

MULTICHANNEL AT RETAIL AND OMNI-CHANNEL: Challenges for Marketing and Logistics

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ABSTRACT

The present paper has as an objective to present and analyze the challenges that the multiplication of distribution channels – the multichannel – imposes to Marketing and to Logistics. It is presented and discussed concepts which show the requirement for tools that optimize processes, eliminate wastes and comply with consumer's needs, offering competitive differentials for the organizations. The multichannel has as premise to consider the client as the focus of distribution acting and aims at making products available at the greatest number possible of distribution channels, generating integrated information and, above all, consistent experiences of purchases. To sum up, this paper presents an evaluative concept of multichannel, the Omni-Channel, activity which aims at integrating the available channels – physical and virtual ones – in order to conquer and to adapt to the consumer who demands fast answers and more options at the retail. It is intended thus, to show the integration between the Marketing activities and Logistics as tool to reach the entrepreneurial goals.

Keywords: *Multichannel; Logistics; Marketing; Retail; Omni-Channel*

1. INTRODUCTION

The companies scenario, above all the retail ones, is more and more competitive, with more demanding clients, without being willing to pay more for excellence on goods and services. Like this, organizations must search for tools which allow improvement and compensatory results, as well as, to optimize processes, to eliminate wastes and to reduce the delivery deadlines, besides offering lasting relations with the consumers.

Besides offering more adequate and innovating products, it is required from Marketing to develop strategies which effectively consider the desired target-public, creating contacts points with this public, generating satisfaction, faithfulness and relations in the long run. In this context, it is more important over and over to generate amenity and convenience so that the consumers could find the products at “the right place and at the right moment when they need to perform determined purchase” (Pestana, 2014, p.133).

Logistics has this function. Equationating in one side the competitiveness needs and continuous improvements at the companies, optimizing their resources and, at the same time, allowing increments at the marketing activities of organization and the relations with the clients, serving their needs with as convenient as possible. This task gains even more complexity due to the Brazilian conditions, be it geographic area, infrastructure, legislation and tributation system, or even with the gradate increase of requirements made by the consumers.

It is necessary to overcome the expectations of the market in order to be competitive. At the retail sector, more than understanding and serving the consumers' needs it is necessary, according to Pestana's remarks (2014, p.133), “to offer solutions and experiences in different moments of relations with the products and services, with an experience of purchase which is valued by him”. With that, it is presented the concept of **multichannel**, which has the premise to consider the client as the focus of distribution acting, influencing in his decisions. Multichannel aims at making it available products to the consumers, with the greatest possible number of distribution channels and of contact, several layouts of stores, as it fits better, generating integrated information and, above all, consistent purchases experiences.

The integrated activities to serve the consumers' purchase needs to comprise since the environment of the physical store – stimulating the senses, offering moments of relaxation and impulsive purchases – even the purchases' easiness by mobile ways (as cell phones and tablets for instance). In order to generate these possibilities with efficacy and readiness, the companies must consider the Logistical influence, like area of processes administration, not only transportation, which is commonly recognized, but also involving activities throughout the way where the products go through at the supply chains – from the origin point of the byproducts, industrialization, up to the moment of final consumption.

Retail is the main channel of the productive channel, for several reasons which are presented during the article, but the competitive environment puts pressure on the companies of the sector and make them place a new scenario, right away. The retail companies need to assure products at the several channels available, serving (or overcoming) the needs of their clients, working with several formats to expand the market's contacts. At the same time, they must use logistics tools in order to improve their resources, reducing time and costs. Those that can do it, will certainly develop competitive advantages. "That is why, it is not enough to offer different stores' layouts, be physically or virtually. It is necessary to invest on the intelligence of the logistic business with the goal of fomenting the synergy between them, creating integrated solutions" (Pestana, 2014, p.135).

The goal of the current essay is to analyze the challenges which the distribution channels multiplication – the multichannel – imposes not only to the Marketing but also to Logistics, as well as, to evidence the relations between these two essential areas for retail, being Marketing and Logistics integrating agents and that they enable competitive differentials for the retail companies.

2. MARKETING AND THE CONSUMER MARKET

One of the definitions presented by the American Marketing Association (as cited in Kotler & Keller, 2012, p.3) considers marketing as an "activity, the set of knowledge and the processes to create, communicate, delivering and Exchange offers which have value for consumers, clients, partners and the society as a whole", therefore, it makes part of routine's modern society to administer these exchange processes.

