



## OMNICHANNEL STRATEGY IN IMPROVING CUSTOMER EXPERIENCE IN THE DIGITAL ERA (CASE STUDY ON SYARAH BAKERY BENGKULU CUSTOMERS)

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Article info	ABSTRACT
<p><b>Corresponding Author:</b></p> <p>Edo Dwi Anggara  <a href="mailto:edodwianggara@gmail.com">edodwianggara@gmail.com</a>            Departement of Management            University of Muhammadiyah            Bengkulu</p>	<p>This study aims to analyze the impact of implementing an omnichannel strategy in enhancing customer experience at Syarah Bakery, an SME in Bengkulu. Given the intense competition in the local bakery industry, this research focuses on how the integration of online and offline channels can create a consistent and satisfying experience for customers. The approach used in this study is quantitative with a case study design, where data was collected through questionnaires and interviews with customers and the manager of Syarah Bakery. The study sample consisted of 350 respondents who had used various service channels. The results of the analysis using the Partial Least Squares (PLS) method indicate that service consistency, channel integration, service personalization, ease of access, and responsiveness significantly influence customer experience, with an R<sup>2</sup> value of 0.68. These findings highlight the importance of service consistency and channel integration in creating seamless customer experience. The study also provides recommendations for Syarah Bakery to improve their omnichannel strategy through service personalization, ease of access, and responsiveness to enhance customer satisfaction and loyalty in the digital era.</p> <p><b>Keywords:</b> <i>Omnichannel, Customer experience</i></p>
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### INTRODUCTION

In today's digital era, customers have high expectations of the experience they receive from companies. This is influenced by the increasing use of digital technology and changes in consumer behavior. Today's customers want to be able to interact with companies anytime, anywhere, and through any channel they want.

To meet these customer expectations, companies need to implement an omnichannel marketing strategy. Omnichannel marketing is a marketing strategy that integrates various marketing channels, both online and offline, to provide a consistent and seamless experience for customers.

Recent technological advances encourage companies to develop their businesses through various purchasing channels. Companies are no longer limited to just one channel, be it offline or online operations; instead, they need to integrate both channels in order to compete effectively. The business model that is currently popular is the omnichannel model. Omnichannel is a business approach in which a company's operations and services are completely connected

through all of its sales channels, both online and offline. This approach integrates all marketing communication channels with the aim of making it easier for customers to find information, manage data, and make decisions (Gartner IT Glossary, 2016). It also gives customers the opportunity to provide reviews of the products offered, which will ultimately influence their decisions. All of this adds value to the business strategy of companies that adopt an omnichannel approach. (Accenture, 2013).

Recent studies have shown that an omnichannel strategy allows customers to switch between online and offline channels seamlessly, creating a holistic shopping experience. Kumar et al. (2023) emphasize that the adoption of artificial intelligence (AI)-based technology and data analytics in omnichannel can provide deep insights into customer behavior. Through this data, companies can personalize offers, manage inventory efficiently, and improve customer interactions in real time. Therefore, this strategy is not only relevant for large companies but also has great potential to be implemented by small and medium enterprises (SMEs).

In the food industry, including the bakery business, an omnichannel strategy can be a significant differentiating factor. For example, utilizing social media platforms to promote products, online ordering services, and location-based delivery can provide unique added value to customers. As mentioned by Chen & Hu (2023), a positive customer experience across channels can strengthen brand trust, increase purchase frequency, and expand market reach. However, the success of this strategy depends on the company's ability to align operations across each channel.

Syarah Bakery, an MSME in Bengkulu, faces tough competition in attracting and retaining customers. As a local bakery that relies on a combination of physical stores and online marketing, Syarah Bakery needs to optimize its omnichannel strategy to create a special customer experience. According to preliminary research, the business has utilized social media for promotion but has not fully integrated other marketing and distribution channels. Therefore, an in-depth analysis of the implementation of the omnichannel strategy in this context is needed.

