Zhalinska I. V., PhD in Econ., As. Prof.
Zhytomyr Polytechnic State University

OMNICHANNEL MARKETING IN THE EVOLUTION OF MARKETING

The change in the environment of interaction between consumers and companies/brands and the implementation of marketing activities simultaneously in both digital and physical environments has led to the emergence of Omnichannel Marketing. At the same time, its advent and development appear within existing marketing concepts and fully reflect their main contemporary features.

The purpose of the study is to determine the main features of Omnichannel Marketing (OM) in terms of contemporary Marketing and to highlight the main stages of its development and their brief characteristics.

Kotler Ph. et al. define OM as the practice of integrating multiple channels to create a seamless and consistent customer experience (CX). It requires organizations to break channel silos and unify their goals and strategies. This will ensure a concerted effort across multiple online and offline channels to drive customers into making the commitment to purchase [1].

OM has developed within the framework of the Marketing 4.0 concept, which can be depicted by the following distinct characteristics: objective – inspiring the client to co-create new content and products/services; enabling forces – Digital Economy (Industry 4.0); the way companies perceive the market – Netizen man (citizen of the network); key marketing concept – anthropomorphization of brands; marketing guidelines – promoting content and creating brands; value proposition – commitment and trust; interaction with consumers – relations based on the functioning of the networking, an enormous generation of consumer [1].

At the same time, since Marketing sets goals for the entire company it is regarded as decisive in terms of the functional direction of the company's activity. This concept is defined as Marketing Management. The most common definition of it is provided as the management of all organization's activities based on the principles of Marketing when all departments plan and evaluate their activities from the standpoint of Marketing [2].

Marketing 4.0 is the environment that facilitated the advent of OM, as the initial condition for this was the emergence of digital promotion channels. On the other hand, the implementation of Marketing Management can be expected as the necessary condition to achieve a seamless CX in OM. The reason for this is the necessity of managing the internal processes in a company.

It is worth noting that OM is regarded as the current stage in the development of types of marketing in an environment that combines digital and physical channels. Based on the analysis results of scientific research devoted to the development of OM, the main differences among its stages have been highlighted [3, 4].

For the first time, the promotion of goods of certain companies/brands through digital channels takes place in the retail sector, while traditional physical channels exist as well. Nevertheless, there is no consistency between the channels. E-commerce is a separate system from the physical store and is limited to online facilities, features, and services. This stage is called Multichannel Marketing.

The stage when companies/brands start coordinating marketing activities in different channels in a certain way is called Crosschannel Marketing. Its distinct characteristics include extended online features and comprehensive product diversity. Companies focus on product logistics, product comparisons (online vs offline), and operations. However, there is no integration of the back office (organizations, systems, etc.)

The stage where companies/brands manage to create a seamless CX that can transition across channels effortlessly is called OM. It comprises harmonizing products or services across all channels and devices at each stage of purchasing so that customers can fully initiate channel interaction and control the overall channel integration. It requires integration of the back office of companies. Note that today the scope of OM has expanded significantly, e.g. it is currently implemented in the tourism, hospitality industry, healthcare, and banking.

Omnichannel Marketing concept is based on both Marketing 4.0 and Marketing Management. The emergence of OM was preceded by the development of previous stages, i.e. Multichannel and Crosschannel Marketing. The main peculiarity of OM is to create a seamless and consistent CX through integrating multiple channels.

Reference

1. Kotler Ph., Kartajaya H., Setiawan I. Marketing 4.0. Moving from Traditional to Digital. John Wiley & Sons, Inc., Hoboken, New Jersey. 2017, 125 p.

2. Iaromich S.A., Velychko T.G. The nature of Marketing Management in scientific discourse. Economy and Society. 2017, № 9. Pp. 740–745. URL: https://economyandsociety.in.ua/journals/9_ukr/127.pdf.

3. Managing Customer Experiences in an Omnichannel World: Melody of Online and Offline Environments in the Customer Journey. Edited by Taşkın Dirsehan. Emerald Publishing Limited. 2020. 344 p.

4. Shetty A. Sh., Jeevananda. S, Kalghatgi J. R. How to win back the disgruntled consumer? The omni-channel way. Journal of Business and Retail Management Research, 2018, Vol. 12 Issue 4. Pp. 200–207. URL: https://jbrmr.com/cdn/article_file/content_42967_18-07-04-01-34-14.pdf.