

This large format concept within the Landmark Group began its omnichannel journey by launching an e-commerce store in the UAE followed by Saudi Arabia and more recently in Bahrain, with plans to enter other GCC countries soon. Today Centrepoint offers a range of omnichannel features such as click-and-collect services in Bahrain and the UAE, which will soon



Bridging the online-offline gap

be rolled out in KSA. Other features include buy online and return to a store, next business day delivery in the UAE and Bahrain, earn and burn points on loyalty programme Shukran and avail the cash-on-delivery and card payment options.
Rupkatha Bhowmick meets head of Centrepoint Simon Cooper to understand the brand's omnichannel journey so far, plans for the future and the differentiating factor between Centrepoint Group - which received a special honour at Images RetailME

"We are more of a speciality store than a traditional department store, the latter offering a more seamless organisation of categories and brands. Whereas Centrepoint houses four different businesses - Babyshop offering children's products; Lifestyle offering home and beauty products; high street fashion brand Splash; and multi-brand footwear concept Shoe Mart. Each business operates as a separate unit, which come together under one roof at Centrepoint," explains Cooper.

"Shoppers see Centrepoint as an anchor - a large format store - offering a diverse mix of brands and products. Our layout is such that the shopper can easily spot the entrance to each of these four concepts. That's quite different from a department store which displays cosmetics

and perfumes towards the entrance, while menswear and ladies wear on the first floor and home and kids sections on the top floor," he adds.

Centrepoint boasts high customer awareness in all markets. Some markets like Saudi Arabia stand out where Centrepoint with a network of over 87 stores is very dominant. YouGov ranked Centrepoint third in awareness as a retail fashion brand. "We see a large section of shoppers preferring to shop from brands present at Centrepoint as opposed to their standalone stores," avers Cooper.

Following an integrated model

The online operations of the four brands that make up Centrepoint also have their own e-commerce stores, but shoppers still prefer shopping

on the Centrepoint webstore.

"As part of the omnichannel journey, it's vital to offer a similar shopping experience to our customers online as bricks-and-mortar. Shoppers land on the Centrepoint main page, like they do when visiting a Centrepoint store, after which they get redirected to the individual brand webstores depending on their preference," Cooper elaborates. "At the category and product levels too, we offer a similar experience online as in our stores. In some cases, more products are available online compared to the store - owing to reasons like a small store size. The idea is to be available to our customers whenever and from wherever they are shopping with us. It could be from their sofa, from the metro or at our stores."

"It's only a matter of time



that the share of e-commerce will grow as part of our total business. The extent of growth, and if it will exceed the numbers in the US, the UK or Europe, is still unknown. In the matured markets online shopping is driven by convenience. We have to wait still and see if convenience takes precedence in the regional market too. Currently, compared to the Centrepoint stores, the average transaction size is 10-15% higher online," he continues.

Cooper states that there is no category at Centrepoint that is performing significantly better than the others, although baby products, furniture and nursery are doing quite well followed by women's fashion, kids fashion and men's fashion. Performance is mostly consistent across all the other categories. Since the omnichannel experience is relatively new, Centrepoint is still adapting to customer demands adjusting its catalogue accordingly.

Customers tend to spend anywhere between five minutes and over an hour in a Centrepoint store. It depends on the nature of shopping and customers. While a set of customers may visit the stores once in a couple of months

and buy from every category, another set of customers prefer to visit Centrepoint more frequently buying from the brands as and when required.

"We also have a very loyal and magnificent set of customers who shop with us more than once a week. Online we see customers shopping across categories, which helps in coordinated purchases, while in the stores we work on easy navigability so they can find their products easily," Cooper adds.

Building on the omnichannel presence

Centrepoint has already rolled out its e-commerce stores in the UAE, Saudi Arabia and more recently in Bahrain. The plan is to next roll out the web stores in other GCC countries soon. It will also rollout the click-and-collect service in KSA, which is already available in Bahrain and the UAE.