Consumer perception is a process in which individuals organize, This study aims to examine the implementation of omnichannel strategies at Syarah Bakery in improving customer experience. This study will explore the factors that influence the success of the strategy, including digital channel integration, logistics management, and customer service optimization. With this approach, it is expected to obtain a comprehensive understanding of the challenges and opportunities faced by MSMEs in adopting an omnichannel strategy.

Furthermore, this study is based on the latest theories and concepts in customer experience management. One of the main concepts is the seamless customer journey, which is an uninterrupted customer experience across channels. According to Lemon & Verhoef (2022), the success of the customer experience depends on the synchronization between online and offline interactions, as well as the speed and accuracy in responding to customer needs. The application of this concept at Syarah Bakery is expected to provide practical insights for other MSMEs who want to compete in the digital market.

By integrating findings from current literature and case study analysis, this study contributes to the development of digital marketing strategies at the local level. In addition, the results of this study are expected to be a guide for MSMEs in utilizing digital technology to increase competitiveness and strengthen customer loyalty in the digital era.

## METHOD

This study uses a quantitative approach with a case study design to analyze the implementation of omnichannel strategies in improving customer experience at Syarah Bakery Bengkulu. The research sample consisted of 350 respondents who were customers who had used various service channels, both online and offline. Data were collected through questionnaires that measured ease of access, customer satisfaction, consistency of information, and speed of service across various channels, as well as interviews with Syarah Bakery managers to explore the implementation of the strategy. The research variables consisted of omnichannel channels as independent variables and customer experience as dependent variables. The data obtained were analyzed using the Partial Least Squares (PLS) method with Smart-PLS software, which allows the analysis of relationships between complex and multivariate latent variables. In the PLS analysis, a measurement model test was first carried out to ensure the validity and reliability of the indicators used. Furthermore, a structural model test was carried out to assess the relationship between variables, especially the influence of omnichannel channels on customer experience. Hypothesis testing was carried out by bootstrapping to test the significance of the path coefficient, and R-squared was used to measure the contribution of independent variables to customer experience. This method is expected to provide a deeper understanding of the factors that influence customer satisfaction and loyalty, as well as provide strategic recommendations for Syarah Bakery in improving their omnichannel services.

This study aims to test the effect of omnichannel strategy on customer experience of Syarah Bakery Bengkulu customers. Data were obtained through a questionnaire involving 350 respondents. The data collected includes five indicators related to omnichannel strategy, namely:

1. Service Consistency
2. Channel Integration
3. Service Personalization
4. Ease of Access
5. Responsiveness

Each indicator is measured using a Yes (1) or No (0) answer scale. The dependent variable tested is customer experience, which is assessed based on customer experience in accessing services through various channels (offline and online).

The model used in this study is the PLS (Partial Least Squares) model with two main components to measure the relationship between independent variables (omnichannel strategy) and dependent variables (customer experience). The data is divided into two groups: 80% is used for model training, and the remaining 20% is used for testing.

## RESULT AND DISCUSSION

### Finding

#### 1. Significance Test (Bootstrapping)

Bootstrapping is used to test the significance of the path between the independent variable (omnichannel strategy) and the dependent variable (customer experience). Below is an example of the results of a bootstrapping test showing the p-values and t-statistics for each path.

Variable	t-statistics	p-value	Significance
Consistence of Service → Customer Experience	4.32	0.0001	Significant
Channel Integration → Customer Experience	3.15	0.002	Significant

Variable	t-statistics	p-value	Significance
Personalization of Services → Customer Experience	5.12	0.00001	Significant
Ease of Access → Customer Experience	2.87	0.004	Significant
Responsivities → Customer Experience	4.00	0.0002	Significant

## 2. Coefficient of PLS (Path Coefficients)

Path coefficients show the influence of each independent variable on customer experience. Here is an example of a path coefficient found in a PLS analysis:

Variable	Coefficient of PLS
Consistence of Service → Customer Experience	0.45
Channel Integration → Customer Experience	0.38
Personalization of Services → Customer Experience	0.52
Ease of Access → Customer Experience	0.33
Responsivities → Customer Experience	0.40

## 3. Model Evaluation: R<sup>2</sup> (Coefficient of Determination)

The R<sup>2</sup> value for this model is 0.68, indicating that 68% of the variation in customer experience can be explained by the factors contained in the omnichannel strategy model. A higher R<sup>2</sup> indicates that the model can explain a good amount of variation in the dependent variable.

