to find out the degree to which the omni-channel has been adopted by the selected retailers, through a walkthrough of their websites.

4.2 Barriers to E-Commerce and Omni-Channel Adoption in Developing Countries

Several studies have been conducted to identify the barriers to e-commerce adoption globally (Li and Xie, 2012; Crespo and Bosque, 2008; Zhu and Thatcher, 2010) and in developing countries, mostly in Africa (Molla and Licker, 2005; Lawrence and Tar, 2010; Kshetri, 2007; Tan and Ouyang, 2010; Lee and Coughlin, 2015). Li and Xie (2010) surveyed the literature to identify ten factors that influence e-commerce and omni-channel adoption globally, as a build up from Tornatzky and Fleischer's preliminary work (1990). However, although many such studies conducted have identified the barriers to e-commerce and omni-channel adoption in developing countries, they do not attempt to classify the barriers under categories that give a comprehensive understanding of these barriers. Such an undertaking would be useful for informing retail managers and decision makers within the retail business environment, on the sources of these barriers. This could help to potentially reduce the impact of these barriers, or circumvent them altogether.

Table 1 categorizes the different studies found in the literature under the two broad classifications: internal barrier sources and external barrier sources. Internal barrier sources are those factors that arise from within a business, to create constraints that hinder the adoption and integration of e-commerce and omni-channel tools. As presented in Table 1, implementation presents the most common and most substantial internal barrier to e-commerce and omni-channel adoption amongst retailers in developing countries. The major factors that contribute to the barrier of implementation are high costs and time consumption. The issue of high costs was also captured as a key limiting factor of the transition toward, and implementation of, the omni-channel, in the discussion of limitations and risks associated with the omni-channel presented in this study's literature review.

By extension, the lack of technological infrastructure in developing countries like Ghana - another internal source of constraint on e-commerce adoption, further aggravates the barrier of implementation, since such infrastructure is necessary to facilitate the successful implementation and operation of omni-channel systems. As has been found in the literature, a system that supports the integration of touch points and channels for a seamless experience, must itself be supported by technology for data collection and analysis, that also offers real-time information updates (Kozlenkova *et al.,* 2015; Nguyen *et al.,* 2016, Larke, Kilgour and O'Connor, 2018).

The main contributors to the barrier of cognitive issues amongst staff and managers in retail businesses, are composed of a lack of awareness and comprehension of the opportunities presented by e-commerce tools and online touch points, as well as the trait of risk aversion that exists amongst business managers and decision makers (Molla and Licker, 2005; Kshetri, 2007). The inadequacy of technological knowledge and skill amongst these managers also presents a hindrance to the adoption of digital touch points created by tools of e-commerce (Kshetri, 2007).

Table 1

Classification of Barriers to E-commerce Adoption in Developing Countries

Author(s) and years	Internal Sources	Author(s) and years	External Sources
Scapola (2009)	Lack of time for implementation	*Grabner-Kraeuter (2002); Palvia P. (2009); Lee, Trim and Kim (2013);*	Privacy, security issues and lack of trust
Tan and Ouyang (2010)	High cost of implementation	*Kshetri (2007)*	No legal protection for Internet purchases
Lawrence and Tar (2010)	Lack of technological Infrastructure	*Lee and Coughlin (2015)*	Cognitive issues – society and culture
Kshetri (2007); Lee and Coughlin (2015)	Cognitive issues – staff and managers		

4.3 Online Purchase Journey Simulations

There were six shoe and clothing retailers selected to be sample members for this study. However, the findings of this study revealed that of the six selected sample members, only three – Grosvenor, Mr. Price and Nallem - had websites that were portals for online purchase transactions. In the case of the other sample members, the only online presence was profiles or pages on Facebook, or Google information on the shops' logistics such as times of opening and closing, and directions to the Accra Mall where the retail outlets are located.

One of the methods of data collection for this study was simulated purchase journeys, from the online web platforms of the selected sample of retailers, in order to ascertain the degree to

which a model of the omni-channel is currently being adopted by shoe and clothing retailers in the Accra Mall. It was found that Mr. Price, one of the three sample members who own and operate an online shopping outlet, does not currently have an online outlet for Ghana. The retail brand does, however, own and operate a mobile application that was surveyed for simulation in this study. Online store simulations were conducted and competed for only two of the three sample members; Grosvenor and Nallem.

