

## Deliver on the Omnichannel Retail Promise with RFID Brand Labels

In recent years, omnichannel has been touted as one of the most promising new business marketing strategies worldwide... and there is a very good reason for this. The omnichannel approach offers significant opportunities to increase profits and brand loyalty by creating a seamless, integrated, customer-centric experience at every consumer touch point across all channels, both real and virtual.

Omnichannel helps realize the increased customer satisfaction that results from placing the customer at the center of your business. This allows you to respond to their needs promptly and appropriately, creating a deeper, richer experience for the customer.

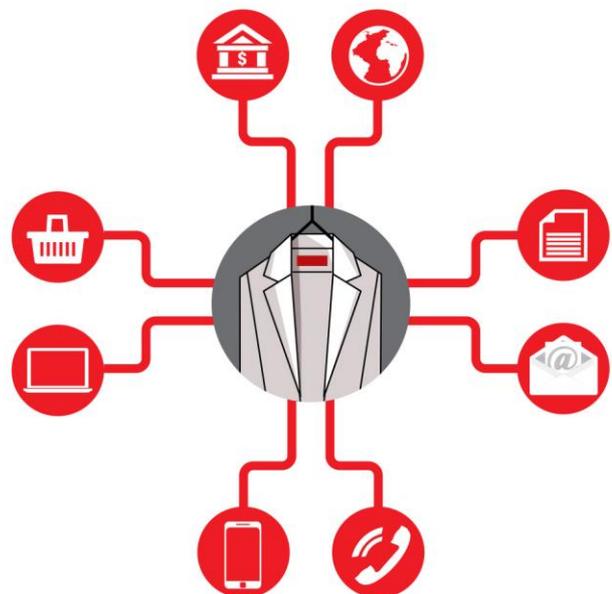
The true power of omnichannel is the ability to collect data that provides valuable insight into buying habits and preferences, offering a priceless opportunity to [differentiate and personalize](#)<sup>1</sup> marketing to the consumer. By leveraging this rich data, a retailer can create a complete, 360-degree profile of each customer based on purchase history, shopping behavior, preferences and demographics, providing the keys that unlock today's retail marketing success.

### Omnichannel Challenges in Retail

Given the number of channels through which today's retailers interact with customers – phone, social media, website, in person – many retailers struggle with how to get started building a multi-channel, customer-centric experience.

One prerequisite for success is to have processes in place that allow order fulfillment “from anywhere, to anywhere”, whether the order was placed online, by phone or in-store. This can be a daunting prospect, particularly when inventory is spread out across supply chains, storerooms and fulfillment warehouses. Smaller retailers may even source online orders from the sales floors.

Imagine a customer makes a purchase online, the website indicates the product is available, and the customer chooses to pick up the product in-store. However, when the customer arrives the product is not there, due to outdated inventory information. Or the customer requests home delivery of the product, a delivery date is promised, but the timeline can't be met because the last item in that particular size and color was sold yesterday.



Without reliable, updated inventory data, a retailer risks customer dissatisfaction, damage to their reputation and lost brand loyalty when an item is promised for immediate pickup or delivery, only to find out that it is not available. In fact, the repercussions of customer disappointment can be even greater with online purchases, because you may not be aware how unhappy they are without face-to-face contact. Handling these situa-

tions is more difficult and damaging than having an upset customer in the store, where staff have the opportunity to make amends.

In an effort to avoid these potentially disastrous issues caused by inaccurate inventory information, many retailers try to build up stock buffers in their inventory. The costs of carrying, managing and storing this excess stock inventory can make a sizeable dent in your profits. Depending on the type of goods, inventory costs can run as high as 25 to 40 percent of the item's value.

Fortunately, today's retailers have access to RFID technology to achieve the real-time, item-level inventory management necessary for effective and reliable omnichannel fulfillment. Moreover, many retail experts believe that true omnichannel retailing is not even possible without RFID.