According to Kotler and Keller (2012, p.6) the exchange activities, preconized by the Marketing, happen in consumer's markets, be final users or organizational clients, being "a set of buyers and Sellers who perform transactions related to determined products" or kind of products. Campomar (2012, p.31) explains that it was the need to administer the relations between demand and offer of products that arouse the marketing principles.

Additionally, McCarthy (as cited in Kotler & Keller, 2012, p.23) shows the activities which make up the marketing mix, being understood as the controllable varieties which a company uses to implement the market actions – named marketing 4 Ps: product, price, promotion and place. Campomar (1984, p.44) evidences that the success scope is related to the effective application in practical terms of integrated marketing, that is, the integration of 4 Ps, being worried with the compatibility of each of these tools among themselves. The author still claims that the marketing compound and its proper use must be anticipated by the knowledge of the other environmental environment, those who are uncontrollable by the organizations. Thus, the offering organization must have a marketing structure which executes the activities of the compound (4 Ps) and that besides optimizing the results they can develop new interaction techniques with the market.

Larrañaga (2008, p.47) makes a relation between marketing and the logistical activities. The author emphasizes that when the marketing Professional plans and sets strategies for the proposed goals, they must relate directly with the logistical area personnel to verify if the actions proposed are possible to be executed, being absolutely necessary the integration between the two areas. The author still explains that the objective of marketing area is to allocate resources to the marketing compound in order to maximize the company's profitability, and in turn, one of the main goals of logistics area is "minimize the total cost, for determined level of service to the client" (Larrañaga, 2008, p.48).

Nonetheless, Pimenta, Silva and Yokoyama (2011, p.718) attest that a lot of professionals of marketing area still have the opinion that logistics exists merely to perform the immediate needs of transport and storage, not considering it as an essential condition which controls the integration of supply chain. "The organizations which keep collaborative relations between Marketing and Logistics find it easy to work with mutual responsibilities understanding, ideas and information sharing, besides enhancing the resolution of problems as a team" (Ellinger, 2000, as cited in Pimenta et al., 2011, p.719).

The sharing of the strategies between marketing and logistics functions allows the following actions:

- (1) Guarantee that the service levels published by the organization to the clients will

be fulfilled; (2) and that the levels of service will be adequate to the wishes and needs of the clients, as high levels of service result into cost of higher distribution than the necessary and, therefore, into higher final price for the clients (Maia, 2006, p.39).

Like this, Maia (2006, pp.39-40) highlights that one of roles of Marketing is defining fully how to reach the target-consumer, by means of distribution channels (among other attributions), evaluation characteristics, advantages and disadvantages in every available model. In turn, Logistics has the role to plan and perform the distribution activities, making available the products to the consumers. With that, it is feasible to analyze the detailed concept of entrepreneurial logistics and how its tools can help the marketing activities of the organization.

3. ENTREPRENEURIAL LOGISTICS

According to Façanha (2012, p.245) logistics is a process which comprises the administration of several aspects of a supply chain, since the providing of raw materials for production, the drawing itself of the productive process, up to the distribution of finished products. It also involves the reverse processes of this supply chain, as the residues reuse and its devolution to the productive process. In this sense, entrepreneurial logistics studies the organization and the necessary steps for the products flow (goods and services) and information among the distribution channels, partners, providers, retailers and clients.

Logistics management is the part of supply chain which plans, implements and controls the efficiency of flow, direct and reverse, and the storage of goods, services and information between the origin point and the consumption point, in order to comply with the needs of the clients' demand (Council of Supply Chain Management Professionals – CSCMP, 2014).

Bowersox and Closs (2001, pp.64-66) emphasize that it is very hard to accomplish any production activity and of marketing without logistical basis in all the processes which make up those areas. Logistical support is paramount so that the products are available for the consumers at the adequate places and at the desired moment. Like this, logistics comprises the organization process, planning and execution of the productive and commercial activities, combining operational and strategic aspects.

According to Bertaglia's analysis (2003, p.3), the understanding of the complexity which involves the relations between the links of a supply chain is recognizably a factor of competitive advantage. Thus, it is necessary to understand the impacts caused at the organizations, at the society and at the process itself. Bowersox and Closs (2001, p.89) complement this idea, attesting that "the entrepreneurs must understand not only the economical aspects of the channel but also those which are connected to the relations management, so that they can plan and implement the structure of operations in satisfactorily".