4.4 Grosvenor Online Simulation

The online purchase simulation for Grosvenor Ghana was conducted on the retailer's own website (www.grosvenorshirts.com). One discovery made prior to the simulation was that, although the website indicated that it was the web host for the Ghanaian online shop, the currency of all items displayed was the British pound. Attempts to change the currency to the local Ghana cedi using the slider selector only provided a drop down menu of other foreign currency options including the American dollar.

The purchase simulation itself was a simple three-step journey: product selection, purchase verification and payment (checkout). Based on the understanding of the omni-channel in terms of its functionality and features, as presented and discussed in the literature review, there was found to be no semblance of the omni-channel in the existing online purchase engagement of Grosvenor. This, the simulation yielded the following results:

     I.   Grosvenor currently does not have any opportunities for the integration of its brick-and-mortar store and its online store

    II.   Grosvenor's online shopping portal does not allow a customer to use both physical and digital channels to complete purchases

    III.   Grosvenor's three-stage purchase journey does not facilitate a seamless customer experience across various channel formats

IV. Grosvenor seems to operate a multi-channel retail system due to the separation of its online business from its traditional physical business; inconsistent with the Model of Strategic Channel Alignment

4.5 Nallem Online Simulation

The online purchase simulation for Nallem was conducted on the website that is owned and operated by the retailer (www.nallemstore.com). Unlike the Grosvenor online portal, Nallem's portal was a solely Ghanaian online store, with prices quoted in the local Ghana cedi.

The purchase journey simulation yielded a two-step process: product selection and payment. As was discovered for Grosvenor, there was not found any model feature or functionality of the omni-channel adopted as part of the online retail business of Nallem. The simulation yielded the following conclusions:

I. Nallem has not achieved unification of its online and offline touch points and channels of purchase engagement

II. Nallem does not provide opportunities for omni-channel shopping behaviors such as click-and-collect or buy-online-pick-up-in-store (BOPS)

III. Nallem's two-step purchase journey is typical of a multi-channel where transactions can be only be initiated and completed within the channel through which the purchase is being conducted; i.e only online or only in-store

IV. The shopping experience offered by Nallem is not seamless, since a purchase can not be completed using a mix of both online and offline channels

4.6 Mr. Price Application Simulation

When the three sample members with online stores were identified and chosen for the purpose of purchase journey simulation, it was found that Mr. Price operated an online store, but does not currently have an online outlet for Ghana. Thus, there was no opportunity to simulate an online purchase journey that would be relevant to the scope of this study.

It was later discovered that Mr. Price currently has a mobile application, MRP, that operates as a mobile platform for online shopping transactions. As such, simulations were conducted on the mobile application in place of the retail brand's website. A survey of the mobile application yielded the discovery that all product items were quoted in the South African rand; a similar discovery to what was encountered on Grosvenor's online store. But unlike the other two sample members with online portals, the Mr. Price mobile application had distinguishing features that were worthy of exploration and study.

One of the distinct findings discovered on the MRP mobile application was a click-and-collect feature which popped up as soon as the application was opened for engagement. The feature allows a customer to have their purchase order delivered to a physical store within their locality for free, as long as the customer would be willing to spend a total R350 or more on their purchase order. This feature is a representation of the behavior of *channel agnostic* customers, who have no channel preferences, and are thus willing to use a mix of channels simultaneously to successfully find and purchase the products they desire (Aubrey & Judge, 2012; Mosquera *et al.,* 2018). Further, the value premium of R350 attached to the click-and-collect feature, is consistent with the insight that customers will be required to pay more within an omni-channel retail environment, due to the costs the retailer incurs in integrating both online and offline consumer-facing channels of engagement (Larke, Kilgour and O'Connor, 2018).