RFID enables up-to-the-minute visibility into a retailer's complete stock inventory – wherever it is located – with [up to 99 percent](#)<sup>2</sup> accuracy, which is critical to building a reliable omnichannel order fulfillment process. This ubiquitous inventory intelligence allows savvy retailers to create a positive customer experience across all channels, differentiating themselves from the competition and driving customer loyalty.

### **TexTrace Makes the Difference**

As online sales continue to increase, it's not surprising that the number of product returns is growing as well. Research shows that online consumers return [20 to 30 percent](#)<sup>3</sup> of apparel and other soft goods purchases, and some retailers experience up to 50 percent return of merchandise. Regardless of which channel a customer uses to make the purchase and where the product is actually picked up or delivered to – time, efficiency and reliability are of the essence in the return process.

TexTrace integrates item-level RFID tagging into an innovative, woven brand label that is sewn-on to each item securely and discreetly. Unlike some other labels that have a bulky, stiff laminate, the woven brand label is comfortable and familiar for the consumer. With the [TexTrace® Woven RFID Brand Label](#) attached from the start, tracking and managing returns is faster and easier, eliminating hassles for both the customer and retailer, as well as reducing return fraud.

Furthermore, the woven RFID brand label provides reliable electronic article surveillance (EAS) without unsightly EAS hard tags or RFID hang tags that can be lost or ripped off. With an accurate inventory system including EAS enabled by RFID, you have visibility into exactly what went missing, making it easier to replenish items right away and reduce the potential of missed sales due to out-of-stocks (OSS) or not-on-shelf-but-on-stock (NOSBOS) situations. And because the brand label is the key element to the value of the item and sewn on, thieves are not likely to remove it, resulting in less items being stolen overall.

Likewise, the TexTrace Woven RFID Brand Label delivers brand protection and authentication, offering the customer the full product history and reassurance that a product purchased online is genuine. The sewn-on woven RFID label stays with the item, providing a simple solution to remain connected with the consumer through the lifetime of the purchased product. And because it remains with the product, the RFID brand label can be used to prove or disprove authenticity of the item even after the sale, for example, in the event of a legal challenge.

Results published by [Auburn University](#)<sup>4</sup> note that frequently, more than one RFID tag is attached to an item accidentally, leading to confusion and unnecessary expense. Other times, no tag is attached prior to distribution, risking loss of the item. With the TexTrace RFID brand label sewn onto the item from the start in manufacturing, you can be sure that each item will have a tag, and only one tag, saving time and money while tracking the asset throughout the supply chain.

The groundswell of omnichannel popularity offers retailers both opportunities and challenges, necessitating a move from tactical programs to an integrated, cohesive approach focused on engagement. The TexTrace woven RFID brand label delivers a tailor-made solution to take full advantage of omnichannel with accurate inventory, simplified returns, reliable security and brand protection.

As the natural progression of omnichannel continues to set the bar higher for customer engagement, the TexTrace brand label allows retailers to implement creative new promotions to maximize customer loyalty, retention and marketing. Just imagine the day when a future customer will routinely get updates on new store openings, sales and VIP events by reading the woven RFID brand label in their new dress or handbag. With the promise of TexTrace RFID, that day is at hand.

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### About TexTrace

[TexTrace](#) designs and produces woven RFID brand labels to match the look and feel of your brand. Consulting and services complete our offering - you can count on our full support in realizing your RFID vision. Our know-how in integrating electronics into textile is unique: TexTrace's leading proprietary technology is protected by more than 10 patents and trademarks.

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<sup>1</sup> <http://www.kurtsalmon.com/en-us/Retail/vertical-insight/1315/Omnichannel%27s-Impact-on-Loyalty>

<sup>2</sup> <http://www.retailsolutionsonline.com/doc/improved-inventory-accuracy-clinches-the-business-case-for-item-level-rfid-0001>

<sup>3</sup> <https://www.internetretailer.com/2013/05/29/reducing-rate-returns>

<sup>4</sup> [http://www.rfidjournal.com/files/259/hardgravePanel\\_apr15\\_245\\_retailApparelWorkshop.pdf](http://www.rfidjournal.com/files/259/hardgravePanel_apr15_245_retailApparelWorkshop.pdf)