For Bowersox and Closs (2001, pp.43-51) the logistical activities have the competence to bond the organization to its clients and providers, approaching a cycle of actions which permeate all the flow of products from the origin point (byproducts and raw materials) until the moment of consumption, by the final user of the product. The logistical activities must integrate so that they can serve the needs of the consumer market in an efficient way and considering the ideal costs of operations, in any situation, involving not only physical goods but also service providing. The authors present for big areas of logistic operations, as well as their respective main activities:

- a) **Proving logistics:** it involves the activities related to the obtaining of raw materials of external providers, including planning, supplying sources, purchases processes, negotiation and selection of providers, orders executions, and initial transport of provider until the ordering company, receiving and conference of materials, storage of raw materials. Its main goal is to support the production or reselling.
- b) **Production logistics:** these are the activities related to planning, programming and support of production operations, comprising the sequence of processes for manufacturing of goods or services and the execution of production flowchart.
- c) **Distribution logistics:** it comprises the activities related to the service providing or the availability of the product to the final consumer, including also like this the processing of purchases orders, stock control of finished products (in case of goods), storage and handling of the products, physical transport, relations with the distribution channels, relations with the marketing area for the contact with the market. Its prime goal is to serve the client in as much convenient way as possible at an acceptable cost.
- d) **Reserve logistics:** it is responsible for the destination activities of residues (production as well as consumption), operations of technical assistance and warranties, post-sale services, specific

legislation attendance concerning post-consumption (reimbursements, for instance) and even critical situations for withdrawing a product from the market.

From the point of view of logistical processes, Bowersox and Closs (2001, pp.56-57) attest that the physical distribution of goods and the activities of service providing vinculate the company to its clients, combining operations of production area and marketing itself, in an integrated effort. So, the “capacity of logistic answer of the company selling something makes one of the most meaningful competences of marketing’s strategy”, once that these are operations which significantly will make it available to the clients the goods and services desired and obtained, as well as the industries relations with the distribution channels, between them, and the retail channel.

Berman and Evans (as cited in Mattar, 2011, p.389) evidence the relation of interdependence between the logistics concepts and the retail actions, once that one of the main goals of the logistics process is to make products available to satisfy a consumption demand, optimizing the stocks and improving the level of service timing to the consumer. Furthermore, they emphasize as goals of the logistics for the retailers to invigorate the administration processes and the exposure of the goods at the Sales area, goods receiving, orders processing and collaborative work with the other partners of the supply chain.

Rosenbloom (2008, p.322) claims that the logistics of the processes influence directly the marketing programs when it makes the products available to the clients. The organization of processes – logistics – decreases the uncertainties concerning “taking the right quantity of the right products at the right time”, being this task more and more complex, expensive and it plays a very important role at the distribution channel management, including the retail channel, and at the relations with the market.

4. DISTRIBUTION CHANNEL

A distribution channel can be defined, according to what was exposed by Kotler and Keller (2012, p.448), as a set of companies which are interdependent and have the goal to make available goods and/or services to be used or consumed. The distribution channels (or marketing’s) “make the set of ways where the product goes after the production, culminating at the purchase or at the utilization by the final user”. The choices and the distribution channels management affect all the other marketing decisions and influence at the companies competitiveness.

According to Kotler and Keller (2012, pp.456-460) so that the organization can design a system of distribution channels it needs to analyze several adaptation and operation factors towards its consumer market. Firstly, it must identify the needs and wishes of the clients, their preferences, and purchases goals– are economical, social or even experimental. Following, the company needs to establish the goals of each channel which will be used, as well as their possible limitations. Having this basis, the organization will have to decide on the kinds of intermediates considered – from the sales force, representatives, own stores or internet –, to define then the number of intermediates, the rights and responsibilities of their member and which criteria used for evaluation of channel alternatives (economical and control criteria).

In order to Interact and understand the new business scenarios, according to Motta, Santos and Serralvo (2008, pp.46-48), it is necessary to study constantly the relations between the distribution channels. Until recently, retailers, industries and even marketing area of the companies worked in a not totally integrated way. This is one of the new challenges of the supply chains – the effective integration between the bonds which make the way of the products leading to the user consumer. At this context, the authors claim that the activities of trade marketing adequate “the strategy, structure and the operation of the company to the dynamics of the distribution channels, with the goal to better more profitable serve their clients”.