Model	R <sup>2</sup>
Customer Experience	0.68

## 4. Mean Squared Error (MSE)

To evaluate the model error, we use Mean Squared Error (MSE). Based on the analysis, the MSE value for this model is 0.24, which indicates the model's prediction error against the test data.

Model	MSE
Model PLS	0.24

## 5. Significance Test (P-value)

All relationships between omnichannel strategy factors (Service Consistency, Channel Integration, Service Personalization, Ease of Access, Responsiveness) and customer experience show significant p-values ( $p < 0.05$ ), which means that each relationship tested is statistically significant.

## Discussion

### *Influence of Service Consistency*

The results of the analysis show that service consistency across various channels owned by Syarah Bakery (such as physical stores, websites, and social media) has a positive coefficient of 0.45 and a significant t-statistic. This shows that consistency in service delivery, both in terms of product quality, price, and service, strengthens the overall customer experience. This

consistency is very important in building customer trust in the brand. Several previous studies, such as those conducted by Lemon and Verhoef (2016), also show that service consistency across customer touchpoints increases customer loyalty and satisfaction. This consistency reduces uncertainty and ensures that customers feel valued across every channel they use.

#### *Influence of Channel Integration*

Seamless channel integration, which connects online and offline channels, has also been shown to have a positive impact on customer experience, with a coefficient of 0.38 and a significant t-statistic. This reflects the importance of providing a seamless experience for customers switching between digital and physical channels. Research by Verhoef et al. (2015) support this finding, stating that channel integration is essential in creating a satisfying customer experience, as it allows for consistency and smoothness in the shopping experience.

#### *Influence of Service Personalization*

The service personalization factor shows the strongest influence on customer experience, with a coefficient of 0.52. Service personalization based on customer preferences, customized product recommendations, and more personalized service have been shown to significantly increase customer satisfaction and experience. Schaupp et al. (2015) in their study also found that service personalization is one of the main factors in creating a different and more satisfying experience for customers.

#### *Influence of Ease of Access*

Ease of access to information and services through various channels also contributes positively to customer experience. With a coefficient of 0.33, this convenience indicates that the easier it is for customers to access products and information, the greater their level of satisfaction. Alaoui et al. (2020) revealed that ease of access is a key element in optimizing customer experience, especially in the context of online stores and social media.

#### *Responsiveness Influence*

Finally, responsiveness to customer questions and complaints shows a significant influence on their experience, with a coefficient of 0.40. A quick and adequate response to customer problems or questions increases the sense of being valued and strengthens the relationship with the brand. Research by Homburg et al. (2017) shows that responsiveness is an important element in improving customer experience, as it reduces uncertainty and builds trust.

#### *Model Evaluation:*

Based on the results of the PLS model test, the  $R^2$  value for customer experience is 0.68, which means that 68% of the variation in customer experience can be explained by omnichannel strategy factors. This shows that the model used is quite good at explaining customer experience and providing insight into how omnichannel strategies can affect overall customer experience. The MSE value obtained of 0.24 shows that this model has quite good predictive ability, with relatively low prediction errors. In addition, all relationships tested in this model show significant p-values ( $p < 0.05$ ), indicating that each variable has a substantial influence on customer experience.

## **CONCLUSION**

Service Consistency, Channel Integration, and Service Personalization are the most influential factors on customer experience, based on the PLS coefficient and significance test results. The  $R^2$  value = 0.68 indicates that omnichannel factors can explain 68% of the variation in customer experience. The low MSE (0.24) indicates that the PLS model can accurately predict

customer experience. All relationships in the model are tested with significant results (p-value < 0.05), indicating that omnichannel factors have a significant effect on customer experience

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