Table 2

Data Findings Matched With Research Hypotheses

Hypothesis	Status
H_1: Shoe and clothing retailers in the Accra Mall have not adopted the omni-channel as part of their retail customer experience offering.	**Confirmed**
H_2: The omni-channel can be used to create better shopping experiences for the customers of shoe and clothing retailers in the Accra Mall.	**Not confirmed**

CHAPTER 6: RECOMMENDATIONS AND CONCLUSIONS

6.1 Overview

Based on the insights that have been presented and discussed in good detail, this final chapter presents the recommendations for the adoption of the omni-channel by selected shoe and clothing retailers in the Accra Mall, in satisfaction of the primary research objective of the study.

6.2 Recommendations for Shoe and Clothing Retailers in the Accra Mall

With the help of the literature review as a data source for this study, it has been discovered that the omni-channel is the business tool that facilitates channel unification and offers a consistent, seamless and integrated shopping experience cross and within channels (Beck & Rygl, 2015; Rosenmayer et al., 2018). However, the factors of high capital investment requirements that extend to high costs of implementation, coupled with the degree of strategic planning that must be undertaken when transitioning toward an omni-channel, are known to be limitations of successfully implementing an omni-channel (Piotrowicz and Cuthberston, 2014; Pauwels and Neslin, 2015; Hübner, Kuhn and Wollenburg, 2016; Larke, Kilgour and O'Connor, 2018).

In the wake of the internal and external barriers that exist as hindrances to omni-channel adoption among retailers in developing countries like Ghana, shoe and clothing retailers in the Accra Mall can consider: (1) building websites that will serve as online platforms for sales transactions, (2) introducing less costly features and functionalities of the omni-channel such as buy-online-pick-up-in-store and charging customers a premium value that can absorb the costs involved, (3) providing incentives to customers who engage with the brand using

multiple touch points and (4) introduce mobile devices such as tablets into brick-and-mortar stores, to allow in-store customers to conduct extensive product information searches, using online and offline search routes simultaneously.

Building websites that will serve as online platforms for sales transactions can be a potential strategy to circumvent the high costs of implementation of a complete omni-channel, since website design and architecture do not require intense capital investments. By extension, introducing less costly functionalities of the omni-channel, will also significantly reduce the costs of implementation, especially for smaller retailer brands who recently began operations in the Accra Mall. A functionality such as buy-online-pick-up-in-store (BOPS) – similar to the click-and-collect feature on the MRP mobile application, simply allows shoppers to complete a purchase order online and pick up their order in a store within their locality, for a premium value. This system only requires the retailer to integrate its in-store product inventory with it's online product inventory, so that items purchased online are stocked in-store for easy application of the BOPS system.

6.3 Recommendations for Future Research

Based on the findings and insights drawn from the study, the following recommendations are applicable for future research:

