O2O - Offline to Online
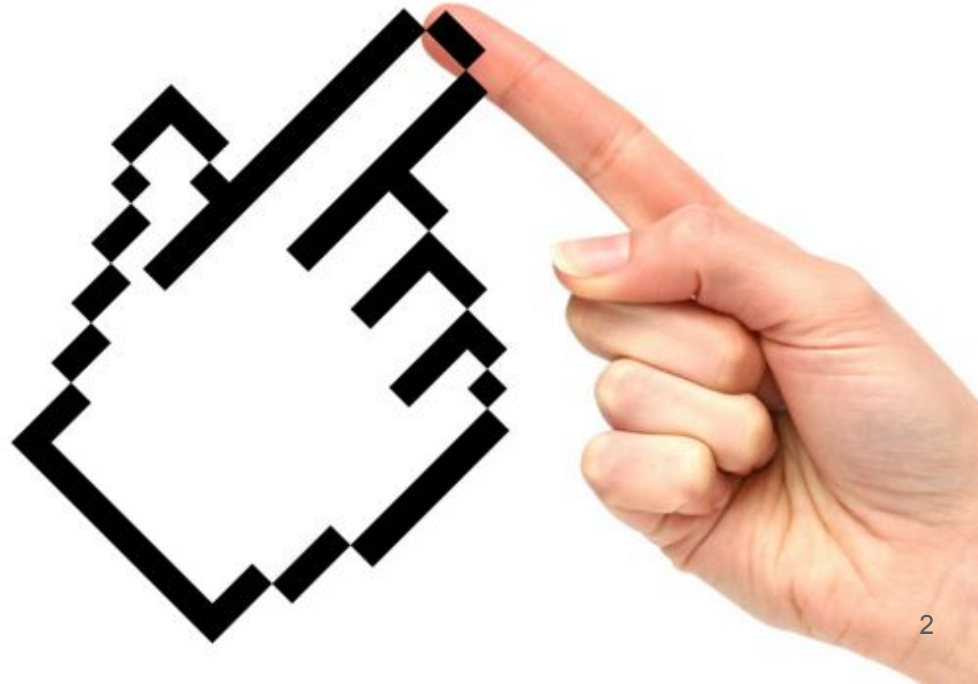## (and the other way around)

LR Data Science
Stephan Pire, Supply Chain CMO
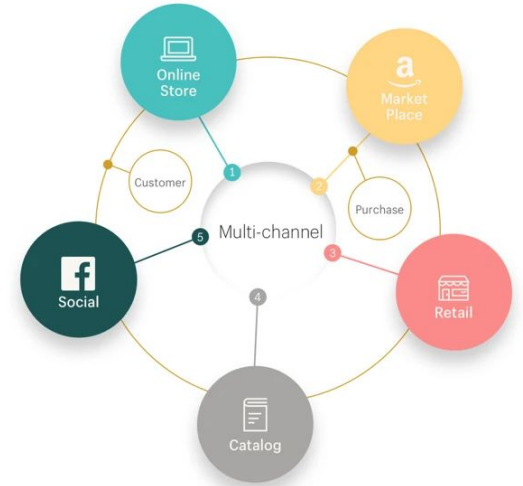lrdatascience.com

What is O2O

Online-to-offline (O2O) commerce is
a business model
that draws potential customers
from online channels
to make purchases in physical stores.
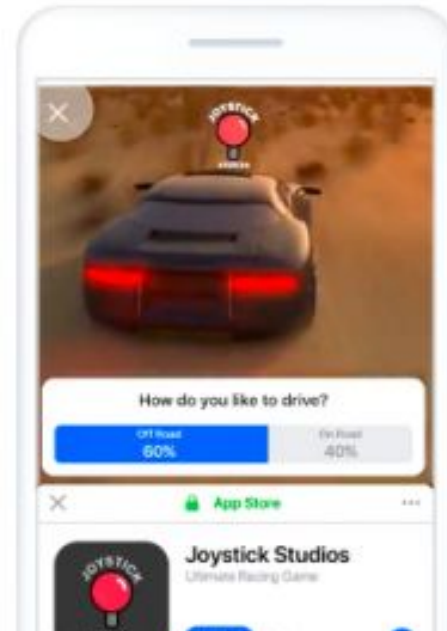
3 Reasons to go for O2O