"The full range of omnichannel services is available in the UAE and Bahrain. The click-and-collect service is quite popular among our customers. They like to reserve their orders and pick it up from the designated pick-up areas in every store. What's



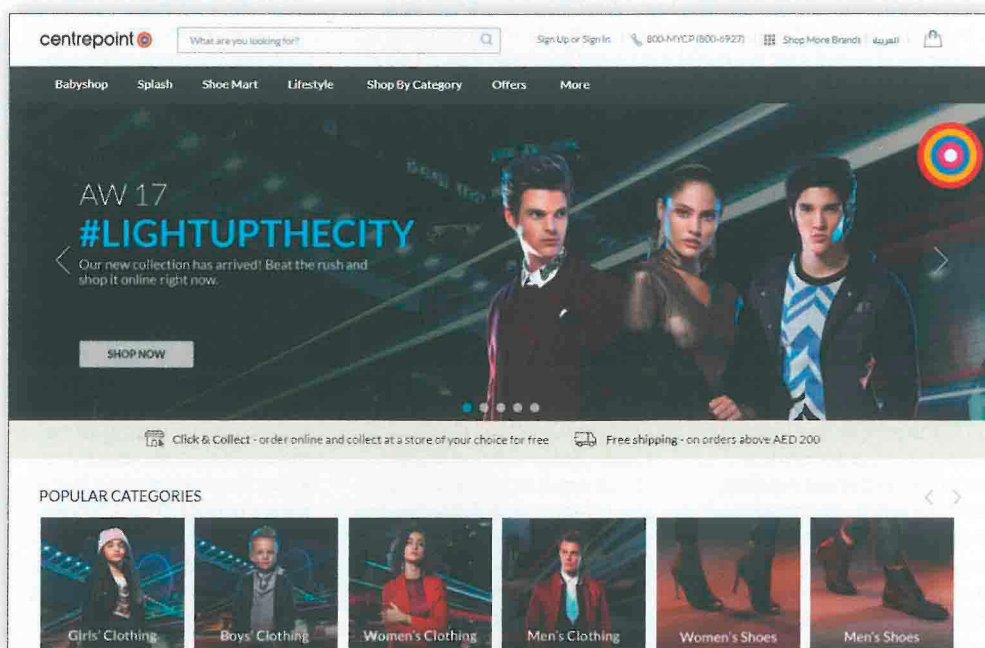
Simon Cooper

more, even if a customer shops from a standalone Splash store and wishes to collect it from a Centrepoint location, we allow them to do so," Cooper elaborates.

In addition to click & collect, Centrepoint has launched the Arabic version of its site and app to make the online shopping experience more convenient for its Arab customers. The return to store feature is also available wherein they can buy online and return to any Centrepoint store across the emirates and in any of the four stores in Bahrain.

"In due course, we will upgrade this feature allowing our customers to buy online and be able to exchange in stores. Instantly customers will get their cash back in vouchers or credited to their cards depending on the bank's terms and conditions. We want their shopping experience to be as convenient and delightful as possible. Our loyalty programme Shukran is also top-rated online as well as offline. Around 40-45% of our online customers are Shukran members," Cooper observes.

"Further, we offer the cash-on-delivery option. Around 50% of all our online sales in the UAE - and 70% in KSA - are cash-on-delivery, the remaining being card. We see quite a high number of customers belonging to the 18-24 years age group who prefer the cash-on-delivery option; whereas those aged between 24-and-32 years prefer using



cards. We see the millennials buying more online, while those buying in our stores are aged 28 years and above," he reveals.

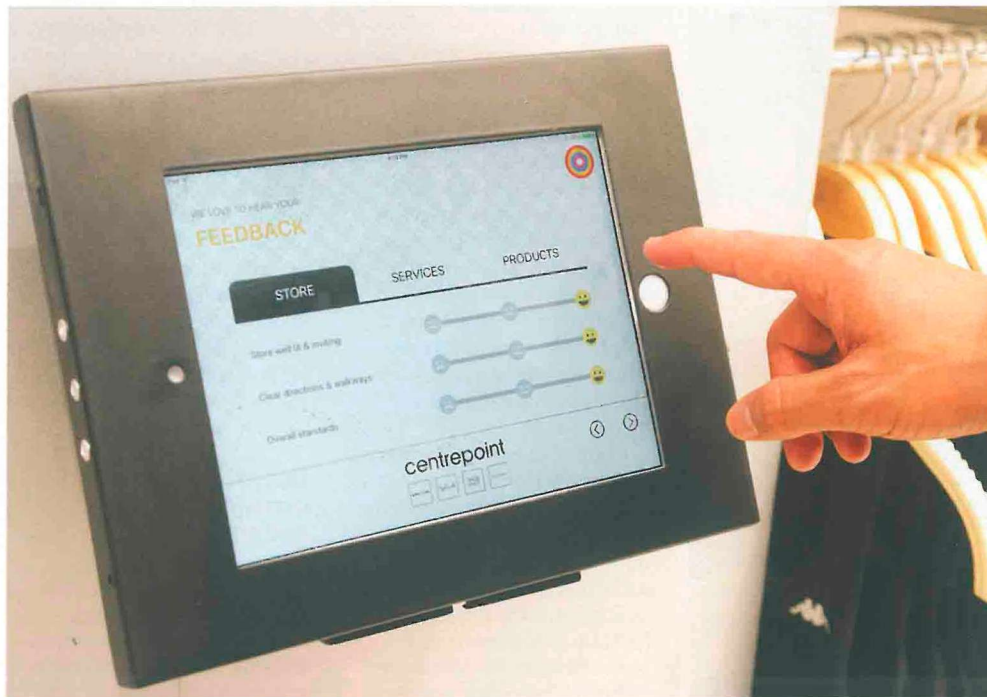
"Fulfilment is also very crucial in an omnichannel operation. We have done a good amount of work on that front too," Cooper points out. "We ensure next business day delivery in the UAE and Bahrain, whereas it takes two-to-three days in Saudi Arabia."