5. TRADE MARKETING

According to Davies (as cited in Alvarez, 2012, p.155) it is important for the industries to see the retailers not only as distribution channels, as this presupposes a position of Power that the manufacturer does not possess anymore nowadays. The retail channels is not a controllable variable of the industries, therefore, it is necessary to see it as a real client, who has fundamental importance to reach the final buyer. Like this, the manufacturer client obliges itself to optimize the actions at the retailer’s environment, once it is at this very place that the final consumer will develop the purchase process, having contact with the product, making up a positioning, feeling or not motivated to buy it, fulfilling like this the needs not only of the industry but also of the retail chain. At this context the concept of trade marketing arises, explained by Alvarez (2012, p.156) as the integration among marketing, Sales and the retail client to assure the products attractiveness at the retail, increasing its efficiency, generating Sales and influencing the consumer’s behavior.

D'Andrea (2012, p.116) emphasizes that trade marketing comprehends two important subjects from market area, not only the promotional aspects to influence the consumer's behavior but also the channels management to make the products available to this consumer. Manduca (2012, p.135) also opines that the complexity of the actions of trade marketing is related to its transformation in a strategic area for the distribution channels, not only for an operational area of actions at the Sales place, but also as activities of relations between industry and its channels, as focus on the understanding of the motivations and choices of the consumer, which reflects directly at the decision process of products purchasing and brands at the sales place. So, the activity trade marketing has influenced at the change of consumer's behavior, at the relations between industries and channels, at the arising of multichannel and its multi format.

At this context, Alvarez (2012, pp.156-157) claims that the main goal of actions of trade marketing is conquer the consumer at the Sales place, regardless of the segment analyzed, generating purchase impulse. For that, it is necessary strategies which guide the marketing areas and of sales, searching for integration between industries, retailers and the final consumers, applying them at the specific environment of the sales place. According to the author, it is necessary that trade marketing be wide, as it is necessary to structure the actions, not only strategic but also operational, which generate effective results in the long run, considering the relations between manufacturers and retailers, as well as positive results concerning the consumer's behavior at the sales place.

Alvarez (2012) emphasizes that:

Trade marketing must guide the logistics activities, understanding its functioning and capacity of reaction, their information needs and their operational procedures, as, only this way, it will be possible to assure the presence of a product at the Sales place with low rate of rupture. (p.160)

Liria (as cited in Almeida, Penna, Silva & Freitas, 2012, p.646) complements that trade marketing's attribution are share information, optimize merchandising techniques at the Sales place, enhance the commercial conditions, dynamize the offers of the distributors, and enhance the logistics processes.

Almeida, Penna, Silva and Freitas (2012, p.645) claim that the "execution of trade marketing would demand, like this, a detailed investigation of the shopper's behavior; defined as consumer during his purchase act, and he study of the most efficient ways to impact him at this act, increasing the sales in each channel". Without the collaboration between retailers and manufactures at the sharing of relevant information on the purchase moment, it is harder and harder for the industries to understand the shopper's needs. The authors still highlight that one of trade marketing's attribution is develop creative and feasible actions to obtain the increase of sales volume facing an environment that stimulates the shoppers. For that, it is necessary that the products are adapted to the distributors' specifications, as well as, to define specific promotions for each distributor, improving the information flow and intensifying the marketing activities at the sales place.

In this sense, Alvarez (2012, p.150) highlights that the new environment of relations between manufacturers and retailers must consider some essential issues:

- a) The preference of this final consumer is being disputed intensely between manufacturers and retailers, mainly for the latter being the one closest to the shopper;
- b) There must be logistical integration between manufacturers and retailers in order to manage the daily needs which involve stock, variety, news and products availability; and
- c) The power relations and of negotiation are more and more at the hands of retailers.

According to Parente and Barki's analysis (2014, p.1) retail has assumed a rising importance at the Brazilian business issues and around the world, playing a relevant role towards the distribution channels and, more extensively, at the supply chains. The process of negotiations, the degree of complexity of the contacts among the production chains, the direct contact with the final consumers' needs and the sensitivity that the sector shows facing the economy, make the retail show one of the greatest rhythms of transformation of the markets. These transformations also include: the professionalization at the sector, the decrease of profit margins, studies more and more detailed on the consumers' behavior, the influence of the promotional actions at the impulse purchases, the multiplication of new stores layout, relations with the industry, arising of retailers groups with great power of negotiation facing their providers and the application of marketing concepts at this highly changeable reality.