1. **Reach** more Potential Customers
2. Foster **Upselling** at the Counter
3. Bridge the **Silos** between Sales & Marketing

1. Reach more Potential Customers

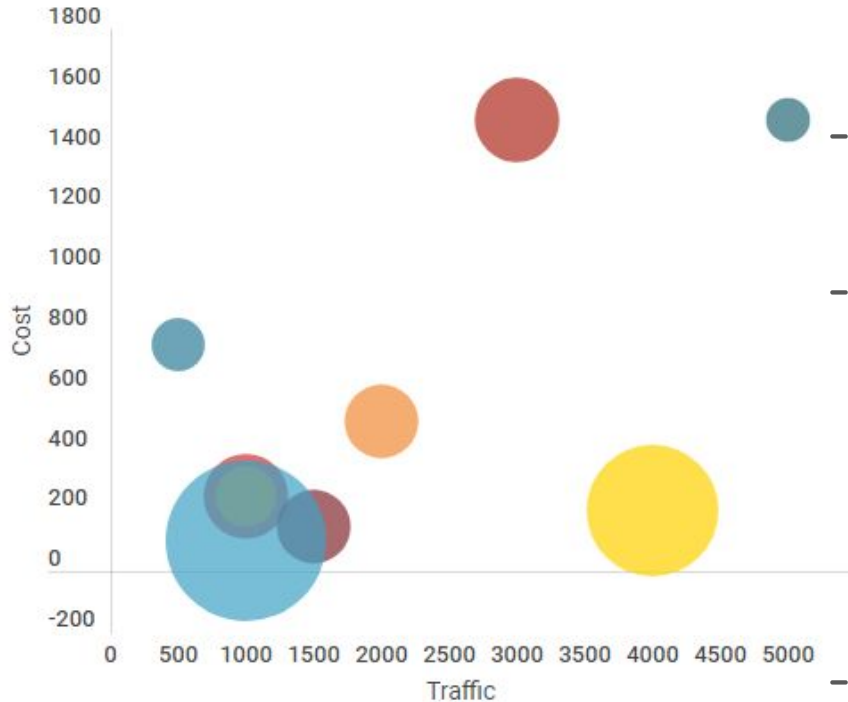## Reach more People

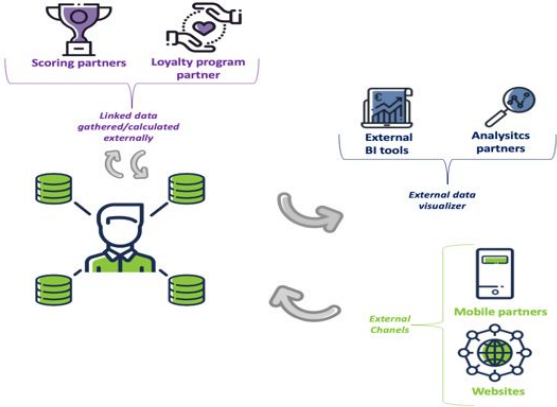## Provide Value
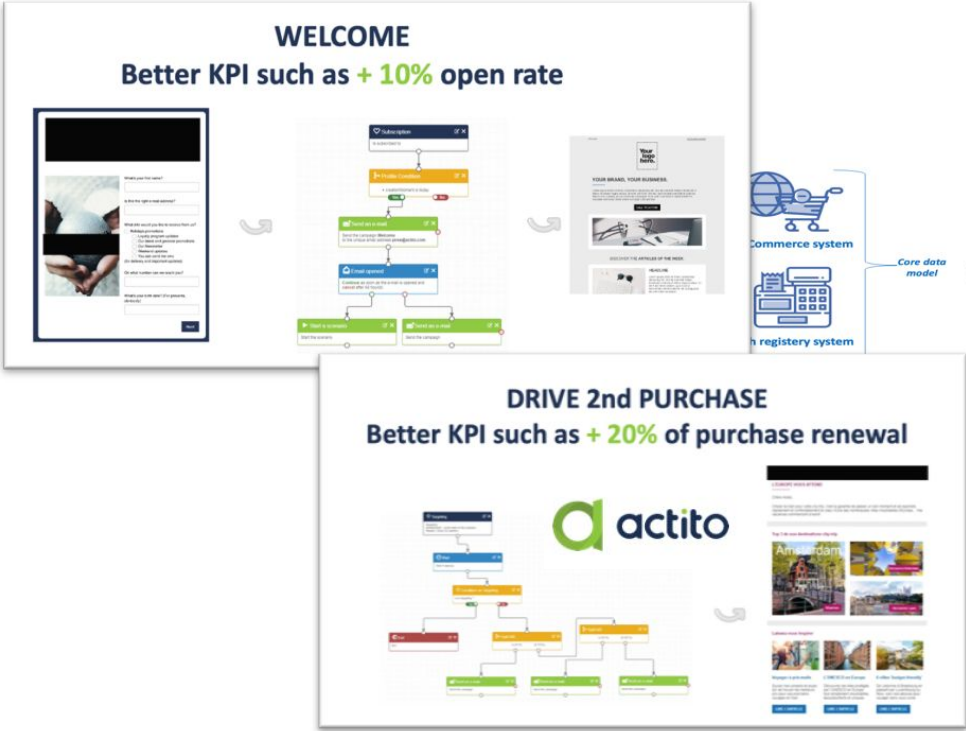
Ways to Reach more People