1. Gather primary data from shoppers in order to obtain a customers' perspective

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APPENDICES

Appendix 1

Roadmap for E-commerce adoption globally
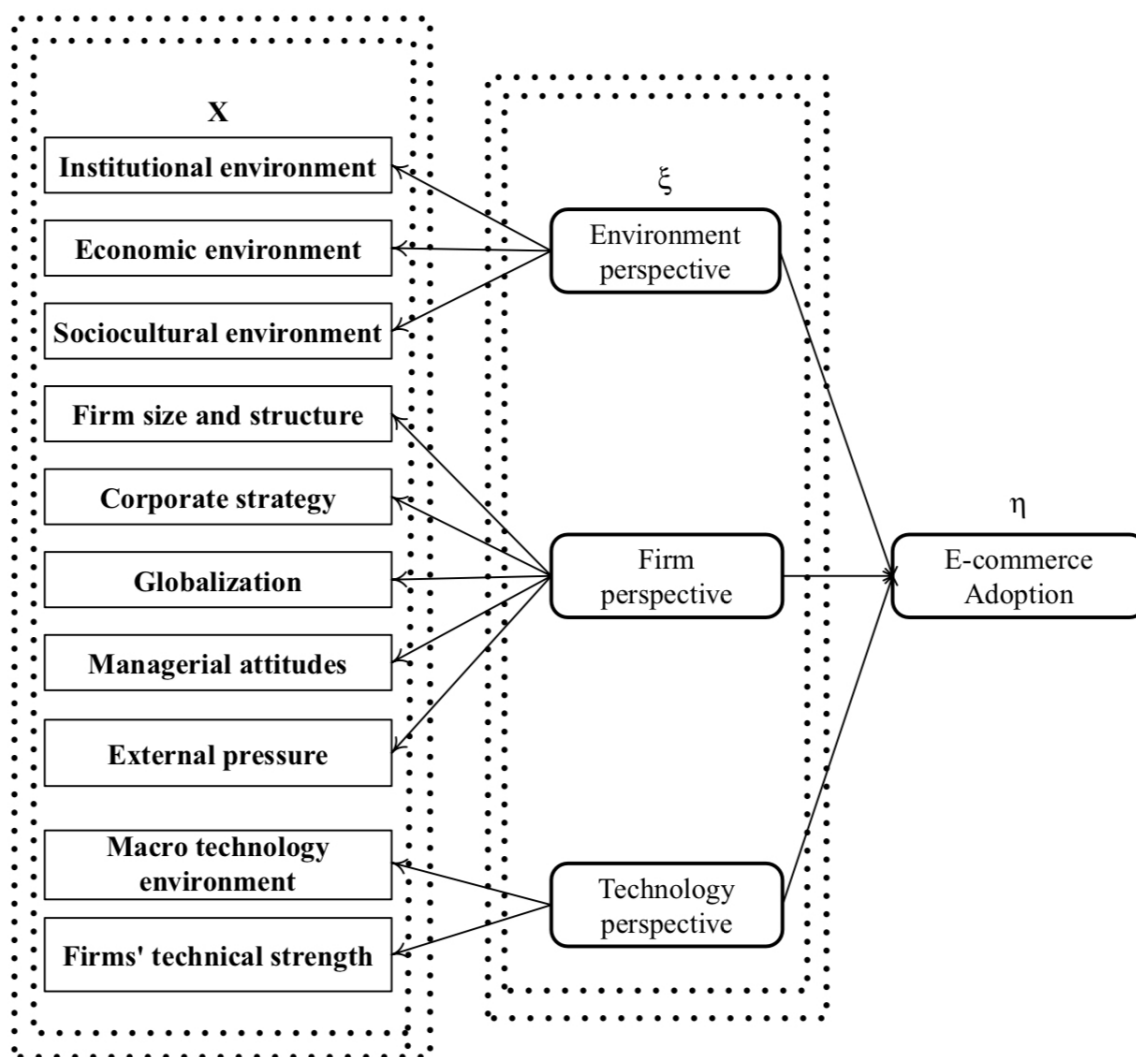
Source: Li and Xie (2012)

