# The Importance of Connecting eCommerce and Brick & Mortar Retail Operations

With the COVID pandemic receding, more people are visiting brick & mortar retail shops and stores. However, the movement towards eCommerce sites continues to grow and dominate the marketplace. In 2022, it is <u>estimated</u> that eCommerce sales will reach \$5 trillion and add another trillion by the end of 2024

But what is interesting is that more than half of consumers still prefer to shop at their local brick & mortar retail outlets. There is something about visiting a store in person and examining the items before making a purchase that is still quite compelling.

Which means for the aspiring retailer, connecting their brick & mortal retail efforts with eCommerce is the answer. By providing both experiences, a business owner can reap the benefits that will not only increase profitability but keep their business running smoothly through good times and bad.

## Advantages & Disadvantages of Brick & Mortar Retail

The first and most important benefit is the physical interaction consumers have with the products they want to purchase.

This is arguably based on history since it was not that long ago where local stores were the only way to obtain the items needed. It has become a way of life which is why it is still favored by consumers. The ability to see, pick up, and handle the products makes this type of shopping the most effective for consumers.

In other words, going to the store is part of a lifestyle. It is why we still see individual stores and strip malls being built to this day.

However, one issue with many brick & mortar retail outlets is the unpredictability of what is in stock. Given the time it takes to drive to the store, only to find the desired items not being there can be a frustrating experience. And when consumers see the same items online, they may never enter that store again.

Price is another issue that many retail locations must face. While there are no shipping costs to consumer for products found in the store, a business owner must still raise prices to cover their rent, utilities, employees, and other expenses.

Service-oriented brick & mortar shops, such as automotive services, beauty salons, or restaurants offer the advantage of customers having to come to your establishment. At first, it may seem that service-oriented businesses do not need eCommerce sites or even a presence on the web. But the truth is that all brick & mortar retail benefits from adding a strong internet presence.

#### **Advantages & Disadvantages of eCommerce**

The most important advantage that eCommerce provides is convenience. Whether you are waiting in traffic, taking a break from work, or you are awake in the middle of the night, you can make a purchase online with just a few clicks.

For business owners, having an online presence means less expensive advertising. Thanks to search engines, products and services can be found by local consumers quickly at minimal cost. By using search engine optimization (SEO), you can increase the organic means by which people find the goods and services that you offer. Such marketing efforts cost a fraction compared to traditional sources such as radio, television, and newspaper advertising.

The downside is that customers cannot physically examine the items they want to purchase beforehand. This can be an issue with certain items, particularly fashion where trying on the clothing is considered essential before purchase.

Another downside is distance. Even if the purchase can be made in seconds, it takes time for the product to arrive at your front door. Plus, shipping costs add to the price which may make it more expensive compared to purchasing it from a local store. However, you should keep in mind the gas used and time needed to go to a store compared to ordering online.

For those who own local shops and stores that depend on foot traffic, a strong eCommerce presence makes it easier for consumers to find you. With more people relying on the internet to find the products and services they need, being online means that your business will appear in local searches.

### **Combining Brick & Mortar Retail with eCommerce**

A growing trend in retail is the hybrid store. A physical location that also provides the ease of shopping online. Such technological adaptations to your retail business may include online access to the following.

- In-Location Navigation
- Inventory Search
- Mobile Payments

Using their mobile device, a customer can locate exactly where the products are in your store. They can check your inventory for products that may not be on the shelves. And pay using their mobile devices all without having to interact with your staff.

Such conveniences improve the customer experience which means a better chance for repeat business. You can also benefit from instantly seeing what customers are purchasing and what items are running short in your inventory so they can be ordered.

This means that you can learn customer behavior faster and anticipate needs before they occur. This not only builds up the customer experience it also increases profits as you stock what is needed in advance. Of course, mistakes can be made, and trends may come and go. But you will be better on top of the situation when you employ eCommerce methods.

The hybrid store is quickly spreading around the world not only for its convenience to consumers, but also for speeding up the inventory process so business owners can stay on top of demand. The digital revolution is still progressing, and it will not be long before all successful product and service retail stores and shops become hybrid stores by default.

For brick & mortar retail owners, establishing a strong eCommerce presence may not be easy, but it is considerably easier compared to eCommerce owners trying to build brick & mortar retail locations. By combining the access and convenience of internet shopping with the desirability of visiting a retail location, business owners can maximize their profits and provide the access consumers want by combining both methods.

## Sign up for the GRIP newsletter HERE!

#### **About the Author:**

Elias Amash, President of GRIP, is an industry veteran with more than 30 years of experience in global sourcing, manufacturing, distribution, retail merchandising, fulfillment, marketing, technology, and operations. He is a trusted partner to hundreds of retailers and has "leveled up" the industry with GRIP's undying commitment to offering only the highest levels of service to its customers. Amash has published several books: 8 Skills That Pay Off Forever, The Top 10 Most Important Lessons, The Retail Advantage: How to Win the War with Amazon, Retail Survival: Who Lives, Who Dies and Why, The 50 Most Important Lessons in Life, The Future of Retail, Importing from China: The Good, The Bad, and The Ugly, and 101 Bright Ideas: Winning Tactics to Increase Retail Sales.

#### **About GRIP:**

GRIP was incorporated by Charles Amash in 1980 and has grown into one of the nation's top suppliers of innovative products to the retail industry. Located just south of Grand Rapids, Michigan, GRIP features a 200,000 sq ft state of the art warehouse facility including a 2,000 sq ft product showroom. GRIP carries a product line of over 1,000 specialty tools, tarps, automotive, cargo control, cleaning, LED lighting, magnetics, outdoors, household items, impulse and general merchandise. GRIP has a proven track record of excellence in supplying retail clients with innovative products, timely fulfillment, and world-class customer support. At GRIP, everything is about earning your business...one customer at a time. It's about building relationships and fostering business partnerships that will last long into the future. Our goal is to have

Customers for Life. The future at GRIP is exciting and we're hoping that you can be a part of it as one of our many Customers for Life.

Where to get educated: GRIP Retailer Education www.gripretailered.com

Check out our Company Website: <a href="https://www.gripontools.com/">https://www.gripontools.com/</a>

GRIP Online Catalog: <a href="https://Gripontools.dcatalog.com/v/Grip-Catalog-2022/">https://Gripontools.dcatalog.com/v/Grip-Catalog-2022/</a>

Visit my professional website: www.eliasamash.com

For more information: 616-877-0000 elias@gripontools.net