Parente and Barki (2014, pp.25-31) reflect on several aspects that can be considered as tendencies at the Brazilian retail. The authors remind that the globalization at the activities, products and brands will be even more intensified, with big international groups implementing their activities in Brazil, in several head offices: feeding, sports, clothing, construction material, among others. Besides, the power of negotiation of retail proves to be consolidated, at the same time that stores each time more specialized will live with big groups of mass

consumption, adding up the existence and multiplication of new stores layout. Parente and Barki (2014, pp.28-31) emphasize the necessary importance in relation to: information technology, human capital at the organizations, expansion of retail without stores – specially the e-commerce –, increase of services retail, bigger focus on relations marketing and worries about sustainability.

Other points exposed by the authors comprise the increase of purchase power at the basis of the social pyramids and the relevance of the positive experiences of purchases. In this sense, it is understood the purchase moment each time more considered as situations which must be pleasant, seen a lot of times as real entertaining. The environment turns to have even more importance to offer such experiences, trying to “enchant” the consumer during the purchase moment. Additionally, Mattar (2011, pp.30-39) reminds of the reality of the distribution multichannels, that is, the companies reaching their consumers by means of several channels, traditional or not, widening hugely the options of market serving.

6. DISTRIBUTION MULTICHANNELS AND OMNI-CHANNEL

In multichannel marketing, according to Kotler and Keller (2012, p.449), each distribution channel has as target-market a different segment of consumers, or even aims at serving different needs of the same clients. Under this model, a same company can use physical stores, sales catalogues, internet and telemarketing, for example. The companies that use marketing multichannels “must be careful so they work in harmony and answer to the preferred ways of doing business for each target-client. The clients expect a channel integration [...]”.

Rangaswamy and Van Bruggen (2005, p.6) explain that the use of multichannels allows the company to develop lasting relations with their clients, offering at the same time a great deal of information, products, supports (and combination of them). Like this, when synchronizing the activities of several channels, the organization makes their clients have fewer reasons or opportunities to search for a competitor. To make that possible, the authors emphasize the need for the company to use information Technologies which permit a common view to the clients, in different channels.

Still according to Rangaswamy and Van Bruggen (2005, p.7), the authors clarify that multichannel is different from multiple marketing channel. The use of multiple marketing channels foresees the company to use different distribution channels in order to attend different types and consumers segments, for example, “using personal Sales for big clients and using retailers for small clients”. The use of multichannels has as a goal to reach the same kinds of consumers by means of different channels, but integrated. The authors explain (2005, p.7-9) that the opportunities and the challenges associated to the distribution multichannels present a lot of questioning and possibilities for the academic research, citing:

- a) Which are the shoppers’ characteristics that use multichannels and what is its influence on the company’s performance?
- b) What is the strategic role of the multichannels? Is it a strategic need for the companies?
- c) Which organizational changings are necessary to provide the clients with an integrated system which allows positive experiences in all the channels?
- d) How can the change to multichannels systems affect relations in the long run?
- e) How do the companies have to allocate their resources at the multichannels?
- f) How do the eventual inconsistencies of information at the several channels used affect the satisfaction and the faithfulness of the client?

According to Noble, Shenkan and Shi (2009, pp.2-3) the consumers that frequently use more than one purchase channel spend more, comparing to that consumer who uses only one. Certainly, the authors claim, the use of multichannels for companies is a real challenge, as they need to be ready to serve the client in different contexts. Many times the contact channels act in distinctive ways, being that one must complement the others and, although they keep different performances, they can support and reinforce mutually their operations. Still according to the authors, it is necessary for the companies, to opt for working with multichannels, to understand how the consumer, the technology and the competitors are evolving. Parente and Barki (2014, p.407) emphasize that the several channels chosen by the company must have clear roles, that is, the consumer needs to know what to expect and will find in each channel, so, his expectations are not frustrated.

For Porto (2006, pp.62-63) multichannel is the opportunity, given to the consumer, to obtain the same product, from the same retailer, through multiple purchase channels. It can also be characterized the usage, by the industry, of several distribution channels in order to reach different consumers. The multichannel retail is used nowadays as a new competitive strategy for the retail companies, although, in practical terms, the effective operation of multichannel becomes very complex due to infrastructure issues and decision taking. “Issues like

products prices, products delivery logistics and options of offers are some examples of challenges which the companies that adopt multiple channels have to deal in order to profit from the synergy between the channels”.