Appendix 2

Barriers to E-commerce adoption in developing countries
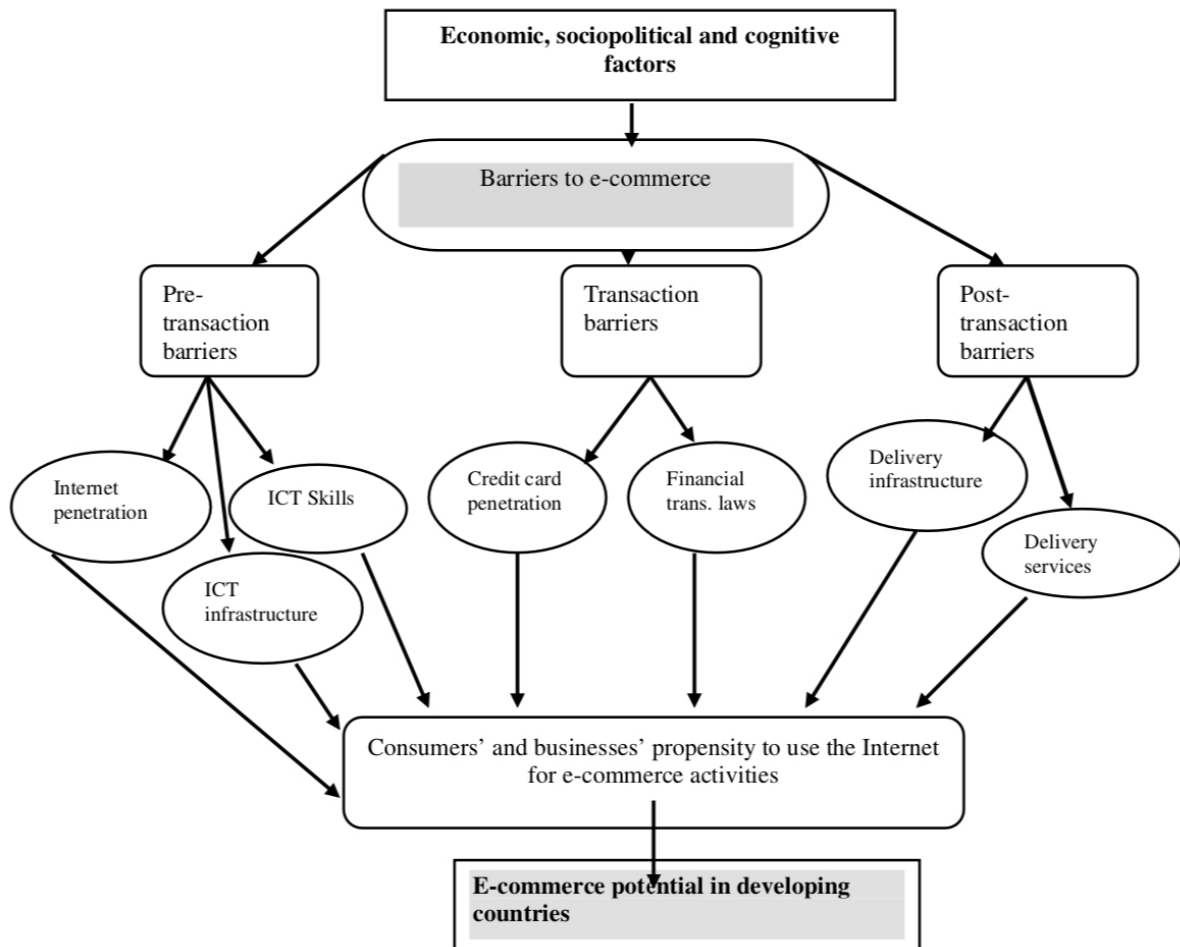
Source: Kshetri (2007)

Appendix 3

Screenshots from online purchase simulation on Grosvenor's website

Source: Grosvenor Ghana (www.grosvenorshirts.com)

Source: Grosvenor Ghana (www.grosvenorshirts.com)

Appendix 4

Screenshot showing the purchase simulation on Nallem's website

Source: Nallem (www.nallemstore.com)

Appendix 5
Screenshot showing the stages in the online purchase journey of Nallem

Source: Nallem (www.nallemstore.com)

Appendix 6

Screenshots from Grosvenor's website displaying location and currency information

STORE LOCATION

Contact Info & Opening Hours

Contact our Grosvenor Shirts Ghana store using the contact details are below.
Please also use this number for all **Made to Measure** enquiries.

Tel: +233 (0)5525 25 452

Other Tel: +233 (0)2494 93 863

The Grosvenor Shirt Shop
48 Boundary Road
Plot NO 46
East Legon, American House Road
Close To the New Shell Filling Station
Accra, Ghana

- MON - SAT: 10am - 7pm
- SUN: 11am - 5pm

Grosvenor Shirts. *Exclusively British*

Source: Grosvenor Ghana (www.grosvenorshirts.com)

Appendix 7

Screenshot displaying click-and-collect feature on the Mr. Price mobile application