Creating an engaging space

Centrepoint has opened a new format store with many digital features at Doha Festival City in Qatar developed by FITCH. This new store sports many state-of-the-art in-store digital technologies, rendering the environment very exciting. Interactive tablets placed throughout the store prompt customers on star products and on-going deals in-store. There is free Wi-Fi in the store for customers.

Service is a critical element of the new store with attention paid to the inclusion of greeters at the storefront and an increase in Arab speaking assistants, alongside digital navigation consoles to guide customers to various sections of the store. Interactive iPads in the fitting rooms allow customers to identify the right size and fit for them quickly. There will also be mobile POS available in the store for customers to shop instantly without waiting in the queue.

"A mobile POS enabled checkout system enables shoppers to buy and pay for an item from a specific location within the store instead of having to walk up to the cash tills. This feature receives appreciation by those who are shopping for big pieces like baby strollers or furniture as well as those who shop for a small item like a lipstick. It's also a more personalised experience while being a queue buster. In this market, everyone chooses to shop on the same days, at the same time and from the



Breaking away from LandmarkShops.com

It's hard to tell if we have done better or not because every business, including Centrepoint, have built on and expanded our product range and improved navigability of our pages. That probably would have happened if we were part of LandmarkShops.com. As a business owner, we want to offer a complete experience to our shoppers – online and offline. Customers shopping online tend to search for the leading brands they are keen to buy. In such a situation, there are fewer chances of them looking for LandmarkShops.com. That was probably the logic behind breaking away from LandmarkShops.com and building separate e-commerce stores for every brand. We are part of the Landmark Group that gives us a tremendous advantage, including wide geographical footprint and a huge customer base. So it's vital that we build the brand in a way that it can offer a holistic experience for the customers.

same locations. It's unlike, let's say, the UK market where Oxford Street sees steady traffic throughout the day. In this region, on the other hand, weekdays tend to be quieter compared to weekends. Mobile POS, along with great store staff is quite helpful," Cooper observes.

"At the people level, we have given a lot of autonomy to our store staff ensuring they can take quick, on the spot decisions. Besides, since we have big-sized stores, we have also put in place more cash tills. In City Centre Mirdif, for example, there are 24-27 cash

tills to handle peak periods. We never let customers walk out of our stores unhappy," he stresses.

Overcoming challenges

"Getting the catalogue and all our products online – 36,500 SKUs in the UAE and 26,000 SKUs in KSA – was quite challenging," Cooper admits. "Each product must have a clear photograph for a viewing option and a description added along with the price. To have a single view of inventory across stores and online was also challenging, in addition

to ensuring everything came together from the back-end perspective."

"However, it didn't take us a lot of time to roll out the omnichannel features. In November 2016 we were still on LandmarkShops.com – the erstwhile integrated e-commerce platform for all Landmark Group brands – after which we switched to our own e-commerce store, which took around six months. Between November 2016 and June 2017 we upgraded a lot of features to roll out a proper omnichannel presence in the UAE. In the last one year we have slowly developed almost 95% omnichannel presence," he states.

"In the days to come, we will have a more upgraded feature like the ability to fulfil exchanges from online to in-store. A lot of features will improve the in-store experience such as online digital touchpoints in stores and the ability to experience shopping in the stores online. Think about the benefits of omnichannel – a few of our smaller store formats will be able to offer the full range of products," Cooper concludes. ■