A new concept, arising from the use of multichannels, according to Parente and Barki (2014, p.408), is **Omni-Channel**. This new approach is related to the Idea that the clients can Access the on-line information concerning the products even being inside a physical store, having contact with countless information, including promotions, prices advantages and negotiations. This new concept shows the need of two sales models – on-line and off-line – provide synergy to the sales. According to Cambridge Dictionaries (2014), the prefix Omni is related to “everywhere” or “all, everything”, being that the term Omni-Channel can be understood as an omnipresent or that involves the “everything” of the distribution process.

But nowadays it is not only the coziness, the price of the purchase place that make the people choose a product. Nowadays people look for purchase experiences. Being so, Omni-Channel brings this concept: the choice in not only punctual benefits, but also a purchase experience [...] Omni-Channel consists of a concept of a head office store where the consumer has Access to purchase from anywhere, be it from work, the own store or the competitor’s store. The salesman can be one on-line store, a physical store or a representative store or your product. The product delivery can be immediate, as to take the product at the store, or it can be by means of post Office service or transport to the client’s own house, office etc. This multitude of options is Omni-Channel (Parente & Barki, 2014, p.409).

It was from 2012 on, as it is explained by Dietrich (2014), that the ideas of Omni-Channel started to be disseminated, characterizing as one more challenge concerning the administration of distribution channels, working in synergic and coordinate way between them, “foreseeing the integration of processes like logistics, storage, distribution, clients’ attendance, data base and marketing”. That is because, under the perspective of this “new” consumer, it does not matter what ways he is buying something, but what really matters it the experience that he has with the purchase process itself, with the brand and the product. According to the author, this new scenario will impact all the consumption chain, and with that, the retail must be worried more and more in having as the main focus the consumer, offering flawless attendance and many other content possibilities, investing constantly in technology, new services, new store layouts and at the creation of a new value purpose, realized positively by the consumers.

Pires (2014) explains that in order to reach and attend this new kind of consumer, the retail needs to have syntony with the new Technologies, to understand the new clients’ needs and to make the purchase experience exciting. The author exemplifies that Centauro, one of the biggest sports products chain of Latin America, has already invested on Omni-Channel in Brazil. In order to effectively implant the system, the company integrated their distribution channels, invested on management systems, adequated their infrastructure and changed the electronic platform to make the consumer’s access more dynamic. “The experience of the consumer with the sports brand allows him to research at the store, buy it in e-commerce and come back to physical store in case he needs to exchange the product, that is, the e-consumer can go through calmly the paths between on-line and off-line as he likes it”.

The clients want everything. They want the advantages of the digital, like wide and Rich selection of product, tips and client’s opinions. They want the advantages of physical stores, like a personalized service, the capacity to change the product, purchase like an event and an experience. [...] different segments of clients value parts of purchase experience, but all of them are propense and want perfect integration between digital and physical (Rigby, 2011, p.69).

Winter (2012, p.16) is emphatic when he claims that suiting the new customer’s characteristics Omni-Channel is essential for the retail competitiveness. The author presents American retail data, showing that while a “multichannel client” spends, at the average, from 15% to 30% more than that of retail who only uses one kind of channel, an Omni-Channel client, spends from 30% to 60% more, when the company can answer to the multiplicity of habits of this client. Moreover, the consumer who interacts with Omni-Channel environments is more propense to faithfulness and to influence other people by means of social media. The earlier the retailer come to client with a multiplication of integrated channels, the bigger the probability to attract innovating consumers is – early adopters, something like initial adopters – and consequently to make part of their daily and lasting habits.

The retailers and brands are capable to interact with the clients through several channels – websites, physical stores, kiosks, mailer and catalogues, call centers, social media, mobile gadgets, games, televisions [...] and more. Unless you are not willing to adopt an entirely new perspective – one which

allows to integrate different channels in a unique and perfect experience omnichannel – it is probable that you lose relevance and disappear. Understanding and paying effort to create a new omnichannel experience is not an option, but a necessity (Winter, 2012, p.16).

7. CHALLENGES OF MULTICHANNEL AND OMNI-CHANNEL

Rosenbloom (2008, pp.114-115) emphasizes that a great deal of aspects of discussion which comprise the activities the distribution channels are based on the cooperation among the members of a supply chain, building viable relations to reach the goals of the distribution. Nevertheless, the author reminds us that the distribution channels are social systems and, therefore, are subject to environmental behavior and conflicts. Different from the competition aspect, the conflicts appear when the parties behave themselves as opponents in determined situation. Competition is inherent to the market, is it centered in a commercial proposal and it happens in an impersonal way.