Source: Mr. Price mobile application

Appendix 8
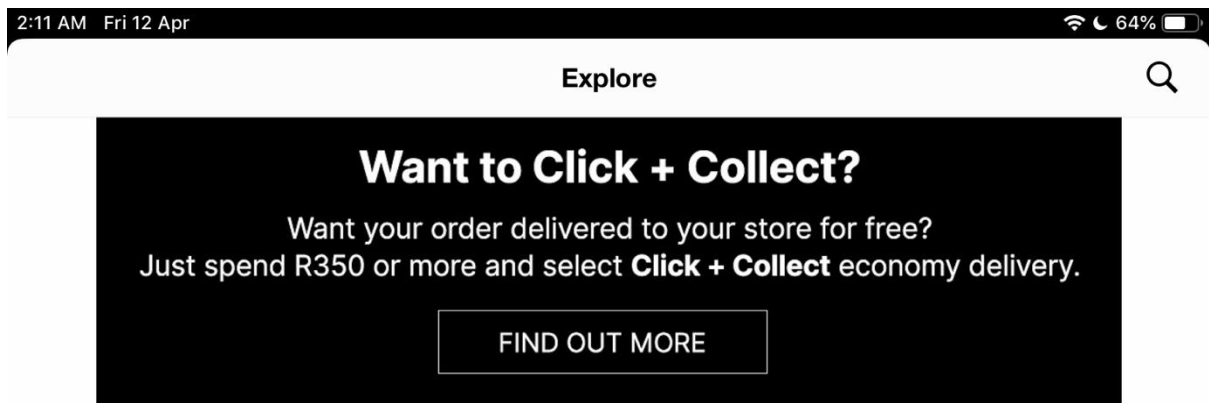
Screenshots displaying the stages in the online purchase journey on the Mr. Price mobile application
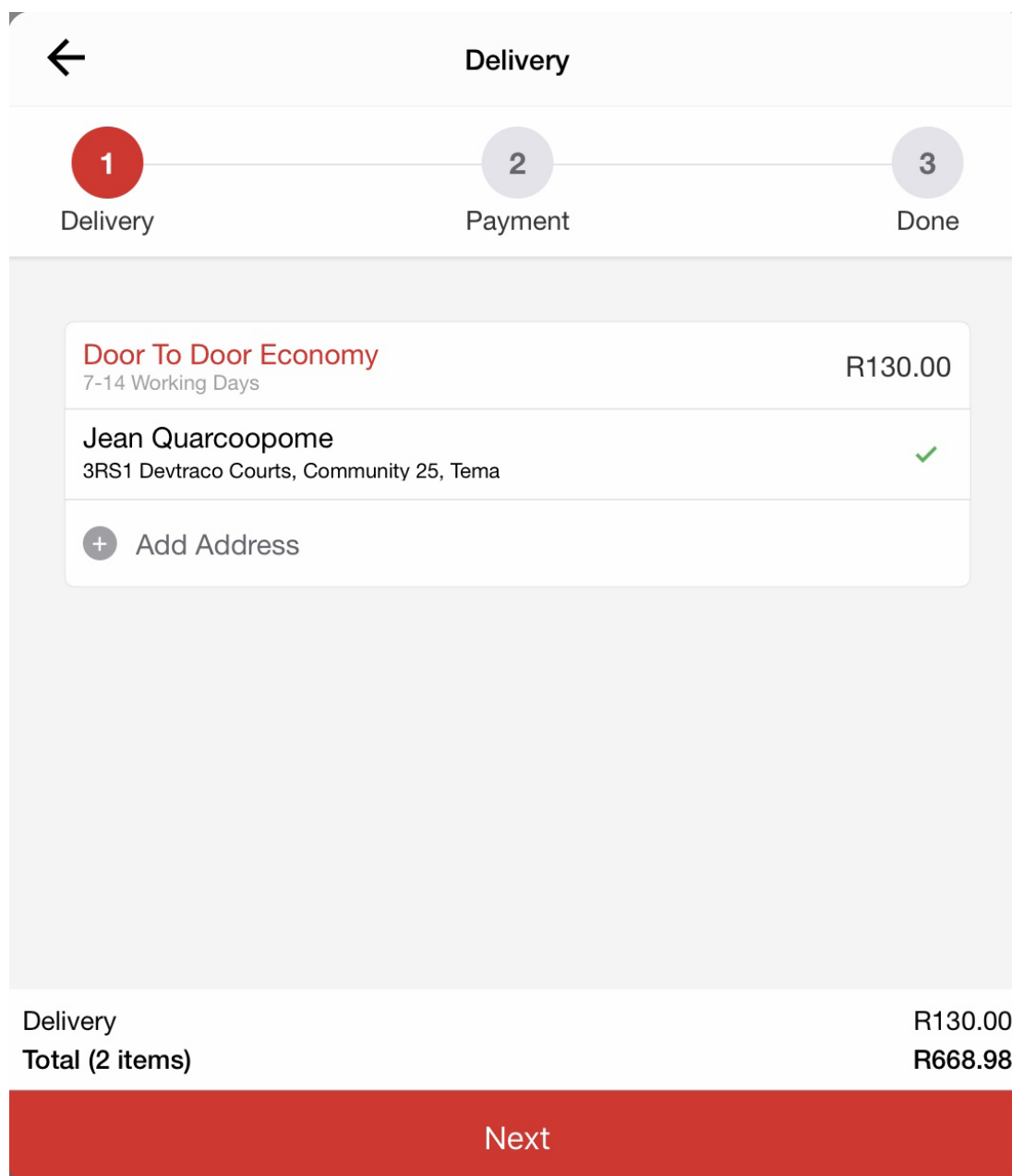
Source: Mr. Price mobile application (MRP)