Balancing the Channels

- Conversion & Cost are Different depending on the Channel
- Low Traffic / High Conversion (eg. Emailing) will favor Sales while High Traffic / Low Conversion (eg. Facebook) will favor Branding Awareness
- Best Approach is not to focus on one Channel

Power of just adding emailing

2. Foster Upselling

Enhancing the Store Experience

- Retailers are able to Customize the Consumer Trip
- Brands are able to analyse Stores effort on their Products
- Faster Trip and Checkout reduce Cost and improve Consumer Experience
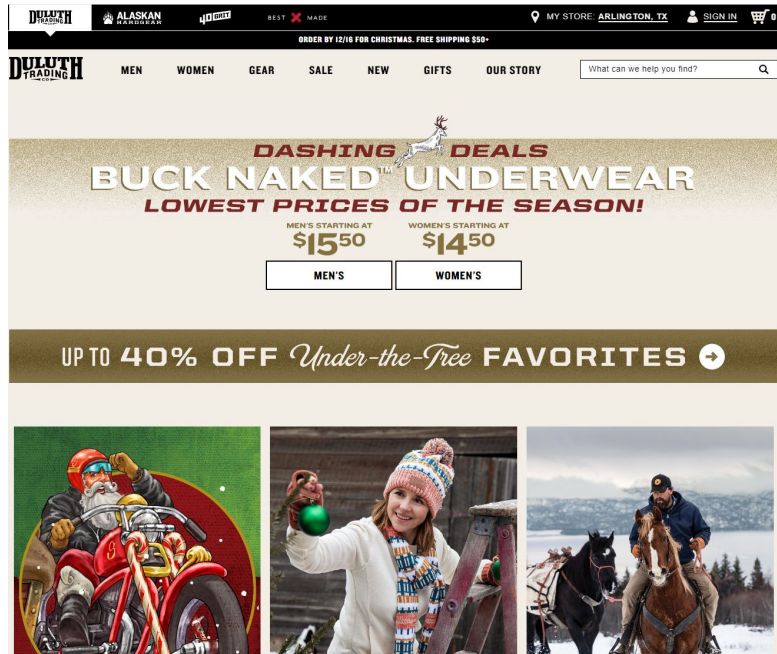
Extending the Store Experience

- AI Assistant can help continue Shopping when home
- Implementing AI Assistance for Shopping is a Low Cost for a High ROI

3. Bridging the Silos between Marketing & Sales

Case Study Offline to Online B2C Duluth Trading (https://www.duluthtrading.com/)

- 2015
  - Generated Products Catalog to a simple Online Shop and to Amazon US
  - 5% of Revenues came from Online
  - Digital Marketing is run by a separate team
- 2020
  - 45% of Revenues come from Online Shop
  - Counter Order Pick Up generate more than 1 million $ upsell US wide
  - Branding and Online Marketing teams are merged

Case Study Online to Offline B2C Amazon [(https://www.duluthtrading.com/)](https://www.duluthtrading.com/)

- 1995
    - Starts as an Online Bookstore
    - 100% of Revenues came from Online
- 2010
    - Extension to all type of Items and fast Territory rollout
- 2019
    - Amazon open Stores including Groceries with full integration with the Apps and its AI solution Alexia

What's next?

CMO **Stephan Pire**

Head of Export / North America & Israel

stephan@lr-physics.com

+32 496 863 275

LRDataScience®
Leveraging Retail Data