Like this, the author lists some of the causes of conflicts which must be administered, even more at the process that involves a multiplicity of channels. These are the ones: shortage of roles clearly defined at the chain; shortage of resources; differences at the perception of the members of the channels; differences of expectations; disagreement on the decision control; incompatibility of aims and; communication difficulties, among other difficulties (Rosenbloom, 2008, pp.116-118). In this sense, Neslin et al. (2006, p.98) analyze that the hardest task is the channels strategies coordination, verifying the real integration between the different means to serve the client and also how the company will manage the relations with different partners and providers using the strategy of multichannels.

There are several challenges presented for the use of multichannels and Omni-Channel, as it is exposed by Neslin et al. (2006, pp.96-98), when they claim that the first problem to be solved is the integration of clients' data in all the channels. Like this, it is necessary for the companies to define how the marketing activities might benefit from this integration, what level of this process would be ideal and if the values spent are rewarding, according to the consumer's purchase profile.

Furthermore, the authors explain that understanding the consumer's behavior in a multichannel environment also is characterized as one of the challenges to be overcome, as with this scenario, new behavioral and psychographic characteristics arise from the clients, redefining segments already established previously and even faithfulness levels. Therefore, it is necessary that the companies evaluate the use of each marketing channel, trying to identify its performance, its effective contribution for the organizational profitability, its synergy, whatsoever, to verify what the aggregated levels are and differentials offered towards the consumers.

When there is the effective channels' integration at the contact places with the consumers this permits several benefits for the marketing of the company, just like it is observed by D'Andrea, Cònsoli and Guisconi (2011, pp.164-165). Marketing planning is benefited, as there is global follow-up of the client's behavior, just as it happens a wider exposure to the brands, due to the channels multiplication. The companies then begin to have a greater number of contact places in order to "educate" the consumers about the advantages offered, integrating the virtual and the physical, besides facilitating the routing of resources invested on the promotional efforts.

In this sense, Valos (2009, p.199) also claims that the fact the consumers "move themselves" among the channels at the different phasis of the purchase process, also characterizes one of the difficulties using multichannels, as these are distinctive moments of the relations and that companies need to be ready. Even the workers can be a burden to be overcome, as serving consumers in different moments of the purchase might influence their motivation. The team needs to adopt the procedures and policies in order to offer proper experiences to the clients.

Despite of countless challenging points for marketing, Brynjolfsson, Hu and Rahman (2013, p.29) point some business opportunities arising from the behavioral changings and use of the strategies in Omni-Channel. The authors believe that in the future many retailers will look for personalization at the products offered to the consumers, this will add up more complexity to the relations with the manufacturers. With this probable scenario, the industries will need to be more skillful and viable for the production in smaller batches, offering exclusive products and with originality. All of this will compel even more the collaboration between the retail and industry, intensifying the processes of market segmentation.

The authors also foresee that the technology will be omnipresent at Omni-Channel, reducing the geographic barriers of availability of products and breaking "partitions" between the roles of the retailers and the industries. Even though, the authors believe, that even with a considerable increase of competition among the companies

and their different channels, the business opportunities will increase for the retailers and other constituents of the supply chain which dedicate to know their clients, obtaining competitive advantages.

Frazer and Stiehler (2014, p. 656) argument that despite of some companies have already tried to adopt activities Omni-Channel in retail and realized the challenges for a true channel integration, the retailers must recognize that the goal is create an integrated experience, which is called “experience Omni-Channel” by the authors. So, they must be capable of improving even better the purchase experience, approaching their strategies of an experimental marketing perspective, acting at the contact places with the consumers, providing stimuli and evoking the “feeling, thinking and acting” in all the channels, assuring a better uniformity at the different channels. The discoveries at this new environment may help to determine the important contact places that the retailers need to use, assuring better experiences to the consumers. It is quite appropriate the analysis of D’Andrea, Cònsoli and Guissoni (2011, p.167), when they claim that the “distribution channels, sales and communication are really melting into a unique platform realized by the shoppers”. Certainly a multichannel environment, and even more Omni-Channel, demands from the companies new strategic marketing guidances.