Source: Mr. Price mobile application (MRP)

Appendix 9

Screenshot of the Bata mobile application sign-up page

Source: Bata mobile application

Appendix 10

Screenshot showing the countries that have online shopping outlets on the Mr. Price website
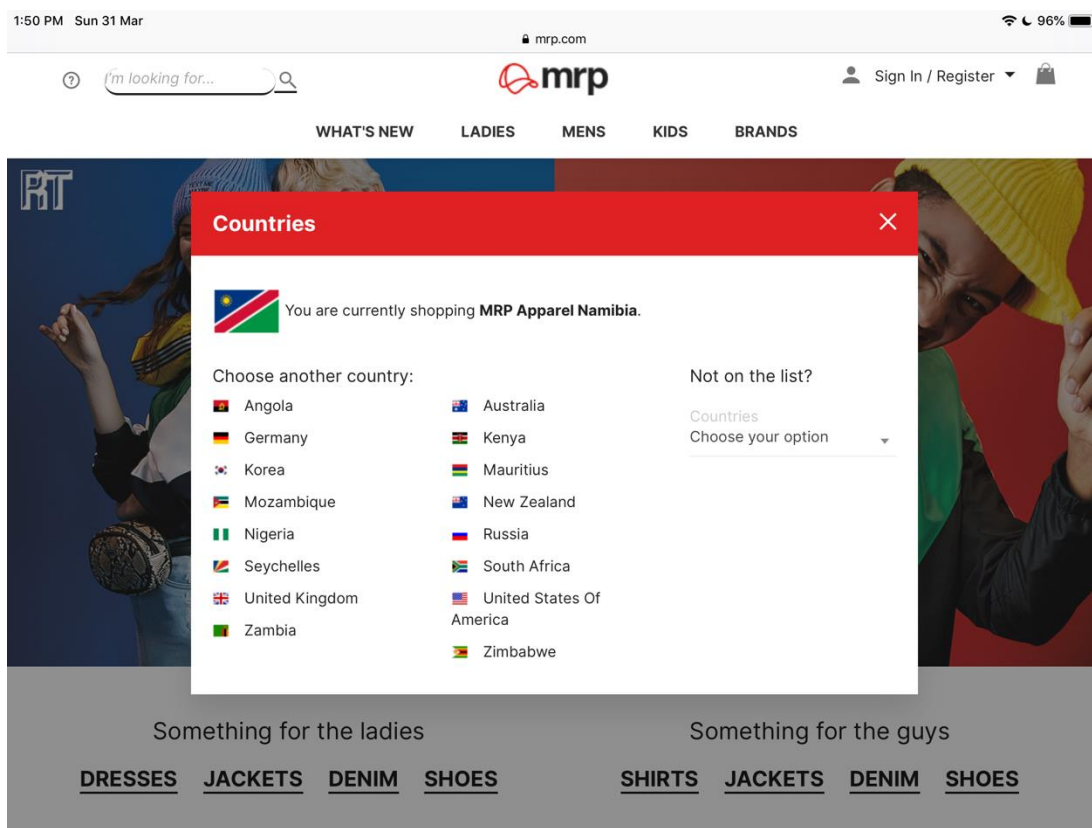
Source: Mr. Price (www.mrp.com)

Appendix 11

Screenshot showing online information for TM Lewis and Bata

Source: The Junction Mall (www.thejunctionmall.com.gh)

Source: The Junction Mall (www.thejunctionmall.com.gh)

Appendix 12

Screenshot showing online information about Payless Ghana

Source: Google