

## Features

7/31/2017

# The Multi-Channel Retailing Conundrum

*Jennifer Polanz*

It's an interesting juxtaposition. I've been to The Garden Corner in Tualatin, Oregon, and it's about as inspirational as you can get. But owner Jonn Karsseboom also makes an effort to have an online sales presence. To continue the discussion of independent garden retailers and selling online (see last month's story "Are Online Sales Worth the Investment?"), here are some of Jonn's thoughts on the subject.

**JP: Do you believe this (selling online) is necessary for a garden retailer to stay profitable in the future?**

**Jonn Karsseboom (JK):** I don't think selling online is going to determine whether a garden center is overall profitable or not. The better question perhaps, and this goes with everything that we do, is this something that can be a profitable venture? Can we be ultra-efficient so that there are enough customers for our effort that are happy to pay the price that we need? Or, on another extreme, can we offer something so unique that there isn't a readily handy price comparison?



**JP: What are the pros and cons of selling online?**

**JK:** When we first started selling online several years ago I honestly thought that if I could get just one customer from each state of the country I'd have 50 extra sales per day. It would be almost like a Zen flow of passive money without too much extra effort. Not the case.

Here's the truth: While we sell the same stuff as our physical store, it isn't the same business, which means that our expectations short term and long term are much different. Here's an example: In our physical store, we'll look at average sale ... is it on the rise? For our online store, a sale may be \$4.99, which we may have had to pack and ship. But if we got a great online review, well, that's hard-earned trust currency. It's a completely different metric.

**JP: What's the majority of your online business: shipping locally, shipping longer distances or in-store pickup?**

**JK:** In-store pick up by customers that have shopped with us before. But it gets more complicated than that, however. Is it dollar amount? Number of transactions? Any way we slice it, it's still much too early to tell what may happen going forward. What's worse is that it's difficult to plan going forward.

**JP: What are some of the challenges you've faced with selling online?**

**JK:** Here's the strange crux of the problem: We work like crazy to make our physical store a place our customers would love to come and shop and discover and to buy. (I still think that 90% of our sales can be considered an impulse.) Yet shopping online in many ways is just the opposite of that. It's impersonal, it's one dimensional (price and picture) and it's stripped of anything resembling romance. Yet that brings an important lesson for us. In the end, for many, it isn't about our store or structure or display or even our amazing people. It's all about our customer. There's a segment that wants what we have to sell, but doesn't care for anything extra ... and this includes wasting their time.

Yet, here's Amazon; the far and away top online seller, looking for opportunities to expand by brick and mortar. I'm honestly not sure who may be crazier. The brick and mortar attempting to create an online presence or the online king attempting to have a more physical presence? These are exciting times indeed. **GP**