8. FINAL CONSIDERATIONS

In an even colloquial way, it is possible to claim that Marketing “is part of a series of promises” to the consumers. It promises that the product will fulfill the need of this consumer, it promises that when buying the product the client will be doing the best deal possible, it promises status, it promises self-achievement, it promises benefits, it promises quality characteristics, it promises to follow deadlines, it promises the best experience during the purchase moment, in short, it promises that the exchanges realized at that moment were rewarding for the consumer and that the company wishes to continue participating of their life.

In order to accomplish these and so many other promises, the marketing activities need processes organization, implements in its management, controls at their execution, improvements at the results and better improvement of the available resources. At this moment, it is realized the need of Logistics. This area is commonly confused as synonym for transports. Just like many people still confuse Marketing and Advertising, as it is well observed by Campomar and Ikeda (2006), the transportation area is one component of Logistics processes, but it is not characterized as its main or unique activity. It is worthy emphasizing the issue exposed by Bowersox and Closs (2001, pp.64-66), when they emphasize that it is really hard to perform any activity of production and of marketing without logistics basis at the organization of all the processes which make these areas. Logistical support is important so that the products are available to the consumers at the proper places and the desired time. Logistics involves the organization process, planning and execution of productive and commercial activities, combining operational and strategic aspects.

Another aspect presented in this article, which still generates controversies at the academic environment, is the Trade Marketing. As observed at the paraphasis of several authors, Trade Marketing contemplates activities which aim at conquering the consumer at the Sales place, generating sales impulses. Thence its connection to the retailer sector, but not only at the Sales environment. It is necessary previous activities to influence the consumer and strategies which guide the marketing and sales areas, searching for integration between industries, retailers and the final consumers, applying them at the specific environment of the sales place. To this end, it is also necessary the processes control – logistics – being a tool for the relations of the links of the supply bonds.

The Trade Marketing activity must guide the logistics activities, understanding its functioning and reaction capacity, its needs of information and its operational procedures, as only this way it will be possible to assure the presence of the producers at the Sales-places with low breaking rate (Alvarez, 2008, p.94).

So, with interconnection between the concepts of Marketing, Logistics and Trade Marketing, it is analyzed the need to make it available at the market even more distribution channels that fulfill and overcome the consumers’ expectations. Multichannel activity presents a series of challenges so that it is effective and consistent. Rangaswamy and Van Bruggen (2005, p.7-9) present in a very objective way the big challenges associated to the distribution multichannels:

Which are the shoppers characteristics that use multichannels and what is its influence on the company’s performance? What is the strategic role of the multichannels? Which organizational changings are necessary to provide the clients with an integrated system which allows positive experiences in all the channels? How do the eventual inconsistencies of information at the several channels used affect the satisfaction and the faithfulness of the client? And in very pertinent way, the authors still interrogate “How can the change to multichannels systems affect relations in the long run?”

The information presented throughout the article take into consideration that the multichannels systems will really change the dynamics, logistics and the requirements of the consumer market. Nonetheless, many aspects of multichannel lack of analysis even more detailed, deserving specific research, due to its pertinence. The multiple retail lay outs – e-commerce, whole-retail, neighborhood stores, shopping malls, specialty stores, among others – prove not to be trend, but characterized as a deep alteration at the way people find products, how they behave at the purchase moment and the level of expectancy generated by these attendance options.

One aspect that was for us very evident, is the transformation of concept of “distribution channels” in a new and wide model of “marketing channels”. So, we analyzed the reason why what was previously contemplated under the umbrella of marketing channels –not only the distribution system, but also the communication tools –, in a wider way since the nomenclature presents the term “marketing”, at this moment the two areas (distribution and communication) seem to use each time more convergent. We wonder if the tools of the compound of Marketing related to the “P” as in Promotion and those linked to “P” as Place of Sales and Distribution, will be together more and more, superseding, integrating, many times confusing themselves at the influence of the consumer behavior? According to exposed by the authors, the answer heads to a “yes”, once that the alternative channels can also be considered many times a way of communication, as the channels mobile and the physical environment of the stores turn into experiences of communications and senses.

In this sense, the experiences that the consumers look for when buying, regardless of the moment and place, are each time depending on the actions of mobile channels and the communication tools, but without leaving aside the importance of the physical experimental, promoted by the sales environment. Physical and virtual are interconnected, the consumer has several roles, his behavior is more complex. The challenges to serve this Omni-Consumer, by means of Omni-Channels, will demand each time more changings and updates at the logistic processes and at the strategies of companies’ marketing.

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